

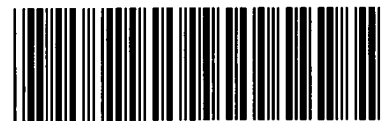
Company Registration No. SC319581 (Scotland)

**RECYCLATECH GROUP LIMITED**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 MARCH 2018**

**PAGES FOR FILING WITH REGISTRAR**

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# **RECYCLATECH GROUP LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2018**

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The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have 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 directors must not approve the financial statements unless they are 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 directors are required to:

- select suitable accounting policies 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 directors are 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 them to ensure that the financial statements comply with the Companies Act 2006. They are 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.

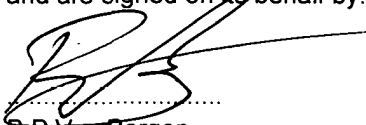
**RECYCLATECH GROUP LIMITED****STATEMENT OF FINANCIAL POSITION****AS AT 31 MARCH 2018**

	Notes	2018 £	£	2017 £	£
<b>Fixed assets</b>					
Intangible assets	4	132,099		116,965	
Tangible assets	5	63,386		23,104	
Investments	6	2		2	
			<u>195,487</u>		<u>140,071</u>
<b>Current assets</b>					
Debtors	7	720,403		664,745	
Cash at bank and in hand		11,128		440	
		<u>731,531</u>		<u>665,185</u>	
<b>Creditors: amounts falling due within one year</b>	8	(1,047,292)		(506,931)	
<b>Net current (liabilities)/assets</b>			<u>(315,761)</u>		<u>158,254</u>
<b>Total assets less current liabilities</b>			<u>(120,274)</u>		<u>298,325</u>
<b>Capital and reserves</b>					
Called up share capital	9	197,313		197,313	
Share premium account		1,741,242		1,741,242	
Profit and loss reserves		(2,058,829)		(1,640,230)	
<b>Total equity</b>			<u>(120,274)</u>		<u>298,325</u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 10 Dec 2018 and are signed on its behalf by:

  
B P Van Bergen  
Director

# RECYCLATECH GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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### 1 Accounting policies

#### Company information

Recyclatech Group Limited is a private company limited by shares and is registered and incorporated in Scotland. The registered office is 1 West Regent Street, Glasgow, G2 1RW.

#### 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 £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

#### Going concern

The company meets its working capital requirements through the support of its parent company. The directors have indicated that this support will continue and have given an undertaking that they will not seek repayment of the borrowings within the next twelve months. Accordingly, the directors consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that would result from a withdraw of these financial resources.

#### Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Amortisation 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:

Patents	amortise once the technology has been brought into use and income generating, over the estimated useful life of the asset.
Website	over 3 years

#### Tangible fixed assets

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

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

Plant and machinery etc	15% reducing balance
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# RECYCLATECH GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

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### 1 Accounting policies (Continued)

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.

#### **Fixed asset investments**

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### **Cash and cash equivalents**

Cash and cash equivalents are basic financial instruments 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.

#### **Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Other and inter-company debtors**

Other and inter-company debtors are recognised initially at the transaction price or, when the arrangement constitutes a financing transaction, at the present value of future payments discounted at a market rate of interest for a similar debt instrument. Other and inter-company debtors are subsequently measured at amortised cost using the effective interest rate method, less any impairment losses.

Where the arrangement with an other or inter-company debtor constitutes a financing transaction, the debtor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

A provision for impairment of other and inter-company debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the other and inter-company debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

# RECYCLATECH GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

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### 1 Accounting policies (Continued)

#### **Trade, other and inter-company creditors**

Trade, other and inter-company creditors that are payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the instrument with a trade, other or inter-company creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

#### **Equity instruments**

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### **Taxation**

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred by the balance sheet date with certain limited exceptions.

Deferred tax is calculated on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### **Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# RECYCLATECH GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

### 1 Accounting policies (Continued)

#### Retirement benefits

The company operates a group personal pension scheme for the benefit of its employees. The cost of the pension contributions is charged against revenue in order to recognise the cost of the pension contributions payable on behalf of its employees.

#### Leases

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

#### Research & development costs

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 5 (2017 - 4).

### 3 Directors' remuneration

	2018 £	2017 £
Remuneration paid to directors	167,898	84,000

### 4 Intangible fixed assets

	Patents £	Website £	Total £
<b>Cost</b>			
At 1 April 2017	221,903	2,320	224,223
Additions - internally developed	15,134	-	15,134
At 31 March 2018	237,037	2,320	239,357
<b>Amortisation and impairment</b>			
At 1 April 2017 and 31 March 2018	106,299	959	107,258
<b>Carrying amount</b>			
At 31 March 2018	130,738	1,361	132,099
At 31 March 2017	115,604	1,361	116,965

# RECYCLATECH GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

### 5 Tangible fixed assets

#### Plant and machinery etc £

#### Cost

At 1 April 2017	56,205
Additions	40,939
At 31 March 2018	97,144

#### Depreciation and impairment

At 1 April 2017	33,101
Depreciation charged in the year	657
At 31 March 2018	33,758

#### Carrying amount

At 31 March 2018	63,386
At 31 March 2017	23,104

### 6 Fixed asset investments

#### 2018 £

#### 2017 £

Investments	2	2
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#### Movements in fixed asset investments

#### Shares in group undertakings £

#### Cost or valuation

At 1 April 2017 & 31 March 2018	2
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#### Carrying amount

At 31 March 2018	2
At 31 March 2017	2



# RECYCLATECH GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

### 7 Debtors

	2018 £	2017 £
<b>Amounts falling due within one year:</b>		
Corporation tax recoverable	143,975	-
Amounts owed by group undertakings	551,794	653,816
Other debtors	24,634	10,929
	<u>720,403</u>	<u>664,745</u>

### 8 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	11,385	37,280
Amounts due to group undertakings	995,474	354,613
Other taxation and social security	14,921	5,751
Other creditors	25,512	109,287
	<u>1,047,292</u>	<u>506,931</u>

### 9 Called up share capital

	2018 £	2017 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
789,252 Ordinary Share of 25p each	197,313	197,313
	<u>197,313</u>	<u>197,313</u>

### 10 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2018 £	2017 £
Within one year	57,850	5,950
Between one and five years	40,000	-
	<u>97,850</u>	<u>5,950</u>

# RECYCLATECH GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

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### 11 Related party transactions

#### Transactions with related parties

A shareholder of the parent company was owed £nil (2017: £40,000) at the balance sheet date from a loan advanced to the company. During the 2018 financial year this loan was repaid.

A shareholder of the parent company and member of the key management personnel of Recyclatech Group Limited was owed £nil (2017: £24,962) at the balance sheet date after a loan advanced to the company. During the 2018 financial year this loan was repaid.

Interest charged on the above loans is 8%. The total amount of interest outstanding at the balance sheet date and owed to the above two related parties totalled £nil (2017: £5,194).

### 12 Parent company

The parent company of Recyclatech Group Limited is Recircle Limited and its registered office is Condor House, 10 St. Pauls Churchyard, London, EC4M 8AL.

### 13 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Alan Aitchison.  
The auditor was RSM UK Audit LLP.