

REGISTERED NUMBER: 02565098 (England and Wales)

UNIVERSAL CONTAINER SERVICES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019



UNIVERSAL CONTAINER SERVICES LIMITED (REGISTERED NUMBER: 02565098)

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FOR THE YEAR ENDED 31 DECEMBER 2019**

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UNIVERSAL CONTAINER SERVICES LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2019**

DIRECTOR: G Woolley

SECRETARY: J Lewis

REGISTERED OFFICE: Wharfside Container Park
Irlam Wharf Road
Irlam
Manchester
M44 5FZ

REGISTERED NUMBER: 02565098 (England and Wales)

AUDITORS: Clarke Nicklin LLP
Chartered Accountants and
Statutory Auditors
Clarke Nicklin House
Brooks Drive
Cheadle Royal Business Park
Cheadle
Cheshire
SK8 3TD

UNIVERSAL CONTAINER SERVICES LIMITED (REGISTERED NUMBER: 02565098)

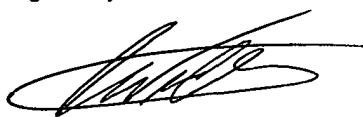
BALANCE SHEET
31 DECEMBER 2019

	Notes	2019		2018	
		£	£	£	£
FIXED ASSETS					
Tangible assets	3		239,405		258,343
CURRENT ASSETS					
Stocks		2,622,311		2,602,710	
Debtors	4	1,061,567		1,375,093	
Cash at bank		554,996		1,224,893	
		<u>4,238,874</u>		<u>5,202,696</u>	
CREDITORS					
Amounts falling due within one year	5	<u>1,653,566</u>		<u>2,008,003</u>	
NET CURRENT ASSETS			<u>2,585,308</u>		<u>3,194,693</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,824,713</u>		<u>3,453,036</u>
PROVISIONS FOR LIABILITIES	8		<u>38,567</u>		<u>40,626</u>
NET ASSETS			<u><u>2,786,146</u></u>		<u><u>3,412,410</u></u>
CAPITAL AND RESERVES					
Called up share capital	9		43,000		43,000
Retained earnings	10		<u>2,743,146</u>		<u>3,369,410</u>
SHAREHOLDERS' FUNDS			<u><u>2,786,146</u></u>		<u><u>3,412,410</u></u>

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

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

The financial statements were approved by the director and authorised for issue on 2 June 2020 and were signed by:



G Woolley - Director

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1. 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.

The financial statements are presented in Sterling (£).

Going concern

The director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The director has reached this conclusion giving due consideration to the projected future performance of the company and any potential risk that might impact the company's ability to meet its required solvency levels. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Significant judgements and estimates

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if revision only affects that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following judgements have had the most significant effect on amounts recognised in the financial statements;

Depreciation and amortisation - The useful life of assets can vary significantly. Estimates are based on historic experience and current expectations of useful life. The size of prior year gains and losses on disposal are also factored in to estimates.

Stock provision - Included in stocks are items leased out to customers on short term hire agreements. To reflect the use of these assets, stocks are written down by 10% for each complete year of ownership. This reflects the useful life of the assets and their residual value.

Turnover

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

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

Revenue from leases is recognised as and when the lease applies, usually per the lease agreement in place with each customer.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 25% Reducing balance and 10% straight line
Short leasehold	- 20% Straight line

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

1. ACCOUNTING POLICIES - continued

Stocks

Stocks are valued at the lower of cost and net realisable value, after making an allowance for obsolete and slow moving items. Included in stocks are items leased out to customers on short term hire agreements. To reflect the use of these assets, stocks are written down by 10% for each complete year of ownership.

Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments. The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities, including amounts owed by and to group undertakings.

Financial assets

Basic financial assets, including trade debtors, cash and bank balances and amounts owed by group undertakings, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at the market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period, financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the income statement.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the income statement.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade creditors and amounts owed to group undertakings, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

1. **ACCOUNTING POLICIES - continued**

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.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

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.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

2. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 29 (2018 - 30).

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

3. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Totals £
COST			
At 1 January 2019	13,596	819,253	832,849
Additions	-	59,449	59,449
Disposals	-	(45,879)	(45,879)
At 31 December 2019	<u>13,596</u>	<u>832,823</u>	<u>846,419</u>
DEPRECIATION			
At 1 January 2019	7,613	566,893	574,506
Charge for year	2,719	68,651	71,370
Eliminated on disposal	-	(38,862)	(38,862)
At 31 December 2019	<u>10,332</u>	<u>596,682</u>	<u>607,014</u>
NET BOOK VALUE			
At 31 December 2019	<u>3,264</u>	<u>236,141</u>	<u>239,405</u>
At 31 December 2018	<u>5,983</u>	<u>252,360</u>	<u>258,343</u>

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

	Plant and machinery £
COST	
At 1 January 2019 and 31 December 2019	<u>21,500</u>
DEPRECIATION	
At 1 January 2019	16,398
Charge for year	1,276
At 31 December 2019	<u>17,674</u>
NET BOOK VALUE	
At 31 December 2019	<u>3,826</u>
At 31 December 2018	<u>5,102</u>

4. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	1,026,800	1,341,665
Other debtors	100	-
Prepayments and accrued income	34,667	33,428
	<u>1,061,567</u>	<u>1,375,093</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Hire purchase contracts (see note 6)	-	343
Trade creditors	1,186,673	1,327,643
Corporation tax	87,744	120,673
Social security and other taxes	193,398	345,177
Other creditors	144,788	179,706
Director's current account	-	482
Accruals and deferred income	40,963	33,979
	<u>1,653,566</u>	<u>2,008,003</u>

6. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2019	2018
	£	£
Net obligations repayable:		
Within one year	-	343
	<u>-</u>	<u>343</u>

	Non-cancellable operating leases	
	2019	2018
	£	£
Within one year	115,000	115,000
Between one and five years	177,917	292,917
	<u>292,917</u>	<u>407,917</u>

7. SECURED DEBTS

The following secured debts are included within creditors:

	2019	2018
	£	£
Hire purchase contracts	-	343
	<u>-</u>	<u>343</u>

Hire purchase liabilities are secured on the underlying assets.

8. PROVISIONS FOR LIABILITIES

	2019	2018
	£	£
Deferred tax	38,567	40,626
	<u>38,567</u>	<u>40,626</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

8. PROVISIONS FOR LIABILITIES - continued

	Deferred tax £
Balance at 1 January 2019	40,626
Credit to Income Statement during year	<u>(2,059)</u>
Balance at 31 December 2019	<u><u>38,567</u></u>

The provision for deferred taxation is made up as follows

	2019	2018
	£	£
Accelerated capital allowances	<u>38,567</u>	<u>40,626</u>
	<u><u>38,567</u></u>	<u><u>40,626</u></u>

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2019	2018
			£	£
43,000	Ordinary	£1	<u>43,000</u>	<u>43,000</u>

10. RESERVES

	Retained earnings £
At 1 January 2019	3,369,410
Profit for the year	1,541,896
Dividends	<u>(2,168,160)</u>
At 31 December 2019	<u><u>2,743,146</u></u>

11. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Graham Travis FCA (Senior Statutory Auditor)
for and on behalf of Clarke Nicklin LLP

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

12. DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31 December 2019 and 31 December 2018:

	2019 £	2018 £
G Woolley		
Balance outstanding at start of year	(482)	(249)
Amounts advanced	18,299	95,767
Amounts repaid	(17,817)	(96,000)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>-</u>	<u>(482)</u>

The director's loan is interest free and repayable on demand.

13. POST BALANCE SHEET EVENTS

The coronavirus pandemic has significantly impacted business activities in the period following the year end, most notably reducing turnover. The business remains in a sound financial position, the director has taken appropriate mitigating actions, and is confident that the business will continue to generate profit and retain its positive cashflow in 2020 and beyond.

14. ULTIMATE CONTROLLING PARTY

The company is controlled by G Woolley by virtue of the majority holding of the issued share capital of the ultimate parent company Universal Container Services (Holdings) Limited.

The parent undertaking of the largest and smallest group for which consolidated accounts are prepared is Universal Container Services (Holdings) Limited. Consolidated accounts are available from Companies House, Cardiff, CF14 3UZ.