

**Company Registration No. 05043631 (England and Wales)**

**CROW METALS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

# CROW METALS LIMITED

## COMPANY INFORMATION

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

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# **CROW METALS LIMITED**

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# **CROW METALS LIMITED**

## **STRATEGIC REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2020**

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The directors present the strategic report for the year ended 31 March 2020.

#### **Fair review of the business**

Turnover has decreased by £9.36m, representing an 18% decrease on 2019. The turnover reduction has been due to a fall in economic activity.

The directors consider the gross profit margin to be a key performance indicator which has reduced slightly to 5.23% (2019: 5.31%) 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**

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.

#### **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.

## **CROW METALS LIMITED**

### **STRATEGIC REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2020***

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#### **COVID-19**

In light of the COVID-19 pandemic, and the likely expected level of economic disruption that it will cause, the directors have considered the impact this will have on the company's future prospects.

The company's turnover was greatly affected by the pandemic as the company temporarily stopped all operations for 6 weeks from mid-March in line with UK lockdown rules. The lack of activity over this period had an adverse effect on the company, resulting in a loss of turnover.

At the close of the 2020 financial year, the company held a significant amount of liquid funds amounting to £285,056. There is limited impact from COVID-19 within management's forecasts, however as the crisis continues to develop during 2020/21 the company will continue to assess and adapt to meet the challenge.

On behalf of the board

J W Wakefield

**Director**

29 January 2021

# **CROW METALS LIMITED**

## **DIRECTORS' REPORT**

***FOR THE YEAR ENDED 31 MARCH 2020***

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The directors present their annual report and financial statements for the year ended 31 March 2020.

### **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.

Ordinary dividends were paid amounting to £220,563. The directors do not recommend payment of a final dividend.

### **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 auditors**

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 auditors are 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 auditors are aware of that information.

## **CROW METALS LIMITED**

### **DIRECTORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2020***

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#### **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.

Based on the considerations set out above and considering the expected effects of the COVID-19 global pandemic, as set out in the above paragraph entitled 'COVID-19', the Directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

On behalf of the board

J W Wakefield

**Director**

29 January 2021

# **CROW METALS LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CROW METALS LIMITED**

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### **Opinion**

We have audited the financial statements of Crow Metals Limited (the 'company') for the year ended 31 March 2020 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 2020 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 AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF CROW METALS LIMITED**

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### **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**

29 January 2021

**Chartered Accountants**  
**Statutory Auditor**

73 Cornhill  
London  
EC3V 3QQ

# CROW METALS LIMITED

## STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	2019 £
<b>Turnover</b>	<b>3</b>	42,496,650	51,856,043
Cost of sales		(40,273,480)	(49,100,386)
<b>Gross profit</b>		<u>2,223,170</u>	<u>2,755,657</u>
Administrative expenses		(2,364,978)	(2,046,716)
Other operating income		151,270	148,222
<b>Operating profit</b>	<b>4</b>	<u>9,462</u>	<u>857,163</u>
Interest receivable and similar income	<b>7</b>	20	54
Interest payable and similar expenses	<b>8</b>	(2,633)	(3,984)
<b>Profit before taxation</b>		<u>6,849</u>	<u>853,233</u>
Tax on profit	<b>9</b>	188,480	(178,371)
<b>Profit for the financial year</b>		<u>195,329</u>	<u>674,862</u>
<b>Other comprehensive income</b>		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<u><u>195,329</u></u>	<u><u>674,862</u></u>

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 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	11		706,720		735,746
<b>Current assets</b>					
Stocks	12	765,040		1,179,672	
Debtors	13	4,717,386		4,188,446	
Cash at bank and in hand		258,056		314,839	
		<u>5,740,482</u>		<u>5,682,957</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(2,620,318)</u>		<u>(2,507,907)</u>	
<b>Net current assets</b>			<u>3,120,164</u>		<u>3,175,050</u>
<b>Total assets less current liabilities</b>			<u>3,826,884</u>		<u>3,910,796</u>
<b>Creditors: amounts falling due after more than one year</b>	15		(24,898)		(66,611)
<b>Provisions for liabilities</b>	17		(92,308)		(109,273)
<b>Net assets</b>			<u><u>3,709,678</u></u>		<u><u>3,734,912</u></u>
<b>Capital and reserves</b>					
Called up share capital	20		100		100
Profit and loss reserves			<u>3,709,578</u>		<u>3,734,812</u>
<b>Total equity</b>			<u><u>3,709,678</u></u>		<u><u>3,734,912</u></u>

The financial statements were approved by the board of directors and authorised for issue on 29 January 2021 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 2020

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
<b>Balance at 1 April 2018</b>		100	3,279,950	3,280,050
<b>Year ended 31 March 2019:</b>				
Profit and total comprehensive income for the year		-	674,862	674,862
Dividends	10	-	(220,000)	(220,000)
<b>Balance at 31 March 2019</b>		100	3,734,812	3,734,912
<b>Year ended 31 March 2020:</b>				
Profit and total comprehensive income for the year		-	195,329	195,329
Dividends	10	-	(220,563)	(220,563)
<b>Balance at 31 March 2020</b>		100	3,709,578	3,709,678

# CROW METALS LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	26	503,363		438,628	
Interest paid		(2,633)		(3,984)	
Income taxes paid		(165,981)		(184,666)	
<b>Net cash inflow from operating activities</b>		<b>334,749</b>		<b>249,978</b>	
<b>Investing activities</b>					
Purchase of tangible fixed assets		(135,269)		(146,780)	
Proceeds on disposal of tangible fixed assets		6,100		11,500	
Repayment of loans		(1,334)		28,996	
Interest received		20		54	
<b>Net cash used in investing activities</b>		<b>(130,483)</b>		<b>(106,230)</b>	
<b>Financing activities</b>					
Payment of finance leases obligations		(40,486)		(44,358)	
Dividends paid		(220,563)		(220,000)	
<b>Net cash used in financing activities</b>		<b>(261,049)</b>		<b>(264,358)</b>	
<b>Net decrease in cash and cash equivalents</b>		<b>(56,783)</b>		<b>(120,610)</b>	
Cash and cash equivalents at beginning of year		314,839		435,449	
<b>Cash and cash equivalents at end of year</b>		<b>258,056</b>		<b>314,839</b>	

# CROW METALS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

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### 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.

Based on the considerations set out above and notwithstanding the uncertainty relating to the COVID-19 pandemic throughout the UK and the rest of the world, as set out in the paragraph entitled 'COVID-19' in the Directors' Report, the Directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

#### 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
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 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 2020

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### 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 and cash equivalents 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 2020

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### 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 2020

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### 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 in the period are included in profit or loss.

# CROW METALS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 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:

	2020 £	2019 £
<b>Turnover analysed by class of business</b>		
For the provision of ferrous and non-ferrous metals	42,496,650	51,856,043
	<u>42,496,650</u>	<u>51,856,043</u>
	2020 £	2019 £
<b>Other significant revenue</b>		
Interest income	20	54
	<u>20</u>	<u>54</u>
	2020 £	2019 £
<b>Turnover analysed by geographical market</b>		
UK	18,540,674	25,368,480
Europe	17,125,629	18,374,667
USA	-	413,872
China	-	158,930
Rest of the world	6,830,347	7,540,094
	<u>42,496,650</u>	<u>51,856,043</u>

# CROW METALS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 4 Operating profit

	2020	2019
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange gains	(49)	(3,265)
Fees payable to the company's auditor for the audit of the company's financial statements	16,000	14,000
Depreciation of owned tangible fixed assets	158,099	162,762
Loss on disposal of tangible fixed assets	96	5,687
Cost of stocks recognised as an expense	39,511,749	48,460,705
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 £49 (2019 - £3,265).

### 5 Employees

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

	2020	2019
	Number	Number
Office and workshop staff	40	34

Their aggregate remuneration comprised:

	2020	2019
	£	£
Wages and salaries	1,060,959	930,257
Social security costs	98,810	89,659
Pension costs	18,415	11,114
	1,178,184	1,031,030

### 6 Directors' remuneration

	2020	2019
	£	£
Remuneration for qualifying services	15,972	18,493

### 7 Interest receivable and similar income

	2020	2019
	£	£
Interest income		
Interest on bank deposits	20	54

# CROW METALS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

(Continued)

### 7 Interest receivable and similar income

Investment income includes the following:

Interest income	20	54
	<u>          </u>	<u>          </u>

### 8 Interest payable and similar expenses

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	2,633	3,984
	<u>          </u>	<u>          </u>

### 9 Taxation

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Current tax</b>		
UK corporation tax on profits for the current period	(41,656)	165,981
Adjustments in respect of prior periods	(129,859)	-
	<u>          </u>	<u>          </u>
Total current tax	(171,515)	165,981
	<u>          </u>	<u>          </u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(16,965)	12,390
	<u>          </u>	<u>          </u>
Total tax (credit)/charge	(188,480)	178,371
	<u>          </u>	<u>          </u>

The actual (credit)/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:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Profit before taxation	6,849	853,233
	<u>          </u>	<u>          </u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	1,301	162,114
Tax effect of expenses that are not deductible in determining taxable profit	862	2,435
Permanent capital allowances in excess of depreciation	(17,620)	-
Depreciation on assets not qualifying for tax allowances	21,159	1,432
Research and development tax credit	(129,859)	-
Deferred tax adjustments in respect of prior years	(47,358)	-
Deferred tax adjustments	(16,965)	12,390
	<u>          </u>	<u>          </u>
Taxation (credit)/charge for the year	(188,480)	178,371
	<u>          </u>	<u>          </u>

# CROW METALS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 10 Dividends

	2020 £	2019 £
Interim paid	220,563	220,000

### 11 Tangible fixed assets

	Land and buildings leasehold £	Plant and machinery £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 April 2019	277,049	1,441,612	176,086	1,894,747
Additions	37,173	88,896	9,200	135,269
Disposals	-	-	(15,000)	(15,000)
At 31 March 2020	314,222	1,530,508	170,286	2,015,016
<b>Depreciation and impairment</b>				
At 1 April 2019	64,847	1,001,312	92,842	1,159,001
Depreciation charged in the year	23,612	114,842	19,645	158,099
Eliminated in respect of disposals	-	-	(8,804)	(8,804)
At 31 March 2020	88,459	1,116,154	103,683	1,308,296
<b>Carrying amount</b>				
At 31 March 2020	225,763	414,354	66,603	706,720
At 31 March 2019	212,202	440,300	83,244	735,746

### 12 Stocks

	2020 £	2019 £
Ferrous & Non-Ferrous Metals	765,040	1,179,672

### 13 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Trade debtors	2,527,141	2,382,442
Corporation tax recoverable	171,515	-
Other debtors	1,649,243	1,619,312
Prepayments and accrued income	369,487	186,692
	4,717,386	4,188,446

# CROW METALS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 13 Debtors

(Continued)

Debtors includes an amount of £750,000 (2019: £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.

### 14 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Obligations under finance leases	16	41,712	40,485
Trade creditors		547,771	1,421,764
Corporation tax		-	165,981
Other taxation and social security		30,203	27,227
Other creditors		1,852,485	527,803
Accruals and deferred income		148,147	324,647
		<u>2,620,318</u>	<u>2,507,907</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.

### 15 Creditors: amounts falling due after more than one year

	Notes	2020 £	2019 £
Obligations under finance leases	16	24,898	66,611
		<u>24,898</u>	<u>66,611</u>

### 16 Finance lease obligations

	2020 £	2019 £
Future minimum lease payments due under finance leases:		
Within one year	41,712	40,485
In two to five years	24,898	66,611
	<u>66,610</u>	<u>107,096</u>

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.

# CROW METALS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 17 Provisions for liabilities

	Notes	2020 £	2019 £
Deferred tax liabilities	18	92,308	109,273

### 18 Deferred taxation

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

	Liabilities 2020 £	Liabilities 2019 £
<b>Balances:</b>		
Accelerated capital allowances	92,308	109,273
<b>Movements in the year:</b>		2020 £
Liability at 1 April 2019		109,273
Credit to profit or loss		(16,965)
Liability at 31 March 2020		92,308

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.

### 19 Retirement benefit schemes

	2020 £	2019 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	18,415	11,114

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.

### 20 Share capital

	2020 £	2019 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
100 Ordinary shares of £1 each	100	100

## CROW METALS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2020**

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#### 21 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:

	2020 £	2019 £
Within one year	150,000	150,000
Between two and five years	150,000	300,000
	<u>300,000</u>	<u>450,000</u>

#### 22 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 (2019: £300,000).

At the year end a net balance of £65,692 (2019: £81,446) was due from Crow Skip Hire Limited, a company controlled by J W Wakefield.

At the year end, £750,000 (2019: £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 (2019: £150,000) by the pension fund.

During the year dividends of £112,487 and £108,076 (2019: £137,000 and £83,000) 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 2020

### 23 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	(1,204)	127,095	(125,891)	-
J W Wakefield - Director's loan account	3.00	(1,018)	124,173	(124,043)	(888)
		(2,222)	251,268	249,934	(888)

### 24 Control

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

### 25 Analysis of changes in net funds

	1 April 2019 £	Cash flows £	31 March 2020 £
Cash at bank and in hand	314,839	(56,783)	258,056
Obligations under finance leases	(107,096)	40,486	(66,610)
	207,743	(16,297)	191,446

## CROW METALS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2020**

#### 26 Cash generated from operations

	2020 £	2019 £
Profit for the year after tax	195,329	674,862
<b>Adjustments for:</b>		
Taxation (credited)/charged	(188,480)	178,371
Finance costs	2,633	3,984
Investment income	(20)	(54)
Loss on disposal of tangible fixed assets	96	5,687
Depreciation and impairment of tangible fixed assets	158,099	162,762
<b>Movements in working capital:</b>		
Decrease/(increase) in stocks	414,632	(416,334)
(Increase) in debtors	(356,091)	(481,820)
Increase in creditors	277,165	311,170
<b>Cash generated from operations</b>	<b>503,363</b>	<b>438,628</b>

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.