



Cardiff Demolition Company Limited
Report of the Directors and
Financial Statements for the Year Ended 30 June 2016

Haines Watts Wales LLP, Statutory Auditors
7 Neptune Court
Vanguard Way
Cardiff
CF24 5PJ





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for the Year Ended 30 June 2016**

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Cardiff Demolition Company Limited

**Company Information
for the Year Ended 30 June 2016**

Directors:	Mr P M Farnham Mr M Kenney Mr. D J Neal
Secretary:	Mr. D J Neal
Registered office:	Atlantic Ecopark Newton Road Rumney CARDIFF CF3 2EJ
Registered number:	03931458 (England and Wales)
Auditors:	Haines Watts Wales LLP, Statutory Auditors 7 Neptune Court Vanguard Way Cardiff CF24 5PJ
Bankers:	HSBC TY Dyffryn Atlantic Close Swansea Enterprise Park Swansea SA7 9FJ
Solicitors:	Dolmans Solicitors 17-21 Windsor Place Cardiff CF3 2EJ

Cardiff Demolition Company Limited



Report of the Directors for the Year Ended 30 June 2016

The directors present their report with the financial statements of the company for the year ended 30 June 2016.

Dividends

The results for the year ended 30 June 2016 show a profit of £1,799,899 and closing retained earnings of £4,882,848. During the year a dividend of £3,000,000 was declared to the Company's parent Dauson Environment Group Limited.

Directors

The directors shown below have held office during the whole of the period from 1 July 2015 to the date of this report.

Mr P M Farnham
Mr M Kenney
Mr. D J Neal

Statement of directors' responsibilities

The directors are responsible for preparing the Report of the Directors 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 (United Kingdom Accounting Standards and applicable law). 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.

Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

The auditors, Haines Watts Wales LLP, Statutory Auditors, will be proposed for re-appointment at the forthcoming Annual General Meeting.

On behalf of the board:


.....

Mr. D J Neal - Director

Date: 17/02/17
.....

**Report of the Independent Auditors to the Members of
Cardiff Demolition Company Limited**



We have audited the financial statements of Cardiff Demolition Company Limited for the year ended 30 June 2016 on pages five to fifteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 a Report of the Auditors 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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2016 and of its profit 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of
Cardiff Demolition Company Limited**



Matters on which we are required to report by exception

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

Stephen Lucey (Senior Statutory Auditor)
for and on behalf of Haines Watts Wales LLP, Statutory Auditors
7 Neptune Court
Vanguard Way
Cardiff
CF24 5PJ

Date: 21 February 2017

Cardiff Demolition Company Limited



**Income Statement
for the Year Ended 30 June 2016**

	Notes	2016 £	2015 £
Turnover		7,316,464	4,217,303
Cost of sales		(4,635,989)	(2,898,953)
Gross profit		2,680,475	1,318,350
Administrative expenses		(953,810)	(747,779)
Operating profit	4	1,726,665	570,571
Interest payable and similar expenses		(20,017)	(11,362)
Profit before taxation		1,706,648	559,209
Tax on profit		93,251	(120,691)
Profit for the financial year		1,799,899	438,518

The notes form part of these financial statements


Balance Sheet
30 June 2016

	Notes	2016 £	2015 £
Fixed assets			
Tangible assets	5	597,938	674,698
Current assets			
Debtors	6	1,134,220	1,374,077
Cash at bank		7,537,178	5,969,466
		<u>8,671,398</u>	<u>7,343,543</u>
Creditors			
Amounts falling due within one year	7	(4,296,797)	(1,692,074)
Net current assets		<u>4,374,601</u>	<u>5,651,469</u>
Total assets less current liabilities		<u>4,972,539</u>	<u>6,326,167</u>
Creditors			
Amounts falling due after more than one year	8	(69,691)	(223,218)
Net assets		<u><u>4,902,848</u></u>	<u><u>6,102,949</u></u>
Capital and reserves			
Called up share capital		20,000	20,000
Retained earnings		<u>4,882,848</u>	<u>6,082,949</u>
Shareholders' funds		<u><u>4,902,848</u></u>	<u><u>6,102,949</u></u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 12/02/17 and were signed on its behalf by:

D J Neal
 Mr. D J Neal - Director

Cardiff Demolition Company Limited



**Statement of Changes in Equity
for the Year Ended 30 June 2016**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 July 2014	20,000	5,644,431	5,664,431
Changes in equity			
Total comprehensive income	-	438,518	438,518
Balance at 30 June 2015	20,000	6,082,949	6,102,949
Changes in equity			
Dividends	-	(3,000,000)	(3,000,000)
Total comprehensive income	-	1,799,899	1,799,899
Balance at 30 June 2016	20,000	4,882,848	4,902,848

The notes form part of these financial statements



**Notes to the Financial Statements
for the Year Ended 30 June 2016**

1. Statutory information

Cardiff Demolition Company Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. Accounting policies

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of demolition services to customers.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	- 33% on cost
Fixtures and fittings	- 33% on cost
Motor vehicles	- 33% on cost

Deferred tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by the FRS

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Long term contracts

Profit on long term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are foreseen.

3. Employees and directors

The average number of employees during the year was 24.

Cardiff Demolition Company Limited



**Notes to the Financial Statements - continued
for the Year Ended 30 June 2016**

4. Operating profit

The operating profit is stated after charging/(crediting):

	2016	2015
	£	£
Depreciation - owned assets	73,942	49,217
Depreciation - assets on hire purchase contracts	265,790	134,884
Profit on disposal of fixed assets	(500)	(3,805)
Auditors' remuneration	5,150	3,600
	<u> </u>	<u> </u>

5. Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
Cost				
At 1 July 2015	912,816	6,916	234,084	1,153,816
Additions	244,000	-	30,222	274,222
Disposals	(15,000)	-	-	(15,000)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 30 June 2016	1,141,816	6,916	264,306	1,413,038
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Depreciation				
At 1 July 2015	346,510	6,916	125,692	479,118
Charge for year	295,053	-	44,679	339,732
Eliminated on disposal	(3,750)	-	-	(3,750)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 30 June 2016	637,813	6,916	170,371	815,100
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net book value				
At 30 June 2016	504,003	-	93,935	597,938
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 30 June 2015	566,306	-	108,392	674,698
	<u> </u>	<u> </u>	<u> </u>	<u> </u>



**Notes to the Financial Statements - continued
for the Year Ended 30 June 2016**

5. Tangible fixed assets - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £	Motor vehicles £	Totals £
Cost			
At 1 July 2015	618,500	84,084	702,584
Additions	179,500	30,222	209,722
Transfer to ownership	(56,500)	-	(56,500)
	<u>741,500</u>	<u>114,306</u>	<u>855,806</u>
Depreciation			
At 1 July 2015	147,556	3,029	150,585
Charge for year	236,083	29,707	265,790
Transfer to ownership	(18,833)	-	(18,833)
	<u>364,806</u>	<u>32,736</u>	<u>397,542</u>
Net book value			
At 30 June 2016	<u>376,694</u>	<u>81,570</u>	<u>458,264</u>
At 30 June 2015	<u>470,944</u>	<u>81,055</u>	<u>551,999</u>

6. Debtors: amounts falling due within one year

	2016 £	2015 £
Trade debtors	70,824	158,179
Amounts owed by group undertakings	23,403	74,633
Amounts owed by participating interests	-	103
Amounts recoverable on contract	913,495	1,032,442
Tax	114,747	-
VAT	-	101,150
Prepayments	11,751	7,570
	<u>1,134,220</u>	<u>1,374,077</u>

7. Creditors: amounts falling due within one year

	2016 £	2015 £
Hire purchase contracts	315,104	274,085
Trade creditors	210,314	204,107
Amounts owed to group undertakings	3,109,537	314,979
Amounts owed to participating interests	390,813	592,271
Tax	21,496	124,747
Social security and other taxes	39,603	59,380
VAT	134,914	-
Other creditors	1,072	12,717
Directors' current accounts	32,560	73,784
Accrued expenses	41,384	36,004
	<u>4,296,797</u>	<u>1,692,074</u>



**Notes to the Financial Statements - continued
for the Year Ended 30 June 2016**

8. Creditors: amounts falling due after more than one year

	2016	2015
	£	£
Hire purchase contracts	<u>69,691</u>	<u>223,218</u>

9. Secured debts

The following secured debts are included within creditors:

	2016	2015
	£	£
Hire purchase contracts	<u>384,795</u>	<u>497,303</u>

10. Contingent liabilities

The company has provided a guarantee in connection with Dauson Environmental Group Limited's group bank facility.

This guarantee is unlimited and takes the form of debenture, fixed charge and floating charge covering the assets of the company for current and future periods. The group also has a right of set off across bank balances held.

11. Directors' advances, credits and guarantees

The following advances and credits to directors subsisted during the years ended 30 June 2016 and 30 June 2015:

	2016	2015
	£	£
Mr. D J Neal		
Balance outstanding at start of year	(53,784)	(53,784)
Amounts repaid	21,224	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>(32,560)</u>	<u>(53,784)</u>
 Mr P M Farnham		
Balance outstanding at start of year	(20,000)	(25,000)
Amounts advanced	(53,850)	121,120
Amounts repaid	73,850	(116,120)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>-</u>	<u>(20,000)</u>

12. Related party disclosures

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.



**Notes to the Financial Statements - continued
for the Year Ended 30 June 2016**

12. Related party disclosures - continued

Envirosavers Limited

Associated group company

During the year the company made purchases of £770,685 (2015: £777,975) and sales of £Nil (2015: £1,161).

At the end of the year, the company was owed £Nil (2015: £103) from and owed £390,813 (2015: £592,271) to Envirosavers.

13. Ultimate controlling party

The controlling party is Dauson Environmental Group Limited.

The ultimate controlling party is Mr. D J Neal.

Dauson Environmental Group Ltd prepare the financial statements into which the results of Cardiff Demolition Company Limited are consolidated. Their registered office is the same as Cardiff Demolition Company Limited and financial statements can be obtained from Companies House.

Cardiff Demolition Company Limited



Reconciliation of Equity
1 July 2014
(Date of Transition to FRS 102)

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
Fixed assets				
Tangible assets		319,846	-	319,846
Current assets				
Debtors		379,030	-	379,030
Cash at bank		5,590,244	-	5,590,244
		5,969,274	-	5,969,274
Creditors				
Amounts falling due within one year		(509,708)	-	(509,708)
Net current assets		5,459,566	-	5,459,566
Total assets less current liabilities		5,779,412	-	5,779,412
Creditors				
Amounts falling due after more than one year		(110,925)	-	(110,925)
Provisions for liabilities		(4,056)	-	(4,056)
Net assets		5,664,431	-	5,664,431
Capital and reserves				
Called up share capital		20,000	-	20,000
Retained earnings		5,644,431	-	5,644,431
Shareholders' funds		5,664,431	-	5,664,431

The notes form part of these financial statements



Cardiff Demolition Company Limited

Reconciliation of Equity - continued
30 June 2015

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
Fixed assets				
Tangible assets		674,698	-	674,698
Current assets				
Debtors		1,374,077	-	1,374,077
Cash at bank		5,969,466	-	5,969,466
		7,343,543	-	7,343,543
Creditors				
Amounts falling due within one year		(1,692,074)	-	(1,692,074)
Net current assets		5,651,469	-	5,651,469
Total assets less current liabilities		6,326,167	-	6,326,167
Creditors				
Amounts falling due after more than one year		(223,218)	-	(223,218)
Net assets		6,102,949	-	6,102,949
Capital and reserves				
Called up share capital		20,000	-	20,000
Retained earnings		6,082,949	-	6,082,949
Shareholders' funds		6,102,949	-	6,102,949

The notes form part of these financial statements

Cardiff Demolition Company Limited



**Reconciliation of Profit
for the Year Ended 30 June 2015**

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
Turnover	4,217,303	-	4,217,303
Cost of sales	(2,898,953)	-	(2,898,953)
Gross profit	1,318,350	-	1,318,350
Administrative expenses	(747,779)	-	(747,779)
Operating profit	570,571	-	570,571
Interest payable and similar expenses	(11,362)	-	(11,362)
Profit before taxation	559,209	-	559,209
Tax on profit	(120,691)	-	(120,691)
Profit for the financial year	438,518	-	438,518

The notes form part of these financial statements