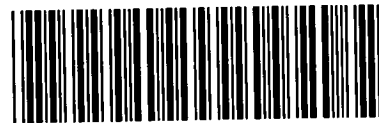


Company Registration No. 01526281 (England and Wales)

G.I. HADFIELD & SON LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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G.I. HADFIELD & SON LIMITED

COMPANY INFORMATION

Directors

Mr T J Walsh
Mr S A Woods

Company number

01526281

Registered office

Brailwood Road
Bilsthorpe
Newark
Nottinghamshire
United Kingdom
NG22 8UA

Auditor

KPMG
The Soloist Building
1 Lanyon Place
Belfast
Northern Ireland
BT1 3LP

G.I. HADFIELD & SON LIMITED

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G.I. HADFIELD & SON 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 continued to be that of a holding company to its trading subsidiaries, Enva Wood Recycling Manchester Limited, Enva Wood Recycling Middlesbrough Limited and Enva Wood Recycling Tilbury Limited.

Results and dividends

The results for the year are set out on page 7. All income is derived from the company's trading subsidiaries, Enva Wood Recycling Manchester Limited, Enva Wood Recycling Middlesbrough Limited and Enva Wood Recycling Tilbury Limited. All income is derived as management charges for the use of business assets.

No ordinary dividends were paid (2021: £Nil). The directors do not recommend payment of a final dividend.

Principal risks and uncertainties

The directors of Enva Topco Limited, the company's ultimate controlling parent, manage the group's risks at group level, rather than at an individual business unit level. For this reason, the company's directors believe that a discussion of the group's risk would not be appropriate for an understanding of the development, performance or position of G.I. Hadfield & Son Limited's business. The principal risks and uncertainties of Enva Topco Limited, which include those of the company, are discussed in the group annual report which does not form part of this report.

Directors

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

Mr T J Walsh
Mr S A Woods

Auditor

Pursuant to Section 487(2) of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG will therefore continue in office.

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 company's auditor 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 company's auditor is aware of that information.

Strategic Report

A Strategic Report has not been presented in accordance with the exemption available under Companies Act 2006 s414B.

On behalf of the board



Mr S A Woods
Director

Date: 19 December 2022

G.I. HADFIELD & SON LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with FRS 101 Reduced Disclosure Framework.

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 estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the 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 responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

On behalf of the board



Mr S A Woods
Director

19 December 2022



KPMG
Audit
The Soloist Building
1 Lanyon Place
Belfast BT1 3LP
Northern Ireland

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF G.I. HADFIELD & SON LIMITED

Report on the audit of the financial statements

Opinion

We have audited the financial statements of G.I. Hadfield & Son Limited ("the Company") for the year ended 31 March 2022, which comprise the Statement of comprehensive income, Statement of financial position, Statement of changes in equity and related notes, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is UK Law and FRS 101 Reduced Disclosure Framework.

In our opinion:

- the financial statements give a true and fair view of the state of the Company's affairs as at 31 March 2022 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with FRS 101 Reduced Disclosure Framework issued by the UK's Financial Reporting Council; and
- the financial statements 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 ethical requirements that are relevant to our audit of financial statements in the UK, including the Financial Reporting Council (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

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

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

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

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



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF G.I. HADFIELD & SON LIMITED

Report on the audit of the financial statements *(continued)*

Conclusions relating to going concern (continued)

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

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

Detecting irregularities including fraud

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the directors. In addition, our risk assessment procedures included: inquiring with the directors as to the Company's policies and procedures regarding compliance with laws and regulations and prevention and detection of fraud; inquiring whether the directors have knowledge of any actual or suspected non-compliance with laws or regulations or alleged fraud; inspecting the Company's regulatory and legal correspondence; and reading Board minutes.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team.

The Company is subject to laws and regulations that directly affect the financial statements including companies and financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

The Company, is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the directors and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls. On this audit we do not believe there is a fraud risk related to revenue recognition. We did not identify any additional fraud risks.

In response to risk of fraud, we also performed procedures including: identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation; evaluating the business purpose of significant unusual transactions; assessing significant accounting estimates for bias; and assessing the disclosures in the financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF G.I. HADFIELD & SON LIMITED

Report on the audit of the financial statements *(continued)*

Detecting irregularities including fraud *(continued)*

In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the directors' report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Opinions on other matters prescribed by the Companies Act 2006

Based solely on our work on the other information undertaken during the course of the audit:

- we have not identified material misstatements in the directors' report;
- in our opinion, the information given in the directors' report is consistent with the financial statements;
- in our opinion, the directors' report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF G.I. HADFIELD & SON LIMITED

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 2, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the 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, other irregularities or error, and to issue an opinion in an auditor's report. 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, other irregularities 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 fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

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

Our 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.

Dominic Mudge (Senior Statutory Auditor)
for and on behalf of
KPMG Statutory Auditor
The Soloist Building
1 Lanyon Place
BT1 3LP

20 December 2022

G.I. HADFIELD & SON LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2021 £
Administrative expenses		(376,887)	(571,369)
Other operating income		376,887	571,369
		<hr/>	<hr/>
Operating profit	2	-	-
Tax on profit	3	138,303	26,012
		<hr/>	<hr/>
Profit and total comprehensive income for the financial year		138,303	26,012
		<hr/> <hr/>	<hr/> <hr/>

The Company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of comprehensive income has been presented.

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The notes on pages 10 to 20 form part of these financial statements.

G.I. HADFIELD & SON LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Intangible assets	4		5,240		7,740
Tangible fixed assets	5		587,069		961,457
Investments	6		12		12
			<u>592,321</u>		<u>969,209</u>
Current assets					
Deferred tax asset	10	226,709		164,568	
Debtors	8	4,694,764		4,313,376	
Cash at bank and in hand		12,162		15,798	
		<u>4,933,635</u>		<u>4,493,742</u>	
Creditors: amounts falling due within one year					
Creditors	9	4,559,839		4,635,137	
		<u>4,559,839</u>		<u>4,635,137</u>	
Net current assets/(liabilities)			<u>373,796</u>		<u>(141,395)</u>
Net assets			<u>966,117</u>		<u>827,814</u>
Capital and reserves					
Called up share capital	11		100,010		100,010
Capital redemption reserve	12		5,500		5,500
Profit and loss reserves			860,607		722,304
			<u>966,117</u>		<u>827,814</u>
Total equity			<u>966,117</u>		<u>827,814</u>

The accompanying notes on pages 10 to 20 form an integral part of these financial statements

The financial statements were approved by the board of directors and authorised for issue on 19 December 2022 and are signed on its behalf by:



Mr S A Woods
Director

Company Registration No. 01526281

G.I. HADFIELD & SON LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

	Share capital	Capital redemption reserve	Retained earnings	Total
	£	£	£	£
Balance at 31 March 2020	100,010	5,500	696,292	801,802
Year ended 31 March 2021:				
Profit and total comprehensive income for the year	-	-	26,012	26,012
Balances at 31 March 2021	100,010	5,500	722,304	827,814
Year ended 31 March 2022:				
Profit and total comprehensive income for the year	-	-	138,303	138,303
Balances at 31 March 2022	100,010	5,500	860,607	966,117

The accompanying notes on pages 10 to 20 form an integral part of these financial statements

G.I. HADFIELD & SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Company information

G.I. Hadfield & Son Limited is a private company limited by shares incorporated in England and Wales. The registered office is Brailwood Road, Bilsthorpe, Newark, Nottinghamshire, United Kingdom, NG22 8UA. The company's principal activities and nature of its operations are disclosed in the directors' report.

1.1 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

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.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Cash Flow Statement and related notes;
- Certain disclosures regarding revenue;
- Certain disclosures regarding leases;
- Comparative period reconciliations for share capital, tangible fixed assets, intangible assets and investment properties;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel;
- Disclosures of transactions with a management entity that provides key management personnel services to the Company;
- And disclosures required by IFRS 5 Non-current Assets Held for Sale and Discontinued Operations in respect of the cash flows of discontinued operations.

As the consolidated financial statements of Enva Topco Limited (ultimate parent undertaking) include the equivalent disclosures, the company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 Share-Based Payments in respect of group settled share-based payments;
- Certain disclosures required by IAS 36 Impairment of assets in respect of the impairment of goodwill and indefinite life intangible assets;
- Certain disclosures required by IFRS 3 Business Combinations in respect of business combinations undertaken by the company in the current and prior periods including the comparative period reconciliation for goodwill;
- And certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

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

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 2.

G.I. HADFIELD & SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.2 Going concern

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The directors have, as part of the Enva Topco Limited group's going concern assessment, prepared cash flow forecasts for the entity for a period of 12 months from the date of approval of these financial statements which indicate that the company will have sufficient funds, through its operating cash flows to meet its liabilities as they fall due for that period.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and consequently have prepared the financial statements on a going concern basis.

1.3 Turnover

Turnover is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises revenue when it transfers control of a product or service to a customer.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

1.4 Intangible assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation 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:

- Software 10-25%

G.I. HADFIELD & SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.5 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:

Fixtures and fittings	10 - 25% Straight line
Plant and equipment	10 - 50% 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.

Freehold land is not depreciated.

Assets in the course of construction are not depreciated.

1.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

1.7 Impairment of tangible and intangible assets

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible 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.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

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.

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.

G.I. HADFIELD & SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.8 Cash at bank and in hand

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Loans and receivables

Trade Debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those measured at fair value through profit or 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 of the investment have been affected.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.10 Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

G.I. HADFIELD & SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.10 Financial liabilities (continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.11 Equity instruments

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

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 company'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 is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary 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 when the company has 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.

2 Operating profit

	2022	2021
	£	£
Operating profit for the year is stated after charging/(crediting):		
Depreciation of property, plant and equipment	370,908	566,398
Loss on disposal of tangible fixed assets	3,480	181
Amortisation of intangible assets (included within administrative expenses)	2,500	2,500

Audit fees in the current and prior year are borne by other companies within the Enva Topco Limited Group.

The directors' remuneration borne by other group companies totalled £756,438 (2021: £764,030) for the Enva Topco Group.

G.I. HADFIELD & SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

3 Taxation

	2022 £	2021 £
Current tax		
Adjustments in respect of prior periods	(76,162)	-
Deferred tax		
Origination and reversal of temporary differences	(62,141)	(30,186)
Adjustment in respect of prior periods	-	4,174
	(62,141)	(26,012)
Total tax (credit)	(138,303)	(26,012)

The charge for the year can be reconciled to the loss per the profit and loss account as follows:

	2022 £	2021 £
Profit for the year	138,303	26,012
Total tax credit	(138,303)	(26,012)
Profit before taxation	-	-
Expected tax charge based on a UK corporation tax rate of 19.00% (2021: 19.00%)	-	-
Group relief	(9,627)	(32,736)
Under/(over) provided in prior years	(76,162)	-
Deferred tax adjustments in respect of prior years	-	4,174
Fixed asset differences	1,896	2,550
Remeasurement of deferred tax for changes in tax rates	(54,410)	-
Taxation credit for the year	(138,303)	(26,012)

Factors affecting the future, current and total tax charges.

The Finance Act 2021 increases the corporation tax rate to from 19% to 25% with effect from 1 April 2023. This will have a consequential effect on the company's future tax charge.

4 Intangible fixed assets

	Software £
Cost	
At 31 March 2021	24,014
At 31 March 2022	24,014

G.I. HADFIELD & SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

4 Intangible fixed assets

(Continued)

	Software £
Amortisation and impairment	
At 31 March 2021	16,274
Charge for the year	2,500
At 31 March 2022	18,774
Carrying amount	
At 31 March 2022	5,240
At 31 March 2021	7,740

5 Tangible fixed assets

	Assets under construction £	Fixtures and fittings £	Plant and equipment £	Total £
Cost				
At 31 March 2021	16,000	1,121,064	10,501,679	11,638,743
Disposals	-	-	(24,050)	(24,050)
At 31 March 2022	16,000	1,121,064	10,477,629	11,614,693
Accumulated depreciation and impairment				
At 31 March 2021	-	1,029,341	9,647,945	10,677,286
Charge for the year	-	41,392	329,516	370,908
Eliminated on disposal	-	-	(20,570)	(20,570)
At 31 March 2022	-	1,070,733	9,956,891	11,027,624
Carrying amount				
At 31 March 2022	16,000	50,331	520,738	587,069
At 31 March 2021	16,000	91,723	853,734	961,457

G.I. HADFIELD & SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

6 Investments

	Current 2022 £	2021 £	Non-current 2022 £	2021 £
Investments in subsidiaries	-	-	12	12

The company has not designated any financial assets that are not classified as held for trading as financial assets at fair value through profit or loss.

Fair value of financial assets carried at amortised cost

The directors believe that the carrying amounts of financial assets carried at amortised cost in the financial statements approximate to their fair values.

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 April 2021 & 31 March 2022	12
Carrying amount	
At 31 March 2022	12
At 31 March 2021	12

G.I. HADFIELD & SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

7 Subsidiaries

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

Name of undertaking	Registered office	Ownership interest (%)	Voting power held (%)	Nature of business
Enva Wood Recycling Middlesbrough Limited	Brailwood Road, Bilsthorpe Industrial Estate, Newark, Nottingham, United Kingdom, NG22 8UA	100	100	Wood Recycling
Enva Wood Recycling Manchester Limited	Brailwood Road, Bilsthorpe Industrial Estate, Newark, Nottingham, United Kingdom, NG22 8UA	100	100	Wood Recycling
Enva Wood Recycling Tilbury Limited	Brailwood Road, Bilsthorpe Industrial Estate, Newark, Nottingham, United Kingdom, NG22 8UA	100	100	Wood Recycling

8 Debtors

	2022 £	2021 £
VAT recoverable	7,198	7,197
Amounts owed by fellow group undertakings	4,677,943	4,296,555
Other debtors	9,623	9,624
	<u>4,694,764</u>	<u>4,313,377</u>
Deferred tax asset	226,709	164,568
	<u>4,921,473</u>	<u>4,477,945</u>

Amounts from fellow group undertakings have no specific repayment date, the non trading element is non-interest bearing.

G.I. HADFIELD & SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

9 Creditors

	2022 £	2021 £
Trade creditors	1,404	1,404
Amounts owed to fellow group undertakings	4,558,435	4,558,435
Other creditors	-	75,298
	<u>4,559,839</u>	<u>4,635,137</u>

Amounts from fellow group undertakings have no specific repayment date, the non trading element of which is non-interest bearing.

10 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon during the current and prior reporting period.

	ACAs £
Deferred tax asset at 1 April 2020	(138,556)
Deferred tax movements in prior year	
(Credit) to profit or loss	(26,012)
Deferred tax asset at 1 April 2021	<u>(164,568)</u>
Deferred tax movements in current year	
(Credit) to profit or loss	(62,141)
Deferred tax asset at 31 March 2022	<u><u>(226,709)</u></u>

Deferred tax assets and liabilities are offset in the financial statements only where the company has a legally enforceable right to do so.

	2022 £	2021 £
Deferred tax assets	<u>(226,709)</u>	<u>(164,568)</u>

G.I. HADFIELD & SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

11	Share capital	2022	2021
		£	£
	Ordinary share capital		
	<i>Issued and fully paid</i>		
	89,458 Ordinary A shares of £1 each	89,458	89,458
	10,552 Ordinary B shares of £1 each	10,552	10,552
		<hr/>	<hr/>
		100,010	100,010
		<hr/>	<hr/>

12	Capital redemption reserve	2022	2021
		£	£
	At the beginning and end of the year	5,500	5,500
		<hr/>	<hr/>

13 Contingent liabilities

As a Guarantor, G.I. Hadfield & Son Limited is jointly liable for the Group's debt facilities. Details regarding these facilities are set out in the financial statements of Enva UK Bidco Limited, and the ultimate parent company, Enva Topco Limited.

14 Events after the reporting date

There have been no events subsequent to year end impacting upon these financial statements.

15 Related party transactions

The Company has taken advantage of the exemption under FRS 101 - Related Party Transactions, not to disclose transactions with other members of the Enva Topco Limited group.

16 Controlling party

The immediate parent is GI Hadfield Holdings Limited, a company incorporated in England.

The directors consider that the company is controlled by Enva Topco Limited by virtue of its indirect holding of 100% of the issued share capital of the company.

The largest and smallest group into which the results of the company are included is that headed by Enva Topco Limited, a company incorporated in England.

The publicly available financial statements of Enva Topco Limited can be obtained from:

Enva Topco Limited
Brailwood Road
Bilsthorpe Industrial Estate
Bilsthorpe
Newark
Nottinghamshire
United Kingdom
NG22 8UA