

Company Registration No. 05774204 (England and Wales)

DRAGON RECYCLING SOLUTIONS LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2017
PAGES FOR FILING WITH REGISTRAR

DRAGON RECYCLING SOLUTIONS LTD

COMPANY INFORMATION

Directors	M R Young W A Hoskins
Secretary	W A Hoskins
Company number	05774204
Registered office	Linden House Monk Street Abergavenny Monmouthshire NP7 5NF
Accountants	Dorrell Oliver Ltd Linden House Monk Street Abergavenny Monmouthshire NP7 5NF
Business address	Unit 4, Heads of the Valley Ind. Estate Rhyrnney Tredegar NP22 5RL
Bankers	Nat West Bank plc 9 High Street Abergavenny Monmouthshire NP7 5SA

DRAGON RECYCLING SOLUTIONS LTD

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DRAGON RECYCLING SOLUTIONS LTD

BALANCE SHEET

AS AT 30 APRIL 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	3		233,465		209,655
Current assets					
Stocks		211,000		208,250	
Debtors	4	277,575		300,112	
Cash at bank and in hand		18,190		8,319	
		<u>506,765</u>		<u>516,681</u>	
Creditors: amounts falling due within one year	5	<u>(813,751)</u>		<u>(762,318)</u>	
Net current liabilities			<u>(306,986)</u>		<u>(245,637)</u>
Total assets less current liabilities			<u>(73,521)</u>		<u>(35,982)</u>
Creditors: amounts falling due after more than one year	6		<u>(271,785)</u>		<u>(210,250)</u>
Net liabilities			<u><u>(345,306)</u></u>		<u><u>(246,232)</u></u>
Capital and reserves					
Called up share capital	7		25,100		25,100
Profit and loss reserves			<u>(370,406)</u>		<u>(271,332)</u>
Total equity			<u><u>(345,306)</u></u>		<u><u>(246,232)</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 April 2017 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.

DRAGON RECYCLING SOLUTIONS LTD

BALANCE SHEET (CONTINUED)

AS AT 30 APRIL 2017

The financial statements were approved by the board of directors and authorised for issue on 26 January 2018 and are signed on its behalf by:

M R Young
Director

Company Registration No. 05774204

DRAGON RECYCLING SOLUTIONS LTD

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 APRIL 2017

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 May 2015	25,100	134	25,234
Year ended 30 April 2016:			
Loss and total comprehensive income for the year	-	(271,466)	(271,466)
	<hr/>	<hr/>	<hr/>
Balance at 30 April 2016	25,100	(271,332)	(246,232)
Year ended 30 April 2017:			
Loss and total comprehensive income for the year	-	(99,074)	(99,074)
	<hr/>	<hr/>	<hr/>
Balance at 30 April 2017	<u>25,100</u>	<u>(370,406)</u>	<u>(345,306)</u>

DRAGON RECYCLING SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2017

1 Accounting policies

Company information

Dragon Recycling Solutions Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Linden House, Monk Street, Abergavenny, Monmouthshire, NP7 5NF.

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 disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 30 April 2017 are the first financial statements of Dragon Recycling Solutions Ltd prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 May 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

These financial statements are prepared on the going concern basis. The directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future. However, the directors are aware of certain material uncertainties which may cause doubt on the company's ability to continue as a going concern. The going concern is dependent upon the continued support of the company's lenders. There is no indication that this support will be withdrawn in the foreseeable future.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

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.

1.4 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:

Plant and machinery	10% Straight line
Fixtures, fittings & equipment	25% Straight line
Motor vehicles	20% Straight line

DRAGON RECYCLING SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

1 Accounting policies

(Continued)

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.

1.5 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.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

1.7 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.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

DRAGON RECYCLING SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Taxation

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

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.

1.10 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.

1.11 Retirement benefits

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

1.12 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.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 7 (2016 - 7).

DRAGON RECYCLING SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

3 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 May 2016	418,658
Additions	162,801
Disposals	(184,484)
	<u>396,975</u>
At 30 April 2017	<u>396,975</u>
Depreciation and impairment	
At 1 May 2016	209,004
Depreciation charged in the year	53,498
Eliminated in respect of disposals	(98,992)
	<u>163,510</u>
At 30 April 2017	<u>163,510</u>
Carrying amount	
At 30 April 2017	<u>233,465</u>
At 30 April 2016	<u>209,655</u>

4 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	85,775	135,730
Corporation tax recoverable	19,307	11,150
Other debtors	172,493	153,232
	<u>277,575</u>	<u>300,112</u>

5 Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	3,230	8,705
Trade creditors	482,784	647,067
Corporation tax	-	3,007
Other taxation and social security	4,967	5,647
Other creditors	322,770	97,892
	<u>813,751</u>	<u>762,318</u>

Creditors due within year include £170,638 (2016: £37,673) which are secured.

DRAGON RECYCLING SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

6 Creditors: amounts falling due after more than one year

	2017 £	2016 £
Other creditors	271,785	210,250
	<u>271,785</u>	<u>210,250</u>

All creditors due outside one year are secured.

Amounts included above which fall due after five years are as follows:

Payable by instalments	46,562	(59,896)
	<u>46,562</u>	<u>(59,896)</u>

7 Called up share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
25,100 Ordinary shares of £1 each	25,100	25,100
	<u>25,100</u>	<u>25,100</u>
	<u>25,100</u>	<u>25,100</u>

8 Directors' transactions

Advances or credits have been granted by the company to its directors as follows:

Description	% Rate	Opening balance £	Amounts repaid £	Closing balance £
M R Young -	-	34,406	(467)	33,939
W A Hoskins -	-	42,881	(3,098)	39,783
		<u>77,287</u>	<u>(3,565)</u>	<u>73,722</u>

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.