

# Waste Creative Limited

Unaudited Financial Statements

For Filing with Registrar

For the year ended 30 June 2020

Company Registration No. 05838412 (England and Wales)

# Waste Creative Limited

## Company Information

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<b>Directors</b>	Mr V Statovci Mr M Petricevic
<b>Company number</b>	05838412
<b>Registered office</b>	Baird House 15-17 St Cross Street London EC1N 8UW
<b>Accountants</b>	Moore Kingston Smith LLP Charlotte Building 17 Gresse Street London W1T 1QL

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# Waste Creative Limited

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# Waste Creative Limited

## Balance Sheet

As at 30 June 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	4		137,101		124,868
<b>Current assets</b>					
Work in progress		23,994		33,660	
Debtors	5	956,303		1,247,034	
Cash at bank and in hand		640,837		315,605	
		<u>1,621,134</u>		<u>1,596,299</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(635,568)</u>		<u>(553,680)</u>	
<b>Net current assets</b>			<u>985,566</u>		<u>1,042,619</u>
<b>Total assets less current liabilities</b>			<u>1,122,667</u>		<u>1,167,487</u>
<b>Creditors: amounts falling due after more than one year</b>	7		(78,535)		(158,427)
<b>Provisions for liabilities</b>	8		<u>(71,485)</u>		<u>(65,248)</u>
<b>Net assets</b>			<u><u>972,647</u></u>		<u><u>943,812</u></u>
<b>Capital and reserves</b>					
Called up share capital	9		1,200		1,200
Profit and loss reserves			<u>971,447</u>		<u>942,612</u>
<b>Total equity</b>			<u><u>972,647</u></u>		<u><u>943,812</u></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 30 June 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 Act 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.

# Waste Creative Limited

## Balance Sheet (Continued)

As at 30 June 2020

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The financial statements were approved by the board of directors and authorised for issue on 12 April 2021 and are signed on its behalf by:

Mr V Statovci  
**Director**

**Company Registration No. 05838412**

# Waste Creative Limited

## Notes to the Financial Statements

For the year ended 30 June 2020

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### 1 Accounting policies

#### Company information

Waste Creative Limited is a private company limited by shares incorporated in England and Wales. The registered office is Baird House, 15-17 St Cross Street, London, EC1N 8UW.

#### 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 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 pound.

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

#### 1.2 Going concern

These financial statements are prepared on the going concern basis. The directors have considered the impact that Covid-19 will have on the business and taken cost cutting measures in order to ensure the long term viability of the business including use of the government job retention scheme. They have a reasonable expectation that the company will continue in operational existence for the foreseeable future. The directors believe that the company will have sufficient funds to settle all of its liabilities as they fall due for at least 12 months from signing the accounts.

#### 1.3 Turnover

Revenue from contracts for the provision of 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 are recoverable.

#### 1.4 Research and development expenditure

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.

#### 1.5 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:

Fixtures and fittings	20% on reducing balance
Computer equipment	25% on 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.

# Waste Creative Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 June 2020

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### 1 Accounting policies

(Continued)

#### 1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.7 Work in progress

Work in progress is valued at the lower of cost and net realisable value.

#### 1.8 Cash at bank and in hand

Cash at bank and in hand 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.

#### 1.9 Financial instruments

The company only has basic financial instruments measured at amortised cost, with no financial instruments classified as other, or basic financial instruments measured at fair value.

#### 1.10 Equity instruments

Equity instruments issued by the company are recorded at the 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.

#### 1.11 Taxation

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

# Waste Creative Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 June 2020

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### 1 Accounting policies

(Continued)

#### **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.

#### **1.12 Provisions**

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

#### **1.13 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.

#### **1.14 Retirement benefits**

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



# Waste Creative Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 June 2020

### 1 Accounting policies

(Continued)

#### 1.15 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 the profit and loss account 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 income 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 lease asset are consumed.

#### 1.16 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.

#### 1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 66 (2019 - 54).

### 3 Dividends

	2020	2019
	£	£
Interim paid	570,000	268,000

# Waste Creative Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 June 2020

### 4 Tangible fixed assets

	Leasehold improvements	Fixtures and fittings	Computer equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 July 2019	73,502	47,695	125,272	246,469
Additions	-	14,457	41,673	56,130
At 30 June 2020	73,502	62,152	166,945	302,599
<b>Depreciation and impairment</b>				
At 1 July 2019	42,502	15,206	63,893	121,601
Depreciation charged in the year	13,450	8,781	21,666	43,897
At 30 June 2020	55,952	23,987	85,559	165,498
<b>Carrying amount</b>				
At 30 June 2020	17,550	38,165	81,386	137,101
At 30 June 2019	31,000	32,489	61,379	124,868

### 5 Debtors

	2020	2019
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	449,425	723,866
Amounts due from group undertakings	292,313	292,313
Other debtors	78,712	154,474
Prepayments and accrued income	135,853	76,381
	956,303	1,247,034

# Waste Creative Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 June 2020

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

	Notes	2020 £	2019 £
Obligations under finance leases		310	799
Other borrowings		93,748	96,239
Trade creditors		258,458	254,298
Corporation tax		130,973	50,143
Other taxation and social security		90,595	88,047
Other creditors		53,914	42,476
Accruals and deferred income		7,570	21,678
		<u>635,568</u>	<u>553,680</u>

HSBC has a fixed and floating charge over all of the assets.

Middlesex Securities Limited has a charge over the rent deposit deed.

### 7 Creditors: amounts falling due after more than one year

	Notes	2020 £	2019 £
Debenture loans		28,412	64,183
Bank loans and overdrafts		50,123	93,947
Obligations under finance leases		-	297
		<u>78,535</u>	<u>158,427</u>

### 8 Provisions for liabilities

		2020 £	2019 £
Dilapidation		47,250	47,250
Deferred tax liabilities		24,235	17,998
		<u>71,485</u>	<u>65,248</u>

# Waste Creative Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 June 2020

### 9 Called up share capital

	2020	2019
	£	£
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
1,200 Ordinary of £1 each	1,200	1,200
	<u>1,200</u>	<u>1,200</u>
	<u>1,200</u>	<u>1,200</u>

All shares have equal rights to voting and equal rights to dividends.

### 10 Operating lease commitments

#### Lessee

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

	2020	2019
	£	£
Within one year	122,500	167,500
Between two and five years	75,000	147,500
	<u>197,500</u>	<u>315,000</u>
	<u>197,500</u>	<u>315,000</u>

### 11 Related party transactions

The Company has taken advantage of the exemption in FRS 102 para 33.1A available for disclosing transactions with wholly owned companies in the same group.

At the balance sheet date, the company was due £292,313 (2019:£292,313) from Waste Holding Limited, the parent company.

At balance sheet date, the company was due £nil (2019: £23,322) from Waste Creative LLC, a company under the common control. During the year the company waived a debt of £23,322 due from Waste Creative LLC.

The year end balance due to V Statovci, a director of the Company, was £40,430 (2019: due from £25,431).

The year end balance due from M Petricevic, a director of the Company, was £54,941 (2019: £62,793).

### 12 Parent company

The immediate parent company is Waste Holding Limited by virtue of its 100% shareholding.

The company has no ultimate controlling party.

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