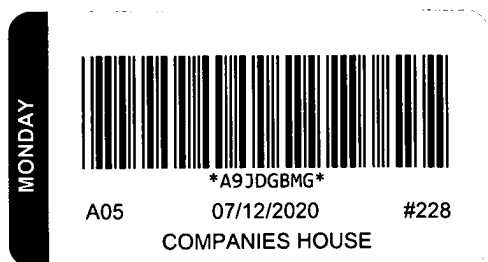


VEOLIA ES CLEANAWAY (UK) LIMITED
DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019



VEOLIA ES CLEANAWAY (UK) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

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

Business review

Veolia ES Cleanaway (UK) Limited ("the Company") was dormant and did not trade in the year, and is not expected to trade in the foreseeable future.

The Company is registered and domiciled in the United Kingdom.

The Company is part of the Veolia Group ("the Group"), which is defined as all companies under the control of the ultimate parent company, Veolia Environnement S.A., headquartered in Paris. The Company is also a member of the "UK&I group", a division of the Group, based in the UK and Ireland and involved in the provision of waste, water and energy services, and directly or indirectly under the ownership of Veolia UK Limited ("VUK").

During 2018, the Company's profit in the year was impacted by a charge of £1,167k in respect of impairments made against its investments in subsidiaries, as well as a charge of £1,275k in respect of loan impairments. In addition, loan waivers totalling £2,412k were received from the Company's subsidiaries, which offset the impairments above, resulting in a loss after tax for the year ended 31 December 2018 of £30k. There were no such transactions in 2019.

Principal risks and uncertainties

The Company is affected by the reliability of its subsidiaries to pay dividends. A subsidiary's risk of not being able to recover its debtor balances will lead to a longer term inability to pay dividends which may result in an impairment of the Company's investment in that subsidiary, having a direct impact on the Company's results in that year and net assets going forward. As these balances are wholly due from Group fellow subsidiaries the Directors consider the Company's exposure to this risk to be acceptable.

The Company is considered to be subject to no other significant risks or uncertainties.

Results and dividends

The result for the year, after taxation, amounted to £nil (2018: loss £30k).

There were no dividends paid in the year under review (2018: £nil).

Directors

The Directors who served during the year and to the date of this report were:

David Andrew Gerrard
Celia Rosalind Gough

No director has, or has had, a material interest in the Company, directly or indirectly at any time during the year.

The Directors are entitled to be indemnified by the Company to the extent permitted by law in respect of losses arising out of, or in connection with, the execution of their powers, duties and responsibilities. Veolia Environnement S.A., the Company's ultimate parent company, maintains Directors' and Officers' liability insurance for the Directors in respect of their duties as directors. Such qualifying third party indemnity provision was in place throughout the period and remains in force as at the date of approving the Directors' report. Neither the indemnities nor the insurance provide cover in the event that the Director is proved to have acted fraudulently.

VEOLIA ES CLEANAWAY (UK) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

Going concern

The Company did not trade in the year and is not expected to trade in the foreseeable future. The Directors have therefore received written confirmation from VUK that they will, if required, provide financial support to the Company for the coming year. The Directors have made enquiries and have gained assurance that VUK is in a position to provide this support if needed. Having taken into account the above, the Directors continue to adopt the going concern basis in the statutory financial statements.

This report was approved by the board on 18 November 2020 and signed on its behalf.



David Andrew Gerrard
Director

VEOLIA ES CLEANAWAY (UK) LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 £000	2018 £000
Impairment of fixed asset investments	5	-	(1,167)
Impairment of loans to Group fellow subsidiaries		-	(1,275)
Loan waivers received from the Company's subsidiaries		-	2,412
Loss before tax		-	(30)
Tax on loss	4	-	-
Loss for the financial year		-	(30)
Other comprehensive income		-	-
Total comprehensive loss for the year		-	(30)

VEOLIA ES CLEANAWAY (UK) LIMITED
REGISTERED NUMBER:00806128

BALANCE SHEET
AS AT 31 DECEMBER 2019

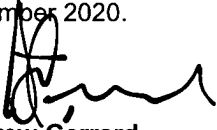
	Note	2019 £000	2018 £000
Fixed assets			
Investments	5	2,391	2,391
		<u>2,391</u>	<u>2,391</u>
Current assets			
Debtors: amounts falling due within one year	6	77,597	77,597
		<u>77,597</u>	<u>77,597</u>
Creditors: amounts falling due within one year	7	(27,291)	(27,291)
		<u>50,306</u>	<u>50,306</u>
Net current assets		<u>50,306</u>	<u>50,306</u>
Total assets less current liabilities		<u>52,697</u>	<u>52,697</u>
Net assets		<u>52,697</u>	<u>52,697</u>
Capital and reserves			
Called up share capital	8	89,531	89,531
Share premium account	9	704	704
Capital contribution	9	300	300
Profit and loss account		(37,838)	(37,838)
		<u>52,697</u>	<u>52,697</u>

For the year ended 31 December 2019, the Company was entitled to exemption from audit under Section 480 of the Companies Act 2006 relating to dormant companies.

Directors' Responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with Section 476; and
- The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 November 2020.



David Andrew Gerrard
Director

VEOLIA ES CLEANAWAY (UK) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital	Share premium account	Capital redemption reserve	Profit and loss account	Total equity
	£000	£000	£000	£000	£000
At 1 January 2018	89,531	704	300	(37,808)	52,727
Comprehensive loss for the year					
Loss for the year	-	-	-	(30)	(30)
At 1 January 2019	89,531	704	300	(37,838)	52,697
Comprehensive income for the year					
Result for the year	-	-	-	-	-
At 31 December 2019	89,531	704	300	(37,838)	52,697

VEOLIA ES CLEANAWAY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. Principal Accounting Policies

Basis of preparation

The financial statements are prepared on the going concern basis in accordance with applicable accounting standards, under the historical cost convention, and in accordance with the Companies Act 2006. FRS 102 provides relief to dormant companies from restating their transition date Balance Sheets until there is any change in their existing balances or the company undertakes any new transactions.

Transactions with other companies within the Veolia Group are not disclosed as the Company has taken advantage of the exemption under FRS 102 section 33.1 A.

Taxation

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date in the countries where the Company operates and generates income.

Valuation of investments

The Company records its investments at historical cost less impairment. The investments are reviewed regularly for signs of impairment. Should there be evidence of impairment, the quantum of that impairment will be assessed by the use of a discounted cash flow analysis of that investment. Any impairment may be reversed in subsequent years but the revised value of the investment will not exceed its historic cost.

Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at the present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan that is not at market rate, the financial asset or liability is measured initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

Financial assets

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. Principal Accounting Policies (continued)

Financial instruments (continued)

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial liabilities

Financial liabilities within the scope of Chapter 11 of FRS 102 are initially classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. All the Company's financial liabilities are designated as loans and borrowings.

Obligations for loans and borrowings are recognised when the Company becomes party to the related contracts and are measured initially at the fair value of consideration received less directly attributable transaction costs.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance revenue and finance cost.

Derecognition of financial liabilities

A liability is derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in profit or loss.

Loan waivers

Loan waivers received from subsidiaries are treated as dividends in specie and, when declared, are recognised in the profit or loss of the parent entity and directly through equity in the subsidiary's financial statements. Loan waivers received from other Group fellow subsidiaries are treated as capital contributions and recognised directly in equity and the corresponding loan waivers given are recognised in the Statement of Comprehensive Income to reflect the write-off of the loan.

2. Activity and Directors

During the financial year and the preceding financial year the Company did not trade, and as a result the result for the year after tax for the year ended 31 December 2019 was £nil (2018: loss £30k).

The Directors received no emoluments for their services to the Company (2018: £nil).

The Company had no employees during the year (2018: nil).

VEOLIA ES CLEANAWAY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

3. Auditor's remuneration

During 2018, Auditor's remuneration of £2k was borne by a Group fellow subsidiary.

4. Taxation

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2018: *higher than*) the standard rate of corporation tax in the UK of 19% (2018: 19%). The differences are explained below:

	2019 £000	2018 £000
Loss on ordinary activities before tax	<u>-</u>	<u>(30)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018: 19%)	-	(6)
Effects of:		
Impairment of fixed asset investments	-	222
Impairment of loans	-	242
Loan waivers received	-	(458)
Total tax charge for the year	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

VEOLIA ES CLEANAWAY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

5. Investments

	Investments in subsidiary companies £000
Cost or valuation	
At 1 January 2019	50,631
At 31 December 2019	<u>50,631</u>
Impairment	
At 1 January 2019	48,240
At 31 December 2019	<u>48,240</u>
Net book value	
At 31 December 2019	<u><u>2,391</u></u>
At 31 December 2018	<u><u>2,391</u></u>

During 2018, the Company fully impaired its investments in Easibins Limited and Heron Environmental Limited, following the entities being put into a liquidation process, resulting in an impact to the Statement of Comprehensive Income of £60k and £102k respectively. Further impairments were made during 2018 in respect of G Walker & Son (Waste Disposal) Limited and Veolia ES Serviceteam Holdings Limited, resulting in an impact to the Statement of Comprehensive Income of £5k and £1,000k respectively.

All the Company's direct holdings in subsidiaries, joint ventures, associates and other significant interests are shown below and are registered at 210 Pentonville Road, London, N1 9JY ("210"), or, if a voluntary liquidator has been appointed, at 6 Snow Hill, London, EC1A 2AY ("Snow Hill").

All the Company's indirect holdings in subsidiaries, joint ventures, associates and other significant interests are shown in note 10.

5.1 Direct subsidiary undertakings

Name	Registered address	Class of shares	Holding	Principal activity
Easibins Limited	Snow Hill	Ordinary	100%	Dormant entity (Dissolved subsequent to the year end on 16 March 2020)
G Walker & Son (Waste Disposal) Limited	210	Ordinary	100 %	Dormant entity
Heron Environmental Limited	Snow Hill	Ordinary	100%	Dormant entity (Dissolved subsequent to the year end on 13 March 2020)
Veolia ES Clinical (UK) Limited	210	Ordinary	100 %	Dormant entity
Veolia ES Serviceteam Holdings Limited	210	Ordinary	100 %	Dormant entity

VEOLIA ES CLEANAWAY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

6. Debtors: Amounts falling due within one year

	2019 £000	2018 £000
Short-term loans to Group fellow subsidiaries	<u>77,597</u>	<u>77,597</u>

7. Creditors: Amounts falling due within one year

	2018 £000	2018 £000
Short-term loans from Group fellow subsidiaries	<u>27,291</u>	<u>27,291</u>

8. Share capital

	2019 £000	2018 £000
Allotted, called up and fully paid		
440,923,140 (2018: 440,923,140) ordinary shares of £0.20 each	88,185	88,185
6,731,406 (2018: 6,731,406) deferred shares of £0.20 each	1,346	1,346
	<u>89,531</u>	<u>89,531</u>

The holders of the deferred shares have no right to dividends or distributions except that on a winding up capital reduction the holders are entitled to repayment of the nominal value but only after the holders of the ordinary shares have received their nominal value plus a further £50,000k.

9. Other reserves

Share premium

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Capital contribution

The capital contribution reserve arose from the settlement of an employee share-based payment scheme in 2006.

VEOLIA ES CLEANAWAY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

10. Indirect holdings in subsidiary undertakings and joint ventures

All the Company's indirect holdings in subsidiaries, joint ventures, associates and other significant interests are shown below and are registered at 210 Pentonville Road, London, N1 9JY ("210"), or, if a voluntary liquidator has been appointed, at 6 Snow Hill, London, EC1A 2AY ("Snow Hill").

10.1 Subsidiary undertakings

Name	Registered address	Class of shares	Holding	Principal activity
Norwich Serviceteam Limited	Snow Hill	Ordinary	100%	Dormant entity (Dissolved subsequent to the year end on 16 March 2020)
Veolia ES Lambeth Limited	210	Ordinary	100 %	Dormant entity
Veolia ES Serviceteam (UK) Limited	210	Ordinary	100 %	Dormant entity

11. Immediate parent and ultimate controlling party

The immediate parent company is Veolia ES Cleanaway Holdings Limited, a company incorporated in the UK.

Veolia Environmental Services (UK) Plc is an intermediate parent undertaking that prepares consolidated financial statements, including Veolia ES Cleanaway (UK) Limited, which are publicly available. Copies of the consolidated financial statements for Veolia Environmental Services (UK) Plc are available from the registered office at 210 Pentonville Road, London, N1 9JY.

The ultimate parent and controlling company is Veolia Environnement S.A., a company incorporated in France. Consolidated financial statements are prepared by Veolia Environnement S.A. Copies of the consolidated financial statements for Veolia Environnement S.A. are available from the registered office at 21 rue La Boétie, 75008 Paris, France.