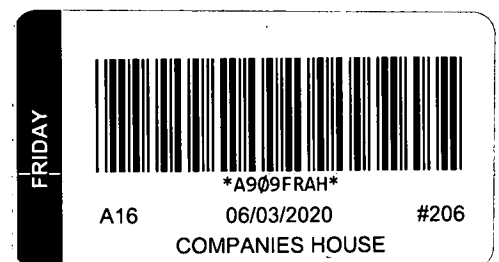


Hillbridge Investments Limited

**Annual report and consolidated
financial statements**

Registered number 03460361

30 September 2019



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Company information

Directors

MR Hewitt
AM Smith
AM Elliott
DR Ellison
HM Robinson
TCA Diggle

Secretary

AM Smith

Registered office

Castle Environmental
Crompton Road
Ilkeston
Derbyshire
DE7 4BG

Bankers

Barclays plc
Snow Hill Queensway
Birmingham
B4 6GN

Auditors

KPMG LLP
St Nicholas House
Park Row
Nottingham
NG1 6FQ

Strategic report

Business review

Business volumes increased during the year as the Group continued to increase its presence in both the Air Pollution Control residue (APCr) market and the packaged waste market.

The board is committed to further investment in the group to deliver value and returns for all Stakeholders.

Principal risks, uncertainties and financial management objectives

The key performance indicators for the business are cash flow and profitability and hence the most significant risks to the business are those that directly impact on these, which are correlated with general economic activity.

The Group follows the following financial risk management policies:

Price risk

The business may be affected by rising costs of inputs, although purchasing policies and practices seek to mitigate, where practicable, such risks.

The business continues to offset the risk of competitive pressure through continual improvement in its customer-focussed activities, providing a good quality service at a market price.

Interest rate risk

The Group is exposed to movements in interest rates and seeks to mitigate such exposure by obtaining facilities on the most beneficial terms available.

Credit risk

Credit risk arises on assets such as trade debtors. Policies and procedures exist to ensure that the trade debtors have an appropriate credit history before credit is granted.

Liquidity risk

At the year end the Hillbridge Investments Limited Group has bank and cash balances of £2,114,000 (2018: £2,500,000) and also continues to have access to an unused short term borrowing facility.

The Directors are confident that this funding structure is appropriate to allow the Group to achieve its financial targets in the future.

Brexit uncertainties

The Group and company is exposed to movements in interest rates and price inflation given the current Brexit negotiations taking place in the UK. We are continuing the process of reviewing the risks of disruption to supply following Brexit and have not identified any significant risk, mainly because the vast majority of our key suppliers are UK based. The full extent of any impact is currently unknown until a Brexit deal has been established.

By order of the board



AM Smith
Secretary

Crompton Road
Ilkeston
Derbyshire
DE7 4BG

Dated: 27 February 2020

Directors' report

The directors present their annual report and the audited consolidated financial statements for the year ended 30 September 2019.

Principal activities

The company acts as a holding company.

The principal activity of the Company's subsidiary undertakings are waste treatment, disposal and the development of waste recovery and recycling techniques specific to the waste industry.

Dividends and transfers to reserves

The results for the year are shown in the profit and loss account on page 7. The directors recommend that no dividend should be paid in respect of the year (2018: £nil).

Directors

The directors who held office during the year were as follows:

MR Hewitt
DR Ellison
AM Elliott
AM Smith
TCA Diggle
HM Robinson

Political contributions

The Company made no political donations or incurred any political expenditure during the year (2018: £nil).

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

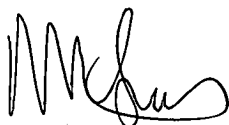
Other information

An indication of likely future developments in the business and particulars of significant events which have occurred since the end of the financial year have been included in the Strategic Report on page 2.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



AM Smith
Secretary

Crompton Road
Ilkeston
Derbyshire
DE7 4BG

Dated: 27 February 2020

Statement of directors' responsibilities in respect of the directors' report, the strategic report and the financial statements

The directors are responsible for preparing the Strategic Report, 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 they have elected to prepare the group and parent company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 parent company and of the Group's profit or loss for that period. In preparing each of the group and parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.



Independent auditor's report to the members of Hillbridge Investments Limited

Opinion

We have audited the financial statements of Hillbridge Investments Limited ("the company") for the year ended 30 September 2019 which comprise the consolidated profit and loss account, consolidated balance sheet, company balance sheet, consolidated statement of changes in equity, company statement of changes in equity, consolidated cash flow statement and related notes, including the accounting policies in note 1.

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 30 September 2019 and of the group's profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates and related disclosures made by the directors and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the group's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and its effects are subject to unprecedented levels of uncertainty of consequences, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the group's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the group or the company or to cease their operations, and as they have concluded that the group and the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the group's business model, including the impact of Brexit, and analysed how those risks might affect the group and company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the group or the company will continue in operation.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.



Independent auditor's report to the members of Hillbridge Investments Limited *(continued)*

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group and 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 they 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

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.

Louise De Lucchi (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

St Nicholas House
Park Row
Nottingham NG1 6FQ

Dated: 27 February 2020

Consolidated profit and loss account
for the year ended 30 September 2019

	<i>Note</i>	2019 £000	2018 £000
Turnover	2	24,680	21,837
Cost of sales		<u>(19,076)</u>	<u>(17,806)</u>
Gross profit		5,604	4,031
Administrative charges		<u>(3,729)</u>	<u>(3,451)</u>
Group operating profit		1,875	580
Interest payable and similar expenses	6	(7)	(7)
Interest receivable and similar income	12	15	-
Profit before taxation		1,883	573
Tax on profit	7	<u>(324)</u>	<u>(93)</u>
Profit after taxation		<u>1,559</u>	<u>480</u>

There were no items of other comprehensive income in either year.

In both the current and prior year, the Group made no material acquisitions and had no discontinued operations.

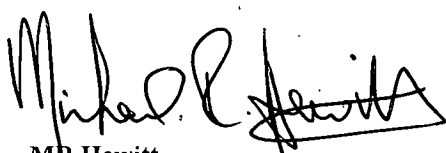
The attached notes form an integral part of the financial statements.

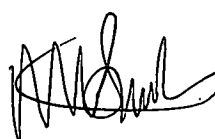
Consolidated balance sheet
at 30 September 2019

	Note	2019 £000	2018 £000
Fixed assets			
Intangible assets	8	57	46
Tangible assets	9	5,281	4,687
		<u>5,338</u>	<u>4,733</u>
Current assets			
Stocks	11	109	135
Debtors (including £890,000 (2018: £nil) due after more than one year)	12	6,640	4,803
Cash at bank and in hand	13	2,114	2,500
		<u>8,863</u>	<u>7,438</u>
Creditors: amounts falling due within one year	14	<u>(5,092)</u>	<u>(4,801)</u>
Net current assets		<u>3,771</u>	<u>2,637</u>
Total assets less current liabilities		<u>9,109</u>	<u>7,370</u>
Creditors: amounts falling due after more than one year	15	<u>(255)</u>	<u>(295)</u>
Provisions for liabilities			
Deferred tax liability	18	(254)	(191)
Net assets		<u><u>8,600</u></u>	<u><u>6,884</u></u>
Capital and reserves			
Called up share capital	20	10	10
Share premium account		342	342
Profit and loss account		8,248	6,532
Shareholders' funds		<u><u>8,600</u></u>	<u><u>6,884</u></u>

The attached notes form an integral part of the financial statements.

These financial statements were approved by the board of directors on 27 February 2020 and were signed on its behalf by:


MR Hewitt
Director


AM Smith
Director

Company registered number: 03460361

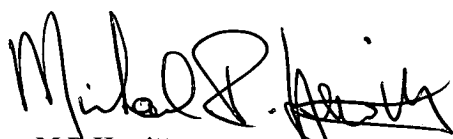
Company balance sheet
at 30 September 2019


	Note	2019 £000	2018 £000
Fixed assets			
Investments	10	3,740	3,740
Current assets			
Debtors (including £103,000 (2018: £76,000) due after more than one year)	12	1,317	420
Cash at bank and in hand		5	1
		<u>1,322</u>	<u>421</u>
Creditors: amounts falling due within one year	14	<u>(896)</u>	<u>(10)</u>
Net current assets		<u>426</u>	<u>411</u>
Total assets less current liabilities		<u>4,166</u>	<u>4,151</u>
Net assets		<u>4,166</u>	<u>4,151</u>
Capital and reserves			
Called up share capital	20	10	10
Share premium account		342	342
Profit and loss account		3,814	3,799
Shareholders' funds		<u>4,166</u>	<u>4,151</u>

The attached notes form an integral part of the financial statements.

The Company has taken the exemption in Section 408 of the Companies Act 2006 to not separately disclose the parent company profit and loss account. The Company's loss for the year was £142,000 (2018: loss of £128,000).

These financial statements were approved by the board of directors on 27 February 2020 and were signed on its behalf by:


M R Hewitt
Director


AM Smith
Director

Company registered number: 03460361

Consolidated statement of changes in equity

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
Balance at 1 October 2017	11	392	5,918	6,321
Total other comprehensive income	-	-	480	480
Share capital reduction	(1)	(50)	-	(51)
	(1)	(50)	480	429
Equity-settled share based payment transactions (note 19)	-	-	134	134
Balance at 30 September 2018	10	342	6,532	6,884

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
Balance at 1 October 2018	10	342	6,532	6,884
Total other comprehensive income	-	-	1,559	1,559
Equity-settled share based payment transactions (note 19)	-	-	157	157
Balance at 30 September 2019	10	342	8,248	8,600

The attached notes form an integral part of the financial statements.

Company statement of changes in equity

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
Balance at 1 October 2017	11	392	3,793	4,196
Other comprehensive expense for the year	-	-	(128)	(128)
Share capital reduction	(1)	(50)	-	(51)
	(1)	(50)	(128)	(179)
Equity-settled share based payment transactions (note 19)	-	-	134	134
Balance at 30 September 2018	10	342	3,799	4,151

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
Balance at 1 October 2018	10	342	3,799	4,151
Other comprehensive expense for the year	-	-	(142)	(142)
Equity-settled share based payment transactions (note 19)	-	-	157	157
Balance at 30 September 2019	10	342	3,814	4,166

The attached notes form an integral part of the financial statements.

Consolidated cash flow statement
for year ended 30 September 2019

	<i>Note</i>	2019 £000	2018 £000
Cash flows from operating activities			
Profit for the year		1,559	480
Adjustments for:			
Depreciation, amortisation and impairment	8,9	759	750
Interest payable and similar expenses	6	7	7
Interest receivable and similar income	12	15	-
Gain on sale of tangible fixed assets		(2)	-
Equity settled share-based payment expenses	19	157	134
Taxation	7	324	93
		<hr/> 2,819	<hr/> 1,464
 Increase in trade and other debtors	 12	 (1,852)	 (1,227)
Decrease in stocks	11	26	(34)
Increase in trade and other creditors	14	190	889
		<hr/> 1,183	<hr/> 1,092
 Interest paid		 -	 (7)
Tax paid		(130)	(333)
		<hr/>	<hr/>
Net cash from operating activities		1,053	752
		<hr/>	<hr/>
Cash flows from investing activities			
Proceeds from sale of tangible fixed assets		2	-
Acquisition of tangible fixed assets	9	(1,352)	(675)
Acquisition of intangible assets		(12)	(40)
		<hr/>	<hr/>
Net cash from investing activities		(1,362)	(715)
		<hr/>	<hr/>
Cash flows from financing activities			
Repurchase of own shares		-	(50)
Repayment of borrowings		(30)	(19)
Repayment of finance leases		(47)	(99)
		<hr/>	<hr/>
Net cash from financing activities		(77)	(168)
		<hr/>	<hr/>
Net decrease in cash and cash equivalents		(386)	(131)
Cash and cash equivalents at 1 October		2,500	2,631
		<hr/>	<hr/>
Cash and cash equivalents at 30 September	13	2,114	2,500
		<hr/>	<hr/>

The attached notes form an integral part of the financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

Hillbridge Investments Limited (the “Company”) is a company limited by shares and incorporated and domiciled in the UK. The registered number is 03460361 and the registered address is Castle Environmental, Crompton Road, Ilkeston, Derbyshire, DE7 4BG.

These Group and parent company financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland (“FRS 102”) as issued in August 2014. The amendments to FRS 102 issued in July 2015 have been applied. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The parent company is included in the consolidated financial statements, and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the parent company financial statements have been applied:

- No separate parent company Cash Flow Statement with related notes is included; and
- Key Management Personnel compensation has not been included a second time; and
- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 26.

1.1. Measurement convention

The financial statements are prepared on the historical cost basis.

1.2. Going concern

The Group has bank and cash balances at the year end totalling £2,114,000 (2018: £2,500,000) and net current assets of £3,771,000 (2018: £2,637,000). The Group continues to have access to an unused short term borrowing facility.

The directors monitor cash flow against forecasts as a key performance indicator (KPI) and have assessed that the company and other companies within the group will operate within available facilities for the next twelve months and the foreseeable future. They have therefore prepared the accounts on a going concern basis.

1.3. Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 30 September 2019. A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertakings are included in the consolidated profit and loss account from the date that control commences until the date that control ceases. Control is established when the Company has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

Under Section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own profit and loss account.

In the parent financial statements, investments in subsidiaries are carried at deemed cost less impairment.

Notes (continued)

1 Accounting policies (continued)

1.4. Classification of financial instruments issued by the group

In accordance with FRS 102.22, financial instruments issued by the group are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the group; and
- (b) where the instrument will or may be settled in the entity's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the entity's own equity instruments or is a derivative that will be settled by the entity exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the entity's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

1.5. Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

1.6. Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

Leases in which the entity assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. All other leases are classified as operating leases. Leased assets acquired by way of finance lease are stated on initial recognition at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, including any incremental costs directly attributable to negotiating and arranging the lease. At initial recognition a finance lease liability is recognised equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. The present value of the minimum lease payments is calculated using the interest rate implicit in the lease. Lease payments are accounted for as described at 1.12 below.

The company assesses at each reporting date whether tangible fixed assets (including those leased under a finance lease) are impaired.

Notes (continued)

1 Accounting policies (continued)

1.6. Tangible fixed assets (continued)

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated. The estimated useful lives are as follows:

Freehold buildings	- 2% to 20% on cost
Plant and machinery	- 10% to 50% on cost
Fixtures and fittings	- 5% to 25% on cost
Office equipment	- 25% on cost

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits. Upon this review, the company deemed the straight-line method was most accurate for plant and machinery and fixtures and fittings, having previously used reducing balance.

1.7. Intangible assets and goodwill

Goodwill

Goodwill is stated at cost less any accumulated amortisation and accumulated impairment losses. Goodwill is allocated to cash-generating units or group of cash-generating units that are expected to benefit from the synergies of the business combination from which it arose.

Other intangibles

Other intangible assets that are acquired by the Company are stated at cost less accumulated amortisation and less accumulated impairment losses.

Amortisation

Amortisation is charged to the profit or loss on a straight-line basis over the estimated useful lives of intangible assets. Intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

- Licence 25% reducing balance

Other intangible assets are tested for impairment in accordance with Section 27 Impairment of assets when there is an indication that an intangible asset may be impaired.

1.8. Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on the weighted average principle and includes expenditure incurred in acquiring the stocks, production or conversion costs and other costs in bringing them to their existing location and condition. In the case of manufactured stocks and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

1.9. Impairment excluding stocks and deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Notes (continued)

1 Accounting policies (continued)

1.9. Impairment excluding stocks and deferred tax assets (continued)

Non-financial assets

The carrying amounts of the entity's non-financial assets, other than stocks, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing is allocated to cash-generating units, or ("CGU") that are expected to benefit from the synergies of the combination. For the purpose of goodwill impairment testing, if goodwill cannot be allocated to individual CGUs or groups of CGUs on a non-arbitrary basis, the impairment of goodwill is determined using the recoverable amount of the acquired entity in its entirety, or if it has been integrated then the entire group of entities into which it has been integrated.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a *pro rata* basis.

An impairment loss is reversed if and only if the reasons for the impairment have ceased to apply.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.10. Employee benefits

Defined contribution plans and other long term employee benefits

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Share-based payment transactions

Share-based payment arrangements in which the entity receives goods or services as consideration for its own equity instruments are accounted for as equity-settled share-based payment transactions, regardless of how the equity instruments are obtained by the entity.

The grant date fair value of share-based payments awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period in which the employees become unconditionally entitled to the awards. The fair value of the awards granted is measured based on company specific data, taking into account the terms and conditions upon which the awards were granted. The amount recognised as an expense is adjusted to reflect the actual number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Notes (continued)

1 Accounting policies (continued)

1.11. Turnover

Turnover represents the amount derived from the provision of services which fall within the company's ordinary activities, entirely within the United Kingdom, stated net of value added tax. There are three revenue streams in place within the Hillbridge Investments Limited group; these being direct disposals, waste sales and block sales. Waste sales involve the processing of customer waste with revenue being recognised at the point at which the customer delivers the waste to the receiving site. Any Waste which Castle Waste Services Limited cannot treat themselves is sent to a third party supplier who is able to dispose of the waste. This is known as a direct disposal sale with the revenue being recognised when the waste reaches the third-party and confirmation of disposal is obtained. Finally, revenue generated from block sales is recognised on despatch of waste constructed blocks to the customer.

1.12. Expenses

Operating lease

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

Finance lease

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability using the rate implicit in the lease. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the periods in which they are incurred.

Interest receivable and interest payable

Interest payable and similar expenses include interest payable and finance leases recognised in profit or loss using the effective interest method in the profit and loss account.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the Company's right to receive payments is established.

1.13. Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Notes (continued)

1 Accounting policies (continued)

1.13. Taxation (continued)

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

2 Turnover

	2019 £000	2018 £000
Sale of goods	1,906	2,352
Rendering of services	22,774	19,485
	<hr/>	<hr/>
Total turnover	24,680	21,837
	<hr/>	<hr/>

All turnover arises within the United Kingdom.

3 Auditor's remuneration

Auditor's remuneration:

	2019 £000	2018 £000
Audit of these financial statements	5	4
Amounts receivable by the company's auditor and its associates in respect of:		
Audit of financial statements of subsidiaries of the company	34	30
Audit-related assurance services	3	3
Taxation compliance services	13	13
Other tax advisory services	7	7
Accounts word processing	1	1
	<hr/>	<hr/>

4 Staff numbers and costs

The average number of persons employed by the Group (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	2019	2018
Operations and sales	66	58
Office and management	19	18
	<hr/>	<hr/>
	85	76
	<hr/>	<hr/>

Notes (continued)

4 Staff numbers and costs (continued)

The aggregate payroll costs of these persons were as follows:

	2019 £000	2018 £000
Wages and salaries	3,721	3,389
Social security costs	418	357
Contributions to defined contribution plans	99	58
	<u>4,238</u>	<u>3,804</u>

5 Directors' remuneration

	2019 £000	2018 £000
Directors' remuneration	1,304	1,373
Company contributions to money purchase pension plans	44	32
	<u>1,348</u>	<u>1,405</u>

The aggregate of remuneration and amounts receivable under long term incentive schemes of the highest paid director was £364,000 (2018: £442,000), and company pension contributions of £nil (2018: £nil) were made to a personal pension scheme on his behalf.

	Number of directors 2019	2018
Retirement benefits are accruing to the following number of directors under:		
Personal pension purchase schemes	7	8
	<u>7</u>	<u>8</u>

6 Interest payable and similar charges

	2019 £000	2018 £000
Interest payable on financial liabilities at amortised cost	7	7
	<u>7</u>	<u>7</u>
Total other interest payable and similar expenses	7	7
	<u>7</u>	<u>7</u>

Notes (continued)

7 Taxation

Total tax charge recognised in the profit and loss account, other comprehensive income and equity

	2019	2018
	£000	£000
<i>Current tax</i>		
Current tax on income for the period	267	137
Adjustments in respect of prior periods	(7)	(9)
Total current tax	260	128
<i>Deferred tax (note 18)</i>		
Origination and reversal of timing differences	64	(35)
Total deferred tax charge/(credit)	64	(35)
Total tax	324	93

Reconciliation of effective tax rate

	2019	2018
	£000	£000
Profit after taxation	1,559	480
Total tax expense/	324	93
Profit before taxation	1,883	573
Tax using the UK corporation tax rate of 19% (2018: 19%)	358	109
Fixed asset differences	28	29
Non-deductible expenses	14	6
Timing differences	-	-
Additional deduction for R&D expenditure	(62)	(46)
Adjustments in respect of prior periods	(7)	(9)
Adjust closing deferred tax to average rate of 19.00%	(30)	(22)
Adjust opening deferred tax to average rate of 19.00%	23	26
Total tax expense included in profit or loss	324	93

A reduction in the UK corporation tax rate to 18% (effective 1 April 2020) was substantively enacted on 26 October 2015, and an additional reduction to 17% (effective from 1 April 2020) was substantively enacted on 15 September 2016. The deferred tax liability at 30 September 2019 has been calculated based on these rates.

Notes (continued)

8 Intangible assets and goodwill

<i>Group</i>	Goodwill £000	Licences £000	Total £000
Cost			
Balance at 1 October 2018	4,544	158	4,702
Additions	-	12	12
	<hr/>	<hr/>	<hr/>
Balance at 30 September 2019	4,544	170	4,714
	<hr/>	<hr/>	<hr/>
Amortisation and impairment			
Balance at 1 October 2018	4,544	112	4,656
Amortisation for the year	-	1	1
	<hr/>	<hr/>	<hr/>
Balance at 30 September 2019	4,544	113	4,657
	<hr/>	<hr/>	<hr/>
Net book value			
At 30 September 2019	-	57	57
	<hr/>	<hr/>	<hr/>
At 30 September 2018	-	46	46
	<hr/>	<hr/>	<hr/>

The directors consider each acquisition separately for the purposes of determining the amortisation period of any goodwill that arises and follow a policy of amortisation over the period in which benefits are expected to accrue. The goodwill which arose in relation to Castle Environmental Limited including Castle Waste Services Limited and Castle Oils Limited is amortised over 20 years.

Amortisation and impairment charge

The amortisation, impairment charge and impairment reversals are recognised in the following line items in the profit and loss account:

	2019 £000	2018 £000
Administrative charges	1	2
	<hr/>	<hr/>
	1	2
	<hr/>	<hr/>

Notes (continued)

9 Tangible fixed assets

<i>Group</i>	Freehold land and buildings £000	Plant and machinery £000	Fixtures, fittings and office equipment £000	Assets under construction £000	Total £000
Cost					
Balance at 1 October 2018	3,334	6,986	231	221	10,772
Additions	151	1,174	27	-	1,352
Disposals	-	(9)	(64)	-	(73)
Transfers	-	221	-	(221)	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 30 September 2019	3,485	8,372	194	-	12,051
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation and impairment					
Balance at 1 October 2018	1,555	4,359	171	-	6,085
Depreciation charge for the year	148	585	25	-	758
Disposals	-	(9)	(64)	-	(73)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 30 September 2019	1,703	4,935	132	-	6,770
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value					
At 30 September 2019	1,782	3,437	62	-	5,281
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2018	1,779	2,627	60	221	4,687
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Included within freehold land and buildings is land with a value of £442,000 (2018: £442,000) which is not depreciated.

The net book value of plant and machinery includes £154,000 (2018: £198,000) in relation to assets held under finance leases and hire purchase contracts. Depreciation charged on these assets in the year was £44,000 (2018: £80,000).

The Company does not hold any tangible fixed assets.

Notes (continued)

10 Fixed asset investments

Company	Shares in group undertakings £000
<i>Cost and net book value</i>	
At 30 September 2019	3,740
At 30 September 2018	3,740

Subsidiary undertakings	Country of incorporation	Principal activity	Share capital and reserves £000	Result for the period £000	Class and percentage of shares held
Castle Environmental Limited	England and Wales	Dormant	-	-	100% Ordinary Shares
Castle Waste Services Limited	England and Wales	Waste management and recycling	6,721	1,748	100% Ordinary Shares
Castle Oils Limited	England and Wales	Waste management and recycling	2,558	456	100% Ordinary Shares
M Plus Recycling Limited	England and Wales	Dormant	-	-	100% Ordinary Shares
Castle Construction Products Limited	England and Wales	Manufacture of concrete products	(1,106)	(503)	100% Ordinary Shares

All of the above subsidiaries have been included in the consolidated accounts.

The registered addresses of the above companies is Crompton Road, Ilkeston, Derbyshire, DE7 4BG.

11 Stocks

	Group		Company
	2019 £000	2018 £000	2019 £000
Finished Goods	100	126	-
Raw Materials	9	9	-
	<u>109</u>	<u>135</u>	<u>-</u>

Raw materials, consumables and changes in finished goods and work in progress recognised as cost of sales in the year amounted to £861,000 (2018: £959,000).

The write-down of stocks to net realisable value amounted to £8,000 (2018: £nil). The write-down is included within cost of sales.

Notes (continued)

12 Debtors

	Group		Company	
	2019 £000	2018 £000	2019 £000	2018 £000
Trade debtors	5,062	4,172	-	-
Amounts owed by group undertakings	-	-	324	344
Amounts owed by related parties	890	-	890	-
Other debtors	328	300	-	-
Prepayments and accrued income	360	331	-	-
Deferred tax asset (note 18)	-	-	103	76
	<u>6,640</u>	<u>4,803</u>	<u>1,317</u>	<u>420</u>
Due within one year	5,750	4,803	1,214	344
Due after more than one year	890	-	103	76
	<u>6,640</u>	<u>4,803</u>	<u>1,317</u>	<u>420</u>

All amounts due from group undertakings are repayable on demand. The £890,000 (2018: £nil) due after one year is an unsecured director's loan which is repayable on demand, however has been presented as non-current due to the expectation that it will be settled after one year. This has attracted interest in the year of £14,923 at a rate of 2.5%.

13 Cash and cash equivalents

	2019 £000	2018 £000
Cash at bank and in hand	2,114	2,500
Cash and cash equivalents per cash flow statements	<u>2,114</u>	<u>2,500</u>

14 Creditors: amounts falling due within one year

	Group		Company	
	2019 £000	2018 £000	2019 £000	2018 £000
Secured bank loans (note 16)	26	27	-	-
Amounts owed to group undertakings	-	-	890	-
Obligations under finance leases (note 16)	18	47	-	-
Trade creditors	3,449	3,474	-	-
Corporation tax due	162	31	5	5
Taxation and social security	500	416	1	-
Accruals and deferred income	937	806	-	5
	<u>5,092</u>	<u>4,801</u>	<u>896</u>	<u>10</u>

Notes (continued)

15 Creditors: amounts falling after more than one year

	Group		Company	
	2019 £000	2018 £000	2019 £000	2018 £000
Secured bank loans and overdrafts (note 16)	255	277	-	-
Obligations under finance leases (note 16)	-	18	-	-
	<u>255</u>	<u>295</u>	<u>-</u>	<u>-</u>

16 Interest-bearing loans and borrowings

This note provides information about the contractual terms of the Group's and parent Company's interest-bearing loans and borrowings, which are measured at amortised cost.

	Group		Company	
	2019 £000	2018 £000	2019 £000	2018 £000
Creditors falling due after more than one year				
Secured bank loans	255	277	-	-
Finance lease liabilities	-	18	-	-
	<u>255</u>	<u>295</u>	<u>-</u>	<u>-</u>
Creditors falling due within less than one year				
Secured bank loans	26	27	-	-
Finance lease liabilities	18	47	-	-
	<u>44</u>	<u>74</u>	<u>-</u>	<u>-</u>

Terms and debt repayment schedule

Group	Currency	Nominal interest rate	Year of maturity	Repayment schedule	2019 £000	2018 £000
Secured bank loan	GBP	Base Rate + 1.75%	2021	Monthly	281	304
Finance lease liabilities	GBP	Various	Various	Various	18	65
					<u>299</u>	<u>369</u>

Notes (continued)

17 Other interest-bearing loans and borrowings

Finance lease liabilities

Finance lease liabilities are payable as follows:

Group	Minimum lease payments 2019 £000	Minimum lease payments 2018 £000
Less than one year	18	47
Between one and five years	-	18
	<u>18</u>	<u>65</u>

Secured bank loans

Secured bank loans are payable as follows:

	2019 £000	2018 £000
Less than one year	26	27
Between one and five years	255	277
	<u>281</u>	<u>304</u>

Hire purchase liabilities are secured against the assets subject to the hire purchase arrangement. The secured bank loan incurs interest at Base Rate plus 1.75%, is secured against the freehold property of the Company to which the loan relates, and is repayable on a monthly basis with a final payment due at the end of the 5 year term.

The Company has no interest-bearing loans or borrowings.

18 Deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Group	Assets		Liabilities		Net	
	2019 £000	2018 £000	2019 £000	2018 £000	2019 £000	2018 £000
Accelerated capital allowances	-	-	359	267	359	267
Short term timing differences	(105)	(76)	-	-	(105)	(76)
	<u>(105)</u>	<u>(76)</u>	<u>359</u>	<u>267</u>	<u>254</u>	<u>191</u>
Net tax (assets) / liabilities	(105)	(76)	359	267	254	191

The Group has no unrecognised tax losses. Deferred tax is recognised at 17% which is the rate at which the liability is expected to unwind.

Company Only	Assets		Liabilities		Net	
	2019 £000	2018 £000	2019 £000	2018 £000	2019 £000	2018 £000
Accelerated capital allowances	-	-	-	-	-	-
Short term timing differences	(103)	(76)	-	-	(103)	(76)
	<u>(103)</u>	<u>(76)</u>	<u>-</u>	<u>-</u>	<u>(103)</u>	<u>(76)</u>
Net tax (assets) / liabilities	(103)	(76)	-	-	(103)	(76)

Notes (continued)

19 Employee benefits

Defined contribution plans

Group

The Group operates a number of defined contribution pension plans. The total expense relating to these plans in the current year was £99,000 (2018: £58,000).

Share based payments

In May 2015 the Company set up two enterprise management incentive option agreements for the benefit of senior employees. One of the agreements is exercisable if the business is sold within 10 years and certain performance criteria are met or exceeded. The other agreement is exercisable either upon the sale of the business or between 9 years and 10 months and 10 years of the date of the agreement. The latter is also exercisable within 3 months of the leaving date of a good leaver.

The Company share based payments are on the same basis as that of group.

The number and weighted average exercise prices of share options are as follows:

	Weighted average exercise price 2019	Number of options 2019	Weighted average exercise price 2018	Number of options 2018
Outstanding at the beginning of the year	0.01	420,000	0.01	420,000
Granted during the year	-	-	-	-
Forfeited during the year	0.01	15,000	-	-
Exercised during the year	0.01	25,000	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Outstanding at the end of the year	0.1	380,000	0.01	420,000
	<hr/>	<hr/>	<hr/>	<hr/>
Exercisable at the end of the year	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

The weighted average fair value of options granted was estimated using earnings for the current period and a price earnings ratio of 4 adjusted for minority discount. The resulting fair value per option was £3.17.

The total expenses recognised for the year arising from share-based payments are as follows:

	2019 £000	2018 £000
Total share-based payment expense	157	134
	<hr/>	<hr/>

Notes (continued)

20 Capital and reserves

	2019 £	2018 £
<i>Allotted, called up and fully paid</i>		
510,000 'A' Ordinary shares of £0.01 each	5,100	5,100
40,000 'B' Ordinary shares of £0.01 each	400	400
450,000 'C' Ordinary shares of £0.01 each	4,500	4,500
	<hr/> 10,000 <hr/>	<hr/> 10,000 <hr/>

The rights attaching to each class of share in issue are summarised below:

The ordinary shares have attached to them full voting and dividend rights. On a return of the company's assets on a liquidation, capital reduction or otherwise, the assets of the company remaining after the payment of its liabilities shall be applied in the following order of priority:

Firstly, in paying to the holders of the 'A' ordinary shares, the 'B' ordinary shares and the 'C' ordinary shares (pari passu as if the same constituted one class of share), the balance of such assets on a sale of the company, the proceeds of the sale shall be allocated in the order set out above as if the references to the assets remaining after the payment of its liabilities referred to the proceeds of sale.

21 Financial instruments

(a) Carrying amount of financial instruments

The carrying amounts of the financial assets and liabilities include:

	2019 £000	2018 £000
Assets measured at amortised cost	7,176	6,371
Liabilities measured at amortised cost	3,748	3,843
	<hr/>	<hr/>

(b) Financial instruments measured at fair value

There are no financial instruments measured at fair value.

22 Operating leases

Non-cancellable operating lease rentals are payable as follows:

	Land and buildings		Other	
	2019 £000	2018 £000	2019 £000	2018 £000
Less than one year	89	81	173	167
Between one and five years	452	428	252	255
More than five years	275	324	-	2
	<hr/> 816 <hr/>	<hr/> 833 <hr/>	<hr/> 425 <hr/>	<hr/> 424 <hr/>

During the year £297,000 was recognised as an expense in the group profit and loss account in respect of operating leases (2018: £224,000). The Company has no operating leases to disclose.

Notes (continued)

23 Commitments

Capital commitments

Contractual commitments to purchase tangible fixed assets at the year-end were £nil (2018: £nil). The company had no capital commitments at either year end.

24 Related parties

Group

Transactions with key management personnel

Total compensation of key management personnel (including the directors) in the year amounted to £1,374,000 (2018: £1,373,000).

Other Related Party Transactions

In the year the company issued an unsecured loan to MR Hewitt of £875,000 (2018: £nil) which is subject to interest of 2.5% per annum. Interest in the year charged was £14,923 (2018: £nil). This is repayable on demand however has been presented as non-current due to the expectation that it will be settled after one year.

25 Ultimate parent company and parent company of larger group

The ultimate controlling party is MR Hewitt.

26 Accounting estimates and judgements

Waste accrual

Revenue is recognised at the point at which the customer delivers the waste to the receiving site. This is the point at which the customer has discharged all responsibility for the waste. At the year end, a waste disposal cost accrual is recognised for the waste that is on site and yet to be processed. The waste accrual is calculated based on management's best estimate of the cost of processing the waste.

Share based payments

Management have estimated the share-based payments expense under FRS 102. In determining the fair value of share-based payments, management have considered several internal and external factors in judging the probability that management and employee share incentives may vest. Such judgements involve estimating a number of future performance and other factors.

The directors do not consider there to be any other areas of significant judgement or estimates.