REGISTERED NUMBER: 05997102 (England and Wales)

Group Strategic Report,

Report of the Directors and

Consolidated Financial Statements

for the Year Ended 31 December 2016

for

Perrys Holdings Limited

Contents of the Consolidated Financial Statements
for the Year Ended 31 December 2016

Perrys Holdings Limited

Company Information
for the Year Ended 31 December 2016

DIRECTORS:	B F Perry S J Perry C J Perry M A Perry I Cook
SECRETARY:	S J Perry
REGISTERED OFFICE:	Rimpton Road Marston Magna Yeovil Somerset BA22 8DL
REGISTERED NUMBER:	05997102 (England and Wales)
AUDITORS:	Ivan Rendall & Co (Statutory Auditors) Torre Lea House 33 The Avenue Yeovil Somerset BA21 4BN

Group Strategic Report
for the Year Ended 31 December 2016

The directors present their strategic report of the company and the group for the year ended 31 December 2016.

REVIEW OF BUSINESS
The principal activity of the group in the year under review was that of the collection, processing and sale of all recyclable materials.

Perrys Holdings Limited acts as the group holding company receiving dividends and rents from Perrys Recycling Limited and paying dividends to it's shareholders. This policy will continue while the group looks for expansion opportunities.

The group owns an investment property; 112 Burcott Road, Avonmouth which is leased out to a shredding and recycling company.

The group experienced an increase in turnover during the year by over 11% year on year. The group also had an increase in it's gross margin going from 42.4% to 44.4% which remains at a consistent level with prior years. The increase in turnover whilst maintaining the level of gross margin shows dedication from directors and employees. The market is still very competitive but the consistency in the margin indicates that the group continues to monitor their buying and selling, together with associated costs, extremely well .

The group made an improvement on their net profit from last year, with certain costs continually difficult to control such as the cost of motor fuel. Overheads are kept to a minimum by carefully assessing and reviewing them on a continuing basis.

The state of the group's affairs at the date of the balance sheet was considered to be very strong with a current assets over current liabilities ratio of 328%.

The group has good relationships with it's suppliers and customers and will continue to build on these and aim to continually develop it's customer base. This will be achieved by continuing to provide first class, reliable and sustainable services to suit the customer needs and continue to invest in staff and equipment in order to provide the complete recycling and security shredding solution to customers.

Considering the economic state and how competitive the market in which they operate in has become, the directors will continue to use the group's resources and their knowledge and skills of the market and environment to explore and if appropriate invest in expansion opportunities in order to help achieve success. At the year end the group continue to look into new projects that will benefit the company in the future.

The group has an investment in the The Shredding Alliance; a national company that uses local companies to service national contracts. Over the years this has grown steadily and the directors are encouraged by the investment made.

Group Strategic Report
for the Year Ended 31 December 2016

PRINCIPAL RISKS AND UNCERTAINTIES

Market risk

The group seeks to manage market risk from competitors by a policy of geographical and market spread.

Foreign exchange risk

Foreign exchange risk is managed by matching expected foreign currency receipts against foreign currency payments and taking forward contracts out as and when market conditions become attractive.

Credit risk

The group's credit risk is primarily attributable to its trade debtors. Credit risk is managed by running credit checks on new customers and by monitoring receipts against payment terms.

Liquidity and cash flow risk

The group monitors cash flow as part of its day to day control procedures. The directors consider cash flow projections on a monthly basis and ensure that facilities are available to be drawn as necessary.

ON BEHALF OF THE BOARD:

S J Perry - Secretary

19 September 2017

Report of the Directors
for the Year Ended 31 December 2016

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2016.

DIVIDENDS
An interim dividend of £113.2 per share was paid on 22 December 2016. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 December 2016 will be £180,000.

EVENTS SINCE THE END OF THE YEAR
Information relating to events since the end of the year is given in the notes to the financial statements.

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

B F Perry
S J Perry
C J Perry
M A Perry

Other changes in directors holding office are as follows:

I Cook - appointed 3 October 2016

DISCLOSURE IN THE STRATEGIC REPORT
Information relating to future development and financial risk management is given in the strategic report.

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 or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

ON BEHALF OF THE BOARD:

S J Perry - Secretary

19 September 2017

Report of the Independent Auditors to the Members of Perrys Holdings Limited

We have audited the financial statements of Perrys Holdings Limited for the year ended 31 December 2016 on pages eight to twenty eight. 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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 group's and the parent 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 Group Strategic Report and the Report of the Directors 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 group's and of the parent company's affairs as at 31 December 2016 and of the group's 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, based on the work undertaken in the course of our 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 has been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the group and the parent company and its environment, we have not identified any material misstatements in the Group Strategic Report or the Report of the Directors.

Report of the Independent Auditors to the Members of
Perrys Holdings 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Stephen Rendall

Mr Stephen Rendall (Senior Statutory Auditor)
for and on behalf of Ivan Rendall & Co (Statutory Auditors)
Torre Lea House
33 The Avenue
Yeovil
Somerset
BA21 4BN

Date: 27.9.17

Consolidated Profit and Loss Account for the Year Ended 31 December 2016

	Notes	2016 £	2016 £	2015 £	2015 £
TURNOVER			7,598,928		6,836,622
Cost of sales			4,224,997		3,938,515
GROSS PROFIT			3,373,931		2,898,107
Distribution costs		1,612,531		1,429,267	
Administrative expenses		1,270,250		1,146,070	
			2,882,781		2,575,337
			491,150		322,770
Other operating income			61,197		55,860
OPERATING PROFIT	4		552,347		378,630
Profit on disposal of freehold property	6		2,500		-
			554,847		378,630
Interest receivable and similar income			7,868		10,876
			562,715		389,506
Interest payable and similar expenses	7		15,567		13,820
PROFIT BEFORE TAXATION			547,148		375,686
Tax on profit	8		10,142		101,206
PROFIT FOR THE FINANCIAL YEAR			537,006		274,480
OTHER COMPREHENSIVE INCOME			-		-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR			537,006		274,480
Profit attributable to:					
Owners of the parent			537,006		274,480
Total comprehensive income attributable to:					
Owners of the parent			537,006		274,480

The notes form part of these financial statements

Perrys Holdings Limited (Registered number: 05997102)

Consolidated Balance Sheet
31 December 2016

		2016		2015	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	11		22,050		22,050
Tangible assets	12		4,335,838		4,379,564
Investments	13		25,000		25,000
Investment property	14		566,046		566,046
			4,948,934		4,992,660
CURRENT ASSETS					
Stocks	15	382,212		408,694	
Debtors	16	1,385,091		1,209,785	
Cash at bank and in hand		2,854,127		2,484,437	
		4,621,430		4,102,916	
CREDITORS					
Amounts falling due within one year	17	1,410,178		1,253,884	
NET CURRENT ASSETS			3,211,252		2,849,032
TOTAL ASSETS LESS CURRENT LIABILITIES			8,160,186		7,841,692
CREDITORS					
Amounts falling due after more than one year	18		(236,665)		(144,820)
PROVISIONS FOR LIABILITIES	21		(239,180)		(369,537)
NET ASSETS			7,684,341		7,327,335
CAPITAL AND RESERVES					
Called up share capital	22		3,200		3,200
Retained earnings	23		7,681,141		7,324,135
SHAREHOLDERS' FUNDS			7,684,341		7,327,335

The financial statements were approved by the Board of Directors on 19 September 2017 and were signed on its behalf by:

C J Perry - Director

The notes form part of these financial statements

Company Balance Sheet
31 December 2016

	Notes	2016 £	2016 £	2015 £	2015 £
FIXED ASSETS					
Intangible assets	11		-		-
Tangible assets	12		-		-
Investments	13		3,200		3,200
Investment property	14		4,766,046		4,038,790
			4,769,246		4,041,990
CURRENT ASSETS					
Debtors	16	117,069		145,058	
Cash at bank		1,972,779		1,586,331	
		2,089,848		1,731,389	
CREDITORS					
Amounts falling due within one year	17	51,080		50,795	
NET CURRENT ASSETS			2,038,768		1,680,594
TOTAL ASSETS LESS CURRENT LIABILITIES			6,808,014		5,722,584
PROVISIONS FOR LIABILITIES	21		-		43,601
NET ASSETS			6,808,014		5,678,983
CAPITAL AND RESERVES					
Called up share capital	22		3,200		3,200
Non distributable reserves	23		363,423		-
Retained earnings	23		6,441,391		5,675,783
SHAREHOLDERS' FUNDS			6,808,014		5,678,983
Company's profit for the financial year			1,309,031		524,431

The financial statements were approved by the Board of Directors on 19 September 2017 and were signed on its behalf by:

C J Perry - Director

The notes form part of these financial statements

Consolidated Statement of Changes in Equity for the Year Ended 31 December 2016

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2015	3,200	7,229,655	7,232,855
Changes in equity			
Dividends	-	(180,000)	(180,000)
Total comprehensive income	-	274,480	274,480
Balance at 31 December 2015	3,200	7,324,135	7,327,335
Changes in equity			
Dividends	-	(180,000)	(180,000)
Total comprehensive income	-	537,006	537,006
Balance at 31 December 2016	3,200	7,681,141	7,684,341

The notes form part of these financial statements

Perrys Holdings Limited (Registered number: 05997102)

Company Statement of Changes in Equity
for the Year Ended 31 December 2016

	Called up share capital £	Retained earnings £	Non distributable reserves £	Total equity £
Balance at 1 January 2015	3,200	5,331,352	-	5,334,552
Changes in equity				
Dividends	-	(180,000)	-	(180,000)
Total comprehensive income	-	524,431	-	524,431
Balance at 31 December 2015	3,200	5,675,783	-	5,678,983
Changes in equity				
Dividends	-	(180,000)	-	(180,000)
Total comprehensive income	-	1,309,031	-	1,309,031
Investment property - revaluation movement	-	(363,423)	363,423	-
Balance at 31 December 2016	3,200	6,441,391	363,423	6,808,014

The notes form part of these financial statements

Consolidated Cash Flow Statement for the Year Ended 31 December 2016

	Notes	2016 £	2015 £
Cash flows from operating activities			
Cash generated from operations	1	1,017,249	807,973
Interest element of hire purchase payments paid		(15,567)	(13,820)
Tax paid		(76,678)	(37,477)
Net cash from operating activities		925,004	756,676
Cash flows from investing activities			
Purchase of tangible fixed assets		(501,166)	(346,250)
Sale of tangible fixed assets		2,417	10,250
Interest received		7,868	10,876
Net cash from investing activities		(490,881)	(325,124)
Cash flows from financing activities			
Capital repayments in year		123,837	(81,180)
Amount introduced by directors		-	245
Amount withdrawn by directors		(20)	(663)
Equity dividends paid		(180,000)	(180,000)
Net cash from financing activities		(56,183)	(261,598)
Increase in cash and cash equivalents		377,940	169,954
Cash and cash equivalents at beginning of year	2	2,476,187	2,306,233
Cash and cash equivalents at end of year	2	2,854,127	2,476,187

The notes form part of these financial statements

Notes to the Consolidated Cash Flow Statement for the Year Ended 31 December 2016

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

	2016	2015
	£	£
Profit before taxation	547,148	375,686
Depreciation charges	542,584	511,290
Profit on disposal of fixed assets	(108)	(5,680)
Finance costs	15,567	13,820
Finance income	(7,868)	(10,876)
	1,097,323	884,240
Decrease/(increase) in stocks	26,482	(76,929)
Increase in trade and other debtors	(175,286)	(228,916)
Increase in trade and other creditors	68,730	229,578
Cash generated from operations	1,017,249	807,973

2. CASH AND CASH EQUIVALENTS

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

Year ended 31 December 2016

	31.12.16	1.1.16
	£	£
Cash and cash equivalents	2,854,127	2,484,437
Bank overdrafts	-	(8,250)
	2,854,127	2,476,187

Year ended 31 December 2015

	31.12.15	1.1.15
	£	£
Cash and cash equivalents	2,484,437	2,306,389
Bank overdrafts	(8,250)	(156)
	2,476,187	2,306,233

1. STATUTORY INFORMATION

Perrys Holdings Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

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 as modified by the revaluation of certain assets.

Basis of consolidation
The group financial statements consolidate those of Perrys Holding Limited and its subsidiary Perrys Recycling Limited. The group accounts have been prepared using merger accounting rules as it qualifies as a group reconstruction.

Significant judgements and estimates
No significant judgements have been made by management in preparing these financial statements. The valuation of the investment properties is based on recent professional valuations.

Turnover
Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue from the sale of goods is recognised when goods are delivered and legal title has passed.

Revenue from sales services is recognised when the services are rendered, using the percentage of completion method based on the actual service provided as a proportion of the total services to be performed.

Dividend income is recognised when the right to receive payment is established.

Rental income from operating leases (net of any incentives given to the lesees) is recognised on a straight-line basis over the lease term.

Goodwill
Goodwill, being the amount paid in connection with the acquisition of a business in 2002, was amortised evenly over its estimated useful life of 10 years. This now has a carrying value of £nil.

Subsidy entitlement rights
Subsidy entitlement rights, in connection with gaining entitlement rights for income support from the land owned, are held at fair value. The income received from the rights is recognised in other income when the proceeds are received or receivable.

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	- 10% on cost and 2% on cost
Improvements to property	- 10% on cost
Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles & trailers	- 20% on reducing balance
Computer & office equipment	- 25% on cost and 15% on reducing balance

Depreciation is not applied to land held with freehold property.

continued...

2. **ACCOUNTING POLICIES - continued**

Investment property
Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are initially measured at cost, including transaction costs. Subsequently investment properties whose fair value can be measured reliably without undue cost or effort on an on-going basis are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

Stocks
Stocks are valued at the lower of cost, using the first in first out method, and selling price less costs to sell.

Financial instruments
The company enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an 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.

Taxation
Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Profit and Loss Account, 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.

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.

Foreign currencies
Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

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2. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments
Assets obtained under hire purchase contracts are capitalised in the balance sheet and depreciated over their estimated useful lives.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account as they are incurred.

Pension costs and other post-retirement benefits
The group operates three defined contribution pension schemes, two in respect of its directors and one for employees. The assets of the schemes are held separately from those of the group in independently administered funds. Payments to the schemes are charged as an expense as they fall due.

Impairment of non financial assets
At each reporting date non-financial assets not carried at fair value are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any asset or group of related assets, which is the higher of value in use and the fair value less cost to sell, is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset or group of related assets is increased to the revised estimate of its recoverable amount, but not to exceed the amount that would have been determined had no impairment loss been recognised for the asset or group of related assets in prior periods. A reversal of an impairment loss is recognised immediately in profit or loss.

3. EMPLOYEES AND DIRECTORS

	2016	2015
	£	£
Wages and salaries	1,534,800	1,425,338
Social security costs	144,852	131,591
Other pension costs	71,929	68,455
	1,751,581	1,625,384

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

	2016	2015
Directors	4	4
Office	15	13
Drivers/Maintenance/Warehouse	41	42
	60	59

The average number of employees by undertakings that are proportionately consolidated during the year was 60 (2015 - 59).

	2016	2015
	£	£
Directors' remuneration	166,063	153,371
Directors' pension contributions to money purchase schemes	60,000	60,000

continued...

3. **EMPLOYEES AND DIRECTORS - continued**

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	3	3

4. **OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	2016	2015
	£	£
Hire of plant and machinery	2,227	278
Depreciation - owned assets	452,876	445,988
Depreciation - assets on hire purchase contracts	89,707	65,302
Profit on disposal of fixed assets	(108)	(5,680)
Hire of motor vehicles	18,189	32,882
Other operating lease	6,324	3,969

5. **AUDITORS' REMUNERATION**

	2016	2015
	£	£
Fees payable to the company's auditors for the audit of the company's financial statements	13,550	13,550
Total audit fees	13,550	13,550
Taxation compliance services	1,350	1,350
Taxation advisory services	-	250
Other non- audit services	13,422	10,563
Total non-audit fees	14,772	12,163
Total fees payable	28,322	25,713

6. **EXCEPTIONAL ITEMS**

	2016	2015
	£	£
Profit on disposal of freehold property	2,500	-

7. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	2016	2015
	£	£
Hire purchase	15,567	13,820

continued...

8. **TAXATION**

Analysis of the tax charge
The tax charge on the profit for the year was as follows:

	2016	2015
	£	£
Current tax:		
UK corporation tax	140,499	79,233
Deferred tax	(130,357)	21,973
Tax on profit	10,142	101,206

Reconciliation of total tax charge included in profit and loss
The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2016	2015
	£	£
Profit before tax	547,148	375,686
Profit multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20%)	109,430	75,137
Effects of:		
Expenses not deductible for tax purposes	257	694
Depreciation in excess of capital allowances	30,804	5,422
Utilisation of tax losses	-	(2,615)
Corporation tax rate change	-	969
Marginal Relief	-	(374)
Prior year adjustments	8	-
Accelerated capital allowances movement	(130,357)	21,973
Total tax charge	10,142	101,206

There were reductions in the UK corporation tax rate from 21% to 20% on 1 April 2015 and from 20% to 19% on 1 April 2017. A further reduction in the UK corporation tax rate to 17% from 1 April 2020 has been announced.

9. **INDIVIDUAL PROFIT AND LOSS ACCOUNT**

As permitted by Section 408 of the Companies Act 2006, the Profit and Loss Account of the parent company is not presented as part of these financial statements.

10. **DIVIDENDS**

	2016	2015
	£	£
Ordinary shares of £1 each		
Interim	180,000	180,000

One shareholder waived the dividend on 1,610 shares.

continued...

11. INTANGIBLE FIXED ASSETS

Group

	Goodwill £	Subsidy entitlement rights £	Totals £
COST			
At 1 January 2016			
and 31 December 2016	178,468	22,050	200,518
AMORTISATION			
At 1 January 2016			
and 31 December 2016	178,468	-	178,468
NET BOOK VALUE			
At 31 December 2016	-	22,050	22,050
At 31 December 2015	-	22,050	22,050

Subsidy entitlement rights, purchased in 2007, are in connection with gaining entitlement rights for income support from the land owned. They are held at fair value subject to a review by the directors at each year end. At 31 December 2016 they have been valued at £22,050 (2015 £22,050). The valuation is based on the expectation that the income support will continue to be received and the amount expected to be received each year. Had the rights been carried using the cost model the carrying amount would be £nil (2015 £2,205).

12. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Improvements to property £	Plant and machinery £
COST			
At 1 January 2016	3,516,466	504,828	5,172,356
Additions	-	-	163,844
Disposals	-	-	(7,325)
At 31 December 2016	3,516,466	504,828	5,328,875
DEPRECIATION			
At 1 January 2016	1,485,788	162,037	3,858,309
Charge for year	95,348	48,248	203,976
Eliminated on disposal	-	-	(5,408)
At 31 December 2016	1,581,136	210,285	4,056,877
NET BOOK VALUE			
At 31 December 2016	1,935,330	294,543	1,271,998
At 31 December 2015	2,030,678	342,791	1,314,047

continued...

12. TANGIBLE FIXED ASSETS - continued

Group

	Fixtures and fittings £	Motor vehicles & trailers £	Computer & office equipment £	Totals £
COST				
At 1 January 2016	10,000	2,246,248	384,025	11,833,923
Additions	-	284,287	53,035	501,166
Disposals	-	(7,685)	-	(15,010)
At 31 December 2016	10,000	2,522,850	437,060	12,320,079
DEPRECIATION				
At 1 January 2016	8,754	1,624,631	314,840	7,454,359
Charge for year	192	162,635	32,184	542,583
Eliminated on disposal	-	(7,293)	-	(12,701)
At 31 December 2016	8,946	1,779,973	347,024	7,984,241
NET BOOK VALUE				
At 31 December 2016	1,054	742,877	90,036	4,335,838
At 31 December 2015	1,246	621,617	69,185	4,379,564

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

	Plant and machinery £	Motor vehicles & trailers £	Totals £
COST			
At 1 January 2016	111,051	355,892	466,943
Additions	-	271,558	271,558
At 31 December 2016	111,051	627,450	738,501
DEPRECIATION			
At 1 January 2016	24,650	158,124	182,774
Charge for year	12,960	76,747	89,707
At 31 December 2016	37,610	234,871	272,481
NET BOOK VALUE			
At 31 December 2016	73,441	392,579	466,020
At 31 December 2015	86,401	197,768	284,169

continued...

13. FIXED ASSET INVESTMENTS

Group

	Investments £
COST	
At 1 January 2016	30,000
Disposals	(5,000)
At 31 December 2016	25,000
PROVISIONS	
At 1 January 2016	5,000
Eliminated on disposal	(5,000)
At 31 December 2016	-
NET BOOK VALUE	
At 31 December 2016	25,000
At 31 December 2015	25,000

Company

	Shares in group undertakings £
COST	
At 1 January 2016 and 31 December 2016	3,200
NET BOOK VALUE	
At 31 December 2016	3,200
At 31 December 2015	3,200

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

Subsidiary

Perry's Recycling Limited
Registered office:
Nature of business: Collection and sale of all recyclable materials

Class of shares:	% holding
Ordinary	100.00

	2016 £	2015 £
Aggregate capital and reserves	2,849,653	2,822,175
Profit for the year	427,478	267,445

continued...

14. INVESTMENT PROPERTY

Group

	Total £
FAIR VALUE	
At 1 January 2016	
and 31 December 2016	566,046
NET BOOK VALUE	
At 31 December 2016	566,046
At 31 December 2015	566,046

Cost or valuation at 31 December 2016 is represented by:

	£
Valuation in 2014	(7,086)
Cost	573,132
	566,046

If investment property had not been revalued it would have been included at the following historical cost:

	2016 £	2015 £
Cost	573,132	573,132
Aggregate depreciation	(21,258)	(14,172)

Company

	Total £
FAIR VALUE	
At 1 January 2016	4,038,790
Revaluations	727,256
At 31 December 2016	4,766,046
NET BOOK VALUE	
At 31 December 2016	4,766,046
At 31 December 2015	4,038,790

Cost or valuation at 31 December 2016 is represented by:

	£
Valuation in 2013	(292,224)
Valuation in 2014	(38,866)
Valuation in 2015	(32,743)
Valuation in 2016	727,256
Cost	4,402,623
	4,766,046

continued...

14. INVESTMENT PROPERTY - continued

Company

If Investment properties had not been revalued they would have been included at the following historical cost:

	2016	2015
	£	£
Cost	4,402,623	4,402,623
Aggregate depreciation	(499,896)	(415,493)

Investment properties were valued on an open market basis on 31 December 2016 by the directors.

A professional valuation was carried out in March 2017, on three of the four properties, by Greenslade Taylor Hunt. The other property was professionally valued in June 2015 by Harvey Henson and Co. These valuations form the basis of the directors' valuation at 31 December 2016.

15. STOCKS

	Group	
	2016	2015
	£	£
Raw materials & consumables	382,212	408,694

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Trade debtors	1,285,648	1,098,562	-	-
Amounts owed by group undertakings	-	-	116,103	143,826
Other debtors	-	7,271	-	-
Directors' current accounts	677	657	677	657
Prepayments and accrued income	98,766	103,295	289	575
	1,385,091	1,209,785	117,069	145,058

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Bank loans and overdrafts (see note 19)	-	8,250	-	-
Hire purchase contracts (see note 20)	117,726	85,734	-	-
Trade creditors	768,648	836,788	-	-
Corporation tax	140,491	76,670	33,919	36,895
Social security and other taxes	145,933	100,857	-	-
Other creditors, accruals & deferred income	237,380	145,585	17,161	13,900
	1,410,178	1,253,884	51,080	50,795

Amounts owed by/to group undertakings are unsecured, interest free and repayable on demand.

continued...

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

	Group	
	2016	2015
	£	£
Hire purchase contracts (see note 20)	236,665	144,820

19. LOANS

An analysis of the maturity of loans is given below:

	Group	
	2016	2015
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	-	8,250

The bank balance was overdrawn at 31 December 2015 due to outstanding payments which had not yet cleared. The bank balance per statement at 31 December 2015 was not overdrawn and therefore no interest was charged.

20. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts	
	2016	2015
	£	£
Gross obligations repayable:		
Within one year	130,446	95,689
Between one and five years	250,220	153,346
	380,666	249,035
Finance charges repayable:		
Within one year	12,720	9,955
Between one and five years	13,555	8,526
	26,275	18,481
Net obligations repayable:		
Within one year	117,726	85,734
Between one and five years	236,665	144,820
	354,391	230,554

The group has entered into hire purchase agreements, classified as finance leases, that include the option to purchase items at the end of the lease term for a nominal amount. The loans in respect of the hire purchase agreements are secured against the assets to which they relate.

continued...

20. LEASING AGREEMENTS - continued

Group

	Non-cancellable operating leases	
	2016	2015
	£	£
Within one year	6,392	3,968
Between one and five years	9,040	7,642
	15,432	11,610

21. PROVISIONS FOR LIABILITIES

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Deferred tax	239,180	369,537	-	43,601

Group

	Deferred tax
	£
Balance at 1 January 2016	369,537
Credit to Profit and Loss Account during year	(130,357)
Balance at 31 December 2016	239,180

Company

	Deferred tax
	£
Balance at 1 January 2016	43,601
Credit to Profit and Loss Account during year	(43,601)
Balance at 31 December 2016	-

22. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016	2015
			£	£
3,200	Ordinary	£1	3,200	3,200

Each share is entitled to one vote in any circumstances and each share is also entitled pari passu to dividend payments or any other distribution, including a distribution arising from a winding up of the company.

continued...

23. RESERVES

Group

	Retained earnings £
At 1 January 2016	7,324,135
Profit for the year	537,006
Dividends	(180,000)
At 31 December 2016	7,681,141

Company

	Retained earnings £	Non distributable reserves £	Totals £
At 1 January 2016	5,675,783	-	5,675,783
Profit for the year	1,309,031		1,309,031
Dividends	(180,000)		(180,000)
Investment property - revaluation movement	(363,423)	363,423	-
At 31 December 2016	6,441,391	363,423	6,804,814

24. PENSION COMMITMENTS

The group operates two defined contribution pension schemes in respect of its directors. The assets of the schemes are held separately from those of the group in independently administered funds. The amount payable to the schemes during the year amounted to £60,000 (2015 £60,000).
A scheme for the employees' assets are held separately from those of the group in independently administered funds. The amount payable to the scheme during the year amounted to £11,929 (2015 £8,455).
The amount outstanding to the independent pension providers in regards to defined contribution pension schemes at the year end was £1,179 (2015 - £nil) which is included within other creditors.

25. CAPITAL COMMITMENTS

	2016 £	2015 £
Contracted but not provided for in the financial statements	141,324	-

continued...

26. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31 December 2016 and 31 December 2015:

	2016	2015
	£	£
C J Perry		
Balance outstanding at start of year	657	-
Amounts advanced	20	80,657
Amounts repaid	-	(80,000)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	677	657

Interest is charged at the actual official rate provided by H M Revenue & Customs and is repayable on demand.

27. RELATED PARTY DISCLOSURES

Entities with control, joint control or significant influence over the entity

	2016	2015
	£	£
Sales	104,615	111,509
Purchases	22,520	10,258
Dividends	180,000	180,000
Amount due from related party	18,781	27,455
Amount due to related party	871	216

One shareholder waived the right to dividend on his 1,610 shares.

Sales and purchases between related parties in the table above are made at normal market prices. Outstanding balances with related parties are unsecured, interest free and repayable on demand.

Transactions within the group

	2016	2015
	£	£
Rent	165,800	165,800
Dividends	400,000	400,000
Amount due from related party	116,103	143,826

Rents between related parties in the table above are charged at nominal prices. Outstanding balances with related parties are unsecured, interest free and repayable on demand.

28. POST BALANCE SHEET EVENTS

The shareholders have the power to amend the consolidated financial statements after issue.

29. ULTIMATE CONTROLLING PARTY

The controlling party is B F Perry.