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Registration number: 03629750

Carmarthenshire Recycling & Environmental Services Ltd

trading as C.R.E.S.

Annual Report and Unaudited Financial Statements
for the Year Ended 31 December 2020

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 Llys Deri
Parc Pensarn
Carmarthen
SA31 2NF

Carmarthenshire Recycling & Environmental Services Ltd
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(Registration number: 03629750)
Balance Sheet as at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	<u>5</u>	102,200	124,100
Tangible assets	<u>6</u>	896,676	951,707
Investment property	<u>7</u>	97,558	97,558
		<u>1,096,434</u>	<u>1,173,365</u>
Current assets			
Debtors	<u>9</u>	298,789	364,623
Other financial assets	<u>8</u>	282,000	-
Cash at bank and in hand		55,047	400,177
		635,836	764,800
Creditors: Amounts falling due within one year	<u>10</u>	<u>(196,112)</u>	<u>(205,461)</u>
Net current assets		<u>439,724</u>	<u>559,339</u>
Total assets less current liabilities		1,536,158	1,732,704
Provisions for liabilities		<u>(86,395)</u>	<u>(72,972)</u>
Net assets		<u>1,449,763</u>	<u>1,659,732</u>
Capital and reserves			
Called up share capital		10,000	10,000
Profit and loss account		<u>1,439,763</u>	<u>1,649,732</u>
Total equity		<u>1,449,763</u>	<u>1,659,732</u>

For the financial year ending 31 December 2020 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.

For the financial year ending 31 December 2020 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

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Balance Sheet as at 31 December 2020

- 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.

For the financial year ending 31 December 2020 the company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant 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.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 21 September 2021 and signed on its behalf by:

.....

Mr J E Jones

Director

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

Notes to the Financial Statements for the Year Ended 31 December 2020

1 General information

The company is a private company limited by share capital, incorporated in United Kingdom.

The address of its registered office is:

Llys Deri
Parc Pensarn
Carmarthen
SA31 2NF

The principal place of business is:

Cillefwr Industrial Estate
Johnstown
Carmarthen
SA31 3RB

These financial statements were authorised for issue by the Board on 21 September 2021.

2 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.

Exemption from preparing group accounts

The company has taken advantage of the exemption in section 398 of the Companies Act 2006 from the requirement to prepare consolidated financial statements, on the grounds that it is a small sized group.

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.

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Notes to the Financial Statements for the Year Ended 31 December 2020

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 tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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 and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the balance sheet 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.

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.

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	15% Straight line

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Notes to the Financial Statements for the Year Ended 31 December 2020

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.

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.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

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.

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Notes to the Financial Statements for the Year Ended 31 December 2020

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.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 20 (2019 - 20).

4 Loss/profit before tax

Arrived at after charging/(crediting)

	2020	2019
	£	£
Depreciation expense	96,403	89,612
Amortisation expense	21,900	21,900

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Notes to the Financial Statements for the Year Ended 31 December 2020

5 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 January 2020	146,000	146,000
At 31 December 2020	146,000	146,000
Amortisation		
At 1 January 2020	21,900	21,900
Amortisation charge	21,900	21,900
At 31 December 2020	43,800	43,800
Carrying amount		
At 31 December 2020	102,200	102,200
At 31 December 2019	124,100	124,100

Revalued assets for the year ended 31 December 2019

6 Tangible assets

	Land and buildings £	Short leasehold land and buildings £	Properties under construction £	Fixtures and fittings £
Cost or valuation				
At 1 January 2020	661,682	11,000	531,882	375,582
Additions	-	-	27,784	-
Disposals	-	-	-	-
At 31 December 2020	661,682	11,000	559,666	375,582
Depreciation				
At 1 January 2020	107,660	11,000	437,095	222,294
Charge for the year	4,550	-	25,530	18,778
Eliminated on disposal	-	-	-	-
At 31 December 2020	112,210	11,000	462,625	241,072
Carrying amount				
At 31 December 2020	549,472	-	97,041	134,510
At 31 December 2019	554,022	-	94,788	153,288

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Notes to the Financial Statements for the Year Ended 31 December 2020

	Plant and machinery £	Office equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 January 2020	336,535	22,164	316,551	2,255,396
Additions	9,001	4,587	-	41,372
Disposals	(62,466)	(2,337)	(9,410)	(74,213)
At 31 December 2020	283,070	24,414	307,141	2,222,555
Depreciation				
At 1 January 2020	309,953	18,594	197,093	1,303,689
Charge for the year	13,725	2,093	31,727	96,403
Eliminated on disposal	(62,466)	(2,337)	(9,410)	(74,213)
At 31 December 2020	261,212	18,350	219,410	1,325,879
Carrying amount				
At 31 December 2020	21,858	6,064	87,731	896,676
At 31 December 2019	26,581	3,570	119,458	951,707

Included within the net book value of land and buildings above is £549,472 (2019 - £554,022) in respect of freehold land and buildings and £Nil (2019 - £Nil) in respect of short leasehold land and buildings.

7 Investment properties

	2020
	£
At 1 January	97,558

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

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Notes to the Financial Statements for the Year Ended 31 December 2020

8 Other financial assets (current and non-current)

	Financial assets at cost less impairment £	Total £
Current financial assets		
Cost or valuation		
Additions	382,000	382,000
At 31 December 2020	382,000	382,000
Impairment		
Losses made in the period	100,000	100,000
At 31 December 2020	100,000	100,000
Carrying amount		
At 31 December 2020	282,000	282,000

9 Debtors

	2020 £	2019 £
Trade debtors	229,931	310,682
Prepayments	21,961	30,153
Other debtors	46,897	23,788
	298,789	364,623

10 Creditors

Creditors: amounts falling due within one year

	2020 £	2019 £
Due within one year		
Bank loans and overdrafts	50,000	-
Trade creditors	94,606	95,040
Taxation and social security	31,300	32,335
Other creditors	20,206	78,086
	196,112	205,461

Creditors: amounts falling due after more than one year

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Notes to the Financial Statements for the Year Ended 31 December 2020

	2020 £	2019 £
11 Loans and borrowings		
	2020 £	2019 £
Current loans and borrowings		
Bank borrowings	50,000	-
	<hr/>	<hr/>
12 Related party transactions		
Transactions with directors		
		At 31 December 2020 £
2020		

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.