

Truro Recycling Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 May 2022

GW & Co. Limited
Chartered Certified Accountants
Waterside Court
Falmouth Road
Penryn
Cornwall
TR10 8AW

Truro Recycling Limited

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Truro Recycling Limited

Company Information

Director Mr R Drew

Company secretary Miss J Ward

Registered office Waterside Court
Falmouth Road
Penryn
Cornwall
TR10 8AW

Accountants GW & Co. Limited
Chartered Certified Accountants
Waterside Court
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Truro Recycling Limited
(Registration number: 11377136)
Balance Sheet as at 31 May 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	<u>4</u>	456,214	346,601
Current assets			
Stocks	<u>5</u>	149,961	320,281
Debtors	<u>6</u>	15,323	11,306
		165,284	331,587
Creditors: Amounts falling due within one year	<u>7</u>	(334,446)	(589,668)
Net current liabilities		(169,162)	(258,081)
Total assets less current liabilities		287,052	88,520
Creditors: Amounts falling due after more than one year	<u>7</u>	(374,050)	(263,139)
Net liabilities		(86,998)	(174,619)
Capital and reserves			
Called up share capital	<u>8</u>	1	1
Retained earnings		(86,999)	(174,620)
Shareholders' deficit		(86,998)	(174,619)

For the financial year ending 31 May 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's 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 director acknowledges his 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. As permitted by section 444 (5A) of the Companies Act 2006, the director has not delivered to the registrar a copy of the Profit and Loss Account.

Approved and authorised by the director on 12 January 2023

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Mr R Drew

Director

Truro Recycling Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2022

1 General information

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

The address of its registered office is:

Waterside Court
Falmouth Road
Penryn
Cornwall
TR10 8AW
United Kingdom

These financial statements were authorised for issue by the director on 12 January 2023.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

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.

Going concern

The financial statements have been prepared on a going concern basis.

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.

Tangible assets

Tangible assets are stated in the balance sheet 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.

Truro Recycling Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2022

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
Furniture, fittings and equipment	20% reducing balance
Motor vehicles	20% on cost
Improvements to property	20% on cost

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.

Truro Recycling Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2022

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.

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.

Share based payments

The company operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the entity. The fair value of the employee services received is measured by reference to the estimated fair value at the grant date of equity instruments granted and is recognised as an expense over the vesting period. The estimated fair value of the option granted is calculated using the Black Scholes option pricing model. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 7 (2021 - 6).

Truro Recycling Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2022

4 Tangible assets

	Properties under construction £	Fixtures and fittings £	Plant and machinery £	Office equipment £
Cost or valuation				
At 1 June 2021	44,038	2,340	468,189	2,239
Additions	7,507	2,650	376,683	981
Disposals	-	-	(255,000)	-
At 31 May 2022	51,545	4,990	589,872	3,220
Depreciation				
At 1 June 2021	17,611	1,148	154,038	448
Charge for the year	9,616	768	106,082	554
Eliminated on disposal	-	-	(94,572)	-
At 31 May 2022	27,227	1,916	165,548	1,002
Carrying amount				
At 31 May 2022	24,318	3,074	424,324	2,218
At 31 May 2021	26,427	1,192	314,151	1,791
			Motor vehicles £	Total £
Cost or valuation				
At 1 June 2021			3,800	520,606
Additions			-	387,821
Disposals			-	(255,000)
At 31 May 2022			3,800	653,427
Depreciation				
At 1 June 2021			760	174,005
Charge for the year			760	117,780
Eliminated on disposal			-	(94,572)
At 31 May 2022			1,520	197,213
Carrying amount				
At 31 May 2022			2,280	456,214
At 31 May 2021			3,040	346,601

Truro Recycling Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2022

5 Stocks

	2022	2021
	£	£
Other inventories	<u>149,961</u>	<u>320,281</u>

6 Debtors

	2022	2021
	£	£
Current		
Trade debtors	2,299	10,448
Prepayments	2,845	858
Other debtors	<u>10,179</u>	<u>-</u>
	<u>15,323</u>	<u>11,306</u>

Truro Recycling Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2022

7 Creditors

Creditors: amounts falling due within one year

	Note	2022 £	2021 £
Due within one year			
Loans and borrowings	<u>9</u>	33,620	10,578
Trade creditors		59,081	131,875
Taxation and social security		147,844	241,749
Accruals and deferred income		553	1,016
Other creditors		93,348	204,450
		<u>334,446</u>	<u>589,668</u>

Creditors: amounts falling due after more than one year

	Note	2022 £	2021 £
Due after one year			
Loans and borrowings	<u>9</u>	<u>374,050</u>	<u>263,139</u>

8 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
Ordinary Share of £1 each	1	1	1	1

9 Loans and borrowings

	2022 £	2021 £
Non-current loans and borrowings		
Hire purchase contracts	335,803	163,139
Other borrowings	38,247	100,000
	<u>374,050</u>	<u>263,139</u>

Truro Recycling Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2022

	2022 £	2021 £
Current loans and borrowings		
Bank overdrafts	26,618	10,578
Other borrowings	7,002	-
	<u>33,620</u>	<u>10,578</u>

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.