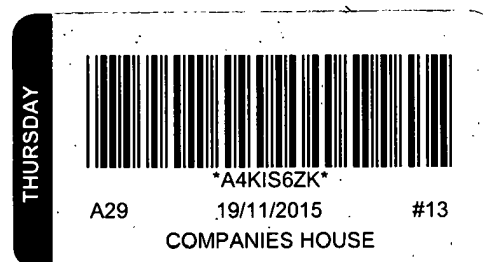


Financial Statements Premier Waste Recycling Limited

For the year ended 31 July 2015



Registered number: 07566881

Company Information

Directors

H W Martin
K Martin
N C Faulconbridge
M J Faulconbridge

Registered number

07566881

Registered office

Fordbridge Lane
Blackwell
ALFRETON
Derbyshire
DE55 5JY

Independent auditor

Grant Thornton UK LLP
Chartered Accountants & Statutory Auditor
2 Broadfield Court
SHEFFIELD
South Yorkshire
S8 0XF

Bankers

Barclays Bank PLC
Derby Business Centre
PO Box 493
Sir Frank Whittle Road
DERBY
DE1 9UU

Contents

	Page
Directors' report	1 - 2
Strategic report	3 - 4
Independent auditor's report	5 - 6
Profit and loss account	7
Balance sheet	8
Notes to the financial statements	9 - 16

Directors' Report

For the year ended 31 July 2015

The directors present their report and the audited financial statements for the year ended 31 July 2015.

Principal activities

The principal activities of Premier Waste Recycling Limited (the Company) are as follows:

- The collection, disposal and management of commercial waste and recyclable materials.
- The provision of waste and recyclable material containers.

Results

The profit for the year, after taxation, amounted to £523,582 (2014: £405,486).

The directors have not recommended payment of a dividend.

Directors

The directors who served during the year were:

H W Martin
K Martin
N C Faulconbridge
M J Faulconbridge

Directors' responsibilities statement

Grant Thornton UK LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006. The directors are responsible for preparing the Strategic report, 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 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.

Directors' Report

For the year ended 31 July 2015

Disclosure of information to auditor

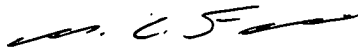
Each of the persons who is a director at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- that 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.

Auditor

Grant Thornton UK LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

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



N C Faulconbridge
Director

Date: 18 November 2015

Strategic Report

For the year ended 31 July 2015

The directors present their Strategic report for the year ended 31 July 2015.

Business review

Further run-off's of liabilities arising from asset based finance agreements (entered into by the previous owners of those assets and purchased by the Company in 2011) have boosted profitability and provided the opportunity to invest in a renewal program of the vehicle fleet.

Continuity of a similar or increased level of business activity will be provided by the existing client base and, in particular, a recently procured two year contract to service the waste disposal requirements of the premises of a national retail organisation. Commercial risk continues to be reduced by further rationalisation of the customer base.

Business opportunities' continue to arise from the Company's close working relationship with H W Martin Waste Limited. The policy pursued by the Martin Group board of directors to authorise capital expenditure to take advantage of market opportunities will continue and is demonstrated by the ongoing vehicle fleet upgrade program.

The Company continues to look to ways to improve its environmental performance and reduce the environmental impact of its activities and remains committed to a management system conforming to the 14001 Environmental Standard.

Principal risks and uncertainties

The identification, assessment and management of opportunities and associated risks are an integral element of the business of Premier Waste Recycling Limited. Principal risks are:

- The effect of new legislation and regulation. The impact of which on operations may potentially increase costs. This risk is considered as a part of the tender approval process. Many contracts include provision which allow the Company to pass increased costs so arising to the Client.
- Competitive risk. The Company continues to maintain a very competitive cost base to give the best possible commercial advantage and actively targets long term contracts.
- Recyclable material market prices. The Group's waste and recycling activities are subject to fluctuating returns as prices of recyclable material vary due to worldwide demand. This risk is considered during the tender process and mitigated by a focus on securing contracts which deliver service, rather than, material, lead returns.
- Health and safety. Premier Waste Recycling Limited acknowledges that its employees work within a hazardous environment and training is given to reflect and mitigate this risk. Policies and procedures are continually monitored and reviewed. The Group maintains its commitment to the 18001 Health and Safety standard.
- Financial risk. The main risk arising from the Company's financial instruments is liquidity risk. This risk is managed by maintaining a high cash reserve and capital funding from the Martin Group providing sufficient liquidity to finance the Company's operations and to meet unanticipated costs

Strategic Report (continued)

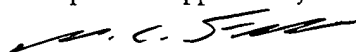
For the year ended 31 July 2015

Financial key performance indicators

The Company's key financial and performance indicators for the period are:

1. Continued sales growth.
2. A significant strengthening of the Balance Sheet, net assets have increased by over £500,000.

This report was approved by the board on 18 November 2015 and signed on its behalf.



N C Faulconbridge
Director



Independent Auditor's Report to the Members of Premier Waste Recycling Limited

We have audited the financial statements of Premier Waste Recycling Limited for the year ended 31 July 2015, which comprise the Profit and loss account, the Balance sheet and the related notes. 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).

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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 July 2015 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.



Independent Auditor's Report to the Members of Premier Waste Recycling 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.

Paul Houghton

PAUL HOUGHTON (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
SHEFFIELD

18 November 2015

Profit and Loss Account

For the year ended 31 July 2015

	Note	2015 £	2014 £
Turnover	1,2	11,466,566	11,301,615
Cost of sales		<u>(9,142,137)</u>	<u>(9,325,608)</u>
Gross profit		2,324,429	1,976,007
Administrative expenses		<u>(1,458,642)</u>	(1,249,117)
Goodwill amortisation		<u>(205,073)</u>	(205,073)
Total administrative expenses		<u>(1,663,715)</u>	(1,454,190)
Profit on ordinary activities before taxation		660,714	521,817
Tax on profit on ordinary activities	5	<u>(137,132)</u>	<u>(116,331)</u>
Profit for the financial year		<u>523,582</u>	<u>405,486</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the Profit and loss account.

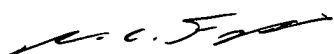
The notes on pages 9 to 16 form part of these financial statements.

Balance Sheet

As at 31 July 2015

	Note	£	2015 £	£	2014 £
Fixed assets					
Intangible assets	6		76,714		281,787
Tangible assets	7		1,364,523		1,588,415
			<u>1,441,237</u>		<u>1,870,202</u>
Current assets					
Stocks	8	23,342		25,126	
Debtors	9	2,071,594		2,265,326	
Cash at bank		2,314,976		1,858,998	
			<u>4,409,912</u>	<u>4,149,450</u>	
Creditors: amounts falling due within one year	10	(1,941,465)		(2,152,407)	
Net current assets			<u>2,468,447</u>		<u>1,997,043</u>
Total assets less current liabilities			<u>3,909,684</u>		<u>3,867,245</u>
Creditors: amounts falling due after more than one year	11		(3,351,753)		(3,826,897)
Provisions for liabilities					
Deferred tax	12		-		(5,999)
Net assets			<u>557,931</u>		<u>34,349</u>
Capital and reserves					
Called up share capital	14		5,000		5,000
Profit and loss account	15		552,931		29,349
Shareholders' funds	16		<u>557,931</u>		<u>34,349</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



N C Faulconbridge
Director

Date: 18 November 2015

The notes on pages 9 to 16 form part of these financial statements.

Notes to the Financial Statements

For the year ended 31 July 2015

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

1.2 Going concern

Based on review of forecasts and budgets the directors have formed a judgment at the time of approving the financial statements that there is a reasonable expectation that Premier Waste Recycling Limited has more than sufficient resources and available facilities to continue in existence for the foreseeable future.

1.3 Cash flow exemption

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

1.4 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts. Revenue is recognised at the date the work is completed.

1.5 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and loss account over its estimated economic life.

Amortisation is provided at the following rates:

Goodwill	-	20%
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Notes to the Financial Statements

For the year ended 31 July 2015

1. Accounting Policies (continued)

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	5% straight line
Plant & machinery	-	20% straight line

Freehold land is not depreciated.

1.7 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.9 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.10 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

Notes to the Financial Statements

For the year ended 31 July 2015

2. Turnover

An analysis of turnover by class of business is as follows:

	2015	2014
	£	£
United Kingdom	<u>11,466,566</u>	<u>11,301,615</u>

3. Profit

The profit is stated after charging/(crediting):

	2015	2014
	£	£
Amortisation - intangible fixed assets	205,073	205,073
Depreciation of tangible fixed assets:		
- owned by the company	517,210	458,595
Auditor's remuneration	5,000	4,450
Auditor's remuneration - non-audit	2,200	2,150
Profit on disposal of fixed assets	<u>(26,946)</u>	<u>(121,271)</u>

During the year, no director received any emoluments (2014 - £NIL).

Fees paid to the company's auditor for services other than the statutory audit are not disclosed in Premier Waste Recycling Limited's accounts since the consolidated accounts of the parent company are required to disclose non-audit fees on a consolidated basis.

4. Staff costs

Staff costs were as follows:

	2015	2014
	£	£
Wages and salaries	2,009,785	2,007,265
Social security costs	199,996	205,605
Other pension costs	76,893	74,240
	<u>2,286,674</u>	<u>2,287,110</u>

Notes to the Financial Statements

For the year ended 31 July 2015

4. Staff costs (continued)

The average monthly number of employees, including the directors, during the year was as follows:

	2015 No.	2014 No.
Admin and management	25	25
Direct labour	51	47
	<u>76</u>	<u>72</u>

5. Taxation

	2015 £	2014 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	182,631	103,314
Adjustments in respect of prior periods	2,500	17
Total current tax	<u>185,131</u>	<u>103,331</u>
Deferred tax (see note 12)		
Origination and reversal of timing differences	(47,999)	13,000
Tax on profit on ordinary activities	<u>137,132</u>	<u>116,331</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2014 - higher than) the standard rate of corporation tax in the UK of 20.67% (2014 - 22.33%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	<u>660,714</u>	<u>521,817</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.67% (2014 - 22.33%)	136,542	116,522
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1,006	245
Capital allowances in excess of depreciation	45,250	(14,301)
Adjustments to tax charge in respect of prior periods	(2,500)	17
Other short term timing differences	4,833	848
Current tax charge for the year (see note above)	<u>185,131</u>	<u>103,331</u>

Notes to the Financial Statements

For the year ended 31 July 2015

6. Intangible fixed assets

	Goodwill £
Cost	
At 1 August 2014 and 31 July 2015	1,025,366
Amortisation	
At 1 August 2014	743,579
Charge for the year	205,073
At 31 July 2015	948,652
Net book value	
At 31 July 2015	76,714
At 31 July 2014	281,787

7. Tangible fixed assets

	Freehold property £	Plant & machinery £	Total £
Cost			
At 1 August 2014	300,000	2,652,982	2,952,982
Additions	-	315,496	315,496
Disposals	-	(67,238)	(67,238)
At 31 July 2015	300,000	2,901,240	3,201,240
Depreciation			
At 1 August 2014	-	1,364,567	1,364,567
Charge for the year	-	517,210	517,210
On disposals	-	(45,060)	(45,060)
At 31 July 2015	-	1,836,717	1,836,717
Net book value			
At 31 July 2015	300,000	1,064,523	1,364,523
At 31 July 2014	300,000	1,288,415	1,588,415

8. Stocks

	2015 £	2014 £
Raw materials	23,342	25,126

Notes to the Financial Statements

For the year ended 31 July 2015

9. Debtors

	2015 £	2014 £
Trade debtors	1,781,660	1,900,652
Amounts owed by group undertakings	-	157,571
Prepayments and accrued income	247,934	207,103
Deferred tax asset (see note 12)	42,000	-
	<u>2,071,594</u>	<u>2,265,326</u>

10. Creditors:

Amounts falling due within one year

	2015 £	2014 £
Trade creditors	713,316	954,600
Amounts owed to group undertakings	475,576	383,456
Corporation tax	93,632	103,313
Other taxation and social security	65,505	47,037
Other creditors	31	4,087
Accruals and deferred income	593,405	659,914
	<u>1,941,465</u>	<u>2,152,407</u>

11. Creditors:

Amounts falling due after more than one year

	2015 £	2014 £
Amounts owed to group undertakings	<u>3,351,753</u>	<u>3,826,897</u>

Notes to the Financial Statements

For the year ended 31 July 2015

12. Deferred taxation

	2015 £	2014 £
At beginning of year	(5,999)	7,001
Released during/(charged for) year (P&L)	47,999	(13,000)
At end of year	<u>42,000</u>	<u>(5,999)</u>

The deferred taxation balance is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	36,000	(5,999)
Short term timing differences	6,000	-
	<u>42,000</u>	<u>(5,999)</u>

13. Related party transactions

As a wholly owned subsidiary of H W Martin Holdings Limited, the company is exempt from the requirements of FRS 8 to disclose transactions with other members of the group headed by H W Martin Holdings Limited.

14. Share capital

	2015 £	2014 £
Authorised, allotted, called up and fully paid		
5,000 Ordinary shares of £1 each	<u>5,000</u>	<u>5,000</u>

15. Reserves

	Profit and loss account £
At 1 August 2014	29,349
Profit for the financial year	523,582
At 31 July 2015	<u>552,931</u>

Notes to the Financial Statements

For the year ended 31 July 2015

16. Reconciliation of movement in shareholders' funds

	2015 £	2014 £
Opening shareholders' funds/(deficit)	34,349	(371,137)
Profit for the financial year	523,582	405,486
Closing shareholders' funds	<u>557,931</u>	<u>34,349</u>

17. Operating lease commitments

At 31 July 2015 the company had annual commitments under non-cancellable operating leases as follows:

	2015 £	2014 £
Expiry date:		
Within 1 year	33,407	-
Between 2 and 5 years	-	57,268

18. Ultimate parent company

The directors consider that the ultimate parent undertakings of the company is H W Martin Holdings Limited incorporated in England and Wales.

The largest and smallest group of undertakings for which group accounts have been drawn up is that headed by H W Martin Holdings Limited which is incorporated in England and Wales.

Consolidated financial statements can be obtained from H W Martin Holdings Limited, Fordbridge Lane, Blackwell, Alfreton, Derbyshire, DE55 5JY.

19. Limitation of Liability

The company has entered into a liability limitation agreement with Grant Thornton UK LLP, the statutory auditor, in respect of the statutory audit for the year ended 31 July 2015. The proportionate liability agreement follows the standard terms in Appendix B to the Financial Reporting Council's June 2008 Guidance on Auditor Liability Agreements, and was approved by the directors on 9 November 2015.