

TAURUS WASTE RECYCLING (HOLDINGS) LTD
GROUP STRATEGIC REPORT,
REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017

HPCA Limited
Chartered Accountants
and Statutory Auditors
Station House
Connaught Road
Brookwood
Woking
Surrey
GU24 0ER

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for the year ended 31 October 2017

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TAURUS WASTE RECYCLING (HOLDINGS) LTD

COMPANY INFORMATION
for the year ended 31 October 2017

DIRECTORS:

S T Mills
P J Scarborough
S T Watkins
R Bird
G R Bird

SECRETARY:

Mrs J A Scarborough

REGISTERED OFFICE:

Taurus House
Lynchford Lane
Farnborough
Hampshire
GU14 6JB

REGISTERED NUMBER:

04281987

AUDITORS:

HPCA Limited
Chartered Accountants
and Statutory Auditors
Station House
Connaught Road
Brookwood
Woking
Surrey
GU24 0ER

GROUP STRATEGIC REPORT
for the year ended 31 October 2017

The directors present their strategic report of the company and the group for the year ended 31 October 2017.

REVIEW OF BUSINESS

The board was generally satisfied with the company's financial performance over the financial year to 31 October 2017 considering that the market remains challenging and competitive.

Trading volumes for the period remained fairly static as annual turnover increased by just 1.2% on the previous year to £7.7m. The gross profit margin, however, improved significantly and increased from 27% in 2016 to 30% in 2017 reflecting the Board's continued focus on improving operational efficiency. The business also made strides in its efforts to improve its cash position and delivered some success in this aspect with a £275k increase in net cash.

A new website was launched in the third quarter of 2016, with the introduction of the facility to accept skip orders online. This has proved a valuable addition which returned improving sales volumes throughout the year. Further developments are planned to enhance and market the ecommerce platform in the coming year.

A reclassification of finance lease assets undertaken during the year coupled with a review of the vehicle asset class depreciation values resulted in a one-off adjustment to increase depreciation by £113.5k.

In 2018 the directors' primary focus will be placed on maintaining and improving the position of the company in the market, coupled with the continued implementation of cost reduction measures. To this end, the board will actively investigate new operating arenas and technologies to improve its recycling and financial performance and invest where beneficial returns can be demonstrated.

PRINCIPAL RISKS AND UNCERTAINTIES

There are a number of potential risks and uncertainties going forward which may impact future performance. The business currently sends its refuse derived fuels to Europe to be converted to energy and as such there are concerns regarding the impact of Brexit and specifically the Pound/Euro exchange rate. The directors are currently investigating other possible waste specifications and outlets to mitigate any issues which may arise. Furthermore, the directors are also mindful of the recent upward trend in the wholesale fuel prices and continued volatility in the recycled materials markets.

The directors have reviewed the company position and form the view that it currently has sufficient liquidity and credit resources for its operational requirements.

ON BEHALF OF THE BOARD:

P J Scarborough - Director

3 August 2018

REPORT OF THE DIRECTORS
for the year ended 31 October 2017

The directors present their report with the financial statements of the company and the group for the year ended 31 October 2017.

DIVIDENDS

No dividends will be distributed for the year ended 31 October 2017.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 November 2016 to the date of this report.

S T Mills
P J Scarborough
S T Watkins
R Bird
G R Bird

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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 the group and of the profit or loss of the group 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, HPCA Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

P J Scarborough - Director

3 August 2018

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
TAURUS WASTE RECYCLING (HOLDINGS) LTD

Opinion

We have audited the financial statements of Taurus Waste Recycling (Holdings) Ltd (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 October 2017 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, 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 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 group's and of the parent company affairs as at 31 October 2017 and of the group's loss 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 group 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.

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 group'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 in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and 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, 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.

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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
TAURUS WASTE RECYCLING (HOLDINGS) LTD

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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 Report of the Directors.

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 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 group's and the parent 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 group or the parent 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 a Report of the Auditors 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 Report of the Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
TAURUS WASTE RECYCLING (HOLDINGS) LTD

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 a Report of the Auditors 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.

Lance Redman (Senior Statutory Auditor)
for and on behalf of HPCA Limited
Chartered Accountants
and Statutory Auditors
Station House
Connaught Road
Brookwood
Woking
Surrey
GU24 0ER

3 August 2018

CONSOLIDATED INCOME STATEMENT
for the year ended 31 October 2017

	Notes	2017 £	2016 £
TURNOVER		7,705,772	7,615,350
Cost of sales		<u>5,374,654</u>	<u>5,531,558</u>
GROSS PROFIT		2,331,118	2,083,792
Administrative expenses		<u>2,220,919</u>	<u>2,049,466</u>
OPERATING PROFIT	4	110,199	34,326
Interest payable and similar expenses	5	<u>131,941</u>	<u>138,847</u>
LOSS BEFORE TAXATION		(21,742)	(104,521)
Tax on loss	6	<u>(1,836)</u>	<u>(55,914)</u>
LOSS FOR THE FINANCIAL YEAR		<u>(19,906)</u>	<u>(48,607)</u>
Loss attributable to:			
Owners of the parent		<u>(19,906)</u>	<u>(48,607)</u>

CONSOLIDATED OTHER COMPREHENSIVE INCOME
for the year ended 31 October 2017

	Notes	2017 £	2016 £
LOSS FOR THE YEAR		(19,906)	(48,607)
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(19,906)</u>	<u>(48,607)</u>
Total comprehensive income attributable to: Owners of the parent		<u>(19,906)</u>	<u>(48,607)</u>

The notes form part of these financial statements

CONSOLIDATED BALANCE SHEET
31 October 2017

	Notes	2017 £	£	2016 £	£
FIXED ASSETS					
Intangible assets	8		148,885		297,770
Tangible assets	9		4,225,876		3,787,837
Investments	10		-		-
			<u>4,374,761</u>		<u>4,085,607</u>
CURRENT ASSETS					
Stocks	11	46,512		58,763	
Debtors	12	1,240,018		1,177,782	
Cash at bank and in hand		<u>85,865</u>		<u>120,383</u>	
		1,372,395		1,356,928	
CREDITORS					
Amounts falling due within one year	13	<u>1,514,641</u>		<u>1,536,971</u>	
NET CURRENT LIABILITIES			<u>(142,246)</u>		<u>(180,043)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			4,232,515		3,905,564
CREDITORS					
Amounts falling due after more than one year	14		(1,626,062)		(1,277,369)
PROVISIONS FOR LIABILITIES	18		<u>(201,050)</u>		<u>(202,886)</u>
NET ASSETS			<u>2,405,403</u>		<u>2,425,309</u>
CAPITAL AND RESERVES					
Called up share capital	19		600,000		600,000
Retained earnings	20		<u>1,805,403</u>		<u>1,825,309</u>
SHAREHOLDERS' FUNDS			<u>2,405,403</u>		<u>2,425,309</u>

The financial statements were approved by the Board of Directors on 3 August 2018 and were signed on its behalf by:

P J Scarborough - Director

S T Mills - Director

COMPANY BALANCE SHEET
31 October 2017

	Notes	2017 £	£	2016 £	£
FIXED ASSETS					
Intangible assets	8		-		-
Tangible assets	9		-		-
Investments	10		<u>495,932</u>		<u>495,932</u>
			495,932		495,932
CURRENT ASSETS					
Debtors	12	92,957		92,957	
Cash at bank		<u>1</u>		<u>1</u>	
		92,958		92,958	
NET CURRENT ASSETS			<u>92,958</u>		<u>92,958</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>588,890</u>		<u>588,890</u>
CAPITAL AND RESERVES					
Called up share capital	19		600,000		600,000
Retained earnings			<u>(11,110)</u>		<u>(11,110)</u>
SHAREHOLDERS' FUNDS			<u>588,890</u>		<u>588,890</u>
Company's profit for the financial year			-		-

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 3 August 2018 and were signed on its behalf by:

P J Scarborough - Director

S T Mills - Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 31 October 2017

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 November 2015	600,000	1,873,916	2,473,916
Changes in equity			
Total comprehensive income	-	(48,607)	(48,607)
Balance at 31 October 2016	600,000	1,825,309	2,425,309
Changes in equity			
Total comprehensive income	-	(19,906)	(19,906)
Balance at 31 October 2017	600,000	1,805,403	2,405,403

The notes form part of these financial statements

COMPANY STATEMENT OF CHANGES IN EQUITY
for the year ended 31 October 2017

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 November 2015	600,000	(11,110)	588,890
Changes in equity			
Balance at 31 October 2016	600,000	(11,110)	588,890
Changes in equity			
Balance at 31 October 2017	600,000	(11,110)	588,890

The notes form part of these financial statements

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 October 2017

	Notes	2017 £	2016 £
Cash flows from operating activities			
Cash generated from operations	1	844,536	512,701
Interest paid		(53,547)	(68,760)
Interest element of hire purchase and finance lease rental payments paid		(78,394)	(70,087)
Net cash from operating activities		<u>712,595</u>	<u>373,854</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,104,011)	(801,282)
Sale of tangible fixed assets		110,000	157,426
Net cash from investing activities		<u>(994,011)</u>	<u>(643,856)</u>
Cash flows from financing activities			
New HP loans in year		273,083	623,724
Loan repayments in year		(40,717)	(48,809)
New FL loans in year		773,480	469,918
Capital repayments in year		(449,179)	(324,863)
Net cash from financing activities		<u>556,667</u>	<u>719,970</u>
Increase in cash and cash equivalents		<u>275,251</u>	<u>449,968</u>
Cash and cash equivalents at beginning of year	2	(297,284)	(747,252)
Cash and cash equivalents at end of year	2	<u>(22,033)</u>	<u>(297,284)</u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 October 2017

1. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2017	2016
	£	£
Loss before taxation	(21,742)	(104,521)
Depreciation charges	419,013	252,232
Loss on disposal of fixed assets	136,958	7,828
Amortisation of goodwill	148,885	148,885
Impairment of assets	-	75,344
Finance costs	131,941	138,847
	<u>815,055</u>	<u>518,615</u>
Decrease in stocks	12,251	1,318
(Increase)/decrease in trade and other debtors	(62,236)	201,195
Increase/(decrease) in trade and other creditors	79,466	(208,427)
Cash generated from operations	<u><u>844,536</u></u>	<u><u>512,701</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 October 2017

	31.10.17	1.11.16
	£	£
Cash and cash equivalents	85,865	120,383
Bank overdrafts	<u>(107,898)</u>	<u>(417,667)</u>
	<u><u>(22,033)</u></u>	<u><u>(297,284)</u></u>

Year ended 31 October 2016

	31.10.16	1.11.15
	£	£
Cash and cash equivalents	120,383	91,077
Bank overdrafts	<u>(417,667)</u>	<u>(838,329)</u>
	<u><u>(297,284)</u></u>	<u><u>(747,252)</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 October 2017

1. STATUTORY INFORMATION

Taurus Waste Recycling (Holdings) Ltd is a private company, limited by shares, registered in Not specified/Other. The company's registered number and registered office address can be found on the General Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents the invoiced value, net of value added tax, of goods sold and services provided to customers outside the group.

Intangible fixed assets

Goodwill represents the excess of the purchase price over the fair value of the net assets acquired and is capitalised and written off evenly over its useful life. The directors review the carrying value of goodwill when they consider there have been events or changes in circumstances affecting the current recoverable amount. In these circumstances the value of goodwill is adjusted to its current value and written off over its useful life. An adjustment was made to the value of goodwill in 2011 following which the remaining balance is being amortised over seven years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Short leasehold	- at varying rates on cost
Plant and machinery	- at varying rates on cost and at variable rates on reducing balance
Motor vehicles	- at varying rates on cost and at variable rates on reducing balance
Computer equipment	- 20% on cost and 20% on reducing balance

Stocks

Stocks represent the value of fuel and unsorted waste held on sites and is valued at cost.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 October 2017**2. ACCOUNTING POLICIES - continued****Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Leased assets and obligations

Where assets are financed by leasing agreements that give rights approximating to ownership ('finance leases'), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the term of the lease. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the profit and loss account as it is incurred.

All other leases are 'operating leases' and the annual rentals are charged to the profit and loss account on a straight line basis over the term of the lease.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

	2017	2016
	£	£
Wages and salaries	1,666,808	1,702,140
Social security costs	168,037	170,320
Other pension costs	16,355	16,003
	<u>1,851,200</u>	<u>1,888,463</u>

The average number of employees during the year was as follows:

	2017	2016
Administrative	12	10
Maintenance	2	2
Drivers	27	30
Recycling operatives	15	15
Directors	5	5
	<u>61</u>	<u>62</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 61 .

	2017	2016
	£	£
Directors' remuneration	<u>270,000</u>	<u>270,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 October 2017**3. EMPLOYEES AND DIRECTORS - continued**

Information regarding the highest paid director is as follows:

	2017	2016
	£	£
Emoluments etc	<u>60,000</u>	<u>60,000</u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	2017	2016
	£	£
Lease of plant and machinery	395,689	457,055
Depreciation - owned assets	207,457	215,881
Depreciation - assets on hire purchase contracts and finance leases	325,151	148,259
Loss on disposal of fixed assets	136,958	7,828
Goodwill amortisation	148,885	148,885
Auditors' remuneration	<u>7,000</u>	<u>6,700</u>

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2017	2016
	£	£
Bank interest	11,003	22,891
Loan	42,544	45,869
Hire purchase	45,203	60,004
Finance lease interest	<u>33,191</u>	<u>10,083</u>
	<u>131,941</u>	<u>138,847</u>

6. TAXATION**Analysis of the tax credit**

The tax credit on the loss for the year was as follows:

	2017	2016
	£	£
Deferred tax	<u>(1,836)</u>	<u>(55,914)</u>
Tax on loss	<u>(1,836)</u>	<u>(55,914)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 October 2017

6. TAXATION - continued

Reconciliation of total tax credit included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2017 £	2016 £
Loss before tax	<u>(21,742)</u>	<u>(104,521)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2016 - 20%)	(4,131)	(20,904)
Effects of:		
Expenses not deductible for tax purposes	-	20
Depreciation in excess of capital allowances	55,248	29,741
Allowable goodwill amortisation	(28,288)	(29,777)
Loss on sale of assets	15,476	1,566
Balancing charges	1,238	3,674
Allowable depreciation on finance lease assets	(20,569)	(7,382)
Tax losses brought forward	(18,974)	(111,213)
Tax losses carried forward	-	134,275
Deferred tax movement in accelerated timing differences	(20,810)	(39,552)
Deferred tax movement in tax losses	<u>18,974</u>	<u>(16,362)</u>
Total tax credit	<u>(1,836)</u>	<u>(55,914)</u>

7. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

8. INTANGIBLE FIXED ASSETS

Group

	Goodwill £
COST	
At 1 November 2016 and 31 October 2017	<u>2,964,432</u>
AMORTISATION	
At 1 November 2016	2,666,662
Amortisation for year	<u>148,885</u>
At 31 October 2017	<u>2,815,547</u>
NET BOOK VALUE	
At 31 October 2017	<u>148,885</u>
At 31 October 2016	<u>297,770</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 October 2017

9. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Short leasehold £	Plant and machinery £
COST			
At 1 November 2016	1,041,886	85,045	4,251,588
Additions	-	-	130,606
Reclassification/transfer	-	-	286,100
At 31 October 2017	<u>1,041,886</u>	<u>85,045</u>	<u>4,668,294</u>
DEPRECIATION			
At 1 November 2016	167,625	49,351	2,139,053
Charge for year	11,984	4,095	241,485
Eliminated on disposal	-	-	-
Reclassification/transfer	-	-	53,219
At 31 October 2017	<u>179,609</u>	<u>53,446</u>	<u>2,433,757</u>
NET BOOK VALUE			
At 31 October 2017	<u>862,277</u>	<u>31,599</u>	<u>2,234,537</u>
At 31 October 2016	<u>874,261</u>	<u>35,694</u>	<u>2,112,535</u>

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 November 2016	1,117,584	59,026	6,555,129
Additions	973,405	-	1,104,011
Disposals	(336,445)	-	(336,445)
Reclassification/transfer	(286,100)	-	-
At 31 October 2017	<u>1,468,444</u>	<u>59,026</u>	<u>7,322,695</u>
DEPRECIATION			
At 1 November 2016	353,153	58,110	2,767,292
Charge for year	274,861	183	532,608
Eliminated on disposal	(203,081)	-	(203,081)
Reclassification/transfer	(53,219)	-	-
At 31 October 2017	<u>371,714</u>	<u>58,293</u>	<u>3,096,819</u>
NET BOOK VALUE			
At 31 October 2017	<u>1,096,730</u>	<u>733</u>	<u>4,225,876</u>
At 31 October 2016	<u>764,431</u>	<u>916</u>	<u>3,787,837</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 October 2017

9. TANGIBLE FIXED ASSETS - continued

Group

Fixed assets, included in the above, which are held under hire purchase contracts and finance leases are as follows:

	Plant and machinery £	Motor vehicles £	Totals £
COST			
At 1 November 2016	1,412,681	599,283	2,011,964
Additions	115,850	923,405	1,039,255
Transfer to ownership	(22,250)	-	(22,250)
Reclassification/transfer	286,100	(286,100)	-
At 31 October 2017	<u>1,792,381</u>	<u>1,236,588</u>	<u>3,028,969</u>
DEPRECIATION			
At 1 November 2016	467,148	57,662	524,810
Charge for year	131,603	193,548	325,151
Transfer to ownership	(7,231)	-	(7,231)
Reclassification/transfer	53,219	(53,219)	-
At 31 October 2017	<u>644,739</u>	<u>197,991</u>	<u>842,730</u>
NET BOOK VALUE			
At 31 October 2017	<u>1,147,642</u>	<u>1,038,597</u>	<u>2,186,239</u>
At 31 October 2016	<u>945,533</u>	<u>541,621</u>	<u>1,487,154</u>

10. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 November 2016 and 31 October 2017	<u>495,932</u>
NET BOOK VALUE	
At 31 October 2017	<u>495,932</u>
At 31 October 2016	<u>495,932</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 October 2017

10. FIXED ASSET INVESTMENTS - continued

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiary

Taurus Waste Recycling Limited

Registered office:

Nature of business: Skip hire and waste management

	%	2017	2016
	holding	£	£
Class of shares:			
Ordinary £1	100.00		
Aggregate capital and reserves		2,283,745	2,332,352
Loss for the year		<u>(19,906)</u>	<u>(48,607)</u>

11. STOCKS

	Group	
	2017	2016
	£	£
Recycled materials	32,060	26,925
Fuel	<u>14,452</u>	<u>31,838</u>
	<u>46,512</u>	<u>58,763</u>

12. DEBTORS

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	1,114,475	1,046,050	-	-
Amounts owed by group undertakings	-	-	92,957	92,957
Other debtors	-	492	-	-
Prepayments	99,293	104,990	-	-
	<u>1,213,768</u>	<u>1,151,532</u>	<u>92,957</u>	<u>92,957</u>
Amounts falling due after more than one year:				
Other debtors	<u>26,250</u>	<u>26,250</u>	<u>-</u>	<u>-</u>
Aggregate amounts	1,240,018	1,177,782	92,957	92,957

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 October 2017

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	
	2017	2016
	£	£
Bank loans and overdrafts (see note 15)	140,232	447,878
Other loans (see note 15)	3,635	10,506
Hire purchase contracts and finance leases (see note 16)	487,252	274,531
Trade creditors	596,443	475,413
CT61	18,791	15,431
Social security and other taxes	42,646	46,978
VAT	127,114	159,083
Other creditors	3,189	1,267
Accrued expenses	95,339	105,884
	<u>1,514,641</u>	<u>1,536,971</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	2017	2016
	£	£
Bank loans (see note 15)	322,459	354,793
Other loans (see note 15)	244,500	248,136
Hire purchase contracts and finance leases (see note 16)	1,059,103	674,440
	<u>1,626,062</u>	<u>1,277,369</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 October 2017

15. LOANS

An analysis of the maturity of loans is given below:

	Group	
	2017	2016
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	107,898	417,667
Bank loans	32,334	30,211
Other loans	3,635	10,506
	<u>143,867</u>	<u>458,384</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	34,606	32,334
Other loans - 1-2 years	-	3,636
Directors' loan accounts	244,500	244,500
	<u>279,106</u>	<u>280,470</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>287,853</u>	<u>322,459</u>

16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group	Hire purchase contracts		Finance leases	
	2017	2016	2017	2016
	£	£	£	£
Gross obligations repayable:				
Within one year	265,841	211,789	287,516	117,833
Between one and five years	<u>375,457</u>	<u>408,948</u>	<u>748,079</u>	<u>321,774</u>
	<u>641,298</u>	<u>620,737</u>	<u>1,035,595</u>	<u>439,607</u>
Finance charges repayable:				
Within one year	32,919	38,767	33,186	16,324
Between one and five years	<u>22,826</u>	<u>34,612</u>	<u>41,607</u>	<u>21,670</u>
	<u>55,745</u>	<u>73,379</u>	<u>74,793</u>	<u>37,994</u>
Net obligations repayable:				
Within one year	232,922	173,022	254,330	101,509
Between one and five years	<u>352,631</u>	<u>374,336</u>	<u>706,472</u>	<u>300,104</u>
	<u>585,553</u>	<u>547,358</u>	<u>960,802</u>	<u>401,613</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 October 2017

16. LEASING AGREEMENTS - continued

Group

	Non-cancellable operating leases	
	2017	2016
	£	£
Within one year	623,281	729,217
Between one and five years	1,506,428	1,862,599
In more than five years	3,241,333	3,491,247
	<u>5,371,042</u>	<u>6,083,063</u>

17. SECURED DEBTS

The following secured debts are included within creditors:

	Group	
	2017	2016
	£	£
Bank overdrafts	107,898	417,667
Bank loans	354,793	385,004
Hire purchase contracts and finance leases	1,546,355	948,971
	<u>2,009,046</u>	<u>1,751,642</u>

The bank loans and overdraft are secured by fixed and floating charges over the group's land and buildings and other assets. Obligations under hire purchase contracts are secured on the related asset.

18. PROVISIONS FOR LIABILITIES

	Group	
	2017	2016
	£	£
Deferred tax		
Accelerated capital allowances	309,638	330,448
Tax losses carried forward	(108,588)	(127,562)
	<u>201,050</u>	<u>202,886</u>

Group

	Deferred tax
	£
Balance at 1 November 2016	202,886
Timing differences	(20,810)
Tax losses	18,974
Balance at 31 October 2017	<u>201,050</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 October 2017

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2017 £	2016 £
100	Ordinary	1	<u>600,000</u>	<u>600,000</u>

20. RESERVES

Group

	Retained earnings £
At 1 November 2016	1,825,309
Deficit for the year	(19,906)
At 31 October 2017	<u>1,805,403</u>

21. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

Mr P J Scarborough has loaned the company £132,000 (2016: £132,000). Mr R Bird has loaned the company £12,500 (2016: £12,500). The loans are shown in the accounts under creditors falling due after one year.

Mrs J A Scarborough has loaned the company £100,000 (2016: £100,000). Interest is payable on the loan at a commercial rate. The loan is shown in the accounts under creditors falling due after one year.

22. ULTIMATE CONTROLLING PARTY

The ultimate controlling body is Mr P J Scarborough and Mr S T Mills who together own 66.6% 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.