Company registration number 08652156 (England and Wales)

SLICKER RECYCLING LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

SLICKER RECYCLING LIMITED

COMPANY INFORMATION

Directors	Mr Andrew Black Mr David Dinwoodie Mr Mark Olpin
Company number	08652156
Registered office	Lombard House Worcester Road Stourport-On-Severn DY13 9BZ
Auditor	Ormerod Rutter Limited The Oakley Kidderminster Road Droitwich Worcestershire WR9 9AY

SLICKER RECYCLING LIMITED

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SLICKER RECYCLING LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present the strategic report for the year ended 31 December 2021.

Principal activities and review of the business
The principal activities of the group are the collection, sale and re-refining of waste lubricating oil, together with other related waste management services.

Underpinning Slicker Recycling Limited ('Slicker') is the theme of sustainability and the group has adapted to become the UK market leader in providing waste oil recycling services of which international export trade to a modern state of the art re-refinery is at its core.

Whilst Slicker operates in the specialist mature sector of the UK hazardous waste oil industry, diversifying into new and innovative markets which offer complementary products and services to its customers is also a key part of the overall growth strategy. The group has also committed to becoming carbon neutral and improving it's green credentials, not just internally, but through the products and services its provides and in educating our customers. By the end of 2022, Slicker will have a full carbon calculator and a set of scientific based targets to reach by 2030.

Recent expansion and business development activities has followed a 'Green Agenda' strategy, delivered through the acquisition of four similar or closely related synergistic businesses, together with new strategic partnerships allowing entry into emerging circular economy markets. Slicker aims to continue increasing its share of UK collections which deliver market leading green credentials for its customers. As a result of the strategic direction, organic growth has been achieved through being able to deliver a superior and greener. customer service experience. Historically, value was added by treating used oils to manufacture petroleum fuels that were subsequently burnt, today Slicker can offer a re-refined alternative. Slicker's customer base is directly linked to the automotive, industrial, and marine sectors who use mineral oil lubricants, many of which already recognised that waste had an environmental dimension and appreciated our service offering, supporting them through their own responsible compliance.

Operations & Environment

Slicker have a zero-waste-to-landfill policy and adhere to the European Waste Hierarchy Model prioritising prevention, recycling, and reuse over disposal. The business has transitioned from using waste lubricating oil resources as a fuel to one of repeat practical reuse by re-refining back to their original purpose as lubricants.

UK and European Environmental Regulations have evolved to drive a Circular Economy approach supporting resource efficiency objectives, Slicker exported more than 85% of its collected used lubricating oil to it's co-owned re-refinery Avista Green re-refinery, situated in Denmark.

The Avista Green re-refinery is operating at full capacity and more recently increased its operational footprint from 100,000 tonnes per annum to 130,000 tonnes, producing high quality reusable base oils meeting international product quality standards. This has provided Slicker with a secure and sustainable outlet for the waste oil volumes collected ensuring an adequate supply of re-refinable feedstock for the Danish facility which in turn has benefitted from the growing markets for recycled products that sit at the heart of the circular economy.

Since its commisioning in July 2020, the innovative base oil re-refinery has regenerated over 110 million litres of lubricant base oils for the international market – with 75 million litres supplied from the UK, saving around 40,000 tonnes of carbon emissions.

To facilitate Slicker in providing national integrated waste management services to a high standard, alongside its vast fleet of specialist vehicles, Slicker has three processing plants, two of which are on or close to a port aiding a smooth export process, plus six transfer stations situated across the UK. These sites are constantly adapting to meet the strategic aims of the business as well as the evolving business model; most recently has been the move away from waste lubricating oil processing into PFO to ULO storage and export.

Slicker recognises in the future there will be less waste lubricating oil in circulation so has been developing its non-lubricating oil based business divisions, to ensure diversified revenue streams as the economy moves towards a greener future. Growth in these areas means two thirds of the total revenue from the Slicker Group is now derived from business activities outside of the sale of waste lubricating oil.

Slicker's transport systems manage and control every aspect of the customers' order – from electronic receipt through resource planning and all stages and types of execution to electronic proof of delivery and full billing reconciliation.

The company has reviewed its internal transport efficiency, all new company cars are now petrol, hybrid or electric.

Strategic Partnerships
Slicker, with their strong presence within the automotive and commercial vehicle sectors, is well known in the industry for being a leader in the recycling and recovery of oils. The electric revolution is well underway; it is expected that by 2035, most passenger vehicles will contain a lithium-ion battery and by 2040 c.340k tonnes of batteries will be reaching end of life and with the UK being one of the largest electric vehicle markets in Europe, Slicker have seized the opportunity to create a partnership with Technology Minerals Plc, supporting the Group Strategy of diversification from oil and adding a further service arm to the existing business model.

Technology Minerals Plc are specialists in the recycling of lithium-ion and lead-acid batteries and they own 49% of Recyclus Group Limited, an innovative recycling business who can safely salvage key materials from spent batteries, which can then be fed back into the market for re-use and re-sale.

From January 2022, Recyclus have occupied Slicker's Wolverhampton site, installing their new battery processing facility together with a fully equipped laboratory, to enable them to carry out in-house testing for both lead acid and lithium-ion battery recycling processes. Both Slicker Recycling and Technology Minerals have worked together to develop a commercial battery recycling value proposition in anticipation of the changing vehicle landscape.

This Partnership is an example of how companies can join up their thinking, align their expertise for the good of the planet; allowing Slicker to provide new and existing customers with end to end lithium-ion and lead-acid battery recycling.

Acquisitions
In line with the Group's growth strategy, in November 2021, Greenbottle Limited, the ultimate Parent Company of Slicker Recycling, expanded into the United States through the acquisition of Hydrodec of North America LLC (HoNA), a naphthenic oil treatment company with 19 employees, increasing the Groups global footprint and circular economy credentials.

HoNA collects and hydrotreats used transformer and naphthenic oils from its facility in Ohio, creating a closed loop solution; the transformer oil that is produced is essential to run electric grids and the carbon credits the process generates is a global first for this type of activity.

Following the acquisition of Regroup Limited in 2021, the companies have continued to integrate and build synergies. The Regroup infrastructure has allowed Slicker to reach a larger national network, be able to accommodate an increased number of deliveries and allowed for a more reactive service. It has also enabled Slicker to upsell additional products and services to existing Regroup customers. The Regroup core business has also benefitted from the extensive customer reach of Slicker where waste and resources have been successfully internalised.

Development and future outlook
The executive board continues to follow its strategy of innovation and growth by strengthening its infrastructure and people to lead the way in achieving environmentally sustainable waste management practices. Doing so by re-refining waste lubricant oil and the recycling of other wastes collected to avoid landfill, being committed to developing innovative ways to improve services, whilst achieving positive impacts in the attitudes, satisfaction and happiness of both colleagues and customers. Sustainability through Environmental, Social and Governance (ESG) practices and the Circular Economy will be the key consideration for ongoing development projects.

Due to COVID-19 and volatile market conditions, the Enterprise Resource Planning (ERP) software project was delayed pending the market stabilisation. During 2022, this project has been brought back on to the Managements agenda, redefined and the journey will recommence in quarter 1 2023.

Principal risks and uncertainties

The Directors of the Company and the execution of the company strategy are subject to the following risks:

COVID-19 Pandemic:

Throughout 2021, markets continued to be challenging for Slicker, following the COVID-19 pandemic, the Company's customer base produced less used oil, often by up to a third. The petroleum industry reduced its production, putting pressure on other fuel supply resources including from waste. Collecting sufficient waste oil as feedstock required enhanced communications with our customers, while post Covid the global availability of suitable shipping now reduced by slow steaming to save fuel resulted in a doubling of costs.

Slicker's strategy of transitioning from being a fuel supplier to a base oil recovery operation was maintained despite the potential for short-term fuel sales revenue but was compensated for by better export oil sales for recycling. Classified as an essential industry to ensure polluting wastes were properly managed, Slicker continued to take due care to ensure the safety and wellbeing of colleagues. Following the pandemic, the business has adapted working practices where required; giving appropriate training, continued risk assessments at all sites, ensuring all colleagues in the work place have the adequate protective equipment and follow procedures to reduce contact with others, while offering office staff a flexible working from home policy.

Whilst COVID-19 has had a significant impact on the wider economy, the Directors continue to closely monitor the impact of COVID-19 on operations and the UK and overseas markets, and do not consider the pandemic to be a fundamental threat to the business going forward.

Credit and liquidity risk:

The company's sources of funding currently comprise of operating cash flow, bank borrowings and intercompany loans with the parent company, Greenbottle Limited. There is a guarantee and right of set off between the company and certain other group undertakings in respect of bank borrowings.

Pricing risk:

The selling price of used lubricating oil is exposed to movement in the Platts and base oil indices. This exposure has been mitigated by aligning feedstock acquisition pricing with the same indices.

Foreign exchange risk:

The Platts index is denominated in US Dollars, all export sales are denominated in GBP and the Company uses natural hedging to minimise exposure.

Competitor risk:

The Company has 3 fundamental pillars; People, Planet and Profit, remaining competitive is key to this. The Company strives to combat the risk impact of new entrants to the industry along with the risk that current competitors become more focused on the green agenda and a wider service offering catering for all waste needs.

Going Concern

The directors have considered the potential wider economic effect of the ongoing COVID-19 impacts and have a reasonable expectation that the company has resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Financial key performance indicators

Key performance indicators include:

	2021	2020
Turnover (£'000)	33,519	24,256
EBITDA (£'000)	4,725	335
Profit after tax (£'000)	1,540	(634)
Average number of employees	183	223

Non-financial key performance indicators

Customer Service Index

Operational customer focus is central to at Slicker, being measured via the high levels of customer satisfaction and business retention. The average score in 2021 for customer service was 90.64%, 91.61% for driver efficiency, 92.78% for our recommendable score and 91.85% for overall satisfaction. Annually, Slicker is externally audited against ISO and other recognised standards for quality and health and safety management that includes a customer interface.

Of the waste treatment options open to the Company, Slicker takes the high ground by inputting energetic materials to the recycling loop as opposed to energy recovery. This approach models an independently checked climate change impact benefit of savings over 500 kg CO2-eq./t of waste oil.

Reputation & People

The Executive Management team meets monthly to address strategy implementation and performance. This includes independent advice to ensure we are abreast of wider concerns. Team leaders from all sections individually report on performance and issues of relevance and concern. Specific projects are identified for regular scrutiny and feedback. During 2022, Slicker has restructured and now has a 50:50 gender split at an Executive Board level.

Slicker recognises that good governance and leadership underpins its reputation and survival. Stakeholders from customers to suppliers to employees to regulators have to be able to see and feel ethical behaviour delivered via an open culture. Slicker publicly communicates its core value of driving sustainability supported by the legally correct waste management procedures. These principles are actioned through colleague responsibility and accountability procedures and relevant professional external auditing. The wellbeing of colleagues has remained a priority and during 2021/22; all offices and operational facilities had COVID-safe measures implemented and to enable and support home working, Slicker launched a Hybrid working policy, whilst ensuring continuity of customer service management.

Financial support has been given to colleagues; several divisional cohorts across the business have had direct pay reviews as well as companywide salary increases and bonus payments.

Social Responsibility

Slicker has Partnered with a local scheme to provide action-centred leadership for young people in education, providing information about the skills that employers seek. Our colleagues take part in work experience initiatives, career shows, give interview training, and deliver talks to schools across the local area. In addition, to encourage young people into the working environment, Slicker have taken on several apprentices across the business.

On behalf of the board

Mr Mark Olpin
Director

30 September 2022

SLICKER RECYCLING LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their annual report and financial statements for the year ended 31 December 2021.

Principal activities
The principal activities of the Company and the Group are the collection, sale and re-refining of waste lubricant oil, together with related waste management solutions.

Results and dividends
The results for the year are set out on page 10.

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

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

Mr Andrew Black
Mr David Dinwoodie
Mr Mark Olpin

Auditor
The auditor, Ormerod Rutter Limited, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

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 group and company, and of the profit or loss of the group 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 ;
- prepare the on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and 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 auditor of the company 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 auditor of the company is aware of that information.

On behalf of the board

Mr Mark Olpin
Director

30 September 2022

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SLICKER RECYCLING LIMITED

Opinion

We have audited the financial statements of Slicker Recycling Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2021 and of the group's 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and the group, we identified the principal risks of non-compliance with laws and regulations including those that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, and the extent to which non-compliance might have a material effect on the financial statements.

Audit procedures performed included discussions with management, review of board meeting minutes, testing of journals, designing and performing audit procedures and challenging assumptions and judgements made by management in relation to accounting estimates.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF SLICKER RECYCLING LIMITED

Use of our report

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.

Joanne Baldwin ACA FCCA (Senior Statutory Auditor)
For and on behalf of Ormerod Rutter Limited

30 September 2022

Chartered Accountants
Statutory Auditor

The Oakley
Kidderminster Road
Droitwich
Worcestershire
WR9 9AY

SLICKER RECYCLING LIMITED

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £000	2020 £000
Turnover	3	33,519	24,256
Cost of sales		(24,909)	(20,455)
Gross profit		8,610	3,801
Administrative expenses		(6,737)	(6,392)
Other operating income		372	1,118
Operating profit/(loss)	4	2,245	(1,473)
Interest payable and similar expenses	8	(322)	(285)
Profit/(loss) before taxation		1,923	(1,758)
Tax on profit/(loss)	9	(383)	1,124
Profit/(loss) for the financial year	25	1,540	(634)

Profit/(loss) for the financial year is all attributable to the owners of the parent company.

SLICKER RECYCLING LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
	£000	£000
Profit/(loss) for the year	1,540	(634)
Other comprehensive income	-	-
Total comprehensive income for the year	1,540	(634)

Total comprehensive income for the year is all attributable to the owners of the parent company.

SLICKER RECYCLING LIMITED

GROUP BALANCE SHEET

AS AT 31 DECEMBER 2021

		2021		2020	
	Notes	£000	£000	£000	£000
Fixed assets					
Goodwill	**10**		9,687		9,274
Negative goodwill	**10**		(2,694)		(2,831)
Net goodwill			6,993		6,443
Other intangible assets	**10**		20		21
Total intangible assets			7,013		6,464
Tangible assets	**11**		14,392		15,902
			21,405		22,366
Current assets					
Stocks	**14**	1,232		841	
Debtors	**15**	8,185		9,100	
Cash at bank and in hand		1,666		764	
		11,083		10,705	
Creditors: amounts falling due within one year	**16**	(10,541)		(9,584)	
Net current assets			542		1,121
Total assets less current liabilities			21,947		23,487
Creditors: amounts falling due after more than one year	**17**		(14,163)		(17,168)
Provisions for liabilities					
Provisions	**20**	400		400	
Deferred tax liability	**21**	487		562	
			(887)		(962)
Net assets			6,897		5,357

SLICKER RECYCLING LIMITED

GROUP BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2021

	Notes	2021 £000	2021 £000	2020 £000	2020 £000
Capital and reserves					
Called up share capital	**24**		-		-
Share premium account	**25**		10		10
Capital redemption reserve	**25**		11,899		11,899
Profit and loss reserves	**25**		(5,012)		(6,552)
Total equity			6,897		5,357

The financial statements were approved by the board of directors and authorised for issue on 30 September 2022 and are signed on its behalf by:

Mr Mark Olpin
Director

SLICKER RECYCLING LIMITED

COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £000	2021 £000	2020 £000	2020 £000
Fixed assets					
Goodwill	**10**		543		620
Other intangible assets	**10**		20		21
Total intangible assets			563		641
Tangible assets	**11**		9,104		9,906
Investments	**12**		17,794		16,296
			27,461		26,843
Current assets					
Stocks	**14**	288		316	
Debtors	**15**	6,573		7,449	
Cash at bank and in hand		337		71	
		7,198		7,836	
Creditors: amounts falling due within one year	**16**	(8,874)		(8,104)	
Net current liabilities			(1,676)		(268)
Total assets less current liabilities			25,785		26,575
Creditors: amounts falling due after more than one year	**17**		(18,928)		(20,521)
Provisions for liabilities					
Provisions	**20**	400		400	
			(400)		(400)
Net assets			6,457		5,654
Capital and reserves					
Called up share capital	**24**		-		-
Share premium account	**25**		10		10
Capital redemption reserve	**25**		11,899		11,899
Profit and loss reserves	**25**		(5,452)		(6,255)
Total equity			6,457		5,654

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £803,072 (2020 - £794,925 loss).

SLICKER RECYCLING LIMITED

COMPANY BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2021

The financial statements were approved by the board of directors and authorised for issue on 30 September 2022 and are signed on its behalf by:

Mr Mark Olpin
Director

Company Registration No. 08652156

SLICKER RECYCLING LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Share capital £000	Share premium account £000	Capital redemption reserve £000	Profit and loss reserves £000	Total £000
Balance at 1 January 2020		-	-	11,899	(5,918)	5,981
Year ended 31 December 2020:						
Loss and total comprehensive income for the year		-	-	-	(634)	(634)
Issue of share capital	**24**	-	10	-	-	10
Balance at 31 December 2020		-	10	11,899	(6,552)	5,357
Year ended 31 December 2021:						
Profit and total comprehensive income for the year		-	-	-	1,540	1,540
Balance at 31 December 2021		-	10	11,899	(5,012)	6,897

SLICKER RECYCLING LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Share capital £000	Share premium account £000	Capital redemption reserve £000	Profit and loss reserves £000	Total £000
Balance at 1 January 2020		-	-	11,899	(5,460)	6,439
Year ended 31 December 2020:						
Loss and total comprehensive income for the year		-	-	-	(795)	(795)
Issue of share capital	**24**	-	10	-	-	10
Balance at 31 December 2020		-	10	11,899	(6,255)	5,654
Year ended 31 December 2021:						
Profit and total comprehensive income for the year		-	-	-	803	803
Balance at 31 December 2021		-	10	11,899	(5,452)	6,457

SLICKER RECYCLING LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £000	2021 £000	2020 £000	2020 £000
Cash flows from operating activities					
Cash generated from operations	**27**		2,928		1,777
Interest paid			(322)		(285)
Income taxes (paid)/refunded			(320)		20
Net cash inflow from operating activities			2,286		1,512
Investing activities					
Purchase of business		(1,501)		(1,786)	
Purchase of intangible assets		(4)		-	
Purchase of tangible fixed assets		(140)		(677)	
Proceeds on disposal of tangible fixed assets		136		54	
Net cash used in investing activities			(1,509)		(2,409)
Financing activities					
Proceeds of new bank loans		1,500		3,500	
Repayment of bank loans		(878)		(2,201)	
Payment of finance leases obligations		(497)		(223)	
Net cash generated from financing activities			125		1,076
Net increase in cash and cash equivalents			902		179
Cash and cash equivalents at beginning of year			764		585
Cash and cash equivalents at end of year			1,666		764

1 Accounting policies

Company information
Slicker Recycling Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Lombard House, Worcester Road, Stourport-On-Severn, DY13 9BZ.

The group consists of Slicker Recycling Limited and all of its subsidiaries.

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 £000.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

1.2 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

1 Accounting policies **(Continued)**

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Slicker Recycling Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 December 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the g roup.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates.

Investments in joint ventures and associates are carried in the group balance sheet at cost plus post-acquisition changes in the group's share of the net assets of the entity, less any impairment in value. The carrying values of investments in joint ventures and associates include acquired goodwill.

If the group's share of losses in a joint venture or associate equals or exceeds its investment in the joint venture or associate, the group does not recognise further losses unless it has incurred obligations to do so or has made payments on behalf of the joint venture or associate.

Unrealised gains arising from transactions with joint ventures and associates are eliminated to the extent of the group's interest in the entity.

1.4 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group 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.

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

1 Accounting policies **(Continued)**

1.6 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.7 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is ten years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.8 Intangible fixed assets other than goodwill

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

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

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	3 to 5 years
Patents	3 years
Trademarks	3 years

1.9 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:

Leasehold land and buildings	(with 50 years or more to run) are depreciated at 2% pa
Plant and equipment	3 to 15 years on a straight line basis
Fixtures and fittings	2 to 10 years on a straight line basis
Motor vehicles	3 to 15 years on a straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1 Accounting policies **(Continued)**

1.10 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.11 Impairment of fixed assets

At each reporting period end date, the group 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.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1 Accounting policies **(Continued)**

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.

1.12 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.13 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.

1.14 Financial instruments

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

Financial assets and liabilities are offset and 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.

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.

1 Accounting policies **(Continued)**

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows 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.

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.

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 group 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 group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

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

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.

1 Accounting policies **(Continued)**

Derecognition of financial liabilities

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

1.15 Equity instruments

Equity instruments issued by the group 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 group.

1.16 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 group'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 if, and only if, there is 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.

1.17 Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

1 Accounting policies **(Continued)**

1.18 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.

1.19 Retirement benefits

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

1.20 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 leased asset are consumed.

1.21 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.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.22 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the group'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.

2 Judgements and key sources of estimation uncertainty **(Continued)**

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Property, plant and equipment

Property, plant and equipment are depreciated over their useful life taking into account, where appropriate, residual values. Assessment of useful lives and residual values are performed annually, taking into account factors such as technological innovation, maintenance programmes, market information and management considerations. In assessing the residual values, the remaining life of the asset, its projected disposal value and future market conditions are taken into account. Details on property, plant and equipment can be found in note 11.

Environmental provision

Provision is made to cover anticipated costs in relation to the restoration of a number of sites following sale or completion of activities. Detail on environmental provision can be found in note 20.

3 Turnover and other revenue

The whole of turnover is attributable to the principal activities of the Group, which are the provision of collection of waste oil and sale of processed fuel oil. Turnover arises from the United Kingdom as well as from exports of oil.

	2021	2020
	£000	£000
Turnover analysed by geographical market		
United Kingdom	22,797	23,382
Europe	10,722	874
	33,519	24,256

	2021	2020
	£000	£000
Other revenue		
Grants received	347	1,093

4 Operating profit/(loss)

	2021	2020
	£000	£000
Operating profit/(loss) for the year is stated after charging/(crediting):		
Exchange losses	1	10
Research and development costs	2	65
Government grants	(347)	(1,093)
Depreciation of owned tangible fixed assets	1,272	1,104
Depreciation of tangible fixed assets held under finance leases	252	268
Profit on disposal of tangible fixed assets	(10)	(14)
Amortisation of intangible assets	956	436
Operating lease charges	1,152	1,076

5 Auditor's remuneration

Fees payable to the company's auditor and associates:	2021 £000	2020 £000
For audit services		
Audit of the financial statements of the group and company	18	28
Audit of the financial statements of the company's subsidiaries	14	-
	32	28
For other services		
Taxation compliance services	4	-
All other non-audit services	6	-
	10	-

6 Employees

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

	Group 2021 Number	2020 Number	Company 2021 Number	2020 Number
Direct labour	125	151	117	128
Administration	63	72	59	51
Total	188	223	176	179

Their aggregate remuneration comprised:

	Group 2021 £000	2020 £000	Company 2021 £000	2020 £000
Wages and salaries	7,136	7,354	6,702	6,557
Social security costs	705	728	670	654
Pension costs	236	197	173	164
	8,077	8,279	7,545	7,375

7 Directors' remuneration

	2021	2020
	£000	£000
Remuneration for qualifying services	152	154
Company pension contributions to defined contribution schemes	21	13
	173	167

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2020 - 1).

8 Interest payable and similar expenses

	2021	2020
	£000	£000
Interest on bank overdrafts and loans	277	224
Interest on finance leases and hire purchase contracts	45	61
Total finance costs	322	285

SLICKER RECYCLING LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Taxation

	2021	2020
	£000	**£000**
Current tax		
UK corporation tax on profits for the current period	258	13
Adjustments in respect of prior periods	-	(22)
Total current tax	258	(9)
Deferred tax		
Origination and reversal of timing differences	126	158
Adjustment in respect of prior periods	(1)	-
Tax losses carried forward	-	(1,273)
Total deferred tax	125	(1,115)
Total tax charge/(credit)	383	(1,124)

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

	2021	2020
	£000	**£000**
Profit/(loss) before taxation	1,923	(1,758)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	365	(334)
Tax effect of expenses that are not deductible in determining taxable profit	(14)	125
Tax effect of income not taxable in determining taxable profit	-	(26)
Tax effect of utilisation of tax losses not previously recognised	(155)	(935)
Adjustments in respect of prior years	(17)	(23)
Group relief	(154)	-
Research and development tax credit	-	(21)
Other permanent differences	15	-
Deferred tax adjustments in respect of prior years	201	-
Depreciation in excess of capital allowances	144	98
Other temporary timing differences	(2)	(8)
Taxation charge/(credit)	383	(1,124)

10 Intangible fixed assets

Group	Goodwill	Negative goodwill	Software	Patents	Trademarks	Total
	£000	£000	£000	£000	£000	£000
Cost						
At 1 January 2021	9,896	(3,196)	354	1,949	2,154	11,157
Additions - separately acquired	-	-	4	-	-	4
Additions - business combinations	1,501	-	-	-	-	1,501
At 31 December 2021	11,397	(3,196)	358	1,949	2,154	12,662
Amortisation and impairment						
At 1 January 2021	622	(365)	333	1,949	2,154	4,693
Amortisation charged for the year	1,088	(137)	5	-	-	956
At 31 December 2021	1,710	(502)	338	1,949	2,154	5,649
Carrying amount						
At 31 December 2021	9,687	(2,694)	20	-	-	7,013
At 31 December 2020	9,274	(2,831)	21	-	-	6,464

Company	Goodwill	Software	Patents	Trademarks	Total
	£000	£000	£000	£000	£000
Cost					
At 1 January 2021	774	319	1,949	2,154	5,196
Additions	-	4	-	-	4
At 31 December 2021	774	323	1,949	2,154	5,200
Amortisation and impairment					
At 1 January 2021	154	298	1,949	2,154	4,555
Amortisation charged for the year	77	5	-	-	82
At 31 December 2021	231	303	1,949	2,154	4,637
Carrying amount					
At 31 December 2021	543	20	-	-	563
At 31 December 2020	620	21	-	-	641

11 Tangible fixed assets

Group	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Motor vehicles	Total
	£000	£000	£000	£000	£000
Cost					
At 1 January 2021	5,963	14,982	586	6,278	27,809
Additions	35	83	2	20	140
Disposals	(89)	-	(39)	(232)	(360)
At 31 December 2021	5,909	15,065	549	6,066	27,589
Depreciation and impairment					
At 1 January 2021	570	7,425	431	3,481	11,907
Depreciation charged in the year	82	796	47	599	1,524
Eliminated in respect of disposals	-	(173)	(39)	(22)	(234)
At 31 December 2021	652	8,048	439	4,058	13,197
Carrying amount					
At 31 December 2021	5,257	7,017	110	2,008	14,392
At 31 December 2020	5,393	7,557	155	2,797	15,902

Company	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Motor vehicles	Total
	£000	£000	£000	£000	£000
Cost					
At 1 January 2021	5,872	6,190	456	4,420	16,938
Additions	35	61	-	20	116
Disposals	(90)	-	-	(45)	(135)
Transfers	-	-	-	301	301
At 31 December 2021	5,817	6,251	456	4,696	17,220
Depreciation and impairment					
At 1 January 2021	291	4,238	334	2,169	7,032
Depreciation charged in the year	54	398	22	481	955
Eliminated in respect of disposals	-	-	-	(22)	(22)
Transfers	-	-	-	151	151
At 31 December 2021	345	4,636	356	2,779	8,116
Carrying amount					
At 31 December 2021	5,472	1,615	100	1,917	9,104
At 31 December 2020	5,581	1,952	122	2,251	9,906

11 Tangible fixed assets **(Continued)**

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

	Group		Company	
	2021	2020	2021	2020
	£000	£000	£000	£000
Plant and equipment	3	5	3	5
Motor vehicles	1,431	1,771	1,431	1,704
	1,434	1,776	1,434	1,709

12 Fixed asset investments

		Group		Company	
		2021	2020	2021	2020
	Notes	£000	£000	£000	£000
Investments in subsidiaries	13	-	-	17,794	16,296

The addition in the year represents an additional payment in relation to the acquisition of Regroup (UK) Limited which was triggered by rising prices.

Movements in fixed asset investments

Company	Shares in subsidiaries £000
Cost or valuation	
At 1 January 2021	16,303
Additions	1,501
At 31 December 2021	17,804
Impairment	
At 1 January 2021	7
Amortisation of investment loan	3
At 31 December 2021	10
Carrying amount	
At 31 December 2021	17,794
At 31 December 2020	16,296

13 Subsidiaries

Details of the company's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct	% Held Indirect
J VANT Ltd	Lombard House, Worcester Road, Stourport-On-Severn, England, DY13 9BZ	Ordinary	100.00	-
Avista Oil Services (UK) Ltd	Lombard House, Worcester Road, Stourport-On-Severn, Worcestershire, United Kingdom, DY13 9BZ	Ordinary	100.00	-
Regroup (UK) Limited	Clipper House, Air Street, Hull, East Yorkshire, HU5 1RR	Ordinary	100.00	-
Regroup (Reclaim) Limited	Clipper House, Air Street, Hull, East Yorkshire, HU5 1RR	Ordinary	0	100.00
Regroup (Refuel) Limited	Clipper House, Air Street, Hull, East Yorkshire, HU5 1RR	Ordinary	0	100.00

14 Stocks

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Raw materials and consumables	1,228	831	284	306
Finished goods and goods for resale	4	10	4	10
	1,232	841	288	316

15 Debtors

Amounts falling due within one year:	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Trade debtors	3,613	3,872	2,248	2,454
Amounts owed by group undertakings	794	689	794	688
Other debtors	1,177	156	1,094	129
Prepayments and accrued income	785	2,366	621	2,161
	6,369	7,083	4,757	5,432
Deferred tax asset (note 21)	1,816	2,017	1,816	2,017
	8,185	9,100	6,573	7,449

16 Creditors: amounts falling due within one year

	Notes	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Bank loans	18	2,170	1,490	2,170	1,490
Obligations under finance leases	19	428	492	420	467
Trade creditors		2,990	2,654	1,387	1,091
Amounts owed to group undertakings		-	-	935	929
Corporation tax payable		258	321	-	-
Other taxation and social security		666	982	468	866
Deferred income	22	39	13	14	13
Other creditors		263	224	221	236
Accruals and deferred income		3,727	3,408	3,259	3,012
		10,541	9,584	8,874	8,104

17 Creditors: amounts falling due after more than one year

	Notes	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Bank loans and overdrafts	18	2,068	2,549	2,068	2,549
Obligations under finance leases	19	566	999	566	986
Other borrowings	18	3,923	3,500	3,923	3,500
Amounts owed to group undertakings		6,373	6,337	11,371	9,986
Deferred income	22	233	283	-	-
Other creditors		1,000	3,500	1,000	3,500
		14,163	17,168	18,928	20,521

18 Loans and overdrafts

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Bank loans	4,238	4,039	4,238	4,039
Other loans	3,923	3,500	3,923	3,500
	8,161	7,539	8,161	7,539
Payable within one year	2,170	1,490	2,170	1,490
Payable after one year	5,991	6,049	5,991	6,049

The long-term loans are secured by fixed and floating charges over the assets of the company and the group.

19 Finance lease obligations

	Group		Company	
	2021	2020	2021	2020
	£000	£000	£000	£000
Future minimum lease payments due under finance leases:				
Within one year	428	492	420	467
In two to five years	566	999	566	986
	994	1,491	986	1,453

Finance lease payments represent rentals payable by the company or group 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 2 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

20 Provisions for liabilities

	Group		Company	
	2021	2020	2021	2020
	£000	£000	£000	£000
Remediation of contaminated land	400	400	400	400

Movements on provisions:

	Remediation of contaminated land
Group	**£000**
At 1 January 2021 and 31 December 2021	400

	Remediation of contaminated land
Company	**£000**
At 1 January 2021 and 31 December 2021	400

21 Deferred taxation

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

Group	Liabilities 2021 £000	Liabilities 2020 £000	Assets 2021 £000	Assets 2020 £000
Accelerated capital allowances	487	562	212	189
Tax losses	-	-	1,581	1,823
Short term timing differences	-	-	23	5
	487	562	1,816	2,017

Company	Liabilities 2021 £000	Liabilities 2020 £000	Assets 2021 £000	Assets 2020 £000
Accelerated capital allowances	-	-	212	189
Tax losses	-	-	1,581	1,823
Short term timing differences	-	-	23	5
	-	-	1,816	2,017

Movements in the year:	Group 2021 £000	Company 2021 £000
Asset at 1 January 2021	(1,455)	(2,017)
Charge to profit or loss	126	201
Asset at 31 December 2021	(1,329)	(1,816)

22 Deferred income

	Group		Company	
	2021	2020	2021	2020
	£000	£000	£000	£000
Arising from government grants	258	283	-	-
Other deferred income	14	13	14	13
	272	296	14	13

Deferred income is included in the financial statements as follows:

Current liabilities	39	13	14	13
Non-current liabilities	233	283	-	-
	272	296	14	13

23 Retirement benefit schemes

	2021	2020
Defined contribution schemes	£000	£000
Charge to profit or loss in respect of defined contribution schemes	236	197

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

24 Share capital

	2021	2020	2021	2020
	Number	Number	£000	£000
Ordinary shares of 0.1p each	2,220	2,220	-	-

On 1 November 2017 the issued share capital was split into 2,000 shares of £0.001 each. An entitlement to grant 220 restricted shares of £0.001 was awarded to director Mark Olpin on the same date.

On 30 June 2020, all 220 options for £0.001 ordinary shares held by Mark Olpin vested following the purchase of Regroup (UK) Limited. These new shares were then exchanged for 25 shares in Greenbottle Limited.

25 Reserves

Share premium
The share premium represents the premium arising on the issue of shares net of costs.

Profit and loss reserves
The profit and loss reserves comprise of the cumulative profits of the Company or Group.

Capital Contribution reserve
On 4 March 2016 Mr Andrew Black acquired the Company from Hydrodec Group Plc. As a part of the sale agreement Hydrodec Group Plc forgave all debt due to it and its subsidiaries by the Company effective from 31 December 2015. The debt forgiven has been treated as a capital contribution as at 31 December 2017.

26 Operating lease commitments

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

	Group		Company	
	2021	2020	2021	2020
	£000	£000	£000	£000
Within one year	346	157	189	389
Between two and five years	1,008	512	535	572
In over five years	1,051	473	696	731
	2,405	1,142	1,420	1,692

27 Cash generated from group operations

	2021	2020
	£000	£000
Profit/(loss) for the year after tax	1,540	(634)
Adjustments for:		
Taxation charged/(credited)	383	(1,124)
Finance costs	322	285
Gain on disposal of tangible fixed assets	(10)	(14)
Amortisation and impairment of intangible assets	956	436
Depreciation and impairment of tangible fixed assets	1,524	1,372
Movements in working capital:		
(Increase)/decrease in stocks	(391)	244
Decrease in debtors	714	320
(Decrease)/increase in creditors	(2,086)	892
Decrease in deferred income	(24)	-
Cash generated from operations	2,928	1,777

28 Analysis of changes in net debt - group

	1 January 2021	Cash flows	31 December 2021
	£000	£000	£000
Cash at bank and in hand	764	902	1,666
Borrowings excluding overdrafts	(7,539)	(622)	(8,161)
Obligations under finance leases	(1,491)	497	(994)
	(8,266)	777	(7,489)