

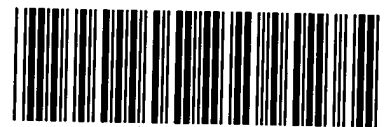
Registered number: 05103813

COUNTRYSTYLE RECYCLING LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2015

THURSDAY



A4L0P3HC

A21

26/11/2015

#445

COMPANIES HOUSE

COUNTRYSTYLE RECYCLING LIMITED

COMPANY INFORMATION

DIRECTOR	T L Heathcote
REGISTERED NUMBER	05103813
REGISTERED OFFICE AND TRADING ADDRESS	Ashford Road Lenham Maidstone Kent ME17 2DL
INDEPENDENT AUDITOR	Crowe Clark Whitehill LLP 10 Palace Avenue Maidstone Kent ME15 6NF

COUNTRYSTYLE RECYCLING LIMITED

CONTENTS

	Page
Strategic report	1 - 2
Director's report	3 - 4
Independent auditor's report	5 - 6
Profit and loss account	7
Balance sheet	8
Notes to the financial statements	9 - 20

COUNTRYSTYLE RECYCLING LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 APRIL 2015

INTRODUCTION

The principal activities of the company are the provision of waste collection, resource management, recycling and treatment services predominantly in the UK.

BUSINESS REVIEW AND KEY PERFORMANCE INDICATORS

The results of the company for the year, as set out on pages 7 and 8 show a profit before interest and tax of £2,286k (2014 £1,864k). Shareholders' funds now total £9.4m (2014 £8.2m).

The underlying operating profit increase of £421k, 23%, is considered by the director and management team to be satisfactory and we believe that continued profit growth will be delivered.

Revenue from continuing operations was £46.5m, being a 14% increase on the prior year of £40.7m.

Operating profit on continuing operations improved from a margin of 4.6% to 4.9% reflecting the ongoing review of pricing and operational efficiency.

Investment in fixed assets grew from £11m to £13.7m with an increase in vehicle fleet size and upgrading of processing equipment.

Net interest cost increased from £83k to £106k, reflecting the company's increased use of bank borrowings.

PRINCIPAL RISKS AND UNCERTAINTIES

Secondary markets

The company has limited exposure to the secondary materials market and prices are at present relatively low, compared to historic levels, for metal, plastic, wood, cardboard and paper. Whilst there is some potential for negative price movement to adversely affect profitability we view the future with some optimism.

Foreign currency risk

The company has limited exposure to the Euro through the transport and supply of shredded biomass and refuse derived fuel to the European market and the director and management team do not view a stronger or weaker Euro as posing a material risk to the company's business in terms of exposure to exchange rate movements. The option of hedging exchange risk is kept under review.

Legislative risk

Environmental standards in the UK continue to improve and the company is committed to being at the forefront of legislation led change. Any such change is viewed as positive for our business.

COUNTRYSTYLE RECYCLING LIMITED

**STRATEGIC REPORT (continued)
FOR THE YEAR ENDED 30 APRIL 2015**

FUTURE DEVELOPMENTS

The company anticipates further increases in revenue and profit in the coming years and is strengthening middle management team accordingly. The company expects to continue to expand its vehicle fleet improving on geographical coverage and density of routes.

The company has access to funding to facilitate both organic and acquisition growth as well as planned upgrades of its existing processing facilities.

This report was approved by the board and signed on its behalf.



**T L Heathcote
Director**

Date: 09.11.15

COUNTRYSTYLE RECYCLING LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 30 APRIL 2015

The director presents his report and the financial statements for the year ended 30 April 2015.

DIRECTOR'S RESPONSIBILITIES STATEMENT

The director is responsible for preparing the strategic report, the director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

PRINCIPAL ACTIVITIES

The principal activities of the company are the provision of waste collection, resource management, recycling and treatment services.

The company provides integrated and sustainable resource management solutions through the operation of materials recovery facilities (MRFs), waste transfer stations, specialist resource processing plants and composting facilities across Kent. The company also has an extensive HGV fleet, ranging from articulated tractor and trailer units to waste collection vehicles. Countrystyle Recycling Limited is one of the South East's leading independent resource management companies producing quality materials for manufacturing processes.

DIRECTOR

The director who served during the year was:

T L Heathcote

COUNTRYSTYLE RECYCLING LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 30 APRIL 2015

FINANCIAL INSTRUMENTS

The main financial instruments used by the company are bank balances and trade debtors, trade creditors, an invoice financing facility and hire purchase contracts. The main purpose of these instruments is to finance the company's operations and facilitate its trading activities. In respect of bank balances, the liquidity risk is managed by monitoring and forecasting cashflows and ensuring that adequate facilities are in place where forecasts indicate that it is prudent to do so. Trade debtors are managed in respect of credit risk by policies concerning the credit offered to customers and the monitoring for both time and credit limits. Trade creditors and hire purchase liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

MATTERS COVERED IN THE STRATEGIC REPORT

Information previously shown in the directors report, which includes the business review and principle risks and uncertainties, is now shown in the strategic report in accordance with Section 414c(ii) of the Companies Act 2006.

DISCLOSURE OF INFORMATION TO AUDITOR

The director at the time when this director's report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware, and
- he has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

AUDITOR

The auditor, Crowe Clark Whitehill LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



T L Heathcote
Director

Date: 09.11.15

COUNTRYSTYLE RECYCLING LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COUNTRYSTYLE RECYCLING LIMITED

We have audited the financial statements of Countrystyle Recycling Limited for the year ended 30 April 2015, set out on pages 7 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITOR

As explained more fully in the director's responsibilities statement, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the strategic report and the director's report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2015 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.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the strategic report and the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

COUNTRYSTYLE RECYCLING LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COUNTRYSTYLE RECYCLING LIMITED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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 returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Mark Anderson

Mark Anderson (senior statutory auditor)

for and on behalf of

Crowe Clark Whitehill LLP

Statutory Auditor

10 Palace Avenue

Maidstone

Kent

ME15 6NF

Date: 20 November 2015

COUNTRYSTYLE RECYCLING LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 APRIL 2015**

	Note	2015 £	2014 £
TURNOVER	1,2	46,531,649	40,686,993
Cost of sales		<u>(35,864,675)</u>	<u>(31,376,182)</u>
GROSS PROFIT		10,666,974	9,310,811
Administrative expenses		(8,457,210)	(7,516,363)
Other operating income	3	<u>75,757</u>	<u>69,816</u>
OPERATING PROFIT	4	2,285,521	1,864,264
Interest receivable and similar income		17,046	6,714
Interest payable and similar charges	8	<u>(122,607)</u>	<u>(89,276)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,179,960	1,781,702
Tax on profit on ordinary activities	9	<u>(548,253)</u>	<u>(285,408)</u>
PROFIT FOR THE FINANCIAL YEAR	18	<u>1,631,707</u>	<u>1,496,294</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the profit and loss account.

The notes on pages 9 to 20 form part of these financial statements.

COUNTRYSTYLE RECYCLING LIMITED
REGISTERED NUMBER: 05103813

BALANCE SHEET
AS AT 30 APRIL 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Goodwill		319,266		375,786	
Negative goodwill		(408,205)		(495,991)	
Net goodwill		<u>(88,939)</u>		<u>(120,205)</u>	
Intangible assets	10		(88,939)		(120,205)
Tangible assets	11		13,667,143		11,000,004
			<u>13,578,204</u>		<u>10,879,799</u>
CURRENT ASSETS					
Stocks	12	142,428		91,921	
Debtors	13	10,579,455		8,543,316	
Cash at bank and in hand		60,580		1,262,622	
		<u>10,782,463</u>		<u>9,897,859</u>	
CREDITORS: amounts falling due within one year	14	<u>(10,076,329)</u>		<u>(8,084,360)</u>	
NET CURRENT ASSETS			<u>706,134</u>		<u>1,813,499</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>14,284,338</u>		<u>12,693,298</u>
CREDITORS: amounts falling due after more than one year	15		(4,832,602)		(4,458,409)
PROVISIONS FOR LIABILITIES					
Deferred tax	16		<u>(76,787)</u>		<u>-</u>
NET ASSETS			<u>9,374,949</u>		<u>8,234,889</u>
CAPITAL AND RESERVES					
Called up share capital	17		1		1
Profit and loss account	18		9,374,948		8,234,888
SHAREHOLDERS' FUNDS	19		<u>9,374,949</u>		<u>8,234,889</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



T L Heathcote

Director

Date: 09.11.15

The notes on pages 9 to 20 form part of these financial statements.

COUNTRYSTYLE RECYCLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

1.2 Going concern

The financial statements have been prepared on a going concern basis by the company director. The director has considered a period in excess of twelve months from the signing of these financial statements. The company is anticipating improvement in profits for the financial year to 30 April 2015.

1.3 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to present a cash flow statement in accordance with FRS 1.

1.4 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts. Revenue is recognised at the point when the service has been provided to the customer.

1.5 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities acquired. It is amortised to the profit and loss account over its estimated economic life of 7 years.

Where the fair value of the separable net assets exceeds the fair value of the consideration for an acquired undertaking the difference is treated as negative goodwill and is capitalised and amortised through the profit and loss account over the period in which the non-monetary assets acquired are recovered. In the case of fixed assets this is the period over which they are depreciated, and in the case of current assets, the period over which they are sold or otherwise realised.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property and improvements	-	7-25 years straight line
Plant & machinery	-	3-7 years straight line
Motor vehicles	-	7 years straight line
Fixtures & fittings	-	4 years straight line

COUNTRYSTYLE RECYCLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2015

1. ACCOUNTING POLICIES (continued)

1.7 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.8 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.10 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.11 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

COUNTRYSTYLE RECYCLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2015

1. ACCOUNTING POLICIES (continued)

1.12 Research and development

Development costs are capitalised within intangible assets where they can be identified with a specific product or project anticipated to produce future benefits, and are amortised on the straight line basis over the anticipated life of the benefits arising from the completed product or project.

Deferred research and development costs are reviewed annually, and where future benefits are deemed to have ceased or to be in doubt, the balance of any related research and development is written off to the profit and loss account.

1.13 Government grants

Government grants relating to the purchase of tangible fixed assets are treated as deferred income and released to the profit and loss account over the expected useful lives of the assets concerned. Other grants are credited to the profit and loss account as the related expenditure is incurred.

1.14 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.15 Share based payments

The Company applies the requirements of FRS 20 Share-based Payment.

The Company's parent company issues equity-settled share-based payments to certain employees and other personnel. Equity-settled share-based payments are measured at fair value (excluding the effect of non-market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of shares that will eventually vest and adjusted for the effects of non market-based vesting conditions.

Fair value is measured by use of an option pricing model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

2. TURNOVER

The whole of the turnover is attributable to the provision of waste collection, resource management, recycling and treatment services.

A geographical analysis of turnover is as follows:

	2015 £	2014 £
United Kingdom	44,773,344	38,369,816
Rest of European Union	1,758,305	2,317,177
	<u>46,531,649</u>	<u>40,686,993</u>

COUNTRYSTYLE RECYCLING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2015**

3. OTHER OPERATING INCOME

	2015 £	2014 £
Other operating income	11,452	5,602
Government grants receivable	64,305	64,214
	<u>75,757</u>	<u>69,816</u>

4. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2015 £	2014 £
Amortisation - intangible fixed assets	(14,732)	(13,179)
Depreciation of tangible fixed assets:		
- owned by the company	1,180,432	1,553,674
- held under finance leases	1,063,030	655,112
Operating lease rentals:		
- plant and machinery	74,513	137,093
- other operating leases	488,767	379,846
Difference on foreign exchange	(45,920)	8,583
Profit/loss on sale of tangible assets	(137,194)	(112,772)
	<u> </u>	<u> </u>

5. AUDITOR'S REMUNERATION

	2015 £	2014 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	17,500	17,000
Fees payable to the company's auditor and its associates in respect of:		
Taxation compliance services	3,075	3,000
All advisory services not included above	17,165	-
All other non-audit services not included above	2,050	2,000
	<u> </u>	<u> </u>

The audit fees for the company's parent, Countrystyle Group Limited are met by Countrystyle Recycling Limited.

COUNTRYSTYLE RECYCLING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2015**

6. STAFF COSTS

Staff costs, including director's remuneration, were as follows:

	2015 £	2014 £
Wages and salaries	8,392,287	6,686,807
Social security costs	870,580	685,469
Other pension costs	99,389	14,056
Share-based payments	8,353	-
	<u>9,370,609</u>	<u>7,386,332</u>

The average monthly number of employees, including the director, during the year was as follows:

2015 No.	2014 No.
<u>249</u>	<u>212</u>

Staff numbers at 30 April 2015 were 235.

7. DIRECTOR'S REMUNERATION

	2015 £	2014 £
Remuneration	<u>-</u>	<u>4,610</u>

8. INTEREST PAYABLE

	2015 £	2014 £
On bank loans and overdrafts	18,565	5,108
On finance leases and hire purchase contracts	104,042	84,168
	<u>122,607</u>	<u>89,276</u>

COUNTRYSTYLE RECYCLING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2015**

9. TAXATION

	2015 £	2014 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	435,660	525,262
Adjustments in respect of prior periods	28,670	(196,445)
Total current tax	<u>464,330</u>	<u>328,817</u>
Deferred tax		
Origination and reversal of timing differences	92,259	(34,927)
Effect of tax rate change on opening balance	-	(3,933)
Adjustments in respect of prior periods	(8,336)	(4,549)
Total deferred tax (see note 16)	<u>83,923</u>	<u>(43,409)</u>
Tax on profit on ordinary activities	<u><u>548,253</u></u>	<u><u>285,408</u></u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2014 - *lower than*) the standard rate of corporation tax in the UK of 20.92% (2014 - 23%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	<u>2,179,960</u>	<u>1,781,702</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.92% (2014 - 23%)	456,000	406,862
Effects of:		
Depreciation on assets not qualifying for capital allowances	71,503	63,922
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	4,660	14,611
Capital allowances for year in excess of depreciation	(104,314)	-
Depreciation for year in excess of capital allowances	-	38,584
Adjustments to tax charge in respect of prior periods	28,669	(196,445)
Short term timing difference leading to an increase (decrease) in taxation	7,812	1,283
Current tax charge for the year (see note above)	<u><u>464,330</u></u>	<u><u>328,817</u></u>

COUNTRYSTYLE RECYCLING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2015**

10. INTANGIBLE FIXED ASSETS

	Goodwill £	Negative goodwill £	Total £
Cost			
At 1 May 2014	452,740	(615,490)	(162,750)
Additions	16,534	-	16,534
At 30 April 2015	469,274	(615,490)	(146,216)
Amortisation			
At 1 May 2014	76,954	(119,499)	(42,545)
Charge for the year	73,054	(87,786)	(14,732)
At 30 April 2015	150,008	(207,285)	(57,277)
Net book value			
At 30 April 2015	319,266	(408,205)	(88,939)
At 30 April 2014	375,786	(495,991)	(120,205)

11. TANGIBLE FIXED ASSETS

	Freehold property and property improvements £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Total £
Cost					
At 1 May 2014	6,878,273	10,498,342	4,859,289	339,529	22,575,433
Additions	133,288	3,312,521	2,000,274	4,525	5,450,608
Disposals	-	(462,305)	(226,067)	-	(688,372)
At 30 April 2015	7,011,561	13,348,558	6,633,496	344,054	27,337,669
Depreciation					
At 1 May 2014	2,074,251	6,079,759	3,132,446	288,973	11,575,429
Charge for the year	303,823	1,337,307	579,976	22,356	2,243,462
On disposals	-	(93,750)	(199,615)	-	(293,365)
Impairment charge	-	145,000	-	-	145,000
At 30 April 2015	2,378,074	7,468,316	3,512,807	311,329	13,670,526
Net book value					
At 30 April 2015	4,633,487	5,880,242	3,120,689	32,725	13,667,143
At 30 April 2014	4,804,022	4,418,583	1,726,843	50,556	11,000,004

COUNTRYSTYLE RECYCLING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2015**

11. TANGIBLE FIXED ASSETS (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2015 £	2014 £
Plant and machinery	3,465,056	2,188,245
Motor vehicles	2,317,827	914,933
	<u>5,782,883</u>	<u>3,103,178</u>

12. STOCKS

	2015 £	2014 £
Fuel and maintenance spares	<u>142,428</u>	<u>91,921</u>

13. DEBTORS

	2015 £	2014 £
Due after more than one year		
Other debtors	390,303	-
Due within one year		
Trade debtors	7,854,693	7,149,351
Other debtors	1,110,202	436,392
Prepayments and accrued income	1,224,257	950,437
Deferred tax asset (see note 16)	-	7,136
	<u>10,579,455</u>	<u>8,543,316</u>

COUNTRYSTYLE RECYCLING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2015**

14. CREDITORS:
Amounts falling due within one year

	2015	2014
	£	£
Net obligations under finance leases and hire purchase contracts	1,689,803	1,248,156
Trade creditors	4,734,383	4,611,399
Corporation tax	346,229	239,851
Other taxation and social security	924,506	634,021
Bank facility	1,035,926	-
Other creditors	19,906	55,530
Accruals and deferred income	1,325,576	1,295,403
	10,076,329	8,084,360

The net obligations under finance leases and hire purchase contracts are secured over the assets to which the liability relates.

The bank facility is secured upon debts assigned to the lender.

15. CREDITORS:
Amounts falling due after more than one year

	2015	2014
	£	£
Net obligations under finance leases and hire purchase contracts	1,683,454	1,313,331
Amounts owed to group undertakings	3,084,798	3,016,378
Government grants received	64,350	128,700
	4,832,602	4,458,409

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	2015	2014
	£	£
Between one and five years	1,683,454	1,313,331

The net obligations under finance leases and hire purchase contracts are secured over the assets to which the liability relates.

COUNTRYSTYLE RECYCLING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2015**

16. DEFERRED TAXATION

	2015 £	2014 £
At beginning of year	7,136	(36,273)
(Charge for)/released during year (P&L)	(83,923)	43,409
At end of year	<u>(76,787)</u>	<u>7,136</u>

The deferred taxation balance is made up as follows:

	2015 £	2014 £
(Accelerated capital allowances)/Depreciation in excess of capital allowances	(104,246)	5,896
Short term timing differences	27,459	1,240
	<u>(76,787)</u>	<u>7,136</u>

17. SHARE CAPITAL

	2015 £	2014 £
Allotted, called up and fully paid		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

18. RESERVES

	Profit and loss account £
At 1 May 2014	8,234,888
Profit for the financial year	1,631,707
Dividends: Equity capital	(500,000)
Share option charge	8,353
At 30 April 2015	<u>9,374,948</u>

COUNTRYSTYLE RECYCLING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2015**

19. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2015 £	2014 £
Opening shareholders' funds	8,234,889	7,788,595
Profit for the financial year	1,631,707	1,496,294
Dividends (Note 20)	(500,000)	(1,050,000)
Share option charge	8,353	-
Closing shareholders' funds	<u>9,374,949</u>	<u>8,234,889</u>

20. DIVIDENDS

	2015 £	2014 £
Dividends paid on equity capital	<u>500,000</u>	<u>1,050,000</u>

21. CAPITAL COMMITMENTS

At 30 April 2015 the company had capital commitments as follows:

	2015 £	2014 £
Contracted for but not provided in these financial statements	<u>328,100</u>	<u>373,202</u>

22. PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £99,389 (2014 - £14,056). Contributions totalling £15,596 (2014 - £6,199) were payable to the fund at the balance sheet date and are included in creditors.

23. OPERATING LEASE COMMITMENTS

At 30 April 2015 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2015 £	2014 £	2015 £	2014 £
Expiry date:				
Within 1 year	-	12,292	-	13,853
Between 2 and 5 years	190,000	114,000	74,513	83,559
After more than 5 years	<u>95,000</u>	<u>95,000</u>	<u>-</u>	<u>-</u>

COUNTRYSTYLE RECYCLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2015

24. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8 "Related Party Disclosures" not to disclose transactions with members of the group headed by Countrystyle Group Limited on the ground that 100% of the voting rights in the company are controlled within the group headed by Countrystyle Group Limited and the company is included within the consolidated financial statements.

During the year the company provided a loan amounting to £1,010,000 (2014 - £NIL) and charged interest of £9,168 (2014 - £NIL) to Trevor Heathcote LLP. At the year end £500,606 (2014 - £NIL) was owed to the company by Trevor Heathcote LLP.

During the year the company provided a loan amounting to £559,764 (2014 - £NIL) and charged interest of £5,279 (2014 - £NIL) to Trevor Heathcote, a director of the company. The amount was repaid via a dividend following the year-end.

	2015 £	2014 £
FGS AGRI LIMITED	-	-
Sales	336,844	577,799
Purchases	2,157,471	3,815,978
Balance owed from/(to) the related party	(304,951)	(766,248)
FGS PLANT LIMITED	-	-
Sales	42,426	31,223
Purchases	330,430	350,128
Balance owed from/(to) the related party	(59,370)	(80,957)

25. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent company is Countrystyle Group Limited, a company registered in England and Wales. The accounts of the ultimate parent company, in which the results of the company are consolidated, can be obtained from Countrystyle Group Head Office, Ashford Road, Maidstone, Kent, England.

Countrystyle Group Limited is controlled by T Heathcote, by virtue of his 100% holding of the issued share capital of that company.