

Abba Scrap Metals Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 December 2021

Abba Scrap Metals Limited

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Abba Scrap Metals Limited

Company Information

Directors Mr C D Jenkins
Mr A Humphreys

Company secretary Mr C D Jenkins

Registered office St Davids House
48 Free Street
Brecon
Powys
LD3 7BN

Accountants Mitchell Meredith Limited
Chartered Accountants
St Davids House
48 Free Street
Brecon
Powys
LD3 7BN

Abba Scrap Metals Limited

(Registration number: 06030263)

Balance Sheet as at 31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	<u>5</u>	160,123	111,956
Current assets			
Stocks	<u>6</u>	18,525	12,559
Debtors	<u>7</u>	12,435	4,711
Cash at bank and in hand		<u>154,919</u>	<u>166,660</u>
		185,879	183,930
Creditors: Amounts falling due within one year	<u>8</u>	<u>(89,410)</u>	<u>(83,804)</u>
Net current assets		<u>96,469</u>	<u>100,126</u>
Total assets less current liabilities		256,592	212,082
Creditors: Amounts falling due after more than one year	<u>8</u>	(39,582)	(44,626)
Provisions for liabilities		<u>(29,747)</u>	<u>(20,463)</u>
Net assets		<u>187,263</u>	<u>146,993</u>
Capital and reserves			
Called up share capital		2	2
Profit and loss account		<u>187,261</u>	<u>146,991</u>
Shareholders' funds		<u>187,263</u>	<u>146,993</u>

Abba Scrap Metals Limited

(Registration number: 06030263)

Balance Sheet as at 31 December 2021

For the financial year ending 31 December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its 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 30 September 2022 and signed on its behalf by:

Mr C D Jenkins

Company secretary and director

Abba Scrap Metals Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The principal place of business is:

Unit 4

Pengarnddu Industrial Estate

Dowlais

Merthyr Tydfil

Mid Glamorgan

CF48 2TA

UK

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.

Government grants

Government grants are recognised when it is reasonable to expect that the grants will be received and that all related conditions will be met, usually on submission of a valid claim for payment.

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets.

Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

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.

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021

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
Plant and machinery	15% on net book value
Fixtures and fittings	15% on net book value
Motor vehicles	25% on net book value
Office equipment	15% on net book value

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	Straight line over 10 years

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are initially recognised at transaction price.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021

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 initially recognised at transaction price.

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 are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

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 3 (2020 - 3).

Abba Scrap Metals Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 January 2021	70,000	70,000
At 31 December 2021	70,000	70,000
Amortisation		
At 1 January 2021	70,000	70,000
At 31 December 2021	70,000	70,000
Carrying amount		
At 31 December 2021	-	-

5 Tangible assets

	Fixtures, fittings and equipment £	Motor vehicles £	Office equipment £	Plant and machinery £	Total £
Cost or valuation					
At 1 January 2021	29,566	16,913	2,480	398,160	447,119
Additions	-	-	-	71,257	71,257
At 31 December 2021	29,566	16,913	2,480	469,417	518,376
Depreciation					
At 1 January 2021	24,276	15,219	1,842	293,826	335,163
Charge for the year	793	424	96	21,777	23,090
At 31 December 2021	25,069	15,643	1,938	315,603	358,253
Carrying amount					
At 31 December 2021	4,497	1,270	542	153,814	160,123
At 31 December 2020	5,290	1,694	638	104,334	111,956

Abba Scrap Metals Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021

6 Stocks

	2021 £	2020 £
Stocks	18,525	12,559

7 Debtors

	2021 £	2020 £
Trade debtors	12,405	4,122
Other debtors	30	589
Total current trade and other debtors	12,435	4,711

8 Creditors

Creditors: amounts falling due within one year

	Note	2021 £	2020 £
Due within one year			
Bank loans and overdrafts	9	9,165	9,695
Trade creditors		4,790	4,941
Directors loan account		11,380	15,538
Taxation and social security		32,427	26,110
Other creditors		31,648	27,520
		89,410	83,804

Due after one year

Loans and borrowings	9	37,909	42,657
Deferred income		1,673	1,969
		39,582	44,626

Abba Scrap Metals Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021

9 Loans and borrowings

	2021 £	2020 £
Non-current loans and borrowings		
Bank borrowings	37,909	42,657

	2021 £	2020 £
Current loans and borrowings		
Bank borrowings	9,165	7,343
Hire purchase contracts	-	2,352
	9,165	9,695

Bank borrowings

Bounceback Loan is denominated in GBP with a nominal interest rate of Interest free for 12 months then 2.5%, and the final instalment is due on 28 August 2026. The carrying amount at year end is £47,074 (2020 - £50,000).

This loan is not secured.

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.