

TAURUS WASTE RECYCLING (HOLDINGS) LTD
GROUP STRATEGIC REPORT,
REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021

HPCA Limited
Chartered Accountants
and Statutory Auditors
Station House
Connaught Road
Brookwood
Woking
Surrey
GU24 0ER

CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 October 2021

	Page
Company Information	1
Group Strategic Report	2
Report of the Directors	3
Report of the Independent Auditors	5
Consolidated Income Statement	9
Consolidated Other Comprehensive Income	10
Consolidated Balance Sheet	11
Company Balance Sheet	13
Consolidated Statement of Changes in Equity	14
Company Statement of Changes in Equity	15
Consolidated Cash Flow Statement	16
Notes to the Consolidated Cash Flow Statement	17
Notes to the Consolidated Financial Statements	19

TAURUS WASTE RECYCLING (HOLDINGS) LTD

COMPANY INFORMATION
for the year ended 31 October 2021

DIRECTORS:

S T Mills
P J Scarborough
S T Watkins
G R Bird

SECRETARY:

Mrs J A Scarborough

REGISTERED OFFICE:

Taurus House
Lynchford Lane
Farnborough
Hampshire
GU14 6JB

REGISTERED NUMBER:

04281987

AUDITORS:

HPCA Limited
Chartered Accountants
and Statutory Auditors
Station House
Connaught Road
Brookwood
Woking
Surrey
GU24 0ER

GROUP STRATEGIC REPORT
for the year ended 31 October 2021

The directors present their strategic report of the company and the group for the year ended 31 October 2021.

The principal operation of the group continued to be the provision of waste management services and sale of recycled aggregates to commercial and domestic consumers.

REVIEW OF BUSINESS

The financial year was severely impacted by the emergence of the worldwide Coronavirus pandemic. In March In a year characterised by continued disruption from the restrictions and lockdowns imposed due to the Covid-19 pandemic, the business performed well. Company turnover for the period was £8,279,252, a 14.1% increase on the previous year (2020: £7,255,936) and operating profit increased to £514,281 compared to a loss of £-193,729 in 2020. The business generated £378,113 in cash in the year.

The board attributes the strong recovery in revenues to a release in pent up demand from both the residential and commercial sectors following the depressed sales in the previous year.

The recent investments in new recycling plant and a continued focus on operational efficiency resulted in a significant year on year improvement in profitability (PBIT 2021: £514,281; 2020: £-524,003).

In 2022 the board will continue in its efforts to improve revenues and control costs.

PRINCIPAL RISKS AND UNCERTAINTIES

There are a number of potential risks and uncertainties going forward which may impact on the ability of the company to maintain profit margins and maximise its potential.

As demand across the world recovers following the pandemic the resulting inflationary pressures are of primary concern.

As a logistics based business the recent uplift in fuel prices to unprecedented levels coupled with the planned withdrawal of red diesel for plant in April 2022 will have a significant impact on profit margins. The business has also received notifications of impending price rises from a large number of its suppliers.

The board is also concerned with the increasing prices and extended delivery timescales of plant and heavy goods vehicles and envisages short to medium term issues with the availability of fleet replacements. The directors are working to mitigate any delivery delays which may occur.

In light of these inflationary pressures and worsening macro-economic indicators the company will tighten the credit facilities extended to customers and increase focus on credit control.

The board has reviewed the financial position of the company and forms the view that it has sufficient liquidity and credit resources for its ongoing operational requirements.

ON BEHALF OF THE BOARD:

S T Mills - Director

29 July 2022

REPORT OF THE DIRECTORS
for the year ended 31 October 2021

The directors present their report with the financial statements of the company and the group for the year ended 31 October 2021.

DIVIDENDS

No dividends will be distributed for the year ended 31 October 2021.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 November 2020 to the date of this report.

S T Mills

P J Scarborough

S T Watkins

G R Bird

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group 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 group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

REPORT OF THE DIRECTORS
for the year ended 31 October 2021

AUDITORS

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

ON BEHALF OF THE BOARD:

S T Mills - Director

29 July 2022

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
TAURUS WASTE RECYCLING (HOLDINGS) LTD

Opinion

We have audited the financial statements of Taurus Waste Recycling (Holdings) Ltd (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 October 2021 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated 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 the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31 October 2021 and of the group's 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 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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The directors are responsible for the other information. The other information comprises the information in the Group 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
TAURUS WASTE RECYCLING (HOLDINGS) LTD

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 Group 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 Group 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
TAURUS WASTE RECYCLING (HOLDINGS) LTD

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

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 those laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific significant laws and regulations which we considered were more likely to have a direct material effect on the financial statements or the operations of the company, notably the Companies Act 2006, taxation, data protection and employment legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting the accounting records and 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; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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; and
- investigated the rationale behind significant or unusual transactions.

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; and
- reviewing correspondence with HMRC, relevant regulators where applicable, and the company's legal advisors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
TAURUS WASTE RECYCLING (HOLDINGS) LTD

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.

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.

Lance Redman (Senior Statutory Auditor)
for and on behalf of HPCA Limited
Chartered Accountants
and Statutory Auditors
Station House
Connaught Road
Brookwood
Woking
Surrey
GU24 0ER

29 July 2022

CONSOLIDATED
INCOME STATEMENT
for the year ended 31 October 2021

	Notes	2021 £	2020 £
TURNOVER		8,279,252	7,255,936
Cost of sales		<u>(5,356,213)</u>	<u>(5,064,105)</u>
GROSS PROFIT		2,923,039	2,191,831
Administrative expenses		<u>(2,408,758)</u>	<u>(2,500,571)</u>
		514,281	(308,740)
Other operating income		<u>-</u>	<u>115,012</u>
OPERATING PROFIT/(LOSS)	4	514,281	(193,728)
Exceptional item	5	<u>-</u>	<u>(330,274)</u>
		514,281	(524,002)
Interest payable and similar expenses	6	<u>(117,955)</u>	<u>(134,767)</u>
PROFIT/(LOSS) BEFORE TAXATION		396,326	(658,769)
Tax on profit/(loss)	7	<u>(64,965)</u>	<u>112,065</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u>331,361</u>	<u>(546,704)</u>
Profit/(loss) attributable to:			
Owners of the parent		<u>331,361</u>	<u>(546,704)</u>

The notes form part of these financial statements

CONSOLIDATED
OTHER COMPREHENSIVE INCOME
for the year ended 31 October 2021

	Notes	2021 £	2020 £
PROFIT/(LOSS) FOR THE YEAR		331,361	(546,704)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>331,361</u>	<u>(546,704)</u>
Total comprehensive income attributable to:			
Owners of the parent		<u>331,361</u>	<u>(546,704)</u>

The notes form part of these financial statements

CONSOLIDATED BALANCE SHEET**31 October 2021**

	Notes	2021 £	2020 £
FIXED ASSETS			
Intangible assets	9	-	-
Tangible assets	10	4,672,910	4,559,274
Investments	11	-	-
		<u>4,672,910</u>	<u>4,559,274</u>
CURRENT ASSETS			
Stocks	12	13,375	13,132
Debtors	13	975,617	995,884
Cash at bank and in hand		<u>454,507</u>	<u>76,394</u>
		1,443,499	1,085,410
CREDITORS			
Amounts falling due within one year	14	<u>(1,835,612)</u>	<u>(1,712,204)</u>
NET CURRENT LIABILITIES		<u>(392,113)</u>	<u>(626,794)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,280,797	3,932,480
CREDITORS			
Amounts falling due after more than one year	15	(1,596,195)	(1,644,204)
PROVISIONS FOR LIABILITIES	19	<u>(228,216)</u>	<u>(163,251)</u>
NET ASSETS		<u>2,456,386</u>	<u>2,125,025</u>

The notes form part of these financial statements

TAURUS WASTE RECYCLING (HOLDINGS) LTD (REGISTERED NUMBER: 04281987)

CONSOLIDATED BALANCE SHEET - continued

31 October 2021

	Notes	2021 £	2020 £
CAPITAL AND RESERVES			
Called up share capital	20	600,000	600,000
Retained earnings	21	<u>1,856,386</u>	<u>1,525,025</u>
SHAREHOLDERS' FUNDS		<u>2,456,386</u>	<u>2,125,025</u>

The financial statements were approved by the Board of Directors and authorised for issue on 29 July 2022 and were signed on its behalf by:

S T Mills - Director

S T Watkins - Director

The notes form part of these financial statements

COMPANY BALANCE SHEET
31 October 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Intangible assets	9	-	-
Tangible assets	10	-	-
Investments	11	495,932	495,932
		<u>495,932</u>	<u>495,932</u>
CURRENT ASSETS			
Debtors	13	92,957	92,957
Cash at bank		<u>1</u>	<u>1</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>588,890</u>	<u>588,890</u>
CAPITAL AND RESERVES			
Called up share capital	20	600,000	600,000
Retained earnings		<u>(11,110)</u>	<u>(11,110)</u>
SHAREHOLDERS' FUNDS		<u>588,890</u>	<u>588,890</u>
Company's profit for the financial year		<u>-</u>	<u>-</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on 29 July 2022 and were signed on its behalf by:

S T Mills - Director

S T Watkins - Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 31 October 2021

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 November 2019	600,000	2,071,729	2,671,729
Changes in equity			
Total comprehensive income	-	(546,704)	(546,704)
Balance at 31 October 2020	<u>600,000</u>	<u>1,525,025</u>	<u>2,125,025</u>
Changes in equity			
Total comprehensive income	-	331,361	331,361
Balance at 31 October 2021	<u>600,000</u>	<u>1,856,386</u>	<u>2,456,386</u>

The notes form part of these financial statements

COMPANY STATEMENT OF CHANGES IN EQUITY
for the year ended 31 October 2021

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 November 2019	600,000	(11,110)	588,890
Changes in equity			
Balance at 31 October 2020	600,000	(11,110)	588,890
Changes in equity			
Balance at 31 October 2021	600,000	(11,110)	588,890

The notes form part of these financial statements

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 October 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	1,290,287	548,009
Interest paid		(29,668)	(34,503)
Interest element of hire purchase and finance lease		(88,287)	(98,884)
rental payments paid		-	115,012
Government grants		-	-
Net cash from operating activities		<u>1,172,332</u>	<u>529,634</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(780,851)	(388,154)
Sale of tangible fixed assets		120,350	38,032
Net cash from investing activities		<u>(660,501)</u>	<u>(350,122)</u>
Cash flows from financing activities			
New HP loans in year		111,406	-
Loan repayments in year		(49,385)	(43,200)
New FL loans in year		664,185	282,359
New loans in the year		-	86,000
Capital repayments in year		(859,924)	(711,771)
Net cash from financing activities		<u>(133,718)</u>	<u>(386,612)</u>
Increase/(decrease) in cash and cash equivalents		<u>378,113</u>	<u>(207,100)</u>
Cash and cash equivalents at beginning of year	2	76,394	283,494
Cash and cash equivalents at end of year	2	<u>454,507</u>	<u>76,394</u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 October 2021

1. **RECONCILIATION OF PROFIT/(LOSS) BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2021	2020
	£	£
Profit/(loss) before taxation	396,326	(658,769)
Depreciation charges	608,092	605,889
(Profit)/loss on disposal of fixed assets	(61,227)	23,521
Exceptional items	-	330,273
Government grants	-	(115,012)
Finance costs	117,955	134,767
	<u>1,061,146</u>	<u>320,669</u>
(Increase)/decrease in stocks	(243)	5,366
Decrease in trade and other debtors	20,267	207,900
Increase in trade and other creditors	209,117	14,074
Cash generated from operations	<u>1,290,287</u>	<u>548,009</u>

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 October 2021

	31.10.21	1.11.20
	£	£
Cash and cash equivalents	<u>454,507</u>	<u>76,394</u>

Year ended 31 October 2020

	31.10.20	1.11.19
	£	£
Cash and cash equivalents	<u>76,394</u>	<u>283,494</u>

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 October 2021

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.11.20 £	Cash flow £	At 31.10.21 £
Net cash			
Cash at bank and in hand	76,394	378,113	454,507
	<u>76,394</u>	<u>378,113</u>	<u>454,507</u>
Debt			
Hire purchase and finance leases	(1,949,824)	84,334	(1,865,490)
Debts falling due within 1 year	(53,102)	198	(52,904)
Debts falling due after 1 year	(459,366)	49,186	(410,180)
	<u>(2,462,292)</u>	<u>133,718</u>	<u>(2,328,574)</u>
Total	<u>(2,385,898)</u>	<u>511,831</u>	<u>(1,874,067)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 October 2021

1. **STATUTORY INFORMATION**

Taurus Waste Recycling (Holdings) Ltd is a private company, limited by shares, registered in Not specified/Other. The company's registered number and registered office address can be found on the General Information page.

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.

Turnover

Turnover represents the invoiced value, net of value added tax, of goods sold and services provided to customers outside the group.

Intangible fixed assets-goodwill

Goodwill represents the excess of the purchase price over the fair value of the net assets acquired and is capitalised and written off evenly over its useful life. The directors review the carrying value of goodwill when they consider there have been events or changes in circumstances affecting the current recoverable amount. In these circumstances the value of goodwill is adjusted to its current value and written off over its useful life.

Other 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.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property - 2% on cost

Short leasehold - at varying rates on cost

Plant and machinery - at varying rates on cost and at variable rates on reducing balance

Motor vehicles - at varying rates on cost and at variable rates on reducing balance

Computer equipment - 20% on cost and 20% on reducing balance

Stocks

Stocks represent the value of fuel and unsorted waste held on sites and is valued at cost.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 October 2021**2. ACCOUNTING POLICIES - continued****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.

Leased assets and obligations

Where assets are financed by leasing agreements that give rights approximating to ownership ('finance leases'), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the term of the lease. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the profit and loss account as it is incurred.

All other leases are 'operating leases' and the annual rentals are charged to the profit and loss account on a straight line basis over the term of the lease.

Pension costs and other post-retirement benefits

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

3. EMPLOYEES AND DIRECTORS

	2021	2020
	£	£
Wages and salaries	2,017,326	1,999,302
Social security costs	209,743	197,892
Other pension costs	58,192	58,651
	<u>2,285,261</u>	<u>2,255,845</u>

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

	2021	2020
Administrative	11	11
Maintenance	2	2
Drivers	25	25
Recycling operatives	22	21
Directors	4	4
	<u>64</u>	<u>63</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 64 (2020 - 63).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 October 2021**3. EMPLOYEES AND DIRECTORS - continued**

Directors' retirement benefits during the year totalled £10,800 (2020: £10,800).

The number of directors to whom retirement benefits were accruing was 4 (2020: 4).

	2021 £	2020 £
Directors' remuneration	<u>408,842</u>	<u>416,084</u>

Information regarding the highest paid director is as follows:

	2021 £	2020 £
Emoluments etc	106,851	111,765
Pension contributions	<u>2,700</u>	<u>2,700</u>

4. OPERATING PROFIT/(LOSS)

The operating profit (2020 - operating loss) is stated after charging/(crediting):

	2021 £	2020 £
Lease of plant and machinery	67,002	104,157
Depreciation - owned assets	145,784	113,146
Depreciation - assets on hire purchase contracts and finance leases	462,308	492,746
(Profit)/loss on disposal of fixed assets	(61,227)	23,521
Auditors' remuneration	<u>8,000</u>	<u>7,200</u>

5. EXCEPTIONAL ITEMS

An exceptional item was recognised in the prior year in relation to the impairment of an electricity generating item of plant, from which a key component was removed by the supplier for maintenance and never replaced. Despite legal attempts to recover the component and obtain compensation, the asset is considered to be impaired and requires further investment in order to fully restore it to its intended use.

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021 £	2020 £
Loan	29,668	35,883
Hire purchase	48,236	50,485
Finance lease interest	<u>40,051</u>	<u>48,399</u>
	<u>117,955</u>	<u>134,767</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 October 2021**7. TAXATION****Analysis of the tax charge/(credit)**

The tax charge/(credit) on the profit for the year was as follows:

	2021	2020
	£	£
Deferred tax	64,965	(112,065)
Tax on profit/(loss)	<u>64,965</u>	<u>(112,065)</u>

Reconciliation of total tax charge/(credit) 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:

	2021	2020
	£	£
Profit/(loss) before tax	<u>396,326</u>	<u>(658,769)</u>
Profit/(loss) multiplied by the standard rate of corporation tax in the UK of 19 % (2020 - 19 %)	75,302	(125,166)
Effects of:		
Expenses not deductible for tax purposes	781	1,009
Depreciation in excess of capital allowances amortisation	76,942	49,573
Loss on sale of assets	(11,633)	4,469
Balancing charges	3,373	(243)
Allowable depreciation on finance lease assets	(51,330)	(46,887)
Exceptional item	-	62,752
Tax losses brought forward	(93,435)	54,295
Deferred tax movement in accelerated timing differences	(28,470)	(57,572)
Deferred tax movement in tax losses	<u>93,435</u>	<u>(54,295)</u>
Total tax charge/(credit)	<u>64,965</u>	<u>(112,065)</u>

8. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 October 2021

9. **INTANGIBLE FIXED ASSETS**

Group

Goodwill
£

COST

At 1 November 2020
and 31 October 2021

2,964,432

AMORTISATION

At 1 November 2020
and 31 October 2021

2,964,432

NET BOOK VALUE

At 31 October 2021

-

At 31 October 2020

-

10. **TANGIBLE FIXED ASSETS**

Group

Freehold property £	Short leasehold £	Plant and machinery £
---------------------------	-------------------------	-----------------------------

COST

At 1 November 2020

1,036,886

114,724

4,732,495

Additions

-

-

100,770

Disposals

-

-

-

At 31 October 2021

1,036,886

114,724

4,833,265

DEPRECIATION

At 1 November 2020

212,960

48,280

2,672,178

Charge for year

11,491

7,651

333,199

Eliminated on disposal

-

-

-

At 31 October 2021

224,451

55,931

3,005,377

NET BOOK VALUE

At 31 October 2021

812,435

58,793

1,827,888

At 31 October 2020

823,926

66,444

2,060,317

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 October 2021**10. TANGIBLE FIXED ASSETS - continued****Group**

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 November 2020	2,359,490	38,591	8,282,186
Additions	680,081	-	780,851
Disposals	(124,148)	-	(124,148)
At 31 October 2021	<u>2,915,423</u>	<u>38,591</u>	<u>8,938,889</u>
DEPRECIATION			
At 1 November 2020	778,452	11,042	3,722,912
Charge for year	248,033	7,718	608,092
Eliminated on disposal	(65,025)	-	(65,025)
At 31 October 2021	<u>961,460</u>	<u>18,760</u>	<u>4,265,979</u>
NET BOOK VALUE			
At 31 October 2021	<u>1,953,963</u>	<u>19,831</u>	<u>4,672,910</u>
At 31 October 2020	<u>1,581,038</u>	<u>27,549</u>	<u>4,559,274</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 October 2021

10. TANGIBLE FIXED ASSETS - continued

Group

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

	Short leasehold £	Plant and machinery £	Motor vehicles £	Totals £
COST				
At 1 November 2020	25,650	1,667,544	2,326,210	4,019,404
Additions	-	95,510	680,081	775,591
Disposals	-	-	(117,858)	(117,858)
Transfer to ownership	-	(374,180)	(329,150)	(703,330)
At 31 October 2021	<u>25,650</u>	<u>1,388,874</u>	<u>2,559,283</u>	<u>3,973,807</u>
DEPRECIATION				
At 1 November 2020	2,779	408,247	753,914	1,164,940
Charge for year	2,565	213,136	246,607	462,308
Eliminated on disposal	-	-	(60,589)	(60,589)
Transfer to ownership	-	(174,457)	(155,230)	(329,687)
At 31 October 2021	<u>5,344</u>	<u>446,926</u>	<u>784,702</u>	<u>1,236,972</u>
NET BOOK VALUE				
At 31 October 2021	<u>20,306</u>	<u>941,948</u>	<u>1,774,581</u>	<u>2,736,835</u>
At 31 October 2020	<u>22,871</u>	<u>1,259,297</u>	<u>1,572,296</u>	<u>2,854,464</u>

11. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 November 2020 and 31 October 2021	<u>495,932</u>
NET BOOK VALUE	
At 31 October 2021	<u>495,932</u>
At 31 October 2020	<u>495,932</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 October 2021

11. FIXED ASSET INVESTMENTS - continued

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

Subsidiary

Taurus Waste Recycling Limited

Registered office:

Nature of business: Skip hire and waste management

	% holding	2021 £	2020 £
Class of shares:			
Ordinary £1	100.00		
Aggregate capital and reserves		2,359,444	2,032,064
Profit/(loss) for the year		<u>327,380</u>	<u>(546,705)</u>

12. STOCKS

	Group	
	2021 £	2020 £
Recycled materials	2,400	5,960
Fuel	<u>10,975</u>	<u>7,172</u>
	<u>13,375</u>	<u>13,132</u>

13. DEBTORS

	Group		Company	
	2021 £	2020 £	2021 £	2020 £
Amounts falling due within one year:				
Trade debtors	870,405	897,210	-	-
Amounts owed by group undertakings	-	-	92,957	92,957
Prepayments	<u>78,962</u>	<u>72,424</u>	<u>-</u>	<u>-</u>
	<u>949,367</u>	<u>969,634</u>	<u>92,957</u>	<u>92,957</u>
Amounts falling due after more than one year:				
Other debtors	<u>26,250</u>	<u>26,250</u>	<u>-</u>	<u>-</u>
Aggregate amounts	<u>975,617</u>	<u>995,884</u>	<u>92,957</u>	<u>92,957</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 October 2021**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group	
	2021	2020
	£	£
Bank loans and overdrafts (see note 16)	52,904	53,102
Hire purchase contracts and finance leases (see note 17)	679,475	764,986
Trade creditors	673,292	353,658
CT61	1,960	1,960
Social security and other taxes	49,770	52,309
VAT	124,883	114,795
Other creditors	17,743	22,633
Accrued expenses	235,585	348,761
	<u>1,835,612</u>	<u>1,712,204</u>

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

	Group	
	2021	2020
	£	£
Bank loans (see note 16)	178,180	227,366
Other loans (see note 16)	232,000	232,000
Hire purchase contracts and finance leases (see note 17)	1,186,015	1,184,838
	<u>1,596,195</u>	<u>1,644,204</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 October 2021

16. **LOANS**

An analysis of the maturity of loans is given below:

	Group	
	2021	2020
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>52,904</u>	<u>53,102</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	54,780	53,025
Directors' loan accounts	<u>232,000</u>	<u>232,000</u>
	<u>286,780</u>	<u>285,025</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>123,400</u>	<u>157,666</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>-</u>	<u>16,675</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 October 2021

17. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts		Finance leases	
	2021	2020	2021	2020
	£	£	£	£
Gross obligations repayable:				
Within one year	303,568	375,385	434,937	461,895
Between one and five years	469,276	615,848	763,185	574,664
In more than five years	-	63,120	23,964	-
	<u>772,844</u>	<u>1,054,353</u>	<u>1,222,086</u>	<u>1,036,559</u>
Finance charges repayable:				
Within one year	25,329	37,759	33,701	34,535
Between one and five years	26,364	44,178	43,892	23,403
In more than five years	-	1,213	154	-
	<u>51,693</u>	<u>83,150</u>	<u>77,747</u>	<u>57,938</u>
Net obligations repayable:				
Within one year	278,239	337,626	401,236	427,360
Between one and five years	442,912	571,670	719,293	551,261
In more than five years	-	61,907	23,810	-
	<u>721,151</u>	<u>971,203</u>	<u>1,144,339</u>	<u>978,621</u>

Group

	Non-cancellable operating leases	
	2021	2020
	£	£
Within one year	392,304	414,414
Between one and five years	1,496,187	1,509,650
In more than five years	<u>4,276,643</u>	<u>4,648,203</u>
	<u>6,165,134</u>	<u>6,572,267</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 October 2021**18. SECURED DEBTS**

The following secured debts are included within creditors:

	Group	
	2021	2020
	£	£
Bank loans	231,084	280,468
Hire purchase contracts and finance leases	<u>1,865,490</u>	<u>1,949,824</u>
	<u>2,096,574</u>	<u>2,230,292</u>

The bank loans and overdraft are secured by fixed and floating charges over the group's land and buildings and other assets. Obligations under hire purchase contracts are secured on the related asset.

19. PROVISIONS FOR LIABILITIES

	Group	
	2021	2020
	£	£
Deferred tax		
Accelerated capital allowances	325,652	354,122
Tax losses carried forward	<u>(97,436)</u>	<u>(190,871)</u>
	<u>228,216</u>	<u>163,251</u>

Group

	Deferred tax
	£
Balance at 1 November 2020	163,251
Timing differences	(28,470)
Tax losses	<u>93,435</u>
Balance at 31 October 2021	<u>228,216</u>

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2021	2020
Number:	Class:		£	£
100	Ordinary	1	<u>600,000</u>	<u>600,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 October 2021

21. RESERVES

Group

	Retained earnings £
At 1 November 2020	1,525,025
Profit for the year	<u>331,361</u>
At 31 October 2021	<u><u>1,856,386</u></u>

22. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

A director has loaned the company £132,000 (2020: £132,000). The loan is shown in the accounts under creditors falling due after one year.

A director has loaned the company £100,000 (2020: £100,000). Interest is payable on the loan at a commercial rate. The loan is shown in the accounts under creditors falling due after one year.

23. ULTIMATE CONTROLLING PARTY

The ultimate controlling body is Mr P J Scarborough and Mr S T Mills who together own 66.6% of the share capital.

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.