

Company Registration No. 06846306 (England and Wales)

THE SHREDDING ALLIANCE LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019
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THE SHREDDING ALLIANCE LIMITED

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THE SHREDDING ALLIANCE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	4		27,622		66,012
Current assets					
Debtors	5	795,617		430,621	
Cash at bank and in hand		338,192		322,507	
		<u>1,133,809</u>		<u>753,128</u>	
Creditors: amounts falling due within one year	6	<u>(629,637)</u>		<u>(527,185)</u>	
Net current assets			504,172		225,943
Total assets less current liabilities			531,794		291,955
Creditors: amounts falling due after more than one year	7		(150,500)		-
Provisions for liabilities			<u>(1,620)</u>		<u>(3,944)</u>
Net assets			<u>379,674</u>		<u>288,011</u>
Capital and reserves					
Called up share capital	8		88		88
Share premium account			119,900		119,900
Capital redemption reserve			12		12
Profit and loss reserves			<u>259,674</u>		<u>168,011</u>
Total equity			<u>379,674</u>		<u>288,011</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 March 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

THE SHREDDING ALLIANCE LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2019

The financial statements were approved by the board of directors and authorised for issue on 18.12.19
and are signed on its behalf by:



Mr A J Chandler
Director

Company Registration No. 06846306

THE SHREDDING ALLIANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

The Shredding Alliance Limited is a private company limited by shares incorporated in England and Wales. The registered office is 842 Garstang Road, Barton, Preston, PR3 5AA.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 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.

1.3 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:

Leasehold improvements	
Plant and equipment	25% straight line
Motor vehicles	33% straight line

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.

1.4 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.

THE SHREDDING ALLIANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

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.

1.5 Cash and cash equivalents

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.

1.6 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 balance sheet 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.

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.

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.

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.

THE SHREDDING ALLIANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.7 Equity instruments

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

1.8 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 profit and loss account 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.

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 profit and loss account, 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.

1.9 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.

1.10 Retirement benefits

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

1.11 Leases

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.

THE SHREDDING ALLIANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 7 (2018 - 6).

3 Taxation

	2019 £	2018 £
Current tax		
UK corporation tax on profits for the current period	34,222	19,068
Deferred tax		
Origination and reversal of timing differences	(2,324)	1,291
Total tax charge	31,898	20,359

4 Tangible fixed assets

	Leasehold improvements £	Plant and equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2018	17,716	65,082	39,000	121,798
Additions	-	5,291	-	5,291
Disposals	-	-	(39,000)	(39,000)
At 31 March 2019	17,716	70,373	-	88,089
Depreciation and impairment				
At 1 April 2018	3,799	42,236	9,751	55,786
Depreciation charged in the year	4,429	10,003	7,583	22,015
Eliminated in respect of disposals	-	-	(17,334)	(17,334)
At 31 March 2019	8,228	52,239	-	60,467
Carrying amount				
At 31 March 2019	9,488	18,134	-	27,622
At 31 March 2018	13,917	22,846	29,249	66,012

THE SHREDDING ALLIANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

5 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	486,937	424,162
Other debtors	7,130	6,459
	<u>494,067</u>	<u>430,621</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	301,550	-
	<u>301,550</u>	<u>-</u>
Total debtors	<u>795,617</u>	<u>430,621</u>

Debtors due after one year in relation to related party balances have no set repayment date or interest terms and in the opinion of the directors there would be no benefit in calculating a theoretical carrying value at amortised cost as required by FRS102. Amounts continue therefore to be carried at transaction value.

6 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	486,056	484,881
Corporation tax	34,222	19,068
Other taxation and social security	24,454	20,856
Other creditors	84,905	2,380
	<u>629,637</u>	<u>527,185</u>

7 Creditors: amounts falling due after more than one year

	2019 £	2018 £
Other loans	150,500	-
	<u>150,500</u>	<u>-</u>

THE SHREDDING ALLIANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

8 Called up share capital

	2019	2018
	£	£
Ordinary share capital		
Issued and fully paid		
72 Ordinary A Shares of £1 each	72	72
16 Ordinary B Shares of £1 each	16	16
	<u>88</u>	<u>88</u>
	<u>88</u>	<u>88</u>

During the year 100% of the share capital was purchased by The Shredding Alliance Holdings Limited in a share for share exchange. The shares were allotted on 24 October 2018.