

Company Registration No. 03565632 (England and Wales)

PREMIER WASTE (UK) PLC
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

MICHAEL KAY
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COMPANY

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PREMIER WASTE (UK) PLC

COMPANY INFORMATION

Directors	D Courtney P Courtney
Secretary	D Courtney
Company number	03565632
Registered office	2 Water Court Water Street Birmingham West Midlands B3 1HP
Auditor	Michael Kay & Company Limited 2 Water Court Water Street Birmingham West Midlands B3 1HP
Business address	209-211 Walsall Road Perry Barr Birmingham B42 1BS
Bankers	Lloyds Bank P O Box 46 The Bridge Walsall West Midlands WS1 1LU

PREMIER WASTE (UK) PLC

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PREMIER WASTE (UK) PLC

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present the strategic report for the year ended 31 December 2016.

Fair review of the business

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

There has been no change in the principal activities of the company during the period.

We consider that our key performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover, gross margin and return on capital employed.

Turnover has decreased by 30.97% compared to the previous period. Gross margin has decreased to 29.92% (2015 37.19%).

Overall there has been an operating loss of £394,246 (2015 £85,265 profit) and a loss before tax of £406,961 (2015 £70,590). After taxation, £325,965 has been deducted from reserves.

Return on capital employed has decreased to -28.81% (2015 4.69%). Return on capital employed is calculated as profit before exceptional items, interest and tax divided by capital employed, which constitutes total assets less current liabilities.

Principal risks and uncertainties


As for many businesses of our size, the business environment in which we operate continues to be challenging. The market is highly competitive and margins continue to be under pressure. We are of course subject to world economic patterns and the level of activity within our economy.

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

Development and performance

We consider that the financial position of the company at the period end is satisfactory, with adequate cash resources despite a decrease in total net assets compared with the previous period. The directors have made changes in a number of areas and it is anticipated that the company will return a profit in the year to 31 December 2017.

On behalf of the board



D Courtney
Director
2 May 2017

PREMIER WASTE (UK) PLC

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their annual report and financial statements for the year ended 31 December 2016.

Principal activities

The principal activity of the company continues to be that of waste disposal.

Directors

The directors' interests in the shares of the holding company were as stated below:

D Courtney

P Courtney

Results and dividends

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

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Financial instruments

Credit risk

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

Auditor

In accordance with the company's articles, a resolution proposing that Michael Kay & Company Limited be reappointed as auditor of the company will be put at a General Meeting.

Statement of directors' responsibilities

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

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

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

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.

PREMIER WASTE (UK) PLC

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

On behalf of the board

A handwritten signature in black ink, appearing to be 'D Courtney', written over a horizontal line.

D Courtney

Director

2 May 2017

PREMIER WASTE (UK) PLC

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PREMIER WASTE (UK) PLC

We have audited the financial statements of Premier Waste (UK) Plc for the year ended 31 December 2016 set out on pages 6 to 22. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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.

Respective responsibilities of directors and auditor

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its 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.

Opinion 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.

PREMIER WASTE (UK) PLC

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF PREMIER WASTE (UK) PLC

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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, 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.

Marcus Daly (Senior Statutory Auditor)
for and on behalf of Michael Kay & Company Limited

2 May 2017

Chartered Accountants
Statutory Auditor

2 Water Court
Water Street
Birmingham
West Midlands
B3 1HP

PREMIER WASTE (UK) PLC

STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2015 £
Turnover	3	4,003,457	5,799,688
Cost of sales		(2,805,657)	(3,642,610)
Gross profit		1,197,800	2,157,078
Administrative expenses		(1,627,482)	(2,119,061)
Other operating income		35,436	47,248
Operating (loss)/profit	4	(394,246)	85,265
Other interest payable and similar expenses	6	(12,715)	(14,675)
(Loss)/profit before taxation		(406,961)	70,590
Taxation	7	80,996	(16,517)
(Loss)/profit for the financial year	19	(325,965)	54,073
Total comprehensive income for the year		(325,965)	54,073
Retained earnings at 1 January 2016		1,302,073	1,248,000
Retained earnings at 31 December 2016		976,108	1,302,073

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

PREMIER WASTE (UK) PLC

BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	8		1,184,099		1,299,754
Current assets					
Debtors	10	1,598,720		1,937,929	
Cash at bank and in hand		1,829,552		1,690,789	
		<u>3,428,272</u>		<u>3,628,718</u>	
Creditors: amounts falling due within one year	11	<u>(3,165,835)</u>		<u>(3,109,942)</u>	
Net current assets			262,437		518,776
Total assets less current liabilities			<u>1,446,536</u>		<u>1,818,530</u>
Creditors: amounts falling due after more than one year	12		(281,059)		(324,020)
Provisions for liabilities	15		<u>(139,369)</u>		<u>(142,437)</u>
Net assets			<u>1,026,108</u>		<u>1,352,073</u>
Capital and reserves					
Called up share capital	18	50,000		50,000	
Profit and loss reserves	19	976,108		1,302,073	
Total equity			<u>1,026,108</u>		<u>1,352,073</u>

The financial statements were approved by the board of directors and authorised for issue on 2 May 2017 and are signed on its behalf by:


D Courtney
Director

Company Registration No. 03565632

PREMIER WASTE (UK) PLC

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Cash flows from operating activities					
Cash generated from operations	23	415,520		1,106,277	
Interest paid		(12,715)		(14,675)	
Income taxes paid		(21,527)		(24,930)	
Net cash inflow from operating activities		<u>381,278</u>		<u>1,066,672</u>	
Investing activities					
Purchase of tangible fixed assets		(45,945)		(116,474)	
Proceeds on disposal of tangible fixed assets		41,190		-	
Net cash used in investing activities		<u>(4,755)</u>		<u>(116,474)</u>	
Financing activities					
Payment of finance leases obligations		(237,760)		(182,578)	
Net cash used in financing activities		<u>(237,760)</u>		<u>(182,578)</u>	
Net increase in cash and cash equivalents		<u>138,763</u>		<u>767,620</u>	
Cash and cash equivalents at beginning of year		1,690,789		923,169	
Cash and cash equivalents at end of year		<u><u>1,829,552</u></u>		<u><u>1,690,789</u></u>	

PREMIER WASTE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

Company information

Premier Waste (UK) Plc is a private company limited by shares incorporated in England and Wales. The registered office is 2 Water Court, Water Street, Birmingham, West Midlands, B3 1HP.

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.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts and is recognised on delivery of these goods and services.

Revenue is recognised when the significant risks and rewards of ownership have passed to the customer (usually on dispatch of the goods or service), 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. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that it is recoverable.

1.4 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:

Land and buildings Leasehold	10% straight line
Plant and machinery	25% reducing balance
Fixtures, fittings & equipment	25% reducing balance
Motor vehicles	25% reducing balance

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 credited or charged to profit or loss.

PREMIER WASTE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.5 Impairment of fixed 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.

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 account, 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) prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and 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.

1.7 Financial instruments

The company 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 company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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.

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.

PREMIER WASTE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

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 account 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 account.

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 account.

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 company 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 company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, 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 receipts discounted at a market rate of interest.

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

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

PREMIER WASTE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

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.

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 company after deducting all of its liabilities.

Derecognition of financial liabilities

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

1.8 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.

1.9 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 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 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.

PREMIER WASTE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.10 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.

1.11 Retirement benefits

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

1.12 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 the profit and loss account 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 income 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 lease asset are consumed.

1.13 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.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

Government grants relating to property, plant and equipment are treated as deferred income and released to profit or loss over the expected useful lives of the assets concerned.

2 Judgements and key sources of estimation uncertainty

In the application of the company'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.

PREMIER WASTE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2016 £	2015 £
Turnover		
Waste management services	4,003,457	5,799,688
Other significant revenue		
Grants received	35,436	47,248

4 Operating (loss)/profit

	2016 £	2015 £
Operating (loss)/profit for the year is stated after charging/(crediting):		
Government grants	(35,436)	(47,248)
Fees payable to the company's auditors for the audit of the company's financial statements	6,000	5,000
Depreciation of owned tangible fixed assets	210,160	212,777
Depreciation of tangible fixed assets held under finance leases	144,866	173,860
Profit on disposal of tangible fixed assets	(20,626)	-
Operating lease charges	222,499	222,755

5 Employees

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

	2016 Number	2015 Number
Administrative	2	3
Direct	20	20
	22	23

Their aggregate remuneration comprised:

	2016 £	2015 £
Wages and salaries	737,496	858,712
Social security costs	52,474	58,536
Pension costs	1,030	-
	791,000	917,248

PREMIER WASTE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

6 Interest payable and similar expenses

	2016 £	2015 £
Interest on financial liabilities measured at amortised cost:		
Interest on finance leases and hire purchase contracts	12,715	14,675
Disclosed on the profit and loss account as follows:		
Other interest payable and similar expenses	12,715	14,675

7 Taxation

	2016 £	2015 £
Current tax		
UK corporation tax on profits for the current period	-	21,527
Group tax relief	(77,928)	-
Total current tax	(77,928)	21,527
Deferred tax		
Origination and reversal of timing differences	(3,068)	(5,010)
Total tax (credit)/charge	(80,996)	16,517

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:

	2016 £	2015 £
(Loss)/profit before taxation	(406,961)	70,590
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.00%)	(81,392)	14,118
Tax effect of expenses that are not deductible in determining taxable profit	396	2,399
Taxation (credit)/charge for the year	(80,996)	16,517

PREMIER WASTE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

8 Tangible fixed assets

	Land and buildings Leasehold	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2016	39,513	3,337,068	141,985	509,517	4,028,083
Additions	-	36,553	9,392	213,990	259,935
Disposals	-	-	-	(175,390)	(175,390)
At 31 December 2016	39,513	3,373,621	151,377	548,117	4,112,628
Depreciation and impairment					
At 1 January 2016	26,564	2,229,121	120,472	352,172	2,728,329
Depreciation charged in the year	1,942	286,656	6,411	60,017	355,026
Eliminated in respect of disposals	-	-	-	(154,826)	(154,826)
At 31 December 2016	28,506	2,515,777	126,883	257,363	2,928,529
Carrying amount					
At 31 December 2016	11,007	857,844	24,494	290,754	1,184,099
At 31 December 2015	12,949	1,107,947	21,513	157,345	1,299,754

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

	2016 £	2015 £
Plant and machinery	323,898	507,369
Motor vehicles	235,528	117,544
	<u>559,426</u>	<u>624,913</u>
Depreciation charge for the year in respect of leased assets	<u>144,866</u>	<u>173,860</u>

9 Financial instruments

	2016 £	2015 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	<u>1,448,871</u>	<u>1,848,879</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>3,284,849</u>	<u>3,114,902</u>

PREMIER WASTE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

10 Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	1,110,336	1,401,124
Corporation tax recoverable	77,928	-
Other debtors	338,535	447,755
Prepayments and accrued income	71,921	89,050
	<u>1,598,720</u>	<u>1,937,929</u>

Trade debtors disclosed above are measured at amortised cost.

11 Creditors: amounts falling due within one year

	Notes	2016 £	2015 £
Obligations under finance leases	13	165,564	181,809
Trade creditors		886,245	1,499,050
Amounts due to group undertakings		1,846,611	1,078,504
Corporation tax		-	21,527
Other taxation and social security		55,736	155,788
Other creditors		104,027	104,707
Accruals and deferred income		107,652	68,557
		<u>3,165,835</u>	<u>3,109,942</u>

12 Creditors: amounts falling due after more than one year

	Notes	2016 £	2015 £
Obligations under finance leases	13	174,750	182,275
Government grants	14	106,309	141,745
		<u>281,059</u>	<u>324,020</u>

13 Finance lease obligations

	2016 £	2015 £
Future minimum lease payments due under finance leases:		
Within one year	165,564	181,809
In two to five years	174,750	182,275
	<u>340,314</u>	<u>364,084</u>

PREMIER WASTE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

13 Finance lease obligations

(Continued)

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. The average lease term is 3 to 5 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

14 Government grants

	2016 £	2015 £
Arising from government grants	106,309	141,745
	<u>106,309</u>	<u>141,745</u>

Deferred income is included in the financial statements as follows:

	2016 £	2015 £
Non-current liabilities	106,309	141,745
	<u>106,309</u>	<u>141,745</u>

The grants are being released to income over the estimated useful lives of the assets which they are financing.

15 Provisions for liabilities

	Notes	2016 £	2015 £
Deferred tax liabilities	16	139,369	142,437
		<u>139,369</u>	<u>142,437</u>

16 Deferred taxation

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

	Liabilities 2016 £	Liabilities 2015 £
Balances:		
Advanced capital allowances	<u>139,369</u>	<u>142,437</u>

PREMIER WASTE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

16 Deferred taxation

(Continued)

	2016 £
Movements in the year:	
Liability at 1 January 2016	142,437
Credit to profit or loss	(3,068)
Liability at 31 December 2016	<u>139,369</u>

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

17 Retirement benefit schemes

	2016 £	2015 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>1,030</u>	<u>-</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

18 Share capital

	2016 £	2015 £
Ordinary share capital		
Issued and fully paid		
50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>

19 Profit and loss reserves

	2016 £	2015 £
At the beginning of the year	1,302,073	1,248,000
(Loss)/profit for the year	(325,965)	54,073
At the end of the year	<u>976,108</u>	<u>1,302,073</u>

PREMIER WASTE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

20 Operating lease commitments

Lessee

Operating lease payments represent rentals payable by the company for certain of its properties. Lease commitments are normally cancellable or re-negotiable after 12 months notice.

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

	2016 £	2015 £
Within one year	223,000	215,000

21 Controlling party

The ultimate parent company is Premier Waste (UK) Holdings Plc, a company registered in England and Wales under company number 2232586. Copies of the group accounts can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

Premier Waste (UK) Plc is required to prepare separate statutory accounts as a subsidiary company in accordance with UK Companies Act filing requirements.

22 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2016 £	2015 £
Aggregate compensation	1,332	1,588

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Purchase of goods and services	
	2016 £	2015 £
Entities with control, joint control or significant influence over the company	439,936	439,936

PREMIER WASTE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

22 Related party transactions

(Continued)

	Property rentals		Remuneration trust	
	2016	2015	2016	2015
	£	£	£	£
Other related parties	158,002	158,002	-	380,000

The following amounts were outstanding at the reporting end date:

	2016	2015
	£	£
Amounts owed to related parties		
Entities with control, joint control or significant influence over the company	1,846,611	1,078,504
Other related parties	108,101	167,245
	<u>1,954,712</u>	<u>1,245,749</u>

The following amounts were outstanding at the reporting end date:

	2016
	£
Amounts owed by related parties	
Other related parties	<u>338,535</u>
Amounts owed in previous period	2015
	£
Other related parties	<u>432,551</u>

No guarantees have been given or received.

PREMIER WASTE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

23 Cash generated from operations

	2016 £	2015 £
(Loss)/profit for the year after tax	(325,965)	54,073
Adjustments for:		
Taxation (credited)/charged	(80,996)	16,517
Finance costs	12,715	14,675
Gain on disposal of tangible fixed assets	(20,626)	-
Depreciation and impairment of tangible fixed assets	355,026	386,637
Movements in working capital:		
Decrease/(increase) in debtors	417,137	(210,182)
Increase in creditors	93,665	891,805
(Decrease) in deferred income	(35,436)	(47,248)
Cash generated from operations	<u>415,520</u>	<u>1,106,277</u>