

**LIDLAW & COMPANY INTERNATIONAL
LIMITED**

AUDITED

**DIRECTORS' REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 DECEMBER 2018**

LAIDLAW & COMPANY INTERNATIONAL LIMITED

COMPANY INFORMATION

DIRECTORS

Mr H Regan
Mr P Silverman

COMPANY SECRETARY

RA Company Secretaries Limited

REGISTERED NUMBER

06059026

REGISTERED OFFICE

Munro House
Portsmouth Road
Cobham
Surrey
KT11 1PP

INDEPENDENT AUDITORS

Wellden Turnbull Limited
Chartered Accountants & Statutory Auditors
Munro House
Portsmouth Road
Cobham
Surrey
KT11 1PP

LIDLAW & COMPANY INTERNATIONAL LIMITED

CONTENTS

	Page
Strategic report	1 - 2
Directors' report	3 - 4
Independent auditors' report	5 - 7
Statement of income and retained earnings	8
Balance sheet	9
Notes to the financial statements	10 - 18

LIDLAW & COMPANY INTERNATIONAL LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

Business review

The directors are pleased to report that the company generated an increase in annual profit due to the growth in key areas, in particular Commissions and Sales Credits somewhat offsetting a cyclical decline in Corporate Finance Fees, combined with good budgetary control over costs.

Principal risks and uncertainties

The company maintains and updates its policies relating to its own technology and surveillance capabilities, including Written Supervisory Procedures, which are updated throughout the fiscal year, and AML (anti-money laundering) policies and procedures compliant with FCA and other regulatory requirements. In addition, the company, its affiliate and their clearing firm maintain multiple insurance policies covering fraud, theft, loss and many other potential liabilities.

The clearing firm is also required under contract to the company's broker-dealer affiliate as well as in accordance with a spectrum of regulatory requirements to maintain up-to-date technology, supervisory controls, and risk management policies and compliance procedures designed to protect and pre-empt the company from excessive financial risk or exposure. The company also engages and relies on other third party providers for additional financial, compliance and regulatory oversight.

The company manages its exposure to liquidity risk by avoiding the use of any capital, loans or hire purchase contracts and by utilising a bank overdraft facility to provide both flexibility and continuity of funding, as and when required.

The company does not trade, make markets or take positions in any securities. The company has no exposure to interest rate risk as it never takes out any interest bearing loans from financial institutions.

Trade debtors primarily represent commission or fees receivable from our affiliate and its clearing house, INTL FCStone Inc. The risks associated with this aspect of operations have been addressed above.

Other trade debtors result from the outsourcing of services. These are managed in respect of credit risk and cash flow by strict company policies concerning the credit offered to customers and the regular monitoring of amounts outstanding.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Financial key performance indicators

The directors consider that achieving above inflation growth over the long term in commissions, sales credits and fees receivable from its affiliated broker-dealer in the United States without risking its own capital while maintaining financial stability, business flexibility and a consistent gross margin constitute the primary key financial performance indicator for the company.

An analysis of these key performance indicators in 2018 shows that Commissions and Sales Credits increased by £9,185 while Corporate Finance Fees declined by £44,119. That decline, combined with an increase in Recharged Expenses (expenses paid on behalf of affiliates), resulted in a decline in Turnover of 19.8% but, the gross margin from Commissions & Sales Credits and Corporate Finance Fees saw an increase from 52.63% to 53.84% and the budgetary control of costs saw a reduction of £77,414 or 29.64%. As such, Operating profit increased by £6,304 or 20.89% related primarily to the reduction of operating expenses.

LIDLAW & COMPANY INTERNATIONAL LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

Other key performance indicators

The directors consider there are no other key performance indicators.

This report was approved by the board and signed on its behalf.

Mr H Regan

Director

Date: 25 September 2019

LAIDLAW & COMPANY INTERNATIONAL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

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

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the strategic report, the directors' 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 (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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

PRINCIPAL ACTIVITY

The principal activity of the Company in the year under review was that of an auxiliary financial intermediary. The Company is regulated by the Financial Conduct Authority, ("FCA").

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £36,477 (2017 - £23,955).

The directors have recommended that no dividends be paid this year (2017 - £Nil).

DIRECTORS

The directors who served during the year were:

Mr H Regan
Mr P Silverman

FUTURE DEVELOPMENTS

The company continues to explore strategic initiatives aimed at increasing the depth and scope of its business and addressing changes that may result from BREXIT. It expects to enhance its own offerings by utilizing the service platform and products available to it through its fully disclosed clearing firm, INTL FCStone Inc. whose operations are situated in multiple regulatory and financial jurisdictions around the world.

As reported in prior filings, INTL FC Stone Inc. (NASDAQ Global Selected Market - INTL) is a financial services company. The company provides financial products, and advisory and execution service. The company operates through five segments: Commercial Hedging, Global Payments, Securities, Physical Commodities and Clearing

LIDLAW & COMPANY INTERNATIONAL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

and Execution Services (CES).

The Commercial Hedging segment serves its commercial clients through its team of risk management consultants.

The Global Payments segment provides solutions to banks and commercial businesses, as well as charities, non-government and government organisations.

The Securities segment provides solutions that facilitate cross-border trading.

The Physical Commodities segment consists of its physical precious metals trading and physical agriculture and energy commodity business.

The CES segment seeks to provide clearing and execution of exchange-traded futures and options for the institutional and trader market segments.

Management is hopeful that the greater scope and diversity will assist the company in establishing an expanded presence in the United Kingdom and will potentially help us to better serve domestic and European clientele of its affiliate.

MATTERS COVERED IN THE STRATEGIC REPORT

Matters relating to financial risk management objectives and policies and a review of business has been included in the strategic report.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

AUDITORS

The auditors, Wellden Turnbull Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 25 September 2019 and signed on its behalf.

Mr H Regan
Director

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF LAIDLAW & COMPANY INTERNATIONAL LIMITED

OPINION

We have audited the financial statements of Laidlaw & Company International Limited (the 'Company') for the year ended 31 December 2018, which comprise the statement of income and retained earnings, the balance sheet and the related notes, 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 Financial Reporting Standard 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 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.

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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 auditors' 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.

LIDLAW & COMPANY INTERNATIONAL LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF LAIDLAW & COMPANY INTERNATIONAL LIMITED (CONTINUED)

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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 or the directors' report.

We have nothing to report in respect of the following matters in relation to which 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 on page 2, 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.

AUDITORS' 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 auditors' 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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

LAIDLAW & COMPANY INTERNATIONAL LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF LAIDLAW & COMPANY INTERNATIONAL LIMITED
(CONTINUED)**

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 auditors' 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.

Robin John FCA CTA (senior statutory auditor)

for and on behalf of

Wellden Turnbull Limited

Chartered Accountants
Statutory Auditors

Munro House
Portsmouth Road
Cobham
Surrey
KT11 1PP

26 September 2019

LAIDLAW & COMPANY INTERNATIONAL LIMITED

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	2018 £	2017 £
Turnover	4	370,329	461,914
Cost of sales		(150,085)	(170,560)
GROSS PROFIT		<u>220,244</u>	<u>291,354</u>
Administrative expenses		(183,767)	(261,181)
OPERATING PROFIT		<u>36,477</u>	<u>30,173</u>
Tax on profit	9	-	(6,218)
PROFIT AFTER TAX		<u><u>36,477</u></u>	<u><u>23,955</u></u>
Retained earnings at the beginning of the year		37,512	13,557
Profit for the year		<u>36,477</u>	<u>23,955</u>
RETAINED EARNINGS AT THE END OF THE YEAR		<u><u>73,989</u></u>	<u><u>37,512</u></u>

There were no recognised gains and losses for 2018 or 2017 other than those included in the statement of income and retained earnings.

The notes on pages 10 to 18 form part of these financial statements.

LAIDLAW & COMPANY INTERNATIONAL LIMITED
REGISTERED NUMBER: 06059026

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
CURRENT ASSETS			
Debtors: amounts falling due within one year	10	296,582	283,896
Cash at bank and in hand	11	8,509	1,778
Creditors: amounts falling due within one year	12	(169,844)	(186,904)
NET CURRENT ASSETS		<u>135,247</u>	<u>98,770</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>135,247</u>	<u>98,770</u>
NET ASSETS		<u><u>135,247</u></u>	<u><u>98,770</u></u>
CAPITAL AND RESERVES			
Called up share capital	13	1	1
Other reserves	14	61,257	61,257
Profit and loss account	14	73,989	37,512
		<u>135,247</u>	<u>98,770</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Mr H Regan
Director

Date: 25 September 2019

The notes on pages 10 to 18 form part of these financial statements.

LIDLAW & COMPANY INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. General information

Laidlaw & Company International Limited is a private Company, limited by shares, incorporated in England and Wales, registered number 06059026. The registered office is Munro House, Portsmouth Road, Cobham, Surrey KT11 1PP.

The principal place of business is 521 5th Ave, 12h Floor, New York, NY 10175.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

These financial statements are presented in sterling, however the functional currency used by the Company is US dollars. The financial statements are rounded to the nearest £1.

The following principal accounting policies have been applied:

2.2 Compliance with accounting standards

The accounts have been prepared in accordance with the provisions applicable to FRS 102. There were no material departures from the standard.

2.3 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Laidlaw Holdings Limited as at 31 December 2018 and these financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Turnover includes commissions and fees, investment banking fees, placement fees, advisory fees and underwriting net of syndicate expenses, arising from security offerings in which the Company acts as an underwriter or agent.

Commission and clearing charges are recognised on a trade date basis as security transactions occur.

Advisory fees earned from providing merger-acquisition and financial restructuring advice are recognised when received.

Investment banking and placement fees are recognised on the closing date of the transaction.

Underwriting fees are recognised at the time the underwriting is complete.

Recharged expenses are recognised when the expenses have been incurred.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.7 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from other third parties, loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of income and retained earnings.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.9 Foreign currency translation

Functional and presentation currency

The Company's functional currency is US dollars. This differs from the presentational currency which is GBP. The reason for the difference is that the Company presents financial statements to the FCA in GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the date of the transaction.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of income and retained earnings.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of income and retained earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in the statement of income and retained earnings within 'administrative expenses'.

The functional currency profit and loss account is converted to the presentational currency using an average rate for each month of the year. The year end balance sheet is converted at a year end exchange rate.

2.10 Operating leases: the Company as a lessee

Rentals paid under operating leases are charged to the statement of income and retained earnings on a straight line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.11 Taxation

Tax is recognised in the statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Judgements in applying accounting policies:

There are no significant judgements when applying accounting policies.

Key sources of estimation:

The Company utilises a Group staff resource. The Company considers that cost of this resource represents 50% of commission revenue.

4. Turnover

The Company has three classes of business:

Commissions and sales credits £299,070 (2017 - £289,885)

Corporate finance fees £26,085 (2017 - £70,204)

Recharged income £45,174 (2017 - £101,824)

The commissions and finances fees are derived from the United Kingdom market and recharged income from the United States of America.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

5. Operating profit

The operating profit is stated after charging:

	2018 £	2017 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	13,085	13,280
Exchange differences	13,061	22,028
Other operating lease rentals	<u>37,919</u>	<u>116,822</u>

6. Auditors' remuneration

	2018 £	2017 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>13,085</u>	<u>13,280</u>
Fees payable to the Company's auditor and its associates in respect of:		
Taxation compliance services	-	720
All other services	<u>520</u>	<u>2,289</u>
	<u>520</u>	<u>3,009</u>

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2018 £	2017 £
Wages and salaries	<u>30,716</u>	<u>30,988</u>

The company resources staff from other Group companies. The directors contracts of service are with other Group companies who recharge the company for services rendered.

The average monthly number of employees, including the directors, during the year was as follows:

	2018 No.	2017 No.
Directors	<u>2</u>	<u>2</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

8. Directors' remuneration

	2018 £	2017 £
Directors' emoluments	<u>30,716</u>	<u>30,988</u>

9. Taxation

	2018 £	2017 £
Corporation tax		
Current tax on profits for the year	<u>-</u>	<u>6,218</u>

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2017 - the same as) the standard rate of corporation tax in the UK of 19% (2017 - 19%) as set out below:

	2018 £	2017 £
Profit on ordinary activities before tax	<u>36,477</u>	<u>30,173</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19%)	6,931	5,733
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	-	405
Profits charged at 20%	-	80
Group relief	(6,931)	-
Total tax charge for the year	<u>-</u>	<u>6,218</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

10. Debtors

	2018 £	2017 £
Amounts owed by group undertakings	274,199	273,638
Other debtors	10,260	10,258
Prepayments and accrued income	12,123	-
	<u>296,582</u>	<u>283,896</u>

11. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	<u>8,509</u>	<u>1,778</u>

12. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	20,225	11,050
Amounts owed to group undertakings	129,717	155,976
Corporation tax	6,217	6,218
Accruals and deferred income	13,685	13,660
	<u>169,844</u>	<u>186,904</u>

13. Share capital

	2018 £	2017 £
Shares classified as equity		
Allotted, called up and fully paid		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

14. Reserves

Other reserves

The special reserve represents a non-refundable capital contribution made to the Company.

Profit and loss account

The profit and loss account represents cumulative profits and losses net of all adjustments.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

15. Commitments under operating leases

At 31 December 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than 1 year	48,492	48,492
Later than 1 year and not later than 5 years	92,943	141,435
	<u>141,435</u>	<u>189,927</u>

16. Related party transactions

The Company is exempt under the terms of Financial Reporting Standard 102 (FRS102) paragraph 33.1A, from disclosing related party transactions with other group companies, on the grounds that the Company is wholly owned within the Group and the Company is included in consolidated financial statements prepared by the Group.

17. Parent company

The Company's immediate parent undertaking is Laidlaw Holdings Limited. The consolidated financial statements of Laidlaw Holdings Limited may be obtained from Companies House or from its registered office Munro House, Portsmouth Road, Cobham, Surrey, KT11 1PP.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.