Alfa Trading And Consultancy Limited

Registered number: SC449086

Filleted accounts

For the year ended 31 May 2017

ALFA TRADING AND CONSULTANCY LIMITED
Registered number: SC449086

BALANCE SHEET
AS AT 31 MAY 2017

	Note		2017 £		2016 £
Fixed assets					
Tangible fixed assets	5		2,847		3,048
Current assets					
Debtors: amounts falling due within one year	6	261,789		200,293	
Cash and cash equivalents		59,889		170,518	
		321,678		370,811	
Creditors: amounts falling due within one year	7	(372,068)		(442,556)	
Net current liabilities			(50,390)		(71,745)
Net liabilities			(47,543)		(68,697)
Capital and reserves					
Called up share capital	8		100		100
Profit and loss account	9		(47,643)		(68,797)
			(47,543)		(68,697)

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 by:

F J Connor
Director

Date: 19/02/18

The notes on pages 2 to 8 form part of these financial statements.

1. *General information*

Alfa Trading and Consultancy Limited is a private company limited by shares and incorporated in Scotland, SC449086. The registered office is 14-18 Hill Street, Edinburgh, EH2 3JZ. The principal business activity of the company during the year under review was the provision of recycling and related consultancy services.

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 following principal accounting policies have been applied:

2.2 Going concern

During the year the company made a profit of £21,154 (2016: £41,064) and at the balance sheet date had net liabilities of £47,543 (2016: £68,697).

The company meets its day to day working capital requirements through loans advanced from the director. The financial statements have been prepared on a going concern basis, which assumes that the director will continue to support the business over the next twelve months from the date of signing the financial statements, to enable the company to realise its assets and discharge its liabilities in its normal course of business.

2.3 Turnover

Revenue 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. Revenue 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

Revenue 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.

2. Accounting policies (continued)

2.4 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation 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:

Office equipment	- 25% 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 the statement of comprehensive income.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 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. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 Financial instruments

The company only enters into basic financial instruments 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 non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised

2. Accounting policies (continued)

2.7 Financial instruments (continued)

cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.8 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.

2.9 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the statement of comprehensive income within 'other operating income'.

2. Accounting policies (continued)

2.10 Finance costs

Finance costs are charged to the statement of comprehensive income 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.

2.11 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the statement of comprehensive income 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.

2.12 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the company but are presented separately due to their size or incidence.

3. Employees

The average monthly number of employees, including directors, during the year was 3 (2016 - 3).

4. Exceptional items

	2017 £	2016 £
Related party loan write off (note 12)	64,209	-

5. Tangible fixed assets

	Office equipment £
Cost	
At 1 June 2016	4,955
Additions	1,083
At 31 May 2017	6,038
Depreciation	
At 1 June 2016	1,907
Charge for the year	1,284
At 31 May 2017	3,191
Net book value	
At 31 May 2017	2,847
At 31 May 2016	3,048

6. Debtors

	2017 £	2016 £
Trade debtors	168,343	168,049
Other debtors (note 12)	43,232	29,259
Prepayments	50,214	2,985
	261,789	200,293

7. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	174,787	182,942
Other creditors (note 12)	62,780	127,096
Accruals	7,933	6,090
Directors' loan account (note 11)	124,951	124,951
Other taxation and social security	1,617	1,477
	372,068	442,556

8. Share capital

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100

9. Reserves

Profit & loss account

The proft and loss account is comprised of all current and prior periods of trade profits and losses.

10. Commitments under operating leases

At 31 May 2017 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	21,600	21,600
Later than 1 year and not later than 5 years	10,800	32,400
	32,400	54,000

11. Transactions with directors

Included within creditors is a loan due to the director F J Connor of £124,951 (2016: £124,951). Interest is charged at a rate of 5-8% per annum in line with the loan agreement. The loan is unsecured and repayable on demand.

Included within other debtors is a balance due from the former director L Morganti of £nil (2016: £50) in relation to unpaid share capital. This balance is unsecured, interest free and was repaid to the company in August 2017.

12. Related party transactions

Included within other creditors is a loan due to A Morganti, a close relative of L Morganti of £60,741 (2016: £125,000). L Morganti resigned as a director from the company on 31 July 2017. £64,209 of this loan was written off during the year and the remaining balance due to A Morganti was repaid on 15 August 2017.

13. Controlling party

In the opinion of the director, F J Connor is the controlling party by virtue of his shareholding.

14. First time adoption of FRS 102

The policies appliėd under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.