

RENEWI FINANCIAL MANAGEMENT LIMITED (previously Shanks Financial Management Limited)

Registered number 5365983

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2018

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RENEWI FINANCIAL MANAGEMENT LIMITED

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RENEWI FINANCIAL MANAGEMENT LIMITED
Registered in England number 5365983

DIRECTORS' REPORT

The Directors present their report and the audited financial statements of the Company for the year ended 31 March 2018.

Business review and principal activities

On 9 October 2017 the Company changed its name from Shanks Financial Management Limited to Renewi Financial Management Limited.

The principal activity of the Company is that of a financial management investment company.

The profit before taxation for the year was £3,394,568 (2017: £3,691,093). The Directors do not recommend payment of a final dividend (2017: £nil). The profit for the year was £2,749,601 (2017: £2,952,874).

Principal risks and uncertainties

The Company's ultimate controlling parent is Renewi plc. Risks are managed at a local 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 2018.

Key performance indicators

Given the straightforward nature of the business, 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.

Future developments

The Directors do not anticipate any significant changes for the coming year in respect of the position and activities of the Company.

Directors

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

P G Dilnot
T R Woolrych

RENEWI FINANCIAL MANAGEMENT LIMITED

Registered in England number 5365983

DIRECTORS' REPORT - continued

Statement of directors' responsibilities in respect of the financial statements

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

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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.

The directors 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.

In the case of each director in office at the date the Directors' Report is approved:

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

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

On behalf of the board



T R Woolrych
Director
13 July 2018

Registered office

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

RENEWI FINANCIAL MANAGEMENT LIMITED
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RENEWI FINANCIAL MANAGEMENT LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, Renewi Financial Management Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Report and Financial statements (the "Annual Report"), which comprise: the balance sheet as at 31 March 2018; the income statement, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' 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 remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

RENEWI FINANCIAL MANAGEMENT LIMITED
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RENEWI FINANCIAL MANAGEMENT LIMITED - continued

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 March 2018 is consistent with the financial statements and has 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 did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities set out on page 2, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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

RENEWI FINANCIAL MANAGEMENT LIMITED
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RENEWI FINANCIAL MANAGEMENT LIMITED - continued

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Matthew Mullins (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

13 July 2018

RENEWI FINANCIAL MANAGEMENT LIMITED
REGISTERED IN ENGLAND NUMBER 5365983

INCOME STATEMENT
For the year ended 31 March 2018

	Note	2018 £'000	2017 £'000
Finance income	4	3,394	3,691
Profit before taxation		<u>3,394</u>	<u>3,691</u>
Taxation	5	(645)	(738)
Profit for the year		<u>2,749</u>	<u>2,953</u>
Other comprehensive income for the year		-	-
Total comprehensive income for the year		<u><u>2,749</u></u>	<u><u>2,953</u></u>

All the activities of the Company relate to continuing operations.

The notes on pages 9 to 12 form an integral part of these financial statements.


RENEWI FINANCIAL MANAGEMENT LIMITED
REGISTERED IN ENGLAND NUMBER 5365983

BALANCE SHEET
As at 31 March 2018

	Note	2018 £'000	2017 £'000
Assets			
Current assets			
Trade and other receivables	6	154,981	152,325
Total assets		<u>154,981</u>	<u>152,325</u>
Liabilities			
Current liabilities			
Current tax payable		(645)	(738)
Total liabilities		<u>(645)</u>	<u>(738)</u>
Net assets		<u>154,336</u>	<u>151,587</u>
Equity			
Share capital	7	129,196	129,196
Retained earnings		25,140	22,391
Total equity		<u>154,336</u>	<u>151,587</u>

The notes on pages 9 to 12 form an integral part of these financial statements.

The financial statements on pages 6 to 12 were approved by the Board of Directors on 13 July 2018 and were signed on its behalf by:


T R Woolrych
Director

RENEWI FINANCIAL MANAGEMENT LIMITED
REGISTERED IN ENGLAND NUMBER 5365983

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 March 2018

	Share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1 April 2016	129,196	19,438	148,634
Profit for the year	-	2,953	2,953
Total comprehensive income for the year	-	2,953	2,953
Balance at 31 March 2017	129,196	22,391	151,587
Balance at 1 April 2017	129,196	22,391	151,587
Profit for the year	-	2,749	2,749
Total comprehensive income for the year	-	2,749	2,749
Balance at 31 March 2018	129,196	25,140	154,336

The notes on pages 9 to 12 form an integral part of these financial statements.

RENEWI FINANCIAL MANAGEMENT LIMITED
Registered in England number 5365983

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2018

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements, except where noted.

General information

Renewi Financial Management Limited (the "Company") is a private limited company incorporated and domiciled in the UK. The address of the registered office is given in the Directors' Report.

Basis of preparation

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 accounting policies described below have been applied in preparing the financial statements for the year ended 31 March 2018, and the comparative information for the year ended 31 March 2017.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006.

The Company has applied the following disclosure exemptions from the requirements of IFRS in preparation of the financial statements under FRS 101:

- A Cash Flow Statement and related notes
- Disclosures in respect of related party transactions for wholly owned subsidiaries within a group
- Disclosures in respect of capital management
- Disclosures in respect of financial instruments under IFRS 7
- The effects of new but not yet effective IFRSs

New standards, amendments and interpretations

There were no new standards, amendments to standards or interpretations adopted for the first time for the Company's financial year beginning 1 April 2017 that had a significant impact on these financial statements.

RENEWI FINANCIAL MANAGEMENT LIMITED

Registered in England number 5365983

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2018 - continued

1 Accounting policies - continued

Going concern

After making enquiries, the Directors have formed the view, at the time of approving the financial statements, that the Company has adequate resources to continue in operational existence for the foreseeable future and that the Company's business is a going concern. For this reason the Directors continue to adopt the going concern basis in preparing the financial statements.

Finance income

Finance income comprises interest receivable on intercompany loans and is recognised using the effective interest method.

Dividends

Dividend income is recognised when the right to receive payment is established.

Dividend distributions to the Company's shareholder are recognised as a liability in the Company's financial statements in the year in which they are approved.

Taxation

Current tax

Current tax is based on taxable profit or loss for the year. Taxable profit differs from profit before tax in the Income Statement 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.

Financial instruments

Other receivables and other payables

Other receivables and other payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

2 Segmental reporting

The Company acts as an investment company and operates solely in the United Kingdom.

3 Company status

Audit costs have been borne by the ultimate parent company. There were no employees of the Company in the year (2017: nil). The Directors were not remunerated for their services to the Company, neither did the Directors accrue any retirement benefits in respect of service to the Company. None of the emoluments paid to the Directors by the other group companies during the year related to services given to the Company. The services to this Company were of negligible value.

RENEWI FINANCIAL MANAGEMENT LIMITED
Registered in England number 5365983

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2018 - continued

4 Finance income

	2018 £'000	2017 £'000
Intercompany interest receivable	<u>3,394</u>	<u>3,691</u>

5 Taxation

The tax charge based on the profit for the year is made up as follows:

	2018 £'000	2017 £'000
UK corporation tax		
Current tax on profit for the year	645	738
Tax charge for the year	<u>645</u>	<u>738</u>

The tax on the Company's profit for the year is consistent with the UK standard tax rate of 19% (2017: 20%) as explained below:

	2018 £'000	2017 £'000
Profit before taxation	3,394	3,691
Tax using the UK corporation tax rate of 19% (2017: 20%)	<u>645</u>	<u>738</u>

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2016 (on 7 September 2016). This includes a reduction in the main corporation tax rate to reduce the rate from 19% to 17% by 1 April 2020.

6 Trade and other receivables

	2018 £'000	2017 £'000
Amounts owed by group undertakings	<u>154,981</u>	<u>152,325</u>

Amounts owed by group undertakings include an unsecured on demand loan of £135,979,928 which bears interest at 1 month libor plus margin of 2.15%. The remaining amounts owed by group undertakings are unsecured, on demand and interest free.

RENEWI FINANCIAL MANAGEMENT LIMITED
Registered in England number 5365983

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2018 - continued

7 Share capital

	2018 £'000	2017 £'000
Allotted, called up and fully paid: 129,195,946 (2017: 129,195,946) ordinary shares at £1 each	<u>129,196</u>	<u>129,196</u>

8 Contingent liabilities

The Company has given an unlimited guarantee in respect of the Group's retail bonds totalling £175,284,838 (2017: £171,027,878).

In respect of contractual liabilities, the Company, along with other fellow group undertakings, has given guarantees and entered into counter indemnities of bonds and guarantees given on their behalf by sureties and banks totalling £15,124,122 (2017: £31,284,737).

The Company is a member of a HMRC Group VAT registration and as at 31 March 2018 the contingent liability under this registration was of £771,055 (2017: £178,737).

9 Controlling parties

The Company's immediate parent company is Renewi Valorisation & Quarry SA (formerly Shanks Valorisation & Quarry SA), a company registered in Belgium. 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.