
SAFEWASTE LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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SAFEWASTE LIMITED

COMPANY INFORMATION

Directors P B Griffin-Smith
M N Robinson

Company secretary P B Griffin-Smith

Registered number 02485860

Registered office Dunedin House
Auckland Park
Mount Farm
Milton Keynes
Buckinghamshire
MK1 1BU

Independent auditor BDO LLP
55 Baker St
London
W1U 7EU

SAFEWASTE LIMITED

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SAFEWASTE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Directors present their report and the financial statements for the year ended 31 March 2021.

Business review

The principal activities of the Company were the operation of landfill sites, recycling and the provision of skip hire services until 2007. The Company now functions to meet its obligations for the aftercare of its closed landfill site and leases a part of its land to a third party.

Results and dividends

The profit for the year, after taxation, amounted to £49,000 (2020: £27,000).

The Directors do not recommend payment of a final dividend (2020: £nil).

Key performance indicators

Given the straightforward nature of the business following the discontinuance of the Company's principal activity, the Directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the company.

Principal risks and uncertainties

The Company is a wholly-owned subsidiary of Renewi plc. Risks are managed at a group level in accordance with the risk management framework of Renewi plc. The principal risks and uncertainties of Renewi plc are discussed in its Annual Report and Accounts for the year ended 31 March 2021.

Financial risk management

A discussion of the objectives and policies employed in managing risk and the Company's use of financial instruments can be found in the Renewi plc Annual Report and Accounts for the year ended 31 March 2021.

Directors

The Directors who served during the year were:

P B Griffin-Smith
M N Robinson

Going Concern

The Directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company, Renewi plc. The Directors have received confirmation that Renewi plc intend to support the Company for at least one year after these financial statements are signed.

Statement of disclosure of information to independent auditors

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

SAFEWASTE LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Directors' responsibilities statement

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to 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.

Small companies note

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 17 December 2021 and signed on its behalf.



P B Griffin-Smith
Director

SAFEWASTE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SAFEWASTE LIMITED

Opinion on the 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 March 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Safewaste Limited ("the Company") for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including a summary of 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 101 'Reduced Disclosure Framework'.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the 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.

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 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 Directors are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements other than the financial statements and our auditor's report thereon. 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

SAFEWASTE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SAFEWASTE LIMITED (CONTINUED)

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.

Other Companies Act 2006 reporting

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

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has 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 Company and its environment obtained in the course of the audit, we have not identified material misstatements in 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

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 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 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.

Extent to which the audit was capable of detecting irregularities, including fraud

SAFEWASTE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SAFEWASTE LIMITED (CONTINUED)

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Company, we considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006 and UK tax requirements. The Company is also subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls, and determined that the principal risks were related to posting inappropriate journal entries. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud; and
- Evaluating management's controls designed to prevent and detect irregularities; and
- Testing a sample of manual journal entries based on a set of risk criteria.

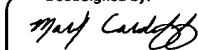
Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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.

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.

DocuSigned by:



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Mark Cardiff (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor

London, UK

Date 17 December 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

SAFEWASTE LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	2021 £000	Restated* 2020 £000
Other operating income	4	75	74
Administrative expenses	4	-	(31)
Operating profit	4	75	43
Finance expenses	7	(17)	(22)
Profit before taxation		58	21
Tax on profit	8	(9)	6
Profit for the financial year		49	27
Total comprehensive income for the year		49	27

The notes on pages 9 to 15 form part of these financial statements.

*Other operating income in the year ended 31 March 2020 has been restated. Further information in relation to this restatement is provided in note 2.2.

SAFEWASTE LIMITED
REGISTERED NUMBER: 02485860

BALANCE SHEET
AS AT 31 MARCH 2021

		2021 £000	Restated* 2020 £000
Non-current assets	Note		
Property, plant and equipment	9	-	-
		-	-
Current assets			
Trade and other receivables	10	1,482	1,434
		1,482	1,434
Current liabilities			
Trade and other payables	11	(14)	(6)
Provisions	12	(40)	(33)
Net current assets		1,428	1,395
Total assets less current liabilities		1,428	1,395
Non-current liabilities			
Provisions	12	(503)	(519)
		925	876
Net assets		925	876
Equity			
Share capital	13	-	-
Retained earnings		925	876
		925	876

*The prior year amounts owed by parent undertaking balance and retained earnings have been restated. Further information in relation to this restatement is provided in note 2.2.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 17 December 2021.



P B Griffin-Smith
Director

The notes on pages 9 to 15 form part of these financial statements.

SAFEWASTE LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021**

	Share capital £000	Retained earnings* £000	Total equity £000
At 1 April 2019 (as previously stated)	-	283	283
Prior year adjustment	-	566	566
At 1 April 2019 (as restated)	-	849	849
Total comprehensive income for the year			
Profit for the financial year (restated)	-	27	27
Total comprehensive income for the year	-	27	27
At 31 March 2020	-	876	876
Total comprehensive income for the year			
Profit for the financial year	-	49	49
Total comprehensive income for the year	-	49	49
At 31 March 2021	-	925	925

The notes on pages 9 to 15 form part of these financial statements.

*Retained earnings as at 1 April 2019 have been restated. Further information in relation to this restatement is provided in note 2.2.

SAFEWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. General information

Safewaste Limited (the "Company") is a private Company limited by shares, incorporated and domiciled in the United Kingdom. The address of the registered office is given in Company information.

The Company's ultimate parent undertaking, Renewi plc, includes the Company in its consolidated financial statements. The consolidated financial statements of Renewi plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Dunedin House, Auckland Park, Milton Keynes, Buckinghamshire, MK1 1BU.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared on the historical cost basis in accordance with applicable law, the Companies Act 2006 and Financial Reporting Standard 101 'Reduced Disclosure Framework (FRS 101)'. The presentation currency of these financial statements is sterling and all amounts have been rounded to the nearest £1,000.

The Company is a qualifying entity and has applied the following disclosure exemptions in the preparation of the financial statements under FRS 101:

- a Cash Flow Statement and related notes;
- disclosures in respect of related party transactions;
- disclosures in respect of capital management;
- disclosures in respect of financial instruments under IFRS 7; and
- the effects of new but not yet effective IFRSs;

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the Directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 3.

2.2 Restatement due to prior year adjustments

In preparing these financial statements, management have identified the following error relating to previous years and accordingly prior year adjustment has been made.

The Company earns annual rent by leasing land to a third party and the cash is received by its parent undertaking on behalf of the Company. The amount received by its parent undertaking since the commencement of the arrangement was not accounted for by the Company. To correct this error, brought forward retained earnings as at 1 April 2019 have been increased by £566,000 and an intercompany receivable from its parent undertaking has been recognised for the same amount.

In the year ended 31 March 2020, rental income of £74,000 and an intercompany receivable from its parent undertaking has been recognised.

2.3 Going concern

The financial statements are prepared on a going concern basis, as it is the intention of Renewi plc to take steps to make arrangements for present, future or contingent obligations of the Company, to be met for the foreseeable future.

SAFEWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.4 Other operating income

The Company leases a part of its land to a third party and recognises it as other operating income over the term of the lease.

2.5 Finance expenses

Finance expenses comprise the unwinding of discounts on provisions held. Interest expense is recognised on an accruals basis in profit or loss.

2.6 Provisions

Provisions are recognised where there is a present legal or constructive obligation as a result of a past event and 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 effect of the time value of money is material the value of a provision is the present value of the expenditures expected to be required to settle the obligation. A discount is applied to recognise the time value of money and is unwound over the life of the provision. The discount rates are reviewed at each year end with consideration given to market rates and whether they are an appropriate proxy for a risk-free rate. The unwinding of the discount to present value is included within finance costs.

Aftercare provision

Aftercare provision is recognised at the net present value (NPV) of the estimated future expenditure required to settle the Company's aftercare obligations at its landfill site. Provision is made for the NPV of post closure costs (aftercare) as the aftercare liability arises.

Post closure of landfill site, including items such as monitoring, gas and leachate management and licensing, have been estimated by management based on the current best practice and technology available. These costs may be impacted by a number of factors including changes in legislation and technology. The dates of payments of these aftercare costs are uncertain but are anticipated to be over a period of approximately 30 years from closure of the relevant landfill site.

2.7 Taxation

Current tax

Current tax is based on taxable profit or loss for the year. Taxable profit differs from profit before tax in the profit or loss because it excludes items of income or expense that are taxable or deductible in other years or that are never taxable or deductible. The asset or liability for current tax is calculated using tax rates and laws that have been enacted, or substantively enacted, at the balance sheet date.

2.8 Financial instruments

Trade payables

Trade payables are not interest bearing and are stated initially at fair value and subsequently held at amortised cost.

SAFEWASTE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements in accordance with FRS 101 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The areas involving a higher degree of judgement or complexity are set out below and in more detail in the related notes.

Provisions

Aftercare provisions are recognised in the financial statements at the net present value of the estimated future expenditure required to settle the Company's restoration and aftercare provisions. A discount is applied to recognise the time value of money and is unwound over the life of the provision.

4. Operating profit

The operating profit is stated after crediting/(charging):

	2021 £000	Restated* 2020 £000
Other operating income	75	74
Change in discount rate of aftercare provision	-	(31)

Audit fees of £1,000 (2020: £1,000) was borne by parent undertaking.

*Other operating income in the year ended 31 March 2020 has been restated. Further information in relation to this restatement is provided in note 2.2.

5. Staff numbers and employee information

There were no employees of the Company in the year (2020: nil). The Company's parent undertaking, Renewi UK Services Limited, was contracted to provide management and administrative support to the Company.

6. Directors' emoluments

The Directors were not remunerated for their services to the Company in the current or prior year, neither did the Directors accrue any retirement benefits in respect of service to the Company (2020: £nil). None of the emoluments paid to the Directors by the other group companies related to services provided to the Company (2020: £nil).

SAFEWASTE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

7. Finance expenses

	2021 £000	2020 £000
Unwinding of discount on provisions	17	22
Finance charges	17	22

8. Taxation

	2021 £000	2020 £000
Current tax		
Current tax	(9)	(2)
Adjustments in respect of prior year	-	8
Total current tax (charge)/credit	(9)	6

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020: lower than) the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are explained below:

	2021 £000	Restated* 2020 £000
Profit on ordinary activities before tax	58	21
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	11	4
Effects of:		
Adjustments in respect of prior year	-	8
Other permanent differences	(20)	(6)
Total tax (charge)/credit for the year	(9)	6

*Tax note has been restated. Further information in relation to this restatement is provided in note 2.2.

SAFEWASTE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

8. Taxation (continued)**Factors that may affect future tax charges**

The rate of UK corporation tax changed from 20% to 19% on 1 April 2017 and legislation was included in Finance Act 2016 to reduce the rate to 17% from 1 April 2020. However, it was announced in the Chancellor's budget of 11 March 2020 that the rate will remain at 19% and this was substantively enacted on 17 March 2020. Furthermore, in the Chancellor's Budget of 3 March 2021 it was announced that the rate will increase to 25% with effect from 1 April 2023. This measure had not been substantively enacted at the balance sheet date.

9. Property, plant and equipment

	Landfill sites £000
Cost or valuation	
At 1 April 2020	393
At 31 March 2021	393
Accumulated Depreciation	
At 1 April 2020	393
At 31 March 2021	393
Net book value	
At 31 March 2021	-
At 31 March 2020	-

10. Trade and other receivables

	2021 £000	Restated* 2020 £000
Amount owed by parent undertakings	1,482	1,434
	1,482	1,434

SAFEWASTE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

10. Trade and other receivables (continued)

Amount owed by parent undertaking is repayable on demand, unsecured and interest free.

*The prior year Amount owed by parent undertakings has been restated. Further information in relation to this restatement is provided in note 2.2.

11. Trade and other payables

	2021 £000	2020 £000
Trade payables	2	4
Corporation tax	12	2
	14	6

12. Provisions

	Aftercare £000
At 1 April 2020	552
Finance charges - unwinding of discount	17
Utilised in year	(26)
At 31 March 2021	543

SAFEWASTE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

12. Provisions (continued)

	2021 £000	2020 £000
Current	40	33
Non-current	503	519
	<u>543</u>	<u>552</u>
At 31 March		

Aftercare provision

The Company's minimum unavoidable costs have been reassessed at the year end and the net present value fully provided for. Aftercare provision covers post-closure costs of landfill site which includes such items as monitoring, gas and leachate management and licensing. The dates of payments of these aftercare costs are uncertain but are anticipated to be over a period of at least 30 years from closure of the relevant landfill site. All aftercare costs have been estimated by management based on current best practice and technology available and may be impacted by a number of factors including changes in legislation and technology.

13. Share capital

	2021 £000	2020 £000
Allotted, called up and fully paid		
1 (2020: 1) ordinary share of £1	-	-
	<u>-</u>	<u>-</u>

14. Ultimate parent company and controlling party

The Company's immediate parent company is Renewi UK Services Limited, a company registered in England and Wales. The Company's ultimate parent and ultimate controlling company is Renewi plc, a company incorporated in Scotland. Renewi plc is the only company to consolidate the Company's financial statements. The consolidated financial statements of Renewi plc can be obtained from the Company Secretary, Renewi plc, Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire, MK1 1BU.