

Company Registration No. 01433695 (England and Wales)

**C&S (NEATH) STEEL SERVICES LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**  
**PAGES FOR FILING WITH REGISTRAR**

# **C&S (NEATH) STEEL SERVICES LIMITED**

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# C&S (NEATH) STEEL SERVICES LIMITED

## BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	4		250,281		339,571
<b>Current assets</b>					
Stocks	5	277,695		694,031	
Debtors	6	666,463		1,263,730	
Investments	7	10,000		10,000	
Cash at bank and in hand		1,285,902		272,497	
		2,240,060		2,240,258	
<b>Creditors: amounts falling due within one year</b>	8	(504,121)		(862,772)	
<b>Net current assets</b>			1,735,939		1,377,486
<b>Total assets less current liabilities</b>			1,986,220		1,717,057
<b>Creditors: amounts falling due after more than one year</b>	9		(7,400)		(11,100)
<b>Provisions for liabilities</b>			(41,755)		(50,000)
<b>Net assets</b>			1,937,065		1,655,957
<b>Capital and reserves</b>					
Called up share capital			100		100
Profit and loss reserves			1,936,965		1,655,857
<b>Total equity</b>			1,937,065		1,655,957

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 August 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

# **C&S (NEATH) STEEL SERVICES LIMITED**

## **BALANCE SHEET (CONTINUED)**

**AS AT 31 AUGUST 2020**

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The financial statements were approved and signed by the director and authorised for issue on 18 March 2021

Mr J J Payne  
**Director**

**Company Registration No. 01433695**

# C&S (NEATH) STEEL SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

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### 1 Accounting policies

#### Company information

C&S (Neath) Steel Services Limited is a private company limited by shares incorporated in England and Wales. The registered office is Excelsior Works, Canal Road, NEATH, West Glamorgan, UK, SA11 1LJ.

#### 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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

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

#### 1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### 1.3 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Freehold	2% Straight Line
Plant and machinery	15% to 25% reducing balance
Fixtures, fittings & equipment	25% 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.

# C&S (NEATH) STEEL SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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### 1 Accounting policies

(Continued)

#### 1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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.

#### 1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

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.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

#### 1.6 Taxation

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

##### **Current tax**

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

##### **Deferred tax**

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

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

# C&S (NEATH) STEEL SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 1 Accounting policies

(Continued)

#### 1.7 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.

#### 1.8 Retirement benefits

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

#### 1.9 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

#### 1.10 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 9 (2019 - 9).

### 3 Intangible fixed assets

	Goodwill £
<b>Cost</b>	
At 1 September 2019 and 31 August 2020	8,200
<b>Amortisation and impairment</b>	
At 1 September 2019 and 31 August 2020	8,200
<b>Carrying amount</b>	
At 31 August 2020	-
At 31 August 2019	-

# C&S (NEATH) STEEL SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
<b>Cost</b>			
At 1 September 2019	74,881	1,479,120	1,554,001
Disposals	(74,881)	(29,096)	(103,977)
At 31 August 2020	-	1,450,024	1,450,024
<b>Depreciation and impairment</b>			
At 1 September 2019	41,948	1,172,482	1,214,430
Depreciation charged in the year	-	39,197	39,197
Eliminated in respect of disposals	(41,948)	(11,936)	(53,884)
At 31 August 2020	-	1,199,743	1,199,743
<b>Carrying amount</b>			
At 31 August 2020	-	250,281	250,281
At 31 August 2019	32,933	306,638	339,571

### 5 Stocks

	2020 £	2019 £
Stocks	277,695	694,031

### 6 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Trade debtors	580,108	1,261,330
Amounts owed by group undertakings and undertakings in which the company has a participating interest	84,028	-
Other debtors	2,327	2,400
	666,463	1,263,730

### 7 Current asset investments

	2020 £	2019 £
Other investments	10,000	10,000



# C&S (NEATH) STEEL SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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

	2020 £	2019 £
Bank loans and overdrafts	-	397
Trade creditors	397,409	709,427
Amounts owed to group undertakings	7,670	57,805
Corporation tax	72,971	19,395
Other taxation and social security	16,037	23,150
Other creditors	10,034	52,598
	<u>504,121</u>	<u>862,772</u>

Other creditors includes obligations under hire purchase agreements amounting to £Nil (2019: £7,291) which are secured by charges on the individual assets to which the liabilities relate.

The bank overdraft and invoice financing facility are secured by a fixed and floating charge over the assets and undertakings of the company.

### 9 Creditors: amounts falling due after more than one year

	Notes	2020 £	2019 £
Government grants		<u>7,400</u>	<u>11,100</u>

Obligations under finance lease agreements are secured against the asset to which it relates.

### 10 Provisions for liabilities

	2020 £	2019 £
Deferred tax liabilities	<u>41,755</u>	<u>50,000</u>

### 11 Related party transactions

During the year, the directors paid interest to the company amounting to £381 (2018: £299) in respect of their director's loan account.

During the year the company paid dividends of £Nil (2019: £25,000) to directors.

During the year the company paid dividends of £36,000 to C&S Holdings South Wales Limited.

The company is associated with C&S (Port Talbot) Limited, a company under common control and ownership. During the year the company incurred expenses on behalf of C&S (Port Talbot) Limited and a charge was made to recover them. These charges amounted to £50,135 (2019: £49,644).

During the year the company paid rent to C&S (Port Talbot) Limited of £Nil (2019: £Nil).

Amounts due to and from C&S (Port Talbot) Limited are disclosed in the notes above.

## **C&S (NEATH) STEEL SERVICES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2020***

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#### **12 Parent company**

On 4 March 2020 C&S Holdings South Wales Limited acquired 100% of the share capital.

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.