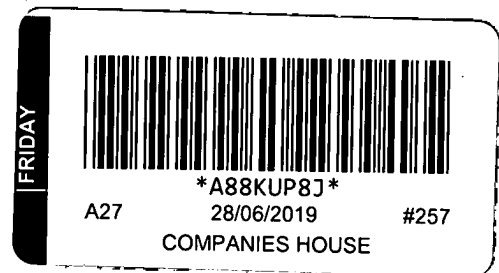


**ASM METAL RECYCLING LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2018**



# ASM METAL RECYCLING LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	P V McDonald C J Morgan P M McDonagh
<b>Company number</b>	00924379
<b>Registered office</b>	55 Station Road Beaconsfield Bucks HP9 1QL
<b>Auditor</b>	Rouse Audit LLP 55 Station Road Beaconsfield Bucks HP9 1QL

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# ASM METAL RECYCLING LIMITED

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# ASM METAL RECYCLING LIMITED

## STRATEGIC REPORT

**FOR THE YEAR ENDED 30 SEPTEMBER 2018**

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The directors present the strategic report for the year ended 30 September 2018.

### **Fair review of the business**

Our review is consistent with the size and non-complex nature of our business.

### **Development and performance**

The company continues to operate in the metal recycling industry. Over the last few years considerable investment has been made in new technology, plant, vehicles and personnel as part of our company philosophy. The company has over 30 years experience in providing metal recycling facilities to the commercial, demolition and construction industry. The introduction, last year, of a new shredding plant to extract non ferrous metals from general metal arisings, continues to enhance productivity. Concern for the environment is an integral part of the company's business strategy and the company endeavours to work closely with the relevant statutory bodies to meet all applicable legislation.

### **Principal risks and uncertainties**

The main risk to the continued success of the company is the pressure upon the supply of recyclable material, largely caused by the lack of growth in the economy. However, the company has developed various maintainable supply lines for recyclable material and is thus well placed to manage this risk in an effective way.

The price of metal varies in accordance with the external market. The company manages this risk by regularly reviewing prices on both sides of the transaction in order to compensate for the price fluctuations.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts for both time and credit limits. Provision for doubtful debts is made as necessary.

### **Financial instruments**

#### Liquidity risk

The company monitors and reviews liquidity risks regularly on an ongoing basis and also as part of the planning process. The board considers short term requirements against available sources of funding, taking into account cash flow and responds to any identified needs as necessary to support the business.

#### Credit risk

The company's credit risk relates to recovery of amounts owed by the customers for invoiced sales. The credit risk is managed by regular monitoring of outstanding amounts and through credit checks.

### **Key performance indicators**

Our performance and the progress we have made against our strategic aims and against the objectives we have set ourselves are described below. We measure the achievement of our objectives both through the use of qualitative assessments and through monitoring of quantitative indicators. To provide a full and rounded view of our business, we use non-financial as well as financial measures. Although all these measures are important, some are considered to be more significant than others, and these more significant measures are designated as KPIs. KPIs are used as our primary measures of whether we are achieving our principal strategic aims of sustainable growth, superior financial performance and funding future growth.

### **Turnover, Gross Profit and Operating Profit**

Gross profit margin for the period for the company was 14% (2017 : 16%) and operating profit margin was 5% (2017 : 6%). We seek to provide growth in earnings through improved efficiencies and operations in light of market conditions. Markets have proven to be difficult and we are seeking improved volumes to be able to command better sales prices which are volume related. The generation of earnings is essential to deliver growth and to fund future growth in the business. Overheads are reviewed, monitored and controlled by management through formal procedures including the preparation and review of quarterly management accounts.

# ASM METAL RECYCLING LIMITED

## STRATEGIC REPORT (CONTINUED)


FOR THE YEAR ENDED 30 SEPTEMBER 2018

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### Financial indicators


	30 September 2018	30 September 2017
Turnover	£52,012,441	£45,079,060
Gross Profit (%)	14%	16%
Operating Profit (%)	5%	6%

On behalf of the board



P V McDonald

Director



# **ASM METAL RECYCLING LIMITED**

## **DIRECTORS' REPORT**

**FOR THE YEAR ENDED 30 SEPTEMBER 2018**

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The directors present their annual report and financial statements for the year ended 30 September 2018.

### **Principal activities**

The principal activity of the company continued to be that of metal recycling.

### **Directors**

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

P V McDonald

C A McDonagh

C J Morgan

P M McDonagh

(Resigned 18 May 2018)

### **Results and dividends**

The results for the year are set out on page 8.

Ordinary dividends were paid amounting to £3,000,000. The directors do not recommend payment of a further dividend.

### **Auditor**

The auditor, Rouse Audit LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

### **Statement of directors' responsibilities**

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 (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.

# ASM METAL RECYCLING LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 30 SEPTEMBER 2018**

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### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



P V McDonald

Director

26/6/19

# ASM METAL RECYCLING LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF ASM METAL RECYCLING LIMITED

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#### Opinion

We have audited the financial statements of ASM Metal Recycling Limited (the 'company') for the year ended 30 September 2018 which comprise 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 30 September 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 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.

#### The impact of uncertainties due to Britain exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effect are subject to unprecedented levels of uncertainty to outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

#### 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.



# **ASM METAL RECYCLING LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF ASM METAL RECYCLING LIMITED**

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#### **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.

#### **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.

# ASM METAL RECYCLING LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF ASM METAL RECYCLING LIMITED

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#### **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.

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.

*Rouse Audit LLP*

David Sharp (Senior Statutory Auditor)  
for and on behalf of Rouse Audit LLP

*28/6/19*

Chartered Accountants  
Statutory Auditor

55 Station Road  
Beaconsfield  
Bucks  
HP9 1QL

# ASM METAL RECYCLING LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 SEPTEMBER 2018

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	Notes	2018 £	2017 £
Turnover	3	52,036,912	45,079,060
Cost of sales		(44,986,522)	(37,773,247)
<b>Gross profit</b>		<b>7,050,390</b>	<b>7,305,813</b>
Administrative expenses		(4,626,173)	(4,612,790)
<b>Operating profit</b>	4	<b>2,424,217</b>	<b>2,693,023</b>
Interest payable and similar expenses		-	(6,880)
<b>Profit before taxation</b>		<b>2,424,217</b>	<b>2,686,143</b>
Taxation	6	(481,957)	(539,992)
<b>Total profit and comprehensive income</b>		<b>1,942,260</b>	<b>2,146,151</b>

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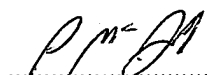
# ASM METAL RECYCLING LIMITED

## BALANCE SHEET

AS AT 30 SEPTEMBER 2018

	Notes	2018 £	£	2017 £	£
<b>Fixed assets</b>					
Tangible assets	8		6,222,644		6,378,644
<b>Current assets</b>					
Stocks	10	599,827		381,555	
Debtors	11	8,141,907		6,397,856	
Cash at bank and in hand		559,396		921,621	
		9,301,130		7,701,032	
<b>Creditors: amounts falling due within one year</b>	12	(10,116,403)		(7,635,529)	
<b>Net current (liabilities)/assets</b>			(815,273)		65,503
<b>Total assets less current liabilities</b>			5,407,371		6,444,147
<b>Provisions for liabilities</b>	13		(285,521)		(264,557)
<b>Net assets</b>			5,121,850		6,179,590
<b>Capital and reserves</b>					
Called up share capital	16	46,200		46,200	
Profit and loss reserves		5,075,650		6,133,390	
<b>Total equity</b>			5,121,850		6,179,590

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

  
P V McDonald  
Director 26/6/19

Company Registration No. 00924379

# ASM METAL RECYCLING LIMITED

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2018

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 October 2016		46,200	3,987,239	4,033,439
Year ended 30 September 2017:				
Profit and total comprehensive income for the year		-	2,146,151	2,146,151
Balance at 30 September 2017		46,200	6,133,390	6,179,590
Year ended 30 September 2018:				
Profit and total comprehensive income for the year		-	1,942,260	1,942,260
Dividends	7	-	(3,000,000)	(3,000,000)
Balance at 30 September 2018		46,200	5,075,650	5,121,850

# ASM METAL RECYCLING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2018

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### 1 Accounting policies

#### Company information

ASM Metal Recycling Limited is a private company limited by shares incorporated in England and Wales. The registered office is 55 Station Road, Beaconsfield, Bucks, HP9 1QL. Its principal place of business is The Recycling Centre, Griffin Lane, Aylesbury, Bucks, HP19 8BB.

#### 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. The principal accounting policies adopted are set out below.

In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Financial instruments
- Cash Flow Statement and related notes

#### 1.2 Going concern

The financial statements have been prepared on the going concern basis and the directors confirm their belief in the company's ability to continue as a going concern for a period of at least twelve months from the date of approval of these financial statements. This is based on forecast projections for a period of at least twelve months from the date of approval of these financial statements.

#### 1.3 Turnover

Turnover represents amounts receivable for goods net of VAT and trade discounts. Income is recognised on despatch of the goods.

#### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Improvements to property	10% straight line
Plant and machinery	15% reducing balance
Fixtures, fittings and equipment	15% reducing balance
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

# ASM METAL RECYCLING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

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### 1 Accounting policies

(Continued)

#### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

#### 1.6 Stocks

Stocks are stated at the lower of cost and net realisable value.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.7 Financial assets

Financial instruments are recognised in the company's statement of financial position 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.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs. Financial assets classified as receivable within one year are not amortised.

##### **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. Financial liabilities classified as payable within one year are not amortised.

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.

#### 1.8 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.

# ASM METAL RECYCLING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

---

### 1 Accounting policies

(Continued)

#### **Deferred tax**

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### **1.9 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.10 Retirement benefits**

The company contributes to a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

#### **1.11 Leases**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

### 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.

#### **Critical judgements**

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

#### **Bad debt provision**

The trade debtors balances are regularly reviewed to identify any potential bad debts. Whilst every attempt is made to ensure that the bad debt provisions are as accurate as possible, there remains a risk that the provisions do not match the level of debts which ultimately prove to be uncollectible.



# ASM METAL RECYCLING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2018

### 3 Turnover and other revenue

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

	2018 £	2017 £
<b>Turnover</b>		
Sales	52,036,912	45,079,060

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

### 4 Operating profit

	2018 £	2017 £
Operating profit for the year is stated after charging/(crediting):		
Fees payable to the company's auditor for the audit of the company's financial statements	14,000	13,600
Depreciation of owned tangible fixed assets	1,113,042	1,169,308
(Profit)/loss on disposal of tangible fixed assets	(55,197)	221,100
Cost of stocks recognised as an expense	42,170,582	35,021,215
Operating lease charges	321,018	269,380

### 5 Employees

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

	2018 Number	2017 Number
Office	3	3
Sales & Distribution	80	82
	83	85

Their aggregate remuneration comprised:

	2018 £	2017 £
Wages and salaries	2,531,078	2,485,434
Social security costs	248,347	244,059
Pension costs	36,515	22,539
	2,815,940	2,752,032

# ASM METAL RECYCLING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2018

### 6 Taxation

	2018 £	2017 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	460,993	541,343
Adjustments in respect of prior periods	-	23,766
	<u>460,993</u>	<u>565,109</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	20,964	(25,117)
	<u>20,964</u>	<u>(25,117)</u>
<b>Total tax charge</b>	<u>481,957</u>	<u>539,992</u>

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

	2018 £	2017 £
Profit before taxation	<u>2,424,217</u>	<u>2,686,143</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.50%)	460,601	523,798
Tax effect of expenses that are not deductible in determining taxable profit	4,344	5,872
Adjustments in respect of prior years	-	23,766
Permanent capital allowances in excess of depreciation	19,477	17,875
Deferred tax adjustments in respect of prior years	(2,465)	-
Other tax adjustments	-	(31,319)
	<u>481,957</u>	<u>539,992</u>
<b>Taxation charge for the year</b>	<u>481,957</u>	<u>539,992</u>

### 7 Dividends

	2018 £	2017 £
Final paid	<u>3,000,000</u>	<u>-</u>

# ASM METAL RECYCLING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

### 8 Tangible fixed assets

	Improvements to property	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 October 2017	1,454,294	7,820,222	334,523	1,985,224	11,594,263
Additions	-	346,484	97,045	587,566	1,031,095
Disposals	-	(239,779)	(70,014)	(405,708)	(715,501)
At 30 September 2018	1,454,294	7,926,927	361,554	2,167,082	11,909,857
<b>Depreciation and impairment</b>					
At 1 October 2017	746,983	3,045,743	217,898	1,204,995	5,215,619
Depreciation charged in the year	94,260	732,227	22,762	263,793	1,113,042
Eliminated in respect of disposals	-	(208,164)	(62,769)	(370,515)	(641,448)
At 30 September 2018	841,243	3,569,806	177,891	1,098,273	5,687,213
<b>Carrying amount</b>					
At 30 September 2018	613,051	4,357,121	183,663	1,068,809	6,222,644
At 30 September 2017	707,311	4,774,479	116,625	780,229	6,378,644

### 9 Subsidiaries

Details of the company's subsidiaries at 30 September 2018 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	Indirect
Totternhoe Metal Recycling Limited	England and Wales	Metal Recycling	Ordinary	100.00	-

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
Totternhoe Metal Recycling Limited	-	1,000

### 10 Stocks

	2018 £	2017 £
Finished goods and goods for resale	599,827	381,555

# ASM METAL RECYCLING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2018

### 11 Debtors

	2018 £	2017 £
<b>Amounts falling due within one year:</b>		
Trade debtors	6,291,747	4,699,362
Corporation tax recoverable	11,619	-
Other debtors	17,578	18,843
Prepayments and accrued income	704,963	563,651
	<u>7,025,907</u>	<u>5,281,856</u>
<b>Amounts falling due after more than one year:</b>		
Other debtors	<u>1,116,000</u>	<u>1,116,000</u>
<b>Total debtors</b>	<u>8,141,907</u>	<u>6,397,856</u>

### 12 Creditors: amounts falling due within one year

	Notes	2018 £	2017 £
Bank loans and overdrafts		150,975	139,191
Trade creditors		2,958,287	2,989,703
Amounts due to group undertakings		5,074,330	2,205,003
Corporation tax		-	81,111
Other taxation and social security		646,999	757,438
Other creditors		1,238,044	1,435,810
Accruals and deferred income		47,768	27,273
		<u>10,116,403</u>	<u>7,635,529</u>

The company has granted a cross guarantee in favour of the banking facilities as part of the group and related companies. This is a fixed and floating charge over the assets of the group and related companies. The group and related companies are Tasmar Limited, ASM Auto Recycling Limited, ASM Metal Recycling Limited and McDonagh Investments Limited. The facility in respect of ASM Auto Recycling Limited extends to £245,000. The amount owed by the group under the cross guarantee amounts to £150,975 at September 2018 (2017 : £223,345).

# ASM METAL RECYCLING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2018

### 13 Provisions for liabilities

	Notes	2018 £	2017 £
Deferred tax liabilities	14	285,521	264,557

### 14 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2018 £	Liabilities 2017 £
<b>Balances:</b>		
Accelerated capital allowances	285,521	264,557
<b>Movements in the year:</b>		2018 £
Liability at 1 October 2017		264,557
Charge to profit or loss		21,167
Liability at 30 September 2018		285,724

### 15 Retirement benefit schemes

	2018 £	2017 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	36,515	22,539

The company contributes to 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.

# ASM METAL RECYCLING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

### 16 Share capital

	2018 £	2017 £
<b>Ordinary share capital</b>		
23,580 ordinary shares of £1 each	23,580	23,580
1,310 ordinary A shares of £1 each	1,310	1,310
1,310 ordinary B shares of £1 each	1,310	1,310
2,000,000 class E shares of £0.01 each	20,000	20,000
	<u>46,200</u>	<u>46,200</u>

#### Ordinary Shares

Ordinary Shares carry full voting rights. They carry the right to receive notice of and attend any meeting of the shareholders of the company. On winding up, only to the extent that there are assets available to be distributed to the shareholders of the company, each holder shall be entitled to a sum proportionate to his share of the ordinary share capital.

The "A" and "B" Ordinary Shares of £1 each rank equally with the Ordinary Shares of £1 each as regards voting and capital distribution rights including on winding up; neither the "A" nor the "B" Ordinary Shares confer any rights of redemption.

#### Class E Shares

The Class E Shares carry no voting rights. They do not carry any right to receive notice or attend meetings of shareholder. In the event of winding up, to the extent that there are assets available each shareholder shall be entitled to £0.01 per E-Share. Such payment shall rank in priority to the payment in respect of other classes of share.

#### Dividends

As regards dividends the "A" and "B" Ordinary Shares of £1 each rank equally with the Ordinary Shares of £1 each and the "E" Ordinary Shares of £1 each except that the directors, in their absolute discretion and subject to compliance with the Companies Act may pay differing rates of dividend on each class of share. E Shares are allotted £0.01 paid, £0.99 uncalled.

### 17 Financial commitments, guarantees and contingent liabilities

The company is part of a VAT group registration scheme with its group undertakings, ASM Auto Recycling Limited and Tasmar Limited. Therefore all companies are jointly and severally liable for all VAT liabilities of the group.

# ASM METAL RECYCLING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2018

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#### 18 Related party transactions

During the year ended 30 September 2018 the company paid rent of £160,000 (2017 : £160,000) to a company connected by virtue of common directors.

At 30 September 2018 the company owed the directors £1,227,184 (2017 : £1,434,120) by virtue of their directors current account positions.

During the year ended 30 September 2018 the company made purchases of £4,128,475 (2017 : £3,071,697) with a connected company. During the year recharges totalled £34,060 (2017 : £33,831). At the year ended 30 September 2018 an amount of £321,004 (2017 : £395,633) was due to the connected company.

During the year ended 30 September 2018 the company paid management charges of £840,000 (2017 : £840,000) to its parent company and at the year ended 30 September 2018 the balance due to the parent company was £4,753,326 (2017 : £1,809,371).

#### 19 Controlling party

In the current and previous financial year the company is a 90% subsidiary of Tasmar Limited, a company registered in England and Wales.

The ultimate controlling party in the current and previous financial year is S C P McDonagh by virtue of his majority shareholding in Tasmar limited.

The group comprises Tasmar Limited, ASM Auto Recycling Limited and ASM Metal Recycling Limited. The group for which group accounts are prepared is that headed by Tasmar Limited, a copy of group accounts is publicly available from 55 Station Road, Beaconsfield, Buckinghamshire, HP9 1QL.