

Registered number: 07804804

Recycle England Ltd

Unaudited

Financial statements

For the Year Ended 31 May 2019

 **DAINS**
ACCOUNTANTS

FRIDAY



A13 *A8IQL1G0* #254
22/11/2019
COMPANIES HOUSE

Balance Sheet
As at 31 May 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	5	15,495	-
		<u>15,495</u>	<u>-</u>
Current assets			
Debtors: amounts falling due within one year	6	167,618	43,699
Cash at bank and in hand	7	156,495	8,130
		<u>324,113</u>	<u>51,829</u>
Créditors: amounts falling due within one year	8	(221,316)	(49,292)
Net current assets		<u>102,797</u>	<u>2,537</u>
Total assets less current liabilities		<u>118,292</u>	<u>2,537</u>
Net assets		<u>118,292</u>	<u>2,537</u>
Capital and reserves			
Called up share capital	10	2	2
Profit and loss account		118,290	2,535
		<u>118,292</u>	<u>2,537</u>

Recycle England Ltd
Registered number:07804804

Balance Sheet (continued)
As at 31 May 2019

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 17 October 2019.



G A Bridges
Director



R H Bridges
Director

The notes on pages 3 to 9 form part of these financial statements.

**Notes to the Financial Statements
For the Year Ended 31 May 2019**

1. General information

Recycle England Ltd is a private company limited by shares and incorporated in England and Wales under the Companies Act. The address of the registered office is given on the Company Information page. The principal activity of the company is that of sale of second hand vehicles, spare parts and building maintenance.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue 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. Accounting policies (continued)

2.3 Interest income

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

2.4 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 Statement of Income and Retained Earnings 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.

2.5 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except that a charge 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.

2.6 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.

**Notes to the Financial Statements
For the Year Ended 31 May 2019**

2. Accounting policies (continued)

2.6 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	-	25% straight line
Motor vehicles	-	25% straight line

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 Statement of Income and Retained Earnings.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.9 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.

2.10 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Income and Retained Earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.11 Financial instruments

The Company only enters into basic financial instrument 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, loans to related parties and investments in non-puttable ordinary shares.

Notes to the Financial Statements
For the Year Ended 31 May 2019

3. Employees

The average monthly number of employees, including directors, during the year was 11 (2018 - 2).

4. Taxation

	2019 £	2018 £
Corporation tax		
Current tax on profits for the year	1,621	688
Total current tax	<u>1,621</u>	<u>688</u>
Deferred tax		
Origination and reversal of timing differences	(30,814)	-
Total deferred tax	<u>(30,814)</u>	<u>-</u>
Taxation on profit	<u>(29,193)</u>	<u>688</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2018 - higher than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit before tax	<u>86,562</u>	<u>3,223</u>
Profit multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	16,447	612
Effects of:		
Expenses not deductible for tax purposes	317	76
Other timing differences	1,222	-
Other tax adjustments, reliefs and transfers	(47,179)	-
Total tax charge for the year	<u>(29,193)</u>	<u>688</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

Notes to the Financial Statements
For the Year Ended 31 May 2019

5. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Total £
Cost			
Additions	13,522	10,950	24,472
Disposals	(698)	-	(698)
At 31 May 2019	<u>12,824</u>	<u>10,950</u>	<u>23,774</u>
Depreciation			
Charge for the year on owned assets	5,954	2,950	8,904
Disposals	(625)	-	(625)
At 31 May 2019	<u>5,329</u>	<u>2,950</u>	<u>8,279</u>
Net book value			
At 31 May 2019	<u>7,495</u>	<u>8,000</u>	<u>15,495</u>
At 31 May 2018	<u>-</u>	<u>-</u>	<u>-</u>

6. Debtors

	2019 £	2018 £
Trade debtors	129,442	43,009
Other debtors	910	2
Prepayments and accrued income	6,452	688
Deferred taxation	30,814	-
	<u>167,618</u>	<u>43,699</u>

7. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	156,495	8,130
	<u>156,495</u>	<u>8,130</u>

Notes to the Financial Statements
For the Year Ended 31 May 2019

8. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	20,475	45,367
Corporation tax	1,621	688
Other taxation and social security	138,513	1,497
Other creditors	49,511	-
Accruals and deferred income	11,196	1,740
	<u>221,316</u>	<u>49,292</u>

9. Deferred taxation

	2019 £
Charged to profit or loss	30,814
At end of year	<u>30,814</u>

The deferred tax asset is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	285	-
Tax losses carried forward	30,529	-
	<u>30,814</u>	<u>-</u>

10. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
2 (2018 - 2) Ordinary shares of £1.00 each	<u>2</u>	<u>2</u>

11. Pension commitments

The pension cost charge represents contributions payable by the company to the fund and amounted to £8,008 (2018 - £48). At the balance sheet date the amount of contributions outstanding amounts to £nil (2018 - £nil).

12. Controlling party

There is no one controlling party.