

Company Registration No. 04282969 (England and Wales)

HAWKESWOOD METAL RECYCLING LIMITED
ANNUAL REPORT
FOR THE YEAR ENDED 30 APRIL 2015

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HAWKESWOOD METAL RECYCLING LIMITED

COMPANY INFORMATION

Directors	Mr W A Hawkeswood Mr G Woodhouse
Company number	04282969
Registered office	Riverside Works Trevor Street Nechells Birmingham B7 5RG
Auditors	Trevor Jones & Co Old Bank Chambers 582-586 Kingsbury Road Erdington Birmingham B24 9ND
Business address	Riverside Works Trevor Street Nechells Birmingham B7 5RG

HAWKESWOOD METAL RECYCLING LIMITED

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HAWKESWOOD METAL RECYCLING LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 APRIL 2015

The directors present the strategic report and financial statements for the year ended 30 April 2015.

Review of the business

We aim to present a balanced and comprehensive review of the development and performance of the business during the year and its position at the year end. Our review is consistent with the size and noncomplex nature of the business and is written in the context of the risks and uncertainties we face.


As we reported in the previous year a decision was taken to restructure our businesses and form a trading group. This decision was undertaken as part of an overall review of the business operations. We can report that this has been successfully achieved and has enabled us to present our results on a consolidated basis that better reflects the overall value of our business.

As with most businesses in our sector we have faced a very challenging marketplace due to the volatility in worldwide commodity prices. It is pleasing to report that even though we have experienced a decline in demand margins have been maintained. Overall profits are strong and our balance sheet indicates the overall strength of the company.

As for many businesses of our size, the business environment in which we operate continues to be challenging. The market is competitive and price volatility means margins continue to be tight.

With these risks and uncertainties in mind, we are aware that any plans for the future development of the business may be subject to unforeseen future events outside of our control.

On behalf of the board


.....
Mr W A Hawkeswood
Director

..... 14/01/16.

HAWKESWOOD METAL RECYCLING LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2015

The directors present their report and financial statements for the year ended 30 April 2015.

Results and dividends

The results for the year are set out on page 6.

The directors do not recommend payment of an ordinary dividend.

Research and development

The company is not involved in any research and development activities.

Future developments

There were no important events that have occurred since the year end.

The company's aim is for future growth based on further investment in its core activities.

Directors

The following directors have held office since 1 May 2014:

Mr W A Hawkeswood
Mr G Woodhouse

Auditors

Trevor Jones & Co are deemed to be re-appointed in accordance with an elective resolution made under section 386 of the Companies Act 1985 which continues in force under the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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.

HAWKESWOOD METAL RECYCLING LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2015

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



Mr W A Hawkeswood

Director

14/01/16

HAWKESWOOD METAL RECYCLING LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF HAWKESWOOD METAL RECYCLING LIMITED

We have audited the financial statements of Hawkeswood Metal Recycling Limited for the year ended 30 April 2015 set out on pages 6 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors' 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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 - 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2015 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

HAWKESWOOD METAL RECYCLING LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF HAWKESWOOD METAL RECYCLING LIMITED

Matters on which we are required to report by exception

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.

Trevor Jones & Co

Adrian McKeown (Senior Statutory Auditor)
for and on behalf of Trevor Jones & Co

17/11/16

Chartered Accountants
Statutory Auditor

Old Bank Chambers
582-586 Kingsbury Road
Erdington
Birmingham
B24 9ND

HAWKESWOOD METAL RECYCLING LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2015

	Notes	2015 £	2014 £
Turnover	2	30,306,329	35,176,945
Cost of sales		(26,293,260)	(31,044,232)
Gross profit		4,013,069	4,132,713
Administrative expenses		(3,812,892)	(4,114,107)
Other operating income		151,600	323,000
Operating profit	3	351,777	341,606
Investment income	4	(202)	-
Other interest receivable and similar income	4	13,108	11,827
Interest payable and similar charges	5	(37,647)	(57,203)
Profit on ordinary activities before taxation		327,036	296,230
Tax on profit on ordinary activities	6	-	(59,226)
Profit for the year	18	327,036	237,004

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

Note of historical cost profits and losses

	2015 £	2014 £
Reported profit on ordinary activities before taxation	327,036	296,230
Realisation of property revaluation gains of previous years	-	4,594
Historical cost profit on ordinary activities before taxation	327,036	300,824
Historical cost profit for the year retained after taxation, extraordinary items and dividends	327,036	241,598

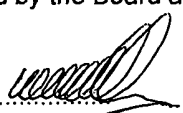
HAWKESWOOD METAL RECYCLING LIMITED

BALANCE SHEET

AS AT 30 APRIL 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Intangible assets	7		49,000		56,000
Tangible assets	8		5,194,166		4,908,822
Investments	9		-		202
			<u>5,243,166</u>		<u>4,965,024</u>
Current assets					
Stocks	10	1,000,278		1,406,473	
Debtors	11	3,087,761		3,467,942	
Cash at bank and in hand		7,676		178,231	
		<u>4,095,715</u>		<u>5,052,646</u>	
Creditors: amounts falling due within one year	12	(3,655,831)		(4,154,370)	
Net current assets			<u>439,884</u>		<u>898,276</u>
Total assets less current liabilities			<u>5,683,050</u>		<u>5,863,300</u>
Creditors: amounts falling due after more than one year	13	(1,501,441)		(2,000,000)	
Provisions for liabilities	14	(515,000)		(515,000)	
Accruals and deferred income	15	(63,597)		(72,324)	
			<u>3,603,012</u>		<u>3,275,976</u>
Capital and reserves					
Called up share capital	17	1,000		1,000	
Revaluation reserve	18	785,867		785,867	
Profit and loss account	18	2,816,145		2,489,109	
Shareholders' funds	19	<u>3,603,012</u>		<u>3,275,976</u>	

Approved by the Board and authorised for issue on14/05/16.


Mr WA Hawkeswood
Director

Company Registration No. 04282969

HAWKESWOOD METAL RECYCLING LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 APRIL 2015

	£	2015 £	£	2014 £
Net cash inflow from operating activities		1,735,945		265,927
Returns on investments and servicing of finance				
Interest received	13,108		11,827	
Interest paid	(37,647)		(57,203)	
Net cash outflow for returns on investments and servicing of finance		(24,539)		(45,376)
Taxation		(207,467)		(1)
Capital expenditure				
Payments to acquire tangible assets	(483,285)		(314,150)	
Receipts from sales of tangible assets	3,705		68,500	
Net cash outflow for capital expenditure		(479,580)		(245,650)
Net cash inflow/(outflow) before management of liquid resources and financing		1,024,359		(25,100)
Financing				
Capital element of hire purchase contracts	(128,593)		(677,650)	
Net cash outflow from financing		(128,593)		(677,650)
Increase/(decrease) in cash in the year		895,766		(702,750)

HAWKESWOOD METAL RECYCLING LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 APRIL 2015

1 Reconciliation of operating profit to net cash outflow from operating activities		2015	2014
		£	£
Operating profit		351,777	341,606
Depreciation of tangible assets		371,726	358,562
Amortisation of intangible assets		7,000	7,000
Profit on disposal of tangible assets		(2,490)	(10,909)
Decrease in stocks		406,195	315,609
Decrease/(increase) in debtors		380,181	(630,108)
Increase/(decrease) in creditors		230,283	(107,106)
Movement on grant provision		(8,727)	(8,727)
Net cash inflow from operating activities		1,735,945	265,927

2 Analysis of net debt	1 May 2014	Cash flow	Other non-	30 April 2015
	£	£	cash changes	£
Net cash:				
Cash at bank and in hand	178,231	(170,555)	-	7,676
Bank overdrafts	(1,804,571)	1,066,321	-	(738,250)
	<u>(1,626,340)</u>	<u>895,766</u>	<u>-</u>	<u>(730,574)</u>
Debt:				
Finance leases	(92,034)	(46,407)	-	(138,441)
	<u>(92,034)</u>	<u>(46,407)</u>	<u>-</u>	<u>(138,441)</u>
Net debt	(1,718,374)	849,359	-	(869,015)

3 Reconciliation of net cash flow to movement in net debt	2015	2014
	£	£
Increase/(decrease) in cash in the year	895,766	(702,750)
Cash outflow from decrease in debt and lease financing	(46,407)	2,677,650
Movement in net debt in the year	849,359	1,974,900
Opening net debt	(1,718,374)	(3,693,274)
Closing net debt	(869,015)	(1,718,374)

HAWKESWOOD METAL RECYCLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2015

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of plant and machinery.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT. Income is recognised when goods are despatched.

1.4 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life which is deemed to be 20 years.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings freehold	2% on cost
Tenants improvement to premises	2% on cost
Plant and machinery	5%-10% Reducing balance
Fixtures, fittings & equipment	33% Reducing balance
Motor vehicles	15% Reducing balance

1.6 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.7 Investments

Investments in subsidiary undertakings are stated at cost less any provisions for impairment in value.

1.8 Stock

Stock is valued at the lower of cost and net realisable value.

1.9 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

HAWKESWOOD METAL RECYCLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2015

1 Accounting policies

(Continued)

1.10 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.11 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.12 Government grants

Capital grants are credited to accruals and deferred income and released to the profit and loss account over the expected useful life of the assets.

2 Turnover

Geographical market

	Turnover 2015 £	2014 £
United Kingdom	28,603,728	35,176,945
Exports	1,702,601	-
	<u>30,306,329</u>	<u>35,176,945</u>

3 Operating profit

	2015 £	2014 £
Operating profit is stated after charging:		
Amortisation of intangible assets	7,000	7,000
Depreciation of tangible assets	371,726	358,562
Loss on foreign exchange transactions	69,256	246,543
Operating lease rentals		
- Plant and machinery	10,769	9,350
Auditors' remuneration (including expenses and benefits in kind)	13,196	12,000
and after crediting:		
Profit on disposal of tangible assets	(2,490)	(10,909)

HAWKESWOOD METAL RECYCLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2015

4	Investment income	2015	2014
		£	£
	Income from fixed asset investments	(202)	-
	Other interest	13,108	11,827
		<u>12,906</u>	<u>11,827</u>
		<u><u>12,906</u></u>	<u><u>11,827</u></u>
5	Interest payable	2015	2014
		£	£
	On bank loans and overdrafts	35,462	33,452
	Hire purchase interest	2,185	22,251
	On overdue tax	-	1,500
		<u>37,647</u>	<u>57,203</u>
		<u><u>37,647</u></u>	<u><u>57,203</u></u>

HAWKESWOOD METAL RECYCLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2015

6	Taxation	2015 £	2014 £
	Domestic current year tax		
	U.K. corporation tax	-	38,800
	Adjustment for prior years	-	5,426
	Total current tax	-	44,226
	Deferred tax		
	Deferred tax charge credit current year	-	15,000
		-	59,226
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	327,036	296,230
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2014 - 22.52%)	65,407	66,711
	Effects of:		
	Non deductible expenses	2,745	2,662
	Depreciation add back	75,247	79,852
	Capital allowances	(160,243)	(110,430)
	Tax losses utilised	16,844	-
	Adjustments to previous periods	-	5,431
		(65,407)	(22,485)
	Current tax charge for the year	-	44,226
7	Intangible fixed assets		Goodwill £
	Cost		
	At 1 May 2014 & at 30 April 2015		140,000
	Amortisation		
	At 1 May 2014		84,000
	Charge for the year		7,000
	At 30 April 2015		91,000
	Net book value		
	At 30 April 2015		49,000
	At 30 April 2014		56,000

HAWKESWOOD METAL RECYCLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2015

8 Tangible fixed assets

	Land and buildings freehold	Tenants improvement to premises	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost or valuation						
At 1 May 2014	271,398	587,808	7,878,836	285,452	438,988	9,462,482
Additions	-	-	652,402	1,002	4,881	658,285
Disposals	-	-	(5,305)	-	-	(5,305)
At 30 April 2015	271,398	587,808	8,525,933	286,454	443,869	10,115,462
Depreciation						
At 1 May 2014	46,590	69,689	3,892,994	255,840	288,547	4,553,660
On disposals	-	-	(4,090)	-	-	(4,090)
Charge for the year	5,428	11,756	321,307	10,240	22,995	371,726
At 30 April 2015	52,018	81,445	4,210,211	266,080	311,542	4,921,296
Net book value						
At 30 April 2015	219,380	506,363	4,315,722	20,374	132,327	5,194,166
At 30 April 2014	224,808	518,119	3,985,842	29,612	150,441	4,908,822

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery £
Net book values	
At 30 April 2015	300,193
At 30 April 2014	2,453,686
Depreciation charge for the year	
At 30 April 2015	15,140
At 30 April 2014	146,236

In the year to 30 April 2013 the director revalued the company's plant and machinery. The director is not aware of any material change in the asset value and therefore the valuation has not been updated.

HAWKESWOOD METAL RECYCLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2015

9 Fixed asset investments

	Shares in subsidiary undertakings £
Cost or valuation	
At 1 May 2014	202
Disposals	(202)
At 30 April 2015	-
Net book value	
At 30 April 2015	-
At 30 April 2014	202

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
(HMR2) Limited	England & Wales	Ordinary A & B	100.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Principal activity	Capital and reserves 2015 £	Profit/(loss) for the year 2015 £
(HMR2) Limited	None trading	-	-

10 Stocks

	2015 £	2014 £
Finished goods and goods for resale	1,000,278	1,406,473

HAWKESWOOD METAL RECYCLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2015

11 Debtors	2015 £	2014 £
Trade debtors	775,295	508,697
Amounts owed by group undertakings	1,055,169	577,106
Other debtors	105,666	1,009,694
Prepayments and accrued income	1,151,631	1,372,445
	<u>3,087,761</u>	<u>3,467,942</u>

12 Creditors: amounts falling due within one year	2015 £	2014 £
Bank loans and overdrafts	738,250	1,804,571
Net obligations under hire purchase contracts	87,000	92,034
Trade creditors	1,480,038	1,411,562
Amounts owed to group undertakings	648,533	306,142
Corporation tax	26,973	234,440
Other taxes and social security costs	222,996	90,114
Other creditors	9,294	4,358
Accruals and deferred income	442,747	211,149
	<u>3,655,831</u>	<u>4,154,370</u>

Secured creditors amounted to £825,250 (2014 - £1,896,605).

HAWKESWOOD METAL RECYCLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2015

13 Creditors: amounts falling due after more than one year	2015 £	2014 £
Net obligations under hire purchase contracts	51,441	-
Amounts owed to group undertakings	1,450,000	2,000,000
	<u>1,501,441</u>	<u>2,000,000</u>

Secured creditors amounted to £51,441 (2014 - Nil).

Net obligations under hire purchase contracts

Repayable within one year	87,000	92,034
Repayable between one and five years	51,441	-
	<u>138,441</u>	<u>92,034</u>
Included in liabilities falling due within one year	(87,000)	(92,034)
	<u>51,441</u>	<u>-</u>

14 Provisions for liabilities

	Deferred tax liability £
Balance at 1 May 2014 & at 30 April 2015	<u>515,000</u>

The deferred tax liability is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	<u>515,000</u>	<u>515,000</u>

HAWKESWOOD METAL RECYCLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2015

15 Accruals and deferred income

	Government grants £
Balance at 1 May 2014	72,324
Amortisation in the year	(8,727)
Balance at 30 April 2015	<u>63,597</u>

16 Retirement Benefits

	2015 £	2014 £
Contributions payable by the company for the year	<u>643</u>	<u>409</u>

17 Share capital

	2015 £	2014 £
Allotted, called up and fully paid 1,000,000 Ordinary shares of £0.001 each	<u>1,000</u>	<u>1,000</u>

18 Statement of movements on reserves

	Revaluation reserve £	Profit and loss account £
Balance at 1 May 2014	785,867	2,489,109
Profit for the year	-	327,036
Balance at 30 April 2015	<u>785,867</u>	<u>2,816,145</u>

19 Reconciliation of movements in Shareholders' funds

	2015 £	2014 £
Profit for the financial year	327,036	237,004
Opening Shareholders' funds	<u>3,275,976</u>	<u>3,038,972</u>
Closing Shareholders' funds	<u>3,603,012</u>	<u>3,275,976</u>

HAWKESWOOD METAL RECYCLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2015

20 Contingent liabilities

The company received during the previous year capital grants amounting to £87,269. These grants are repayable in full if the company fails to meet certain job creation conditions. The company is currently meeting all conditions of the grants and fully expects to meet them in the future.

21 Financial commitments

At 30 April 2015 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 April 2016:

	Other 2015 £	2014 £
Operating leases which expire: Between two and five years	11,035	11,063

22 Directors' remuneration

	2015 £	2014 £
Remuneration for qualifying services	82,667	25,326
Company pension contributions to defined contribution schemes	643	409
	83,310	25,735

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2014 - 1).



HAWKESWOOD METAL RECYCLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2015

23 Employees

Number of employees

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

	2015 Number	2014 Number
Management and Administration	4	4
Productive	22	23
	<u>26</u>	<u>27</u>

Employment costs

	2015 £	2014 £
Wages and salaries	1,065,043	1,046,745
Social security costs	78,225	73,091
Other pension costs	643	409
	<u>1,143,911</u>	<u>1,120,245</u>

24 Control

The company is a wholly-owned subsidiary of Hawkeswood Holding Group Limited, a company incorporated in England and Wales.

The largest and smallest group for which consolidated accounts are prepared is Hawkeswood Holding Group Limited. Consolidated accounts are available from Companies House, Cardiff, CF14 3UZ.

HAWKESWOOD METAL RECYCLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2015

25 Related party relationships and transactions

Loans to directors

Transactions in relation to loans with directors during the year are outlined in the table below:

Description	% Rate	Opening Balance £	Amounts Advanced £	Interest Charged £	Amounts Repaid £	Closing Balance £
Loan	3.25	902,869	319,740	13,108	1,235,717	-
		<u>902,869</u>	<u>319,740</u>	<u>13,108</u>	<u>1,235,717</u>	<u>-</u>

Other transactions

The director has given personal guarantees in the sum of £1,875,000 (Last year £1,000,000) against the company's bank borrowings.

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.