

COMPANY REGISTRATION NUMBER: 03931458

CARDIFF DEMOLITION COMPANY LIMITED
FINANCIAL STATEMENTS
30 JUNE 2023



CARDIFF DEMOLITION COMPANY LIMITED

FINANCIAL STATEMENTS

Year ended 30 June 2023

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CARDIFF DEMOLITION COMPANY LIMITED

BALANCE SHEET

30 June 2023

	Note	2023 £	2022 £
FIXED ASSETS			
Tangible assets	5	1,299,843	1,212,134
CURRENT ASSETS			
Debtors	6	6,686,209	6,710,226
Cash at bank and in hand		1,926,614	2,364,713
		8,612,823	9,074,939
CREDITORS: amounts falling due within one year	7	(867,749)	(1,555,051)
NET CURRENT ASSETS		7,745,074	7,519,888
TOTAL ASSETS LESS CURRENT LIABILITIES		9,044,917	8,732,022
CREDITORS: amounts falling due after more than one year	8	(201,146)	(225,028)
PROVISIONS		(148,204)	(70,222)
NET ASSETS		8,695,567	8,436,772
CAPITAL AND RESERVES			
Called up share capital		20,000	20,000
Profit and loss account		8,675,567	8,416,772
SHAREHOLDERS FUNDS		8,695,567	8,436,772

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the profit and loss account has not been delivered.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 20/03/2024, and are signed on behalf of the board by:



Mr D J Neal
Director

Company registration number: 03931458

The notes on pages 2 to 7 form part of these financial statements.

CARDIFF DEMOLITION COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2023

1. GENERAL INFORMATION

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Atlantic Ecopark, Newton Road, Rumney, Cardiff, CF3 2EJ.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Turnover

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

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

CARDIFF DEMOLITION COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 30 June 2023

3. ACCOUNTING POLICIES *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	-	12.50% Straight line
Fixtures and fittings	-	12.50% Straight line
Motor vehicles	-	12.50% Straight line

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the balance sheet as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

CARDIFF DEMOLITION COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 30 June 2023

3. ACCOUNTING POLICIES *(continued)*

Construction contracts

Where the outcome of construction contracts can be reliably estimated, contract revenue and contract costs are recognised by reference to the stage of completion of the contract activity as at the period end.

Where the outcome of construction contracts cannot be estimated reliably, revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable, and contract costs are recognised as an expense in the period in which they are incurred.

The entity uses the percentage of completion method to determine the amounts to be recognised in the period. The stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred for work performed to date do not include costs relating to future activity, such as for materials or prepayments.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the balance sheet and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. EMPLOYEE NUMBERS

The average number of persons employed by the company during the year amounted to 21 (2022: 21).

CARDIFF DEMOLITION COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 30 June 2023

5. TANGIBLE ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 July 2022	2,126,722	6,916	356,039	2,489,677
Additions	281,450	–	82,500	363,950
Disposals	(368,500)	(5,500)	(34,424)	(408,424)
At 30 June 2023	2,039,672	1,416	404,115	2,445,203
Depreciation				
At 1 July 2022	1,070,168	6,916	200,459	1,277,543
Charge for the year	213,630	–	29,051	242,681
Disposals	(334,940)	(5,500)	(34,424)	(374,864)
At 30 June 2023	948,858	1,416	195,086	1,145,360
Carrying amount				
At 30 June 2023	1,090,814	–	209,029	1,299,843
At 30 June 2022	1,056,554	–	155,580	1,212,134

6. DEBTORS

	2023 £	2022 £
Trade debtors	715,050	257,910
Amounts owed by group undertakings and undertakings in which the company has a participating interest	5,781,847	5,745,105
Other debtors	189,312	707,211
	6,686,209	6,710,226

Amounts included within amounts owed by group undertakings are debts owed by the parent company who has net assets on their balance sheet. The company has made no provisions against the debt as the director believes the company is able to repay the debts from future income from other group companies. The company has prepared forecasts and have a plan in place to repay those debts. Whilst the debts are technically due on demand, they will be paid after more than one year due to group cash flows and support arrangements in place.

7. CREDITORS: amounts falling due within one year

	2023 £	2022 £
Bank loans and overdrafts	62,107	56,164
Trade creditors	163,067	292,963
Amounts owed to group undertakings and undertakings in which the company has a participating interest	304,803	703,853
Corporation tax	–	100,992
Social security and other taxes	43,579	60,269
Other creditors	294,193	340,810
	867,749	1,555,051

CARDIFF DEMOLITION COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 30 June 2023

7. CREDITORS: amounts falling due within one year *(continued)*

The following debts included in creditors due within one year are secured on the assets they relate to:

	2023	2022
	£	£
Hire purchase and finance lease agreements	<u>159,007</u>	<u>141,558</u>

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

	2023	2022
	£	£
Bank loans and overdrafts	94,143	162,586
Other creditors	<u>107,003</u>	<u>62,442</u>
	<u>201,146</u>	<u>225,028</u>

The following debts included in creditors due after more than one year are secured on the assets they relate to:

	2023	2022
	£	£
Hire purchase and finance lease agreements	<u>107,003</u>	<u>62,442</u>

9. CONTINGENCIES

The company has provided a guarantee in connection with Dauson Environmental Group Limited's group bank facility. The guarantee is unlimited and takes the form of debentures, 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.

The company has provided a cross guarantee in connection with Dauson Environmental Group Limited's loan facility. This is in the form of a debenture and a limited guarantee. The directors do not expect any liability to arise from this.

10. SUMMARY AUDIT OPINION

The auditor's report for the year dated 20/3/24 was unqualified.

The senior statutory auditor was Simon Tee, for and on behalf of Kilsby & Williams LLP.

11. RELATED PARTY TRANSACTIONS

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.

During the year, the company made purchases of £620,668 (2022 - £693,246) from and sales of £5,842 (2022 - £9,004) to Envirosavers Limited. At the year end, the company owed £254,283 (2022 - £91,514) to Envirosavers Limited. Envirosavers Limited is an associated group company.

CARDIFF DEMOLITION COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 30 June 2023

12. CONTROLLING PARTY

The controlling party is Dauson Environmental Group Limited. The ultimate controlling party is Mr D J Neal.

Dauson Environmental Group Limited 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, Crown Way, Cardiff.