

Tonks Recycling Limited

**Directors' report and financial statements
for the year ended 31 October 2014**

Registered Number 08056118

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Tonks Recycling Limited

Directors' report and financial statements

for the year ended 31 October 2014

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Tonks Recycling Limited

Directors' report

The directors present their directors' report and audited financial statements for the year ended 31 October 2014.

Principal activities

The principal activity of the company is the operation of aggregate recycling services and sale of resulting aggregate products.

Business review

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

Proposed dividends

The directors do not recommend the payment of a dividend (2013: £nil).

Directors

The directors who were in office during the year and up to the date of signing the financial statements were as follows:

B Manning
A E Radcliffe

Statement of directors' responsibilities

The directors are responsible for preparing the directors' 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 they have prepared the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 its 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.

Tonks Recycling Limited

Directors' report (continued)

Statement of directors' responsibilities (continued)

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

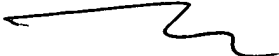
Independent auditors

During the year PricewaterhouseCoopers LLP were appointed as auditors.

Small company provisions

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

On behalf of the board



A E Radcliffe

Director

29 May 2015

Esh House
Bowburn North Industrial Estate
Bowburn
Durham
DH6 5PF

Tonks Recycling Limited

Independent auditors' report to the members of Tonks Recycling Limited

Report on the financial statements

Our opinion

In our opinion, Tonks Recycling Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 October 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

Tonks Recycling Limited's financial statements comprise:

- the Balance sheet as at 31 October 2014;
- the Profit and loss account for the year then ended;
- the Reconciliation of movements in shareholders' funds for the year then ended;
- the Statement of accounting policies; and
- the notes to the financial statements, which include other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Tonks Recycling Limited

Independent auditors' report to the members of Tonks Recycling Limited (continued)

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities set out on pages 1 and 2, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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 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.

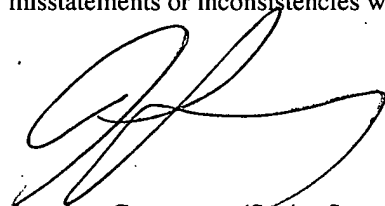
We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

Tonks Recycling Limited

Independent auditors' report to the members of Tonks Recycling Limited (continued)

In addition, we read all the financial and non-financial information in the Directors' report and financial statements 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.



Jonathan Greenaway (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne
29 May 2015

Tonks Recycling Limited

Profit and loss account for the year ended 31 October 2014

		Year ended 31 October 2014	Period ended 31 October 2013
	Note	£	£
Turnover	1	38,955	43,344
Cost of sales		(7,447)	(57,126)
Gross loss		31,508	(13,782)
Administrative expenses		(39,568)	(38,293)
Loss on ordinary activities before taxation	2	(8,060)	(52,075)
Tax on loss on ordinary activities	5	-	-
Loss for the financial year	10	(8,060)	(52,075)

All results derive from continued operations.

The company had no recognised gains and losses during the current or prior year other than those reflected in the profit and loss account.

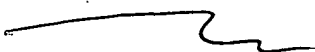
There is no material difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents.

Tonks Recycling Limited

Balance sheet as at 31 October 2014

	Note	At 31 October 2014 £	At 31 October 2013 £
Current assets			
Stocks	6	-	7,429
Debtors	7	6,942	27,213
Cash at bank and in hand		3,925	15,590
		10,867	50,232
Creditors: amounts falling due within one year	8	(24,361)	(55,666)
Net liabilities		(13,494)	(5,434)
Capital and reserves			
Called up share capital	9	-	-
Capital contribution	10	46,641	46,641
Profit and loss account	10	(60,135)	(52,075)
Shareholders' deficit		(13,494)	(5,434)

The financial statements on pages 6 to 15 were approved by the board of directors on 29 May 2015 and were signed on its behalf by:



A E Radcliffe
Director

Company registered number: 08056118

Tonks Recycling Limited

Reconciliation of movements in shareholders' funds for the year ended 31 October 2014

	Year ended 31 October 2014	Period ended 31 October, 2013
	£	£
Loss for the financial year	(8,060)	(52,075)
Capital contribution	-	46,641
Net reduction in shareholders' funds	(8,060)	(5,434)
Opening shareholders' funds	(5,434)	-
Closing shareholders' funds	(13,494)	(5,434)

Tonks Recycling Limited

Statement of accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

The financial statements have been prepared in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom and under the historical cost accounting rules.

Under FRS 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

Going concern

The company meets its financing requirements through balances with other companies in the group headed by Esh Holdings Limited.

The group headed by Esh Holdings Limited recorded an operating profit in 2014 and has substantial net assets. Detailed information regarding the financial position of the group headed by Esh Holdings Limited, its cash flows, liquidity position and borrowing facilities are included in the financial statements of Esh Holdings Limited, which can be obtained from Companies House.

During the year the company's immediate parent undertaking made a capital contribution of £nil (2013: £46,641) by means of a loan waiver.

After making detailed enquiries and taking into account the factors discussed above, the Board is confident that the company has adequate resources to continue in operational existence for the foreseeable future and accordingly continues to prepare the financial statements on a going concern basis.

Leases

Operating lease rentals are charged to the profit and loss on a straight line basis over the year of the lease.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Classification of financial instruments issued by the company

Financial instruments issued by the company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and

Tonks Recycling Limited

Statement of accounting policies (continued)

- (b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

Classification of financial instruments issued by the company (continued)

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholders' funds (see dividends policy), are dealt with as appropriations in the reconciliation of movements in shareholders' funds.

Turnover

Turnover is measured at the fair value of consideration received or receivable net of discounts and VAT provided that it can be measured reliably.

Dividends on shares presented within shareholders' funds

Dividends are only recognised as a liability at that date to the extent that they are declared prior to the year end. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

Tonks Recycling Limited

Notes to the financial statements for the year ended 31 October 2014

1 Turnover

All turnover has been wholly undertaken in the United Kingdom from the principal activity.

2 Notes to the profit and loss account

	Year ended 31 October 2014	Period ended 31 October 2013
	£	£
Loss on ordinary activities before taxation is stated after charging:		
Hire of plant and equipment – operating leases	21,164	12,218
Hire of other assets – operating leases	12,240	17,354

Auditors' remuneration

	Year ended 31 October 2014	Period ended 31 October 2013
	£	£
Audit of these financial statements	4,620	5,040

3 Remuneration of directors

None of the directors received any remuneration from the company during the year. The directors were the only employees.

4 Staff numbers and costs

Payroll costs of £nil (2013: £15,000) were recharged to the company by J Tonks (Transport) Limited, the immediate parent undertaking. In addition the company has two directors.

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Notes to the financial statements for the year ended 31 October 2014 (continued)

5 Taxation

Analysis of credit in year

	2014	2013
	£	£
UK corporation tax:		
Current tax on income for the year	-	-
Tax credit on loss on ordinary activities	-	-

Factors affecting the tax credit for the current year

The current tax credit for the year is lower (2013: lower) than the standard rate of corporation tax in the UK 22% (2013: 20%). The differences are explained below:

	2014	2013
	£	£
Current tax reconciliation:		
Loss on ordinary activities before taxation	(8,060)	(52,075)
Current tax at 22% (2013: 20%)	(1,759)	(10,415)
Effects of:		
Expenses not deductible for tax purposes	164	-
Unutilised losses carried forward	1,595	10,415
Total current tax credit	-	-

Factors that may affect future current and total tax charges

The company has trading losses of £59,386 (2013: £52,075) available to offset future trading profits. A related deferred tax asset of £11,584 (2013: £11,000) has not been recognised due to uncertainty over the timing of its future recovery.

6 Stocks

	2014	2013
	£	£
Raw materials	-	7,429

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Notes to the financial statements for the year ended 31 October 2014 (continued)

7 Debtors

	2014	2013
	£	£
Trade debtors	-	2,500
Amounts owed by related undertakings (note 12)	3,471	21,726
Other debtors	578	530
Prepayments and accrued income	2,893	2,457
	6,942	27,213

8 Creditors: amounts falling due within one year

	2014	2013
	£	£
Trade creditors	6,942	34,806
Amounts owed to related undertakings (note 12)	-	7,760
Accruals and deferred income	17,419	13,100
	24,361	55,666

9 Called-up share capital

	2014	2013
	£	£
Allotted, called-up and fully paid		
1 (2013: 1) ordinary share of £1 each	1	1

Tonks Recycling Limited

Notes to the financial statements for the year ended 31 October 2014 (continued)

10 Reserves

	Capital contribution £	Profit and loss account £
At 1 November 2013	46,641	(52,075)
Loss for the year	-	(8,060)
At 31 October 2014	46,641	(60,135)

11 Commitments

Annual commitments under non-cancellable operating leases are as follows:

	Land and buildings £
Operating leases which expire:	
Over five years	12,240

12 Related party transactions

Transactions with related undertakings are summarised below:

	Sales £	Purchases £	Recharges £	Loans advanced £	Debtors £	Creditors £
Esh Construction Limited	38,955	-	-	-	3,471	-

Tonks Recycling Limited

Notes to the financial statements for the year ended 31 October 2014 (continued)

13 Ultimate parent company

The company is a subsidiary undertaking of J Tonks (Transport) Limited, incorporated in England and Wales. The ultimate parent company is Esh Holdings Limited, incorporated in England and Wales.

The largest and smallest group in which results of the company are consolidated is that headed by Esh Holdings Limited. The consolidated accounts of this company are available to the public and may be obtained from Esh House, Bowburn North Industrial Estate, Bowburn, Durham, DH6 5PF.

The directors do not consider there to be an ultimate controlling party.