

Company Registration No. 01569257

Anti-Waste Limited

**Annual report and financial statements
for the year ended 31 December 2016**

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Anti-Waste Limited

Annual report and financial statements 2016

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Anti-Waste Limited

Annual report and financial statements 2016

Officers and professional advisers

Directors

P Taylor
V F Orts-Llopis
A Serrano Minchan

Company Secretary

C Nunn

Registered Office

Ground Floor West
900 Pavilion Drive
Northampton Business Park
Northampton
NN4 7RG

Auditor

Deloitte LLP
Statutory Auditor
2 New Street Square
London
EC4A 3BZ
United Kingdom

Anti-Waste Limited

Strategic report

The Directors present their strategic report on the affairs of Anti-Waste Limited (“the Company”) for the year ended 31 December 2016.

Overview of Group

The Company is a direct subsidiary of FCC Environment (UK) Limited (“FCC E UK”) and its ultimate parent is Fomento de Construcciones y Contratas, S.A. (“FCC”). FCC is a significant multi-national business listed on the Madrid stock exchange with operations in Europe, America, Africa and the Middle East. FCC’s principal activities cover Environmental Services (including water and waste management), Construction, Cement and Infrastructure.

FCC’s financial capacity and depth of experience in the European waste infrastructure sector is backed by over 100 years of experience in operating municipal services contracts. This complements both the position of the Company and its 40 fellow subsidiaries (together the “Group” or “FCC E UK”) as a leading waste management, recycling and renewable energy business, and the Group’s ambition to maintain its position as a significant player in establishing the next generation of waste treatment infrastructure in the UK. The core services provided by the Group are fully aligned with FCC’s strategic growth plans and it is ideally placed to take advantage of local opportunities to provide the services and infrastructure required by the UK to meet the European Waste Framework Directive; 50% of all municipal waste will have to be recycled by 2020 and the European Union’s target that 20% of all energy consumed should be from a renewable source by 2020. The Board continues to look forward to the opportunities that are presented to the Group and its employees by virtue of FCC’s plans to expand and embed its operations in the UK.

The Group’s strategy is to “Own the Waste” and to maximise the value of resource, produce renewable energy and to provide 360° solutions to its customers. The Board sees the development of major waste infrastructure to support sustainable waste management and strategic long-term partnerships as key to the Group’s future business growth. It anticipates considerable activity and deployment of Group resources into recycling facilities, renewable energy projects, the development of innovative waste treatment solutions and the provision of regional waste management services and facilities. The Directors remains of the view that Energy from Waste (“EfW”) will be a key component of some regional waste strategies and, in combination with other treatment, recycling and recovery operations, backed up by landfill disposal for residues, is a strategy that represents a long-term sustainable solution for meeting the Group’s clients’ diversion targets.

Principal activities

The principal activity of the Company during the year ended 31 December 2016 was the handling, recycling and disposal of waste materials.

The activities, strategies and risks affecting the Company are inextricably similar to, and dependent on, those of the Group, and consequently it is appropriate that the following narrative applies to the Group in its entirety.

The Group is a key player within the municipal waste management sector, with over 65 Local Authority clients across England, Wales and Scotland.

The Group provides a diverse range of cost effective and sustainable waste processing, recycling, treatment, disposal and energy recovery services for local authority and private commercial customers. During 2016, the Group received, treated, recycled and disposed of 8.6million (2015: 8.4million) tonnes of household, commercial and industrial waste and managed around 200 waste management facilities. Through innovative solutions, the Group is committed to working with its local authority partners and industrial and commercial customers to respond to often complex and far-reaching waste management strategies, to meet the challenges of increased regulation from the UK and EU, and to improve upon waste management targets.

The Company undertakes activities in the following divisions of FCC E UK:-

- Waste Processing – comprising landfill, hazardous waste treatment (including solid and liquid wastes) and clinical waste solutions; and
- Recycling – comprising mechanical treatment plants (“MTP”), composting and household waste recycling centre (“HWRC”) operations as well as several limestone quarries in Yorkshire.

Anti-Waste Limited

Strategic report

Business review

The Directors consider that the Company's business performance was as expected given the ongoing transition from a landfill business to a waste management provider.

Results, dividends and key performance indicators

The results for the year ended 31 December 2016 are set out on page 11. The loss (2015: loss) for the financial year ended 31 December 2016 amounted to £4.5million (2015: £3.1million loss). The Company did not pay an interim dividend during the year (2015: £nil) and furthermore, the Directors do not recommend the payment of a final dividend (2015: £nil). The loss (2015: loss) for the financial year has been withdrawn from (2015: withdrawn from) reserves, resulting in a corresponding decrease (2015: decrease) in total equity in the year.

For the year ended 31 December 2016, turnover has decreased by 15.2% to £31.6million (2015: £37.2million). This reflects continued divergence of tonnages away from landfill, partially offset by growth from the Company's recycling and treatment facilities.

Operating loss in 2016 was £4.2million (2015: £2.8million loss). The result reflects the trends highlighted above together with the impact of landfill provision reviews and depreciation as reported in note 5.

FCC E UK manages its operations on a divisional basis and information regarding key performance indicators is included within the FCC E UK annual report. For this reason, the Company's Directors believe that the disclosure of further financial and non-financial key performance indicators for the Company is not appropriate for an understanding of the development, performance or position of the business.

Future developments

The waste industry continues to be under a rapidly changing and complex environment, due to the prevailing budgetary conditions of the municipal sector and the need to satisfy growing demand for more sophisticated services. The Directors continue to focus the Group's strategy on leveraging value from its existing assets and ensuring that it offers best value, quality services through sustainable waste management for both the municipal and commercial sectors whilst continuing to reduce costs.

The Group will also continue to pursue its stated strategy of owning the waste, maximising the value of resource and the investment in alternative waste treatment infrastructure and energy recovery technology as set out in the Overview of Group.

Principal risks and uncertainties

Operating in the UK's highly regulated waste management market presents numerous risks and uncertainties to the Group. The Directors regard the following to be the principal risks and uncertainties affecting the Group and their approach to managing these risks and uncertainties is considered below:

- **Environmental risks:** The Group's environmental risks are tightly controlled under environmental legislation enforced principally by the Environment Agency ("EA"), Scottish Environment Protection Agency ("SEPA") and Natural Resources Wales ("NRW"). Compliance with all environmental legislation pertinent to the Group's activities is a minimum requirement. A dedicated in-house team prepare regular reports on environmental compliance at the Group's sites for the Director's review. Environmental objectives are reviewed annually and highlighted within the Group's Safety Health Environment and Quality (SHEQ) Policy Statement. In addition to this there are detailed environmental procedures to enable compliance with environmental legislation.

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Strategic report

Principal risks and uncertainties (continued)

- **Health and safety:** Health and safety is a key issue for the Group due to the nature of its operations, including the use of heavy plant equipment and difficult working conditions. The Group is continually improving in this area as a result of ongoing consultation with the relevant authorities and the monitoring of best practice initiatives. Whenever an area is highlighted for improvement, the Group seeks to implement such improvement expeditiously; through bulletins, on-line training courses and tool-box briefings. The Group's Incident Review Panel meets quarterly, at which senior management review significant health and safety incidents that have occurred at Group sites to identify improvements and lessons for the business. All employees undertake a rigorous health and safety training programme, which is underpinned by the latest UK legislation, detailed policies and procedures. The Group's executive management receive regular, detailed reports on health and safety performance affecting the Group's operations and it employs a dedicated team, led by the Group Safety, Health, Environment and Quality Manager, to monitor and promote high standards. All employees are expected to recognise their role in achieving acceptable standards of health and safety and to exhibit such understanding through their approach and attitude to work.
- **Business continuity:** The Group, as part of its risk management programme, has developed business continuity planning for its operations. As part of this planning the Group has developed a bespoke emergency plan for each operational facility (including the diversion of waste from single or multiple sites in the event of major disruption or disaster affecting a site or region). The Group's IT systems are outsourced to a specialist IT services company and are covered by an IT disaster recovery plan, to ensure business continuity.
- **Legislation:** The Group monitors forthcoming and current legislation to ensure full compliance and to anticipate and assess the impact upon its operations, including the significant opportunities it can present. The waste management industry is subject to extensive government regulation which has a substantial impact on the Group's business, FCC E UK therefore actively lobbies for its interests at European, national and regional levels through trade associations and federations.
- **Economic:** The Group has exposure to reduced economic activity, and in the current year has seen waste volumes reduce where lower economic output has been a factor. The Group's strategy is focused on growing through recycling and EfW where margins are generally higher than traditional landfill.
- **Litigation:** The Group is subject to litigation from time to time. The outcome of legal action is always uncertain and there is a risk that it may prove more costly and time consuming than expected. There is also a risk that litigation could be instigated in the future that could materially impact the Group. In some liability cases legal expenses are covered by the Group's liability insurance. This risk is mitigated through continued monitoring and employing an experienced and dedicated in-house legal team.
- **Competitive risk:** The Group operates in highly competitive markets in which competitors' service offerings may react faster to legislative and market dynamics than those of the Group. To mitigate this risk the Group ensures that its asset, cost and capital base is regularly reviewed and flexed to meet changes in customers' demands and to maximise cash generation.
- **Employees:** The loss of key employees or the inability to hire experienced management personnel could have a materially adverse effect on the business. To manage this risk, succession planning for senior positions within the Group is undertaken. In addition, the Group has the benefit of being able to draw on wider resources from within the FCC Group.
- **Technology:** The Group relies on a variety of information technology platforms for the efficient delivery of its services and has therefore employed a structured IT support team, using internal and external resources. In addition, as there are a wide variety of technologies available to the waste management industry, there is a risk that the technologies employed by the Group might fail to deliver expected performance levels or end products for its customers and so the Group has made a significant investment into establishing a dedicated technical and development team. This team review and assess the available technologies before any are adopted to ensure they will meet the needs of the business and those of its customers.

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Strategic report

Principal risks and uncertainties (continued)

Financial risk management

The Company is exposed to financial risk through its financial assets and liabilities. The most important components of financial risk are interest rate risk, credit risk and liquidity risk. Due to the nature of the Company's activities and the assets contained within the Company's balance sheet, the only financial risks the Directors consider relevant to the Company are credit and liquidity risk.

Credit and liquidity risk

The Company's exposure to credit and liquidity risk is reduced as it is a wholly owned subsidiary of FCC E UK and participates in a cash-pooling agreement with the other members of the Group.

Credit risk arises from the risk of having credit exposures to customers, including outstanding receivables. The Company reviews the credit ratings of all significant customers regularly and continues to monitor the quality of debtor balances on an ongoing basis. Liquidity risk is the risk that the Company does not have sufficient cash resources to meet its commitments. The Company prepares and reviews cash flow forecasts frequently to ensure that it has sufficient resources to meet its cash flow commitments.

Going concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found in the accounting policies in the financial statements.

Approved by the Board and signed on its behalf by:



C Nunn
Company Secretary
1 August 2017

Anti-Waste Limited

Directors' report

The Directors present their annual report and the audited financial statements of the Company for the year ended 31 December 2016.

Directors

The following individuals served as Directors of the Company during the year ended 31 December 2016 and up to the date of this report:

P Taylor
V F Orts-Llopis
A Serrano Minchan

Directors' indemnities

During the financial year, qualifying third party indemnity provisions for the benefit of all Directors of the Company were in force and continue to be in force at the date of this report. Such provisions were made by FCC.

Future developments

The future developments of the Company are considered in detail in the Strategic report on page 2.

Employees

The professionalism and commitment shown by the Group's employees over the last year continues to be a major contribution to its operations. The Board would like to thank all employees for their hard work, dedication and loyalty during the year.

FCC E UK is committed to ensuring that its policies and practices reflect human resource best practice. The Group's policy of equal opportunity gives all employees the same chance to succeed, irrespective of age, race, nationality, ethnic origin, disability, membership of a trade union, sex or marital status. The Group has a structured training and development programme and is fully committed to ensuring that all employees have the necessary skills and knowledge to do their jobs effectively. Subject to the nature of its businesses in the waste management industry, the policy of the Group is to ensure that there are fair opportunities for the employment, career development and training of disabled persons.

The Board is dedicated to maintaining the highest standards of honesty, openness and accountability and recognise that employees have an important part to play in achieving this goal. All employees are encouraged to report any concerns they may have over wrongdoing at work via the Group's internal reporting system. In addition, FCC E UK has engaged an independent confidential reporting (whistleblowing) service that employees can access should they feel uncomfortable in approaching management.

Training continues to be a high priority for the Group and it recognises that it is vital that its employees have the relevant skills to take up the new and exciting roles that are being created as the industry, and therefore the business, evolves.

The Directors recognise the importance of communication with employees and members of the executive management team regularly visit sites and discuss matters of current interest and concern to the business with staff. In addition, the executive management regularly report on the Group's successes and performance to the entire Group via a monthly brief delivered by local management and announcements on the Group Intranet. An in-house magazine is also published on a regular basis.

In 2016 the Company undertook a major workplace wellbeing programme which will continue indefinitely. This included taking part in specific national health campaign weeks, in-house campaigns and monthly workplace wellbeing bulletins.

Anti-Waste Limited

Directors' report

Directors' responsibilities statement

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 prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 "Reduced Disclosure Framework" (FRS 101).

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the Directors are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Pursuant to section 487 of the Act, the auditor will be deemed to be reappointed annually by the Company and Deloitte LLP will therefore continue in office until further notice.

Approved by the Board and signed on its behalf by:



C Nunn
Company Secretary

| August 2017

Independent auditor's report to the members of Anti-Waste Limited

We have audited the financial statements of Anti-Waste Limited for the year ended 31 December 2016 which comprise of the statement of comprehensive income, the balance sheet, the statement of changes in equity and the related notes 1 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 "Reduced Disclosure Framework".

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report and the Directors' Report.

Independent auditor's report to the members of Anti-Waste Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Makhan Chahal (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

7HL August 2017

Anti-Waste Limited

Statement of comprehensive income For the year ended 31 December 2016

	Notes	2016 £'000	2015 £'000
Turnover	4	31,559	37,204
Cost of sales		(34,147)	(36,860)
Gross (loss)/profit		(2,588)	344
Administrative expenses		(1,642)	(3,179)
Operating loss		(4,230)	(2,835)
Analysed as:			
Operating loss before exceptional items		(2,173)	(2,016)
Exceptional items – impairment of goodwill (included in Administrative expenses)	10	(448)	-
Exceptional items – impairment of tangible fixed assets (included in Cost of sales)	11	(1,609)	(819)
Operating loss		(4,230)	(2,835)
Interest payable and similar charges	8	(294)	(250)
Loss on ordinary activities before taxation	5	(4,524)	(3,085)
Tax on loss on ordinary activities	9	-	-
Loss for the financial year		(4,524)	(3,085)
Other comprehensive result for the year, net of tax		-	-
Total comprehensive expense for the year		(4,524)	(3,085)

All results in the year ended 31 December 2016 relate to continuing operations.

The notes on pages 13 to 27 are an integral part of these financial statements.

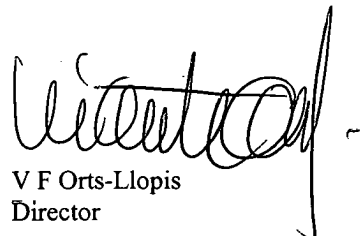
Anti-Waste Limited

Balance sheet As at 31 December 2016

	Note	2016 £'000	2015 £'000
Fixed assets			
Intangible assets	10	583	1,031
Tangible assets	11	7,183	9,967
Investments	12	1	1
		<u>7,767</u>	<u>10,999</u>
Current assets			
Debtors: amounts due within one year	13	11,788	12,817
Debtors: amounts due after more than one year	13	679	683
		<u>12,467</u>	<u>13,500</u>
Creditors: amounts falling due within one year	14	<u>(18,165)</u>	<u>(18,147)</u>
Net current liabilities		<u>(5,698)</u>	<u>(4,647)</u>
Total assets less current liabilities		<u>2,069</u>	<u>6,352</u>
Provisions for liabilities	15	<u>(8,263)</u>	<u>(8,022)</u>
Net liabilities		<u>(6,194)</u>	<u>(1,670)</u>
Capital and reserves			
Called-up share capital	16	8,062	8,062
Share premium account		83	83
Revaluation reserve		1,808	1,861
Profit and loss account		<u>(16,147)</u>	<u>(11,676)</u>
Total shareholder's deficit		<u>(6,194)</u>	<u>(1,670)</u>

The notes on pages 13 to 27 are an integral part of these financial statements.

The financial statements of Anti-Waste Limited, registered number 01569257 were approved by the Board of Directors and authorised for issue on 1 August 2017. They were signed on its behalf by:


V F Orts-Llopis
Director

Anti-Waste Limited

Statement of changes in equity For the year ended 31 December 2016

	Called-up share capital £'000	Share premium account £'000	Revaluation reserve £'000	Profit and loss account £'000	Total £'000
Year ended 31 December 2016					
At 1 January 2016	8,062	83	1,861	(11,676)	(1,670)
Loss for the year	-	-	-	(4,524)	(4,524)
Transfer from revaluation reserve to profit and loss account	-	-	(53)	53	-
Other comprehensive result	-	-	-	-	-
At 31 December 2016	8,062	83	1,808	(16,147)	(6,194)
Year ended 31 December 2015					
At 1 January 2015	8,062	83	1,914	(8,644)	1,415
Loss for the year	-	-	-	(3,085)	(3,085)
Transfer from revaluation reserve to profit and loss account	-	-	(53)	53	-
Other comprehensive result	-	-	-	-	-
At 31 December 2015	8,062	83	1,861	(11,676)	(1,670)

Anti-Waste Limited

Notes to the financial statements For the year ended 31 December 2016

1. Corporate information

Anti-Waste Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the Strategic report.

2. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

General information and basis of accounting

The financial statements have been prepared under the historical cost convention, modified by the revaluation of freehold and leasehold properties, and in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" (FRS 101) issued by the Financial Reporting Council.

The functional and presentational currency of Anti-Waste Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Exemptions for qualifying entities under FRS 101

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- (a) The requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 *Share-based Payment*
- (b) The requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 *Business Combinations*
- (c) The requirements of IFRS 7 *Financial Instruments: Disclosures*
- (d) The requirements of paragraphs 91 to 99 of IFRS 13 *Fair Value Measurement*
- (e) The requirement in paragraph 38 of IAS 1 *Presentation of Financial Statements* to present comparative information in respect of:
 - i. paragraph 79(a)(iv) of IAS 1;
 - ii. paragraph 73(e) of IAS 16 *Property, Plant and Equipment*;
 - iii. paragraph 118(e) of IAS 38 *Intangible Assets*;
- (f) The requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134 to 136 of IAS 1 *Presentation of Financial Statements*
- (g) The requirements of IAS 7 *Statement of Cash Flows*
- (h) The requirements of paragraphs 30 and 31 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*
- (i) The requirements of paragraph 17 of IAS 24 *Related Party Disclosures*
- (j) The requirements in IAS 24 *Related Party Disclosures* to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- (k) The requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 *Impairment of Assets*

Anti-Waste Limited

Notes to the financial statements For the year ended 31 December 2016

2. Accounting policies (continued)

Amendments to IFRSs that are mandatorily effective for the current year

In the current year, the Group has applied a number of amendments to IFRSs issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2016. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

- Annual Improvements to IFRSs 2012 - 2014 Cycle

New international accounting standards and interpretations not yet adopted

At the date of authorisation of these financial statements, the following new or amended IFRS accounting standards and interpretations, which have not yet been adopted by the Group, were in issue but not yet effective (and in some cases had not yet been adopted by the EU):

- IAS 12 (amendment) – Income taxes; Recognition of deferred tax assets for unrealised losses
- IAS 7 (amendment) – Cashflow statements; Disclosure initiative
- IFRS 9 – Financial instruments
- IFRS 15 – Revenue from Contracts with Customers
- IFRS 16 – Leases

Going concern

The Company has net liabilities of £6.2million and net current liabilities of £5.7million, of which £16.6million is due to fellow subsidiary undertakings. Therefore the Directors, having assessed the responses of their enquiries to the immediate parent company, FCC E UK, have reviewed projected cash flows and carefully considered the risks to the Company's trading performance and cash flows, and continue to adopt the going concern basis in preparing the Annual report and financial statements.

Consolidation

The Company has claimed exemption from the preparation of consolidated financial statements under section 400 of the Companies Act 2006 as it is a subsidiary of a group which has prepared consolidated financial statements. Accordingly, these financial statements present information about the Company and not the group.

Goodwill and other intangible assets

In respect of business acquisitions that have occurred since January 2014, goodwill represents the difference between the cost of the business combination and the fair value of the identifiable assets, liabilities and contingent liabilities. Identifiable assets are those which can be sold separately or which arose from legal rights regardless of whether those rights are separable. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill relating to acquisitions is not amortised. Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment.

Anti-Waste Limited

Notes to the financial statements For the year ended 31 December 2016

2. Accounting policies (continued)

Goodwill and other intangible assets (continued)

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Freehold buildings	-	over 25 to 50 years
Freehold landfill sites	-	based on the void used in the period as a proportion of total void
Plant and machinery	-	over 3 to 20 years
Motor vehicles	-	over 4 years

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Expenditure on freehold landfill sites and licence agreements includes engineering costs. Elements of these costs are classified according to their expected economic life and depreciated accordingly in proportion to the rate that waste is deposited. All other assets are depreciated on a straight-line basis.

Investments

Investments in subsidiary undertakings are stated at cost less provision for any impairment in value.

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in comprehensive income as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating unit ("CGU") of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

Anti-Waste Limited

Notes to the financial statements For the year ended 31 December 2016

2. Accounting policies (continued)

Impairment of assets (continued)

Financial assets

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Decommissioning and aftercare costs

Full provision is made for the net present value ("NPV") of the Company's projected costs, in respect of decommissioning liabilities at the Company's landfill sites, which have been capitalised in tangible fixed assets. The Company provides for all projected aftercare costs over the life of its landfill sites, based on the volumes of waste deposited in the year, since liabilities in relation to these costs arise as waste is deposited.

All long term provisions for decommissioning and aftercare costs are calculated based on the NPV of estimated future costs. Current cost estimates are inflated at 2.5% and discounted at 5.0% to calculate the NPV.

Taxation

Turnover, expenses and assets are recognised net of the amount of sales tax except:

- where the sales tax incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- debtors and creditors are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of debtors or creditors in the balance sheet. Tax on the profit or loss for the year comprises current and deferred tax.

Anti-Waste Limited

Notes to the financial statements For the year ended 31 December 2016

2. Accounting policies (continued)

Taxation (continued)

Current tax is the expected tax payable on the taxable surplus for the year using average tax rates in place during the financial year, and any adjustments in respect of previous periods. Income tax relating to items recognised directly in equity is recognised in equity and not in the income statement.

Deferred income tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax is recognised for all temporary differences:

- except where the deferred income tax liability arises from the initial recognition of goodwill, non-tax deductible goodwill amortisation or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit or loss nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Turnover

Turnover, including landfill tax, is stated net of VAT and trade discounts and is recognised when the significant risks and rewards are considered to have been transferred to the buyer. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable. Turnover is recognised in respect of waste disposal services when the waste has been received and disposed of. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

Employee benefits

The Company operates a defined contribution scheme on behalf of its eligible employees. Contributions to the scheme are charged to the profit and loss account for the year in which they are payable. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term, except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Anti-Waste Limited

Notes to the financial statements For the year ended 31 December 2016

2. Accounting policies (continued)

Exceptional items

Exceptional items are defined as material items which derive from events or transactions that fall within the ordinary activities of the company and which individually or, if of a similar type, in aggregate, need to be disclosed by virtue of their size or incidence if the financial statements are to give a true and fair view.

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Provisions – Under environmental legislation and through regulation and planning consents, the Company is obliged to decommission and restore landfill sites to a prescribed standard. The elements included in the decommissioning provision are those projected costs which will be required to close down any given site in compliance with its environmental permit, planning conditions, and contractual and lease requirements. The provision is limited to costs incurred in the immediate closure and decommissioning period.

As well as decommissioning a site, the Company is obliged under its environmental permits and planning permission to manage a site for a period of up to 60 years or until it becomes inactive. As a result, in addition to provisions for decommissioning, the Company also establishes provisions for aftercare. Elements included in the provision are those projected costs which are required to ensure that a landfill site is properly managed in compliance with its environmental permit, planning conditions and lease terms during its closed phase.

In addition to the decommissioning and aftercare provisions, the Company makes provision for other costs relating to regulatory and environmental compliance to be incurred on items such as capping and leachate disposal.

These provisions are based principally on measurement and survey data and some engineering estimates, including cost assumptions. Estimating provisions over long time periods requires a number of assumptions and judgements to be made. Significant reductions in the estimates of the remaining site lives of the landfill sites or significant increases in estimates of decommissioning costs or aftercare costs due to changes in regulatory requirements or estimates could have a substantial impact on the value of the provisions.

An annual inflation rate of 2.5% has been assumed over the period of cost relating to the provisions and the provisions have been discounted at 5.0%.

4. Turnover

Turnover, including landfill tax, was generated in the United Kingdom from the handling, recycling and disposal of waste materials.

Anti-Waste Limited

Notes to the financial statements For the year ended 31 December 2016

5. Loss on ordinary activities before taxation

Loss on ordinary activities before taxation is stated after charging/(crediting):

	2016 £'000	2015 £'000
Depreciation of tangible fixed assets - owned	3,557	3,772
Impairment of tangible fixed assets	1,609	819
Impairment of intangible assets	448	-
(Profit)/ Loss on disposal of tangible fixed assets	(1)	14
Operating lease rentals	546	417
(Decrease)/increase in environmental provisions on revision of estimate of future costs (included within provisions charge)	(133)	903

Auditor's remuneration in respect of audit fees totalling £5,000 (2015: £5,000) has been met by FCC Recycling (UK) Limited, a fellow subsidiary undertaking of FCC E UK.

In accordance with SI 2008/489 the Company has not disclosed the fees payable to the Company's auditor for 'Other services' as this information is included in the consolidated financial statements of FCC E UK.

6. Staff costs

The average monthly number of employees (including executive directors) employed by the Company during the year was:

	2016 Number	2015 Number
Operational	49	46

Their aggregate remuneration comprised:

	2016 £'000	2015 £'000
Wages and salaries	1,277	1,125
Social security costs	122	108
Other pension costs (see note 18)	28	25
	1,427	1,258

Anti-Waste Limited

Notes to the financial statements For the year ended 31 December 2016

7. Directors' remuneration and transactions

None of the Directors received any remuneration or other benefits in respect of services to the Company during the year ended 31 December 2016 or the previous financial year.

They are all remunerated as directors or employees of FCC E UK for services to the Group as a whole and as such it is not possible to directly attribute any element of their remuneration to services as a director of this Company.

8. Interest payable and similar charges

	2016 £'000	2015 £'000
Unwinding of discount (note 15)	294	250

9. Tax on loss on ordinary activities

The tax position comprises:

	2016 £'000	2015 £'000
Current tax		
United Kingdom corporation tax at 20.00% (2015: 20.25%) based on loss for the year	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	-	-
Total deferred tax (see note 15)	-	-
Tax on loss on ordinary activities	-	-

Finance Act 2016, which was substantively enacted in September 2016, included provisions to reduce the rate of corporation tax to 19% with effect from 1 April 2017 and 17% from 1 April 2020.

Anti-Waste Limited

Notes to the financial statements For the year ended 31 December 2016

9. Tax on loss on ordinary activities (continued)

The total tax position for both the current and previous year differs from the average standard rate of 20.00% (2015: 20.25%) for the reasons set out in the following reconciliation:

	2016 £'000	2015 £'000
Loss on ordinary activities before tax	(4,524)	(3,085)
Tax on loss on ordinary activities at average standard rate	(905)	(625)
Effects of:		
Items not deductible for tax	(98)	526
Group relief surrendered	1,003	99
Total tax position	-	-

10. Intangible fixed assets

	Goodwill £'000
Cost	
At 1 January 2016 and at 31 December 2016	1,031
Impairment	
At 1 January 2016	-
Impairment charge	448
At 31 December 2015	448
Net book value	
At 31 December 2016	583
At 31 December 2015	1,031

Goodwill is tested at least annually for impairment in accordance with IAS 36 Impairment of assets. In considering whether a goodwill impairment charge is required, the carrying value of the cash-generating units ("CGUs"), or groups of CGUs, is compared with the recoverable amount of the CGUs which is determined based on value in use calculations.

These calculations use business valuations where available and where not, pre-tax cash flow projections to the end of site lives based on budgets and mid-term forecasts, which reflect past experience and management's future expectations. Cash flows have been projected based on budgets and forecasts over a period of ten years, beyond which a nil growth rate has been assumed. A period of ten years has been used because a significant proportion of the Group's revenue comes from contracted business with municipal customers, with predictable cash flows. The rates do not exceed the average long term growth rate for the relevant markets.

Anti-Waste Limited

Notes to the financial statements For the year ended 31 December 2016

10. Intangible fixed assets (continued)

The budgets and forecasts are detailed on a market by market forecast of projected volumes, prices and costs. These forecasts reflect on an individual site by site basis, numerous assumptions and estimates. The key assumptions include market size and volumes, recycle prices, gate fees and the future level of landfill tax. Management has assigned the value to each assumption based on historical experience, industry analysis and current legislation.

Management estimates discount rates that reflect current market assessments of the time value of money and the risk specific to the CGUs of 4.4% (2015: 5.7%). The growth rates are based on industry growth forecasts and longer term, on gross domestic product.

The impairment charge arose in a subsidiary company CGU amounting to £0.4million following the earlier than expected closure of the Group's landfill assets which is a result of a significant and sustained decline in the quantity and quality of active waste landfilled in the UK and the move towards recycling and recovery. Following this, the Group reassessed the carrying amounts of its property, plant and equipment, further information on which can be found in note 11.

11. Tangible fixed assets

	Landfill sites £'000	Other freehold properties £'000	Plant and machinery £'000	Motor vehicles £'000	Total £'000
Cost or valuation					
At 1 January 2016	59,903	16,962	1,839	9	78,713
Additions	1,413	694	275	-	2,382
Disposals	-	-	(45)	-	(45)
Transfers	-	-	(9)	(4)	(13)
At 31 December 2016	61,316	17,656	2,060	5	81,037
Depreciation					
At 1 January 2016	56,294	11,295	1,148	9	68,746
Charge for the year	2524	828	205	-	3,557
Impairment charge	1,609	-	-	-	1,609
Disposals	-	-	(45)	-	(45)
Transfers	-	-	(9)	(4)	(13)
At 31 December 2016	60,427	12,123	1,299	5	73,854
Net book value					
At 31 December 2016	889	5,533	761	-	7,183
At 31 December 2015	3,609	5,667	691	-	9,967

Anti-Waste Limited

Notes to the financial statements For the year ended 31 December 2016

11. Tangible fixed assets (continued)

The CGUs of the Company comprise individual sites which constitute the smallest identifiable group of assets that generate inflows that are largely independent of the cash inflows from other assets or groups of assets. The carrying value of the individual sites is compared to the recoverable amount of the CGUs, which is based predominantly on value in use. The cash flow forecasts have been projected on a life of site basis applying growth rates based on assumptions which include market size and volumes, recyclate prices, gate fees and the future level of landfill tax. For certain CGUs the recoverable amount is determined by reference to the fair value less costs to sell of the underlying assets using internal and external valuations of property, plant and equipment and management's estimate of disposal costs.

Management estimate discount rates that reflect current market assessments of the time value of money and the risk specific to the CGUs of 4.4% (2015: 5.7%). The growth rates are based on industry growth forecasts and longer term, on gross domestic product.

An impairment loss of £1,609,000 (2015: £819,000) has been recognised in the year on assets in the landfill sites category. This reflects the earlier than expected closure of the Group's landfill assets which is a result of a significant and sustained decline in the quantity and quality of active waste landfilled in the UK and the move towards recycling and recovery. This has been measured by reference to the value in use of the underlying assets.

12. Fixed asset investments

The Company has investments in the following subsidiary undertakings:

	Country of incorporation or principal business address	Principal activity	Holding	%
Subsidiary undertakings:				
FCC Environmental Services Limited	England and Wales	Dormant	Ordinary share capital	100%
Anti-Waste (Restoration) Limited	England and Wales	Restoration and monitoring Services	Ordinary share capital	100%

Subsidiary undertakings

	2016 £'000	2015 £'000
Cost and net book value		
Investment in subsidiary undertaking	<u>1</u>	<u>1</u>

The address of the registered office of all subsidiaries is the same as the parent company.

Anti-Waste Limited

Notes to the financial statements For the year ended 31 December 2016

13. Debtors

	2016 £'000	2015 £'000
<i>Amounts falling due within one year:</i>		
Trade debtors	874	631
Amounts due from fellow subsidiary undertakings	10,911	11,999
Other debtors and prepayments	3	187
	<u>11,788</u>	<u>12,817</u>
<i>Amounts falling due after more than one year:</i>		
Amounts prepaid to fellow subsidiary undertaking	679	683
	<u>679</u>	<u>683</u>
	<u>12,467</u>	<u>13,500</u>

Amounts due from fellow subsidiary undertakings within one year are unsecured, interest free and are repayable on demand.

14. Creditors: amounts falling due within one year

	2016 £'000	2015 £'000
Trade creditors	291	521
Amounts owed to fellow subsidiary undertakings	16,564	16,564
Accruals and deferred income	1,310	1,062
	<u>18,165</u>	<u>18,147</u>

Amounts owed to fellow subsidiary undertakings are unsecured, interest free and are repayable on demand.

15. Provisions for liabilities

	Other provisions £'000	Decomm- issioning £'000	Landfill aftercare £'000	Total £'000
At 1 January 2016	2,255	877	4,890	8,022
Charged/(credited) to profit and loss account	1,092	57	(68)	1,081
New provisions capitalised in tangible fixed assets	515	40	-	555
Unwinding of discount (note 8)	1	44	249	294
Expended in year	(1,495)	(25)	(169)	(1,689)
At 31 December 2016	<u>2,368</u>	<u>993</u>	<u>4,902</u>	<u>8,263</u>

Anti-Waste Limited

Notes to the financial statements For the year ended 31 December 2016

15. Provisions for liabilities (continued)

Decommissioning and landfill aftercare

The Group provides for the estimated cost of decommissioning its landfill sites at the end of their operational life and for their subsequent aftercare. The aftercare period is generally expected to be 60 years and expenditure will be incurred throughout this 60 year period. These provisions are discounted at a rate of 5% from the date on which the expenditure is expected to occur. These provisions by their nature require a significant degree of estimation and hence there is a degree of uncertainty with regards to the timing and amount of outflows of economic benefit.

Other provisions

Other provisions include the estimated cost of discharging environmental liabilities, including current capping of open landfill areas and the disposal of leachate, which arise during the operational phase of its landfill sites. Capping expenditure occurs as landfill cells are completed, whilst expenditure on the disposal of leachate occurs throughout the lifecycle of a landfill site.

Deferred tax

Deferred tax is provided as follows:

	Unprovided	
	2016	2015
	£'000	£'000
Depreciation in excess of capital allowances	(192)	(734)
Short term timing differences	(92)	(35)
	<u>(284)</u>	<u>(769)</u>

The Company has unprovided deferred tax assets as there is insufficient certainty as to whether events will materialise to crystallise the deferred tax.

16. Called-up share capital and reserves

	2016	2015
	£'000	£'000
Allotted, called-up and fully-paid		
8,061,500 ordinary shares of £1 each	8,062	8,062

Share Premium Account

The share premium reserve comprises the excess proceeds above the nominal amount of share capital on issue of equity shares. Direct issue costs are netted off the share premium account.

Revaluation Reserve

The revaluation reserve comprises the surplus created when assets are revalued.

Profit and loss account

Profit and loss account comprises cumulative profits or losses, including unrealised profits or losses recognised in the statement of comprehensive income and expense.

Anti-Waste Limited

Notes to the financial statements For the year ended 31 December 2016

17. Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2016 £'000	2015 £'000
Not later than one year	56	39
Later than one year and not later than five years	86	52
Later than five years	15	16
	<u>157</u>	<u>107</u>

18. Retirement benefit schemes

The Company participates in the defined contribution scheme operated by FCC E UK on behalf of its eligible employees. The assets of the scheme are held separately from those of the Company in independently administered funds.

The contributions made by the Company under the scheme during the year were as follows:

	2016 £'000	2015 £'000
Defined contribution schemes	<u>28</u>	<u>25</u>

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

19. Contingent liabilities

- The Company is a member of a group VAT registration and as such has contingent liabilities for VAT in respect of other members of the Group.
- On 22 January 2014, the Company was a party to the refinancing of Azincourt Investment S.L. ("Azincourt") and its subsidiary companies. Azincourt was the company used by Fomento de Construcciones y Contratas, S.A. for the acquisition of the Group and its subsidiary undertakings including the Company. Under the re-financing, the Group has granted legal mortgages (or the relevant Scottish equivalent) over specified real property, fixed charges over certain assets, fixed charges or share pledges over investments in addition to assigning certain of its insurance policies and interests in hedging arrangements. The Group has granted floating charges over all present and future undertakings not already charged pursuant to any of the above. Additionally, the Group has granted fixed and floating charges over certain assets as security under an Asset Backed Lending Facility.
- The Group must comply with the Environment Agency's financial provisioning requirements for its landfill sites in England and Wales, which is satisfied by providing financial security bonds. The total value of the bonds issued for this financial provisioning requirement at 31 December 2016 was £102.7million (2015: £102.4million) of which £6.4million (2015: £6.4million) related to the Company.
- At 31 December 2016, the Company was party to further performance bonds totalling £0.1million (2015: £0.1million) in favour of various municipal authorities and others.

Anti-Waste Limited

Notes to the financial statements For the year ended 31 December 2016

20. Related party transactions

The Directors regard all subsidiaries of FCC as related parties. In the ordinary course of business, the Company has traded with fellow subsidiaries of FCC.

Under FRS 101, the Company is exempt from disclosing related party transactions with other wholly owned subsidiaries of FCC.

21. Controlling party

The immediate parent of the Company is FCC Environment (UK) Limited, a company registered in England and Wales.

The Directors regard Fomento de Construcciones y Contratas, S.A., a company registered in Spain, as the ultimate parent company and controlling party.

Fomento de Construcciones y Contratas, S.A. is the parent company of the largest group of which the Company is a member and for which group financial statements are drawn up. FCC Environment (UK) Limited is the parent company of the smallest group of which the Company is a member and for which group financial statements are drawn up. Copies of the financial statements of both FCC Environment (UK) Limited and Fomento de Construcciones y Contratas, S.A. are available from the Company Secretary, Ground Floor West, 900 Pavilion Drive, Northampton Business Park, Northampton, NN4 7RG.