

Registration number: 08855311

A1 Metal Recycling (2014) Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 October 2017

Saul Fairholm Limited
24 Exchange Street
Retford
Nottinghamshire
DN22 6DT

A1 Metal Recycling (2014) Limited

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A1 Metal Recycling (2014) Limited

Company Information

Directors Mr Leonard Nicholas Wiltshire
Mr Stuart Wiltshire

Registered office 24 Exchange Street
Retford
Nottinghamshire
DN22 6DT

Accountants Saul Fairholm Limited
24 Exchange Street
Retford
Nottinghamshire
DN22 6DT

A1 Metal Recycling (2014) Limited

(Registration number: 08855311)
Balance Sheet as at 31 October 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	<u>4</u>	79,167	129,167
Tangible assets	<u>5</u>	399,622	322,200
		<u>478,789</u>	<u>451,367</u>
Current assets			
Stocks	<u>6</u>	325,921	161,740
Debtors	<u>7</u>	469,988	503,433
Cash at bank and in hand		<u>463,276</u>	<u>239,714</u>
		1,259,185	904,887
Creditors: Amounts falling due within one year	<u>8</u>	<u>(1,042,212)</u>	<u>(1,183,799)</u>
Net current assets/(liabilities)		<u>216,973</u>	<u>(278,912)</u>
Total assets less current liabilities		695,762	172,455
Creditors: Amounts falling due after more than one year	<u>8</u>	<u>(130,775)</u>	<u>(84,499)</u>
Provisions for liabilities		<u>(67,483)</u>	<u>-</u>
Net assets		<u>497,504</u>	<u>87,956</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		<u>497,404</u>	<u>87,856</u>
Total equity		<u>497,504</u>	<u>87,956</u>

For the financial year ending 31 October 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

The notes on pages 4 to 12 form an integral part of these financial statements.

A1 Metal Recycling (2014) Limited

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Balance Sheet as at 31 October 2017

Approved and authorised by the Board on 26 July 2018 and signed on its behalf by:

.....

Mr Leonard Nicholas Wiltshire
Director

The notes on pages 4 to 12 form an integral part of these financial statements.

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A1 Metal Recycling (2014) Limited

Notes to the Financial Statements for the Year Ended 31 October 2017

1 General information

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:

24 Exchange Street
Retford
Nottinghamshire
DN22 6DT
England

These financial statements were authorised for issue by the Board on 26 July 2018.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

These financial statements for the year ended 31st October 2017 are the first financial statements that comply with FRS 102 Section 1A. The date of transition is 1st November 2015. The transition to FRS 102 Section 1A has resulted in a small number of changes in accounting policies to those used previously. The nature of these changes and their impact on opening equity and profit for the comparative period are explained in the notes disclosed below.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

A1 Metal Recycling (2014) Limited

Notes to the Financial Statements for the Year Ended 31 October 2017

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Land and buildings	Over period of the lease
Fixtures, fittings and equipment	15% on reducing balance
Motor vehicles	25% on reducing balance
Other property, plant and equipment	15% on reducing balance

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	Straight line method over 5 years

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

A1 Metal Recycling (2014) Limited

Notes to the Financial Statements for the Year Ended 31 October 2017

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

A1 Metal Recycling (2014) Limited

Notes to the Financial Statements for the Year Ended 31 October 2017

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors with contracts of employment) during the year was 20 (2016 - 16).

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Notes to the Financial Statements for the Year Ended 31 October 2017

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 November 2016	250,000	250,000
At 31 October 2017	250,000	250,000
Amortisation		
At 1 November 2016	120,833	120,833
Amortisation charge	50,000	50,000
At 31 October 2017	170,833	170,833
Carrying amount		
At 31 October 2017	79,167	79,167
At 31 October 2016	129,167	129,167

The aggregate amount of research and development expenditure recognised as an expense during the period is £Nil (2016 - £Nil).

A1 Metal Recycling (2014) Limited

Notes to the Financial Statements for the Year Ended 31 October 2017

5 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £
Cost or valuation				
At 1 November 2016	118,223	9,882	81,839	244,481
Additions	-	10,567	134,299	30,320
Disposals	-	(531)	(22,424)	(6,067)
At 31 October 2017	118,223	19,918	193,714	268,734
Depreciation				
At 1 November 2016	50,207	2,866	29,459	49,693
Charge for the year	23,570	1,773	29,259	30,630
Eliminated on disposal	-	(223)	(13,723)	(2,544)
At 31 October 2017	73,777	4,416	44,995	77,779
Carrying amount				
At 31 October 2017	44,446	15,502	148,719	190,955
At 31 October 2016	68,016	7,016	52,380	194,788
				Total £
Cost or valuation				
At 1 November 2016				454,425
Additions				175,186
Disposals				(29,022)
At 31 October 2017				600,589
Depreciation				
At 1 November 2016				132,225
Charge for the year				85,232
Eliminated on disposal				(16,490)
At 31 October 2017				200,967
Carrying amount				
At 31 October 2017				399,622
At 31 October 2016				322,200

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Notes to the Financial Statements for the Year Ended 31 October 2017

Included within the net book value of land and buildings above is £44,446 (2016 - £68,016) in respect of freehold land and buildings.

6 Stocks

	2017	2016
	£	£
Other inventories	<u>325,921</u>	<u>161,740</u>

7 Debtors

	2017	2016
	£	£
Trade debtors	442,646	476,130
Prepayments	27,342	18,038
Other debtors	<u>-</u>	<u>9,265</u>
	<u>469,988</u>	<u>503,433</u>

A1 Metal Recycling (2014) Limited

Notes to the Financial Statements for the Year Ended 31 October 2017

8 Creditors

Creditors: amounts falling due within one year

	Note	2017 £	2016 £
Due within one year			
Loans and borrowings	9	42,291	41,460
Trade creditors		369,685	406,189
Taxation and social security		131,394	112,712
Other creditors		498,842	623,438
		<u>1,042,212</u>	<u>1,183,799</u>

Due after one year

Loans and borrowings	9	<u>130,775</u>	<u>84,499</u>
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Creditors: amounts falling due after more than one year

	Note	2017 £	2016 £
Due after one year			
Loans and borrowings	9	<u>130,775</u>	<u>84,499</u>

9 Loans and borrowings

	2017 £	2016 £
Non-current loans and borrowings		
Bank borrowings	31,466	21,672
Finance lease liabilities	<u>99,309</u>	<u>62,827</u>
	<u>130,775</u>	<u>84,499</u>

	2017 £	2016 £
Current loans and borrowings		
Bank borrowings	11,193	27,187
Bank overdrafts	-	407
Finance lease liabilities	<u>31,098</u>	<u>13,866</u>
	<u>42,291</u>	<u>41,460</u>

A1 Metal Recycling (2014) Limited

Notes to the Financial Statements for the Year Ended 31 October 2017

Bank borrowings

Bank loan is denominated in £ with a nominal interest rate of 3.7%, and the final instalment is due on 14 September 2021. The carrying amount at year end is £42,659 (2016 - £48,859).

Other borrowings

Hire purchase is denominated in £ with a nominal interest rate of market rate, and the final instalment is due at 30 June 2022. The carrying amount at year end is £130,407 (2016 - £76,693). The final instalment dates vary among the borrowings, the date disclosed relates to the final date on the last borrowing agreement.

The hire purchase liabilities are secured on the related assets.

10 Related party transactions

Summary of transactions with other related parties

Included within Other Creditors is an amount outstanding in relation to a Company with common shareholders. The balance due to the Company was £352,016 (2016 - £487,926).

11 Transition to FRS 102

This is the first year that A1 Metal Recycling (2014) Limited has presented its financial statements under Financial Reporting Standard 102 (FRS102) issued by the Financial Reporting Council. The last financial statements for the year ended 31st October 2016 were prepared under previous UK GAAP and the transition date to FRS 102 is therefore 1st November 2015.

There were no transitional adjustments required.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.