

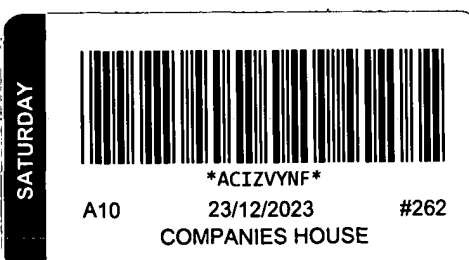
Registered number: 03068281

SKIP UNITS LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MAY 2023



SKIP UNITS LIMITED
REGISTERED NUMBER: 03068281

BALANCE SHEET
AS AT 31 MAY 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	5	1,192,065	1,053,420
Investments	6	2,000	2,000
		<u>1,194,065</u>	<u>1,055,420</u>
Current assets			
Stocks	7	163,513	183,848
Debtors: amounts falling due within one year	8	6,208,151	6,121,159
Cash at bank and in hand	9	1,139,274	1,241,049
		<u>7,510,938</u>	<u>7,546,056</u>
Creditors: amounts falling due within one year	10	(3,783,011)	(3,913,514)
Net current assets		<u>3,727,927</u>	<u>3,632,542</u>
Total assets less current liabilities		<u>4,921,992</u>	<u>4,687,962</u>
Creditors: amounts falling due after more than one year	11	(774,828)	(822,763)
Provisions for liabilities			
Deferred tax	13	(10,782)	-
Net assets		<u><u>4,136,382</u></u>	<u><u>3,865,199</u></u>
Capital and reserves			
Called up share capital	14	820,000	820,000
Other reserves	15	415,332	415,332
Profit and loss account	15	2,901,050	2,629,867
		<u><u>4,136,382</u></u>	<u><u>3,865,199</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on


R Stamps
 Director

15/12/23

The notes on pages 3 to 14 form part of these financial statements.

SKIP UNITS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MAY 2023

	Called up share capital £	Other reserves £	Profit and loss account £	Total equity £
At 1 June 2021	820,000	415,332	2,411,143	3,646,475
Comprehensive income for the year				
Profit for the year	-	-	218,724	218,724
Total comprehensive income for the year	-	-	218,724	218,724
At 1 June 2022	820,000	415,332	2,629,867	3,865,199
Comprehensive income for the year				
Profit for the year	-	-	271,183	271,183
Total comprehensive income for the year	-	-	271,183	271,183
At 31 May 2023	820,000	415,332	2,901,050	4,136,382

The notes on pages 3 to 14 form part of these financial statements.

SKIP UNITS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

1. General information

The company is a private limited company incorporated in England and Wales and is limited by shares, the registration number is 03068281. The registered office is the same as the place of business:

Block D,
Sinfin Industrial Estate,
Derby,
DE24 9GL

The nature of the company's operations and principal activities are the manufacture and sale of skips.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

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 following principal accounting policies have been applied:

2.2 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Turnover is recognised on the dispatch of goods.

SKIP UNITS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

2. Accounting policies (continued)

2.3 Operating leases: the Company as lessee

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.4 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.5 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.6 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.7 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

SKIP UNITS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

2. Accounting policies (continued)

2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold improvements	- 10-20% straight line
Plant and machinery	- 20-33% straight line
Motor vehicles	- 25% straight line
Fixtures and fittings	- 10-33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

SKIP UNITS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

2. Accounting policies (continued)

2.11 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.12 Debtors

Short-term debtors are measured at transaction price, less any impairment.

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.14 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.15 Provisions for liabilities

Provisions are recognised when an event has taken place that gives rise to a legal or constructive obligation, a transfer of economic benefits is probable and a reliable estimate can be made.

Provisions are measured as the best estimate of the amount required to settle the obligation, taking into account the related risks and uncertainties.

Increases in provisions are generally charged as an expense to profit or loss.

2.16 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

SKIP UNITS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The following judgments and estimates have been made in the process of applying the above accounting policies that have had the most significant effect on the amounts recognised in the financial statements:

Property deemed cost

At the transition date to FRS 102, the company has elected to apply an independent external valuation to the freehold property undertaken in July 2016 as being the fair value of the property at transition date. This has been determined based on there being no material movements in commercial property indices and through discussions with the independent valuer. The company has also elected to opt for this valuation to be the deemed cost of the property from the date of transition.

Deferred tax asset

The directors consider it appropriate to recognise a deferred tax asset on the basis that this will be recovered against future taxable profits. In making this assessment the directors evaluate budgets and estimates for future years and consider that suitable future profits are to be generated by the company.

Depreciation

Tangible fixed assets are depreciated over their useful economic life. The useful life is based on management's estimate of the period that the assets will generate revenue and will be reviewed annually for continued appropriateness.

Provisions

Provisions are made for holiday pay, bad debt, and legal expenditure. These provisions are based on management judgemental using all the information available and are updated regularly when circumstances change.

4. Employees

The average monthly number of employees, including directors, during the year was 44 (2022 - 48).

SKIP UNITS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

5. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 June 2022	1,057,216	376,535	161,226	42,398	1,637,375
Additions	6,547	18,968	187,532	18,410	231,457
Disposals	-	-	(42,559)	-	(42,559)
At 31 May 2023	1,063,763	395,503	306,199	60,808	1,826,273
Depreciation					
At 1 June 2022	137,870	300,938	121,014	24,133	583,955
Charge for the year on owned assets	19,111	5,665	2,073	3,450	30,299
Charge for the year on financed assets	-	12,490	50,023	-	62,513
Disposals	-	-	(42,559)	-	(42,559)
At 31 May 2023	156,981	319,093	130,551	27,583	634,208
Net book value					
At 31 May 2023	906,782	76,410	175,648	33,225	1,192,065
At 31 May 2022	919,346	75,597	40,212	18,265	1,053,420

The company has elected to carry freehold property at deemed cost on transition to FRS 102 based on a valuation at an open market rate.

If the property has not been included at valuation they would have been included under the historical cost convention as £500,000 (2022: £500,000).

Buildings are not depreciated on the basis that a charge would be immaterial to the financial statements.

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2023 £	2022 £
Plant and machinery	45,795	58,285
Motor vehicles	127,980	40,118
	173,775	98,403

SKIP UNITS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

6. Fixed asset investments

	Investments in subsidiary companies £
Cost	
At 1 June 2022	2,000
At 31 May 2023	<u>2,000</u>

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Registered office	Class of shares	Holding
Waste Equipment Limited	Block D, Sinfin Lane Industrial Estate, Derby, DE24 9GL	Ordinary	100%

7. Stocks

	2023 £	2022 £
Raw materials and consumables	75,167	60,160
Work in progress (goods to be sold)	64,524	113,739
Finished goods and goods for resale	23,822	9,949
	<u>163,513</u>	<u>183,848</u>

Stock recognised in cost of sales during the year as an expense totals £3,602,652 (2022: £4,639,278).

No impairment or provision (2022: £Nil) has been recognised during the period against stock.

SKIP UNITS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

8. Debtors

	2023 £	2022 £
Trade debtors	2,068,280	1,847,591
Amounts owed by group undertakings	4,091,255	4,205,361
Prepayments and accrued income	48,616	47,427
Deferred taxation	-	20,780
	<u>6,208,151</u>	<u>6,121,159</u>

An impairment of £6,000 (2022: £6,000) has been recognised during the year against trade debtors.

A provision of £51,204 (2022: £45,204) has been made for bad against trade debtors as at the year end.

9. Cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	<u>1,139,274</u>	<u>1,241,049</u>

10. Creditors: Amounts falling due within one year

	2023 £	2022 £
Bank loans	80,679	79,918
Payments received on account	(142,839)	(38,269)
Trade creditors	1,132,276	1,359,897
Amounts owed to group undertakings	1,706,391	1,559,970
Corporation tax	45,875	38,200
Other taxation and social security	500,321	518,369
Obligations under finance lease and hire purchase contracts	39,719	21,022
Other creditors	3,995	3,984
Accruals and deferred income	416,594	370,423
	<u>3,783,011</u>	<u>3,913,514</u>

The invoice discounting facility is secured against £2,233,332 (2022: £1,243,264) of trade debtors.

SKIP UNITS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

11. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Bank loans	697,744	771,553
Net obligations under finance leases and hire purchase contracts	77,084	51,210
	<u>774,828</u>	<u>822,763</u>

There is a CBILS loan within the company with a principal amount of £250,000 over a period of 5 years. The loan is due for repayment on 7 December 2026. Interest is charged at a rate of 3.99% above the base rate.

There is a commercial mortgage within the company with a principal amount of £694,000. The mortgage is due for repayment on 15 March 2039. Interest is charged at a rate of 1.99% above the base rate.

The following liabilities were secured:

	2023 £	2022 £
Bank loans	778,423	851,472
Invoice discounting facility	(142,839)	(38,269)
	<u>778,423</u>	<u>851,472</u>

Details of security provided:

There is an unlimited cross company guarantee with the ultimate parent company Stamps Holdings Limited and all subsidiaries.

There is a fixed and floating charge in place with HSBC against the property.

12. Loans

Analysis of the maturity of loans is given below:

	2023 £	2022 £
Amounts falling due within one year		
Bank loans	80,679	79,918
Amounts falling due 1-2 years		
Bank loans	81,008	80,679
Amounts falling due 2-5 years		
Bank loans	178,420	163,716
Amounts falling due after more than 5 years		
Bank loans	438,316	527,158
	<u>778,423</u>	<u>851,471</u>

SKIP UNITS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

13. Deferred taxation

	2023 £
At beginning of year	20,780
Charged to profit or loss	(31,562)
At end of year	(10,782)

The deferred taxation balance is made up as follows:

	2023 £	2022 £
Accelerated capital allowances	(45,557)	(13,445)
General provision	34,775	34,225
	(10,782)	20,780

The deferred tax movement is expected to be immaterial.

SKIP UNITS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

14. Share capital

	2023 £	2022 £
Allotted, called up and fully paid		
70,000 (2022 - 70,000) Ordinary shares of £1.00 each	70,000	70,000
726,667 (2022 - 726,667) Redeemable B preference shares of £1.00 each	726,667	726,667
23,333 (2022 - 23,333) Preferred ordinary shares of £1.00 each	23,333	23,333
	<hr/>	<hr/>
	820,000	820,000
	<hr/>	<hr/>

The redeemable B preference shares of £1 each carry the right to a fixed cumulative dividend of 10% per annum, have preferential rights to repayment on a winding up and have no voting rights. The shares were redeemable at par in ten equal half yearly installments between September 1999 and March 2004. The shares are fully held by the company's parent undertaking, Ramshorn Limited, and were not redeemed by the due date.

The preferred ordinary shares of £1 each carry the right to a fixed cumulative dividend of 8% per annum, have preferred rights to repayment of capital on a winding up after the redeemable B preference shares of £1 each and have one vote per share.

The above shares are considered to be equity as there are no plans to redeem the shares and the rights to dividends have been waived.

15. Reserves

Other reserves

Includes £100,000 capital redemption reserve and £315,332 revaluation reserve.

Profit and loss account

Included are all current and prior period profit and losses. These relate to distributable reserves.

16. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £24,884 (2022: £28,200). There were £3,995 of outstanding contributions at 31 May 2023 (2022: £3,984).

SKIP UNITS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

17. Commitments under operating leases

At 31 May 2023 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023 £	2022 £
Not later than 1 year	9,745	6,748
Later than 1 year and not later than 5 years	8,264	15,012
	<u>18,009</u>	<u>21,760</u>

During the year, operating lease expense incurred was £5,345 (2022: £9,933).

18. Related party transactions

The company has taken advantage of the exemption available under FRS 102 not to disclose details of any transactions between itself and its fellow group undertakings on the basis that it is a subsidiary undertaking where 100% of the voting rights are controlled within the Group whose consolidated financial statements are publicly available.

Amounts due to companies under common control and participators are interest free and repayable on demand.

The Directors consider there to be no employees that are regarded as key management personnel.

19. Controlling party

At 31 May 2023, the ultimate parent undertaking was Stamps Holdings Limited due to their 100% interest in the equity share capital of the company. Consolidated financial statements are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

The ultimate controlling party is R Stamps by virtue of his 100% interest in the equity of the holding company.

20. Auditors' information

The auditors' report on the financial statements for the year ended 31 May 2023 was unqualified.

The audit report was signed on 20/12/23 by James Delve (Senior statutory auditor) on behalf of PKF Smith Cooper Audit Limited.