

Unaudited Financial Statements for the Year Ended 31 December 2021

for

RRR Polymers Limited

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for the Year Ended 31 December 2021

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Balance Sheet
31 December 2021

	Notes	31.12.21 £	31.12.20 £
FIXED ASSETS			
Tangible assets	4	593,030	680,853
CURRENT ASSETS			
Stocks		200,187	38,147
Debtors	5	526,210	360,773
Cash at bank		<u>71,539</u>	<u>68,518</u>
		797,936	467,438
CREDITORS			
Amounts falling due within one year	6	<u>(3,559,974)</u>	<u>(2,366,748)</u>
NET CURRENT LIABILITIES		<u>(2,762,038)</u>	<u>(1,899,310)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		(2,169,008)	(1,218,457)
CREDITORS			
Amounts falling due after more than one year	7	<u>(36,667)</u>	<u>(106,366)</u>
NET LIABILITIES		<u>(2,205,675)</u>	<u>(1,324,823)</u>
CAPITAL AND RESERVES			
Called up share capital		100	100
Retained earnings		<u>(2,205,775)</u>	<u>(1,324,923)</u>
		<u>(2,205,675)</u>	<u>(1,324,823)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 21 September 2022 and were signed on its behalf by:

Mr D Walsh - Director

Notes to the Financial Statements
for the Year Ended 31 December 2021

1. **STATUTORY INFORMATION**

RRR Polymers Limited is a private company, limited by shares, domiciled in England, registration number 10907168. The registered office is Metnor Business Park Unit 6B, Hadrian Road, Wallsend, NE28 6HH.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with group members.

Turnover

Turnover represents net invoiced sales of goods and services in respect of waste plastic recycling, excluding value added tax. Sales are recognised at the point at which the goods are delivered or the service is complete.

Tangible fixed assets and depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc - 14% on cost

Tangible fixed assets are stated at cost less depreciation. Cost represent purchase price together with any incidental costs of acquisition.

The directors have considered the residual value of all tangible fixed assets to be immaterial and therefore all tangible fixed assets are depreciated to nil value.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost is represented by purchase price. Work in progress includes process cost in addition to purchase price.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

2. **ACCOUNTING POLICIES - continued**

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Provisions

Provisions are recognised when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Provisions are discounted where the time value of money is material.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Going concern

As the company is going through development in the early stages of its life cycle and incurring significant costs in excess of income, it has a net liability position at the year-end. The parent company has guaranteed the debts due by the company for twelve months from the balance sheet signing date and all debts due to the parent company are subordinate to all other creditors. It is therefore the assessment of the Board of Directors that the company can meet all debts as they fall due and accounts have been prepared on a going concern basis.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 26 (2020 - 8) .

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

4. **TANGIBLE FIXED ASSETS**

	Plant and machinery etc £
COST	
At 1 January 2021	894,433
Additions	66,261
Disposals	(29,229)
At 31 December 2021	<u>931,465</u>
DEPRECIATION	
At 1 January 2021	213,580
Charge for year	126,119
Eliminated on disposal	(1,264)
At 31 December 2021	<u>338,435</u>
NET BOOK VALUE	
At 31 December 2021	<u>593,030</u>
At 31 December 2020	<u>680,853</u>

5. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.21 £	31.12.20 £
Trade debtors	64,373	49,600
Other debtors	<u>461,837</u>	<u>311,173</u>
	<u>526,210</u>	<u>360,773</u>

6. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.21 £	31.12.20 £
Bank loans and overdrafts	10,000	3,333
Trade creditors	67,226	228,530
Amounts owed to group undertakings	3,244,036	1,895,901
Amounts owed to related parties	138,150	199,787
Taxation and social security	8,636	4,954
Other creditors	<u>91,926</u>	<u>34,243</u>
	<u>3,559,974</u>	<u>2,366,748</u>

Amounts owed to group undertakings are subordinated to all other creditors due by RRR Polymers Limited.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

7. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.12.21	31.12.20
	£	£
Bank loans	36,667	46,667
Amounts owed to related parties	-	59,699
	<u>36,667</u>	<u>106,366</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>-</u>	<u>6,667</u>

8. **RELATED PARTY DISCLOSURES**

Entities owned by directors and shareholders

Purchases/recharges - £30,000 (2020: £52,200)

Loans due to related parties - £138,150 (2020: £259,486)

9. **ULTIMATE PARENT ENTITY**

Impact Recycling Limited is regarded by the directors as being the company's ultimate parent.

Impact Recycling Limited is registered in Scotland under registration number SC489143 and its registered office is 16 Abbotsinch Road, Grangemouth, FK3 9UX.

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.