

Company Registration No. SC383795 (Scotland)

EKKO WASTE SOLUTIONS LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020
PAGES FOR FILING WITH REGISTRAR

EKKO WASTE SOLUTIONS LTD

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EKKO WASTE SOLUTIONS LTD

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	5		121,354		133,820
Investment properties	6		-		500,000
Investments	7		1		1
			<u>121,355</u>		<u>633,821</u>
Current assets					
Stocks		5,000		30,005	
Debtors	8	384,623		191,895	
Cash at bank and in hand		200,636		61,508	
		<u>590,259</u>		<u>283,408</u>	
Creditors: amounts falling due within one year	9	(126,942)		(130,870)	
Net current assets			<u>463,317</u>		<u>152,538</u>
Total assets less current liabilities			584,672		786,359
Creditors: amounts falling due after more than one year	10		(179,587)		(235,777)
Provisions for liabilities	12		(23,057)		(52,366)
Net assets			<u>382,028</u>		<u>498,216</u>
Capital and reserves					
Called up share capital	14		102		102
Revaluation reserve	15		-		170,154
Profit and loss reserves	16		381,926		327,960
Total equity			<u>382,028</u>		<u>498,216</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 December 2020 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.

EKKO WASTE SOLUTIONS LTD

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2020

The financial statements were approved by the board of directors and authorised for issue on 17 September 2021 and are signed on its behalf by:

Mr R Murray
Director

Company Registration No. SC383795

EKKO WASTE SOLUTIONS LTD

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

	Share capital	Revaluation reserve	Profit and loss reserves	Total
Notes	£	£	£	£
Balance at 1 January 2019	102	170,154	231,255	401,511
Year ended 31 December 2019:				
Profit and total comprehensive income for the year	-	-	146,705	146,705
Dividends	-	-	(50,000)	(50,000)
Balance at 31 December 2019	102	170,154	327,960	498,216
Year ended 31 December 2020:				
Loss and total comprehensive income for the year	-	-	(91,188)	(91,188)
Dividends	-	-	(25,000)	(25,000)
Transfers	-	(170,154)	170,154	-
Balance at 31 December 2020	102	-	381,926	382,028

EKKO WASTE SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

Ekko Waste Solutions Ltd is a private company limited by shares incorporated in Scotland. The registered office is 6 Alloway Place, Ayr, Ayrshire, United Kingdom, KA7 2AA.

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 £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. 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.

1.2 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.

1.3 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:

Plant and equipment	25% reducing balance
Fixtures and fittings	33% on cost
Motor vehicles	25% reducing balance

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.

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

EKKO WASTE SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.5 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.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

1.7 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.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

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.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

EKKO WASTE SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.9 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.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.12 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.

2 Operating (loss)/profit

	2020	2019
Operating (loss)/profit for the year is stated after charging:	£	£
Depreciation of owned tangible fixed assets	18,006	16,750
Depreciation of tangible fixed assets held under finance leases	24,340	26,173

EKKO WASTE SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

3 Employees

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

	2020 Number	2019 Number
Total	15	15
	<u> </u>	<u> </u>

4 Taxation

	2020 £	2019 £
Current tax		
UK corporation tax on profits for the current period	10,396	21,299
	<u> </u>	<u> </u>
Deferred tax		
Origination and reversal of timing differences	(29,309)	14,241
	<u> </u>	<u> </u>
Total tax (credit)/charge	(18,913)	35,540
	<u> </u>	<u> </u>

UK corporation tax has been charged at 19% (2019 - 19%)

EKKO WASTE SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

5 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 January 2020	272,472
Additions	29,880
	<hr/>
At 31 December 2020	302,352
	<hr/>
Depreciation and impairment	
At 1 January 2020	138,652
Depreciation charged in the year	42,346
	<hr/>
At 31 December 2020	180,998
	<hr/>
Carrying amount	
At 31 December 2020	121,354
	<hr/>
At 31 December 2019	133,820
	<hr/>

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2020	2019
	£	£
Motor vehicles	73,199	78,519
	<hr/>	<hr/>
	73,199	78,519
	<hr/>	<hr/>

6 Investment property

	2020
	£
Fair value	
At 1 January 2020	500,000
Disposals	(500,000)
	<hr/>
At 31 December 2020	-
	<hr/>

7 Fixed asset investments

	2020	2019
	£	£
Shares in group undertakings and participating interests	1	1
	<hr/>	<hr/>

EKKO WASTE SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

8	Debtors		2020	2019
			£	£
	Amounts falling due within one year:			
	Trade debtors		78,388	156,003
	Other debtors		305,735	35,392
	Prepayments and accrued income		500	500
			<u>384,623</u>	<u>191,895</u>
			<u><u>384,623</u></u>	<u><u>191,895</u></u>
9	Creditors: amounts falling due within one year		2020	2019
		Notes	£	£
	Bank loans	11	13,333	11,100
	Obligations under finance leases		22,597	18,845
	Trade creditors		15,214	5,957
	Corporation tax		10,396	21,299
	Other taxation and social security		52,158	62,523
	Other creditors		7,987	7,970
	Accruals and deferred income		5,257	3,176
			<u>126,942</u>	<u>130,870</u>
			<u><u>126,942</u></u>	<u><u>130,870</u></u>
10	Creditors: amounts falling due after more than one year		2020	2019
			£	£
	Bank loans and overdrafts	11	86,667	137,983
	Obligations under finance leases		61,494	61,245
	Deferred income	13	31,426	36,549
			<u>179,587</u>	<u>235,777</u>
			<u><u>179,587</u></u>	<u><u>235,777</u></u>
	Amounts included above which fall due after five years are as follows:			
	Payable by instalments		<u>6,667</u>	<u>93,583</u>
			<u><u>6,667</u></u>	<u><u>93,583</u></u>

EKKO WASTE SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

11 Loans and overdrafts

	2020 £	2019 £
Bank loans	100,000	149,083
Payable within one year	13,333	11,100
Payable after one year	86,667	137,983

On 13 July 2015, a floating charge over all the property or undertaking of the company was granted in favour of Santander UK plc.

12 Provisions for liabilities

	2020 £	2019 £
Deferred tax liabilities	23,057	52,366

13 Deferred income

	2020 £	2019 £
Arising from government grants	31,426	36,549

14 Called up share capital

	2020 Number	2019 Number	2020 £	2019 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	102	102	102	102

15 Fair value reserve

	2020 £	2019 £
At the beginning of the year	170,154	170,154
Transfer to retained earnings	(170,154)	-
At the end of the year	-	170,154

EKKO WASTE SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

16 Profit and loss reserves

	2020 £	2019 £
At the beginning of the year	327,960	231,255
(Loss)/profit for the year	(91,188)	146,705
Dividends declared and paid in the year	(25,000)	(50,000)
Transfer from revaluation reserve	170,154	-
At the end of the year	381,926	327,960

17 Related party disclosures

Ekko Glass Ltd

At the balance sheet date, £557 (2019 - £444) was owed to the company by Ekko Glass Ltd, a company jointly controlled by the directors. This amount is shown within other debtors.

WMA Group Ltd

At the balance sheet date, £293,976 (2019 - £23,613) was owed to the company by WMA Group Ltd, a company 100% owned by Ekko Waste Solutions Ltd. This amount is shown within other debtors.

Invoices were raised from WMA Group Limited in the year totalling £18,225 (2019: £12,000) for rent and management charges, both at market value.

Investment property was transferred to WMA Group Limited from the company in the year. This was transferred at market value of £350,000.

Ekko Ltd

At the balance sheet date, £306 (2019 - £180) was owed to the company by Ekko Ltd, a company jointly controlled by the directors. This amount is shown within other debtors.

ABC4D Ltd

At the balance sheet date, £1,896 (2019 - £2,155) was owed to the company by ABC4D Ltd, a company jointly controlled by the directors.

During the year, ABC4D Ltd rented office space as a cost of £2,638 (2019 - £10,552).

During 2016, a loan of £9,000 was given to ABC4D Ltd. This loan was provided interest free and is repayable on demand. The loan still remains outstanding at the year end.

Directors

A sum of £3,332 (2019 - £3,332) was due to the directors at the balance sheet date. These loans are repayable on demand.

18 Ultimate controlling party

The company is not under the control of any one party.

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