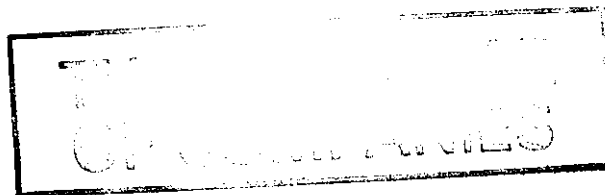


COMPANY REGISTRATION NUMBER 4269422

**A & A RECYCLING SERVICES LIMITED**  
**ABBREVIATED ACCOUNTS**  
**31ST MARCH 2004**



**ARMSTRONG WATSON**  
Chartered Accountants  
Fairview House  
Victoria Place  
Carlisle  
Cumbria  
CA1 1HP

# **A & A RECYCLING SERVICES LIMITED**

## **ABBREVIATED ACCOUNTS**

**YEAR ENDED 31ST MARCH 2004**

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# A & A RECYCLING SERVICES LIMITED

## ABBREVIATED BALANCE SHEET

31ST MARCH 2004

|  | Note     | 2004<br>£             | £                     | 2003<br>£             | £                     |
|--|----------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>FIXED ASSETS</b>  | <b>2</b> |                       |                       |                       |                       |
| Intangible assets  |          |                       | 2,166                 |                       | 4,333                 |
| Tangible assets  |          |                       | <u>684,219</u>        |                       | <u>345,181</u>        |
|  |          |                       | <b>686,385</b>        |                       | <b>349,514</b>        |
| <b>CURRENT ASSETS</b>  |          |                       |                       |                       |                       |
| Stocks   |          | 12,555                |                       | 11,564                |                       |
| Debtors  |          | 397,348               |                       | 306,407               |                       |
| Cash at bank and in hand                                       |          | <u>1,025</u>          |                       | <u>315</u>            |                       |
|  |          | <b>410,928</b>        |                       | <b>318,286</b>        |                       |
| <b>CREDITORS: Amounts falling due within one year</b>          | <b>3</b> | <u><b>534,990</b></u> |                       | <u><b>378,994</b></u> |                       |
| <b>NET CURRENT LIABILITIES</b>                                 |          |                       | <b>(124,062)</b>      |                       | <b>(60,708)</b>       |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                   |          |                       | <u><b>562,323</b></u> |                       | <u><b>288,806</b></u> |
| <b>CREDITORS: Amounts falling due after more than one year</b> | <b>4</b> |                       | <b>299,995</b>        |                       | <b>133,166</b>        |
| <b>PROVISIONS FOR LIABILITIES AND CHARGES</b>                  |          |                       | <u><b>43,800</b></u>  |                       | <u><b>9,800</b></u>   |
|  |          |                       | <u><b>218,528</b></u> |                       | <u><b>145,840</b></u> |

The Balance sheet continues on the following page.

The notes on pages 3 to 5 form part of these abbreviated accounts.

# A & A RECYCLING SERVICES LIMITED

## ABBREVIATED BALANCE SHEET *(continued)*

31ST MARCH 2004

|                                | Note | 2004<br>£      | 2003<br>£      |
|--------------------------------|------|----------------|----------------|
| <b>CAPITAL AND RESERVES</b>    |      |                |                |
| Called-up equity share capital | 5    | 1,000          | 1,000          |
| Profit and loss account        |      | <u>217,528</u> | <u>144,840</u> |
| <b>SHAREHOLDERS' FUNDS</b>     |      | <u>218,528</u> | <u>145,840</u> |

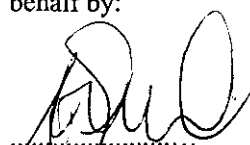
The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These abbreviated financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors on 19.07.04..... and are signed on their behalf by:

  
.....  
MR A. GARBETT

The notes on pages 3 to 5 form part of these abbreviated accounts.

# **A & A RECYCLING SERVICES LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS**

**YEAR ENDED 31ST MARCH 2004**

### **1. ACCOUNTING POLICIES**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities effective June, 2002.

#### **Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

#### **Goodwill**

Positive purchased goodwill arising on acquisitions is capitalised as an asset on the Balance Sheet and amortised over its useful economic useful life.

#### **Amortisation**

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

Goodwill - 3 years straight line

#### **Fixed assets**

All fixed assets are initially recorded at cost.

#### **Depreciation**

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

|                        |                           |
|------------------------|---------------------------|
| Leasehold Improvements | - remaining term of lease |
| Plant & Machinery      | - 15% reducing balance    |
| Motor Vehicles         | - 25% reducing balance    |
| Office Equipment       | - 25% reducing balance    |

A revised depreciation policy for plant and machinery has taken effect from 1st April 2003 (previously 20% reducing balance). The change arises due to a review, by the directors, of the useful economic lives of the assets involved given significant investment in additional new equipment in the year. The effect of the change in policy is to reduce the depreciation charge for the year by £10,072.

#### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost is calculated on a first-in-first-out-basis.

# A & A RECYCLING SERVICES LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

### YEAR ENDED 31ST MARCH 2004

#### 1. ACCOUNTING POLICIES *(continued)*

##### Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

##### Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

##### Pension costs

The company operates a stakeholder pension arrangement on behalf of employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

##### Deferred taxation

Deferred tax is provided in respect of the tax effect of all timing differences at the rates of tax expected to apply when the timing differences reverse.

#### 2. FIXED ASSETS

|                       | Intangible<br>Assets<br>£ | Tangible<br>Assets<br>£ | Total<br>£     |
|-----------------------|---------------------------|-------------------------|----------------|
| <b>COST</b>           |                           |                         |                |
| At 1st April 2003     | 6,500                     | 394,797                 | 401,297        |
| Additions             | —                         | 486,541                 | 486,541        |
| Disposals             | —                         | (100,999)               | (100,999)      |
| At 31st March 2004    | <u>6,500</u>              | <u>780,339</u>          | <u>786,839</u> |
| <b>DEPRECIATION</b>   |                           |                         |                |
| At 1st April 2003     | 2,167                     | 49,616                  | 51,783         |
| Charge for year       | 2,167                     | 82,991                  | 85,158         |
| On disposals          | —                         | (36,487)                | (36,487)       |
| At 31st March 2004    | <u>4,334</u>              | <u>96,120</u>           | <u>100,454</u> |
| <b>NET BOOK VALUE</b> |                           |                         |                |
| At 31st March 2004    | <u>2,166</u>              | <u>684,219</u>          | <u>686,385</u> |
| At 31st March 2003    | <u>4,333</u>              | <u>345,181</u>          | <u>349,514</u> |

# A & A RECYCLING SERVICES LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

### YEAR ENDED 31ST MARCH 2004

#### 3. CREDITORS: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

|                           | 2004           | 2003           |
|---------------------------|----------------|----------------|
|                           | £              | £              |
| Bank loans and overdrafts | 54,200         | 61,021         |
| Hire Purchase Agreements  | <u>159,484</u> | <u>70,404</u>  |
|                           | <u>213,684</u> | <u>131,425</u> |

#### 4. CREDITORS: Amounts falling due after more than one year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

|                          | 2004           | 2003           |
|--------------------------|----------------|----------------|
|                          | £              | £              |
| Hire Purchase Agreements | <u>299,995</u> | <u>133,166</u> |

#### 5. SHARE CAPITAL

##### Authorised share capital:

|                                    | 2004           | 2003           |
|------------------------------------|----------------|----------------|
|                                    | £              | £              |
| 100,000 Ordinary shares of £1 each | <u>100,000</u> | <u>100,000</u> |

##### Allotted, called up and fully paid:

|                            | 2004         |              | 2003         |              |
|----------------------------|--------------|--------------|--------------|--------------|
|                            | No           | £            | No           | £            |
| Ordinary shares of £1 each | <u>1,000</u> | <u>1,000</u> | <u>1,000</u> | <u>1,000</u> |