

Company Registration No. 01201361 (England and Wales)

TOM WHITE WASTE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

TOM WHITE WASTE LIMITED

COMPANY INFORMATION

Directors

Mr P Helm	
Mr G W Mckelvie	
Mr A J Walster	
Mr A P Williams	(Appointed 5 November 2021)
Mr J A Tranter	(Appointed 5 November 2021)

Secretary Mr G S Sangha

Company number 01201361

Registered office

Unit 13a
Stonebrook Way
Longford
Coventry
West Midlands
United Kingdom
CV6 6LN

Auditor

Azets Audit Services
2 Regan Way
Chetwynd Business Park
Chilwell
Nottingham
United Kingdom
NG9 6RZ

TOM WHITE WASTE LIMITED

CONTENTS

	Page
Strategic report	1 - 2
Directors' report	3
Directors' responsibilities statement	4
Independent auditor's report	5 - 7
Profit and loss account	8
Group statement of comprehensive income	9
Group balance sheet	10
Company balance sheet	11
Group statement of changes in equity	12
Company statement of changes in equity	13
Group statement of cash flows	14
Notes to the financial statements	15 - 31

TOM WHITE WASTE LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The directors present the strategic report for the year ended 31 March 2022.

Fair review of the business and key performance indicators

Turnover has increased by 30% to £17,213,033 and gross profit has decreased by 4.6% to £3,970,839. The loss before tax is £3,440,045 compared with a profit before tax of £602,059 for 2021.

The company had a mixed year. Transitioning the business from a family owned to a corporate entity has been the largest contributor to the loss situation though the Directors recognise that these are largely unique exceptional costs and as such remain positive toward the future opportunity for the company. Assets previously acquired were deemed over-valued on the balance sheet and largely past their economic use. As such a considerable impairment charge has been included in the accounts as well as an acceleration in depreciation for those remaining assets where the useful life was changed to a more realistic level. In the interim, the availability of plant, machinery and vehicles, higher costs for repairs and maintenance, along with the additional costs associated with waste disposal were excessive compared to previous years. Within the year the company assisted its parent to mitigate the effects of industrial action which formed a large proportion of the increased turnover and also the dilution of the gross profit. Directors consider that the position at the balance sheet date is satisfactory based on the operating conditions detailed above. In October 2022 Council approved a loan to Tom White Waste Limited to redevelop the existing Material Recycling Facility. This will improve the availability of the plant and increase the volume of waste that can be recycled and diverted away from landfill. The financial impact of this development will be reflected in the accounts in futures years once the construction is underway and the facility is operational.

The waste disposal trade continues to go through a period of rapid change. The political and ecological pressure is to recycle as many types of waste, such as cardboard, plastics, wood etc., as possible and reduce the amount taken to landfill.

The company is responding to these pressures and has invested and continues to invest in additional plant in order to recycle as much as possible.

Principal risks and uncertainties

The directors are constantly monitoring the risks and uncertainties in their business. The directors believe that the company has adequate financial resources and bank facilities in place to enable continued trading for the foreseeable future and all risks and uncertainties are reasonably covered.

EU exit

The UK's transition period for exiting the European Union ended on the 1st December 2020. The UK national waste industry is heavily reliant upon export of waste offshore, particularly to EU member states. The directors are confident that the business does not rely upon exports of waste to EU member states for its disposal routes. In that respect, the directors are of the view that the impact of the UK's exit from the European Union on the company is minimal.

Going concern

In assessing the going concern assumption, the Directors have reviewed detailed profit and loss forecasts and cash flow forecasts, considering all reasonably foreseeable potential scenarios and uncertainties in relation to revenue and expenditure for a period of at least 12 months from the date these financial statements have been signed. Based on these forecasts, the Directors have a reasonable expectation that the company can meet its liabilities as they fall due and therefore the financial statements have been prepared on the going concern basis.

Development and performance

The company's workforce is constantly trained, particularly in Health and Safety matters, where the company's policies are clearly laid down and are carefully displayed to ensure all employees are constantly aware of the inherent risks in the workplace.

TOM WHITE WASTE LIMITED
STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

On behalf of the board

Mr A J Walster
Director

Mr J A Tranter
Director

14 March 2023

TOM WHITE WASTE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The directors present their annual report and financial statements for the year ended 31 March 2022.

Principal activities

The principal activity of the company and group continued to be that of waste management and recycling.

Results and dividends

The results for the year are set out on page 8.

Ordinary dividends were paid amounting to £500,000. The directors do not recommend payment of a further dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr P Helm

Mr G W Mckelvie

Mr A J Walster

Mr A P Williams

(Appointed 5 November 2021)

Mr J A Tranter

(Appointed 5 November 2021)

Auditor

Azets Audit Services were appointed as auditor to the group and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually 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 auditor of the company is aware of that information.

On behalf of the board

Mr A J Walster

Director

Mr J A Tranter

Director

14 March 2023

TOM WHITE WASTE LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

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

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

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

TOM WHITE WASTE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TOM WHITE WASTE LIMITED

Opinion

We have audited the financial statements of Tom White Waste Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 the parent company's affairs as at 31 March 2022 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

TOM WHITE WASTE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF TOM WHITE WASTE LIMITED

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 strategic report and the directors' report.

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

TOM WHITE WASTE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF TOM WHITE WASTE LIMITED

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mitesh Thakrar (Senior Statutory Auditor)
For and on behalf of Azets Audit Services

14 March 2023

Chartered Accountants
Statutory Auditor

2 Regan Way
Chetwynd Business Park
Chilwell
Nottingham
United Kingdom
NG9 6RZ

TOM WHITE WASTE LIMITED

GROUP PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2021 £
Turnover	3	17,213,033	13,239,984
Cost of sales		(13,242,194)	(9,075,965)
Gross profit		<u>3,970,839</u>	<u>4,164,019</u>
Administrative expenses		(7,428,666)	(3,661,278)
Other operating income	3	117,012	154,888
Operating (loss)/profit	4	<u>(3,340,815)</u>	<u>657,629</u>
Interest receivable and similar income	8	-	1,328
Interest payable and similar expenses	9	(99,230)	(56,898)
(Loss)/profit before taxation		<u>(3,440,045)</u>	<u>602,059</u>
Tax on (loss)/profit	10	169,865	(130,887)
(Loss)/profit for the financial year		<u><u>(3,270,180)</u></u>	<u><u>471,172</u></u>

(Loss)/profit for the financial year is all attributable to the owners of the parent company.

TOM WHITE WASTE LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
	£	£
(Loss)/profit for the year	(3,270,180)	471,172
Other comprehensive income	-	-
Total comprehensive income for the year	<u>(3,270,180)</u>	<u>471,172</u>

Total comprehensive income for the year is all attributable to the owners of the parent company.

TOM WHITE WASTE LIMITED

GROUP BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Tangible assets	13		12,162,925		12,033,144
Current assets					
Debtors	16	4,265,806		3,146,979	
Cash at bank and in hand		471,370		362,825	
		<u>4,737,176</u>		<u>3,509,804</u>	
Creditors: amounts falling due within one year	17	<u>(7,372,659)</u>		<u>(4,269,258)</u>	
Net current liabilities			<u>(2,635,483)</u>		<u>(759,454)</u>
Total assets less current liabilities			9,527,442		11,273,690
Creditors: amounts falling due after more than one year	18		(5,148,066)		(3,463,545)
Provisions for liabilities					
Deferred tax liability	21	1,034,481		695,070	
		<u>(1,034,481)</u>		<u>(695,070)</u>	
Net assets			<u>3,344,895</u>		<u>7,115,075</u>
Capital and reserves					
Called up share capital	23		100		100
Profit and loss reserves			3,344,795		7,114,975
Total equity			<u>3,344,895</u>		<u>7,115,075</u>

The financial statements were approved by the board of directors and authorised for issue on 14 March 2023 and are signed on its behalf by:

Mr A J Walster
Director

Mr J A Tranter
Director

TOM WHITE WASTE LIMITED

COMPANY BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Tangible assets	13		12,162,925		12,033,144
Investments	14		101		100
			<u>12,163,026</u>		<u>12,033,244</u>
Current assets					
Debtors	16	5,423,227		3,533,998	
Cash at bank and in hand		470,844		318,351	
		<u>5,894,071</u>		<u>3,852,349</u>	
Creditors: amounts falling due within one year	17	<u>(8,610,207)</u>		<u>(4,692,455)</u>	
Net current liabilities			<u>(2,716,136)</u>		<u>(840,106)</u>
Total assets less current liabilities			9,446,890		11,193,138
Creditors: amounts falling due after more than one year	18		<u>(5,148,066)</u>		<u>(3,463,545)</u>
Provisions for liabilities					
Deferred tax liability	21	1,034,481		695,070	
		<u>1,034,481</u>	<u>(1,034,481)</u>	<u>695,070</u>	<u>(695,070)</u>
Net assets			<u>3,264,343</u>		<u>7,034,523</u>
Capital and reserves					
Called up share capital	23		100		100
Profit and loss reserves			3,264,243		7,034,423
Total equity			<u>3,264,343</u>		<u>7,034,523</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £3,270,180 (2021 - £390,620 profit).

The financial statements were approved by the board of directors and authorised for issue on 14 March 2023 and are signed on its behalf by:

Mr A J Walster
Director

Mr J A Tranter
Director

Company Registration No. 01201361

TOM WHITE WASTE LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2022

	Share capital	Profit and loss reserves	Total
Notes	£	£	£
Balance at 1 April 2020	100	6,643,803	6,643,903
	<hr/>	<hr/>	<hr/>
Year ended 31 March 2021:			
Profit and total comprehensive income for the year	-	471,172	471,172
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2021	100	7,114,975	7,115,075
	<hr/>	<hr/>	<hr/>
Year ended 31 March 2022:			
Loss and total comprehensive income for the year	-	(3,270,180)	(3,270,180)
Dividends	11	(500,000)	(500,000)
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2022	100	3,344,795	3,344,895
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

TOM WHITE WASTE LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2022

	Share capital	Profit and loss reserves	Total
Notes	£	£	£
Balance at 1 April 2020	100	6,643,803	6,643,903
Year ended 31 March 2021:			
Profit and total comprehensive income for the year	-	390,620	390,620
Balance at 31 March 2021	100	7,034,423	7,034,523
Year ended 31 March 2022:			
Loss and total comprehensive income for the year	-	(3,270,180)	(3,270,180)
Dividends	11	(500,000)	(500,000)
Balance at 31 March 2022	100	3,264,243	3,264,343

TOM WHITE WASTE LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022		2021	
		£	£	£	£
Cash flows from operating activities					
Cash generated from operations	27	2,321,520		1,049,493	
Interest paid		(99,230)		(56,898)	
Income taxes paid		(19,286)		(177,374)	
		<u>2,203,004</u>		<u>815,221</u>	
Net cash inflow from operating activities					
Investing activities					
Purchase of tangible fixed assets		(646,428)		(693,608)	
Proceeds on disposal of tangible fixed assets		18,008		31,250	
Interest received		-		1,328	
		<u>(628,420)</u>		<u>(661,030)</u>	
Net cash used in investing activities					
Financing activities					
Repayment of bank loans		121,606		(124,567)	
Payment of finance leases obligations		(1,087,645)		(283,702)	
Dividends paid to equity shareholders		(500,000)		-	
		<u>(1,466,039)</u>		<u>(408,269)</u>	
Net increase/(decrease) in cash and cash equivalents					
		108,545		(254,078)	
Cash and cash equivalents at beginning of year		362,811		616,889	
		<u>471,356</u>		<u>362,811</u>	
Cash and cash equivalents at end of year					
Relating to:					
Cash at bank and in hand		471,370		362,825	
Bank overdrafts included in creditors payable within one year		(14)		(14)	
		<u>471,356</u>		<u>362,811</u>	

TOM WHITE WASTE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Company information

Tom White Waste Limited is a private company limited by shares incorporated in England and Wales. Tom White Waste Group consists of Tom White Waste Limited, A&M Metals and Waste Limited and Tom White Waste (LACO) Limited. The registered office is Unit 13a, Stonebrook Way, Longford, Coventry, West Midlands, United Kingdom, CV6 6LN.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: The disclosure requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b), and 12.29A;
- Section 26 'Share based Payment': Share based payment arrangements required under FRS 102 paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the Company are also consolidated within the financial statements of Coventry Municipal Holdings Limited. These consolidated financial statements are available from its registered office: Council House, Earl Street, Coventry, CV1 5RR.

1.2 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

TOM WHITE WASTE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (Continued)

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Tom White Waste Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 March 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

1.4 Going concern

In assessing the appropriateness of the going concern assumption, the Directors have reviewed detailed profit and loss forecasts and cash flow forecasts, considering all reasonably foreseeable potential scenarios and uncertainties in relation to revenue and expenditure for a period of at least 12 months from the date these financial statements have been signed. Based on these forecasts, the Directors have a reasonable expectation that the company can meet its liabilities as they fall due and the Directors have therefore concluded that the Covid-19 pandemic does not create a material uncertainty in relation to going concern and as such have deemed it appropriate for the financial statements to be prepared on the going concern basis.

1.5 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% straight line
Leasehold land and buildings	over period of the lease
Plant and equipment	3 - 10 years straight line
Fixtures and fittings	3 - 10 years straight line
Motor vehicles	3 - 10 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

During the year the group undertook a review of the useful economic life of the fixed assets held (excluding property). As a result of this undertaking there has been an amendment to the useful economic lives depreciation is to be charged over from this financial year going forward.

The impact of this in the financial statements is an additional current year depreciation charge of £1,045,803.

TOM WHITE WASTE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (Continued)

1.7 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

TOM WHITE WASTE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

TOM WHITE WASTE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.11 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

TOM WHITE WASTE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (Continued)

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.15 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1.16 Government grants

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

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

TOM WHITE WASTE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

2 Judgements and key sources of estimation uncertainty (Continued)

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Accruals

Estimation is required in determining an appropriate amount to accrue in respect of uninvoiced expenses. The amounts accrued are based on managements best estimate of such costs after considering works performed to the year end date.

Useful economic lives of fixed assets

Estimation is required in determining the useful economic lives over which assets are depreciated. In estimating the useful economic life of the asset management take into consideration expected condition and use of the asset.

3 Turnover and other revenue

	2022	2021
	£	£
Turnover analysed by class of business		
Waste management and recycling	17,213,033	13,239,984
	<u> </u>	<u> </u>
	2022	2021
	£	£
Other significant revenue		
Interest income	-	1,328
Grants received	-	152,603
Sundry income	117,012	-
	<u> </u>	<u> </u>

4 Operating (loss)/profit

	2022	2021
	£	£
Operating (loss)/profit for the year is stated after charging/(crediting):		
Government grants	-	(152,603)
Depreciation of owned tangible fixed assets	1,431,377	808,321
Depreciation of tangible fixed assets held under finance leases	807,793	385,046
Impairment of owned tangible fixed assets	1,129,751	-
Profit on disposal of tangible fixed assets	(18,008)	(4,488)
Operating lease charges	14,599	2,044
	<u> </u>	<u> </u>

5 Auditor's remuneration

	2022	2021
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	25,000	16,500
	<u> </u>	<u> </u>

TOM WHITE WASTE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

6 Employees

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

	Group 2022 Number	2021 Number	Company 2022 Number	2021 Number
Directors	14	6	4	3
Finance and administration	39	29	39	29
Sales	7	3	7	3
Drivers	46	31	46	31
Transfer yard	36	48	36	48
Workshop	5	7	5	7
Total	<u>147</u>	<u>124</u>	<u>137</u>	<u>121</u>

Their aggregate remuneration comprised:

	Group 2022 £	2021 £	Company 2022 £	2021 £
Wages and salaries	3,877,354	3,250,623	3,877,354	3,250,623
Social security costs	395,881	288,194	395,881	288,194
Pension costs	91,207	77,694	91,207	77,694
	<u>4,364,442</u>	<u>3,616,511</u>	<u>4,364,442</u>	<u>3,616,511</u>

7 Directors' remuneration

	2022 £	2021 £
Remuneration for qualifying services	<u>118,597</u>	<u>54,518</u>

8 Interest receivable and similar income

	2022 £	2021 £
Interest income		
Interest on bank deposits	<u>-</u>	<u>1,328</u>

9 Interest payable and similar expenses

	2022 £	2021 £
Interest on bank overdrafts and loans	34,379	(10,369)
Interest on finance leases and hire purchase contracts	64,851	67,267
Total finance costs	<u>99,230</u>	<u>56,898</u>

TOM WHITE WASTE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

10 Taxation

	2022	2021
	£	£
Current tax		
UK corporation tax on profits for the current period	-	168,627
Adjustments in respect of prior periods	(509,276)	-
Total current tax	<u>(509,276)</u>	<u>168,627</u>
Deferred tax		
Origination and reversal of timing differences	91,136	(37,740)
Changes in tax rates	248,275	-
Total deferred tax	<u>339,411</u>	<u>(37,740)</u>
Total tax (credit)/charge	<u>(169,865)</u>	<u>130,887</u>

The actual (credit)/charge for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022	2021
	£	£
(Loss)/profit before taxation	<u>(3,440,045)</u>	<u>602,059</u>
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	(653,609)	114,391
Tax effect of expenses that are not deductible in determining taxable profit	-	1,132
Change in unrecognised deferred tax assets	462,184	-
Effect of change in corporation tax rate	248,275	-
Permanent capital allowances in excess of depreciation	(168,930)	-
Depreciation on assets not qualifying for tax allowances	20,949	53,104
Deferred tax adjustments in respect of prior years	(3,511)	(37,740)
Revenue items capitalised	(75,223)	-
Taxation (credit)/charge	<u>(169,865)</u>	<u>130,887</u>

11 Dividends

	2022	2021
	£	£
Recognised as distributions to equity holders:		
Final paid	<u>500,000</u>	<u>-</u>

TOM WHITE WASTE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

12 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	Notes	2022 £	2021 £
In respect of:			
Property, plant and equipment	13	1,129,751	-
Recognised in:			
Administrative expenses		1,129,751	-

The impairment losses in respect of financial assets are recognised in administrative expenses in the profit and loss account.

13 Tangible fixed assets

Group	Freehold land and buildings	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 2021	6,773,603	210,657	7,879,371	318,859	4,450,262	19,632,752
Additions	1,150	-	2,364,976	218,939	913,637	3,498,702
Disposals	-	-	(3,194,748)	-	(386,478)	(3,581,226)
At 31 March 2022	6,774,753	210,657	7,049,599	537,798	4,977,421	19,550,228
Depreciation and impairment						
At 1 April 2021	735,782	50,256	4,423,697	214,191	2,175,682	7,599,608
Depreciation charged in the year	113,260	3,420	1,471,472	72,516	578,502	2,239,170
Impairment losses	-	-	1,065,965	-	63,786	1,129,751
Eliminated in respect of disposals	-	-	(3,194,748)	-	(386,478)	(3,581,226)
At 31 March 2022	849,042	53,676	3,766,386	286,707	2,431,492	7,387,303
Carrying amount						
At 31 March 2022	5,925,711	156,981	3,283,213	251,091	2,545,929	12,162,925
At 31 March 2021	6,037,821	160,401	3,455,674	104,668	2,274,580	12,033,144

TOM WHITE WASTE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

13 Tangible fixed assets

(Continued)

Company	Freehold land and buildings	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 2021	6,773,603	210,657	7,879,371	318,859	4,450,262	19,632,752
Additions	1,150	-	2,364,976	218,939	913,637	3,498,702
Disposals	-	-	(3,194,748)	-	(386,478)	(3,581,226)
At 31 March 2022	6,774,753	210,657	7,049,599	537,798	4,977,421	19,550,228
Depreciation and impairment						
At 1 April 2021	735,782	50,256	4,423,697	214,191	2,175,682	7,599,608
Depreciation charged in the year	113,260	3,420	1,471,472	72,516	578,502	2,239,170
Impairment losses	-	-	1,065,965	-	63,786	1,129,751
Eliminated in respect of disposals	-	-	(3,194,748)	-	(386,478)	(3,581,226)
At 31 March 2022	849,042	53,676	3,766,386	286,707	2,431,492	7,387,303
Carrying amount						
At 31 March 2022	5,925,711	156,981	3,283,213	251,091	2,545,929	12,162,925
At 31 March 2021	6,037,821	160,401	3,455,674	104,668	2,274,580	12,033,144

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	Group 2022 £	2021 £	Company 2022 £	2021 £
Plant and equipment	2,104,912	1,087,459	2,104,912	1,087,459
Motor vehicles	1,462,335	1,022,009	1,462,335	1,022,009
	3,567,247	2,109,468	3,567,247	2,109,468

More information on impairment movements in the year is given in note 12.

14 Fixed asset investments

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Investments in subsidiaries	15	-	-	101	100

TOM WHITE WASTE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

14 Fixed asset investments (Continued)

Movements in fixed asset investments Company

	Shares in subsidiaries £
Cost or valuation	
At 1 April 2021	100
Additions	1
	<hr/>
At 31 March 2022	101
	<hr/>
Carrying amount	
At 31 March 2022	101
	<hr/> <hr/>
At 31 March 2021	100
	<hr/> <hr/>

15 Subsidiaries

Details of the company's subsidiaries at 31 March 2022 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
A&M Metals & Waste Limited	Unit 13a Stonebrook Way Longford Coventry West Midlands CV6 6LN	Ordinary Shares	100.00
Tom White Waste (LACO) Limited	Unit 13a Stonebrook Way Longford Coventry West Midlands CV6 6LN	Ordinary Shares	100.00

16 Debtors

	Group 2022 £	2021 £	Company 2022 £	2021 £
Amounts falling due within one year:				
Trade debtors	3,304,218	2,905,782	3,082,017	2,702,901
Corporation tax recoverable	509,276	-	509,276	-
Amounts owed by group undertakings	-	-	1,482,220	589,900
Other debtors	113,321	87,305	10,723	87,305
Prepayments and accrued income	338,991	153,892	338,991	153,892
	<hr/>	<hr/>	<hr/>	<hr/>
	4,265,806	3,146,979	5,423,227	3,533,998
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

TOM WHITE WASTE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

17 Creditors: amounts falling due within one year

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans and overdrafts	19	216,638	290,266	216,638	290,266
Obligations under finance leases	20	1,004,841	753,071	1,004,841	753,071
Trade creditors		3,669,295	1,193,096	3,669,295	1,193,096
Amounts owed to group undertakings		500,000	-	1,857,751	580,783
Corporation tax payable		149,342	168,628	149,342	149,733
Other taxation and social security		544,923	784,832	424,720	646,141
Other creditors		-	21,367	-	21,367
Accruals and deferred income		1,287,620	1,057,998	1,287,620	1,057,998
		<u>7,372,659</u>	<u>4,269,258</u>	<u>8,610,207</u>	<u>4,692,455</u>

Amounts owed to group undertakings represents amounts owed to the Parent company and as such have not been eliminated upon consolidation of these financial statements.

18 Creditors: amounts falling due after more than one year

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans and overdrafts	19	3,087,039	2,891,805	3,087,039	2,891,805
Obligations under finance leases	20	2,061,027	548,168	2,061,027	548,168
Accruals and deferred income		-	23,572	-	23,572
		<u>5,148,066</u>	<u>3,463,545</u>	<u>5,148,066</u>	<u>3,463,545</u>

Amounts included above which fall due after five years are as follows:

Payable by instalments		<u>2,201,273</u>	<u>1,656,861</u>	<u>2,201,273</u>	<u>1,656,861</u>
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19 Loans and overdrafts

	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans	3,303,663	3,182,057	3,303,663	3,182,057
Bank overdrafts	14	14	14	14
	<u>3,303,677</u>	<u>3,182,071</u>	<u>3,303,677</u>	<u>3,182,071</u>
Payable within one year	216,638	290,266	216,638	290,266
Payable after one year	3,087,039	2,891,805	3,087,039	2,891,805

TOM WHITE WASTE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

19 Loans and overdrafts

(Continued)

Interest on the bank loans is charged per annum at 2.25% above the Bank of England base rate of interest.

The bank loans and overdraft are secured by the following:

A mortgage debenture, dated 21/01/1991, over the assets of the company.

A first legal mortgage, dated 21/08/2013, over 1 Coronel Avenue, Rowleys Green, Coventry.

A first legal mortgage, dated 30/03/2015, over 75 Longford Road, Coventry.

A first legal mortgage, dated 21/12/2016, over Unit 13A, Stonebrook Way, Longford, Coventry.

A first legal mortgage, dated 28/07/1998, over land ex Grimley Haulage Depot, Off Stonebrook Way, Longford, Coventry vesting in the company name.

Guarantee given by company Tom White Waste Limited, Waste Masters Hire Limited dated 17/11/2017.

Collateral warranties relating to a project at 75 Longford Road, Coventry.

20 Finance lease obligations

	Group 2022	2021	Company 2022	2021
	£	£	£	£
Future minimum lease payments due under finance leases:				
Within one year	1,004,841	753,071	1,004,841	753,071
In two to five years	2,061,027	548,168	2,061,027	548,168
	<u>3,065,868</u>	<u>1,301,239</u>	<u>3,065,868</u>	<u>1,301,239</u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

21 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Liabilities 2022	Liabilities 2021
Group	£	£
Accelerated capital allowances	<u>1,034,481</u>	<u>695,070</u>

TOM WHITE WASTE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

21	Deferred taxation	(Continued)	
		Liabilities	Liabilities
		2022	2021
	Company	£	£
	Accelerated capital allowances	1,034,481	695,070
		<u> </u>	<u> </u>
		Group	Company
		2022	2022
	Movements in the year:	£	£
	Liability at 1 April 2021	695,070	695,070
	Charge to profit or loss	91,136	91,136
	Effect of change in tax rate - profit or loss	248,275	248,275
		<u> </u>	<u> </u>
	Liability at 31 March 2022	1,034,481	1,034,481
		<u> </u>	<u> </u>

From 17 March 2020 the substantively enacted UK corporation tax rate was 19% as announced by the Government in the Spring Budget 2020. However, the UK corporation tax rate will increase to 25% with effect from 1 April 2023 per Finance Bill 2021. This increased tax rate was substantively enacted on 24 May 2021. As a result, deferred tax has been calculated at a rate of 25%.

22	Retirement benefit schemes	2022	2021
	Defined contribution schemes	£	£
	Charge to profit or loss in respect of defined contribution schemes	91,207	77,694
		<u> </u>	<u> </u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

23	Share capital	2022	2021	2022	2021
	Ordinary share capital	Number	Number	£	£
	Issued and fully paid				
	Ordinary shares of £1 each	100	100	100	100
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

TOM WHITE WASTE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

24 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2022 £	2021 £	Company 2022 £	2021 £
Within one year	3,600	3,600	3,600	3,600
Between two and five years	10,500	14,100	10,500	14,100
	<u>14,100</u>	<u>17,700</u>	<u>14,100</u>	<u>17,700</u>

25 Related party transactions

The following amounts were outstanding at the reporting end date:

Amounts due to related parties	2022 £	2021 £
Group		
Entities with control, joint control or significant influence over the group	500,000	-
	<u>500,000</u>	<u>-</u>
Company		
Entities with control, joint control or significant influence over the company	500,000	-
Entities over which the company has control, joint control or significant influence	1,357,751	580,783
	<u>1,857,751</u>	<u>580,783</u>

The following amounts were outstanding at the reporting end date:

Amounts due from related parties	2022 Balance £	2021 Balance £
Company		
Entities over which the company has control, joint control or significant influence	1,482,220	589,900
	<u>1,482,220</u>	<u>589,900</u>

Other information

The group has taken advantage of the exemption available per paragraph 33.1A of FRS 102 whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

TOM WHITE WASTE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

26 Controlling party

The parent company of Tom White Waste Limited is Coventry Municipal Holdings Limited and its registered office is Council House, Earl Street, Coventry, United Kingdom, CV1 5RR.

On 26 October 2021 the group was restructured with a new parent company being incorporated. The shares held in Tom White Waste Limited by Coventry City Council were part of a share for share exchange on 5 November 2021 whereby Coventry Municipal Holdings Limited were transferred 100% of the shares in Tom White Waste Limited.

The ultimate controlling party of the company continues to be Coventry City Council Group by virtue of its shareholding s. The registered address is Coventry City Council, Council House, Coventry, CV1 5RR. A copy of the group financial statements can be obtained from this address.

27 Cash generated from group operations

	2022 £	2021 £
(Loss)/profit for the year after tax	(3,270,180)	471,172
Adjustments for:		
Taxation (credited)/charged	(169,865)	130,887
Finance costs	99,230	56,898
Investment income	-	(1,328)
Gain on disposal of tangible fixed assets	(18,008)	(4,488)
Depreciation and impairment of tangible fixed assets	3,368,921	1,193,367
Movements in working capital:		
Increase in debtors	(609,551)	(831,964)
Increase in creditors	2,920,973	34,949
Cash generated from operations	2,321,520	1,049,493

28 Analysis of changes in net debt - group

	1 April 2021 £	Cash flows £	New finance leases £	31 March 2022 £
Cash at bank and in hand	362,825	108,545	-	471,370
Bank overdrafts	(14)	-	-	(14)
	362,811	108,545	-	471,356
Borrowings excluding overdrafts	(3,182,057)	(121,606)	-	(3,303,663)
Obligations under finance leases	(1,301,239)	1,087,645	(2,852,274)	(3,065,868)
	(4,120,485)	1,074,584	(2,852,274)	(5,898,175)

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.