

JMC Recycling Systems Limited
Strategic Report, Report of the Directors and
Financial Statements
for the Year Ended 30 September 2024

**Contents of the Financial Statements
for the Year Ended 30 September 2024**

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JMC Recycling Systems Limited

Company Information
for the Year Ended 30 September 2024

DIRECTORS: S Johnson
P Pownall

SECRETARY: S Johnson

REGISTERED OFFICE: 2 Harrimans Lane
Dunkirk
Nottingham
NG7 2SD

REGISTERED NUMBER: 04455599 (England and Wales)

AUDITORS: Brooks Mayfield Limited
Chartered Accountants
12 Bridgford Road
West Bridgford
Nottinghamshire
NG2 6AB

**Strategic Report
for the Year Ended 30 September 2024**

The directors present their strategic report for the year ended 30 September 2024.

REVIEW OF BUSINESS

The principal activities of the company continue to be those of the manufacture and repair of recycling equipment, along with related services.

The directors and key management have a clear strategy to remain productive and achieve profitability into the foreseeable future, and this is demonstrated by the growth in the net assets this year.

To help achieve this growth, the company continues to trade with both the UK and the rest of the world.

PRINCIPAL RISKS AND UNCERTAINTIES

The company's risk management processes include an assessment of the likelihood and potential impact of a range of events to determine the overall level of risk and the actions required to mitigate their impact. The following risks have been identified as ones that could have a material impact on the future financial performance of the company and cause results to differ from those expected:

- Customer based risk - the company supplies to the UK as well as overseas. The directors and key management seek to reduce the risk of a reduced customer base by gaining new customers and upselling to products and services to the existing customers. A fundamental element of this is the strengthening its existing relationships with customers.
- Supplier based risk - the directors and key management continue to maintain the company's buying power within the market and it experiences excellent relationships with its key suppliers to ensure continued supply of materials on a timely basis.
- Working capital requirements - the directors and key management continue to monitor short to medium term cash requirements to ensure sufficient funding is in place to facilitate business growth.
- Debt recovery risk - the directors and key management closely monitor debts on a daily basis and ensure customers remain within their credit terms and limits.

FINANCIAL KEY PERFORMANCE INDICATORS

The company considers turnover, gross profit, net profit and net assets to be its financial KPIs. This year the results of the company show that turnover was £13.06m, gross profit is £2.40m, and that pre tax profit is £195k

The company's net assets at the year end are £1.74m, and are an increase on last years £1.64m.

FUTURE DEVELOPMENTS AND OUTLOOK

With the industry facing ever changing economic conditions, the directors continue to closely monitor situations and implement contingency plans as and when required to ensure the continued stability of the company.

The outlook for the company remains positive with a healthy order book, obtaining new customers and new suppliers, maintaining its existing workforce, all of which the directors see as providing a strong platform from which to consolidate its position in the market.

ON BEHALF OF THE BOARD:

S Johnson - Director

30 June 2025

**Report of the Directors
for the Year Ended 30 September 2024**

The directors present their report with the financial statements of the company for the year ended 30 September 2024.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of manufacture and repair of metal recycling equipment and related services.

DIVIDENDS

No dividends will be distributed for the year ended 30 September 2024.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 October 2023 to the date of this report.

S Johnson
P Pownall

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Brooks Mayfield Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

P Pownall - Director

30 June 2025

Report of the Independent Auditors to the Members of JMC Recycling Systems Limited

Opinion

We have audited the financial statements of JMC Recycling Systems Limited (the 'company') for the year ended 30 September 2024 which comprise the Statement of Income and Retained Earnings, Balance Sheet, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of JMC Recycling Systems Limited

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Discussions before the year end audit visit and during audit field work were held with the directors and senior management to obtain an understanding of the legal and regulatory framework applicable to the company and how it is complying with that framework. These discussions helped us obtain an understanding of the company's policies and procedures on compliance with laws and regulations. To support our understanding, we also reviewed any documentation regarding any instances of non-compliance with any minutes of meetings held by those charged with governance.

After obtaining such information, we designed our audit work so that appropriate tests could be devised to enable our work to cover the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, as well as evaluating the business rationale of significant transactions outside the normal course of business and the review of accounting estimates for bias.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Report of the Independent Auditors to the Members of JMC Recycling Systems Limited

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

William Oates BA FCA (Senior Statutory Auditor)
for and on behalf of Brooks Mayfield Limited
Chartered Accountants
12 Bridgford Road
West Bridgford
Nottinghamshire
NG2 6AB

30 June 2025

**Statement of Income and Retained Earnings
for the Year Ended 30 September 2024**

	Notes	30.9.24 £	30.9.23 £
TURNOVER	4	13,061,036	18,006,907
Cost of sales		10,665,984	<u>15,722,590</u>
GROSS PROFIT		2,395,052	<u>2,284,317</u>
Administrative expenses		2,089,798	<u>1,846,943</u>
		305,254	<u>437,374</u>
Other operating income		12,059	<u>13,534</u>
OPERATING PROFIT	6	317,313	<u>450,908</u>
Interest receivable and similar income		461	<u>-</u>
		317,774	<u>450,908</u>
Interest payable and similar expenses	7	122,991	<u>157,791</u>
PROFIT BEFORE TAXATION		194,783	<u>293,117</u>
Tax on profit	8	89,498	<u>(6,860)</u>
PROFIT FOR THE FINANCIAL YEAR		105,285	<u>299,977</u>
Retained earnings at beginning of year		1,639,317	1,389,340
Dividends	9	-	(50,000)
RETAINED EARNINGS AT END OF YEAR		<u>1,744,602</u>	<u>1,639,317</u>

JMC Recycling Systems Limited (Registered number: 04455599)**Balance Sheet
30 September 2024**

	Notes	30.9.24 £	£	30.9.23 £	£
FIXED ASSETS					
Tangible assets	10		1,591,820		1,661,190
CURRENT ASSETS					
Stocks	11	3,159,920		2,958,556	
Debtors	12	1,079,731		1,451,097	
Cash at bank and in hand		<u>259,244</u>		<u>199,712</u>	
		4,498,895		4,609,365	
CREDITORS					
Amounts falling due within one year	13	<u>3,852,226</u>		<u>3,996,650</u>	
NET CURRENT ASSETS			<u>646,669</u>		<u>612,715</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,238,489		2,273,905
CREDITORS					
Amounts falling due after more than one year	14		(364,889)		(534,619)
PROVISIONS FOR LIABILITIES	18		<u>(128,978)</u>		<u>(99,949)</u>
NET ASSETS			<u>1,744,622</u>		<u>1,639,337</u>
CAPITAL AND RESERVES					
Called up share capital	19		20		20
Retained earnings	20		<u>1,744,602</u>		<u>1,639,317</u>
SHAREHOLDERS' FUNDS			<u>1,744,622</u>		<u>1,639,337</u>

The financial statements were approved by the Board of Directors and authorised for issue on 30 June 2025 and were signed on its behalf by:

S Johnson - Director

P Pownall - Director

**Cash Flow Statement
for the Year Ended 30 September 2024**

	Notes	30.9.24 £	30.9.23 £
Cash flows from operating activities			
Cash generated from operations	1	444,247	(51,635)
Interest paid		18,944	(38,718)
Interest element of hire purchase payments paid		(141,935)	(119,073)
Tax paid		(22,053)	(11,946)
Net cash from operating activities		<u>299,203</u>	<u>(221,372)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(196,899)	(266,939)
Sale of tangible fixed assets		238,301	157,271
Interest received		461	-
Net cash from investing activities		<u>41,863</u>	<u>(109,668)</u>
Cash flows from financing activities			
Loan repayments in year		(151,369)	(59,648)
New finance in year		1,403,977	499,207
Capital repayments in year		(1,266,221)	(455,504)
Amount withdrawn by directors		(66,395)	(28,035)
Equity dividends paid		-	(50,000)
Net cash from financing activities		<u>(80,008)</u>	<u>(93,980)</u>
Increase/(decrease) in cash and cash equivalents		<u>261,058</u>	<u>(425,020)</u>
Cash and cash equivalents at beginning of year	2	<u>(17,462)</u>	<u>407,558</u>
Cash and cash equivalents at end of year	2	<u><u>243,596</u></u>	<u><u>(17,462)</u></u>

**Notes to the Cash Flow Statement
for the Year Ended 30 September 2024**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	30.9.24	30.9.23
	£	£
Profit before taxation	194,783	293,117
Depreciation charges	110,930	125,007
Profit on disposal of fixed assets	(82,964)	(37,384)
Finance costs	122,991	157,791
Finance income	(461)	-
	345,279	538,531
Increase in stocks	(201,364)	(228,147)
Decrease in trade and other debtors	371,366	151,210
Decrease in trade and other creditors	(71,034)	(513,229)
Cash generated from operations	<u>444,247</u>	<u>(51,635)</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 30 September 2024

	30.9.24	1.10.23
	£	£
Cash and cash equivalents	259,244	199,712
Bank overdrafts	(15,648)	(217,174)
	<u>243,596</u>	<u>(17,462)</u>

Year ended 30 September 2023

	30.9.23	1.10.22
	£	£
Cash and cash equivalents	199,712	409,506
Bank overdrafts	(217,174)	(1,948)
	<u>(17,462)</u>	<u>407,558</u>

**Notes to the Cash Flow Statement
for the Year Ended 30 September 2024****3. ANALYSIS OF CHANGES IN NET DEBT**

	At 1.10.23	Cash flow	At 30.9.24
	£	£	£
Net cash			
Cash at bank and in hand	199,712	59,532	259,244
Bank overdrafts	<u>(217,174)</u>	<u>201,526</u>	<u>(15,648)</u>
	<u>(17,462)</u>	<u>261,058</u>	<u>243,596</u>
Debt			
Finance leases	(934,279)	(137,756)	(1,072,035)
Debts falling due within 1 year	(88,979)	8,979	(80,000)
Debts falling due after 1 year	<u>(235,724)</u>	<u>142,390</u>	<u>(93,334)</u>
	<u>(1,258,982)</u>	<u>13,613</u>	<u>(1,245,369)</u>
Total	<u>(1,276,444)</u>	<u>274,671</u>	<u>(1,001,773)</u>

**Notes to the Financial Statements
for the Year Ended 30 September 2024**

1. STATUTORY INFORMATION

JMC Recycling Systems 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. STATEMENT OF COMPLIANCE

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" and the Companies Act 2006.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical evidence and other factors considered relevant. Actual results may differ from these estimates.

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

The directors do not consider there to be any estimates and assumptions which may have a significant risk of causing a material adjustment to the carrying amount of assets or liabilities.

Turnover

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

Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover is reduced for estimated customer returns, rebates and other similar allowances.

Sale of goods - turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for delivery of the goods.

Rendering of services - turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

Tangible fixed assets

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

Long leasehold	- not provided
Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 20% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on reducing balance

**Notes to the Financial Statements - continued
for the Year Ended 30 September 2024**

3. ACCOUNTING POLICIES - continued

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is determined using the first in, first out method. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Work in progress is reflected in the accounts on a contract by contract basis by recording turnover and related costs as contract activity progresses.

At the end of each reporting period stocks are assessed for impairment. If an item of stock is impaired, the identified stock is reduced to its selling price less costs to complete and sell and an impairment charge is recognised in the profit and loss account. Where a reversal of the impairment is required the impairment charge is reversed, up to the impairment loss, and is recognised as a credit in the profit and loss account.

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.

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

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.

**Notes to the Financial Statements - continued
for the Year Ended 30 September 2024**

3. ACCOUNTING POLICIES - continued

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such an indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised, an impairment loss is recognised in profit and loss unless the asset is carried at revalued amount where the impairment loss is a revaluation decrease.

4. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	30.9.24	30.9.23
	£	£
United Kingdom	9,834,065	13,870,439
Rest of the world	3,226,971	4,136,468
	<u>13,061,036</u>	<u>18,006,907</u>

5. EMPLOYEES AND DIRECTORS

	30.9.24	30.9.23
	£	£
Wages and salaries	1,679,613	1,557,668
Social security costs	186,796	181,981
Other pension costs	49,965	39,948
	<u>1,916,374</u>	<u>1,779,597</u>

The average number of employees during the year was as follows:

	30.9.24	30.9.23
Directors	2	2
Engineering	22	22
Office	13	13
	<u>37</u>	<u>37</u>

	30.9.24	30.9.23
	£	£
Directors' remuneration	<u>242,274</u>	<u>213,463</u>

Information regarding the highest paid director is as follows:

	30.9.24	30.9.23
	£	£
Emoluments etc	<u>129,862</u>	<u>117,508</u>

**Notes to the Financial Statements - continued
for the Year Ended 30 September 2024****6. OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	30.9.24	30.9.23
	£	£
Hire of plant and machinery	37,090	38,924
Depreciation - owned assets	110,932	125,006
Profit on disposal of fixed assets	(82,964)	(37,384)
Auditors' remuneration	<u>7,000</u>	<u>5,100</u>

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	30.9.24	30.9.23
	£	£
Bank interest	17,038	15,653
Bank loan interest	(40,811)	23,065
Interest on taxes	4,829	-
Hire purchase	<u>141,935</u>	<u>119,073</u>
	<u>122,991</u>	<u>157,791</u>

8. TAXATION**Analysis of the tax charge/(credit)**

The tax charge/(credit) on the profit for the year was as follows:

	30.9.24	30.9.23
	£	£
Current tax:		
UK corporation tax	60,468	60,345
Prior period adjustment	-	<u>(64,742)</u>
Total current tax	<u>60,468</u>	<u>(4,397)</u>
Deferred tax	<u>29,030</u>	<u>(2,463)</u>
Tax on profit	<u>89,498</u>	<u>(6,860)</u>

UK corporation tax has been charged at 25% (2023 - 25%).

**Notes to the Financial Statements - continued
for the Year Ended 30 September 2024**
8. TAXATION - continued
Reconciliation of total tax charge/(credit) included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK.
The difference is explained below:

	30.9.24	30.9.23
	£	£
Profit before tax	<u>194,783</u>	<u>293,117</u>
Profit multiplied by the standard rate of corporation tax in the UK of 25% (2023 - 25%)	48,696	73,279
Effects of:		
Expenses not deductible for tax purposes	3,164	4,720
Capital allowances in excess of depreciation	-	(9,450)
Depreciation in excess of capital allowances	8,722	-
Deferred tax	29,030	(2,463)
Marginal relief	(114)	-
Prior period adjustment	-	(64,742)
Period on lower rate	-	(8,204)
Total tax charge/(credit)	<u>89,498</u>	<u>(6,860)</u>

9. DIVIDENDS

	30.9.24	30.9.23
	£	£
Ordinary shares of £1 each		
Final	<u>-</u>	<u>50,000</u>

10. TANGIBLE FIXED ASSETS

	Long leasehold £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 October 2023	1,057,445	769,869	35,723
Additions	-	164,728	-
Disposals	-	(215,000)	-
At 30 September 2024	<u>1,057,445</u>	<u>719,597</u>	<u>35,723</u>
DEPRECIATION			
At 1 October 2023	-	297,447	27,461
Charge for year	-	68,585	1,650
Eliminated on disposal	-	(59,663)	-
At 30 September 2024	<u>-</u>	<u>306,369</u>	<u>29,111</u>
NET BOOK VALUE			
At 30 September 2024	<u>1,057,445</u>	<u>413,228</u>	<u>6,612</u>
At 30 September 2023	<u>1,057,445</u>	<u>472,422</u>	<u>8,262</u>

**Notes to the Financial Statements - continued
for the Year Ended 30 September 2024**

10. TANGIBLE FIXED ASSETS - continued

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 October 2023	203,127	107,564	2,173,728
Additions	26,750	5,421	196,899
Disposals	-	-	(215,000)
At 30 September 2024	<u>229,877</u>	<u>112,985</u>	<u>2,155,627</u>
DEPRECIATION			
At 1 October 2023	98,244	89,386	512,538
Charge for year	32,910	7,787	110,932
Eliminated on disposal	-	-	(59,663)
At 30 September 2024	<u>131,154</u>	<u>97,173</u>	<u>563,807</u>
NET BOOK VALUE			
At 30 September 2024	<u>98,723</u>	<u>15,812</u>	<u>1,591,820</u>
At 30 September 2023	<u>104,883</u>	<u>18,178</u>	<u>1,661,190</u>

11. STOCKS

	30.9.24 £	30.9.23 £
Stocks	<u>3,159,920</u>	<u>2,958,556</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.9.24 £	30.9.23 £
Trade debtors	940,567	836,279
Other debtors	24,002	508,685
Prepayments and accrued income	115,162	106,133
	<u>1,079,731</u>	<u>1,451,097</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.9.24 £	30.9.23 £
Bank loans and overdrafts (see note 15)	95,648	306,153
Hire purchase contracts (see note 16)	800,480	635,384
Trade creditors	1,552,729	1,545,239
Corporation tax	60,516	22,101
Taxation and social security	159,927	164,013
Other creditors	66,825	98,277
Accruals and deferred income	1,116,101	1,225,483
	<u>3,852,226</u>	<u>3,996,650</u>

**Notes to the Financial Statements - continued
for the Year Ended 30 September 2024**

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

	30.9.24	30.9.23
	£	£
Bank loans (see note 15)	93,334	235,724
Hire purchase contracts (see note 16)	271,555	298,895
	<u>364,889</u>	<u>534,619</u>

15. LOANS

An analysis of the maturity of loans is given below:

	30.9.24	30.9.23
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	15,648	217,174
Bank loans	<u>80,000</u>	<u>88,979</u>
	<u>95,648</u>	<u>306,153</u>
Amounts falling due between one and two years:		
Bank loans	<u>80,000</u>	<u>80,000</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>13,334</u>	<u>155,724</u>

16. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	30.9.24	30.9.23
	£	£
Net obligations repayable:		
Within one year	800,480	635,384
Between one and five years	<u>271,555</u>	<u>298,895</u>
	<u>1,072,035</u>	<u>934,279</u>

17. SECURED DEBTS

The following secured debts are included within creditors:

	30.9.24	30.9.23
	£	£
Hire purchase contracts	<u>1,072,035</u>	<u>934,279</u>

Hire purchase contracts are secured over the fixed assets and stock items to which they concern.

**Notes to the Financial Statements - continued
for the Year Ended 30 September 2024**

18. PROVISIONS FOR LIABILITIES

	30.9.24	30.9.23
	£	£
Deferred tax	<u>128,978</u>	<u>99,949</u>
		Deferred tax
		£
Balance at 1 October 2023		99,949
Provided during year		<u>29,029</u>
Balance at 30 September 2024		<u>128,978</u>

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			30.9.24	30.9.23
Number:	Class:	Nominal value:	£	£
10	Ordinary	£1	10	10
10	Ordinary A to E	£1	<u>10</u>	<u>10</u>
			<u>20</u>	<u>20</u>

20. RESERVES

	Retained earnings
	£
At 1 October 2023	1,639,317
Profit for the year	<u>105,285</u>
At 30 September 2024	<u>1,744,602</u>

21. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund.

During the year the charge to the profit and loss account in respect of the defined contribution scheme was £49,965 (2023 - £39,948)

At the balance sheet date contributions of £7,061 (2023 - £7,996) were due to the fund and are included within other creditors.

22. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

During the year ended 30 September 2024, loans existed between the company and its directors. As at 30 September 2024 the company owed the directors £10,422 (2023 - £76,817) following repayments of £66,395. No interest is charged on these loans.

23. ULTIMATE CONTROLLING PARTY

The company is controlled by its directors.