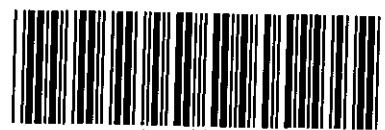


Registered number: 01677389

Group Fabricom Limited

Unaudited
Annual report and financial statements
For the Year Ended 31 December 2019

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Group Fabricom Limited

Company Information

Directors	D Palmer-Jones F Duval J Scanlon (appointed 1 January 2020) C Thorn (appointed 1 February 2020)
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Company secretary	J Knight
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Registered number	01677389
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Registered office	Suez House Grenfell Road Maidenhead Berkshire SL6 1ES
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Group Fabricom Limited

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Group Fabricom Limited

Strategic report For the Year Ended 31 December 2019

Business Review

The company acts as a holding company within the SUEZ Recycling and Recovery Holdings UK Limited Group. The company has not traded during the current or prior year, and is not expected to do so for the foreseeable future.

In the year ended 31 December 2019, the company received dividends of £Nil (2018 - £Nil).

Impact of leaving the EU

The potential impact of leaving the EU after the transitional period has been considered and the directors are of the opinion that no significant impact is expected to be felt.

Principal risks and uncertainties

Group Fabricom Limited is a holding company and as such is subject to the risks faced by its trading subsidiary companies. These risks and uncertainties are set out in the directors' report of the consolidated financial statements of the company's immediate parent company, SUEZ Recycling and Recovery Holdings UK Limited.

COVID-19

The companies within the SUEZ Recycling and Recovery Group in the UK (the Group) are managed centrally by one Operations Committee. Strategy and policy are decided upon at this Group level, and thus the risks and issues caused by the COVID-19 outbreak are being addressed on a Group wide basis.

Since the outbreak of the COVID-19 virus in the United Kingdom, the Group has continually assessed the risks and impacts of the pandemic and the associated economic slowdown on its business. The Group's Gold Command consisting of Company directors, other Operations Committee members and senior personnel gathers frequently to assess the evolving situation regarding the pandemic and Government legislation, as well as specific guidance for our industry.

The key risks to our business are considered to be as follows:

- The Health and Safety of our employees as well as the users of our services.
- Fall in demand for industrial and commercial collection services associated with the economic slowdown.
- Cash management resulting from reduced customer receipts.

The Group has taken significant measures to mitigate these risks.

Health and Safety:

The Health and Safety of our employees and the general public is always the top priority of the Group; with the outbreak of COVID-19 further accentuating this. The Group has gone to great lengths to secure sufficient supplies PPE to our operational teams. Furthermore, new guidance has been issued to operational teams (in particular those involved with collections) to manage social distancing protocol. The Group has worked closely with our public sector customers to define the parameters under which the HWRCs were able to re-open and the Group and local authorities have managed strong communication around this, and social distancing, with the general public. All office based staff were remobilised to work from home from mid March in line with Public Health England and government guidance. The Group has also been very active on social media platforms to publicise and promote safe waste handling guidelines for the general public.

Group Fabricom Limited

Strategic report (continued)

For the Year Ended 31 December 2019

Industrial and commercial collections:

The lockdown and economic slowdown has led to reduced volumes within our collections business. We anticipate that these volumes may take a period of months to recover to pre COVID-19 levels and also provide an opportunity to grow. The Group benefits from diverse waste streams, with industrial and collections contributing about 15% of the Group revenue. So whilst the drop in industrial and collection (I&C) tonnage does have an impact on the Group's revenue and profitability, we are not overly reliant on I&C. Further measures have been implemented to restrict the impact of falling I&C tonnage on our business, such as mothballing certain vehicles and using the UK Government Coronavirus Job Retention Scheme (furlough scheme) for some collection staff. We have also supported our I&C customers that have been most affected by the lockdown by offering a service holiday during the lockdown periods.

Cash management:

The slowdown of activity within the UK economy has further highlighted the need for tight cash management. The Group has continued to receive cash for the fixed price elements of our contracts with local authorities, even when the HWRCs were closed. The Group has continued to generate net cash inflows from its operating activities in the period since lockdown in the UK. We are also ensuring that we continue to pay our key suppliers promptly in line with the guidance set out under the government's PPN Supplier Relief programme. We continue to closely monitor the credit status of our customers, especially in the I&C business to minimise our exposure to bad debt risk which is partly mitigated via our credit insurance policies.

Like most business, COVID-19 will clearly have an impact on our Group's financial performance in 2020. The Directors remain confident that our strong relationships with our customers, our long term contracts and our diversified business will provide strong foundations for continued success.

Section 172 statement

In accordance with the Companies Act 2006 (the 'Act') (as amended by the Companies (Miscellaneous Reporting) Regulations 2018), the Directors provide this statement describing how they have had regard to the matters set out in section 172(1) (a) – (f) of the Act, when performing their duty to promote the success of the Company, under section 172.

S172(1)(a) The likely consequences of any decision in the long term & S172(1)(e) The desirability of the company maintaining a reputation for high standards of business conduct

The focus of the Board has been to drive the Group towards achieving its goals alongside its commitment to having a workforce that more accurately reflects society and has developed challenging targets to achieve this, which includes overhauling our parental leave and flexible working policies, improving the gender pay gap and collaborating across the sector to help drive sector-wide change.

As part of the Group's drive to become more sustainable, the Group has set targets as part of its environmental strategy. The Group is well advanced in developing action plans and engaging with our workforce. The next steps will be to provide the necessary training to be able to deliver these targets, as well as engaging with our wider stakeholders.

The directors of the Company delegated certain duties and responsibilities to various committees and receives regular and timely information (at least monthly) on all key aspects of the business including health and safety, risks and opportunities, the financial performance of the business, strategy, operational matters, market conditions and sustainability, all supported by Key Performance Indicators (KPIs) and identified a list of strategic priorities that were to be reviewed by management throughout 2019.

S172(1)(b) The interests of the Company's employees

How the directors promote the interests of the Company's employees are set out within the Engagement with employees section of the Directors' report. (page 7)

Group Fabricom Limited

**Strategic report (continued)
For the Year Ended 31 December 2019**

S172(1)(c) The need to foster the company's business relationships with suppliers, customers and others

How the directors promote the need to foster the company's business relationships with suppliers, customers and others is set out in the engagement with suppliers, customers and others of the Directors' report. (page 8)

S172(1)(d) The impact of the Company's operations on the community and the environment

The Company and our employees believe it is important to give something back to the communities we work in and to society. We do this in many ways. We organise these activities into a programme under our corporate responsibility strategy and call it Giving Something Back. The programme aims to encourage everyone in the company to get involved with local causes and supporting national charities.

Engagement takes place locally through our local offices and sites with many of our operations and the planning team having regular two-way conversations with community representatives to discuss our activities and the local topics that impact us both, including via the science, technology, engineering and mathematics (STEM) which helps to improve the learning and career prospects of local people, at the same time as enhancing our reputation and helping to develop our people and our education programmes, community consultation and involvement through various community Trusts.

During 2019 schools and community groups across the country, who wanted to know more about waste, what happens to it, visited many of our larger facilities that have education and visitor centres where groups can learn about the journey of waste, and see how we handle, process and recover value from it – giving it a second life.

Our network of employee education ambassadors, who are all passionate about resources and sharing their knowledge, visit schools to explain the importance of recycling and responsible waste management in a fun and informative way that links with the national curriculum. These ambassadors also visit local events and county fairs.

S172(1)(f) The need to act fairly as between members of the company

For the year under review we have been a wholly owned subsidiary within the SUEZ Recycling and Recovery UK Group. With the Chief Executive Office and the Finance Director also sitting on our board. Relevant decision of the Board are also discussed, where relevant, at the meetings of the parent company board.

Other key performance indicators

Given the straightforward nature of the business the company's directors are of the opinion that no added value would be achieved in detailing KPIs for a fuller understanding of the development, performance and position of the company.

This report was approved by the board on 5 March 2021 and signed on its behalf.



C Thorn
Director

Group Fabricom Limited

Directors' report

For the Year Ended 31 December 2019

The directors present their report and the financial statements for the year ended 31 December 2019.

Directors

The directors who served during the year were:

D Palmer-Jones

F Duval

Future developments

The directors intend the company to continue to be a holding company within the SUEZ R&R UK Group for the foreseeable future.

Engagement with employees

The Company, as part of SUEZ Recycling and Recovery UK Group (the Group), communicates to its employees through presentations, internal group-wide emails, newsletters, social media channels and blogs on our intranet. An annual employee conference, delivered at various local locations around the country, provides a briefing on the Group's performance, gives an update on any initiatives that are being introduced and allows individuals to raise questions and concerns.

The Board has direct engagement during site visits, Board presentations, informal lunches, social media channels and the blogs on our intranet, all of which give our employees the opportunity to interact with members of the Board and senior management.

U Say, the Group's employee engagement survey is carried out anonymously every two years to highlight areas of improvement. The Board considers the results of all employee engagement surveys a good barometer of the workforce's confidence in the Group's strategic direction, optimism in the future and career opportunities. In 2019 the Group improved its score in every one of the eight key factors when compared with the previous survey. 85% of our employees took the time to fill in the survey, achieving our highest engagement score to date and helped to raise £20,000 for our charity partner Macmillan Cancer Support.

In 2019, the Board started to send summaries of key themes from the Group Board meeting via our internal social media platform. Engagement with employees also takes place through works councils and various other committees and groups.

Group Fabricom Limited

Directors' report (continued) For the Year Ended 31 December 2019

Engagement with suppliers, customers and others

Customers

The Board engages with key customers and clients through the Regional Directors who provide the Board with regular information about customers in various reports produced throughout the business by the commercial and management teams.

Suppliers

The Group primarily engages with our suppliers via its website and procurement teams as well as through other business support functions including the commercial and legal.

The Board receives information through various Group's board reports produced throughout the business.

Other stakeholders

Other key stakeholders include the Government, Regulators and Local Authorities.

The Chief Executive, some directors and senior managers met with members of Government, other political parties and senior officials to provide an overview of the recycling and recovery industry and to provide feedback on potential changes being considered by the Government.

Members of Parliament visited a number of our sites during the year. Government and ministers gain a better understanding of the challenges facing the industry which will in turn potentially result in more favourable policies for our industry.

The Group's business is heavily regulated with a large number of our key clients being local authorities. We perform customer engagement surveys and the performance of the business is regularly reported to the Board and OpCom on a monthly basis. The findings are used to improve customer engagement with knowledge being shared across the Group. On all large contracts, the Group hosts local community events to engage with local stakeholders.

Matters covered in the strategic report

As permitted by Paragraph 1A of Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 certain matters which are required to be disclosed in the Directors' report have been omitted as they are included in the Strategic report. These matters relate to the review of the business performance.

This report was approved by the board on 5 March 2021 and signed on its behalf.



C Thorn
Director

Group Fabricom Limited
Registered number: 01677389

Statement of financial position
As at 31 December 2019

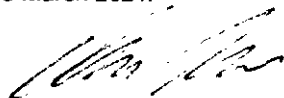
	Note	2019 £000	2018 £000
Fixed assets			
Investments	5	48,795	48,795
		<u>48,795</u>	<u>48,795</u>
Current assets			
Debtors: amounts falling due within one year	6	7,346	7,346
		<u>7,346</u>	<u>7,346</u>
Net assets		<u>56,141</u>	<u>56,141</u>
Capital and reserves			
Called up share capital	8	100,830	100,830
Share premium account	9	3,257	3,257
Profit and loss account	9	(47,946)	(47,946)
Shareholder's funds - equity		<u>56,141</u>	<u>56,141</u>

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Company was entitled to exemption from the requirement to have an audit under section 479A of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 5 March 2021.



C Thorn
Director

The notes on pages 10 to 16 form part of these financial statements.

Group Fabricom Limited

**Statement of changes in equity
For the Year Ended 31 December 2019**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 January 2019	100,830	3,257	(47,946)	56,141
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	-	-
At 31 December 2019	100,830	3,257	(47,946)	56,141

The notes on pages 10 to 16 form part of these financial statements.

**Statement of changes in equity
For the Year Ended 31 December 2018**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 January 2017	100,830	3,257	(47,946)	56,141
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	-	-
At 31 December 2018	100,830	3,257	(47,946)	56,141

The notes on pages 10 to 16 form part of these financial statements.

Group Fabricom Limited

Notes to the financial statements For the Year Ended 31 December 2019

1. General information

Group Fabricom Limited is private company limited by shares, incorporated and domiciled in the United Kingdom. These financial statements cover the individual entity. The address of its registered office and principal place of business is SUEZ House, Grenfell Road, Maidenhead, Berkshire SL6 1ES.

The principal activities of the Company is that of a holding company.

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The Company's intermediate parent company is SUEZ Recycling and Recovery Holdings UK Limited, incorporated and registered in the United Kingdom, which owns 100% of the Company ordinary share capital. The ultimate parent company is SUEZ SA, a company incorporated and registered in France.

The smallest Group in which the Company is incorporated into is SUEZ Recycling and Recovery Holdings UK Limited and the largest is SUEZ SA. The consolidated financial statements of SUEZ SA may be obtained from Tour CB21, 16 Place de L'Iris, 92040 Paris La Defense Cedex, France.

The financial statements have been presented in Pounds Sterling as this is the functional currency of the Company and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

2. Accounting policies

2.1 Basis of preparation of financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) and the Companies Act 2006. The recognition, measurement and disclosure requirements of International Financial Reporting Standard as adopted by the EU (EU adopted IFRS) have been applied to these financial statements and, where necessary, amendments have been made in order to comply with the Companies Act 2006 and The Large and Medium sized Companies and Groups Regulations 2008/410 ('Regulations').

These financial statements have been prepared under the historical costs convention.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

Group Fabricom Limited

Notes to the financial statements For the Year Ended 31 December 2019

2. Accounting policies (continued)

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures.
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement.
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment; and
 - paragraph 118(e) of IAS 38 Intangible Assets.
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements.
- the requirements of IAS 7 Statement of Cash Flows.
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures.
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a Group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.
- the requirements of paragraphs 6 to 21 of IFRS 1 First-time adoption of International Financial Reporting.
- The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers.

The company has **NOT** taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based payment
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations
- the requirements of paragraph 33(c) of IFRS 5 Non Current Assets Held For Sale and Discontinued Operations
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraphs 76 and 79(d) of IAS 40 Investment Property; and
 - paragraph 50 of IAS 41 Agriculture.

Group Fabricom Limited

Notes to the financial statements For the Year Ended 31 December 2019

2. Accounting policies (continued)

2.3 Going concern

The company's going concern is intrinsically linked to the performance, risks and going concern of the SUEZ UK R&R Group. The SUEZ UK R&R Group, along with its ultimate parent company SUEZ SA, has considerable financial resources together with long term contracts with a number of customers across different geographic areas and within different sectors of the recycling industry. As a consequence, the directors believe that the SUEZ R&R UK Group is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The UK Group benefits from a current account overdraft facility from the French parent company (SUEZ SA) to finance day to day activities. It also benefits from long term loans from SUEZ SA regarding some of our major infrastructure projects. The loans are subject to contractual terms and repayment schedules in line with the operational activities of the infrastructure that they finance. We consider it highly unlikely that SUEZ SA would cancel the overdraft facility that we have in place. However, should this unlikely event occur, we believe we would be able to replace the facility with external debt thanks to our strong credit reputation and relationships with UK banks. The UK Group currently has no external (non Group) loans in place. The impact of COVID-19 has been assessed and factored into the cashflow forecasts for the UK Group and it is not expected that the overdraft facility with SUEZ SA will be breached in the next 12 months, with adequate headroom for any unknown events also.

Having made enquiries, the directors have a reasonable expectation that the company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

2.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Dividends

Revenue is recognised when the Company's right to receive payment is established

Group Fabricom Limited

**Notes to the financial statements
For the Year Ended 31 December 2019**

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Due to uncertainties inherent in the estimation process, the Company regularly revises its estimates in light of currently available information. Final outcomes could differ from those estimates.

The key estimates used by the Company in preparing the Financial Statements relate to:

- the measurement of the recoverable amount of investments. In order to determine whether impairments, or reversal of previous impairments, are required for non-financial assets, there is an assessment of whether there are any indicators for further impairment or reversal during the year. The assessment includes a review of changes in markets and discount rates over the year, together with a review of business performance against expectations. The 2019 review concluded there were no indicators of further impairment or reversal.

As well as relying on estimates, the Company management also makes judgements to define the appropriate accounting treatment to apply to certain activities and transactions, when the effective IFRS standards and interpretations do not specifically deal with the related accounting issue.

4. Profit & Loss account

During the year, no director received any emoluments (2018 - £NIL).

The company has not traded in the current year. During this period, the company received no income and incurred no expenditure and therefore made neither profit nor loss.

For the year ended 31 December 2019 and the prior year, auditors' remuneration was borne by a fellow group company.

The company has no employees other than the directors and thus incurred no staff costs during the year (2018 - £Nil).

Group Fabricom Limited

**Notes to the financial statements
For the Year Ended 31 December 2019**

5. Fixed asset investments

	Investments in subsidiary companies £000
Cost or valuation	
At 1 January 2019	81,387
At 31 December 2019	81,387
Impairment	
At 1 January 2019	32,592
At 31 December 2019	32,592
Net book value	
At 31 December 2019	48,795
<i>At 31 December 2018</i>	48,795
Subsidiary undertaking	

The following was a subsidiary undertaking of the Company:

Name	Principal activity	Class of shares	Holding
SHUKCO Ltd	Holding Co and Waste disposal and landfill operator	Ordinary & 2% Preference	100%

SHUKCO Ltd is incorporated in the UK and has the same registered office as the parent company.

Group Fabricom Limited

**Notes to the financial statements
For the Year Ended 31 December 2019**

6. Debtors

	2019	2018
	£000	£000
Amounts owed by group undertakings	7,346	7,346
	7,346	7,346

7. Financial instruments

	2019	2018
	£000	£000
Financial assets		
Financial assets that are debt instruments measured at amortised cost	7,346	7,346

Financial assets measured at amortised cost comprise of amounts owed by group companies and other debtors.

8. Share capital

	2019	2018
	£000	£000
Allotted, called up and fully paid		
100,830,000 (2018 - 100,830,000) ordinary shares of £1.00 each	100,830	100,830

The shares carries no rights to fixed income or has any preferences or restrictions attached on them.

9. Reserves

Share premium account

A non-distributable reserve where the premium paid for new shares above their nominal value is recognised.

Profit & loss account

The profit and loss account is distributable reserves made up of retained earnings

10. Post balance sheet events

Since the balance sheet date there has been a global pandemic from the outbreak of COVID-19. The potential impact of COVID-19 became significant in March 2020 and is causing widespread disruption to normal patterns of business activity across the world, including the UK. The company is treating this as a non-adjusting post balance sheet event and therefore the judgements and estimates disclosed in note 3 have not been updated to reflect the impact of this event.

Group Fabricom Limited

Notes to the financial statements For the Year Ended 31 December 2019

11. Controlling party

At the year end the ultimate parent undertaking was SUEZ SA, a company incorporated in France.

The largest group of which Group Fabricom Limited is a member and for which group financial statements are drawn up is that headed by SUEZ SA, whose consolidated financial statements are available from Tour CB21, 16 Place de L'Iris, 92040 Paris La Defense Cedex, France.

The smallest such group is that headed by SUEZ Recycling and Recovery Holdings UK Limited, a company registered in England & Wales. The consolidated financial statements of the SUEZ Recycling and Recovery Holdings UK Limited Group may be obtained from SUEZ House, Grenfell Road, Maidenhead, Berkshire, SL6 1ES.

In the opinion of the directors, SUEZ Recycling and Recovery Holdings UK Limited controls the company as a result of controlling 100% of the issued share capital of Group Fabricom Limited. At the year end SUEZ SA was the ultimate controlling party, being the ultimate controlling party of SUEZ Recycling and Recovery Holdings UK Limited.