

Premier Waste (UK) PLC
Annual Report and Financial Statements
For the Year Ended 31 December 2018

Registration Number: 03565632 (England and Wales)

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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	Haines Watts Birmingham LLP 5-6 Greenfield Crescent Edgbaston Birmingham West Midlands B15 3BE
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 2018

The directors present the strategic report for the year ended 31 December 2018.

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 increased by 10% compared to the previous period. Gross margin has increased to 33.50% (2017 32.96%).

Overall there has been an operating profit of £720,231 (2017 £113,450) and a profit before tax of £708,167 (2017 £102,945). After taxation, £577,245 has been added to reserves.

Return on capital employed has increased to 31.80% (2017 7.07%). 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.

On behalf of the board



D Courtney
Director
7 June 2019

PREMIER WASTE (UK) PLC

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their annual report and financial statements for the year ended 31 December 2018.

Principal activities

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

Directors

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

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

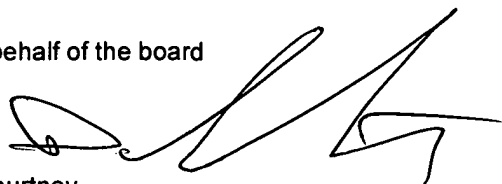
During the period Michael Kay and Company Limited was acquired by Haines Watts Birmingham LLP. Accordingly Michael Kay and Company Limited resigned as auditor and Haines Watts Birmingham LLP was appointed to fill the casual vacancy.

In accordance with the company's articles, a resolution proposing that Haines Watts Birmingham LLP be reappointed as auditor of the company will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the 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.

On behalf of the board



D Courtney
Director

7 June 2019

PREMIER WASTE (UK) PLC

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2018

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.

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 2018 set out on pages 6 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), 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 page 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 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other 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.



Andrew Jones (Senior Statutory Auditor)
for and on behalf of Haines Watts Birmingham LLP

25 June 2019

Chartered Accountants
Statutory Auditor

5-6 Greenfield Crescent
Edgbaston
Birmingham
West Midlands
B15 3BE

PREMIER WASTE (UK) PLC

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £	2017 £
Turnover	3	8,638,606	7,884,882
Cost of sales		(5,744,295)	(5,285,931)
Gross profit		2,894,311	2,598,951
Administrative expenses		(2,193,825)	(2,512,057)
Other operating income		19,745	26,556
Operating profit	4	720,231	113,450
Other interest payable and similar expenses	6	(12,064)	(10,505)
Profit before taxation		708,167	102,945
Tax on profit	7	(130,922)	4,591
Profit for the financial year		577,245	107,536
Retained earnings brought forward as previously reported		1,083,644	976,108
Retained earnings carried forward	0	1,660,889	1,083,644

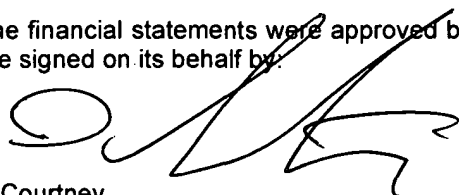
PREMIER WASTE (UK) PLC

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	8		1,390,886		1,216,977
Current assets					
Debtors	10	1,778,831		1,727,344	
Cash at bank and in hand		3,309,048		3,050,484	
		<u>5,087,879</u>		<u>4,777,828</u>	
Creditors: amounts falling due within one year	11	<u>(4,214,124)</u>		<u>(4,389,274)</u>	
Net current assets			873,755		388,554
Total assets less current liabilities			2,264,641		1,605,531
Creditors: amounts falling due after more than one year	12		(420,155)		(337,109)
Provisions for liabilities	14		(133,597)		(134,778)
Net assets			<u>1,710,889</u>		<u>1,133,644</u>
Capital and reserves					
Called up share capital	18		50,000		50,000
Profit and loss reserves	19		1,660,889		1,083,644
Total equity			<u>1,710,889</u>		<u>1,133,644</u>

The financial statements were approved by the board of directors and authorised for issue on 7 June 2019 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 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Cash generated from operations	24	624,144		1,440,777	
Interest paid		(12,064)		(10,505)	
Income taxes (paid)/refunded		-		77,928	
Net cash inflow from operating activities		612,080		1,508,200	
Investing activities					
Purchase of tangible fixed assets		(589,889)		(145,280)	
Proceeds on disposal of tangible fixed assets		52,225		35,435	
Net cash used in investing activities		(537,664)		(109,845)	
Financing activities					
Payment of finance leases obligations		184,148		(177,423)	
Net cash generated from/(used in) financing activities		184,148		(177,423)	
Net increase in cash and cash equivalents		258,564		1,220,932	
Cash and cash equivalents at beginning of year		3,050,484		1,829,552	
Cash and cash equivalents at end of year		3,309,048		3,050,484	

PREMIER WASTE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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.

The company is a 100% owned subsidiary of Premier Waste (UK) Holdings Plc.

The financial statements of the company are consolidated in the financial statements of the parent company. These consolidated financial statements are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

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

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 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.

PREMIER WASTE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

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.

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

1.6 Cash at bank and in hand

Cash at bank and in hand 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.

PREMIER WASTE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

Basic financial assets

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

Other financial assets

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

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss 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 2018

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 transaction 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.

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.

PREMIER WASTE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

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 profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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

3 Turnover and other revenue

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

	2018 £	2017 £
Turnover analysed by class of business		
Waste management services	8,638,606	7,884,882

PREMIER WASTE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

3	Turnover and other revenue	(Continued)	
		2018	2017
		£	£
	Other significant revenue		
	Grants received	19,745	26,556
		<u> </u>	<u> </u>
4	Operating profit	2018	2017
		£	£
	Operating profit for the year is stated after charging/(crediting):		
	Government grants	(19,745)	(26,556)
	Fees payable to the company's auditor for the audit of the company's financial statements	6,000	6,000
	Depreciation of owned tangible fixed assets	206,019	212,115
	Depreciation of tangible fixed assets held under finance leases	139,244	101,856
	Loss/(profit) on disposal of tangible fixed assets	18,493	(6,004)
	Operating lease charges	214,252	223,002
		<u> </u>	<u> </u>
5	Employees		
	The average monthly number of persons (including directors) employed by the company during the year was:		
		2018	2017
		Number	Number
	Administrative	4	4
	Direct	27	22
		<u> </u>	<u> </u>
		31	26
		<u> </u>	<u> </u>
	Their aggregate remuneration comprised:		
		2018	2017
		£	£
	Wages and salaries	1,036,671	853,358
	Social security costs	76,194	59,311
	Pension costs	10,687	4,635
		<u> </u>	<u> </u>
		1,123,552	917,304
		<u> </u>	<u> </u>

PREMIER WASTE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

6 Interest payable and similar expenses

	2018 £	2017 £
Interest on financial liabilities measured at amortised cost:		
Interest on finance leases and hire purchase contracts	12,064	10,505
Disclosed on the profit and loss account as follows:		
Other interest payable and similar expenses	12,064	10,505

7 Taxation

	2018 £	2017 £
Current tax		
UK corporation tax on profits for the current period	132,103	-
Deferred tax		
Origination and reversal of timing differences	(1,181)	(4,591)
Total tax charge/(credit)	130,922	(4,591)

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

	2018 £	2017 £
Profit before taxation	708,167	102,945
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.25%)	134,552	19,813
Tax effect of expenses that are not deductible in determining taxable profit	4,228	92
Tax effect of income not taxable in determining taxable profit	(3,752)	(5,111)
Gains not taxable	3,514	(1,156)
Tax effect of utilisation of tax losses not previously recognised	(7,858)	(17,497)
Depreciation on assets not qualifying for tax allowances	1,419	3,859
Deferred tax profit and loss movement	(1,181)	(4,591)
Taxation charge/(credit) for the year	130,922	(4,591)

PREMIER WASTE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

8 Tangible fixed assets

	Land and buildings Leasehold	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2018	39,513	3,580,447	159,286	562,412	4,341,658
Additions	-	354,985	2,804	232,100	589,889
Disposals	-	(173,745)	-	-	(173,745)
At 31 December 2018	39,513	3,761,687	162,090	794,512	4,757,802
Depreciation and impairment					
At 1 January 2018	30,157	2,629,121	133,861	331,541	3,124,680
Depreciation charged in the year	1,403	264,093	6,928	72,839	345,263
Eliminated in respect of disposals	-	(103,027)	-	-	(103,027)
At 31 December 2018	31,560	2,790,187	140,789	404,380	3,366,916
Carrying amount					
At 31 December 2018	7,953	971,500	21,301	390,132	1,390,886
At 31 December 2017	9,356	951,325	25,425	230,871	1,216,977

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

	2018 £	2017 £
Plant and machinery	383,959	385,589
Motor vehicles	327,645	176,646
	<u>711,604</u>	<u>562,235</u>

9 Financial instruments

	2018 £	2017 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	<u>1,663,906</u>	<u>1,663,747</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>4,090,418</u>	<u>4,372,403</u>

PREMIER WASTE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

10 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	1,638,912	1,432,520
Other debtors	24,994	231,227
Prepayments and accrued income	114,925	63,597
	<u>1,778,831</u>	<u>1,727,344</u>

11 Creditors: amounts falling due within one year

	Notes	2018 £	2017 £
Obligations under finance leases	13	203,083	136,535
Trade creditors		1,740,452	1,762,174
Amounts owed to group undertakings		1,757,122	2,112,311
Corporation tax		132,103	-
Other taxation and social security		162,347	176,067
Government grants	16	14,809	-
Other creditors		14,805	104,027
Accruals and deferred income		189,403	98,160
		<u>4,214,124</u>	<u>4,389,274</u>

12 Creditors: amounts falling due after more than one year

	Notes	2018 £	2017 £
Obligations under finance leases	13	374,956	257,356
Government grants	16	45,199	79,753
		<u>420,155</u>	<u>337,109</u>

13 Finance lease obligations

	2018 £	2017 £
Future minimum lease payments due under finance leases:		
Within one year	203,083	136,535
In two to five years	374,956	257,356
	<u>578,039</u>	<u>393,891</u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. 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.

PREMIER WASTE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

14 Provisions for liabilities

	Notes	2018 £	2017 £
Deferred tax liabilities	15	133,597	134,778

15 Deferred taxation

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

	Liabilities 2018 £	Liabilities 2017 £
Balances:		
Advanced capital allowances	133,597	134,778
Movements in the year:		2018 £
Liability at 1 January 2018		134,778
Credit to profit or loss		(1,181)
Liability at 31 December 2018		133,597

16 Government grants

	2018 £	2017 £
Arising from government grants	60,008	79,753
	60,008	79,753

Deferred income is included in the financial statements as follows:

	2018 £	2017 £
Current liabilities	14,809	-
Non-current liabilities	45,199	79,753
	60,008	79,753

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

PREMIER WASTE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

17 Retirement benefit schemes

	2018 £	2017 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	10,687	4,635

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

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
50,000 Ordinary shares of £1 each	50,000	50,000

19 Profit and loss reserves

	2018 £	2017 £
At the beginning of the year	1,083,644	976,108
Profit for the year	577,245	107,536
At the end of the year	1,660,889	1,083,644

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:

	2018 £	2017 £
Within one year	198,000	223,000

21 Ultimate 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.

PREMIER WASTE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

22 Related party transactions

Transactions with related parties

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

	Sale of goods		Purchase of goods and services	
	2018	2017	2018	2017
	£	£	£	£
Entities with control, joint control or significant influence over the company	-	-	463,936	439,936
Entities over which the entity has control, joint control or significant influence	462,336	568,505	70,078	70,078
Other related parties	-	-	16,907	12,988
	<u>462,336</u>	<u>568,505</u>	<u>550,921</u>	<u>523,002</u>

	Property and equipment rentals	
	2018	2017
	£	£
Entities with control, joint control or significant influence over the company	189,364	189,364
Other related parties	158,002	158,002
	<u>347,366</u>	<u>347,366</u>

The following amounts were outstanding at the reporting end date:

	2018	2017
	£	£
Amounts owed to related parties		
Entities with control, joint control or significant influence over the company	1,757,122	2,112,311
Other related parties	259,603	70,000
	<u>2,016,725</u>	<u>2,182,311</u>

The following amounts were outstanding at the reporting end date:

	2017
	£
Amounts owed in previous period	
Other related parties	<u>225,690</u>

No guarantees have been given or received.

PREMIER WASTE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

22 Related party transactions

(Continued)

The following amounts were recognised as an expense in the period in respect of bad and doubtful debts due from related parties:

	2018 £	2017 £
Other related parties	225,690	-

Related party transactions occur under normal commercial terms.

23 Remuneration trust

The company made a contribution in the accounting period to a Remuneration Trust in the amount of £250,000 (2017 £850,000). The terms of the trust are set out in a trust deed executed by the company and the original trustees.

24 Cash generated from operations

	2018 £	2017 £
Profit for the year after tax	577,245	107,536
Adjustments for:		
Taxation charged/(credited)	130,922	(4,591)
Finance costs	12,064	10,505
Loss/(gain) on disposal of tangible fixed assets	18,493	(6,004)
Depreciation and impairment of tangible fixed assets	345,263	313,971
Movements in working capital:		
(Increase) in debtors	(51,487)	(206,552)
(Decrease)/increase in creditors	(388,611)	1,252,468
(Decrease) in deferred income	(19,745)	(26,556)
Cash generated from operations	624,144	1,440,777