

COMPANY REGISTRATION NUMBER: 02242483

**A & B Containers Limited**

**Filleted Unaudited Financial Statements**

**30 June 2021**

# A & B Containers Limited

## Statement of Financial Position

**30 June 2021**

		2021	2020
	Note	£	£
<b>Fixed assets</b>			
Tangible assets	5	537,201	483,208
Investments	6	7,931	7,931
		-----	-----
		<b>545,132</b>	491,139
<b>Current assets</b>			
Stocks		217,422	290,717
Debtors	7	3,118,831	2,370,029
Cash at bank and in hand		2,921,322	2,162,096
		-----	-----
		<b>6,257,575</b>	4,822,842
<b>Creditors: amounts falling due within one year</b>	8	1,750,614	1,771,528
		-----	-----
<b>Net current assets</b>		<b>4,506,961</b>	3,051,314
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<b>Total assets less current liabilities</b>		<b>5,052,093</b>	3,542,453
<b>Creditors: amounts falling due after more than one year</b>	9		16,999
<b>Provisions</b>			
Taxation including deferred tax		99,017	77,173
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<b>Net assets</b>		<b>4,953,076</b>	3,448,281
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# A & B Containers Limited

## Statement of Financial Position *(continued)*

30 June 2021

		2021	2020
	Note	£	£
<b>Capital and reserves</b>			
Called up share capital	10	75	75
Capital redemption reserve	11	27	27
Profit and loss account	11	4,952,974	3,448,179
		-----	-----
<b>Shareholders funds</b>		<b>4,953,076</b>	<b>3,448,281</b>
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These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

For the year ending 30th June 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

These financial statements were approved by the board of directors and authorised for issue on 8 October 2021 , and are signed on behalf of the board by:

B. R. Williams

Director

P.R. Williams

Director

Company registration number: 02242483

# **A & B Containers Limited**

## **Notes to the Financial Statements**

### **Year ended 30th June 2021**

#### **1. General information**

The company is a private company limited by shares, registered in England & Wales. The address of the registered office is Ground floor, 4 Broadgate, Broadway Business Park, Chadderton, Oldham, OL9 9XA.

#### **2. Statement of compliance**

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

#### **3. Accounting policies**

##### **Basis of preparation**

The financial statements have been prepared on the historical cost basis. The financial statements are prepared in sterling, which is the functional currency of the entity.

##### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Significant judgements There are no judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements. Key sources of estimation uncertainty Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. There are no key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

##### **Revenue recognition**

The turnover shown in the profit and loss account represents amounts invoiced during the year from the sale of containers, pallets and drums, exclusive of Value Added Tax.

**Income tax**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date. Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference

**Operating leases**

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

**Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

## **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Alterations to Landlords premises	-	20% straight line
Plant & machinery	-	15% reducing balance
Fixtures & fittings	-	15% reducing balance
Motor vehicles	-	25% reducing balance

## **Investments**

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

## **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units .

**Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

**Finance leases and hire purchase contracts**

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

**Government grants**

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

**Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

## **Financial instruments**

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss. Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

### **Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

## **4. Employee numbers**

The average number of persons employed by the company during the year amounted to 46 (2020: 45 ).



## 5. Tangible assets

	Alterations to Landlords premises £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>					
At 1st July 2020	204,313	299,016	23,808	613,617	<b>1,140,754</b>
Additions	—	119,176	1,037	102,700	<b>222,913</b>
Disposals	—	( 29,140)	( 19,157)	( 15,230)	<b>( 63,527)</b>
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<b>At 30th June 2021</b>	<b>204,313</b>	<b>389,052</b>	<b>5,688</b>	<b>701,087</b>	<b>1,300,140</b>
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<b>Depreciation</b>					
At 1st July 2020	144,870	168,910	16,561	327,205	<b>657,546</b>
Charge for the year	20,342	36,654	677	95,518	<b>153,191</b>
Disposals	—	( 24,217)	( 15,388)	( 8,193)	<b>( 47,798)</b>
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<b>At 30th June 2021</b>	<b>165,212</b>	<b>181,347</b>	<b>1,850</b>	<b>414,530</b>	<b>762,939</b>
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<b>Carrying amount</b>					
<b>At 30th June 2021</b>	<b>39,101</b>	<b>207,705</b>	<b>3,838</b>	<b>286,557</b>	<b>537,201</b>
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At 30th June 2020	59,443	130,106	7,247	286,412	483,208
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## 6. Investments

	Other investments other than loans £
<b>Cost</b>	
<b>At 1st July 2020 and 30th June 2021</b>	<b>7,931</b>
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<b>Impairment</b>	
<b>At 1st July 2020 and 30th June 2021</b>	<b>—</b>
	-----
<b>Carrying amount</b>	
<b>At 30th June 2021</b>	<b>7,931</b>
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At 30th June 2020	7,931
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In the opinion of the directors, the market value of the investment freehold land does not materially differ from the net book value in the statement of financial position at 30th June 2021 .

## 7. Debtors

	2021 £	2020 £
Trade debtors	<b>2,557,582</b>	1,816,299
Amounts owed by group undertakings and undertakings in which the company has a participating interest	<b>470,308</b>	470,308
Other debtors	<b>90,941</b>	83,422
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	<b>3,118,831</b>	2,370,029
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**8. Creditors: amounts falling due within one year**

	2021	2020
	£	£
Trade creditors	547,570	352,391
Corporation tax	393,564	243,774
Social security and other taxes	424,771	557,248
Other creditors	384,709	618,115
	<u>1,750,614</u>	<u>1,771,528</u>

Included in creditors due within one year are hire purchase contracts totalling £16,999(2020: £50,786). Hire purchase contracts are secured on the assets purchased on finance.

**9. Creditors: amounts falling due after more than one year**

	2021	2020
	£	£
Other creditors	—	16,999
	<u>—</u>	<u>16,999</u>

The total creditors due after more than one year are hire purchase contracts which are secured on the assets purchased on finance.

**10. Called up share capital****Issued, called up and fully paid**

	2021		2020	
	No.	£	No.	£
Ordinary shares of £ 1 each	75	75	75	75
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**11. Reserves**

Capital redemption reserve - This reserve records the nominal value of shares repurchased by the company. Profit and loss account - This reserve records retained earnings and accumulated losses.

**12. Operating leases**

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than 1 year	125,000	121,840
Later than 1 year and not later than 5 years	369,166	225,000
Later than 5 years	162,500	212,500
	<u>656,666</u>	<u>559,340</u>

### 13. Directors' advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

2021				
	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	Balance outstanding
	£	£	£	£
P.R. Williams	1,589	( 400,000)	400,000	1,589
2020				
	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	Balance outstanding
	£	£	£	£
P.R. Williams	1,589	( 17,000)	17,000	1,589

### 14. Related party transactions

The company is controlled on a day to day basis by the directors, B. R. Williams and P. R. Williams. In the year ended 30th June 2020 P.R.Williams sold his shareholding to the company. With their shareholdings the two directors do not have overall control. During the year the company entered into the following transactions, on normal trading terms, with the following related companies

	2021	2020
£	£	
Williams Pallet Services Pension Scheme		
Rent paid	61,839	55,923
A & B Containers Holdings Limited		
Rent paid	50,000	50,000

Mr. B.R. Williams is interested as a beneficiary and trustee in Williams Pallet Services Pension Scheme. Mr. B.R. Williams and Mr. P.R. Williams are materially interested in A & B Containers Holdings Limited as directors and shareholders. During the year the directors were paid dividends of £30,000 (2020 £37,000). The amounts (owed to)/due from related parties at the year end were as follows:

	2021	2020
£	£	
A & B Container Holdings Limited	470,308	470,308

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