

COMPANY REGISTRATION NUMBER: 07176197

**N J B Recycling Limited**  
**Filleted Unaudited Financial Statements**  
**31 August 2019**

**BROOKS & CO.**  
Chartered Accountants  
9 Cheam Road  
Ewell  
Epsom  
Surrey  
KT17 1SP



# **N J B Recycling Limited**

## **Financial Statements**

**Year ended 31 August 2019**

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# **N J B Recycling Limited**

## **Chartered Accountants Report to the Director on the Preparation of the Unaudited Statutory Financial Statements of N J B Recycling Limited**

**Year ended 31 August 2019**

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of N J B Recycling Limited for the year ended 31 August 2019, which comprise the statement of financial position 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 at [www.icaew.com/en/membership/regulations-standards-and-guidance](http://www.icaew.com/en/membership/regulations-standards-and-guidance).

Our work has been undertaken in accordance with ICAEW Technical Release 07/16 AAF as detailed at [www.icaew.com/compilation](http://www.icaew.com/compilation).

**BROOKS & CO.**  
Chartered Accountants

9 Cheam Road  
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27 July 2020

**N J B Recycling Limited**  
**Statement of Financial Position**  
**31 August 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	5	3,225,580	2,865,100
<b>Current assets</b>			
Stocks		24,834	–
Debtors	6	1,109,000	1,054,888
Cash at bank and in hand		39,476	26,937
		<u>1,173,310</u>	<u>1,081,825</u>
<b>Creditors: amounts falling due within one year</b>	7	1,773,995	1,683,330
<b>Net current liabilities</b>		<u>600,685</u>	<u>601,505</u>
<b>Total assets less current liabilities</b>		2,624,895	2,263,595
<b>Creditors: amounts falling due after more than one year</b>	8	1,041,524	814,120
<b>Provisions</b>			
Taxation including deferred tax		255,816	147,662
<b>Net assets</b>		<u>1,327,555</u>	<u>1,301,813</u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Profit and loss account		1,327,455	1,301,713
<b>Shareholders funds</b>		<u>1,327,555</u>	<u>1,301,813</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 31 August 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- 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;
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The statement of financial position  
continues on the following page.  
The notes on pages 4 to 8 form part of these financial statements.

# **N J B Recycling Limited**

## **Statement of Financial Position** *(continued)*

**31 August 2019**

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These financial statements were approved by the board of directors and authorised for issue on 27 July 2020, and are signed on behalf of the board by:



Mr J Bowie  
Director

Company registration number: 07176197

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The notes on pages 4 to 8 form part of these financial statements.

**N J B Recycling Limited**  
**Notes to the Financial Statements**  
**Year ended 31 August 2019**

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**1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 9 Cheam Road, Epsom, KT17 1SP.

**2. Statement of compliance**

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

**3. Accounting policies**

**Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

**Revenue recognition**

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

**Income tax**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

**Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

# N J B Recycling Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 August 2019

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### 3. Accounting policies *(continued)*

#### Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

#### Depreciation

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

Leasehold property	-	Over 76 years
Plant and machinery	-	Depreciated to fair value annually
Fixture and fittings	-	25% of cost on a monthly basis
Motor vehicle	-	Depreciated to fair value annually
Computer equipment	-	25% of cost on a monthly basis

#### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

#### Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

#### Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

# **N J B Recycling Limited**

## **Notes to the Financial Statements *(continued)***

**Year ended 31 August 2019**

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### **3. Accounting policies *(continued)***

#### **Finance leases and hire purchase contracts *(continued)***

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

#### **Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

#### **Financial instruments**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

#### **Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.



# N J B Recycling Limited

## Notes to the Financial Statements *(continued)*

**Year ended 31 August 2019**

### 4. Employee numbers

The average number of persons employed by the company during the year amounted to 51 (2018: 46).

### 5. Tangible assets

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
<b>Cost</b>						
At 1 Sep 2018	631,195	3,695,221	1,466	28,000	123,990	4,479,872
Additions	23,380	1,181,744	2,804	–	10,572	1,218,500
Disposals	–	(398,184)	–	–	–	(398,184)
<b>At 31 Aug 2019</b>	<u>654,575</u>	<u>4,478,781</u>	<u>4,270</u>	<u>28,000</u>	<u>134,562</u>	<u>5,300,188</u>
<b>Depreciation</b>						
At 1 Sep 2018	29,562	1,465,503	1,161	14,422	104,124	1,614,772
Charge for the year	8,393	433,653	638	7,000	10,152	459,836
<b>At 31 Aug 2019</b>	<u>37,955</u>	<u>1,899,156</u>	<u>1,799</u>	<u>21,422</u>	<u>114,276</u>	<u>2,074,608</u>
<b>Carrying amount</b>						
<b>At 31 Aug 2019</b>	<u>616,620</u>	<u>2,579,625</u>	<u>2,471</u>	<u>6,578</u>	<u>20,286</u>	<u>3,225,580</u>
At 31 Aug 2018	<u>601,633</u>	<u>2,229,718</u>	<u>305</u>	<u>13,578</u>	<u>19,866</u>	<u>2,865,100</u>

### Finance leases and hire purchase contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	<b>Plant and machinery £</b>
<b>At 31 August 2019</b>	<u>–</u>
At 31 August 2018	<u>2,167,101</u>

### 6. Debtors

	<b>2019 £</b>	<b>2018 £</b>
Trade debtors	843,010	771,636
Other debtors	265,990	283,252
	<u>1,109,000</u>	<u>1,054,888</u>

# N J B Recycling Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 August 2019

**7. Creditors: amounts falling due within one year**

	2019	2018
	£	£
Bank loans and overdrafts	395,739	398,616
Trade creditors	588,235	276,808
Corporation tax	—	100,139
Social security and other taxes	132,860	205,279
Other creditors	657,161	702,488
	<u>1,773,995</u>	<u>1,683,330</u>

The amount of £594,436 of hire purchase due within one year is included in Other creditors.

**8. Creditors: amounts falling due after more than one year**

	2019	2018
	£	£
Other creditors	<u>1,041,524</u>	<u>814,120</u>

The amount of £1,041,524 of hire purchase due between 2 to 5 years is included in Other creditors.

**9. Director's advances, credits and guarantees**

The directors made advances to the company during the year. The balance owed to the directors is £27,562.96 at the year ended 31st August 2019 (2018: £41,553.22).

**10. Related party transactions**

The company was under the control of Mr J Bowie throughout the current and previous year. Mr J Bowie is the managing director and majority shareholder. Dividends totalling £205,592 were paid during the year.