

Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 31 March 2023
for
Bolton Brothers Limited

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for the Year Ended 31 March 2023

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Bolton Brothers Limited
Company Information
for the Year Ended 31 March 2023

DIRECTORS:

M J Bolton
O H J Bolton
R S J Bolton
Ms W H Bolton
Ms J G P Bolton Smith

SECRETARY:

Ms J G P Bolton Smith

REGISTERED OFFICE:

Bramford Road
Great Blakenham
Ipswich
Suffolk
IP6 0SL

REGISTERED NUMBER:

03745354 (England and Wales)

AUDITORS:

Knights Lowe Limited
Eldo House
Kempson Way
Suffolk Business Park
Bury St Edmunds
Suffolk
IP32 7AR

Strategic Report
for the Year Ended 31 March 2023

The directors present their strategic report for the year ended 31 March 2023.

REVIEW OF BUSINESS

This year has seen another strong performance from the company with turnover growing above expectations. There has also been a significant investment in new plant and equipment to support the company's growth ambitions. This investment programme has continued into 2023-2024 with further plant and vehicles being replaced.

Revenue has grown significantly during the year, benefitting from both increases in volumes and higher commodity prices. To facilitate this growth, investment has been made in staff by strengthening the management structure and increasing the number of operational staff. Further investment is also being made in 2023-2024 to strengthen the company's IT systems.

The company operated comfortably within the overdraft facility throughout the year. The company also has loan facilities which were reviewed in 2019-2022 and do not expire until 2025-2027.

The balance sheet has continued to strengthen, with net assets now standing at £5.0m (2022: £4.5m).

Principal risks and uncertainties

The key business risks and uncertainties are fuel and energy prices, fluctuating commodity prices, the ability to source materials, competitor pressure and employee recruitment and retention. The company mitigates these risks through actively monitoring and managing the business to ensure that the company's strategy is delivered.

Key performance indicators

The key performance indicators for Bolton Brothers Ltd are turnover and gross profit margin. The company have chosen these to represent the company's performance and position as increasing turnover has been a key objective for the company in recent years and a significant amount of investment has gone into reducing the age of the assets. Net profit is a key indicator for the company as it gives a more holistic view of how the company is performing and allows them to review their costs for maximum efficiencies.

During the year the company's turnover increased by 16.8% to £14.9m, and gross margin decreased slightly from 29.1% to 28.3%

ON BEHALF OF THE BOARD:

R S J Bolton - Director

2 October 2023

Report of the Directors
for the Year Ended 31 March 2023

The directors present their report with the financial statements of the company for the year ended 31 March 2023.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of recycling and targeted waste management solutions.

DIVIDENDS

Interim dividends per share were paid as follows:

£36,000	- 30 April 2023
£36,000	- 31 May 2023
£36,000	- 30 June 2023
£36,000	- 31 July 2023
£36,000	- 31 August 2023
£36,000	- 30 September 2023
£36,000	- 31 October 2023
£36,000	- 30 November 2023
£36,000	- 31 December 2023
£36,000	- 31 January 2023
£36,000	- 28 February 2023
£36,000	- 31 March 2023
<u>£432,000</u>	

The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 March 2023 will be £ 432,000 .

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2022 to the date of this report.

M J Bolton
O H J Bolton
R S J Bolton
Ms W H Bolton
Ms J G P Bolton Smith

POLITICAL DONATIONS AND EXPENDITURE

Donations made in the year totalling £6,417 (2022: £7,458) all related to charity donations.

There were no donations made in respect of political parties.

Report of the Directors
for the Year Ended 31 March 2023

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Knights Lowe Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

R S J Bolton - Director

2 October 2023

Report of the Independent Auditors to the Members of
Bolton Brothers Limited

Opinion

We have audited the financial statements of Bolton Brothers Limited (the 'company') for the year ended 31 March 2023 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its profit 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 were appointed as auditors of the company after 1 April 2022 and thus did not observe the counting of the physical inventories at the beginning of the year. We were unable to satisfy ourselves by alternative means concerning inventory quantities held at 31 March 2022. Since opening inventories enter into the determination of the financial performance and cash flows, we were unable to determine whether adjustments might have been necessary in respect of the profit for the year reported in the statement of comprehensive income and the net cash flows from operating activities reported in the statement of cash flows.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

In the previous accounting period the directors of the company took advantage of audit exemption under s477 of the Companies Act. Therefore the prior period financial statements were not subject to audit. We have obtained sufficient audit evidence that, other than the balances highlighted above, the opening balances at 1 April 2022 do not contain material misstatement.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Report of the Independent Auditors to the Members of
Bolton Brothers Limited

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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 necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Members of
Bolton Brothers Limited

Auditors' 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 a Report of the Auditors 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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the company's operating sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation ;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions; and

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC and the company's legal advisors;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Report of the Independent Auditors to the Members of
Bolton Brothers Limited

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 a Report of the Auditors 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.

James Knights BSc ACA (Senior Statutory Auditor)
for and on behalf of Knights Lowe Limited
Eldo House
Kempson Way
Suffolk Business Park
Bury St Edmunds
Suffolk
IP32 7AR

2 October 2023

**Statement of Comprehensive
Income
for the Year Ended 31 March 2023**

	Notes	2023 £	£	2022 £	£
TURNOVER			14,892,983		12,754,311
Cost of sales			10,678,355		9,046,868
GROSS PROFIT			4,214,628		3,707,443
Distribution costs		616,923		425,792	
Administrative expenses		2,388,626		1,807,959	
			3,005,549		2,233,751
			1,209,079		1,473,692
Other operating income			-		2,923
OPERATING PROFIT	5		1,209,079		1,476,615
Interest receivable and similar income			4,248		6,234
			1,213,327		1,482,849
Interest payable and similar expenses	6		129,494		65,442
PROFIT BEFORE TAXATION			1,083,833		1,417,407
Tax on profit	7		129,404		348,565
PROFIT FOR THE FINANCIAL YEAR			954,429		1,068,842
OTHER COMPREHENSIVE INCOME			-		-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR			954,429		1,068,842

The notes form part of these financial statements

Bolton Brothers Limited (Registered number: 03745354)**Balance Sheet**
31 March 2023

	Notes	2023 £	£	2022 £	£
FIXED ASSETS					
Intangible assets	9		-		-
Tangible assets	10		6,806,631		5,784,178
Investments	11		1		1
			<u>6,806,632</u>		<u>5,784,179</u>
CURRENT ASSETS					
Stocks	12	622,286		328,830	
Debtors	13	2,134,945		2,049,936	
Cash at bank and in hand		<u>257,388</u>		<u>1,011,001</u>	
		3,014,619		3,389,767	
CREDITORS					
Amounts falling due within one year	14	<u>2,871,075</u>		<u>2,619,824</u>	
NET CURRENT ASSETS			<u>143,544</u>		<u>769,943</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>6,950,176</u>		<u>6,554,122</u>
CREDITORS					
Amounts falling due after more than one year	15		(1,278,607)		(1,572,316)
PROVISIONS FOR LIABILITIES	19		<u>(668,834)</u>		<u>(501,500)</u>
NET ASSETS			<u>5,002,735</u>		<u>4,480,306</u>
CAPITAL AND RESERVES					
Called up share capital	20		180,000		180,000
Capital redemption reserve	21		20,000		20,000
Retained earnings	21		<u>4,802,735</u>		<u>4,280,306</u>
SHAREHOLDERS' FUNDS			<u>5,002,735</u>		<u>4,480,306</u>

The financial statements were approved by the Board of Directors and authorised for issue on 2 October 2023 and were signed on its behalf by:

R S J Bolton - Director

The notes form part of these financial statements

Statement of Changes in Equity
for the Year Ended 31 March 2023

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
Balance at 1 April 2021	180,000	3,643,464	20,000	3,843,464
Changes in equity				
Dividends	-	(432,000)	-	(432,000)
Total comprehensive income	-	1,068,842	-	1,068,842
Balance at 31 March 2022	180,000	4,280,306	20,000	4,480,306
Changes in equity				
Dividends	-	(432,000)	-	(432,000)
Total comprehensive income	-	954,429	-	954,429
Balance at 31 March 2023	180,000	4,802,735	20,000	5,002,735

Cash Flow Statement
for the Year Ended 31 March 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	1,018,751	2,017,483
Interest paid		(61,167)	(37,536)
Interest element of hire purchase payments paid		(68,327)	(27,906)
Tax paid		(111,359)	(196,138)
Net cash from operating activities		<u>777,898</u>	<u>1,755,903</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,507,945)	(1,036,287)
Sale of tangible fixed assets		80,374	31,999
Interest received		4,248	6,234
Net cash from investing activities		<u>(1,423,323)</u>	<u>(998,054)</u>
Cash flows from financing activities			
Loan repayments in year		(233,226)	(395,338)
Capital repayments in year		(437,493)	(215,239)
Amount introduced by directors		98,707	-
Amount withdrawn by directors		-	(60,825)
New HP agreements in year		895,824	666,511
Equity dividends paid		(432,000)	(432,000)
Net cash from financing activities		<u>(108,188)</u>	<u>(436,891)</u>
(Decrease)/increase in cash and cash equivalents		<u>(753,613)</u>	<u>320,958</u>
Cash and cash equivalents at beginning of year	2	1,011,001	690,043
Cash and cash equivalents at end of year	2	<u>257,388</u>	<u>1,011,001</u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 March 2023

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2023	2022
	£	£
Profit before taxation	1,083,833	1,417,407
Depreciation charges	465,653	511,085
Profit on disposal of fixed assets	(60,535)	(5,172)
Finance costs	129,494	65,442
Finance income	(4,248)	(6,234)
	1,614,197	1,982,528
Increase in stocks	(293,456)	(203,196)
Increase in trade and other debtors	(183,716)	(90,721)
(Decrease)/increase in trade and other creditors	(118,274)	328,872
Cash generated from operations	1,018,751	2,017,483

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2023

	31.3.23	1.4.22
	£	£
Cash and cash equivalents	257,388	1,011,001

Year ended 31 March 2022

	31.3.22	1.4.21
	£	£
Cash and cash equivalents	1,011,001	690,043

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.22	Cash flow	At 31.3.23
	£	£	£
Net cash			
Cash at bank and in hand	1,011,001	(753,613)	257,388
	1,011,001	(753,613)	257,388
Debt			
Finance leases	(1,042,963)	(458,331)	(1,501,294)
Debts falling due within 1 year	(236,586)	(301,864)	(538,450)
Debts falling due after 1 year	(863,014)	535,090	(327,924)
	(2,142,563)	(225,105)	(2,367,668)
Total	(1,131,562)	(978,718)	(2,110,280)

Notes to the Financial Statements
for the Year Ended 31 March 2023

1. STATUTORY INFORMATION

Bolton Brothers Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2001, has been amortised evenly over its estimated useful life of twenty years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The intangible assets are amortised over its useful life.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

- | | |
|-----------------------|-------------------------------|
| Freehold property | - Straight line over 40 years |
| Plant and machinery | - 10% on cost |
| Fixtures and fittings | - 33% on cost and 10% on cost |
| Motor vehicles | - 5 years straight line |

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

2. ACCOUNTING POLICIES - continued

Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

2. ACCOUNTING POLICIES - continued

Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

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 company after deducting all of its liabilities

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs). If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when, there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- (a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or negative fixed rate and a positive variable rate.
- (b) The contract may provide for repayments of the principal or return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- (c) The contract may provide for a determinable variation of return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a)).
- (d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- (e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.
- (f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Other debt instruments not meeting these conditions are measured at fair value through profit and loss.

Financial assets are derecognised when, and only when, (a) the contractual rights to the cash flows from the financial asset expire or are settled, (b) the company transfers to another part substantially all of the risks and rewards of ownership of the financial asset, or (c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Impairment

At each reporting date, goodwill and other fixed assets, including tangible fixed assets and investments but excluding investment properties, are assessed to determine whether there is an indication that the carrying amount of an asset may be more than its recoverable amount and that the asset should be impaired. If there is an indication of possible impairment, the recoverable amount of an asset, which is the higher of its value in use and its net realisable value, is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is written down to its estimated recoverable amount and an impairment loss is recognised in the income statement.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023****3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the company's accounting policies

The following are the critical judgements, including those involving estimations, that the directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Depreciation of tangible fixed assets

Tangible fixed assets are recognised at cost and depreciated over the basis appropriate to charge to the profit and loss account the economic consumption of those assets during the accounting period. The charge is calculated as described above and is based on the directors' knowledge of the reduction in the residual value of trading assets on average over the investment cycle of each class of asset. The rates of depreciation are kept under review such that assets are written down to residual value at the end of their economic lives.

4. EMPLOYEES AND DIRECTORS

	2023	2022
	£	£
Wages and salaries	2,783,858	2,049,679
Social security costs	272,298	178,707
Other pension costs	37,798	24,012
	<u>3,093,954</u>	<u>2,252,398</u>

The average number of employees during the year was as follows:

	2023	2022
Admin	49	39
Directors	5	5
	<u>54</u>	<u>44</u>

	2023	2022
	£	£
Directors' remuneration	<u>629,286</u>	<u>403,990</u>

Information regarding the highest paid director is as follows:

	2023	2022
	£	£
Emoluments etc	<u>224,417</u>	<u>218,858</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

5. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2023	2022
	£	£
Hire of plant and machinery	72,388	57,267
Depreciation - owned assets	268,194	511,085
Depreciation - assets on hire purchase contracts	197,459	50,562
Profit on disposal of fixed assets	(60,535)	(5,172)
Auditors' remuneration	7,500	-
Foreign exchange differences	(23,744)	29,104

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2023	2022
	£	£
Bank loan interest	61,167	37,536
Hire purchase interest	68,327	27,906
	129,494	65,442

7. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2023	2022
	£	£
Current tax:		
UK corporation tax	-	132,301
Tax relating to prior year	(37,930)	-
Total current tax	(37,930)	132,301
Deferred tax	167,334	216,264
Tax on profit	129,404	348,565

UK corporation tax has been charged at 19% (2022 - 19%).

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

7. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2023	2022
	£	£
Profit before tax	<u>1,083,833</u>	<u>1,417,407</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2022 - 19%)	205,928	269,307
Effects of:		
Expenses not deductible for tax purposes	3,224	2,438
Capital allowances in excess of depreciation	(247,082)	(139,804)
Deferred tax movement	<u>167,334</u>	<u>216,624</u>
Total tax charge	<u>129,404</u>	<u>348,565</u>

8. DIVIDENDS

	2023	2022
	£	£
Ordinary shares of £1 each		
Interim	<u>432,000</u>	<u>432,000</u>

9. INTANGIBLE FIXED ASSETS

	Goodwill
	£
COST	
At 1 April 2022	
and 31 March 2023	<u>470,452</u>
AMORTISATION	
At 1 April 2022	
and 31 March 2023	<u>470,452</u>
NET BOOK VALUE	
At 31 March 2023	<u>-</u>
At 31 March 2022	<u>-</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

10. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 April 2022	4,106,690	4,873,433	371,796	1,911,410	11,263,329
Additions	247,330	873,989	29,854	356,772	1,507,945
Disposals	(16,395)	(1,718,586)	(36,906)	(51,500)	(1,823,387)
At 31 March 2023	4,337,625	4,028,836	364,744	2,216,682	10,947,887
DEPRECIATION					
At 1 April 2022	466,622	3,384,609	325,964	1,301,956	5,479,151
Charge for year	51,828	307,742	19,744	86,339	465,653
Eliminated on disposal	(2,867)	(1,715,408)	(36,906)	(48,367)	(1,803,548)
At 31 March 2023	515,583	1,976,943	308,802	1,339,928	4,141,256
NET BOOK VALUE					
At 31 March 2023	3,822,042	2,051,893	55,942	876,754	6,806,631
At 31 March 2022	3,640,068	1,488,824	45,832	609,454	5,784,178

Included in cost of land and buildings is freehold land of £ 1,691,376 (2022 - £ 1,691,376) which is not depreciated.

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £	Motor vehicles £	Totals £
COST			
At 1 April 2022	934,131	535,010	1,469,141
Additions	693,325	352,452	1,045,777
At 31 March 2023	1,627,456	887,462	2,514,918
DEPRECIATION			
At 1 April 2022	167,228	50,562	217,790
Charge for year	146,203	51,256	197,459
At 31 March 2023	313,431	101,818	415,249
NET BOOK VALUE			
At 31 March 2023	1,314,025	785,644	2,099,669
At 31 March 2022	766,903	484,448	1,251,351

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

11. FIXED ASSET INVESTMENTS

	Unlisted investments £
COST	
At 1 April 2022	
and 31 March 2023	<u>1</u>
NET BOOK VALUE	
At 31 March 2023	<u>1</u>
At 31 March 2022	<u>1</u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Bolton Waste Disposal Limited

Registered office: Bramford Lane, Great Blakenham, Ipswich, Suffolk, IP6 0SL

Nature of business: Dormant

	%		
Class of shares:	holding		
Ordinary	100.00		
		30.6.23	30.6.22
		£	£
Aggregate capital and reserves		<u>1</u>	<u>1</u>

This subsidiary is not consolidated in these financial statements as it is excluded from consolidation under Section 405 of the Companies Act 2006.

12. STOCKS

	2023	2022
	£	£
Stocks	<u>622,286</u>	<u>328,830</u>

13. DEBTORS

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	1,395,839	1,359,670
Other debtors	76,914	650
Directors' loan accounts	254,791	353,498
VAT	37,699	53,476
Prepayments and accrued income	294,498	168,734
	<u>2,059,741</u>	<u>1,936,028</u>
Amounts falling due after more than one year:		
Other debtors	<u>75,204</u>	<u>113,908</u>
Aggregate amounts	<u>2,134,945</u>	<u>2,049,936</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Bank loans and overdrafts (see note 16)	538,450	236,586
Hire purchase contracts (see note 17)	550,611	333,661
Trade creditors	1,506,331	1,645,379
Corporation tax	-	149,289
Social security and other taxes	72,412	59,359
Other creditors	19,939	21,749
Accruals	183,332	173,801
	<u>2,871,075</u>	<u>2,619,824</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
Bank loans (see note 16)	327,924	863,014
Hire purchase contracts (see note 17)	950,683	709,302
	<u>1,278,607</u>	<u>1,572,316</u>

16. LOANS

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>538,450</u>	<u>236,586</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>179,707</u>	<u>243,532</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>148,217</u>	<u>489,518</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>-</u>	<u>129,964</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

17. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2023	2022
	£	£
Net obligations repayable:		
Within one year	550,611	333,661
Between one and five years	<u>950,683</u>	<u>709,302</u>
	<u>1,501,294</u>	<u>1,042,963</u>
	Non-cancellable	operating
	2023	leases
	£	2022
		£
Within one year	20,348	-
Between one and five years	<u>22,453</u>	<u>-</u>
	<u>42,801</u>	<u>-</u>

18. SECURED DEBTS

The following secured debts are included within creditors:

	2023	2022
	£	£
Bank loans	866,374	1,099,600
Hire purchase contracts	<u>1,501,294</u>	<u>1,042,963</u>
	<u>2,367,668</u>	<u>2,142,563</u>

Bank overdrafts and loans due to Barclays Bank Plc are secured by a charge over all of the company's properties, land and associated assets.

Hire purchase liabilities are secured over the assets financed.

19. PROVISIONS FOR LIABILITIES

	2023	2022
	£	£
Deferred tax		
Accelerated capital allowances	<u>668,834</u>	<u>501,500</u>
		Deferred
		tax
		£
Balance at 1 April 2022		501,500
Provided during year		<u>167,334</u>
Balance at 31 March 2023		<u>668,834</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2023 £	2022 £
180,000	Ordinary	£1	<u>180,000</u>	<u>180,000</u>

21. RESERVES

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 April 2022	4,280,306	20,000	4,300,306
Profit for the year	954,429		954,429
Dividends	(432,000)		(432,000)
At 31 March 2023	<u>4,802,735</u>	<u>20,000</u>	<u>4,822,735</u>

22. CAPITAL COMMITMENTS

	2023 £	2022 £
Contracted but not provided for in the financial statements	<u>541,438</u>	<u>-</u>

23. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the years ended 31 March 2023 and 31 March 2022:

	2023 £	2022 £
M J Bolton and Ms W H Bolton		
Balance outstanding at start of year	186,087	178,902
Amounts advanced	192,064	337,493
Amounts repaid	(316,295)	(330,308)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>61,856</u>	<u>186,087</u>
O H J Bolton		
Balance outstanding at start of year	40,570	30,217
Amounts advanced	66,556	66,644
Amounts repaid	(51,840)	(56,291)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>55,286</u>	<u>40,570</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

23. **DIRECTORS' ADVANCES, CREDITS AND GUARANTEES - continued**

Ms J G P Bolton Smith

Balance outstanding at start of year	49,360	43,555
Amounts advanced	61,252	69,554
Amounts repaid	(48,399)	(63,749)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>62,213</u>	<u>49,360</u>

R S J Bolton

Balance outstanding at start of year	77,481	39,998
Amounts advanced	88,136	97,087
Amounts repaid	(90,180)	(59,604)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>75,437</u>	<u>77,481</u>

24. **ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is Mr M J Bolton and Mrs W H Bolton.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.