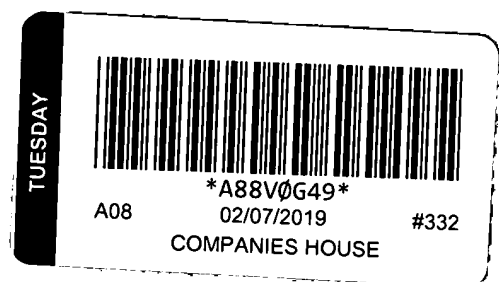


LAVER REGENERATION LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018



LAVER REGENERATION LIMITED

COMPANY INFORMATION

Directors	A J Laver M R Bower
Secretary	M R Bower
Company number	00267843
Registered office	Bramall Lane Sheffield S2 4RJ
Auditor	BHP LLP 2 Rutland Park Sheffield S10 2PD

LAVAR REGENERATION LIMITED

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LAVER REGENERATION LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present the strategic report for the year ended 31 December 2018.

Review of the business

The principal activity of the company continued to be that of property development.

The business is now fully focused on its property activities, all of which are progressing well and are expected to be successfully delivered over the coming years.

On behalf of the board



M R Bower

Director

25 June 2019

LAVER REGENERATION LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their annual report and financial statements for the year ended 31 December 2018.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

A D Laver	(Resigned 13 November 2018)
A J Laver	
M R Bower	
P Guest	(Resigned 13 November 2018)
N F T H Petrie	(Resigned 13 November 2018)

Results and dividends

The results for the year are set out on page 6.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Auditor

In accordance with the company's articles, a resolution proposing that BHP LLP be reappointed as auditor of the company will be put at a General Meeting.

Statement of disclosure to auditor

Each of the directors in office at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



M R Bower

Director

25 June 2019

LAVER REGENERATION LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LAVER REGENERATION LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LAVER REGENERATION LIMITED

Opinion

We have audited the financial statements of Laver Regeneration Limited (the 'company') for the year ended 31 December 2018 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

LAVER REGENERATION LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF LAVER REGENERATION LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

John Warner (Senior Statutory Auditor)
for and on behalf of BHP LLP

25 June 2019

Chartered Accountants
Statutory Auditor

2 Rutland Park
Sheffield
S10 2PD

LAVER REGENERATION LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2018

		ended 31 December 2018 £	Period ended 31 December 2017 £
	Notes		
Turnover	3	280,702	89,722,372
Cost of sales		(766)	(65,293,989)
Gross profit		279,936	24,428,383
Distribution costs		(367)	(17,138,522)
Administrative expenses		(343,282)	(6,293,263)
Exceptional income	4	-	3,327,333
Operating (loss)/profit	5	(63,713)	4,323,931
Interest receivable and similar income	9	65,149	113,923
Interest payable and similar expenses	10	(588,732)	(733,282)
Gain on transfer of timber business		-	6,000,000
(Loss)/profit before taxation		(587,296)	9,704,572
Tax on loss/profit	11	111,000	1,054,810
(Loss)/profit for the financial year		(476,296)	10,759,382

The company's timber business was transferred to Arnold Laver & Company Limited on 31st March 2017 as part of a group demerger.

LAVER REGENERATION LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2018

	2018 £	2017 £
(Loss)/profit for the year	(476,296)	10,759,382
Other comprehensive income		
Revaluation of tangible fixed assets	-	(2,750,000)
Total comprehensive income for the year	<u>(476,296)</u>	<u>8,009,382</u>

LAVER REGENERATION LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018		2017	
		£	£	£	£
Fixed assets					
Investment properties	13	40,284,032		41,290,714	
Investments	14	11,286		11,286	
		<u>40,295,318</u>		<u>41,302,000</u>	
Current assets					
Debtors falling due after one year	15	52,168,699	50,014,164		
Debtors falling due within one year	15	6,710,069	5,754,926		
Cash at bank and in hand		1,301,162	39,496		
		<u>60,179,930</u>	<u>55,808,586</u>		
Creditors: amounts falling due within one year	16	<u>(4,575,870)</u>	<u>(19,423,165)</u>		
Net current assets		<u>55,604,060</u>		<u>36,385,421</u>	
Total assets less current liabilities		<u>95,899,378</u>		<u>77,687,421</u>	
Creditors: amounts falling due after more than one year	17	(13,382,779)		(15,580,291)	
Provisions for liabilities	19	-		(31,000)	
Net assets		<u>82,516,599</u>		<u>62,076,130</u>	
Shareholders loans		20,916,765		-	
Capital and reserves					
Called up share capital	22	107,378		107,378	
Revaluation reserve		21,210,023		21,210,023	
Capital redemption reserve		9,728		9,728	
Profit and loss reserves		40,272,705		40,749,001	
Total equity		<u>61,599,834</u>		<u>62,076,130</u>	
		<u>82,516,599</u>		<u>62,076,130</u>	

The financial statements were approved by the board of directors and authorised for issue on 25 June 2019 and are signed on its behalf by:



M R Bower
Director

Company Registration No. 00267843

LAVER REGENERATION LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Share capital £	Revaluation reserve £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 July 2016		107,378	23,960,023	9,728	67,916,771	91,993,900
Period ended 31 December 2017:						
Profit for the period		-	-	-	10,759,382	10,759,382
Other comprehensive income:						
Revaluation of tangible fixed assets		-	(2,750,000)	-	-	(2,750,000)
Total comprehensive income for the period		-	(2,750,000)	-	10,759,382	8,009,382
Dividends	12	-	-	-	(37,927,152)	(37,927,152)
Balance at 31 December 2017		107,378	21,210,023	9,728	40,749,001	62,076,130
Year ended 31 December 2018:						
Loss and total comprehensive income for the year		-	-	-	(476,296)	(476,296)
Balance at 31 December 2018		107,378	21,210,023	9,728	40,272,705	61,599,834

LAVER REGENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Company information

Laver Regeneration Limited is a private company limited by shares incorporated in England and Wales. The registered office is Bramall Lane, Sheffield, S2 4RJ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include investment properties at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Laver Regeneration Holdings Limited. These consolidated financial statements are available from its registered office.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for rental of investment properties.

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

LAVER REGENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

LAVER REGENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

LAVER REGENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

LAVER REGENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2018 £	2017 £
Turnover analysed by class of business		
Timber operations	-	89,611,086
Property	280,702	111,286
	<u>280,702</u>	<u>89,722,372</u>
	2018 £	2017 £
Other significant revenue		
Interest income	65,149	113,923
	<u>65,149</u>	<u>113,923</u>

The company's Timber operations were discontinued on the 31 March 2017.

4 Exceptional items

	2018 £	2017 £
Exceptional income	-	(3,327,333)
	<u>-</u>	<u>(3,327,333)</u>

Exceptional income is the release of a provision made previously under the company's Long Term Incentive Plan. In the opinion of the directors, this provision is no longer required and was released at the year end.

LAVER REGENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

5	Operating (loss)/profit	2018 £	2017 £
	Operating (loss)/profit for the year is stated after charging/(crediting):		
	Depreciation of owned tangible fixed assets	-	537,658
	Depreciation of tangible fixed assets held under finance leases	-	462,009
	Profit/(loss) on disposal of tangible fixed assets	(5,735)	2,795
	Operating lease charges	-	451,625
		<u></u>	<u></u>

6	Auditor's remuneration	2018 £	2017 £
	Fees payable to the company's auditor and associates:		
	For audit services		
	Audit of the financial statements of the company	7,500	20,000
		<u></u>	<u></u>
	For other services		
	Taxation compliance services	-	25,550
	All other non-audit services	-	761
		<u></u>	<u></u>
		-	26,311
		<u></u>	<u></u>

7 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2018 Number	2017 Number
Selling and distribution	-	459
Administration and management	5	83
	<u></u>	<u></u>
	5	542
	<u></u>	<u></u>

Their aggregate remuneration comprised:

	2018 £	2017 £
Wages and salaries	(215)	13,916,919
Social security costs	-	1,121,550
Pension costs	21,132	515,983
	<u></u>	<u></u>
	20,917	15,554,452
	<u></u>	<u></u>

LAVER REGENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

8 Directors' remuneration

	2018 £	2017 £
Remuneration for qualifying services	-	563,528
Compensation for loss of office	50,000	-
	<u>50,000</u>	<u>563,528</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 0 (2017 - 2).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2018 £	2017 £
Remuneration for qualifying services	n/a	186,158

As total directors' remuneration was less than £200,000 in the current year, no disclosure is provided for that year.

9 Interest receivable and similar income

	2018 £	2017 £
Interest income		
Other interest income	65,149	113,923

10 Interest payable and similar expenses

	2018 £	2017 £
Interest on bank overdrafts and loans	488,713	717,253
Other interest on financial liabilities	78,500	-
Amortisation of finance costs	21,519	16,029
	<u>588,732</u>	<u>733,282</u>

11 Taxation

	2018 £	2017 £
Current tax		
UK corporation tax on profits for the current period	-	144,591
Adjustments in respect of prior periods	-	(34,901)
	<u>-</u>	<u>109,690</u>

LAVER REGENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

11 Taxation

(Continued)

Deferred tax

Origination and reversal of timing differences

(111,000) (1,164,500)

Total tax credit

(111,000) (1,054,810)

The actual credit for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2018 £	2017 £
(Loss)/profit before taxation	(587,296)	9,704,572
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.50%)	(111,586)	1,892,392
Tax effect of expenses that are not deductible in determining taxable profit	86	(1,147,624)
Change in unrecognised deferred tax assets	(224)	(1,195,269)
Adjustments in respect of prior years	-	(34,901)
Effect of change in corporation tax rate	13,033	1,836
Group relief	(12,309)	1,619
Permanent capital allowances in excess of depreciation	-	(572,863)
Taxation credit for the year	(111,000)	(1,054,810)

12 Dividends

2018
£

2017
£

Interim paid to Laver Regeneration Group Limited

- 37,927,152

13 Investment property

2018
£

Fair value

At 1 January 2018

41,290,714

Additions through external acquisition

207,579

Disposals

(1,214,261)

At 31 December 2018

40,284,032

LAVER REGENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

13 Investment property

(Continued)

The fair value of the investment property has been arrived at by the directors by reference to an independent professional valuation prepared in February 2019 by independent valuers not connected with the company, on the basis of market value and subsequent informal discussions.

14 Investments

	Current assets		Fixed Assets	
	2018	2017	2018	2017
	£	£	£	£
Unlisted investments	-	-	11,286	11,286

The company has not designated any financial assets that are not classified as financial assets at fair value through profit or loss.

Fair value of financial assets carried at amortised cost

Except as detailed below the directors believe that the carrying amounts of financial assets carried at amortised cost in the financial statements approximate to their fair values.

Movements in fixed asset investments

	Shares £
Cost or valuation	
At 1 January 2018 & 31 December 2018	11,286
Carrying amount	
At 31 December 2018	11,286
At 31 December 2017	11,286

15 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	293,856	16,947
Other debtors	3,556,346	3,145,257
Prepayments and accrued income	2,859,867	2,592,722
	<u>6,710,069</u>	<u>5,754,926</u>

LAVER REGENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

15 Debtors (Continued)

	2018 £	2017 £
Amounts falling due after more than one year:		
Amounts owed by group undertakings	52,088,699	50,014,164
Deferred tax asset (note 20)	80,000	-
	<u>52,168,699</u>	<u>50,014,164</u>
Total debtors	<u>58,878,768</u>	<u>55,769,090</u>

Trade debtors disclosed above are measured at amortised cost.

Amounts due from parent and fellow group undertakings have no set repayment or interest terms. In the opinion of the directors there would be no benefit in calculating a theoretical carrying value at amortised cost as required by FRS 102. The balances continue therefore to be carried at transaction price.

16 Creditors: amounts falling due within one year

	Notes	2018 £	2017 £
Bank loans and overdrafts	18	1,483,322	1,384,291
Trade creditors		174,456	71,153
Amounts due to group undertakings		2,315,968	2,005,689
Corporation tax		-	144,591
Other creditors		-	15,356,203
Accruals and deferred income		602,124	461,238
		<u>4,575,870</u>	<u>19,423,165</u>

17 Creditors: amounts falling due after more than one year

	Notes	2018 £	2017 £
Bank loans and overdrafts	18	<u>13,382,779</u>	<u>15,580,291</u>
Amounts included above which fall due after five years are as follows:			
Payable by instalments		<u>7,486,257</u>	<u>10,200,194</u>

LAVER REGENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

18 Loans and overdrafts

	2018 £	2017 £
Bank loans	14,866,101	16,964,582
Loans from related parties	20,916,765	-
	<u>35,782,866</u>	<u>16,964,582</u>
Payable within one year	1,483,322	1,384,291
Payable after one year	<u>34,299,544</u>	<u>15,580,291</u>

The bank loan carried at amortised cost is repayable in quarterly instalments over 15 years and bears interest at LIBOR plus 2.1% per annum.

Loans from related parties bear interest at 2.75% per annum and are repayable after more than one year.

19 Provisions for liabilities

	Notes	2018 £	2017 £
Deferred tax liabilities	20	-	31,000
		<u>-</u>	<u>31,000</u>

20 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2018 £	Liabilities 2017 £	Assets 2018 £	Assets 2017 £
Balances:				
ACAs	31,000	31,000	-	-
Tax losses	(31,000)	-	80,000	-
	<u>-</u>	<u>31,000</u>	<u>80,000</u>	<u>-</u>
Movements in the year:				2018 £
Liability at 1 January 2018				31,000
Credit to profit or loss				(111,000)
Liability/(Asset) at 31 December 2018				<u>(80,000)</u>

LAVER REGENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

21 Retirement benefit schemes

	2018 £	2017 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	21,132	515,983

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

22 Share capital

	2018 £	2017 £
Ordinary share capital Issued and fully paid		
107,378 Ordinary of £1 each	107,378	107,378

23 Operating leases commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2018 £	2017 £
	-	-

24 Financial commitments, guarantees and contingent liabilities

Under a cross guarantee the Company has guaranteed the bank borrowings of fellow subsidiaries. The bank borrowings of fellow subsidiaries at the year end amounted to £18,335,000.

LAVER REGENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

25 Related party transactions

Transactions with related parties

At 31 December 2018 the company was owed £1,089,636 (2017: £1,062,809) by Chesterfield Waterfront Limited a company in which Laver Regeneration Limited is a 50% shareholder.

At 31 December 2018 the company was owed £852,772 (2017: £751,705) by Chesterfield Waterside Limited a company in which Laver Regeneration Limited is a 40.5% shareholder.

At 31 December 2018 the company was owed £258,765 (2017: £258,765) by Urbo Regeneration Limited a company in which Laver Regeneration Limited is a 38% shareholder.

At 31 December 2018 the company was owed £837,327 (2017: £592,243) by Canal Road Urban Village Limited, a subsidiary of Urbo Regeneration Limited

At 31 December 2018 the company owed £20,916,765 (2017: £nil) to the shareholders of Laver Regeneration Holdings Limited.

Amounts due to the company are repayable on demand.

Amounts owed to the shareholders of Laver Regeneration Holdings Limited are repayable after more than one year.

26 Ultimate controlling party

The company's immediate parent company is Laver Regeneration Group Limited. The ultimate parent company is Laver Regeneration Holdings Limited.