

Registered Number 544782

**Homefire Group Limited** (*formerly known  
as CPL Distribution Limited*)

Annual Report

for the year ended 31 March 2022



# Homefire Group Limited *(formerly known as CPL Distribution Limited)*

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# **Homefire Group Limited** *(formerly known as CPL Distribution Limited)*

## **Directors and advisers for the year ended 31 March 2022**

### **Directors**

T W Minett (resigned 27 October 2022)  
M N Whiteley  
J D Martin  
J Sutton  
S Anson (appointed 23 August 2021)  
J Glover (appointed 23 August 2021)

### **Registered office**

Westthorpe Fields Road  
Killamarsh  
Sheffield  
S21 1TZ

### **Independent auditors**

RSM UK Audit LLP  
3 Hardman Street  
Manchester  
M3 3HF

### **Solicitors**

DLA Piper UK LLP  
1 St Paul's Place  
121 Norfolk Street  
Sheffield  
S1 2JX

### **Bankers**

Lloyds Bank plc  
14 Church Street  
Sheffield  
S1 1HP

# **Homefire Group Limited** *(formerly known as CPL Distribution Limited)*

## **Strategic Report**

### **for the year ended 31 March 2022**

The directors present the Strategic Report for the year ended 31 March 2022.

#### **Review of business and future developments**

The profit and loss account for the year is set out on page 11. The (loss) / profit before taxation for the financial year was £1,132,000 (2021: £5,375,000). The directors consider that both the level of business and the year-end financial position remain satisfactory and the key driver of lower profitability was a milder winter. CPL Industries Group Limited and its subsidiaries (together the "Group"), of which the Company is a member, is managed and the strategy set at Group level rather than at an individual business unit level, therefore further review of the business, future developments and consideration of financial and non-financial KPIs are included in the financial statements of CPL Industries Group Limited.

#### **Principal risks and uncertainties**

The key risks affecting the business are:

*Weather:* As most of the Company's sales are weather sensitive, leading to unpredictable demand, the Company requires a flexible operating structure. Achieving this flexibility is constantly under review to ensure that the Company can take maximum benefit from favourable weather conditions and minimise the impact of adverse weather conditions.

*Global markets:* The Company is subject to volatility of price and availability from global markets for its main raw material and energy requirements and other inflationary pressures. These risks are managed through flexible sourcing and securing definitive supply contracts to minimise the impact of such volatility and passing on such increases to customers where necessary.

*Raw materials and energy:* The Company is subject to movement in price and availability from global markets for its main raw material and energy requirements. These risks are managed through flexible sourcing and securing supply contracts.

#### **Key performance indicators (KPIs)**

The directors of CPL Industries Group Limited manage the Group's operations on a divisional basis. For this reason, the Company's directors believe that an analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of Homefire Group Limited *(formerly known as CPL Distribution Limited)*. The development, performance and position of the Company are discussed on page 3 of the Group's annual report, which does not form part of this report.

# **Homefire Group Limited (formerly known as CPL Distribution Limited)**

## **Strategic Report**

**for the year ended 31 March 2022** continued

### **Employment policies**

The policy of the directors is to encourage the involvement of all employees in the development and performance of the Company. All employees receive notification of important developments, acquisitions and other matters of interest. The Company pursues a policy of providing, wherever possible, the same employment opportunities to disabled persons as to others, having regard to the aptitudes and abilities of each applicant. Efforts are made to enable employees who become disabled during their employment to continue their careers with the Company. Training, career development and promotion of disabled persons is, as far as possible, identical to that of other employees who are not disabled. The Company recognises the high standards required to ensure the health, safety and welfare of its employees at work, its customers and the general public. The policies and KPIs are regularly reviewed with the objective of ensuring that these standards are met.

### **Section 172 (1) statement**

The directors have the duty to promote the success of the Company for the benefit of stakeholders as a whole and remain conscious of the impact their decisions have on employees, communities, suppliers, customers and the environment. The directors focus on engagement with all stakeholders and use this when taking decisions.

### **Long-term factors**

The Company's strategy is to focus on core business performance while taking full advantage of opportunities in strategically important areas and product sectors. To this end, the directors have developed a long-term plan which extends to 2025 and which the directors are committed to achieving. This plan requires the Company to improve the efficiency of its business processes, to develop and market innovative products and to maintain a firm control over operating costs.

### **Employee Considerations**

The policy of the directors is to encourage the involvement of all employees in the development and performance of the Group. The Group communicates its strategy and performance against its business plan through a program of employee presentations. Consultation also takes place between the Group and recognised trade unions.

### **Other Stakeholder considerations**

The directors believe that building and maintaining successful partnerships with all the Group's stakeholders is essential to the continued success of the business. The Group engages in regular dialogue with customers, suppliers and local communities in order to explain its objectives and to hear the views and concerns of the stakeholders, which are treated as an important part of the Group's decision-making process.

### **Environmental considerations**

The directors recognise that the Company has a duty to protect the environment and its core long-term strategy is aligned to the achievement of this. By developing, manufacturing and marketing low-smoke fuels and fuels with increasing proportions of biomass and other renewable content we believe that we are making a significant contribution to the effort against climate change. We also strive to minimise our environmental footprint by operating as efficiently as possible and by ensuring that no opportunities to recycle waste products and packaging are ignored.

### **Business Conduct**

The policy of the directors is to behave responsibly and ensure that management operate the business in a responsible manner and with the highest standards of business conduct and good governance expected for a business such as ours. Policies and procedures in this regard are regularly reviewed to ensure these standards are maintained.

### **Act fairly for members**

The Company has a single shareholder and a single ultimate controlling party. The interests of the shareholder are taken into account by the board in all decision making.

# **Homefire Group Limited** *(formerly known as CPL Distribution Limited)*

## **Strategic Report**

**for the year ended 31 March 2022** continued

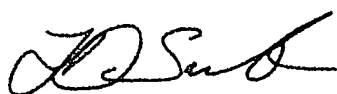
### **Energy and carbon reporting**

The Company's energy consumption and greenhouse gas emissions, together with its Streamlined Energy and Carbon Reporting obligations are included in the annual report of CPL Industries Group Limited.

### **Going Concern and post balance sheet events**

On 31 August 2022, the Group entered into a new 3 year financing arrangement covering its major financing requirements through a combination of Wells Fargo Capital Finance (UK) Limited, Clydesdale Bank Plc and Blaze Hill Capital Finance Limited including an Asset Based Lending Facility and a number of secured loans. The Company also continues to maintain long-standing smaller financing arrangements with a number of other lenders.

Approved and signed on behalf of the board



**J Sutton**

**Director**

**15 December 2022**

# **Homefire Group Limited** *(formerly known as CPL Distribution Limited)*

## **Directors' Report**

### **for the year ended 31 March 2022**

The directors present their report and the audited financial statements of the Company for the year ended 31 March 2022.

#### **Principal activities**

The principal activity of the Company is the distribution of solid fuel.

#### **Dividends**

No interim dividend was declared in the year (2021: nil). The directors do not recommend a final dividend (2021: nil).

#### **Directors**

The directors of the Company who served during the year and up to the date of signing the financial statements (unless otherwise stated) are listed below:

T W Minett (resigned 27 October 2022)

M N Whiteley

J D Martin

J Sutton

S Anson (appointed 23 August 2021)

J Glover (appointed 23 August 2021)

In accordance with the Articles of Association there is no requirement for directors to retire by rotation.

As permitted by the Articles of Association, each of the directors has the benefit of an indemnity, which is a qualifying third-party indemnity as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the tenure of each director during the year and is currently in force. The Company also maintains Directors' and Officers' liability insurance in respect of itself and its directors.

#### **Future developments**

Details regarding the future developments within the Company are disclosed within the Strategic Report.

#### **Principal risks and uncertainties**

Details regarding the principal risks and uncertainties within the Company are disclosed within the Strategic Report.

#### **Energy and carbon reporting**

Details regarding the energy and carbon reporting within the Company are disclosed within the Strategic Report.

#### **Employment policies**

Details regarding the employment policies within the Company are disclosed within the Strategic Report.

#### **Financial risk management**

Details of the Company's financial risk management policies are noted in the financial statements of CPL Industries Group Limited.

#### **Financial instruments**

*Exposure to price, credit, liquidity and cash flow risk:*

Price risk arises on financial instruments because of changes in, for example, commodity prices or base rates. The Company's investments are held at cost less impairment and are therefore not exposed to price risk.

# **Homefire Group Limited (formerly known as CPL Distribution Limited)**

## **Directors' Report**

### **for the year ended 31 March 2021** continued

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Company policies are aimed at minimising such losses, and require that deferred payment terms are only granted to customers who demonstrate an appropriate payment history and satisfy credit worthiness procedures. Details of the Company's debtors are shown in Note 15 to the financial statements.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company manages liquidity risk via revolving credit facilities and long term debt.

Cash flow risk is the risk of exposure to variability in cash flows that is attributable to a particular risk associated with a recognised liability, such as future interest payments on variable rate debt, or future transactions in foreign currencies. The Company manages these risks, where significant, by the use of forward contracts and derivatives.

#### **Post-balance sheet events**

Details regarding post-balance sheet events are disclosed within the Strategic Report.

#### **Independent auditors and disclosure of information to auditors**

So far as each director is aware, there is no relevant audit information of which the Company's auditors are unaware. Relevant information is defined as information needed by the Company's auditors in connection with preparing their report. Each director has taken all the steps (such as making enquiries of other directors and the auditors and any other steps required by the director's duty to exercise due care, skill and diligence) that he ought to have taken in his duty as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

A resolution to reappoint RSM UK Audit LLP as auditors of the Company will be proposed at the next general meeting.

**On behalf of the board**



**J Sutton**  
**Director**

**15 December 2022**



# **Homefire Group Limited** *(formerly known as CPL Distribution Limited)*

## **Statement of directors' responsibilities in respect of the financial statements**

The directors are responsible for preparing the Annual Report 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 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.

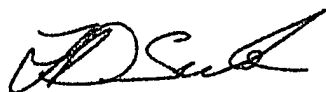
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

### **Directors' confirmations**

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**On behalf of the board**



**J Sutton**  
**Director**

**15 December 2022**

# **Homefire Group Limited (formerly known as CPL Distribution Limited)**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOMEFIRE GROUP LIMITED (FORMERLY KNOWN AS CPL DISTRIBUTION LIMITED)**

### **Opinion**

We have audited the financial statements of Homefire Group Limited (formerly known as CPL Distribution Limited) (the 'company') for the year ended 31 March 2022 which comprise the profit and loss account, balance sheet, statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Auditor's 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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.

# **Homefire Group Limited (formerly known as CPL Distribution Limited)**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOMEFIRE GROUP LIMITED (FORMERLY KNOWN AS CPL DISTRIBUTION LIMITED)**

continued

### **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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

### **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 directors' report.

We have nothing to report in respect of the following matters in relation to which 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 directors' responsibilities statement set out on page 7, 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 is 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.

### **Auditor's 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 an auditor's report 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 the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

# **Homefire Group Limited (formerly known as CPL Distribution Limited)**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOMEFIRE GROUP LIMITED (FORMERLY KNOWN AS CPL DISTRIBUTION LIMITED)**

continued

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from internal tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to health and safety. We performed audit procedures to inquire of management whether the group is in compliance with these law and regulations and inspected correspondence with licensing or regulatory authorities.

The group audit engagement team identified the risk of management override of controls and existence of revenues as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates applied by management and substantive tests of detail on revenues recorded.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities> This description forms part of our auditor's report.

### **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 an auditor's report 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.

*Alastair Nuttall*

ALASTAIR JOHN RICHARD NUTTALL (Senior Statutory Auditor)  
For and on behalf of RSM UK Audit LLP, Statutory Auditor  
Chartered Accountants  
3 Hardman Street  
Manchester  
M3 3HF  
15 December 2022

# Homefire Group Limited *(formerly known as CPL Distribution Limited)*

## Profit and loss account for the year ended 31 March 2022

	Note	2022 £'000	2021 £'000
<b>Turnover</b>	3	<b>101,358</b>	91,283
Operating expenses	4	(99,856)	(85,624)
Exceptional operating expenses	4	(31)	(147)
<b>Operating profit</b>		<b>1,471</b>	5,512
Other non-operating income		-	68
Interest payable and similar expenses	7	(339)	(205)
<b>Profit before taxation</b>	8	<b>1,132</b>	5,375
Tax charge / (credit) on profit	9	261	(1,113)
<b>Profit for the financial year</b>		<b>1,393</b>	4,262

All items dealt with in arriving at operating profit relate to continuing operations.

The Company has no recognised gains and losses other than the loss above and therefore no separate statement of comprehensive income has been presented.

The notes to the financial statements on pages 14 to 34 form an integral part of these financial statements.

# Homefire Group Limited *(formerly known as CPL Distribution Limited)*

## Balance sheet as at 31 March 2022

	Note	2022 £'000	2021 £'000
<b>Fixed assets</b>			
Intangible assets	10	2,456	2,918
Tangible assets	11	2,789	2,527
Investments	12	2,960	2,960
		<b>8,205</b>	<b>8,405</b>
<b>Current assets</b>			
Inventories	14	12,113	7,309
Debtors	15	72,222	49,484
		<b>84,335</b>	<b>56,793</b>
<b>Creditors: amounts falling due within one year</b>	16	<b>(62,512)</b>	<b>(36,497)</b>
<b>Net current assets</b>		<b>21,823</b>	<b>20,296</b>
<b>Total assets less current liabilities</b>		<b>30,028</b>	<b>28,701</b>
<b>Creditors: amounts falling due after more than one year</b>	17	<b>-</b>	<b>(14)</b>
<b>Provisions for liabilities</b>	19	<b>(695)</b>	<b>(747)</b>
<b>Net assets</b>		<b>29,333</b>	<b>27,940</b>
<b>Shareholders' funds</b>			
Called up share capital	20	10,010	10,010
Revaluation reserve		299	299
Other reserves		484	484
Profit and loss account		18,540	17,147
<b>Total shareholders' funds</b>		<b>29,333</b>	<b>27,940</b>

The financial statements on pages 11 to 34 were approved by the board of directors on 15 December 2022 and were signed on its behalf by:



**J Sutton**

**Director**

**Homefire Group Limited *(formerly known as CPL Distribution Limited)***

**Registered number: 544782**

# Homefire Group Limited *(formerly known as CPL Distribution Limited)*

## Statement of changes in equity for the year ended 31 March 2022

	Called up share capital	Revaluation reserve	Other reserves	Profit and loss account	Total shareholders' funds
	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2020	10,010	299	484	12,885	23,678
Profit for the financial year	-	-	-	4,262	4,262
Balance at 31 March 2021	10,010	299	484	17,147	27,940
Balance at 1 April 2021	10,010	299	484	17,147	27,940
Profit for the financial year	-	-	-	1,393	1,393
<b>Balance at 31 March 2022</b>	<b>10,010</b>	<b>299</b>	<b>484</b>	<b>18,540</b>	<b>29,333</b>

# **Homefire Group Limited** *(formerly known as CPL Distribution Limited)*

## **Notes to the financial statements for the year ended 31 March 2022**

### **1 Accounting policies**

#### **Statement of compliance**

The financial statements of Homefire Group Limited *(formerly known as CPL Distribution Limited)* have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

The Company is a private company limited by shares and is incorporated in the United Kingdom. The address of its registered office is Westthorpe Fields Road, Killamarsh, Sheffield, S21 1TZ.

#### **Basis of preparation and going concern**

These financial statements are prepared on the going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities at fair value. They are prepared in sterling, which is the functional currency of the Company, rounded to the nearest £1,000.

The directors believe that preparing the financial statements on the going concern basis is appropriate following a review of the Company's financial forecasts and the continued support of CPL Industries Group Limited ("the Group").

The directors have considered the adequacy of the Group's financial resources through a review of the financial projections for the business and taking into account the refinancing of the Group's principal debt facilities post year end.

The Group's existing facilities were due to expire on 31 March 2023. On 31 August 2022 these facilities were replaced with new facilities provided by Wells Fargo Capital Finance (UK) Limited, Clydesdale Bank Plc and Blazehill Capital Finance Limited. These facilities include Asset Backed Lending facilities and loans secured on the assets of the business up to a value of £51.5m expiring on 31 August 2025.

After careful consideration the directors are satisfied that the Group has adequate financial resources and actions available to undertake as necessary to continue in operation for the foreseeable future being at least twelve months from the date of signing the financial statements.

The directors have considered the impact of rising commodity prices and other inflationary pressures on the business, including its supply chain, workforce and working capital. Sensitised forecasts have been prepared in order to anticipate plausibly severe scenarios in which the business may have to operate. Customers' payment performance is closely monitored and appropriate impairment provisions are raised where necessary. Overall, the directors consider that there is sufficient headroom within the company's available financing facilities, that the business is well placed to pass on any such increases to customers and do not expect that such inflationary pressures to have a significant negative impact on the business.

The directors consider that in addition to the comfort gained from the modelling work carried out, if required, the Group has the ability to raise additional funds through the sale of strategic assets and properties. Furthermore, the Group has shareholders who have provided support to the business, as demonstrated by the additional funds and facilities provided to the Group.

#### **Exemption from preparing consolidated financial statements**

The financial statements contain information about Homefire Group Limited *(formerly known as CPL Distribution Limited)* as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it is a subsidiary of a group which has prepared publicly available consolidated financial statements.



# Homefire Group Limited *(formerly known as CPL Distribution Limited)*

## Notes to the financial statements for the year ended 31 March 2022 continued

### 1 Accounting policies continued

#### Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the Company's shareholders. The Company has taken advantage of the following exemptions:

- i. from preparing a statement of cash flows, on the basis that it is a qualifying entity and the cash flows of the Company are included in the consolidated group cash flow statement of CPL Industries Group Limited;
- ii. from the financial instrument disclosures, required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29, as the information is provided in the consolidated financial statement disclosures;
- iii. from disclosing the Company key management personnel compensation as required by FRS 102 paragraph 33.7.

#### Business combinations and goodwill

Goodwill recognised represents the excess of the fair value of the consideration given over the fair value of the identifiable net assets acquired. Goodwill is capitalised within intangible assets and is eliminated by amortisation through the profit and loss account over its useful economic life (being the period over which the directors have assessed for each acquisition that benefits can be expected). Where the Company is unable to make a reliable estimate of its useful life, goodwill is amortised over a period not exceeding ten years.

#### Tangible fixed assets

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition.

Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. The principal useful lives used for this purpose are:

Freehold buildings, Long leasehold land and building and Short leasehold land and buildings	50 years or over period of lease if less than 50 years
Plant, equipment, fixtures, fittings and motor vehicles	3-20 years

Freehold land is not depreciated.

#### Intangible assets

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows:

Software	3 – 5 years
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Amortisation is charged to 'Operating expenses' in the profit and loss account.

Where factors such as technological advancement or changes in market price indicate that residual value or useful life have changed, the residual value, useful life or amortisation rate are amended prospectively to reflect the new circumstances.

The assets are reviewed for impairment if the above factors indicate that the carrying amount may be impaired.

# Homefire Group Limited (formerly known as CPL Distribution Limited)

## Notes to the financial statements for the year ended 31 March 2022 continued

### 1 Accounting policies continued

#### Fixed asset investments

Fixed asset investments are held at cost less provision for permanent diminution in value.

#### Inventories - finished goods and goods for resale

Raw materials and packaging materials are valued using the FIFO method at the lower of cost of purchase or net realisable value at the balance sheet date. Finished goods and goods for resale are valued using the FIFO method at the lower of the cost at the time of production or the cost of purchase, and the net realisable value, at the balance sheet date. In the case of manufactured products, cost includes all direct expenditure and production costs. To arrive at net realisable value, undistributed stocks of manufactured products are valued at current net selling price less selling costs and specific provisions for loss of weight or degradation in size and quality.

At the end of each reporting period inventories are assessed for impairment. If an item of inventory is impaired, the identified inventory is reduced to its selling price less costs to complete and sell and an impairment charge is recognised in the profit and loss account.

#### Operating and finance leases

Costs in respect of operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Leasing agreements which transfer to the Company substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitment is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit in proportion to the reducing capital element outstanding. Assets held under finance leases are depreciated over the shorter of the lease terms and the useful lives of equivalent owned assets.

#### Foreign currencies

##### *Functional and presentation currency*

The Company's functional currency is the pound sterling. These financial statements are presented in pounds sterling, rounded to the nearest thousand.

##### *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 profit and loss account.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'Interest payable'. All other foreign exchange gains and losses are presented in the profit and loss account within 'Operating expenses'.

# Homefire Group Limited *(formerly known as CPL Distribution Limited)*

## Notes to the financial statements for the year ended 31 March 2022 continued

### 1 Accounting policies continued

#### Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of returns, discounts and rebates allowed by the Company and value added taxes. Revenue from product sales is recognised upon despatch to the customer or, in the case of goods supplied ex-works, upon collection by the customer or agent.

The Company recognises revenue when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the Company retains no continuing involvement or control over the goods; (c) the amount of revenue can be measured reliably and (d) it is probable that future economic benefits will flow to the Company.

#### Current taxation

Current tax is the expected amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

#### Deferred taxation

Deferred tax arises from timing differences that are differences between taxable profits and profit for the financial year as stated in the financial statements. These 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 recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

#### Employee benefits

The Company provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined benefit and defined contribution pension plans.

##### *Short term benefits*

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service arises.

##### *Defined contribution pension plan*

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in a group personal pension plan arrangement. The pension cost charge disclosed in Note 18 represents contributions payable by the Company to the scheme.

##### *Annual bonus plans*

The Company operates a number of annual bonus plans for employees. An expense is recognised in the profit and loss account when the Company has a legal or constructive obligation to make payments under the plans as a result of past events and when a reliable estimate of the obligation can be made.

# Homefire Group Limited *(formerly known as CPL Distribution Limited)*

## Notes to the financial statements for the year ended 31 March 2022 continued

### 1 Accounting policies continued

#### Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event and it is probable that a transfer of economic benefits will be required to settle the obligation, and when a reliable estimate can be made of the amount of the obligation.

#### Related party transactions

The Company discloses transactions with related parties which are not wholly owned by the Group. It does not disclose transactions with CPL Industries Group Limited and fellow subsidiary undertakings.

#### Exceptional items

Exceptional items are disclosed separately in the financial statements where it is necessary in order to provide further understanding of the financial performance of the Company. They are material items of income or expense that have been shown separately due to the significance of their nature or amount.

#### Financial instruments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

##### *Financial assets*

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price.

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) despite having retained some significant risks and rewards of ownership, 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 and other payables, bank loans and loans from fellow Group companies are initially recognised at transaction price.

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

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

##### *Offsetting*

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to offset the recognised amount and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

# Homefire Group Limited *(formerly known as CPL Distribution Limited)*

## Notes to the financial statements for the year ended 31 March 2022 continued

### 2 Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### Key accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

##### *Goodwill and intangible assets*

The Company establishes a reliable estimate of the useful life of goodwill and intangible assets arising on business combinations. This estimate is based on a variety of factors such as the expected use of the acquired business; the expected useful life of the cash generating units to which the goodwill is attributed; any legal, regulatory or contractual provisions that can limit the useful life; and assumptions that market participants would consider in respect of similar businesses.

##### *Impairment of non-current assets*

Where there are indicators of impairment of individual assets, the Company performs impairment tests based on fair value less costs to sell or a value in use calculation. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction on similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows include neither restructuring activities to which the Company is not yet committed, nor significant future investments which would enhance the performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows and the growth rate used for extrapolation purposes.

##### *Provisions*

Provisions require management's best estimate of the costs that will be incurred based on legislative and contractual requirements. In addition, the timing of the cash flows and the discount rates used to establish net present value of the obligations require management's judgement.

##### *Taxation*

Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies. Further details are contained in Note 9. Management have considered above judgments and estimates as significant in the preparation of financial statements, but do not consider that any of them will have a material impact on the financial statements in next 12 months

# Homefire Group Limited *(formerly known as CPL Distribution Limited)*

## Notes to the financial statements for the year ended 31 March 2022 continued

### 3 Turnover

The turnover is attributable to the Company's principal activity, solid fuel distribution.

<b>Geographical analysis by destination:</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
United Kingdom	<b>100,128</b>	90,862
Eire	<b>670</b>	384
Rest of the world	<b>560</b>	37
	<b>101,358</b>	91,283

All turnover relates to the sale of goods.

### 4 Operating expenses

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Raw materials components	<b>74,141</b>	57,863
Management fees	<b>3,036</b>	2,203
Staff costs (Note 6)	<b>10,904</b>	10,287
Depreciation of tangible assets (Note 11)	<b>539</b>	625
Amortisation of intangible assets (Note 10)	<b>496</b>	502
Other operating costs and other external charges	<b>15,477</b>	13,534
Change in stocks of goods for resale	<b>(4,737)</b>	610
	<b>99,856</b>	85,624
Exceptional operating expenses (see below)	<b>31</b>	147
	<b>99,887</b>	85,771

# Homefire Group Limited *(formerly known as CPL Distribution Limited)*

## Notes to the financial statements for the year ended 31 March 2022 continued

### 4 Operating expenses continued

Exceptional operating expenses comprise:	2022 £'000	2021 £'000
Property-related expenditure	10	29
Restructuring, redundancy and other	21	118
	32	147

Exceptional operating costs in the year included restructuring costs of £21,000 (2021: £118,000).

### 5 Directors' emoluments

	2022 £'000	2021 £'000
Aggregate emoluments	401	373

Two (2021: Three) of the directors received emoluments in respect of their directorships of Homefire Group Limited *(formerly known as CPL Distribution Limited)* during the year. The aggregate emoluments amounted to £401,000 (2021: £373,000).

The emoluments paid to the highest paid director were £232,000 (2021: £178,000), this included £18,000 (2021: £15,000) of pension contributions into a money purchase scheme.

Four directors received no emoluments for the provision of their services to Homefire Group Limited *(formerly known as CPL Distribution Limited)*. The total emoluments of these directors are included in the aggregate of directors' emoluments disclosed in the financial statements of CPL Industries Limited.

# Homefire Group Limited *(formerly known as CPL Distribution Limited)*

## Notes to the financial statements for the year ended 31 March 2022 continued

### 6 Employee information

The average monthly number of persons (including executive directors) employed by the Company during the year was:

By activity	2022 Number	2021 Number
Selling and distribution	366	300
Administration	18	17
	384	317
Staff costs (for the above persons)	2022 £'000	2021 £'000
Wages and salaries	9,404	8,858
Social security costs	815	764
Other pensions costs (Note 18)	685	665
	10,904	10,287

### 7 Interest payable and similar expenses

	2022 £'000	2021 £'000
Interest payable on bank finance facilities	339	205



# Homefire Group Limited *(formerly known as CPL Distribution Limited)*

## Notes to the financial statements for the year ended 31 March 2022 continued

### 8 Profit before taxation

	2022 £'000	2021 £'000
<hr/>		
Loss before taxation is stated after charging:		
(Profit) / Loss on disposal of tangible assets	(18)	22
Depreciation of tangible assets (Note 11)	539	625
Amortisation of intangible assets (Note 10)	496	502
Services provided by the Company's auditors:		
Fees payable for the audit	48	25
Operating lease rentals:		
Land and buildings	2,155	1,769
Plant and machinery	1,167	1,202
	<hr/>	<hr/>

**Homefire Group Limited** *(formerly known as CPL Distribution Limited)*

**Notes to the financial statements**  
**for the year ended 31 March 2022** continued

**9 Tax on result**

<b>Tax credit / (expense) included in profit / (loss)</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
<b>Current tax:</b>		
UK corporation tax on the profit before tax	<b>270</b>	<b>(1,202)</b>
Adjustment in respect of prior year	<b>283</b>	<b>183</b>
Total current tax charge	<b>553</b>	<b>(1,019)</b>
<b>Deferred tax:</b>		
Origination of timing differences	<b>(292)</b>	<b>(94)</b>
Total deferred tax (charge)	<b>(292)</b>	<b>(94)</b>
<b>Tax on result</b>	<b>261</b>	<b>(1,113)</b>

# Homefire Group Limited *(formerly known as CPL Distribution Limited)*

## Notes to the financial statements for the year ended 31 March 2022 continued

### 9 Tax on result continued

The tax assessed for the year is lower (2021: higher) than the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

	2022 £'000	2021 £'000
Profit before taxation	1,132	5,375
Profit multiplied by the standard rate of corporation tax in the UK 19% (2021: 19%)	(215)	(1,021)
Effects of:		
Items disallowed for tax purposes	485	(146)
Deferred tax - other timing differences	(287)	(94)
Adjustment in respect of prior years	283	183
Depreciation in excess of capital allowances	(5)	(35)
Total tax credit / (charge) for the year	261	(1,113)

#### Deferred taxation

The Company recognises a deferred tax asset of £nil (2021: £305,000) in relation to trade losses and an asset of £154,000 (2021: £141,000) in respect of other timing differences.

The Company recognises a deferred tax liability of £76,000 (2021: £76,000) in relation to revalued property.

# Homefire Group Limited *(formerly known as CPL Distribution Limited)*

## Notes to the financial statements for the year ended 31 March 2022 continued

### 10 Intangible assets

	Goodwill £'000	Software £'000	Total £'000
<b>Cost</b>			
At 1 April 2021	9,101	1,110	10,211
Transfers from tangible assets	78	24	102
Disposals for the year	-	(671)	(671)
<b>At 31 March 2022</b>	<b>9,179</b>	<b>463</b>	<b>9,642</b>
<b>Accumulated amortisation</b>			
At 1 April 2021	6,426	867	7,293
Charge for the year	496	-	496
Disposals for the year	-	(671)	(671)
Transfers from tangible assets	-	68	68
<b>At 31 March 2022</b>	<b>6,922</b>	<b>264</b>	<b>7,186</b>
<b>Net book amount</b>			
<b>At 31 March 2022</b>	<b>2,257</b>	<b>199</b>	<b>2,456</b>
At 31 March 2021	2,675	243	2,918

In the year to 31 March 2021 certain items of software were reclassified as intangible assets, having previously been disclosed as tangible assets.

# Homefire Group Limited (formerly known as CPL Distribution Limited)

## Notes to the financial statements for the year ended 31 March 2022 continued

### 11 Tangible assets

	Freehold land and buildings	Long leasehold land and buildings	Short leasehold land and buildings	Plant, equipment, fixtures, fittings and motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>					
At 1 April 2021	1,241	113	365	12,348	14,067
Additions	-	-	-	757	757
Disposals	-	-	-	(186)	(186)
Transfers to intangible assets	-	-	-	(24)	(24)
<b>At 31 March 2022</b>	<b>1,241</b>	<b>113</b>	<b>365</b>	<b>12,895</b>	<b>14,614</b>
<b>Accumulated depreciation</b>					
At 1 April 2021	178	64	333	10,965	11,540
Charge for the year	1	2	6	530	539
Disposals	-	-	-	(186)	(186)
Transfers to intangible assets	-	-	-	(68)	(68)
<b>At 31 March 2022</b>	<b>179</b>	<b>66</b>	<b>339</b>	<b>11,241</b>	<b>11,825</b>
<b>Net book amount</b>					
<b>At 31 March 2022</b>	<b>1,062</b>	<b>47</b>	<b>26</b>	<b>1,654</b>	<b>2,789</b>
At 31 March 2021	1,063	49	32	1,383	2,527

The net carrying amount of assets held under finance leases included in Plant, equipment, fixtures, fittings and motor vehicles is £52,685 (2021: £80,041). Depreciation charged during the year in relation to these assets amounted to £27,356 (2021: £21,832).

The Company's freehold properties were revalued during the year ended 27 March 1999, on the basis of open market value for existing use by independent qualified valuer Wilks, Head and Eve.

On a historical cost basis the aggregate cost of these items would be £339,000 (2021: £339,000).

Following the implementation of FRS 102 the tangible fixed assets previously revalued have been retained at their book amounts, as permitted by the transitional provisions of section 35.

# Homefire Group Limited (formerly known as CPL Distribution Limited)

## Notes to the financial statements for the year ended 31 March 2022 continued

### 12 Investments

	Shares in subsidiary undertakings £'000
<b>Cost</b>	
At 1 April 2021 and 31 March 2022	5,783
<b>Provision for permanent diminution in value</b>	
At 1 April 2021 and 31 March 2022	(2,823)
<b>Net book amount</b>	
At 31 March 2022	2,960
At 31 March 2021	2,960

### 13 Interests in group undertakings

Name of undertaking	Nature of business	Proportion of nominal value of issued shares held %	Country of incorporation and operation
CPL Industries Pension Trustees Limited	Dormant	100%	England & Wales
Walter H Feltham & Son Limited	Manufacture and sale of bags	100%	England & Wales
C Rudrum & Sons Limited	Dormant	100%	England & Wales
C Rudrum & Sons (Cornwall) Limited	Dormant	100%	England & Wales
Corralls Coal Limited	Dormant	100%	England & Wales
Castletown Fuels Limited	Distribution of solid fuels	100%	Isle of Man

All interests in group undertakings represent £1 ordinary shares, directly owned.

The directors believe that the book value of investments is supported by their underlying net assets.

The registered office address of all entities incorporated in England & Wales is Westthorpe Fields Road, Killamarsh, Sheffield, United Kingdom, S21 1TZ. The registered office of Castletown Fuels Limited is Millennium House, Victoria Road, Douglas, Isle of Man, IM2 4RW.

# Homefire Group Limited *(formerly known as CPL Distribution Limited)*

## Notes to the financial statements for the year ended 31 March 2022 continued

### 14 Inventories

	2022	2021
	£'000	£'000
Goods for resale	12,113	7,309

### 15 Debtors

	2022	2021
	£'000	£'000
Trade debtors	10,115	9,387
Amounts owed by group undertakings	61,179	38,730
Amounts owed by parent company	-	-
Other debtors	104	317
Deferred tax	154	446
Prepayments and accrued income	670	604
	72,222	49,484

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

# Homefire Group Limited *(formerly known as CPL Distribution Limited)*

## Notes to the financial statements for the year ended 31 March 2022 continued

### 16 Creditors: amounts falling due within one year

	2022	2021
	£'000	£'000
Bank loans	12,062	5,054
Trade creditors	6,808	4,859
Amounts owed to group undertakings	4,928	11,132
Amounts owed to parent company	33,205	9,693
Hire purchase/finance leases	15	34
Group relief payable	2,054	2,850
Other taxation and social security	1,283	1,080
Corporation tax	296	54
Other creditors	297	271
Accruals	1,564	1,470
	<b>62,512</b>	<b>36,497</b>

Amounts owed to group undertakings and parent company are unsecured, interest free and repayable upon demand.

Bank loans represent asset-based bank borrowings drawn under lending facilities provided by Lloyds Bank plc. These are secured on the Company's trade debtors and inventories and have a notice period of less than one year.

### 17 Creditors: amounts falling due after more than one year

	2022	2021
	£'000	£'000
Hire purchase/finance leases	-	14
	-	14

### 18 Pension costs

The Company operates a defined contribution pension scheme. The total pension cost for the year was £685,000 (2021: £665,000). Outstanding employer contributions as at 31 March 2022 amount to £56,000 (2021: £52,000).



# Homefire Group Limited *(formerly known as CPL Distribution Limited)*

## Notes to the financial statements for the year ended 31 March 2022 continued

### 19 Provisions for liabilities

	Dilapidation provisions	Vacant properties	Deferred tax	Total
	£'000	£'000	£'000	£'000
At 1 April 2021	629	42	76	747
Created during the year	50	26	-	76
Released during the year	(55)	-	-	(55)
Utilised during the year	(31)	(42)	-	(73)
<b>At 31 March 2022</b>	<b>593</b>	<b>26</b>	<b>76</b>	<b>695</b>

#### Dilapidation provisions

Provision is made for the anticipated cost of returning the Company's leased properties to their condition at the commencement of the lease. The provision will continue to be utilised as properties are vacated or require repair and the Company will assess the adequacy of the provision on a regular basis.

#### Vacant properties

The Company has a small number of leasehold properties which are vacant or sub-let. Provision has been made for the residual lease commitments, together with other outgoings, less rental income, for the anticipated remaining period of the leases.

#### Deferred tax

The provision for deferred tax comprises £76,000 (2021: £76,000) in relation to property revaluations.

**Homefire Group Limited** *(formerly known as CPL Distribution Limited)*

**Notes to the financial statements**  
**for the year ended 31 March 2022** continued

**20 Called up share capital**

	<b>2022</b>	2021
	<b>£'000</b>	£'000
<b>Authorised</b>		
31,160,024 (2021: 31,160,024) ordinary shares of £1 each	<b>31,160</b>	31,160
10,000 (2021: 10,000) deferred ordinary shares of £1 each	<b>10</b>	10
	<b>31,170</b>	31,170
<b>Allotted and fully paid</b>		
10,000,000 (2021: 10,000,000) ordinary shares of £1 each	<b>10,000</b>	10,000
10,000 (2021: 10,000) deferred ordinary shares of £1 each	<b>10</b>	10
	<b>10,010</b>	10,010

# Homefire Group Limited *(formerly known as CPL Distribution Limited)*

## Notes to the financial statements for the year ended 31 March 2022 continued

### 21 Financial instruments

	2022 £'000	2021 £'000
Financial assets that are debt instruments measured at amortised cost		
Trade debtors	10,115	9,387
Amounts owed by group undertakings	61,179	38,730
Other debtors	104	317
	<b>71,398</b>	<b>48,434</b>
Financial liabilities measured at amortised cost		
Bank loans and overdrafts	12,062	5,054
Trade creditors	6,808	4,859
Amounts owed to parent company	33,205	9,693
Amounts owed to group undertakings	4,928	11,132
Other creditors	297	271
Hire purchase / finance leases	15	48
Accruals	1,564	1,470
	<b>58,879</b>	<b>32,527</b>

### 22 Related party transactions

The Company's related party transactions were with wholly owned subsidiaries and have not been disclosed. Key management consists of the directors, with whom there have been no transactions which have not already been disclosed in Note 5 to the financial statements.

# Homefire Group Limited (formerly known as CPL Distribution Limited)

## Notes to the financial statements for the year ended 31 March 2022 continued

### 23 Financial commitments

At 31 March the Company had the following future minimum commitments under non-cancellable operating leases:

Operating leases expiring:	Land and buildings		Plant and machinery	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Within one year	1,427	1,343	1,307	1,195
After one year but before five years	3,927	3,889	2,115	2,785
After five years	1,314	1,859	-	393
	6,668	7,091	3,422	4,373

### 24 Ultimate parent company

The immediate parent undertaking is Heptagon Limited.

For the year ended 31 March 2022 CPL Industries Group Limited is the largest and smallest group in which these financial statements are consolidated. Copies of the financial statements of CPL Industries Group Limited may be obtained from the Company Secretary, CPL Industries Group Limited, Westthorpe Fields Road, Killamarsh, Sheffield, S21 1TZ.

At 31 March 2022 the directors consider that JCM Holdings Limited is the ultimate parent company and that JPV Mash is the ultimate controlling party. JCM Holdings Limited is established in the United Kingdom at 35 John Street, London, WC1N 2AT.

### 25 Financial commitments, guarantees and contingent liabilities

The Company has granted fixed and floating charges over all its assets in favour of Lloyds Bank plc as security for the banking facilities provided to the Group.

The Company has granted fixed and floating charges over all its assets in favour of VCP Jet Luxco SARL as security for the loan facility provided to the Group.

### 26 Post-balance sheet events

The Group's existing facilities with Lloyds Bank plc were due to expire on 31 March 2023. On 31 August 2022 agreement was reached to enter into new facilities from a combination of Wells Fargo Capital Finance (UK) Limited, Clydesdale Bank Plc and Blaze Hill Capital Finance Limited including an Asset Based Lending Facility and a number of secured loans. The facilities are due to be repaid on 31 August 2025.