

Company Registration No. 02623872 (England and Wales)

JBR RECOVERY LIMITED
ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2015

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JBR RECOVERY LIMITED

COMPANY INFORMATION

Directors	C L Phipps S L Phipps B J Meddings J S Rutherford S R B Meddings K R Davies (Appointed 1 April 2015)
Secretary	J S Rutherford
Company number	02623872
Registered office	Argentor House Oldbury Road West Bromwich B70 9BS
Auditors	UHY Hacker Young Manchester LLP St James Building 79 Oxford Street Manchester M1 6HT
Business address	Argentor House Oldbury Road West Bromwich B70 9BS
Bankers	Barclays Bank plc 15 Colmore Row Birmingham B3 2BH

JBR RECOVERY LIMITED

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JBR RECOVERY LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2015

The directors present their report for the year ended 31 March 2015.

Review of the business

The results for the year show a reduction in turnover and cost of sales. This is a reflection of the lower prices of precious metals during the year, and the decrease in volumes of high grade materials received. Profit however improved over the year.

The impact of the growth of digital photography replacing the traditional photographic film waste continues to be the biggest risk to the business. The lower volumes of high grade material contributed to a change in the overall balance between volumes of materials from the traditional photographic sector and materials from other sources, but new sources of materials continue to be explored.

A fall in metal prices (particularly silver) presents a risk to the supply volumes of waste to refine, and abnormal increases in fuel costs remain a risk to the business..

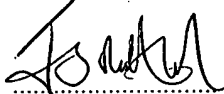
The commercial and financial position of the Company at the year end was considered satisfactory by the directors.

The main key performance indicators of the Company are those that relate to intakes of materials for refining, and the Company's processing costs of those materials.

Comparisons of the above figures for the last two years are as follows:

	2014/15	2013/14
Receipts of materials for refining (tonnes)	3,846	4,172
Production overheads (excluding external costs for non-silver materials)	£2,704,371	£3,082,424
Administration expenses (excluding management fees to holding company)	£1,438,040	£1,493,148
Silver output excluding re-casting work (tonnes)	60.5	112.1
Production overheads per tonne of silver (excluding re-casting work)	£44,697	£27,494
Total overheads per tonne of silver	£68,465	£40,812

On behalf of the board



J S Rutherford

Director

11 NOVEMBER 2015

JBR RECOVERY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2015

The directors present their report and financial statements for the year ended 31 March 2015.

Principal activities and review of the business

The Company's principal activity during the year was the provision of a waste recovery service to manufacturers and other waste handling companies, whereby waste products are disposed of in an environmentally sound and economic manner and valuable metals such as gold, silver, copper and lead are recovered.

Results and dividends

The results for the year are set out on page 6.

The directors recommended payment of an ordinary dividend in the year amounting to £nil (2014 - £271,285) for the year.

Directors

The following directors have held office since 1 April 2014:

C L Phipps

S L Phipps

B J Meddings

J S Rutherford

R M Punt

(Resigned 31 March 2015)

S R B Meddings

K R Davies

(Appointed 1 April 2015)

Statement of directors' responsibilities

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 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.

JBR RECOVERY LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors 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 auditors are aware of that information.

On behalf of the board



J S Rutherford

Director

11 NOVEMBER 2015

JBR RECOVERY LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF JBR RECOVERY LIMITED

We have audited the financial statements of JBR Recovery Limited for the year ended 31 March 2015 set out on pages 6 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditors

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

JBR RECOVERY LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF JBR RECOVERY LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Mark Robertson (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young Manchester LLP

Chartered Accountants
Statutory Auditor

11 NOVEMBER 2015

St James Building
79 Oxford Street
Manchester
M1 6HT

JBR RECOVERY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2015

	Notes	2015 £	2014 £
Turnover	2	23,378,758	49,181,040
Cost of sales		(21,747,874)	(47,724,146)
Gross profit		1,630,884	1,456,894
Administrative expenses		(1,538,040)	(1,493,147)
Operating profit/(loss)	3	92,844	(36,253)
Other interest receivable and similar income	4	19	6,369
Interest payable and similar charges	5	(2,062)	(7,380)
Profit/(loss) on ordinary activities before taxation		90,801	(37,264)
Tax on profit/(loss) on ordinary activities	6	146,998	8,824
Profit/(loss) for the year	16	237,799	(28,440)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

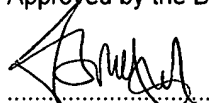
JBR RECOVERY LIMITED

BALANCE SHEET

AS AT 31 MARCH 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Tangible assets	8		1,405,003		1,389,604
Current assets					
Stocks	9	1,230,999		1,743,643	
Work in progress and bullion	10	3,654,480		5,476,742	
Debtors	11	844,080		770,647	
Cash at bank and in hand		1,929,114		1,133,974	
		<u>7,658,673</u>		<u>9,125,006</u>	
Creditors: amounts falling due within one year	12	<u>(4,225,584)</u>		<u>(5,999,128)</u>	
Net current assets			3,433,089		3,125,878
Total assets less current liabilities			<u>4,838,092</u>		<u>4,515,482</u>
Provisions for liabilities	13		(92,133)		(7,320)
			<u>4,745,959</u>		<u>4,508,162</u>
Capital and reserves					
Called up share capital	15	350,000		350,000	
Share premium account	16	53,683		53,683	
Other reserves	16	240,000		240,000	
Profit and loss account	16	4,102,276		3,864,479	
Shareholders' funds	17	<u>4,745,959</u>		<u>4,508,162</u>	

Approved by the Board and authorised for issue on 11 November 2015



J S Rutherford
Director

Company Registration No. 02623872

JBR RECOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is included in the consolidated cash flow statement of Phipps and Company Limited, the ultimate parent company.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents the amounts of metal recovered, recasting charges and other services net of VAT. Turnover is recognised when a right to consideration has been obtained through the performance under each contract. Consideration accrues as activity progresses by reference to the work performed.

Unsold metal is included in work in progress or bullion dependent upon the completion of the refining process.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. 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:

Short leasehold land & buildings	10 years straight line basis
Plant & machinery	10% - 33 1/3% on a straight line basis
Fixtures fittings & equipment	10% - 33 1/3% on a straight line basis
Motor vehicles	3 years straight line basis

1.5 Leasing

Rentals payable under operating leases are charged against income as incurred.

1.6 Work in progress and bullion

Bullion represents fully refined metals held on site or held on account at a bullion broker and is valued at the year end spot price of the metals.

Work in progress represents amounts recoverable from metals partly processed at the year end and is valued by reference to the year end spot price of metals less estimated attributable costs and profit to completion.

1.7 Stock

Raw materials are stated at cost and include an appropriate portion of attributable overheads.

1.8 Pensions

The company operates 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.

1.9 Deferred taxation

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.

JBR RECOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2015

1 Accounting policies (Continued)

2 Turnover

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

3 Operating profit/(loss)	2015 £	2014 £
Operating profit/(loss) is stated after charging:		
Depreciation of tangible assets	231,061	253,106
Operating lease rentals		
- Plant and machinery	26,398	34,992
- Other assets	166,750	166,750
Fees payable to the company's auditor for the audit of the company's annual accounts	16,142	15,623
Fees payable to the company's auditors for taxation services	23,862	2,000
and after crediting:		
Profit on disposal of tangible assets	-	(4,880)

4 Investment income	2015 £	2014 £
Bank interest	19	18
Other interest	-	6,351
	19	6,369

5 Interest payable	2015 £	2014 £
On bank loans and overdrafts	2,062	6,587
On overdue tax	-	793
	2,062	7,380

JBR RECOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2015

6	Taxation	2015 £	2014 £
	Domestic current year tax		
	Adjustment for prior years	(112,260)	(3,724)
	Receipt in respect of group relief	(52,752)	-
	Total current tax	(165,012)	(3,724)
	Deferred tax		
	Deferred tax charge/credit current year	18,014	(5,100)
		(146,998)	(8,824)
	Factors affecting the tax charge for the year		
	Profit/(loss) on ordinary activities before taxation	90,801	(37,264)
	Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.00% (2014 - 23.00%)	19,068	(8,571)
	Effects of:		
	Non deductible expenses	766	11,072
	Utilisation of tax losses and other deductions	(52,905)	-
	Capital allowances in excess of depreciation	(19,055)	(4,007)
	Adjustments to previous periods	(112,260)	(3,724)
	Other tax adjustments	(626)	1,506
		(184,080)	4,847
	Current tax charge for the year	(165,012)	(3,724)
7	Dividends	2015 £	2014 £
	Ordinary interim paid	-	271,285

JBR RECOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

8 Tangible fixed assets

	Short leasehold land & buildings	Plant & machinery	Fixtures fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2014	254,222	5,149,181	217,847	-	5,621,250
Additions	-	228,717	816	16,927	246,460
Disposals	-	(80,575)	-	-	(80,575)
At 31 March 2015	254,222	5,297,323	218,663	16,927	5,787,135
Depreciation					
At 1 April 2014	198,418	3,849,073	184,155	-	4,231,646
On disposals	-	(80,575)	-	-	(80,575)
Charge for the year	8,204	205,122	13,973	3,762	231,061
At 31 March 2015	206,622	3,973,620	198,128	3,762	4,382,132
Net book value					
At 31 March 2015	47,600	1,323,703	20,535	13,165	1,405,003
At 31 March 2014	55,804	1,300,108	33,692	-	1,389,604

9 Stocks

	2015 £	2014 £
Raw materials and consumables	1,230,999	1,743,643

10 Work in progress and bullion

	2015 £	2014 £
Work in progress	3,045,078	4,084,110
Bullion	609,402	1,392,632
	3,654,480	5,476,742

JBR RECOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2015

11 Debtors	2015 £	2014 £
Trade debtors	143,166	179,144
Amounts owed by subsidiary undertakings	52,752	-
Corporation tax	191,559	15,422
Other debtors	273,850	386,239
Prepayments and accrued income	182,753	189,842
	<u>844,080</u>	<u>770,647</u>

12 Creditors: amounts falling due within one year	2015 £	2014 £
Trade creditors	3,925,795	5,872,169
Amounts owed to parent and fellow subsidiary undertakings	120,000	13,861
Taxes and social security costs	48,601	42,175
Other creditors	10,065	6,424
Accruals and deferred income	121,123	64,499
	<u>4,225,584</u>	<u>5,999,128</u>

13 Provisions for liabilities	Deferred tax liability £
Balance at 1 April 2014	7,320
Profit and loss account	84,813
Balance at 31 March 2015	<u>92,133</u>

The deferred tax liability is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	93,266	35,736
Other timing differences	(1,133)	(27,158)
Tax losses available	-	(1,258)
	<u>92,133</u>	<u>7,320</u>

JBR RECOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2015

14 Pension and other post-retirement benefit commitments

Defined contribution scheme

The company contributes to defined contribution pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the funds.

	2015 £	2014 £
Contributions payable by the company for the year	83,733	48,441

15 Share capital

	2015 £	2014 £
Allotted, called up and fully paid		
350,000 Ordinary shares of £1 each	350,000	350,000

16 Statement of movements on reserves

	Share premium account £	Capital Profit and loss redemption reserve £	account £
Balance at 1 April 2014	53,683	240,000	3,864,477
Profit for the year	-	-	237,799
Balance at 31 March 2015	53,683	240,000	4,102,276

17 Reconciliation of movements in shareholders' funds

	2015 £	2014 £
Profit/(Loss) for the financial year	237,799	(28,440)
Dividends	-	(271,285)
Net addition to/(depletion in) shareholders' funds	237,799	(299,725)
Opening shareholders' funds	4,508,162	4,807,887
Closing shareholders' funds	4,745,959	4,508,162

JBR RECOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

18 Contingent liabilities

The company has entered into a Composite Accounting Agreement dated 2 December 2005 whereby, in certain circumstances, the bank may utilise the bank balances of the company and apply them in reduction of liabilities of parties to the agreement. At 31 March 2015, the maximum potential liability under this agreement was £2,025,936 (2014 - £1,181,913).

19 Financial commitments

At 31 March 2015 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2016:

	Land and buildings		Other	
	2015	2014	2015	2014
	£	£	£	£
Operating leases which expire:				
Within one year	-	-	2,045	-
Between two and five years	142,000	142,000	8,351	25,082
In over five years	24,750	24,750	-	-
	<u>166,750</u>	<u>166,750</u>	<u>10,396</u>	<u>25,082</u>

The leases expiring after more than five years expire in 2020.

20 Capital commitments

2015	2014
£	£

At 31 March 2015 the company had capital commitments as follows:

Contracted for but not provided in the financial statements	<u>12,353</u>	<u>-</u>
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JBR RECOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

21 Directors' remuneration	2015 £	2014 £
Remuneration for qualifying services	254,458	210,480
Company pension contributions to defined contribution schemes	55,726	22,777
	<u>310,184</u>	<u>233,257</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2014 - 3).

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services	79,074	90,138
Company pension contributions to defined contribution schemes	9,606	9,121
	<u>79,074</u>	<u>90,138</u>

22 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2015 Number	2014 Number
Production	36	36
Commercial / administration	8	8
	<u>44</u>	<u>44</u>

Employment costs

	2015 £	2014 £
Wages and salaries	1,368,622	1,362,687
Social security costs	143,479	143,097
Other pension costs	83,733	48,441
	<u>1,595,834</u>	<u>1,554,225</u>

JBR RECOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

23 Control

The immediate parent company and the ultimate parent company is Phipps and Company Limited, a company registered in England and Wales.

Phipps and Company Limited prepares group financial statements and copies can be obtained from the registered office at Mathon Court, Mathon, Malvern, Worcestershire, WR13 5NZ.

24 Related party relationships and transactions

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.