

Company Registration No. SC248844 (Scotland)

A&M SMITH RECYCLING SERVICES LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2021

PAGES FOR FILING WITH REGISTRAR

A&M SMITH RECYCLING SERVICES LIMITED

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A&M SMITH RECYCLING SERVICES LIMITED

BALANCE SHEET

AS AT 31 MAY 2021

	Notes	£	2021 £	£	2020 £
Fixed assets					
Tangible assets	3		4,962,780		4,599,737
Current assets					
Debtors	4	1,404,749		1,037,967	
Cash at bank and in hand		1,265,502		551,276	
		<u>2,670,251</u>		<u>1,589,243</u>	
Creditors: amounts falling due within one year	5	(1,513,900)		(709,119)	
Net current assets			1,156,351		880,124
Total assets less current liabilities			<u>6,119,131</u>		<u>5,479,861</u>
Creditors: amounts falling due after more than one year	6		(220,000)		-
Provisions for liabilities	7		(440,488)		(319,963)
Net assets			<u>5,458,643</u>		<u>5,159,898</u>
Capital and reserves					
Called up share capital			200		200
Revaluation reserve			1,095,335		1,095,335
Profit and loss reserves			4,363,108		4,064,363
Total equity			<u>5,458,643</u>		<u>5,159,898</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

A&M SMITH RECYCLING SERVICES LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MAY 2021

The financial statements were approved by the board of directors and authorised for issue on 24 February 2022 and are signed on its behalf by:

S SMITH

S Smith
Director

Company Registration No. SC248844

A&M SMITH RECYCLING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2021

1 Accounting policies

Company information

A&M Smith Recycling Services Limited is a private company limited by shares incorporated in Scotland. The registered office is Bankhead Recycling Centre, Duffshill Road, Portlethen, Aberdeenshire, AB12 4RX.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	5% Straight Line
Plant and machinery	25% Straight Line
Motor vehicles	25% Straight Line
Office equipment	30% Straight Line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

A&M SMITH RECYCLING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

1 Accounting policies

(Continued)

1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 Financial instruments

The company only enters into basic financial transactions that result in the recognition of the financial assets and liabilities like trade and other debtors and creditors. These are measured at amortised cost and 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 Statement of comprehensive income.

1.7 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method

1.8 Taxation

The tax expense represents the tax currently payable.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1.9 Retirement benefits

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 comprehensive income 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.

A&M SMITH RECYCLING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

1 Accounting policies

(Continued)

1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.11 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.12 Finance costs

Finance costs are charged to the Statement of comprehensive income 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.

1.13 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid.

1.14 Provisions for liabilities

The company provides for the costs of reinstating quarrying sites where a legal or constructive obligation exists. The present value of the estimated cost of reinstatement is included within tangible fixed assets and depreciated over the life of the site. All provisions are discounted to their present value at a rate that reflects current market assessments of the time value of money and the risks specific to the liability.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	44	44
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A&M SMITH RECYCLING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

3 Tangible fixed assets

	Land and buildings	Plant and machinery	Office equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 June 2020	3,911,305	4,217,559	269,329	1,802,521	10,200,714
Additions	536,436	279,850	30,659	123,243	970,188
Disposals	-	(125,484)	-	(159,123)	(284,607)
At 31 May 2021	4,447,741	4,371,925	299,988	1,766,641	10,886,295
Depreciation and impairment					
At 1 June 2020	481,926	3,752,522	205,095	1,161,434	5,600,977
Depreciation charged in the year	161,856	185,867	38,640	219,382	605,745
Eliminated in respect of disposals	-	(125,484)	-	(157,723)	(283,207)
At 31 May 2021	643,782	3,812,905	243,735	1,223,093	5,923,515
Carrying amount					
At 31 May 2021	3,803,959	559,020	56,253	543,548	4,962,780
At 31 May 2020	3,429,379	465,037	64,234	641,087	4,599,737

4 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	860,202	573,368
Amounts owed by related parties	435,551	381,423
Prepayments and accrued income	108,996	83,176
	1,404,749	1,037,967

5 Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank overdrafts	18,235	42,577
CIBLS loan	80,000	
Trade creditors	892,684	485,088
Corporation tax	107,008	12,553
Other taxation and social security	240,306	107,409
Other creditors	9,919	8,040
Accruals and deferred income	165,748	53,452
	1,513,900	709,119

A&M SMITH RECYCLING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

6 Creditors: amounts falling due after more than one year

	2021	2020
	£	£
CIBLS loan	220,000	-
	<u>220,000</u>	<u>-</u>

7 Provisions for liabilities

	2021	2020
	£	£
Landfill Restoration	142,371	142,371
Deferred tax liabilities	298,117	177,592
	<u>440,488</u>	<u>319,963</u>

Landfill restorations

Provision for landfill restoration reflects the company's liability under obligations to restore landfill sites to their previous condition. The provision is recognised in line with the usage of the site.

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.