

Company Registration No. 06544285 (England and Wales)

**SAFETYKLEEN GROUP SERVICES LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE 52 WEEK PERIOD ENDED 29 DECEMBER 2012**

MONDAY



L20

\*L2HZRDW8\*

30/09/2013

#188

COMPANIES HOUSE

# **SAFETYKLEEN GROUP SERVICES LIMITED**

## **COMPANY INFORMATION**

---

<b>Directors</b>	S Brain	
	S Mukerji	
	J Duarte	(Appointed 25 February 2012)
	D Hall	(Appointed 25 February 2012)
<b>Secretary</b>	G Baldock	
<b>Company number</b>	06544285	
<b>Registered office</b>	Safetykleen House 2 Heath Road Weybridge Surrey KT13 8AP	
<b>Auditors</b>	PricewaterhouseCoopers LLP 9 Greyfriars Road Reading Berkshire RG1 1JG	

---

# **SAFETYKLEEN GROUP SERVICES LIMITED**

## **CONTENTS**

---

	<b>Page</b>
Directors' report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 18

---

# **SAFETYKLEEN GROUP SERVICES LIMITED**

## **DIRECTORS' REPORT**

**FOR THE 52 WEEK PERIOD ENDED 29 DECEMBER 2012**

---

The directors present their report and the audited financial statements for the 52 week period ended 29 December 2012

### **Principal activities**

The Directors consider that the Company will continue in its role as an intermediate holding company providing management services to other group companies, for the foreseeable future

### **Going concern**

The Directors are required to prepare the Company's financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business. In considering going concern, the Directors have reviewed the Company's ability to service its existing debt from the viewpoint of liquidity and covenant compliance.

The Company is a wholly owned subsidiary of WP Safety-Kleen (Cayman) Limited, the ultimate parent company of the Group. The Group holds bank debt totalling £312.8m which is part of the overall financing structure of the Group, and the company is a guarantor under the financing agreement in place with the banks. The continued availability of these debt facilities is subject to a number of financial covenants and the Group is currently forecasting a breach in one of these financial covenants in the next twelve months. To date all covenants have continued to be met. The Directors have started a process to refinance the Group's bank facilities but as at the date of approval of these financial statements this process has not been completed. However based on the discussions the Directors have had to date with the existing lenders, investors and advisers they are satisfied that a refinancing process will be satisfactorily concluded which will continue to provide the Group with sufficient resources to enable it to continue to meet its liabilities as they fall due. Accordingly the Directors have continued to prepare these Company accounts on the going concern basis.

### **Directors**

The following directors have held office since 1 January 2012

S Brain

S Mukerji

J Duarte

D Hall

J Manrique

(Appointed 25 February 2012)

(Appointed 25 February 2012)

(Appointed 25 February 2012 and resigned 4 January 2013)

### **Auditors**

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

# **SAFETYKLEEN GROUP SERVICES LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE 52 WEEK PERIOD ENDED 29 DECEMBER 2012**

---

### **Statement of directors' responsibilities**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law 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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

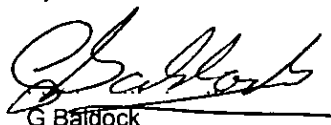
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies 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 auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors 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 auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

By order of the board



G Baldock

Secretary

26 September 2013

# **SAFETYKLEEN GROUP SERVICES LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF SAFETYKLEEN GROUP SERVICES LIMITED**

---

We have audited the financial statements of Safetykleen Group Services Limited for the 52 week period ended 29 December 2012 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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).

#### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 2 the directors are responsible for the preparation of the financial statements 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.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

#### **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. 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 29 December 2012 and of its loss for the 52 week period 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

#### **Emphasis of matter**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the Company's ability to continue as a going concern. The company is a guarantor of the overall group's debt facilities and the Group is forecasting a breach in one of the financial covenants in the next 12 months upon which these borrowings are conditional. The group has not yet refinanced its debt facilities or obtained a waiver for the covenant breach and this, along with the other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Company were unable to continue as a going concern.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial 52 week period for which the financial statements are prepared is consistent with the financial statements.

# **SAFETYKLEEN GROUP SERVICES LIMITED**

## **INDEPENDENT AUDITORS' REPORT (CONTINUED)**

### **TO THE MEMBERS OF SAFETYKLEEN GROUP SERVICES LIMITED**

---

#### **Matters on which we are required to report by exception**

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, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report



Matthew Hall (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Reading  
27 September 2013

# SAFETYKLEEN GROUP SERVICES LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE 52 WEEK PERIOD ENDED 29 DECEMBER 2012

		52 Weeks ended 29 December 2012 £'000	52 Weeks ended 31 December 2011 £'000
	Notes		
Administrative expenses		(7,546)	(6,170)
Other operating income		15,567	9,958
<b>Operating profit</b>	<b>4</b>	<b>8,021</b>	<b>3,788</b>
Interest receivable and similar income	7	15,700	16,503
Interest payable and similar charges	8	(101,367)	(46,708)
<b>Loss on ordinary activities before taxation</b>		<b>(77,646)</b>	<b>(26,417)</b>
Tax on loss on ordinary activities	9	-	-
<b>Loss for the 52 week period</b>	<b>16</b>	<b>(77,646)</b>	<b>(26,417)</b>

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

There are no recognised gains and losses other than those passing through the profit and loss account

There is no material difference between the loss on ordinary activities before taxation and the loss for the financial periods stated above, and their historical cost equivalents



# SAFETYKLEEN GROUP SERVICES LIMITED

## BALANCE SHEET

AS AT 29 DECEMBER 2012

		2012		2011	
	Notes	£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	10		646		840
Investments	11		319,955		320,071
			<u>320,601</u>		<u>320,911</u>
<b>Current assets</b>					
Debtors amounts falling due within one year	12	24,009		69,797	
Debtors amounts falling due after more than one year	12	295,392		245,652	
Cash at bank and in hand		11,745		8,728	
		<u>331,146</u>		<u>324,177</u>	
<b>Creditors: amounts falling due within one year</b>	13	(16,586)		(157,451)	
<b>Net current assets</b>			<u>314,560</u>		<u>166,726</u>
<b>Total assets less current liabilities</b>			<u>635,161</u>		<u>487,637</u>
<b>Creditors amounts falling due after more than one year</b>	14		(792,500)		(567,330)
<b>Net liabilities</b>			<u>(157,339)</u>		<u>(79,693)</u>
<b>Capital and reserves</b>					
Called up share capital	15		10,000		10,000
Profit and loss account	16		(167,339)		(89,693)
<b>Shareholders' funds</b>	17		<u>(157,339)</u>		<u>(79,693)</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006

The financial statements on pages 5 to 18 were approved by the Board of Directors and authorised for issue on 26 September 2013 and signed on its behalf by



S Mukerji  
Director

Company Registration No 06544285

# **SAFETYKLEEN GROUP SERVICES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE 52 WEEK PERIOD ENDED 29 DECEMBER 2012**

---

### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared on a going concern basis under the historical cost convention

The Company is a wholly owned subsidiary of WP Safety-Kleen (Cayman) Limited, the ultimate parent company of the Group. The Group holds bank debt totalling £312.8m which is part of the overall financing structure of the Group, and the company is a guarantor under the financing agreement in place with the banks. The continued availability of the group debt facilities is subject to a number of financial covenants and the Group is currently forecasting a breach in one of these financial covenants in the next twelve months. To date all covenants have continued to be met. The Directors have started a process to refinance the Group's bank facilities but as at the date of approval of these financial statements this process has not been completed. However based on the discussions the Directors have had to date with the existing lenders, investors and advisors they are satisfied that a refinancing process will be satisfactorily concluded which will continue to provide the Group with sufficient resources to enable it to continue to meet its liabilities as they fall due. In the event that the Group does not meet all of its covenants and it is unable to refinance its debt facilities, the Group will seek to obtain a waiver of the breach from its existing lenders which the Directors are satisfied it would probably be able to obtain and are also satisfied that it can operate within these existing facilities for the foreseeable future.

Accordingly the Directors have continued to prepare the accounts of the Company on the going concern basis. These circumstances nonetheless represent a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. Should the Group be unable to obtain a suitable refinancing or covenant waiver, which led to a removal of the facilities or a call on the guarantee provided by this company, adjustments would be required to the Company's financial statements to reduce balance sheet values of assets to their recoverable amounts, to provide for further liabilities that might arise, to reclassify fixed assets as current assets and to reclassify all debt liabilities as current liabilities.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

#### **1.2 Compliance with accounting standards**

The financial statements are prepared in accordance with the Companies Act 2006 and applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### **1.3 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold improvements	10 years
Machinery and equipment	3 - 10 years

#### **1.4 Leasing**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

# SAFETYKLEEN GROUP SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 52 WEEK PERIOD ENDED 29 DECEMBER 2012

---

### 1 Accounting policies (Continued)

#### 1 5 Investments

Fixed asset investments in subsidiary undertakings are stated at cost plus incidental expenses, less any provision for impairment if, in the opinion of the Directors, one is required

#### 1 6 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the 52 week period they are payable.

#### 1 7 Taxation

Corporation tax payable is provided on taxable profits at the current rate.

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

#### 1 8 Group financial statements

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group financial statements as it is exempt from the requirement to do so by section 401 of the Companies Act 2006 as it is a subsidiary undertaking of WP Safety-Kleen (Cayman) Limited, a company incorporated in the Cayman Islands, and is included in the consolidated financial statements of that company.

#### 1 9 Accounting period

The financial statements are made up to the Saturday nearest to 31 December each year. Periodically this will result in a financial year of 53 weeks. The current period financial statements are for the 52 week period ending 29 December 2012. The comparative period is for the 52 weeks from 2 January 2011 to 31 December 2011.

#### 1 10 Other operating income

Other operating income comprises management fee income from subsidiary companies. Income is recognised in the period when management services are performed.

### 2 Administrative and other operating expenses

	2012 £'000	2011 £'000
Management recharges from subsidiary	1,268	1,028
Other operating expenses	5,542	4,748
One off non-recurring items	736	394
	<u>7,546</u>	<u>6,170</u>

Management recharges from subsidiary represented services provided by Safety-Kleen Portugal Solventes e Gestao de Residuos SA and Safety-Kleen Deutschland GmbH for the period.

One off non-recurring items principally comprise a number of non-recurring operating expenses that include consultancy fees with regards to procurement strategy and corporate matters.

# SAFETYKLEEN GROUP SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 52 WEEK PERIOD ENDED 29 DECEMBER 2012

### 3 Other operating income

	2012 £'000	2011 £'000
IT services charged to other group companies	-	278
Franchise fee charged to other group companies	15,517	9,630
Rental income	50	50
	<u>15,567</u>	<u>9,958</u>

### 4 Operating profit

	2012 £'000	2011 £'000
Operating profit is stated after charging		
Depreciation of tangible assets	458	351
Operating lease rentals	155	155
	<u></u>	<u></u>

### 5 Auditors' remuneration

During the period the Company obtained the following services from its auditors PricewaterhouseCoopers LLP, at costs detailed below

	2012 £'000	2011 £'000
Auditors' remuneration - audit	6	6
	<u></u>	<u></u>

In addition to the above the Company also bore fees of £132,000 (period to 31 December 2011 £48,000) in relation to the audit of its ultimate parent company WP Safety-Kleen (Cayman) Limited

# SAFETYKLEEN GROUP SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 52 WEEK PERIOD ENDED 29 DECEMBER 2012

### 6 Employee information and directors' emoluments

Employee costs during the financial period amounted to

	2012 £'000	2011 £'000
Wages and salaries	2,382	2,248
Social security costs	310	247
Pension costs	155	138
	<u>2,847</u>	<u>2,633</u>

The average number of employees during the period was as follows

	2012 £'000	2011 £'000
Management	5	5
Finance	6	6
Information technology	18	17
Administration and other	6	6
	<u>35</u>	<u>34</u>

The Directors are directors of a number of companies within the group headed by WP Safety-Kleen (Cayman) Limited, consequently, it is not practical to allocate the remuneration of the directors between those companies. The remuneration of the directors during the reporting period was borne by Safetykleen Group Services Limited, a fellow subsidiary undertaking.

The aggregate remuneration received by the Directors during the period is as follows

	2012 £'000	2011 £'000
Aggregate emoluments	894	572
Amounts paid to pension schemes	74	63
	<u>968</u>	<u>635</u>

The highest paid director received emoluments of £224,000 (period to 31 December 2011 £300,000) for the period and pension contributions by the group of £37,000 (period to 31 December 2011 £29,000).

Three (31 December 2011 two) Directors have retirement benefits accruing under money purchase pension schemes.

# SAFETYKLEEN GROUP SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 52 WEEK PERIOD ENDED 29 DECEMBER 2012

7	Interest receivable and similar income	2012 £'000	2011 £'000
	Income from fellow group subsidiary undertakings	15,555	16,479
	Bank interest	16	24
	Net exchange gain	129	-
		<u>15,700</u>	<u>16,503</u>

8	Interest payable and similar charges	2012 £'000	2011 £'000
	Included in interest payable are the following amounts		
	On amounts payable to group companies	101,356	44,490
	Lease finance charges	-	1
	Bank interest payable and similar charges	11	-
	Net exchange loss	-	2,217
		<u>101,367</u>	<u>46,708</u>

# SAFETYKLEEN GROUP SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 52 WEEK PERIOD ENDED 29 DECEMBER 2012

<b>9</b>	<b>Taxation</b>	<b>2012</b>	<b>2011</b>
	<b>Total current tax</b>	-	-
		<u>          </u>	<u>          </u>
	<b>Factors affecting the tax charge for the 52 week period</b>		
	Loss on ordinary activities before taxation	(77,646)	(26,417)
		<u>          </u>	<u>          </u>
	The tax assessed for the period is higher than (period to 31 December 2011 higher than) the standard rate of corporation tax in the UK of 24.5% (prior period 26.5%) The differences are explained below		
	Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 24.50% (2011 - 26.50%)	(19,023)	(7,001)
		<u>          </u>	<u>          </u>
	Effects of		
	Non deductible expenses	88	75
	Items not allowable for tax purposes	19,653	5,643
	Accelerated capital allowances and other timing differences	64	103
	Tax losses utilised	(740)	(1,187)
	Double tax relief	(42)	-
	Group relief surrendered for nil consideration	-	2,367
		<u>          </u>	<u>          </u>
		19,023	7,001
		<u>          </u>	<u>          </u>
	<b>Current tax charge for the period</b>	-	-
		<u>          </u>	<u>          </u>

The following potential deferred tax assets have not been recognised because it is not probable that they will be utilised in the foreseeable future due to the lack of available future profits: £nil relating to unutilised losses (31 December 2011: £583,000), £259,000 relating to excess tax allowances over book depreciation (period to 31 December 2011: £172,000), £11,000 relating to other short term timing differences (period to 31 December 2011: £53,000).

During the year, the main rate of UK corporation tax was reduced from 26% to 24%. This was substantively enacted on 26 March 2012 and was effective from 1 April 2012.

During the year, the relevant deferred tax balances have been re-measured as a result of the change in the main rate of UK corporation tax to 23%, which was substantively enacted on 3 July 2012 and is effective from 1 April 2013.

Further reductions to the main rate of corporation tax to 21% from 1 April 2014 and to 20% from 1 April 2015 have been included in Finance Act 2013. These rate reductions have not been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements.

# SAFETYKLEEN GROUP SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 52 WEEK PERIOD ENDED 29 DECEMBER 2012

### 10 Tangible fixed assets

	Leasehold improvements	Machinery and Equipment	Total
	£'000	£'000	£'000
<b>Cost</b>			
At 1 January 2012	64	2,211	2,275
Additions	-	264	264
	<hr/>	<hr/>	<hr/>
At 29 December 2012	64	2,475	2,539
	<hr/>	<hr/>	<hr/>
<b>Accumulated Depreciation</b>			
At 1 January 2012	12	1,423	1,435
Charge for the 52 week period	6	452	458
	<hr/>	<hr/>	<hr/>
At 29 December 2012	18	1,875	1,893
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 29 December 2012	46	600	646
	<hr/>	<hr/>	<hr/>
At 31 December 2011	52	788	840
	<hr/>	<hr/>	<hr/>



# SAFETYKLEEN GROUP SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 52 WEEK PERIOD ENDED 29 DECEMBER 2012

### 11 Fixed asset investments

	Shares in group undertakings and participating interests £'000
<b>Cost</b>	
At 1 January 2012	320,071
Transfer to group undertaking	(116)
	<hr/>
At 29 December 2012	319,955
	<hr/>
<b>Net book value</b>	
At 29 December 2012	319,955
	<hr/>
At 31 December 2011	320,071
	<hr/>

The Company directly owns 100% of the ordinary shares of WP SK Holdings Limited an intermediate holding company incorporated in the United Kingdom, WP SK France SAS an intermediate holding company incorporated in France, WP SK Italy Srl an intermediate holding company incorporated in Italy and Safetykleen Nederland BV a cleaning equipment company incorporated in the Netherlands

The other principal subsidiary undertakings of the Company as at the balance sheet date, which are wholly owned and held indirectly, are shown below

# SAFETYKLEEN GROUP SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 52 WEEK PERIOD ENDED 29 DECEMBER 2012

### 11 Fixed asset investments

(Continued)

Subsidiary undertakings	Country of incorporation	Principle activity
WP SK Midco Limited	United Kingdom	Holding company
WP SK Limited	United Kingdom	Holding company
WP SK France Limited	United Kingdom	Holding company
Safety-Kleen Europe Limited	United Kingdom	Holding company
Safety-Kleen UK (Europe) Limited	United Kingdom	Holding company
SK 5 Limited	United Kingdom	Holding company
Safety-Kleen UK (France) Limited	United Kingdom	Holding company
Safety-Kleen UK Limited	United Kingdom	Cleaning equipment and waste collection
Parts Wash Limited	United Kingdom	Cleaning equipment
QED Chemical Solutions Limited	United Kingdom	Chemical cleaning solutions
WP SK Spain SL	Spain	Holding company
Safety-Kleen España SA	Spain	Cleaning equipment and waste collection
Safety-Kleen France Services SAS	France	Holding company
Safety-Kleen France Sarl	France	Cleaning equipment
Safety-Kleen Beteiligungs GmbH	Germany	Holding company
Safety-Kleen Deutschland GmbH	Germany	Cleaning equipment and waste collection
Safety-Kleen Grundbesitz GmbH	Germany	Holding company
Orm Bergold Chemie GmbH & Co KG	Germany	Waste collection and recycling
Orm Chemie GmbH	Germany	Holding company
Safety-Kleen Italia Spa	Italy	Cleaning equipment
Safetykleen Portugal Solventes e Gestão de Resíduos, SA	Portugal	Cleaning equipment and waste collection
Safety-Kleen Ireland Limited	Ireland	Cleaning equipment
Safety-Kleen Belgium SA	Belgium	Cleaning equipment
Safety-Kleen (Netherlands) BV	Netherlands	Holding company
Safety-Kleen Hungary KFT	Hungary	Cleaning equipment
Co-Ba 2000 KFT	Hungary	Service company
Safety-Kleen Slovakia s r o	Slovakia	Cleaning equipment
Safety Kleen CZ s r o	Czech Republic	Cleaning equipment
Safety-Kleen Parça Temizlik Hizmetleri Limited	Turkey	Cleaning equipment
Global Kleen HK Limited	Hong Kong	Cleaning equipment
Global Kleen Guangzhou Limited	China	Cleaning equipment
Guangzhou Environmental Recycling Technology Company Limited	China	Waste collection
Servicekleen do Brasil Ltda	Brazil	Cleaning equipment

The directors believe that the carrying value of the investments is supported by their underlying net assets

# SAFETYKLEEN GROUP SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 52 WEEK PERIOD ENDED 29 DECEMBER 2012

12 Debtors	2012 £'000	2011 £'000
Amounts owed by group undertakings	318,229	315,119
Other debtors	1,172	330
	<u>319,401</u>	<u>315,449</u>

The amounts owed by fellow subsidiaries and parent companies represent balances on trading accounts with fellow subsidiaries and interest on the loans detailed below and are repayable on demand

Amounts falling due after more than one year and included in the debtors above are

	2012 £'000	2011 £'000
Amounts owed by group undertakings	<u>295,392</u>	<u>245,652</u>

The amounts owed by fellow subsidiaries and parent companies are unsecured and represent the principal amounts of loans that bear interest at 5.5% above Libor/Euribor and have no fixed date of repayment

13 Creditors amounts falling due within one year	2012 £'000	2011 £'000
Trade creditors	325	547
Amounts owed to group undertakings	15,069	155,774
Other creditors	1,115	1,042
Taxation and social security	77	88
	<u>16,586</u>	<u>157,451</u>

The amounts owed to fellow subsidiaries and parent companies are unsecured and represent balances on trading accounts with fellow subsidiaries and interest on the loans detailed in note 14 and are repayable on demand

14 Creditors amounts falling due after more than one year	2012 £'000	2011 £'000
Amounts owed to group undertakings	<u>792,500</u>	<u>567,330</u>

The amounts owed to fellow subsidiaries and parent companies are unsecured and represent the principal amount of loans and bear interest at variable rates varying from 5.5% above Libor/Euribor to a rate of 0.25% above the average of the rates of interest payable on each of the Facility A, Facility B and Facility C as determined by the Senior Facilities Agreement of the Company and have no fixed date of repayment

# SAFETYKLEEN GROUP SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 52 WEEK PERIOD ENDED 29 DECEMBER 2012

<b>15</b>	<b>Share capital</b>	<b>2012</b>	<b>2011</b>
		<b>£'000</b>	<b>£'000</b>
	Allotted, called up and fully paid		
	10,000,000 ordinary shares of £1 each	10,000	10,000

### 16 Statement of movements on profit and loss account

#### Profit and loss account

£'000

Balance at 1 January 2012	(89,693)
Loss for the period	(77,646)
Balance at 29 December 2012	(167,339)

### 17 Reconciliation of movements in shareholders' funds

**2012**  
**£'000**

**2011**  
**£'000**

Loss for the financial 52 week period	(77,646)	(26,417)
Opening shareholders' funds	(79,693)	(53,276)
Closing shareholders' funds	(157,339)	(79,693)

### 18 Financial commitments

At 29 December 2012 the company was committed to making the following payments under non-cancellable operating leases in the year to 29 December 2013

#### Land and buildings

**2012**  
**£'000**

**2011**  
**£'000**

Operating leases which expire		
Between two and five years	195	195

### 19 Post balance sheet events

At the date of signing these financial statements, Management were in discussions with existing lenders, investors and advisers, with a view to refinancing the Group's borrowings, it is anticipated that this will be concluded during 2013

# **SAFETYKLEEN GROUP SERVICES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE 52 WEEK PERIOD ENDED 29 DECEMBER 2012**

---

### **20 Related party relationships and transactions**

As at the balance sheet date the directors in aggregate held £4,968,000 (31 December 2011 £4,054,000) subordinated unsecured loan notes in WP Midco1 Limited (a fellow group company) together with accrued interest thereon of £3,180,000 (31 December 2011 £1904,000), of which £846,000 (period to 31 December 2011 £619,000) interest had accrued in the period

The Company is exempt under the terms of FRS 8 Related Party Transactions, from disclosing related party transactions that are within the WP Safety-Kleen (Cayman) Limited group

### **21 Contingent liabilities**

The Company is a participant in a group banking arrangement under which, all surplus cash balances are held as collateral for bank facilities advanced to group companies. In addition the company has a cross-guarantee arrangement with the bank to support these group facilities

The Company has given fixed and floating charges over certain of its assets in relation to debt facilities provided by lenders to the Group

### **22 Ultimate parent company and ultimate controlling party**

The Company's immediate parent company is WP Midco 3 Limited a company incorporated in the United Kingdom. WP Safety-Kleen (Cayman) Limited is the Company's ultimate parent undertaking and controlling party and is the largest and the smallest group of which the Company is a member and for which consolidated financial statements are prepared. The consolidated financial statements of WP Safety-Kleen (Cayman) Limited can be obtained from Safetykleen House, 2 Heath Road, Weybridge, Surrey KT13 8AP

The group headed by WP Safety-Kleen (Cayman) Limited is a portfolio company of funds (the "Warburg Pincus Funds") advised and managed by Warburg Pincus LLC, a private equity firm organised in the United States of America. The Warburg Pincus Funds hold 73.4% of WP Safety-Kleen (Cayman) Limited's ordinary shares and jointly have a controlling interest in the group and therefore the Company