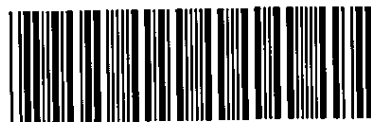


15/000204

COMPANY REGISTRATION NUMBER SC345565

ACE Recycling Group CIC
Abbreviated Accounts
31st March 2014

FRIDAY



S3J5JJ6Q

SCT

24/10/2014

#53

COMPANIES HOUSE

CONDIE & CO

Chartered Accountants & Statutory Auditor
10 Abbey Park Place
Dunfermline
Fife
KY12 7NZ

ACE Recycling Group CIC

Abbreviated Accounts

Year Ended 31st March 2014

Contents	Page
Independent Auditor's Report to the Company	1
Abbreviated Balance Sheet	2
Notes to the Abbreviated Accounts	3

ACE Recycling Group CIC

Independent Auditor's Report to ACE Recycling Group CIC

UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts which comprise the Balance Sheet and the related notes, together with the financial statements of ACE Recycling Group CIC for the year ended 31st March 2014 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our work, for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditor

The directors are responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

10 Abbey Park Place
Dunfermline
Fife
KY12 7NZ

20th October 2014

GEORGE PRIMROSE BA CA
(Senior Statutory Auditor)
For and on behalf of
CONDIE & CO
Chartered Accountants
& Statutory Auditor

ACE Recycling Group CIC


Abbreviated Balance Sheet

31st March 2014

	Note	2014 £	2013 £
Fixed Assets	2		
Tangible assets		151,586	202,878
Current Assets			
Stocks		2,784	-
Debtors		216,995	277,760
Cash at bank and in hand		21,547	9,782
		241,326	287,542
Creditors: Amounts Falling due Within One Year		271,537	336,403
Net Current Liabilities		(30,211)	(48,861)
Total Assets Less Current Liabilities		121,375	154,017
Creditors: Amounts Falling due after More than One Year		39,162	25,320
		82,213	128,697
Capital and Reserves			
Called-up equity share capital	3	51	51
Share premium account		375,033	375,033
Profit and loss account		(292,871)	(246,387)
Shareholders' Funds		82,213	128,697

These abbreviated accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime.

These abbreviated accounts were approved by the directors and authorised for issue on 17th October 2014, and are signed on their behalf by:


Mr M McArdle
Director

Company Registration Number: SC345565

The notes on pages 3 to 5 form part of these abbreviated accounts.

ACE Recycling Group CIC

Notes to the Abbreviated Accounts

Year Ended 31st March 2014

1. Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

Turnover represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes.

Fixed Assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery	-	15% reducing balance
Collection Bins	-	20% reducing balance
Motor Vehicles	-	25% straight line
Office Equipment	-	20% straight line

Stocks

Although stock is valued at £nil, due to the cost being £nil, it should be noted that the net realisable value of the stock is estimated to be £13,999.

Hire Purchase Agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Operating Lease Agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension Costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

ACE Recycling Group CIC

Notes to the Abbreviated Accounts

Year Ended 31st March 2014

1. Accounting Policies *(continued)*

Deferred Taxation

Deferred tax is recognised in respect of 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 at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non - discounted basis.

Grants

Grants, where entitlement is not conditional on delivery of a specific performance by company, are recognised when the company becomes unconditionally entitled to the grant.

2. Fixed Assets

	Tangible Assets £
Cost	
At 1st April 2013	649,552
Additions	14,351
Disposals	(39,395)
At 31st March 2014	<u>624,508</u>
Depreciation	
At 1st April 2013	446,674
Charge for year	64,635
On disposals	(38,387)
At 31st March 2014	<u>472,922</u>
Net Book Value	
At 31st March 2014	<u>151,586</u>
At 31st March 2013	<u>202,878</u>

3. Share Capital

Allotted, called up and fully paid:

	2014		2013	
	No	£	No	£
Ordinary shares of £1 each	<u>51</u>	<u>51</u>	<u>51</u>	<u>51</u>

ACE Recycling Group CIC

Notes to the Abbreviated Accounts

Year Ended 31st March 2014

4. Ultimate Parent Company

The ultimate controlling party is Alloa Community Enterprises Limited, a company limited by guarantee, with charitable status, and registered in Scotland. Group accounts incorporating the results of ACE Recycling CIC are prepared and will be available from The Hub, Whins Road, Alloa, Clackmannanshire, FK10 3TA.

CIC 34**Community Interest Company Report**

For official use
(Please leave blank)

*Please
complete in
typescript, or
in bold black
capitals.*

**Company Name in
full**

ACE RECYCLING GROUP CIC

Company Number

SC 345565

Year Ending

31ST MARCH 2014

This template illustrates what the Regulator of Community Interest Companies considers to be best practice for completing a simplified community interest company report. All such reports must be delivered in accordance with section 34 of the Companies (Audit, Investigations and Community Enterprise) Act 2004 and contain the information required by Part 7 of the Community Interest Company Regulations 2005. For further guidance see chapter 8 of the Regulator's guidance notes and the alternate example provided for a more complex company with more detailed notes.

PART 1 - GENERAL DESCRIPTION OF THE COMPANY'S ACTIVITIES AND IMPACT

In the space provided below, please insert a general account of the company's activities in the financial year to which the report relates, including a fair and accurate description of how they have benefited the community, or section of the community, which the company is intended to serve.

ATTACHED

(If applicable, please just state "A social audit report covering these points is attached").

(Please continue on separate continuation sheet if necessary.)

PART 2 – CONSULTATION WITH STAKEHOLDERS – Please indicate who the company's stakeholders are; how the stakeholders have been consulted and what action, if any, has the company taken in response to feedback from its consultations? If there has been no consultation, this should be made clear.

NO CONSULTATION IN THE CURRENT YEAR

(If applicable, please just state "A social audit report covering these points is attached").

PART 3 – DIRECTORS' REMUNERATION – if you have provided full details in your accounts you need not reproduce it here. Please clearly identify the information within the accounts and confirm that, "There were no other transactions or arrangements in connection with the remuneration of directors, or compensation for director's loss of office, which require to be disclosed" (See example with full notes). If no remuneration was received you must state that "no remuneration was received" below.

FULL DETAILS PROVIDED IN ACCOUNTS

PART 4 – TRANSFERS OF ASSETS OTHER THAN FOR FULL CONSIDERATION – Please insert full details of any transfers of assets other than for full consideration e.g. Donations to outside bodies. If this does not apply you must state that "no transfer of assets other than for full consideration has been made" below.

NO TRASFER OF ASSETS OTHER THAT FOR FULL CONSIDERATION

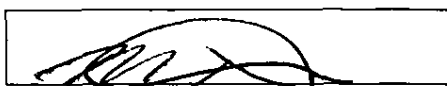
(Please continue on separate continuation sheet if necessary.)

(N.B. Please enclose a cheque for £15 payable to Companies House)

PART 5 – SIGNATORY

The original report must be signed by a director or secretary of the company

Signed



Date

20/10/2014

Office held (tick as appropriate) ☒ Director ☐ Secretary

You do not have to give any contact information in the box opposite but if you do, it will help the Registrar of Companies to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

Condies Chartered Accountants & Business Advisers,

Telephone 01383 721421

DX Number

DX Exchange

When you have completed and signed the form, please send it to the Registrar of Companies at:

For companies registered in England and Wales: Companies House, Crown Way, Cardiff, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland: Companies House, 4th Floor, Edinburgh Quay 2, 139
Fountainbridge, Edinburgh, EH3 9FF DX 235 Edinburgh or LP – 4 Edinburgh 2

For companies registered in Northern Ireland: Companies House, 2nd Floor, The Linenhall, 32-38
Linenhall Street, Belfast, BT2 8BG

ACE RECYCLING GROUP CIC

Directors' Report Year Ended 31st March 2014

The directors present their report and the financial statements of the company for the year ended 31st March 2014.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the ACE Recycling Group (ARG) remains the creation of training and employment through recycling and environmental related activities. ARG has continued to develop these principal activities throughout Central Scotland, Edinburgh and Glasgow. In this financial year this has been done primarily through the expansion of our kerbside recycling services, commercial and industrial recycling services and the development of our retail outlet in Alloa. ARG has retained all of our key customers in this period and are in no doubt this is due to the outstanding service provided by our staff on the ground who do their jobs so well and with pride.

Our Food Recycling trials with Zero Waste Scotland concluded in 2013. This project proved to be fascinating and leads ARG into some very interesting and innovative areas of recycling and environmental regeneration. The findings are now under review and work is expected to begin on Phase II in either late 2014 or early 2015.

Our Enterprise Growth Fund partnership project came to an end in January 2013. In the end the decision was taken not to continue trading in the Aberdeen area, this was primarily due to anti-competitive pricing which made it impossible to retain any kind of profit margin. Our partners Aberdeen Forward and Instant Neighbour also decided not to continue with the Commercial & Industrial service in their areas. Discussions are still under way with our other EGF partners Kibble and CrossReach as to how we can enhance the partnerships developed with each of them in this financial year.

Premises remain one of the key challenges for ARG, our operations are currently split between two warehouse centres, this causes some inefficiencies which we know must be addressed in the coming year.

FINANCIAL REVIEW

Made a loss of £46,484.00 for the period, Trading was poorer than originally forecast for the year despite increased earned income which was up by £128,256.00 on the previous year. This was primarily due to the loss of almost £112,000 in revenues following decisions taken by Clackmannanshire and Falkirk Councils in April of 2013 to cease contracting for the delivery of "Re-Use" homeless starter packs to homeless and low income households. One permanent employee was made redundant as a direct result of these decisions. Other earned income (grants & projects) was down from £407,703 on the previous year to £27,557 for this year. In general costs were tightly managed overall; operating expenditure was down from £1.274 million to £1.187 million.

Performance on the Clackmannanshire Kerbside contract saw turnover increase by 38%, however the added staff and operational costs reduced the overall margin on this contract by 5%. Retail also performed well, with a 50% increase in turnover and a net margin of 15%. Materials income is the other significant area which contributed to ARG's losses for the year with turnover down by 50% and net margin down by 43%.

FUTURE DEVELOPMENTS

The development of the new charity *for Carers* will provide ARG with a significant opportunity for growth. The overall net margin will decline however as a percentage of the profits will be retained for disbursement through the Young Adult Carers Development Trust.

Premises consolidation and improvements in materials volume and value are imperative, as is an overall reduction in our waste handling efficiency. Not only will these objectives enable us to return to

profitability they will ensure we can continue to provide further training and vocational placement opportunities.

DIRECTORS

The directors who served the company during the year and up to the date of this report are listed on page 1. All directors, with the exception only of the Group Managing Director, serve in a voluntary capacity and receive neither remuneration nor emolument in return for their service on our Board.

Board capacity and diversity is something which needs to be addressed in the coming year. This in addition to the priorities outlined above is an important objective for the Group managing Director and other Board members to remain focussed on.

Rt Hon G N Reid resigned as a director on 11th October 2013, he has however taken on the role of Patron to ACE and serves in this role on an annual rolling basis, to be re-confirmed at each AGM of the company.

Directors' Responsibilities

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 year.

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.

Auditor

Condie & Co were appointed as ACE's auditors for the financial year 2013/14. ACE review professional services provision on a three yearly basis and therefore Condies & Co are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Each of the persons who is a director at the date of approval of this report confirm that:

- ☐ so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- ☐ each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Small Company Provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to