

Company Registration No. 05043631 (England and Wales)

CROW METALS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019



CROW METALS LIMITED

COMPANY INFORMATION

Directors	W C Wakefield J W Wakefield
Secretary	W C Wakefield
Company number	05043631
Registered office	Old Station Road Loughton Essex IG10 4PL
Auditors	Gerald Edelman 73 Cornhill London EC3V 3QQ
Business address	Crow Lane Romford Essex RM7 0EE

CROW METALS LIMITED

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CROW METALS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The directors present the strategic report for the year ended 31 March 2019.

Fair review of the business

The company's key performance indicators are turnover and operating profit.

Turnover has increased by £15.64m, representing an 43% increase on 2018. The turnover growth success has been due to increasing the customer base and upselling of new and improved products.

The directors consider the gross profit margin to be a key performance indicator which has reduced slightly to 5.31% (2018: 6.96%) due to more strict import regulations going into China and stricter quality control. The financial position at the year end remains strong. The business continues to monitor staff numbers and employs an experienced management team who are managing the business in a manner that ensures the company will perform profitably and provide quality to our customers.

Principal risks and uncertainties

The risk implications of business decisions affecting the company are considered by the director. The director assesses these risks on a regular basis to ensure that any risks arising from changes in the company's operations to the external environment are identified and appropriately managed. The individual risks have been categorised into the following areas:

- taxation;
- financing;
- economic climate;
- health and safety

The nature of the specific risk areas and related controls are as follows:

Taxation risk

The company is exposed to financial risks from increases in tax rates and changes to the basis of taxation including corporation tax and VAT.

Financing risk

See financial instruments

Economic climate

The directors have identified and evaluated risks and uncertainties and has controls in place to mitigate these. Responsibility for management of each key risk is identified and delegated. The company has limited exposure to the risks of the current economic climate that could lower the company's revenues and operating results in the future.

Health and safety

Health and safety are taken as a priority by the company. The risk of non-compliance with health and safety legislation is minimised through training, development and review policies and procedures to maintain higher standards.

Financial instruments

The company's principal financial instrument is cash and hire purchase. The main purpose of this instrument is to manage the company's funding and liquidity requirements. The company has other financial assets and liabilities such as trade debtors and trade creditors, which arise directly from its operations.


During the year, the company has been exposed to risks of supplier increases, credit risks, liquidity risk and cash flow risk. The director does not consider any other risks attaching to the use of financial instruments to be material on an assessment of its financial position.

CROW METALS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

On behalf of the board


.....
J W Wakefield

Director

17 - December - 2019
.....

CROW METALS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The directors present their annual report and financial statements for the year ended 31 March 2019.

Principal activities

The principal activity of the company continued to be that of supply of and recycling ferrous and non-ferrous metals.

Directors

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

W C Wakefield
J W Wakefield

Results and dividends

The results for the year are set out on page 7.

Auditors

The auditors, Gerald Edelman, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

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.

CROW METALS LIMITED

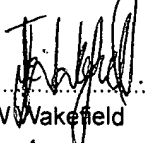
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

Going concern

Having reviewed the company's financial forecasts and expected future cash flows, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing these financial statements.

On behalf of the board


.....
J W Wakefield
Director

Date: 17 - December - 2019
.....

CROW METALS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CROW METALS LIMITED

Opinion

We have audited the financial statements of Crow Metals Limited (the 'company') for the year ended 31 March 2019 which comprise the statement of comprehensive income, the balance sheet, 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 31 March 2019 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.

CROW METALS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF CROW METALS 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
- 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.

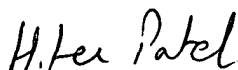
Auditor's responsibilities for the audit of the financial statements

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.

Use of our 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.



**Hiten Patel FCCA (Senior Statutory Auditor)
for and on behalf of Gerald Edelman**

17- December - 2019
.....

**Chartered Accountants
Statutory Auditor**

73 Cornhill
London
EC3V 3QQ

CROW METALS LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	2018 £
Turnover	3	51,856,043	36,217,434
Cost of sales		(49,100,386)	(33,696,371)
Gross profit		2,755,657	2,521,063
Administrative expenses		(2,046,716)	(1,582,647)
Other operating income		148,222	129,160
Operating profit	4	857,163	1,067,576
Interest receivable and similar income	7	54	1,666
Interest payable and similar expenses	8	(3,984)	(6,654)
Profit before taxation		853,233	1,062,588
Tax on profit	9	(178,371)	(222,992)
Profit for the financial year		674,862	839,596

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.


CROW METALS LIMITED


BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	11		735,746		768,915
Current assets					
Stocks	13	1,179,672		763,338	
Debtors	14	4,188,446		3,735,622	
Cash at bank and in hand		314,839		435,449	
		5,682,957		4,934,409	
Creditors: amounts falling due within one year	15	(2,507,907)		(2,223,129)	
Net current assets			3,175,050		2,711,280
Total assets less current liabilities			3,910,796		3,480,195
Creditors: amounts falling due after more than one year	16		(66,611)		(103,262)
Provisions for liabilities	18		(109,273)		(96,883)
Net assets			3,734,912		3,280,050
Capital and reserves					
Called up share capital	21		100		100
Profit and loss reserves			3,734,812		3,279,950
Total equity			3,734,912		3,280,050

The financial statements were approved by the board of directors and authorised for issue on 17 - December - 2019 and are signed on its behalf by:


 W C Wakefield
 Director


 J W Wakefield
 Director

Company Registration No. 05043631

CROW METALS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 April 2017		100	2,579,310	2,579,410
Year ended 31 March 2018:				
Profit and total comprehensive income for the year		-	839,596	839,596
Dividends	10	-	(138,956)	(138,956)
Balance at 31 March 2018		100	3,279,950	3,280,050
Year ended 31 March 2019:				
Profit and total comprehensive income for the year		-	674,862	674,862
Dividends	10	-	(220,000)	(220,000)
Balance at 31 March 2019		100	3,734,812	3,734,912

CROW METALS LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Cash generated from operations	26	438,628		975,351	
Interest paid		(3,984)		(6,654)	
Income taxes paid		(184,666)		(155,761)	
Net cash inflow from operating activities		249,978		812,936	
Investing activities					
Purchase of tangible fixed assets		(146,780)		(384,008)	
Proceeds on disposal of tangible fixed assets		11,500		-	
Proceeds from other investments and loans		28,996		(26,774)	
Interest received		54		1,666	
Net cash used in investing activities		(106,230)		(409,116)	
Financing activities					
Repayment of bank loans		-		(66,300)	
Payment of finance leases obligations		(44,358)		144,281	
Dividends paid		(220,000)		(138,956)	
Net cash used in financing activities		(264,358)		(60,975)	
Net (decrease)/increase in cash and cash equivalents		(120,610)		342,845	
Cash and cash equivalents at beginning of year		435,449		92,604	
Cash and cash equivalents at end of year		314,839		435,449	

CROW METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

Crow Metals Limited is a private company limited by shares incorporated in England and Wales. The registered office is Old Station Road, Loughton, Essex, IG10 4PL.

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 comprises revenue recognised by the company in respect of the supply of recycling ferrous and non ferrous metals exclusive of VAT. Sales of ferrous and non ferrous metals are recognised on the date of delivery.

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	10% reducing balance
Plant and machinery	25% reducing balance
Fixtures, fittings & equipment	25% reducing balance
Motor vehicles	25% reducing balance

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.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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.

CROW METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

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 cost of goods that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less cost 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 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.

1.8 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 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.

CROW METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

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.

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.

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 transaction 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.

CROW METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

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.

1.11 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

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss 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 leases 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 profit and loss account for the period.

CROW METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.15 Contributions to employee benefit trust

The company has established an Employee Benefit Trust ("EBT") for the benefit of certain employees. In accordance with UITF 32, until such time as the assets of the EBT vest unconditionally with the employees, the assets and liabilities of the EBT are included within the relevant assets and liabilities of the company.

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:

	2019 £	2018 £
Turnover analysed by class of business		
For the provision of ferrous and non-ferrous metals	51,856,043	36,217,434
	<u> </u>	<u> </u>
	2019 £	2018 £
Other significant revenue		
Interest income	54	1,666
	<u> </u>	<u> </u>
	2019 £	2018 £
Turnover analysed by geographical market		
UK	25,368,480	17,709,581
Europe	18,374,667	12,827,243
USA	413,872	288,922
China	158,930	110,948
Rest of the world	7,540,094	5,280,740
	<u> </u>	<u> </u>
	51,856,043	36,217,434
	<u> </u>	<u> </u>

CROW METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

4 Operating profit

	2019 £	2018 £
Operating profit for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(3,265)	4,292
Fees payable to the company's auditor for the audit of the company's financial statements	14,000	12,200
Depreciation of owned tangible fixed assets	162,762	142,217
Loss on disposal of tangible fixed assets	5,687	-
Cost of stocks recognised as an expense	48,460,705	33,170,849
Operating lease charges	150,000	150,000

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 £3,265 (2018 - £4,292).

5 Employees

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

	2019 Number	2018 Number
Office and workshop staff	34	23

Their aggregate remuneration comprised:

	2019 £	2018 £
Wages and salaries	930,257	664,134
Social security costs	89,659	66,152
Pension costs	11,114	4,376
	1,031,030	734,662

6 Directors' remuneration

	2019 £	2018 £
Remuneration for qualifying services	18,493	15,384

CROW METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

7 Interest receivable and similar income

	2019 £	2018 £
Interest income		
Interest on bank deposits	54	1,498
Other interest income	-	168
	<u>54</u>	<u>1,666</u>
Total income	<u>54</u>	<u>1,666</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	54	1,498
	<u>54</u>	<u>1,498</u>

8 Interest payable and similar expenses

	2019 £	2018 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	3,984	6,297
Other finance costs:		
Other interest	-	357
	<u>3,984</u>	<u>6,654</u>

9 Taxation

	2019 £	2018 £
Current tax		
UK corporation tax on profits for the current period	165,981	184,665
	<u>165,981</u>	<u>184,665</u>
Deferred tax		
Origination and reversal of timing differences	12,390	38,327
	<u>12,390</u>	<u>38,327</u>
Total tax charge	<u>178,371</u>	<u>222,992</u>

CROW METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

9 Taxation

(Continued)

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:

	2019 £	2018 £
Profit before taxation	853,233	1,062,588
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	162,114	201,892
Tax effect of expenses that are not deductible in determining taxable profit	2,435	2,340
Permanent capital allowances in excess of depreciation	-	(19,565)
Depreciation on assets not qualifying for tax allowances	1,432	-
Deferred tax adjustments	12,390	38,325
Taxation charge for the year	178,371	222,992

10 Dividends

	2019 £	2018 £
Interim paid	220,000	138,956

CROW METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

11 Tangible fixed assets

	Land and buildings leasehold	Plant and machinery	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2018	252,629	1,442,058	145,886	1,840,573
Additions	24,420	76,360	46,000	146,780
Disposals	-	(76,806)	(15,800)	(92,606)
At 31 March 2019	277,049	1,441,612	176,086	1,894,747
Depreciation and impairment				
At 1 April 2018	45,070	942,150	84,438	1,071,658
Depreciation charged in the year	19,777	120,890	22,095	162,762
Eliminated in respect of disposals	-	(61,728)	(13,691)	(75,419)
At 31 March 2019	64,847	1,001,312	92,842	1,159,001
Carrying amount				
At 31 March 2019	212,202	440,300	83,244	735,746
At 31 March 2018	207,559	487,636	61,448	768,915

12 Financial instruments

	2019 £	2018 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	3,199,320	3,471,439
Carrying amount of financial liabilities		
Measured at amortised cost	2,381,310	2,120,359

13 Stocks

	2019 £	2018 £
Finished goods and goods for resale	1,179,672	763,338

CROW METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

14 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	2,382,442	2,626,030
Other debtors	1,619,312	1,026,461
Prepayments and accrued income	186,692	83,131
	<u>4,188,446</u>	<u>3,735,622</u>

Debtors includes an amount of £750,000 (2018: £750,000) which is due after more than one year.

In 2010, the company established an Employee Benefit Trust ("EBT"), which has been advanced loans of £750,000 in previous years. As at the balance sheet date this amount was still due to the company by the EBT and is included in other debtors due after more than one year.

15 Creditors: amounts falling due within one year

	Notes	2019 £	2018 £
Obligations under finance leases	17	40,485	48,192
Trade creditors		1,421,764	950,144
Corporation tax		165,981	184,666
Other taxation and social security		27,227	21,366
Other creditors		527,803	651,534
Accruals and deferred income		324,647	367,227
		<u>2,507,907</u>	<u>2,223,129</u>

The bank borrowings are secured by a fixed and floating charge over the assets of the company by Barclays Bank Plc and a limited guarantee given by W C Wakefield for £300,000.

16 Creditors: amounts falling due after more than one year

	Notes	2019 £	2018 £
Obligations under finance leases	17	<u>66,611</u>	<u>103,262</u>

17 Finance lease obligations

	2019 £	2018 £
Future minimum lease payments due under finance leases:		
Within one year	40,485	48,192
In two to five years	66,611	103,262
	<u>107,096</u>	<u>151,454</u>

CROW METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

17 Finance lease obligations

(Continued)

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. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

18 Provisions for liabilities

	Notes	2019 £	2018 £
Deferred tax liabilities	19	109,273	96,883

19 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2019 £	Liabilities 2018 £
Balances:		
Accelerated capital allowances	109,273	96,883
Movements in the year:		2019 £
Liability at 1 April 2018		96,883
Charge to profit or loss		12,390
Liability at 31 March 2019		109,273

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

20 Retirement benefit schemes

	2019 £	2018 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	11,114	4,376

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.

CROW METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

21 Share capital

	2019 £	2018 £
Ordinary share capital Issued and fully paid 100 Ordinary shares of £1 each	100	100

22 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019 £	2018 £
Within one year	150,000	150,000
Between two and five years	300,000	450,000
	450,000	600,000

23 Related party transactions

The director W C Wakefield has given the bank, in respect of an overdraft facility, a limited guarantee for the total sum of £300,000 (2018: £300,000).

At the year end a net balance of £81,446 (2018: £50,315) was due from Crow Skip Hire Limited, a company controlled by J W Wakefield.

At the year end, £750,000 (2018: £750,000) was due from the Employee Benefit Trust, of which directors are the beneficiaries.

During the year the company used premises owned by its pension fund. The company was charged rent of £150,000 (2018: £150,000) by the pension fund.

During the year dividends of £137,000 and £83,000 (2018: £81,957 and £56,999) were paid to the directors W C Wakefield and J W Wakefield respectively.

CROW METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

24 Directors' transactions

At the year end the following amounts were due to directors:

Description	% Rate	Opening balance £	Amounts advanced £	Amounts repaid £	Closing balance £
W C Wakefield - Director's loan account	3.00	27,637	143,575	(172,416)	(1,204)
J W Wakefield - Director's loan account	3.00	(863)	100,761	(100,916)	(1,018)
		<u>26,774</u>	<u>244,336</u>	<u>273,332</u>	<u>(2,222)</u>

25 Control

The ultimate controlling party is W C Wakefield by virtue of his majority interest in the share capital of the company.

26 Cash generated from operations

	2019 £	2018 £
Profit for the year after tax	674,862	839,596
Adjustments for:		
Taxation charged	178,371	222,992
Finance costs	3,984	6,654
Investment income	(54)	(1,666)
Loss on disposal of tangible fixed assets	5,687	-
Depreciation and impairment of tangible fixed assets	162,762	142,217
Movements in working capital:		
(Increase) in stocks	(416,334)	(183,527)
(Increase) in debtors	(481,820)	(1,083,438)
Increase in creditors	311,170	1,032,523
Cash generated from operations	<u>438,628</u>	<u>975,351</u>