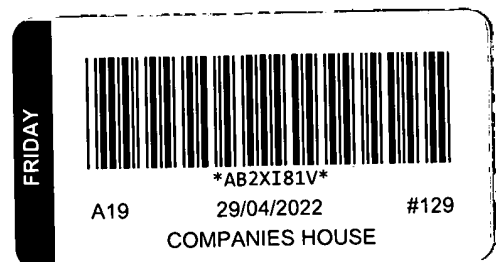


Company Registration No. 01482235 (England and Wales)

**COLLIER INDUSTRIAL WASTE LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 JULY 2021**



# **COLLIER INDUSTRIAL WASTE LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	Mr S Nelson Mr D Wishart
<b>Secretary</b>	Mr P J Collier
<b>Company number</b>	01482235
<b>Registered office</b>	Nash Road Trafford Park Manchester M17 1SX
<b>Auditor</b>	RSM UK Audit LLP Chartered Accountants 5th Floor One City Place Queens Road Chester CH1 3BQ

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# COLLIER INDUSTRIAL WASTE LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 JULY 2021

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The directors present the strategic report for the year ended 31 July 2021.

#### **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 since April 2020 consists primarily of the waste disposal business. In April 2020 the directors of Cheshire Brickmakers, a business consisting of the manufacture of bricks for the building industry, decided to start a restructure process which concluded with existing employees of that Company leaving the organisation by way of redundancy and the site temporarily closing. The directors plan to start trading again once sufficient plans and resources have been put in place to enable this, which did not happen during the year ended 31 July 2021.

Before taxation, and despite the overall turnover for the year decreasing by 37% due to general economic factors, the group recorded a loss before taxation of £273k, which is consistent with the result for the prior period. The directors have maintained a consistent result through tight control and monitoring of costs.

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

- Net current assets – remained substantially the same at £1.33m (2020 - £1.41m)
- Cash at bank and in hand – increase of £0.21m (2020 - £2.47m decrease) to £3.23m (2020 - £3.02m). This was the result of a further reduction in the level of borrowings.

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 within the group.

#### **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 along with the anticipated effects, based on worst case scenarios. 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, the directors have considered any likely impact that this may have and due to the main nature of the Groups trade do not consider that there would be a significant impact. However the directors continuously monitor the position, in particular to any UK legislation changes relating to the Waste sector.

#### **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.

#### **Future developments**

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. The Group also continues to explore any viable business opportunities for Cheshire Brickmakers.

# COLLIER INDUSTRIAL WASTE LIMITED

## STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

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On behalf of the board



.....  
Mr D Wishart  
Director

Date: 28.4.22

# **COLLIER INDUSTRIAL WASTE LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 JULY 2021**

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The directors present their annual report and financial statements for the year ended 31 July 2021.

#### **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, however, the subsidiary did not trade during the year.

#### **Going concern**

Management have produced cash flow forecasts up to 31 July 2023 for the group. These forecasts are prudent and indicate the group will continue to have sufficient financial headroom and surplus cash resources whilst receiving necessary financial support from the ultimate majority shareholder.

The group and company have a healthy balance sheet. There are related party loans totalling £2,248,059 (2020 - £2,432,149) 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 have the ability to repay. In addition, the group has written support from the ultimate majority shareholder to provide continued financial support to the group and company.

During the prior year the group 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 external trading liabilities remaining due to the temporary closure, but in any case, once it reopens it has sufficient liquid assets together with support from the ultimate majority shareholder to enable this to happen.

The balance sheet of the subsidiary does show a net liability position of £2,509,295 (2020 - £2,193,244) due purely to the £3.2m (2020 - £2.9m) group loan owed to its parent Collier Industrial Waste 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.

#### **Results and dividends**

The results for the year are set out on page 9.

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

#### **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

# COLLIER INDUSTRIAL WASTE LIMITED

## DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

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### 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.

#### **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.

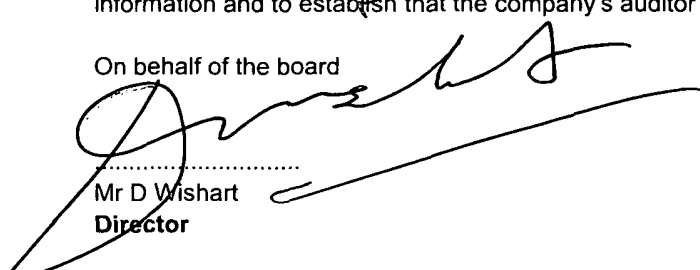
#### **Auditor**

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: 28.4.22

# **COLLIER INDUSTRIAL WASTE LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 JULY 2021**

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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**

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## **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 2021 which comprise the consolidated statement of income and retained earnings, the consolidated balance sheet, the company balance sheet, the consolidated statement of changes in equity, the company statement of changes in equity, the consolidated statement of cash flows 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 group's and of the parent company's affairs as at 31 July 2021 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**

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 group's or the parent 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.

## **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)**

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### **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.

### **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.

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.

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

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

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the group and parent company operate in and how the group and parent company are complying with the legal and regulatory frameworks;
- 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 discussions with management and Directors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation the running of the Landfill site, including but not limited to the Landfill Directive, the Environmental Protection Act 1990, Environment Act 1995, Duty of Care Regulations 1991, Hazardous Waste Regulations 2005, Water Act 2014, Groundwater Directive 2016, Environmental Permitting Regulations 2016 and Health and Safety at Work Act 1974. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence with licensing and regulatory authorities.

The group audit engagement team identified the risk of management override of controls and the completeness and cut off of revenue 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 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 and substantive test of details for revenue.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://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  
*28.4.22*

# COLLIER INDUSTRIAL WASTE LIMITED

## CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 JULY 2021

	Notes	2021 £	2020 £
<b>Turnover</b>	<b>3</b>	8,265,507	13,070,711
Cost of sales		(7,854,887)	(12,637,835)
<b>Gross profit</b>		410,620	432,876
Administrative expenses		(681,096)	(623,296)
Other operating income		97,078	24,996
<b>Operating loss</b>	<b>6</b>	(173,398)	(165,424)
Interest receivable and similar income	<b>8</b>	4,739	25,284
Interest payable and similar expenses	<b>9</b>	(104,043)	(136,289)
<b>Loss before taxation</b>		(272,702)	(276,429)
Tax on loss	<b>10</b>	(44,196)	3,360
<b>Loss for the financial year</b>		(316,898)	(273,069)
Retained earnings brought forward		1,340,621	1,613,690
Retained earnings carried forward		1,023,723	1,340,621

Loss 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 2021**

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	11		2,402,879		2,449,256
<b>Current assets</b>					
Stocks	14	115,192		115,192	
Debtors	15	1,515,222		2,097,480	
Cash at bank and in hand		3,232,862		3,021,395	
		<u>4,863,276</u>		<u>5,234,067</u>	
<b>Creditors: amounts falling due within one year</b>	16	<u>(3,536,001)</u>		<u>(3,826,158)</u>	
<b>Net current assets</b>			<u>1,327,275</u>		<u>1,407,909</u>
<b>Total assets less current liabilities</b>			<u>3,730,154</u>		<u>3,857,165</u>
<b>Provisions for liabilities</b>	18		<u>(2,686,265)</u>		<u>(2,496,378)</u>
<b>Net assets</b>			<u><u>1,043,889</u></u>		<u><u>1,360,787</u></u>
<b>Capital and reserves</b>					
Called up share capital	21		20,166		20,166
Profit and loss reserves	22		1,023,723		1,340,621
<b>Total equity</b>			<u><u>1,043,889</u></u>		<u><u>1,360,787</u></u>

The financial statements were approved by the board of directors and authorised for issue on 28.4.22 and are signed on its behalf by:

  
 .....  
 Mr D Wishart  
 Director

**COLLIER INDUSTRIAL WASTE LIMITED****COMPANY BALANCE SHEET****AS AT 31 JULY 2021**

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	11		333,285		365,179
Investments	12		2,718,387		2,718,387
			<u>3,051,672</u>		<u>3,083,566</u>
<b>Current assets</b>					
Debtors falling due after more than one year	15	3,181,506		2,873,671	
Debtors falling due within one year	15	1,518,947		2,074,976	
Cash at bank and in hand		3,189,864		2,905,140	
		<u>7,890,317</u>		<u>7,853,787</u>	
<b>Creditors: amounts falling due within one year</b>	16	(3,346,261)		(3,605,060)	
<b>Net current assets</b>			<u>4,544,056</u>		<u>4,248,727</u>
<b>Total assets less current liabilities</b>			<u>7,595,728</u>		<u>7,332,293</u>
<b>Provisions for liabilities</b>	18		(2,357,761)		(2,212,070)
<b>Net assets</b>			<u><u>5,237,967</u></u>		<u><u>5,120,223</u></u>
<b>Capital and reserves</b>					
Called up share capital	21		20,166		20,166
Profit and loss reserves	22		5,217,801		5,100,057
<b>Total equity</b>			<u><u>5,237,967</u></u>		<u><u>5,120,223</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 £117,744 (2020 - £208,333 profit).

The financial statements were approved by the board of directors and authorised for issue on 28.4.22 and are signed on its behalf by:

Mr D Wishart  
Director

# COLLIER INDUSTRIAL WASTE LIMITED

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 JULY 2021

	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 August 2019</b>	20,166	1,613,690	1,633,856
<b>Year ended 31 July 2020:</b>			
Loss and total comprehensive income for the year	-	(273,069)	(273,069)
<b>Balance at 31 July 2020</b>	20,166	1,340,621	1,360,787
<b>Year ended 31 July 2021:</b>			
Loss and total comprehensive income for the year	-	(316,898)	(316,898)
<b>Balance at 31 July 2021</b>	20,166	1,023,723	1,043,889

# COLLIER INDUSTRIAL WASTE LIMITED

## COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 JULY 2021

	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 August 2019</b>	20,166	4,891,724	4,911,890
<b>Year ended 31 July 2020:</b>			
Profit and total comprehensive income for the year	-	208,333	208,333
<b>Balance at 31 July 2020</b>	20,166	5,100,057	5,120,223
<b>Year ended 31 July 2021:</b>			
Profit and total comprehensive income for the year	-	117,744	117,744
<b>Balance at 31 July 2021</b>	20,166	5,217,801	5,237,967

# COLLIER INDUSTRIAL WASTE LIMITED

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 JULY 2021

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	23		490,149		(100,278)
Interest paid			(104,043)		(136,289)
<b>Net cash inflow/(outflow) from operating activities</b>			386,106		(236,567)
<b>Investing activities</b>					
Purchase of tangible fixed assets		-		(157,066)	
Proceeds on disposal of tangible fixed assets		-		748	
Interest received		4,739		25,284	
<b>Net cash generated from/(used in) investing activities</b>			4,739		(131,034)
<b>Financing activities</b>					
Repayment of borrowings		(179,378)		(2,106,286)	
<b>Net cash used in financing activities</b>			(179,378)		(2,106,286)
<b>Net increase/(decrease) in cash and cash equivalents</b>			211,467		(2,473,887)
Cash and cash equivalents at beginning of year			3,021,395		5,495,282
<b>Cash and cash equivalents at end of year</b>			3,232,862		3,021,395



# COLLIER INDUSTRIAL WASTE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

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### 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, including the provisions of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008.

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 disclose 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': Interest income/expense and net gains/losses for financial instruments not measured at fair value; 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 2021. 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 2021

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### 1 Accounting policies (Continued)

#### Going concern

Management have produced cash flow forecasts up to 31 July 2023 for the group. These forecasts are prudent and indicate the group will continue to have sufficient financial headroom and surplus cash resources whilst receiving necessary financial support from the ultimate majority shareholder.

The group and company have a healthy balance sheet. There are related party loans totalling £2,248,059 (2020 - £2,432,149) 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 have the ability to repay. In addition, the group has written support from the ultimate majority shareholder to provide continued financial support to the group and company.

During the prior year the group 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 external trading liabilities remaining due to the temporary closure, but in any case, once it reopens it has sufficient liquid assets together with support from the ultimate majority shareholder to enable this to happen.

The balance sheet of the subsidiary does show a net liability position of £2,509,295 (2020 - £2,193,244) due purely to the £3.2m (2020 - £2.9m) group loan owed to its parent Collier Industrial Waste 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 2021

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#### 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 a percentage of estimated selling price. 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, and deposits held at call with banks.

# COLLIER INDUSTRIAL WASTE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

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### 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, and other loans, 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 2021

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#### 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 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 2021

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#### 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.

##### **Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

#### 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.

# COLLIER INDUSTRIAL WASTE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

### 2 Judgements and key sources of estimation uncertainty (Continued)

#### 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. The valuation of brick stock at the year end is estimated to be £115,192 (2020 - £115,192).

#### 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. At the year end a provision for such costs has been estimated at £2,357,761 (2020 - £2,212,070).

### 3 Turnover and other revenue

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

	2021 £	2020 £
<b>Turnover analysed by class of business</b>		
Waste disposal	8,265,507	12,001,936
Manufacture of bricks	-	1,068,775
	<u>8,265,507</u>	<u>13,070,711</u>
	2021 £	2020 £
<b>Other revenue</b>		
Interest income	4,739	25,284
Grants received	<u>41,407</u>	<u>26,953</u>

All revenue is derived from the United Kingdom.

# COLLIER INDUSTRIAL WASTE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JULY 2021

#### 4 Employees

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

	Group 2021 Number	2020 Number	Company 2021 Number	2020 Number
Management and administration	4	5	3	3
Waste processing/disposal	2	2	2	2
Directors	2	2	2	2
Total	<u>8</u>	<u>9</u>	<u>7</u>	<u>7</u>

Their aggregate remuneration comprised:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Wages and salaries	317,782	363,206	304,778	302,562
Social security costs	34,965	37,908	33,797	33,301
Pension costs	5,437	6,622	5,134	5,393
	<u>358,184</u>	<u>407,736</u>	<u>343,709</u>	<u>341,256</u>
Redundancy payments made or committed	<u>-</u>	<u>29,462</u>	<u>-</u>	<u>-</u>

#### 5 Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	139,038	134,506
Company pension contributions to defined contribution schemes	1,309	1,314
	<u>140,347</u>	<u>135,820</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2020 - 1).



# COLLIER INDUSTRIAL WASTE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

### 6 Operating loss

	2021 £	2020 £
Operating loss for the year is stated after charging/(crediting):		
Government grants	(41,407)	(26,953)
Depreciation of owned tangible fixed assets	46,377	57,515
Profit on disposal of tangible fixed assets	-	(748)
Operating lease charges	1,450	1,740
	<u>          </u>	<u>          </u>

### 7 Auditor's remuneration

	2021 £	2020 £
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	20,281	23,817
Audit of the financial statements of the company's subsidiaries	7,170	13,406
	<u>          </u>	<u>          </u>
	27,451	37,223
	<u>          </u>	<u>          </u>
<b>For other services</b>		
Taxation compliance services	2,400	3,000
All other non-audit services	16,495	26,610
	<u>          </u>	<u>          </u>
	18,895	29,610
	<u>          </u>	<u>          </u>

Included within audit fees are overrun costs of £2,318 (2020 - £9,882) related to the finalisation of the prior year group and company audit, and £1,182 (2020 - £5,446) of overrun costs related to the finalisation of the prior year subsidiary audit.

# COLLIER INDUSTRIAL WASTE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

### 8 Interest receivable and similar income

	2021 £	2020 £
<b>Interest income</b>		
Interest on bank deposits	4,739	25,284

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	4,739	25,284
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### 9 Interest payable and similar expenses

	2021 £	2020 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Other interest on financial liabilities	104,043	126,520
<b>Other finance costs:</b>		
Other interest	-	9,769
<b>Total finance costs</b>	<b>104,043</b>	<b>136,289</b>

# COLLIER INDUSTRIAL WASTE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

### 10 Taxation

	2021 £	2020 £
<b>Deferred tax</b>		
Origination and reversal of timing differences	(45,585)	(37,204)
Changes in tax rates	89,781	33,844
	<u>44,196</u>	<u>(3,360)</u>
<b>Total deferred tax</b>	<u>44,196</u>	<u>(3,360)</u>

Corporation tax is calculated at 19% (2020 - 19%) of the estimated assessable profit for the year. Previously enacted corporation tax rates were due to be reduced from 19% to 17% from 1 April 2020. The 2020 Finance Act confirmed the rate of corporation tax will remain at 19% from 1 April 2020, cancelling the enacted cut to 17%. In the 3 March 2021 Budget it was announced that the UK tax rate will increase to 25% from 1 April 2023 and this rate was substantively enacted on 24 May 2021. Deferred tax balances at the year-end have been measured at 25% (2020 - 19%).

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

	2021 £	2020 £
Loss before taxation	<u>(272,702)</u>	<u>(276,429)</u>
Expected tax credit based on the standard rate of corporation tax in the UK of 19% (2020: 19%)	(51,813)	(52,522)
Tax effect of expenses that are not deductible in determining taxable profit	432	2,317
Change in unrecognised deferred tax assets	102,322	38,400
Remeasurement of deferred tax for changes in tax rates	<u>(6,745)</u>	<u>8,445</u>
<b>Taxation charge/(credit)</b>	<u>44,196</u>	<u>(3,360)</u>

At the year end the group and company has unrecognised deferred tax assets of £356,611 (2020 - £254,288) arising from short term timing differences.

# COLLIER INDUSTRIAL WASTE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JULY 2021

#### 11 Tangible fixed assets

Group	Freehold land and buildings	Short leasehold	Plant and machinery	Fixtures, fittings, tools and equipment	Motor vehicles	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 August 2020 and 31 July 2021	2,204,112	59,075	3,395,366	197,108	10,000	5,865,661
<b>Depreciation and impairment</b>						
At 1 August 2020	-	59,075	3,189,115	165,715	2,500	3,416,405
Depreciation charged in the year	-	-	39,955	4,547	1,875	46,377
At 31 July 2021	-	59,075	3,229,070	170,262	4,375	3,462,782
<b>Carrying amount</b>						
At 31 July 2021	2,204,112	-	166,296	26,846	5,625	2,402,879
At 31 July 2020	2,204,112	-	206,251	31,393	7,500	2,449,256
<b>Company</b>						
	£	£	£	£	£	£
<b>Cost</b>						
At 1 August 2020 and 31 July 2021	227,596	59,075	954,877	179,253	10,000	1,430,801
<b>Depreciation and impairment</b>						
At 1 August 2020	-	59,075	849,807	154,240	2,500	1,065,622
Depreciation charged in the year	-	-	26,267	3,752	1,875	31,894
At 31 July 2021	-	59,075	876,074	157,992	4,375	1,097,516
<b>Carrying amount</b>						
At 31 July 2021	227,596	-	78,803	21,261	5,625	333,285
At 31 July 2020	227,596	-	105,070	25,013	7,500	365,179

# COLLIER INDUSTRIAL WASTE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

### 12 Fixed asset investments

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Investments in subsidiaries	13	-	-	2,718,387	2,718,387

#### Movements in fixed asset investments Company

	Shares in group undertakings £
<b>Cost or valuation</b>	
At 1 August 2020 and 31 July 2021	2,718,387
<b>Carrying amount</b>	
At 31 July 2021	2,718,387
At 31 July 2020	2,718,387

### 13 Subsidiaries

Details of the company's subsidiaries at 31 July 2021 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 2021 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.

### 14 Stocks

	Group 2021 £	2020 £	Company 2021 £	2020 £
Finished goods and goods for resale	115,192	115,192	-	-

# COLLIER INDUSTRIAL WASTE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

### 15 Debtors

	Group 2021 £	2020 £	Company 2021 £	2020 £
<b>Amounts falling due within one year:</b>				
Trade debtors	1,475,235	1,967,592	1,475,235	1,967,592
Other debtors	3,319	123,423	-	94,350
Prepayments and accrued income	36,668	6,465	27,121	6,465
	<u>1,515,222</u>	<u>2,097,480</u>	<u>1,502,356</u>	<u>2,068,407</u>
Deferred tax asset (note 19)	-	-	16,591	6,569
	<u>1,515,222</u>	<u>2,097,480</u>	<u>1,518,947</u>	<u>2,074,976</u>
<b>Amounts falling due after more than one year:</b>				
Amounts owed by group undertakings	-	-	3,181,506	2,873,671
	<u>-</u>	<u>-</u>	<u>3,181,506</u>	<u>2,873,671</u>
<b>Total debtors</b>	<u>1,515,222</u>	<u>2,097,480</u>	<u>4,700,453</u>	<u>4,948,647</u>

Trade debtors are stated after provisions for bad debts of £80,000 (2020 - £Nil).

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

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Other borrowings	17	2,248,059	2,427,437	2,248,059	2,427,437
Trade creditors		149,264	238,072	135,079	220,185
Other taxation and social security		788,440	721,468	788,440	720,526
Other creditors		2,338	-	2,338	-
Accruals and deferred income		347,900	439,181	172,345	236,912
		<u>3,536,001</u>	<u>3,826,158</u>	<u>3,346,261</u>	<u>3,605,060</u>

### 17 Borrowings

	Group 2021 £	2020 £	Company 2021 £	2020 £
Loans from related parties	<u>2,248,059</u>	<u>2,427,437</u>	<u>2,248,059</u>	<u>2,427,437</u>
Payable within one year	<u>2,248,059</u>	<u>2,427,437</u>	<u>2,248,059</u>	<u>2,427,437</u>

# COLLIER INDUSTRIAL WASTE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JULY 2021

#### 17 Borrowings (Continued)

Amounts above include two loans due to related parties; £346,292 (2020 - £346,292) is repayable on demand and does not attract interest. £1,901,767 (£2,081,145) is repayable on demand and attracts interest at 5% above base rate.

The amounts due to Collier Landfill are secured by fixed and floating charges over all assets of the company. In addition, any liability of any of the group companies to Mr P J Collier, a majority shareholder of Collier Industrial Waste Limited is secured by a charge over the assets of the company

#### 18 Provisions for liabilities

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Closure and post closure costs		2,357,761	2,212,070	2,357,761	2,212,070
Deferred tax liabilities	19	328,504	284,308	-	-
		<u>2,686,265</u>	<u>2,496,378</u>	<u>2,357,761</u>	<u>2,212,070</u>

Movements on provisions apart from deferred tax liabilities:

Group	Closure and post closure costs £
At 1 August 2020	2,212,070
Additional provisions in the year	145,691
At 31 July 2021	<u>2,357,761</u>
Company	Closure and post closure costs £
At 1 August 2020	2,212,070
Additional provisions in the year	145,691
At 31 July 2021	<u>2,357,761</u>

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.

# COLLIER INDUSTRIAL WASTE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JULY 2021

#### 19 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 2021 £	Liabilities 2020 £	Assets 2021 £	Assets 2020 £
<b>Group</b>				
Accelerated capital allowances	43,504	40,891	-	-
Tax losses	(209,129)	(132,121)	-	-
Valuation of land and buildings acquired in a business combination	494,129	375,538	-	-
	<u>328,504</u>	<u>284,308</u>	<u>-</u>	<u>-</u>
	Liabilities 2021 £	Liabilities 2020 £	Assets 2021 £	Assets 2020 £
<b>Company</b>				
Accelerated capital allowances	-	-	(26,012)	(25,809)
Tax losses	-	-	42,603	32,378
	<u>-</u>	<u>-</u>	<u>16,591</u>	<u>6,569</u>
			<b>Group 2021 £</b>	<b>Company 2021 £</b>
<b>Movements in the year:</b>				
Liability/(asset) at 1 August 2020			284,308	(6,569)
Charge/(credit) to profit or loss			44,196	(10,022)
Liability/(asset) at 31 July 2021			<u>328,504</u>	<u>(16,591)</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.



# COLLIER INDUSTRIAL WASTE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JULY 2021

#### 20 Retirement benefit schemes

	2021	2020
	£	£
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	5,437	6,622

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 accruals at the year end was £975 (2020 - £296) in respect of defined contribution schemes.

#### 21 Share capital

	Group and Company			
	2021	2020	2021	2020
	Number	Number	£	£
<b>Ordinary share capital</b>				
<b>Issued and fully paid</b>				
Ordinary shares of £1 each	20,166	20,166	20,166	20,166

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.

#### 22 Reserves

##### Profit and loss reserves

Cumulative profit and loss, net of distributions to owners.

# COLLIER INDUSTRIAL WASTE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

### 23 Cash generated from group operations

	2021 £	2020 £
Loss for the year after tax	(316,898)	(273,069)
Adjustments for:		
Taxation charged/(credited)	44,196	(3,360)
Finance costs	104,043	136,289
Investment income	(4,739)	(25,284)
Gain on disposal of tangible fixed assets	-	(748)
Depreciation and impairment of tangible fixed assets	46,377	57,515
Increase in provisions	145,691	160,438
Movements in working capital:		
Decrease in stocks	-	89,952
Decrease in debtors	582,258	803,827
(Decrease) in creditors	(110,779)	(1,045,838)
<b>Cash generated from/(absorbed by) operations</b>	<b>490,149</b>	<b>(100,278)</b>

£2,382,943 of cash at bank (2020 - £2,378,468 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.

### 24 Analysis of changes in net funds - group

	1 August 2020 £	Cash flows £	31 July 2021 £
Cash at bank and in hand	3,021,395	211,467	3,232,862
Borrowings excluding overdrafts	(2,427,437)	179,378	(2,248,059)
	<u>593,958</u>	<u>390,845</u>	<u>984,803</u>

### 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 2021

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#### 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 2021 £	2020 £	Company 2021 £	2020 £
Within one year	-	1,450	-	1,450

#### 27 Related party transactions

##### Remuneration of key management personnel

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

	2021 £	2020 £
Aggregate compensation	157,102	151,829

# COLLIER INDUSTRIAL WASTE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

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### 27 Related party transactions (Continued)

#### Other information

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

At 31 July 2021 £1,901,767 (2020 - £2,085,857) was due to a related party of which £1,901,767 is included in other borrowings and £Nil is included in accruals, (2020 - £2,081,145 was included in other borrowings and £4,712 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 £104,043 (2020 - £126,520).

During the year purchases and waste facility costs of £3,074,200 (2020 - £4,307,621) 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 (2020 - £62,194).

Repayments made in the year were £3,100,000 (2020 - £5,250,000) and invoices paid on behalf of the related party net of purchase invoices were £319,815 (2020 - £1,352,621).

At 31 July 2021 £346,292 (2020 - £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.

During the year the company made payments on behalf of related dormant entities with the same ultimate majority shareholder as the company of £8,880 (2020 - £Nil). These amounts were waived during the year.

**Collier Industrial Waste Limited had the following related party balances and transactions with directors:**

During the year a director purchased an asset from the company for £Nil (2020 - £1,000). The amount due at the year-end was £Nil (2020 - £1,000).

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

During the year expenses totalling £Nil (2020 - £250,000) 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 (2020 - £18,500) to a related party. At the year end the amount owed to the related party was £166,500 (2020 - £148,000).

### 28 Controlling party

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