

Company Registration No. 06406273 (England and Wales)

ENABLELINK LIMITED

ANNUAL REPORT AND
FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2018

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ENABLELINK LIMITED

COMPANY INFORMATION

Directors	R C Millard J Long
Secretary	R Millard
Company number	06406273
Registered office	The Pitch Budden Road Coseley West Midlands WV14 8JN
Auditor	Bache Brown & Co Limited Swinford House Albion Street Brierley Hill West Midlands DY5 3EE
Business address	The Pitch Budden Road Coseley West Midlands WV14 8JN
Bankers	National Westminster Bank 267 Castle Street, Dudley, West Midlands, DY1 1YY

ENABLELINK LIMITED

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ENABLELINK LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 APRIL 2018

The directors present the strategic report for the Year ended 30 April 2018.

Fair review of the business

The principal activity of the company continued to be that of recycling of scrap waste and metal. No fundamental changes have occurred in the business during the year.

Principal risks and uncertainties

The price of scrap has been volatile during the year. Turnover has significantly increased during the year and is expected to increase further in 2019.

Development and performance

The company has continued to invest heavily in new plant and equipment which has been successfully installed and commissioned to expand future capacity, increase efficiency and maintain standards. These investments have reflected in 2018 turnover and gross profit margins and are expected to continue further in 2019.

Key performance indicators

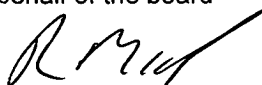
For the current year the company's turnover has increased by £12,154,642 (37%) the company's gross profit margin has increased by £1,564,252, and gross profit margin has been maintained at approximately 12%.

Overheads have increased when compared to the previous year by £1,728,847 or 77%.

By increasing turnover, the company has managed to maintain profits at a healthy level and has achieved a profit before tax and shareholder dividends of £1,379,946.

The shareholders funds at the balance sheet date amounted to £3,974,248 an increase of 32% on 2017, continuing the company's policy for retaining profits to fund future growth.

On behalf of the board



R C Millard

Director

9 January 2019

ENABLELINK LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2018

The directors present their annual report and financial statements for the Year ended 30 April 2018.

Principal activities

The principal activity of the company continued to be that of recycling of waste metal and scrap.

Directors

The directors who held office during the Year and up to the date of signature of the financial statements were as follows:

R C Millard

J Long

C Penn

(Resigned 1 December 2017)

Results and dividends

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

Interim ordinary dividends have been paid amounting to £186,000.

Future developments

The directors consider that the company is well placed to continue on a profitable basis.

Auditor

In accordance with the company's articles, a resolution proposing that Bache Brown & Co Limited be reappointed as auditor of the company will be put at a General Meeting.

Statement of directors' responsibilities

The directors are responsible for preparing the annual 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.

Statement of disclosure to auditor

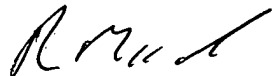
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

ENABLELINK LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2018

On behalf of the board



R C Millard

Director

9 January 2019

ENABLELINK LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF ENABLELINK LIMITED

Opinion

We have audited the financial statements of Enablelink Limited (the 'company') for the Year ended 30 April 2018 which comprise the Statement of Comprehensive Income, the Statement Of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and 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 FRS 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 company's affairs as at 30 April 2018 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.

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company 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 company'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 included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters 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 Strategic Report and the Directors' Report for the financial Year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

ENABLELINK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBER OF ENABLELINK LIMITED

Matters on which we are required to report by exception

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 Strategic Report and the Directors' Report.

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.

Responsibilities of directors

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, and for such internal control as the directors determine is 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 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 an auditor's report 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 an auditor's 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.



Stephen Dunn (Senior Statutory Auditor)
for and on behalf of Bache Brown & Co Limited

9 January 2019

Chartered Certified Accountants
Statutory Auditors

Swinford House
Albion Street
Brierley Hill
West Midlands
DY5 3EE

ENABLELINK LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 APRIL 2018

		Year ended 30 April 2018 £	Year ended 30 April 2017 £
	Notes		
Turnover	3	45,192,891	33,038,249
Cost of sales		(39,633,266)	(29,042,876)
Gross profit		5,559,625	3,995,373
Administrative expenses		(3,960,599)	(2,231,752)
Operating profit	4	1,599,026	1,763,621
Interest payable and similar expenses	8	(219,080)	(182,742)
Profit before taxation		1,379,946	1,580,879
Tax on profit	9	(264,206)	(299,005)
Profit for the financial Year		1,115,740	1,281,874

The Income Statement has been prepared on the basis that all operations are continuing operations.

ENABLELINK LIMITED


STATEMENT OF FINANCIAL POSITION

AS AT 30 APRIL 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	11		7,016,553		4,611,591
Current assets					
Stocks	13	1,358,250		678,000	
Debtors	14	9,430,498		6,479,171	
Cash at bank and in hand		174,461		3,508	
		<u>10,963,209</u>		<u>7,160,679</u>	
Creditors: amounts falling due within one year	15	<u>(12,799,169)</u>		<u>(7,439,558)</u>	
Net current liabilities			<u>(1,835,960)</u>		<u>(278,879)</u>
Total assets less current liabilities			5,180,593		4,332,712
Creditors: amounts falling due after more than one year	16		(1,005,780)		(1,126,290)
Provisions for liabilities	19		<u>(380,565)</u>		<u>(341,914)</u>
Net assets			<u>3,794,248</u>		<u>2,864,508</u>
Capital and reserves					
Called up share capital	22		2		2
Profit and loss reserves			<u>3,794,246</u>		<u>2,864,506</u>
Total equity			<u>3,794,248</u>		<u>2,864,508</u>

The financial statements were approved by the board of directors and authorised for issue on 9 January 2019 and are signed on its behalf by:

R C Millard
Director



Company Registration No. 06406273

ENABLELINK LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2018

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 May 2016		2	1,832,632	1,832,634
Period ended 30 April 2017:				
Profit and total comprehensive income for the period		-	1,281,874	1,281,874
Dividends	10	-	(250,000)	(250,000)
Balance at 30 April 2017		2	2,864,506	2,864,508
Period ended 30 April 2018:				
Profit and total comprehensive income for the period		-	1,115,740	1,115,740
Dividends	10	-	(186,000)	(186,000)
Balance at 30 April 2018		2	3,794,246	3,794,248

ENABLELINK LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	27		1,871,349		(1,131,374)
Interest paid			(219,080)		(182,742)
Income taxes paid			(215,723)		(28,057)
Net cash inflow/(outflow) from operating activities			1,436,546		(1,342,173)
Investing activities					
Purchase of tangible fixed assets		(2,406,397)		(1,232,477)	
Proceeds on disposal of tangible fixed assets		342,500		372,801	
Net cash used in investing activities			(2,063,897)		(859,676)
Financing activities					
Proceeds from borrowings		2,330,750		2,814,689	
Repayment of bank loans		(197,761)		(48,228)	
Payment of finance leases obligations		(1,088,747)		(360,774)	
Dividends paid		(186,000)		(250,000)	
Net cash generated from financing activities			858,242		2,155,687
Net increase/(decrease) in cash and cash equivalents			230,891		(46,162)
Cash and cash equivalents at beginning of Year			(56,430)		(10,268)
Cash and cash equivalents at end of Year			174,461		(56,430)
Relating to:					
Cash at bank and in hand			174,461		3,508
Bank overdrafts included in creditors payable within one year			-		(59,938)

ENABLELINK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2018

1 Accounting policies

Company information

Enablelink Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Pitch, Budden Road, Coseley, West Midlands, WV14 8JN.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

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

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

1.4 Tangible fixed assets

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

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

Land and buildings	Leasehold improvements	20% straight line basis
Plant and machinery		12.5% reducing balance basis
Fixtures, fittings & equipment		10% reducing balance/25% straight line basis.
Motor vehicles		25% reducing balance basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

ENABLELINK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2018

1 Accounting policies

(Continued)

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

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

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

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

ENABLELINK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2018

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

ENABLELINK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2018

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

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

Current tax

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

ENABLELINK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2018

1 Accounting policies

(Continued)

Deferred tax

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

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

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

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

1.13 Leases

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

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

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

ENABLELINK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2018

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2018 £	2017 £
Turnover analysed by class of business		
Scrap metal	45,192,891	33,038,249
	<u> </u>	<u> </u>
	2018 £	2017 £
Turnover analysed by geographical market		
UK	31,925,132	20,255,816
Overseas	13,267,759	12,782,433
	<u> </u>	<u> </u>
	45,192,891	33,038,249
	<u> </u>	<u> </u>

4 Operating profit

	2018 £	2017 -£
Operating profit for the period is stated after charging:		
Exchange losses	23,906	23,881
Depreciation of owned tangible fixed assets	570,173	218,630
Depreciation of tangible fixed assets held under finance leases	249,511	376,786
Loss on disposal of tangible fixed assets	117,550	60,242
Operating lease charges	-	7,896
	<u> </u>	<u> </u>

Exchange differences recognised in profit or loss during the Year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to £23,906 (2017 - £23,881).

ENABLELINK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2018

5 Auditor's remuneration

	2018 £	2017 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	8,000	8,000
For other services		
All other non-audit services	14,300	12,500

6 Employees

The average monthly number of persons (including directors) employed by the company during the Year was:

	2018 Number	2017 Number
Directors	3	3
Admin	9	6
Production	26	14
	38	23

Their aggregate remuneration comprised:

	2018 £	2017 £
Wages and salaries	2,017,538	961,795
Social security costs	235,480	97,883
Pension costs	10,847	505
	2,263,865	1,060,183

7 Directors' remuneration

	2018 £	2017 £
Remuneration for qualifying services	779,539	349,005

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

	2018 £	2017 £
Remuneration for qualifying services	514,810	299,418

ENABLELINK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2018

8 Interest payable and similar expenses

	2018 £	2017 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	3,258	13,223
Interest on finance leases and hire purchase contracts	73,756	89,315
Interest on invoice finance arrangements	141,850	80,204
	<u>218,864</u>	<u>182,742</u>
Other finance costs:		
Other interest	216	-
	<u>219,080</u>	<u>182,742</u>

9 Taxation

	2018 £	2017 £
Current tax		
UK corporation tax on profits for the current period	225,555	289,404
	<u>225,555</u>	<u>289,404</u>
Deferred tax		
Origination and reversal of timing differences	38,651	9,601
	<u>38,651</u>	<u>9,601</u>
Total tax charge	<u>264,206</u>	<u>299,005</u>

The actual charge for the Year can be reconciled to the expected charge for the Year based on the profit or loss and the standard rate of tax as follows:

	2018 £	2017 £
Profit before taxation	<u>1,379,946</u>	<u>1,580,879</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.92%)	262,190	314,911
Tax effect of expenses that are not deductible in determining taxable profit	661	734
Effect of change in corporation tax rate	-	(16,640)
Depreciation on assets not qualifying for tax allowances	1,355	-
Taxation charge for the period	<u>264,206</u>	<u>299,005</u>

ENABLELINK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2018

10 Dividends

	2018 £	2017 £
Interim paid	186,000	250,000

11 Tangible fixed assets

	Land and buildings Leasehold improvements	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 May 2017	134,761	5,080,066	246,442	671,293	6,132,562
Additions	62,060	2,499,694	80,255	1,042,685	3,684,694
Disposals	-	(497,615)	-	(184,855)	(682,470)
At 30 April 2018	196,821	7,082,145	326,697	1,529,123	9,134,786
Depreciation and impairment					
At 1 May 2017	130,971	1,108,727	128,869	152,403	1,520,970
Depreciation charged in the Year	6,110	543,839	54,486	215,248	819,683
Eliminated in respect of disposals	-	(174,919)	-	(47,501)	(222,420)
At 30 April 2018	137,081	1,477,647	183,355	320,150	2,118,233
Carrying amount					
At 30 April 2018	59,740	5,604,498	143,342	1,208,973	7,016,553
At 30 April 2017	3,790	3,971,338	117,574	518,889	4,611,591

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2018 £	2017 £
Plant and machinery	2,555,266	2,942,170
Motor vehicles	303,229	-
	2,858,495	2,942,170
Depreciation charge for the Year in respect of leased assets	249,511	376,786

ENABLELINK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2018

12 Financial instruments

	2018 £	2017 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	8,640,284	5,953,095
Carrying amount of financial liabilities		
Measured at amortised cost	13,460,945	8,140,347

Financial assets represents trade and other debtors.

Financial liabilities represents trade creditors, bank borrowings, obligations under finance leases and other creditors

13 Stocks

	2018 £	2017 £
Finished goods and goods for resale	1,358,250	678,000

14 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	8,241,889	5,859,428
Other debtors	1,038,905	500,894
Prepayments and accrued income	149,704	118,849
	9,430,498	6,479,171

15 Creditors: amounts falling due within one year

	Notes	2018 £	2017 £
Bank loans and overdrafts	17	-	111,204
Obligations under finance leases	18	620,955	457,388
Other borrowings	17	6,532,933	4,202,183
Trade creditors		4,415,113	1,955,362
Corporation tax		299,236	289,404
Other taxation and social security		44,768	136,097
Other creditors		333,043	180,989
Accruals and deferred income		553,121	106,931
		12,799,169	7,439,558

ENABLELINK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2018

16 Creditors: amounts falling due after more than one year

	Notes	2018 £	2017 £
Bank loans and overdrafts	17	-	146,495
Obligations under finance leases	18	1,005,780	979,795
		<u>1,005,780</u>	<u>1,126,290</u>

17 Loans and overdrafts

	2018 £	2017 £
Bank loans	-	197,761
Bank overdrafts	-	59,938
Other loans	6,532,933	4,202,183
	<u>6,532,933</u>	<u>4,459,882</u>
Payable within one year	6,532,933	4,313,387
Payable after one year	-	146,495
	<u>-</u>	<u>146,495</u>

The other loans are secured on trade debtors.

The bank overdraft and bank loan are secured by a bank debenture over all assets of the company dated 7 December 2009.

18 Finance lease obligations

	2018 £	2017 £
Future minimum lease payments due under finance leases:		
Within one year	620,955	457,388
In two to five years	1,005,780	809,328
In over five years	-	170,467
	<u>1,626,735</u>	<u>1,437,183</u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 2.17 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

Included in finance lease obligation is £760,302 which is secured by a debenture over the company's assets.

ENABLELINK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2018

19 Provisions for liabilities

	Notes	2018 £	2017 £
Deferred tax liabilities	20	380,565	341,914

20 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2018 £	Liabilities 2017 £
Balances:		
Advances capital allowances	380,565	341,914
Movements in the Year:		2018 £
Liability at 1 May 2017		341,914
Charge to profit or loss		38,651
Liability at 30 April 2018		380,565

The deferred tax liability set out above is expected to reverse within twelve months is £149,646 and relates to accelerated capital allowances that are expected to mature within the same period.

21 Retirement benefit schemes

	2018 £	2017 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	10,847	505

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

22 Share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
2 Ordinary shares of £1 each	2	2

ENABLELINK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2018

23 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2018 £	2017 £
Acquisition of tangible fixed assets	-	518,000

24 Related party transactions

Transactions with related parties

During the period the company traded on a commercial basis with the following business which the directors family have a material interest. Costs in the accounts for the period include £390,250 to J D Services for rent and plant hire.

Included in debtors is £96,000 owed by J D Services at the balance sheet date.

25 Directors' transactions

Dividends totalling £186,000 (2017 - £250,000) were paid in the Year in respect of shares held by the company's directors.

Advances or credits have been granted by the company to its directors as follows:

Description	% Rate	Opening balance £	Amounts advanced £	Closing balance £
R C Millard -	-	-	226,713	226,713
		-	226,713	226,713

26 Controlling party

The ultimate controlling party is R C Millard who is a director and owns 100% of the issued share capital.

ENABLELINK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2018

27 Cash generated from operations

	2018 £	2017 £
Profit for the Year after tax	1,115,740	1,281,874
Adjustments for:		
Taxation charged	264,206	299,005
Finance costs	219,080	182,742
Loss on disposal of tangible fixed assets	117,550	60,242
Depreciation and impairment of tangible fixed assets	819,684	595,416
Movements in working capital:		
(Increase)/decrease in stocks	(680,250)	42,000
(Increase) in debtors	(2,718,044)	(3,816,172)
Increase in creditors	2,733,383	223,519
Cash generated from/(absorbed by) operations	<u>1,871,349</u>	<u>(1,131,374)</u>