

Carmarthenshire Recycling & Environmental Services Ltd

trading as C.R.E.S.

Annual Report and Unaudited Financial Statements
for the Year Ended 31 December 2016

LHP Accountants Ltd
Chartered Accountants
Gwynne House
6 Quay Street
Carmarthen
SA31 3JX

Carmarthenshire Recycling & Environmental Services Ltd
trading as C.R.E.S.

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Carmarthenshire Recycling & Environmental Services Ltd
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Company Information

Directors Ms H A Jones
Mr J E Jones

Registered office Gwynne House
6 Quay Street
Carmarthen
SA31 3JX

Accountants LHP Accountants Ltd
Chartered Accountants
Gwynne House
6 Quay Street
Carmarthen
SA31 3JX

Carmarthenshire Recycling & Environmental Services Ltd
trading as C.R.E.S.

(Registration number: 03629750)
Balance Sheet as at 31 December 2016

| | Note | 2016 £ | 2015 £ |
|--|----------|------------------|------------------|
| Fixed assets | | | |
| Tangible assets | <u>3</u> | 875,363 | 896,182 |
| Investment property | <u>4</u> | 97,558 | - |
| | | <u>972,921</u> | <u>896,182</u> |
| Current assets | | | |
| Debtors | <u>5</u> | 327,355 | 351,000 |
| Cash at bank and in hand | | 232,677 | 203,628 |
| | | 560,032 | 554,628 |
| Creditors: Amounts falling due within one year | <u>6</u> | (279,318) | (305,424) |
| Net current assets | | <u>280,714</u> | <u>249,204</u> |
| Total assets less current liabilities | | 1,253,635 | 1,145,386 |
| Creditors: Amounts falling due after more than one year | <u>6</u> | (18,563) | (23,306) |
| Provisions for liabilities | | (54,991) | - |
| Net assets | | <u>1,180,081</u> | <u>1,122,080</u> |
| Capital and reserves | | | |
| Called up share capital | | 10,000 | 10,000 |
| Profit and loss account | | 1,170,081 | 1,112,080 |
| Total equity | | <u>1,180,081</u> | <u>1,122,080</u> |

For the financial year ending 31 December 2016 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 accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The notes on pages 4 to 8 form an integral part of these financial statements.

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(Registration number: 03629750)
Balance Sheet as at 31 December 2016

Approved and authorised by the Board on 19 September 2017 and signed on its behalf by:

.....
Mr J E Jones
Director

The notes on pages 4 to 8 form an integral part of these financial statements.
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Carmarthenshire Recycling & Environmental Services Ltd
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Notes to the Financial Statements for the Year Ended 31 December 2016

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Carmarthenshire Recycling & Environmental Services Ltd
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Notes to the Financial Statements for the Year Ended 31 December 2016

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

| Asset class | Depreciation method and rate |
|---|-------------------------------------|
| Land sites | No depreciation & 15% Straight Line |
| Plant & Machinery including Containers & Portcabins | 20% Straight Line |
| Office & Computer Equipment | 20% Straight Line |
| Motor Vehicles | 25% straight Line |
| Transfer Station & Building | 5% & 10% Straight Line |

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

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Notes to the Financial Statements for the Year Ended 31 December 2016

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

2 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 11 (2015 - 11).

Carmarthenshire Recycling & Environmental Services Ltd
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Notes to the Financial Statements for the Year Ended 31 December 2016

3 Tangible assets

| | Land and buildings £ | Furniture, fittings and equipment £ | Motor vehicles £ | Properties under construction £ |
|--------------------------|-------------------------------------|--|--|--|
| Cost or valuation | | | | |
| At 1 January 2016 | 665,559 | 389,840 | 328,892 | 421,083 |
| Additions | 6,273 | 10,870 | 14,000 | 2,900 |
| Disposals | - | (763) | (3,500) | (6,721) |
| At 31 December 2016 | 671,832 | 399,947 | 339,392 | 417,262 |
| Depreciation | | | | |
| At 1 January 2016 | 89,704 | 161,319 | 310,785 | 418,885 |
| Charge for the year | 7,465 | 21,277 | 9,639 | 754 |
| Eliminated on disposal | - | (763) | (3,500) | (6,721) |
| At 31 December 2016 | 97,169 | 181,833 | 316,924 | 412,918 |
| Carrying amount | | | | |
| At 31 December 2016 | 574,663 | 218,114 | 22,468 | 4,344 |
| At 31 December 2015 | 575,854 | 228,521 | 18,107 | 2,199 |
| | | | Other property, plant and equipment £ | Total £ |
| Cost or valuation | | | | |
| At 1 January 2016 | | | 407,826 | 2,213,200 |
| Additions | | | - | 34,043 |
| Disposals | | | (26,786) | (37,770) |
| At 31 December 2016 | | | 381,040 | 2,209,473 |
| Depreciation | | | | |
| At 1 January 2016 | | | 336,320 | 1,317,013 |
| Charge for the year | | | 15,732 | 54,867 |
| Eliminated on disposal | | | (26,786) | (37,770) |
| At 31 December 2016 | | | 325,266 | 1,334,110 |
| Carrying amount | | | | |
| At 31 December 2016 | | | 55,774 | 875,363 |

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Notes to the Financial Statements for the Year Ended 31 December 2016

Included within the net book value of land and buildings above is £568,063 (2015 - £567,054) in respect of freehold land and buildings and £6,600 (2015 - £8,800) in respect of short leasehold land and buildings.

4 Investment properties

| | 2016 |
|-----------|---------------|
| | £ |
| Additions | <u>97,558</u> |

There has been no valuation of investment property by an independent valuer.

5 Debtors

| | 2016 | 2015 |
|---------------------------------------|----------------|----------------|
| | £ | £ |
| Trade debtors | 228,685 | 289,820 |
| Other debtors | <u>98,670</u> | <u>61,180</u> |
| Total current trade and other debtors | <u>327,355</u> | <u>351,000</u> |

6 Creditors

| | 2016 | 2015 |
|------------------------------|----------------|----------------|
| | £ | £ |
| Due within one year | | |
| Bank loans and overdrafts | <u>7</u> - | 73,093 |
| Trade creditors | 75,759 | 68,225 |
| Taxation and social security | 31,049 | 45,786 |
| Other creditors | <u>172,510</u> | <u>118,320</u> |
| | <u>279,318</u> | <u>305,424</u> |
| Due after one year | | |
| Deferred income | <u>18,563</u> | <u>23,306</u> |

7 Loans and borrowings

| | 2016 | 2015 |
|-------------------------------------|-------------|---------------|
| | £ | £ |
| Current loans and borrowings | | |
| Bank borrowings | <u>-</u> | <u>73,093</u> |

8 Transition to FRS 102

There are no transition to FRS102 adjustments

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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.