

**REGISTERED NUMBER: 08737258 (England and Wales)**

**DERWEN RECYCLING LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2018**

Bevan Buckland LLP  
Langdon House  
Langdon Road  
SA1 Swansea Waterfront  
Swansea  
SA1 8QY

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FOR THE YEAR ENDED 31 OCTOBER 2018**

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**DERWEN RECYCLING LIMITED**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 OCTOBER 2018**

**DIRECTORS:**

S I Hanford  
M M Davies  
Ms D A Keogh

**REGISTERED OFFICE:**

Neath Abbey Wharf  
Neath Abbey  
Neath  
SA10 6BL

**REGISTERED NUMBER:**

08737258 (England and Wales)

**ACCOUNTANTS:**

Bevan Buckland LLP  
Langdon House  
Langdon Road  
SA1 Swansea Waterfront  
Swansea  
SA1 8QY

**BALANCE SHEET**  
**31 OCTOBER 2018**

	Notes	2018 £	£	2017 £	£
<b>FIXED ASSETS</b>					
Tangible assets	4		719,574		358,373
<b>CURRENT ASSETS</b>					
Debtors	5	1,444,340		1,402,619	
Cash at bank		<u>182,265</u>		<u>405,683</u>	
		1,626,605		1,808,302	
<b>CREDITORS</b>					
Amounts falling due within one year	6	<u>1,827,847</u>		<u>1,859,450</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(201,242)</u>		<u>(51,148)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			518,332		307,225
<b>CREDITORS</b>					
Amounts falling due after more than one year	7		(177,008)		(79,398)
<b>PROVISIONS FOR LIABILITIES</b>			<u>(6,980)</u>		<u>(25,249)</u>
<b>NET ASSETS</b>			<u>334,344</u>		<u>202,578</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital			100		100
Retained earnings			<u>334,244</u>		<u>202,478</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>334,344</u>		<u>202,578</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 October 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 October 2018 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

**BALANCE SHEET - continued  
31 OCTOBER 2018**

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the Board of Directors on 11 July 2019 and were signed on its behalf by:

M M Davies - Director

S I Hanford - Director

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2018**

**1. STATUTORY INFORMATION**

Derwen Recycling Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Going Concern**

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Land and buildings	- 2% on cost
Plant and machinery etc	- 25% reducing balance, 20% on cost, 10% on cost and 10% reducing balance

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 OCTOBER 2018

2. ACCOUNTING POLICIES - continued

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**Creditors and provisions**

Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**Financial instruments**

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**Employment 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.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 16 (2017 - 15) .

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 OCTOBER 2018**

**4. TANGIBLE FIXED ASSETS**

	Land and buildings £	Plant and machinery etc £	Totals £
<b>COST</b>			
At 1 November 2017	17,246	531,756	549,002
Additions	-	613,755	613,755
At 31 October 2018	<u>17,246</u>	<u>1,145,511</u>	<u>1,162,757</u>
<b>DEPRECIATION</b>			
At 1 November 2017	230	190,399	190,629
Charge for year	<u>1,725</u>	<u>250,829</u>	<u>252,554</u>
At 31 October 2018	<u>1,955</u>	<u>441,228</u>	<u>443,183</u>
<b>NET BOOK VALUE</b>			
At 31 October 2018	<u>15,291</u>	<u>704,283</u>	<u>719,574</u>
At 31 October 2017	<u>17,016</u>	<u>341,357</u>	<u>358,373</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery etc £
<b>COST</b>	
At 1 November 2017	326,445
Additions	<u>532,852</u>
At 31 October 2018	<u>859,297</u>
<b>DEPRECIATION</b>	
At 1 November 2017	148,453
Charge for year	<u>179,588</u>
At 31 October 2018	<u>328,041</u>
<b>NET BOOK VALUE</b>	
At 31 October 2018	<u>531,256</u>
At 31 October 2017	<u>177,992</u>

**5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018 £	2017 £
Trade debtors	1,438,178	1,398,258
Other debtors	<u>6,162</u>	<u>4,361</u>
	<u>1,444,340</u>	<u>1,402,619</u>



NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 OCTOBER 2018

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Hire purchase contracts	190,210	80,738
Trade creditors	972,277	1,046,226
Amounts owed to connected companies	382,125	517,997
Taxation and social security	233,234	141,788
Other creditors	50,001	72,701
	<u>1,827,847</u>	<u>1,859,450</u>

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2018	2017
	£	£
Hire purchase contracts	<u>177,008</u>	<u>79,398</u>

8. SECURED DEBTS

The following secured debts are included within creditors:

	2018	2017
	£	£
Hire purchase contracts	<u>367,218</u>	<u>160,136</u>

Barclays PLC hold the following charges, as security for the liabilities held by both Derwen Recycling Limited and the agent Derwen Aggregates Limited:

A fixed and floating charge over the assets held within the company.

A negative pledge over the company.

9. RELATED PARTY DISCLOSURES

During the year the following transactions occurred with Derwen Aggregates Limited, a company in which Mr M Davies is a director and share holder

	2018	2017
£	£	
Management recharge	676,417	974,668
Costs invoiced across	902,503	1,548,268

At the year end there was a balance due to Derwen Aggregates Limited of £382,125 (2017: £517,997)

10. ULTIMATE CONTROLLING PARTY

The controlling party is M M Davies.

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS  
ON THE UNAUDITED FINANCIAL STATEMENTS OF  
DERWEN RECYCLING LIMITED**

**The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Income Statement and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Derwen Recycling Limited for the year ended 31 October 2018 which comprise the Statement of Income and Retained Earnings, Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Derwen Recycling Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Derwen Recycling Limited and state those matters that we have agreed to state to the Board of Directors of Derwen Recycling Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Derwen Recycling Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Derwen Recycling Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Derwen Recycling Limited. You consider that Derwen Recycling Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Derwen Recycling Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Bevan Buckland LLP  
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11 July 2019

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.