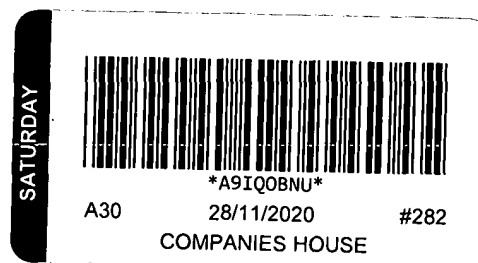


Company Registration No. 01482235 (England and Wales)

COLLIER INDUSTRIAL WASTE LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 JULY 2019



COLLIER INDUSTRIAL WASTE LIMITED

COMPANY INFORMATION

Directors Mr S Nelson
Mr D Wishart

Secretary Mr P J Collier

Company number 01482235

Registered office Nash Road
Trafford Park
Manchester
M17 1SX

Auditor RSM UK Audit LLP
Chartered Accountants
5th Floor
One City Place
Queens Road
Chester
CH1 3BQ

COLLIER INDUSTRIAL WASTE LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 JULY 2019

The directors present the strategic report for the year ended 31 July 2019.

Fair review of the business and key performance indicators

The group results along with the financial position of the group and company are as shown in the annexed financial statements.

This review relates to the performance of the Collier Industrial Waste Limited group which consists of the waste disposal business and also, its subsidiary, Cheshire Brickmakers Limited.

Before taxation, and despite the overall turnover for the year decreasing by less than 1%, the group recorded a loss of £148k. This is due to Cheshire Brickmakers Limited reporting a loss of £421k. Waste disposal reported a profit of £273k.

The directors remain of the view that the key performance indicators for the group are:

- Net current assets – remained substantially the same
- Cash at bank and in hand – increase of £1.20m to £5.49m

The directors believe that the above represents a strong underlying financial position.

It is confirmed that the commitment to the normal waste disposal practice of maximising existing and new business opportunities will continue along with sustained financial controls in both the waste disposal and brickmaking sectors.

Principal risks and uncertainties

The directors are aware of the ever increasing health, safety and environmental legislation for the disposal of waste materials and have put in place policies to monitor any changes to legislation, as well as the impact of any non-compliance on the group.

The risks due to the Covid-19 pandemic have been fully considered by the directors and the anticipated effects, based on worst case scenarios, are as detailed in the company cash flow forecast. Also, the Brickworks subsidiary is presently closed pending a review of future uses of the site.

Following the UK's decision to leave the EU, after the referendum held on 23 June 2016, there has been much uncertainty as to the potential impact for businesses and the wider economy. We now know that the UK will leave the EU on 31 December 2020, with or without a 'deal'. At the present time there remains a level of uncertainty as to the extent of the future impact on the group that Brexit will have. However, to date there has been no material impact to the company's financial performance as a result of Brexit.

Health, safety and welfare

The established overall policies and objectives of the company in health, safety and welfare matters continue to be under the regular and close scrutiny of the directors.

They are intended to ensure that safe and sensible working practices are observed at all times throughout the growth of the group.

COLLIER INDUSTRIAL WASTE LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

Future developments

The Covid-19 pandemic has affected most businesses. However, since the first 'lock-down' in March 2020, experience has indicated that waste services have only been affected to a limited degree. The directors consider that the group is well placed in view of its existing expertise and facilities and to take advantage of the opportunities associated with the current waste strategy, and for the marketing of its existing stock of bricks.

On behalf of the board



.....
Mr D Wishart
Director

Date:

26/11/2020

COLLIER INDUSTRIAL WASTE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JULY 2019

The directors present their annual report and financial statements for the year ended 31 July 2019.

Principal activities

The principal activity of the company was the disposal of waste materials and the subsidiary's principal activity was the manufacture of bricks for the building industry.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr S Nelson

Mr D Wishart

Results and dividends

The results for the year are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

Financial instruments

Interest rate risk

Interest rates on related party, group and bank loans are a mixture of rates to mitigate against rate changes. Some are fixed at 8%, some variable above Bank of England base rate and some interest free.

Credit risk

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

Post reporting date events

On 30 January 2020 the World Health Organisation (WHO) announced Coronavirus as a global health emergency. On 11 March 2020 it announced that Coronavirus was a global pandemic. Soon after the UK government announced its own 'lock-down' measures and within a matter of days the impact was felt across the economy, with the Collier group being no exception.

The directors are of the opinion that there is no impact on the accounting estimates, balances, transactions and disclosures, arising from the impact of Covid-19 on the 31 July 2019 financial statements.

There has, however, been an impact on post year end financial performance to the extent certain actions have been taken to protect the future of the group and company. These actions include, but are not limited to, a restructuring of the subsidiary Cheshire Brickmakers business which concluded with existing employees leaving the organisation by way of redundancy and the site temporarily closing. The directors plan to start trading again when it is the optimum time for the subsidiary once suitable plans and resources have been put in place to enable this.

As disclosed in the going concern accounting policy note, the directors, along with management, have reviewed the risks associated with Covid-19 and are satisfied that the company will remain a going concern, with no material uncertainty for a period of at least 12 months from the date of approving the financial statements.

Future developments

The group has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of future developments.

COLLIER INDUSTRIAL WASTE LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

Auditor

RSM UK Audit LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



.....
Mr D Wishart
Director

Date: 26/11/2020

COLLIER INDUSTRIAL WASTE LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 JULY 2019

The directors are responsible for preparing the Strategic Report and the Directors' 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 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 group and company, and of the profit or loss of the group 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 group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COLLIER INDUSTRIAL WASTE LIMITED

Opinion

We have audited the financial statements of Collier Industrial Waste Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 July 2019 which comprise the consolidated statement of income and retained earnings, the consolidated balance sheet, the company balance sheet, the company statement of changes in equity, the consolidated statement of cash flows and 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 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 group's and of the parent company's affairs as at 31 July 2019 and of the group's loss 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 our 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COLLIER INDUSTRIAL WASTE LIMITED (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 5, 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 group's and the parent 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 group or the parent 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.

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.

RSM UK Audit LLP

Michael Fairhurst FCA (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor

Chartered Accountants

5th Floor

One City Place

Queens Road

Chester

CH1 3BQ

27 November 2020

COLLIER INDUSTRIAL WASTE LIMITED

CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 JULY 2019

	Notes	2019 £	2018 £
Turnover	3	14,652,746	14,927,405
Cost of sales		(14,070,428)	(13,960,266)
Gross profit		582,318	967,139
Administrative expenses		(573,367)	(601,197)
Other operating (expenses)/income		(584)	11,095
Operating profit	6	8,367	377,037
Interest receivable and similar income	8	6,324	1,956
Interest payable and similar expenses	9	(162,754)	(64,236)
(Loss)/profit before taxation		(148,063)	314,757
Tax on (loss)/profit	10	48,340	(38,595)
(Loss)/profit for the financial year		(99,723)	276,162
Retained earnings brought forward		1,713,413	1,437,251
Retained earnings carried forward		1,613,690	1,713,413

(Loss)/profit for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

COLLIER INDUSTRIAL WASTE LIMITED**CONSOLIDATED BALANCE SHEET****AS AT 31 JULY 2019**

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	11		2,349,705		2,329,681
Current assets					
Stocks	14	205,144		273,769	
Debtors	15	2,901,307		3,222,743	
Cash at bank and in hand		5,495,282		4,286,871	
		<u>8,601,733</u>		<u>7,783,383</u>	
Creditors: amounts falling due within one year	16	<u>(6,978,282)</u>		<u>(6,144,506)</u>	
Net current assets			1,623,451		1,638,877
Total assets less current liabilities			3,973,156		3,968,558
Provisions for liabilities	19		<u>(2,339,300)</u>		<u>(2,234,979)</u>
Net assets			<u>1,633,856</u>		<u>1,733,579</u>
Capital and reserves					
Called up share capital	22		20,166		20,166
Profit and loss reserves	23		1,613,690		1,713,413
Total equity			<u>1,633,856</u>		<u>1,733,579</u>

The financial statements were approved by the board of directors and authorised for issue on 26/11/2020 and are signed on its behalf by:

Mr D Wishart
Director

COLLIER INDUSTRIAL WASTE LIMITED**COMPANY BALANCE SHEET****AS AT 31 JULY 2019**

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	11		260,037		266,292
Investments	12		2,718,387		2,718,387
			<u>2,978,424</u>		<u>2,984,679</u>
Current assets					
Debtors	15	5,893,290		5,352,661	
Cash at bank and in hand		4,859,344		4,091,785	
		<u>10,752,634</u>		<u>9,444,446</u>	
Creditors: amounts falling due within one year	16	(6,767,536)		(5,915,147)	
Net current assets			<u>3,985,098</u>		<u>3,529,299</u>
Total assets less current liabilities			<u>6,963,522</u>		<u>6,513,978</u>
Provisions for liabilities	19		(2,051,632)		(1,898,971)
Net assets			<u><u>4,911,890</u></u>		<u><u>4,615,007</u></u>
Capital and reserves					
Called up share capital	22		20,166		20,166
Profit and loss reserves	23		4,891,724		4,594,841
Total equity			<u><u>4,911,890</u></u>		<u><u>4,615,007</u></u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes as it prepares group accounts. The company's profit for the year was £296,883 (2018 - £196,019 profit).

The financial statements were approved by the board of directors and authorised for issue on 26/11/2020 and are signed on its behalf by:

Mr D Wishart
Director

COLLIER INDUSTRIAL WASTE LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 JULY 2019

	Share capital £	Profit and loss reserves £	Total £
Balance at 1 August 2017	20,166	4,398,822	4,418,988
Year ended 31 July 2018:			
Profit and total comprehensive income for the year	-	196,019	196,019
Balance at 31 July 2018	20,166	4,594,841	4,615,007
Year ended 31 July 2019:			
Profit and total comprehensive income for the year	-	296,883	296,883
Balance at 31 July 2019	20,166	4,891,724	4,911,890

COLLIER INDUSTRIAL WASTE LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 JULY 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	24		(2,742,043)		1,907,790
Interest paid			(162,754)		(64,236)
Income taxes paid			(38,595)		(46,858)
Net cash (outflow)/inflow from operating activities			(2,943,392)		1,796,696
Investing activities					
Purchase of tangible fixed assets		(41,952)		(92,889)	
Proceeds on disposal of tangible fixed assets		-		3,500	
Interest received		6,324		1,956	
Net cash used in investing activities			(35,628)		(87,433)
Financing activities					
Movement in borrowings		4,187,431		(1,843,502)	
Net cash generated from/(used in) financing activities			4,187,431		(1,843,502)
Net increase/(decrease) in cash and cash equivalents			1,208,411		(134,239)
Cash and cash equivalents at beginning of year			4,286,871		4,421,110
Cash and cash equivalents at end of year			5,495,282		4,286,871

COLLIER INDUSTRIAL WASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies

Company information

Collier Industrial Waste Limited ("the company") is a private company limited by shares and is registered and incorporated in England and Wales. The registered office and principal place of business is Nash Road, Trafford Park, Manchester, M17 1SX.

The group consists of Collier Industrial Waste Limited and all of its subsidiaries.

The company's and the group's principal activities and nature of its operations are disclosed in the Directors' Report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Reduced disclosure framework

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in these financial statements.

Basis of consolidation

The consolidated financial statements incorporate those of Collier Industrial Waste Limited and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 July 2019. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

COLLIER INDUSTRIAL WASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies (Continued)

Going concern

The Covid-19 pandemic has had an impact on post year end financial performance of the group and company to the extent certain actions have been taken to protect the future of the group and company.

Management have produced forecasts on cash flow and profitability up to 31 December 2021 for the company. These forecasts are as prudent and realistic as possible based upon information currently available, the results of which indicate the company will continue to have sufficient financial headroom as well as returning some level of profit in the twelve months from approval of the financial statements.

The group and company has taken advantage of the government backed Covid-19 furlough scheme, which has helped with cash flow during the pandemic. The group and company are cash strong with a healthy balance sheet. There are related party loans totalling £4,533,723 included on the group and company balance sheets as liabilities. The group and company have written support from the related parties that the loans will only be called in when the group and company has the ability to repay. In addition, although not envisaged to be required, the group has written support from the ultimate majority shareholder to provide continued financial support to the group and company.

The group has, post year end, temporarily restructured the subsidiary which concluded with existing employees leaving the organisation by way of redundancy and the site temporarily closing. The directors plan to start trading again when it is the optimum time for the subsidiary once suitable plans and resources have been put in place to enable this.

The subsidiary has minimal liabilities due to the temporary closure, but in any case, once reopens has sufficient liquid assets in the form of cash at bank to enable this to happen.

The balance sheet of the subsidiary does show a net liability position of £1,751,372 (2018 - £1,354,766) due purely to the £3.5m group loan due owed to its parent Collier Industrial Limited. This balance is interest bearing at 8% and is classified as a long-term creditor and the company has issued a letter confirming that the amount will not be called upon for repayments until the subsidiary has the ability to repay the loan.

The subsidiary also has, in writing, formal support from its ultimate majority shareholder providing continued support if required for the 12 months from when the financial statements are approved. Furthermore, the ultimate shareholder has committed in writing to buy the assets of the company if necessary, for no less than their book value.

Therefore, with due consideration of the above, the directors have a reasonable expectation that the group and company has adequate resources to continue in operational existence for the foreseeable future and are comfortable adopting the going concern basis of accounting in preparing the financial statements. The directors do not consider there to be a material uncertainty in regard the basis of preparation.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for the provision of waste disposal services and sale of specialist bricks in the ordinary course of business. Turnover is recognised at the point the service is provided for waste services and the point of despatch for the sale of bricks. Turnover is shown net of value added tax.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

COLLIER INDUSTRIAL WASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies (Continued)

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Not depreciated
Short leasehold	10% straight line
Plant and machinery	4 to 20 years on cost or 25% reducing balance
Fixtures, fittings, tools and equipment	8 to 10 years on cost or 15% reducing balance
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

No depreciation is provided on freehold land and buildings as it comprises substantially of land. Having regard to this, it is the opinion of the directors that depreciation of the remaining buildings as required by the Companies Act 2006 and FRS 102 would not be material.

Fixed asset investments

In the separate accounts of the company, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Stocks

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

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

COLLIER INDUSTRIAL WASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies (Continued)

Financial instruments

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

Financial instruments are recognised when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

Basic financial assets

Basic financial assets, which include trade, group and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

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

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, other loans and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction.

Equity instruments

Equity instruments issued by the group are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

COLLIER INDUSTRIAL WASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies (Continued)

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

COLLIER INDUSTRIAL WASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies (Continued)

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be 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 estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Impairment of fixed asset investments

Management make judgements each financial year regarding the recoverable amount of fixed asset investments, and how this compares to the cost recorded in the financial statements. The recoverable amount is the higher of the value in use and net realisable value, with significant judgements being made in relation to value in use and the future cash flows expected to be generated by subsidiary undertakings.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Stock

Valuation of brick stock is estimated as a percentage of sales price of each type of stock (dryer/kiln/finished goods). Kiln brick stock is also an estimated figure consistent each year.

Environmental costs and liabilities

A provision is recognised for site closure and post closure environmental control and aftercare costs in full for a 60 year period post closure, and is charged to profit or loss on the basis of the usage of void space. This was estimated in 2008, and is amended annually for void space, and increased annually in line with RPI rates. Management must make significant judgements each year as to the level of void space available, which can have a significant impact on the level of provision assessed as being required.

COLLIER INDUSTRIAL WASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2019

3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2019 £	2018 £
Turnover analysed by class of business		
Waste disposal	12,860,384	13,049,804
Manufacture of bricks	1,792,362	1,877,601
	<u>14,652,746</u>	<u>14,927,405</u>
Other revenue		
Interest income	6,324	1,956
Rental income	(584)	11,095
	<u></u>	<u></u>

4 Employees

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

	Group 2019 Number	2018 Number	Company 2019 Number	2018 Number
Management and administration	3	3	3	3
Waste processing/disposal	2	2	2	2
Brick manufacture	3	3	-	-
Directors	2	2	2	2
	<u>10</u>	<u>10</u>	<u>7</u>	<u>7</u>

Their aggregate remuneration comprised:

	Group 2019 £	2018 £	Company 2019 £	2018 £
Wages and salaries	357,730	341,049	293,460	282,130
Social security costs	38,044	38,417	32,662	33,591
Pension costs	5,104	2,650	4,030	2,086
	<u>400,878</u>	<u>382,116</u>	<u>330,152</u>	<u>317,807</u>

COLLIER INDUSTRIAL WASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

5 Directors' remuneration

	2019 £	2018 £
Remuneration for qualifying services	135,827	149,145
Company pension contributions to defined contribution schemes	962	515
	<u>136,789</u>	<u>149,660</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2018 - 1).

6 Operating profit

	2019 £	2018 £
Operating profit for the year is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	21,928	16,462
Profit on disposal of tangible fixed assets	-	(1,303)
Cost of stocks recognised as an expense	1,746,485	1,384,056
Operating lease charges	1,740	2,679
	<u>1,769,153</u>	<u>1,402,904</u>

7 Auditor's remuneration

	2019 £	2018 £
Fees payable to the company's auditor and its associates:		
For audit services		
Audit of the financial statements of the group and company	12,600	12,000
Audit of the financial statements of the company's subsidiaries	7,200	6,850
	<u>19,800</u>	<u>18,850</u>
For other services		
Taxation compliance services	2,270	3,680
All other non-audit services	13,800	15,100
	<u>16,070</u>	<u>18,780</u>

8 Interest receivable and similar income

	2019 £	2018 £
Interest income		
Interest on bank deposits	6,324	1,945
Other interest income	-	11
	<u>6,324</u>	<u>1,956</u>

COLLIER INDUSTRIAL WASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2019

8 Interest receivable and similar income (Continued)

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	6,324	1,945
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9 Interest payable and similar expenses

	2019 £	2018 £
Interest on financial liabilities measured at amortised cost:		
Other interest on financial liabilities	162,754	64,236

COLLIER INDUSTRIAL WASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2019

10 Taxation

	2019 £	2018 £
Current tax		
UK corporation tax on profits for the current period	-	38,595
Deferred tax		
Origination and reversal of timing differences	(1,039)	-
Tax losses carried forward	(47,301)	-
Total deferred tax	(48,340)	-
Total tax (credit)/charge	(48,340)	38,595

The corporation tax rate for the 2020 financial year, commencing 1 April 2020, was included in the Finance Act 2016 at 17%, and this rate was substantively enacted on 6 September 2016. However, in the budget speech on 11 March 2020, the Chancellor announced that the corporation tax rate would remain at 19%, the rate in force for the 2019 financial year. On 17 March 2020 a resolution having statutory effect was passed under the Provisional Collection of Taxes Act 1968, setting the rate at 19%.

The deferred tax assets and liabilities are calculated using 17%. If 19% was used the effect would be an additional liability of £29,141.

The total tax (credit)/charge for the year included in the profit and loss account can be reconciled to the (loss)/profit before tax multiplied by the standard rate of tax as follows:

	2019 £	2018 £
(Loss)/profit before taxation	(148,063)	314,757
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	(28,132)	59,804
Tax effect of expenses that are not deductible in determining taxable profit	491	1,610
Change in unrecognised deferred tax assets	(20,699)	(22,819)
Taxation (credit)/charge	(48,340)	38,595

COLLIER INDUSTRIAL WASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

11 Tangible fixed assets

Group	Freehold land and buildings	Short leasehold	Plant and machinery	Fixtures, fittings, tools and equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 August 2018	2,204,112	59,075	3,214,298	189,158	16,943	5,683,586
Additions	-	-	34,202	7,750	-	41,952
At 31 July 2019	2,204,112	59,075	3,248,500	196,908	16,943	5,725,538
Depreciation and impairment						
At 1 August 2018	-	59,075	3,123,514	154,540	16,776	3,353,905
Depreciation charged in the year	-	-	15,795	5,966	167	21,928
At 31 July 2019	-	59,075	3,139,309	160,506	16,943	3,375,833
Carrying amount						
At 31 July 2019	2,204,112	-	109,191	36,402	-	2,349,705
At 31 July 2018	2,204,112	-	90,784	34,618	167	2,329,681
Company	Freehold land and buildings	Short leasehold	Plant and machinery	Fixtures, fittings, tools and equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 August 2018 and 31 July 2019	227,596	59,075	817,798	179,253	16,943	1,300,665
Depreciation and impairment						
At 1 August 2018	-	59,075	813,887	144,635	16,776	1,034,373
Depreciation charged in the year	-	-	897	5,191	167	6,255
At 31 July 2019	-	59,075	814,784	149,826	16,943	1,040,628
Carrying amount						
At 31 July 2019	227,596	-	3,014	29,427	-	260,037
At 31 July 2018	227,596	-	3,911	34,618	167	266,292

COLLIER INDUSTRIAL WASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

12 Fixed asset investments

	Notes	Group 2019 £	2018 £	Company 2019 £	2018 £
Investments in subsidiaries	13	-	-	2,718,387	2,718,387

Movements in fixed asset investments

Company	Shares in group undertakings £
Cost or valuation	
At 1 August 2018 and 31 July 2019	2,718,387
Carrying amount	
At 31 July 2019	2,718,387
At 31 July 2018	2,718,387

13 Subsidiaries

Details of the company's subsidiaries at 31 July 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
Cheshire Brickmakers Limited	Nash Road, Trafford Park, Manchester, M17 1SX	Manufacture of bricks	Ordinary	100

The directors consider the net worth of the investment in Cheshire Brickmakers Limited at 31 July 2019 to be at least cost. This is because, the fair value of the land at the date of acquisition of the company on 27 March 1997 significantly exceeded the carrying value at that date and the directors have re assessed at the year end and still consider this to be the case.

The directors believe that the current value of that investment exceeds its carrying value, no formal valuation or impairment procedure has been undertaken for reasons of expense and confidentiality. They consider that any impact thereof on the financial statements is inconsequential to parties other than the shareholders of the company.

COLLIER INDUSTRIAL WASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

14 Stocks

	Group 2019 £	2018 £	Company 2019 £	2018 £
Work in progress	114,950	114,950	-	-
Finished goods and goods for resale	90,194	158,819	-	-
	<u>205,144</u>	<u>273,769</u>	<u>-</u>	<u>-</u>

15 Debtors

	Group 2019 £	2018 £	Company 2019 £	2018 £
Amounts falling due within one year:				
Trade debtors	2,869,221	2,237,026	2,367,442	1,844,870
Other debtors	125	945,058	-	928,611
Prepayments and accrued income	31,961	40,659	15,270	28,699
	<u>2,901,307</u>	<u>3,222,743</u>	<u>2,382,712</u>	<u>2,802,180</u>
Deferred tax asset (note 20)	-	-	23,771	-
	<u>2,901,307</u>	<u>3,222,743</u>	<u>2,406,483</u>	<u>2,802,180</u>
Amounts falling due after more than one year:				
Amounts owed by group undertakings	-	-	3,486,807	2,550,481
	<u>-</u>	<u>-</u>	<u>3,486,807</u>	<u>2,550,481</u>
Total debtors	<u>2,901,307</u>	<u>3,222,743</u>	<u>5,893,290</u>	<u>5,352,661</u>

16 Creditors: amounts falling due within one year

	Notes	Group 2019 £	2018 £	Company 2019 £	2018 £
Other borrowings	17	4,533,723	346,292	4,533,723	346,292
Trade creditors		394,538	341,768	351,053	311,478
Corporation tax payable		-	38,595	-	38,595
Other taxation and social security		1,814,814	2,410,636	1,791,438	2,338,046
Other creditors		-	683	-	525
Accruals and deferred income		235,207	3,006,532	91,322	2,880,211
		<u>6,978,282</u>	<u>6,144,506</u>	<u>6,767,536</u>	<u>5,915,147</u>

COLLIER INDUSTRIAL WASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

17 Borrowings

	Group 2019 £	2018 £	Company 2019 £	2018 £
Loans from related parties	4,533,723	346,292	4,533,723	346,292
Payable within one year	4,533,723	346,292	4,533,723	346,292

Amounts above include two loans due to related parties; £4,533,723 (2018 - £346,292) is repayable on demand and does not attract interest.

18 Financial instruments

	Group 2019 £	2018 £	Company 2019 £	2018 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	2,869,346	3,182,084	n/a	n/a
Carrying amount of financial liabilities				
Measured at amortised cost	5,163,468	3,695,275	n/a	n/a

As permitted by the reduced disclosure framework within FRS 102, the company has taken advantage of the exemption from disclosing the carrying amount of certain classes of financial instruments, denoted by 'n/a' above.

19 Provisions for liabilities

	Notes	Group 2019 £	2018 £	Company 2019 £	2018 £
Closure and post closure costs		2,051,632	1,898,971	2,051,632	1,898,971
Deferred tax liabilities	20	287,668	336,008	-	-
		2,339,300	2,234,979	2,051,632	1,898,971

COLLIER INDUSTRIAL WASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2019

19 Provisions for liabilities (Continued)

Movements on provisions apart from deferred tax liabilities:

Group	Closure and post closure costs £
At 1 August 2018	1,898,971
Additional provisions in the year	152,661
At 31 July 2019	2,051,632

Company	Closure and post closure costs £
At 1 August 2018	1,898,971
Additional provisions in the year	152,661
At 31 July 2019	2,051,632

The closure and post closure costs provision relates to the future cost associated with the closure and post closure environmental control and aftercare cost in full for a 60 year period post closure of the landfill site on the basis of the usage of void space and has not been discounted.

20 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2019 £	Liabilities 2018 £	Assets 2019 £	Assets 2018 £
Group				
Accelerated capital allowances	18,592	6,238	-	-
Tax losses	(66,905)	(6,238)	-	-
Valuation of land and buildings acquired in a business combination	336,008	336,008	-	-
Other short-term differences	(27)	-	-	-
	<u>287,668</u>	<u>336,008</u>	<u>-</u>	<u>-</u>

COLLIER INDUSTRIAL WASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2019

20 Deferred taxation (Continued)

	Liabilities 2019 £	Liabilities 2018 £	Assets 2019 £	Assets 2018 £
Company				
Accelerated capital allowances	-	6,238	(5,199)	-
Tax losses	-	(6,238)	28,970	-
	<u>-</u>	<u>-</u>	<u>23,771</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>23,771</u>	<u>-</u>
			Group 2019 £	Company 2019 £
Movements in the year:				
Liability at 1 August 2018			336,008	-
Credit to profit or loss			(48,340)	(23,771)
Liability/(asset) at 31 July 2019			<u>287,668</u>	<u>(23,771)</u>

The deferred tax balances set out above in respect of accelerated capital allowances and losses are expected to reverse within the foreseeable future. The deferred tax in respect of the fair value uplift of the land and buildings acquired in a business combination will be released when the land and buildings are sold.

21 Retirement benefit schemes

	2019 £	2018 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>5,104</u>	<u>2,650</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

Included in other creditors at the year end was £Nil (2018 - £683) in respect of defined contribution schemes.

22 Share capital

	Group and company	
	2019 £	2018 £
Ordinary share capital		
Issued and fully paid		
20,166 Ordinary shares of £1 each	<u>20,166</u>	<u>20,166</u>

The company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the company.

COLLIER INDUSTRIAL WASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2019

23 Reserves

Profit and loss reserves

Cumulative profit and loss, net of distributions to owners.

24 Cash generated from group operations

	2019 £	2018 £
(Loss)/profit for the year after tax	(99,723)	276,162
Adjustments for:		
Taxation (credited)/charged	(48,340)	38,595
Finance costs	162,754	64,236
Investment income	(6,324)	(1,956)
Gain on disposal of tangible fixed assets	-	(1,303)
Depreciation and impairment of tangible fixed assets	21,928	16,462
Increase in provisions	152,661	85,562
Movements in working capital:		
Decrease/(increase) in stocks	68,625	(1,394)
Decrease/(increase) in debtors	321,436	(1,343,397)
(Decrease)/increase in creditors	(3,315,060)	2,774,823
Cash (absorbed by)/generated from operations	(2,742,043)	1,907,790

£2,358,301 of cash at bank (2018 - £2,358,418 of cash at bank) at the current year-end is held in an Escrow account in the joint names of Collier Industrial Waste Limited and the Environment Agency in respect of a bond for the likely future costs associated with the closure of the landfill site, post closure environmental control and aftercare costs. This cash cannot be drawn down without the prior consent of both parties.

25 Financial commitments, guarantees and contingent liabilities

The company has formally undertaken to provide continued financial support to the subsidiary company Cheshire Brickmakers Limited for twelve months after the accounts are approved and has agreed to defer repayment of the intercompany loan unless Cheshire Brickmakers Limited has the ability to pay.

COLLIER INDUSTRIAL WASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2019

26 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases for plant and machinery, which fall due as follows:

	Group 2019 £	2018 £	Company 2019 £	2018 £
Within one year	1,740	1,740	1,740	1,740
Between one and five years	1,450	3,190	1,450	3,190
	<u>3,190</u>	<u>4,930</u>	<u>3,190</u>	<u>4,930</u>

27 Events after the reporting date

On 30 January 2020 the World Health Organisation (WHO) announced Coronavirus as a global health emergency. On 11 March 2020 it announced that Coronavirus was a global pandemic. Soon after the UK government announced its own 'lock-down' measures and within a matter of days the impact was felt across the economy, with the Collier group being no exception.

With regards the results reported for the year ended 31 July 2019, the Directors are of the opinion that there are no material uncertainties or impact relating to the accounting estimates, or any other balances, transactions and disclosures, as arising from the impact of Covid-19.

There has however been an impact on post year end financial performance to the extent certain actions have been taken to protect the future of the group and company. These actions include, but are not limited to, a restructuring of the subsidiary Cheshire Brickmakers business which concluded with existing employees leaving the organisation by way of redundancy and the site temporarily closing.

As disclosed in the going concern accounting policy note, the directors, along with management, have reviewed the risks associated with Covid-19 and are satisfied that the group and company will remain a going concern for a period of at least 12 months from the date of approving the financial statements. The directors are also of the opinion that no adjustments are required to the 31 July 2019 year end accounts, as a result of the post year end events linked to Covid-19.

28 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel of the group, who are also directors, is as follows.

	2019 £	2018 £
Aggregate compensation	<u>198,710</u>	<u>212,540</u>

COLLIER INDUSTRIAL WASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2019

28 Related party transactions (Continued)

Collier Industrial Waste Limited had the following related party balances and transactions with entities under common control:

At 31 July 2019 £4,216,174 (2018 - £1,735,244) was due to a related party of which £4,187,431 is included in other borrowings and £28,743 is included in accruals, (2018 - £928,611 was included in other debtors and £2,663,855 was included in accruals). The amounts due are secured and subject to charges over the assets of the company and attracts interest at a rate of 5% over base.

The transactions giving rise to the movement in this balance were as follows:

Interest is chargeable on the balance by the related party at base rate plus 5%. The interest charged in the current period amounted to £162,754 (2018 - £64,236).

During the year purchases and waste facility costs of £5,226,244 (2018 - £5,063,855) were charged by the related party.

The company rents its Trafford Park premises from the related party under an informal lease. The company has agreed to be responsible for insurance, repairs and upkeep of the premises. The rent payable for the year amounted to £62,194 (2018 - £62,194).

Repayments made in the year were £3,000,000 (2018 - £3,000,000) and invoices paid on behalf of the related party net of purchase invoices from Collier Landfill were £(995) (2018 - £2,298,543).

At 31 July 2019 £346,292 (2018 - £346,292) was due to a separate related party and is included in other borrowings. There is no fixed date for repayment and there is no interest due on the loan.

Cheshire Brickmakers Limited had the following related party transactions with entities under common control:

During the year expenses totalling £375,000 (2018 - £375,000) were charged by related parties. These amounts were invoiced to Collier Industrial Waste Limited and allocated to the related party account.

During the year Cheshire Brickmakers Limited accrued rent of £18,500 (2018 - £18,500) to a related party. At the year end the amount owed to the related party was £129,500 (2018 - £111,000).

29 Controlling party

The company and group's ultimate controlling party is P J Collier by virtue of his majority shareholding.