

Bakers Waste Services Ltd

Registered number: 05183729

Director's report and financial statements

For the year ended 30 September 2016

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BAKERS WASTE SERVICES LTD

COMPANY INFORMATION

Director	P A Baker
Registered number	05183729
Registered office	70 Boston Road Leicester LE4 1AW
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor 6 Dominus Way Meridian Business Park Leicester LE19 1RP

BAKERS WASTE SERVICES LTD

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BAKERS WASTE SERVICES LTD

**STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

Introduction

The director presents his strategic report for the year ended 30 September 2016.

Business review

I am pleased to report that during the year under review the business generated turnover in excess of £10m and profits before tax of £665,000, increases of 8% and 44% respectively compared against the previous year.

On 15 January 2016 the company acquired Berridge Waste Paper Ltd and on 30 September 2016, the trade and associated net assets of Berridge Waste Paper Ltd were transferred to the company (note 16).

Principal risks and uncertainties

The challenges of competition and legislative compliance within the industry continued to be appropriately managed by ensuring that our service provision and key administrative systems are continually reviewed and improved. Additionally, investment in our fleet, staff and our methods of operation ensure that we are well positioned to meet and adapt to changes in the future and will allow us to achieve continued growth, as planned.

This report was approved by the board on 15 March 2017 and signed on its behalf.



**P A Baker
Director**

BAKERS WASTE SERVICES LTD

DIRECTOR'S REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2016

The director presents his report and the financial statements for the year ended 30 September 2016.

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under Company law the director must not approve the financial statements unless he is satisfied that he gives 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 for the company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 activity

The principal activity of the company continued to be that of waste management.

Results and dividends

The profit for the year, after taxation, amounted to £524,458 (2015 - £378,590).

Dividends payable for the year amounted to £90,555 (2015 - £53,750).

Director

The director who served during the year was:

P A Baker

Matters covered in the strategic report

As permitted by Paragraph 1A of Schedule 7 to the Large and medium-sized Companies and Groups (Accounts and reports) Regulations 2008 certain matters which are required to be disclosed in the directors' report have been omitted as they are included in the strategic report on page 1.

BAKERS WASTE SERVICES LTD

**DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

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.

Post balance sheet events

There have been no significant events affecting the company since the year end.

Auditor

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

This report was approved by the board on 15 March 2017 and signed on its behalf.



P A Baker
Director

BAKERS WASTE SERVICES LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BAKERS WASTE SERVICES LTD

We have audited the financial statements of Bakers Waste Services Ltd for the year ended 30 September 2016 which comprise the Profit and loss account, the Balance sheet, the Statement of changes in equity and the related notes. 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), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Respective responsibilities of director and auditor

As explained more fully in the Director's responsibilities statement set out on page 2, 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. This report is made solely to the company's members 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 members 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 members as a body for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on the 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 September 2016 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 the other matter prescribed by the Companies Act 2006

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

BAKERS WASTE SERVICES LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BAKERS WASTE SERVICES LTD

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.

Stephen English (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

6 Dominus Way
Meridian Business Park
Leicester
LE19 1RP

15 March 2017

BAKERS WASTE SERVICES LTD

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

	Note	2016 £	2015 £
Turnover	4	10,229,952	9,514,014
Cost of sales		(7,509,981)	(7,050,731)
Gross profit		<u>2,719,971</u>	<u>2,463,283</u>
Administrative expenses		(2,085,771)	(1,915,417)
Operating profit	5	634,200	547,866
Income from fixed assets investments	9	357,238	-
Amounts written off investments	15	(226,224)	-
Interest receivable and similar income		21	-
Interest payable and expenses	10	(100,501)	(86,609)
Profit before tax		<u>664,734</u>	<u>461,257</u>
Tax on profit	11	(140,276)	(82,667)
Profit for the year		<u><u>524,458</u></u>	<u><u>378,590</u></u>

There was no other comprehensive income for 2016 (2015:£NIL).

The notes on pages 9 to 25 form part of these financial statements.

BAKERS WASTE SERVICES LTD
REGISTERED NUMBER: 05183729

BALANCE SHEET
AS AT 30 SEPTEMBER 2016

	Note	2016 £	2015 £
Fixed assets			
Intangible assets	13	193,617	17,500
Tangible assets	14	4,656,219	2,216,714
Investments	15	1,000	-
		<u>4,850,836</u>	<u>2,234,214</u>
Current assets			
Stocks	17	79,242	7,997
Debtors	18	2,109,421	1,879,090
Cash at bank and in hand	19	360,815	116,197
		<u>2,549,478</u>	<u>2,003,284</u>
Creditors: amounts falling due within one year	20	(3,614,730)	(2,758,889)
Net current liabilities		<u>(1,065,252)</u>	<u>(755,605)</u>
Total assets less current liabilities		<u>3,785,584</u>	<u>1,478,609</u>
Creditors: amounts falling due after more than one year	21	(2,293,251)	(473,692)
		<u>1,492,333</u>	<u>1,004,917</u>
Provisions for liabilities			
Deferred taxation	25	(225,513)	(172,000)
		<u>(225,513)</u>	<u>(172,000)</u>
Net assets		<u>1,266,820</u>	<u>832,917</u>
Capital and reserves			
Called up share capital	26	100	100
Profit and loss account		1,266,720	832,817
		<u>1,266,820</u>	<u>832,917</u>

The financial statements were approved by the director on 15th March 2017


P A Baker
Director

The notes on pages 9 to 26 form part of these financial statements.

BAKERS WASTE SERVICES LTD

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 October 2015	100	832,817	832,917
Profit for the year	-	524,458	524,458
Dividends paid	-	(90,555)	(90,555)
At 30 September 2016	100	1,266,720	1,266,820

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2015**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 October 2014	100	507,977	508,077
Profit for the year	-	378,590	378,590
Dividends paid	-	(53,750)	(53,750)
At 30 September 2015	100	832,817	832,917

The notes on pages 9 to 25 form part of these financial statements.

BAKERS WASTE SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

1. General information

Bakers Waste Services Ltd is a limited liability company incorporated in the United Kingdom. The registered office is noted on the company information page. The principal activity of the company during the year was waste management.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 ("FRS 102"), the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 31.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires group management to exercise judgment in applying the group's accounting policies (see note 3).

The financial statements are prepared in Sterling which is the functional currency of the company.

The transition date to FRS 102 is 1 October 2014. The end of the latest period presented under previously accepted accounting guidance in the entity's most recent financial statements is 30 September 2015.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102:

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of BWS Holdings (UK) Limited the parent undertaking, as at 30 September 2016 and these financial statements may be obtained from Companies House.

BAKERS WASTE SERVICES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

2. Accounting policies (continued)**2.3 Turnover****Sale of goods**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided when all of the following conditions are satisfied;

- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Intangible assets

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the profit and loss account over its useful economic life.

All intangible assets are considered to have a finite useful life. Aquisitions pre FRS 102 transition continue to be amortised over 20 years. This has not been reviewed on transition to FRS 102 due to the immateriality of the remaining balance. The useful economic life of goodwill generated on the acquisition in the year has been estimated to be 10 years.

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

BAKERS WASTE SERVICES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

2. Accounting policies (continued)**2.5 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, depreciation is provided on the following annual rates:

Freehold property	- 2% on straight line
Leasehold improvements	- 5% on reducing balance
Plant & machinery	- 20% and 5% on reducing balance
Motor vehicles	- 25% on reducing balance
Fixtures & fittings	- 20% on reducing balance
Office equipment	- 20% on reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the profit and loss account.

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.7 Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.9 Cash

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

BAKERS WASTE SERVICES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

2. Accounting policies (continued)**2.10 Financial instruments**

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors or creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets that are measured at cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Finance costs

Finance costs are charged to the profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.13 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.14 Operating leases

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

2.15 Hire purchase

Assets obtained under hire purchase contracts are capitalised as tangible fixed assets and are depreciated over their useful lives. 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

2. Accounting policies (continued)

2.16 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

2.17 Interest income

Interest income is recognised in the profit and loss account using the effective interest method.

2.18 Borrowing costs

All borrowing costs are recognised in the profit and loss account in the year in which they are incurred.

2.19 Current and deferred taxation

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

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

BAKERS WASTE SERVICES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, management have made the following judgements:

Determine whether leases entered into by the company, either as a lessor, or lessee, are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

Determine whether there are indicators of impairment of the company's tangible fixed assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

Key sources of estimation uncertainty are:

(a) Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the assets and projected disposal values.

(b) Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

4. Turnover

The whole of the turnover is attributable to the principal activity of the company and wholly arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets - owned	329,744	169,373
Depreciation of tangible fixed assets - held under hire purchase contracts	209,170	225,668
Amortisation of goodwill	13,922	1,250
Operating lease rentals	202,887	199,958
(Profit)/ loss on disposal of tangible fixed assets	(31,905)	10,319
Loss on disposal of fixed asset investments	-	5,004
	<u> </u>	<u> </u>

BAKERS WASTE SERVICES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

6. Auditor's remuneration

	2016 £	2015 £
Fees payable to the company's auditor for the audit of the company's annual financial statements	6,250	6,250
Fees payable to the company's auditor in respect of:		
Other services	10,860	3,500
	10,860	3,500

7. Employees

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

	2016 £	2015 £
Wages and salaries	1,848,306	1,487,979
Social security costs	161,755	137,274
Cost of defined contribution scheme	51,927	215,705
	2,061,988	1,840,958

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

	2016 No.	2015 No.
Administration	8	5
Operational	75	62
Directors	1	1
	84	68

BAKERS WASTE SERVICES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

8. Director's remuneration

	2016 £	2015 £
Director's emoluments	18,365	39,826
Defined contribution pension schemes	12,500	100,000
	<u>30,865</u>	<u>139,826</u>

During the year retirement benefits were accruing to 1 director (2015 - 1) in respect of defined contribution pension schemes.

9. Income from investments

	2016 £	2015 £
Dividends received from subsidiary undertakings	357,238	-
	<u>357,238</u>	<u>-</u>

10. Interest payable and similar charges

	2016 £	2015 £
Bank interest payable	44,467	40,744
Hire purchase agreements	56,034	45,865
	<u>100,501</u>	<u>86,609</u>

BAKERS WASTE SERVICES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

11. Taxation

	2016 £	2015 £
Corporation tax		
Current tax on profits for the year	101,003	34,000
Adjustments in respect of previous periods	(14,240)	-
Total current tax	<u>86,763</u>	<u>34,000</u>
Deferred tax		
Origination and reversal of timing differences	79,313	48,667
Changes to tax rates	(25,800)	-
Total deferred tax	<u>53,513</u>	<u>48,667</u>
Taxation on profit on ordinary activities	<u>140,276</u>	<u>82,667</u>

Factors affecting tax charge for the year

The tax assessed for the year is different to the expected rate of corporation tax in the UK of 20% (2015 - 20%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	<u>664,734</u>	<u>461,257</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20%)	132,947	92,251
Effects of:		
Expenses not deductible for tax purposes	57,425	8,622
Difference between capital allowances and depreciation	(17,922)	(68,123)
Adjustments in respect of prior periods	(14,240)	-
Other timing differences	-	1,250
Group income	(71,447)	-
Deferred tax	53,513	48,667
Total tax charge for the year	<u>140,276</u>	<u>82,667</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

BAKERS WASTE SERVICES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

12. Dividends

	2016 £	2015 £
Dividends paid	90,555	53,750
	<u>90,555</u>	<u>53,750</u>

13. Intangible assets

	Goodwill £
Cost	
At 1 October 2015	25,000
Additions	190,039
At 30 September 2016	<u>215,039</u>
Amortisation	
At 1 October 2015	7,500
Charge for the year	13,922
At 30 September 2016	<u>21,422</u>
Net book value	
At 30 September 2016	<u>193,617</u>
At 30 September 2015	<u>17,500</u>

BAKERS WASTE SERVICES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

14. Tangible fixed assets

	Land and buildings £	Plant & machinery £	Motor vehicles £	Office equipment, fixtures & fittings £	Total £
Cost					
At 1 October 2015	69,010	2,069,184	2,071,107	88,466	4,297,767
Additions	1,695,714	413,691	878,689	34,107	3,022,201
Intra-group transfer	27,957	679,395	114,143	62,018	883,513
Disposals	-	(121,061)	(546,982)	-	(668,043)
At 30 September 2016	<u>1,792,681</u>	<u>3,041,209</u>	<u>2,516,957</u>	<u>184,591</u>	<u>7,535,438</u>
Depreciation					
At 1 October 2015	15,106	943,545	1,066,714	55,688	2,081,053
Charge	2,695	207,546	319,749	8,924	538,914
Intra-group transfer	-	605,654	77,948	53,878	737,480
Disposals	-	(98,843)	(379,387)	-	(478,230)
At 30 September 2016	<u>17,801</u>	<u>1,657,902</u>	<u>1,085,024</u>	<u>118,490</u>	<u>2,879,217</u>
Net book value					
At 30 September 2016	<u>1,774,880</u>	<u>1,383,307</u>	<u>1,431,933</u>	<u>66,101</u>	<u>4,656,221</u>
At 30 September 2015	<u>53,904</u>	<u>1,125,639</u>	<u>1,004,393</u>	<u>32,778</u>	<u>2,216,714</u>

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

	2016 £	2015 £
Plant and machinery	350,839	326,074
Motor vehicles	968,921	771,853
	<u>1,319,760</u>	<u>1,097,927</u>

BAKERS WASTE SERVICES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

15. Fixed asset investments

	Subsidiary undertaking £
Cost or valuation	
Additions	227,224
At 30 September 2016	<u>227,224</u>
Impairment	
Charge for the year	226,224
At 30 September 2016	<u>226,224</u>
Net book value	
At 30 September 2016	<u>1,000</u>
At 30 September 2015	<u>-</u>

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Berridge Waste Paper Ltd	United Kingdom	Ordinary	100 %	The disposal and recycling of waste paper.

The aggregate of the share capital and reserves as at 30 September 2016 and the profit or loss for the year then ended for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit £
Berridge Waste Paper Ltd	1,000	137,676
	<u>1,000</u>	<u>137,676</u>

BAKERS WASTE SERVICES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

16. Transfer of trade and net assets

On 30 September 2016, the trade and net assets of Berridge Waste Paper Ltd, a fellow subsidiary undertaking, were transferred to the company. The provisional fair values of the net assets transferred, which also represent net book values are summarised below:

	2016 £
Tangible fixed assets	146,034
Stocks	58,168
Debtors	291,821
Cash	188,348
Creditors	(327,132)
Net assets	357,239
Intra-group loan account	357,239

17. Stocks

	2016 £	2015 £
Stocks	79,242	7,997
	<u>79,242</u>	<u>7,997</u>

18. Debtors

	2016 £	2015 £
Trade debtors	1,928,657	1,684,725
Other debtors	15,189	69,384
Prepayments and accrued income	165,575	124,981
	<u>2,109,421</u>	<u>1,879,090</u>

BAKERS WASTE SERVICES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

19. Cash

	2016 £	2015 £
Cash at bank and in hand	360,815	116,197
	<u>360,815</u>	<u>116,197</u>

20. Creditors: Amounts falling due within one year

	2016 £	2015 £
Bank loans (note 22)	126,895	-
Invoice discounting facility (note 22)	265,921	465,326
Trade creditors	2,164,881	1,585,176
Amounts owed to group undertakings	35,076	42,938
Corporation tax	78,395	-
Taxation and social security	162,211	143,126
Obligations under hire purchase contracts (note 23)	536,950	365,286
Other creditors	116,172	39,236
Accruals and deferred income	128,229	117,801
	<u>3,614,730</u>	<u>2,758,889</u>

Liabilities under hire purchase contracts are secured on the assets to which they relate.

The invoice discounting facility is secured on the trade debtors of the company.

21. Creditors: Amounts falling due after more than one year

	2016 £	2015 £
Bank loans (note 22)	1,510,438	-
Obligations under hire purchase contracts (note 23)	782,813	473,692
	<u>2,293,251</u>	<u>473,692</u>

Liabilities under hire purchase contracts are secured on the assets to which they relate.

BAKERS WASTE SERVICES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

22. Loans

Analysis of the maturity of loans is given below:

	2016 £	2015 £
Amounts falling due within one year		
Bank loans	126,895	-
Invoice discounting facility	265,921	465,326
	<u>392,816</u>	<u>465,326</u>
Amounts falling due 1-2 years		
Bank loans	204,385	-
Amounts falling due 2-5 years		
Bank loans	1,306,053	-
	<u>1,903,254</u>	<u>465,326</u>

Long term bank loans are secured by a fixed charge over the company's land and buildings, a cross guarantee over other companies in the group and a personal guarantee of £50,000 by the director.

23. Hire purchase contracts

Minimum lease payments under hire purchase fall due as follows:

	2016 £	2015 £
Within one year	536,950	365,286
Between 1-2 years	381,938	277,077
Between 2-5 years	396,853	196,299
Over 5 years	4,022	316
	<u>1,319,763</u>	<u>838,978</u>

BAKERS WASTE SERVICES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

24. Financial instruments

	2016 £	2015 £
Financial assets		
Financial assets measured at fair value through profit or loss	360,815	116,197
Financial assets that are debt instruments measured at amortised cost	1,943,846	1,754,109
	<u>2,304,661</u>	<u>1,870,306</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(5,422,974)	(2,932,418)
	<u>(5,422,974)</u>	<u>(2,932,418)</u>

Financial assets measured at amortised cost comprise of trade debtors and other debtors.

Financial Liabilities measured at amortised cost comprise of bank loans, invoice discounting facility, trade creditors, amounts owed to group and obligations under hire purchase contracts.

25. Deferred taxation

	2016 £
At 1 October 2015	(172,000)
Charged to the profit or loss	(53,513)
At 30 September 2016	<u>(225,513)</u>

The provision for deferred taxation is made up as follows:

	2016 £
Accelerated capital allowances	(230,068)
Short term timing differences	4,555
	<u>(225,513)</u>

BAKERS WASTE SERVICES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

26. Share capital

	2016 £	2015 £
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100

27. Pension commitments

The company operates defined contributions pension schemes. The assets of the schemes 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 funds during the year and amounted to £51,927 (2015 - £215,705).

28. Commitments under operating leases

At 30 September 2016 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £	2015 £
Not later than 1 year	138,500	60,000
Later than 1 year and not later than 5 years	360,667	123,750
Later than 5 years	137,500	-
	<u>636,667</u>	<u>183,750</u>

29. Related party transactions

The company has taken advantage of the exemption conferred by Section 33 of Financial Reporting Standard 102 not to disclose transactions with other group entities whose voting rights are 100% controlled within the group.

30. Immediate and ultimate parent undertaking and controlling party

The immediate and ultimate parent undertaking is BWS Holdings (UK) Limited.

P A Baker is considered to be the ultimate controlling party due to his controlling interest in the equity share capital of BWS Holdings (UK) Limited.

31. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

BAKERS WASTE SERVICES LTD

**SCHEDULE TO THE DETAILED ACCOUNTS
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