

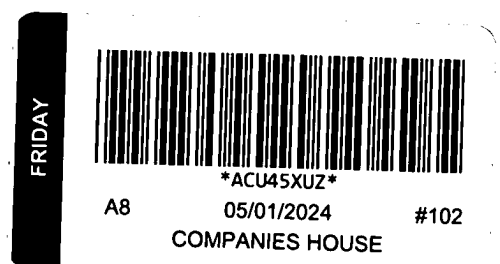
## **Clearway (2021) Holdings Limited**

Report and Financial Statements

Year ended

31 March 2023

Company Number 13485230



# **Clearway (2021) Holdings Limited**

**Report and financial statements  
for the year ended 31 March 2023**

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## **Directors**

P D Eglinton  
R A Scully  
S R Walls  
Next Wave Partners LLP

## **Company Secretary and Registered office**

M Jeczelewska, Pennine Place, 2a Charing Cross Road, London, WC2H 0HF

## **Company number**

13485230

## **Auditor**

BDO LLP, 2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 0PA

# Clearway (2021) Holdings Limited

## Strategic report for the year ended 31 March 2023

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The directors present their strategic report together with the audited financial statements for the year ended 31 March 2023. These financial statements are for the year to 31 March 2023 and the prior period from incorporation on 30 June 2021 to 31 March 2022.

Clearway (2021) Holdings Limited (the "Company") is an intermediate holding company of Clearway (Next Wave) Holdings Limited and subsidiaries ("the Group"). This report covers the activities, performance, strategy and operations of the Company.

### Principal activities

The principal activity of the Company is that of an intermediate holding company.

At the year end the Company had ten indirectly owned 100% trading subsidiaries:

1. Clearway Environmental Services (U.K.) Limited, which operates across England and into Wales and Scotland;
2. Property Security and Maintenance Solutions Limited, operating across Scotland and into the North of England;
3. Cerberus Security and Monitoring Services Limited, operates across England and into Wales and Scotland;
4. Debt Squared Group Limited, operates throughout the UK;
5. Sitewatch Fire and Surveillance Limited, operates throughout England and Wales;
6. Protim SAS which operates in France mainly around the Paris region;
7. Bourran Securisation de Logements SAS which operates in France around the Marseille region;
8. Protim Atlantic SAS (formerly Ouest Alarme SAS) which operates in France in the Nantes region;
9. Systeo Protection SAS which operates in North East France, based in Amiens;
10. Sideo- Société Privée de Sécurité which operates in South-East France, based in Lyon.

During the year, on 9 June 2022, the Company's indirect subsidiary Clearway Group Holdings Limited, acquired 100% of the share capital of Sitewatch Fire and Surveillance Limited, a security and fire safety business which also enhances the Group's CCTV and access control capabilities.

### Strategy

The Company's strategy is to support the strategy and activities of the Group by serving as an intermediate holding company.

### Company Review and KPIs

The loss for the year, after taxation, amounted to £5,371,000 but, as the Company is a holding company of the Group, the Board considers that the use of KPIs will not add to the understanding or appreciation of the Company's performance or position. The KPIs of the Group are disclosed in the strategic review of Clearway (Next Wave) Holdings Limited.

### The war in Ukraine

The war in Ukraine has impacted on European economies, including the cost of materials and energy. This has not had a material impact on the Company or its subsidiaries at this stage, but the Group has experienced some supply chain issues in some components and equipment for hire.

Due to its strategy as an intermediate holding company the Company has not seen a direct impact from the war in Ukraine. The impact on the Group including the appropriateness of the going concern basis for the preparation of the financial statements can be found within the strategic report of Clearway (Next Wave) Holdings Limited.

# Clearway (2021) Holdings Limited

## Strategic report for the year ended 31 March 2023 (*continued*)

### Principal risks and uncertainties

The principal risks and uncertainties of the Company are as follows:

#### Economic Risk

##### *(i) European Union exit and war in Ukraine*

Further to the triggering of Article 50 of the Treaty of the European Union following the UK referendum of 23 June 2016 on membership of the European Union, the UK left the European Union on 31 January 2021 and left the single market and customs union on 31 December 2021. In addition, the war in Ukraine has impacted on European economies, including the cost of materials and energy. This has not had a material impact on the Company.

The Company and subsidiaries do not have any material trade of goods and services between the UK and Europe, reducing the impact of leaving the customers union. The Board continues to be of the opinion that the terms agreed will affect the Company and competitors in current and future markets in equal measure and should not materially hinder the success of the Company.

##### *(ii) Foreign Exchange rate*

Sterling may fluctuate compared to the euro in the coming year due to continued economic uncertainty.

The Company has limited exposure to the Euro therefore the board does not consider there to be a material risk to the Company.

#### Finance risk

##### *(i) Liquidity risk*

The Company can finance its day-to-day operating needs through access to the Group bank facilities. Company management monitors rolling forecasts of the Company's liquidity reserves (comprised of undrawn borrowing facilities and cash and cash equivalents) based on expected cash flows.

##### *(ii) Capital risk*

The Company keeps its funding structure under review to ensure that it has the resources and the capacity to meet its operational requirements and to facilitate the execution of its growth strategy.

##### *(iii) Cost of Debt*

Inflationary pressures are likely to lead to increasing cost of debt as base rates rise. The Group manages this risk by holding a proportion of its debt by fixed interest debt, particularly preference shares.

### Approval

This strategic report was approved on behalf of the Board on

21 December 2023



R A Scully  
Director

# Clearway (2021) Holdings Limited

## Directors' report for the year ended 31 March 2023

The directors present their report and the financial statements for the year ended 31 March 2023. The Company was incorporated on 30 June 2021. These financial statements are for the year to 31 March 2023 and the prior period from incorporation to 31 March 2022.

### Results and dividends

The loss for the year, after taxation, amounted to £5,371,000 (2022: £3,484,000).

The Company paid a dividend of £nil in the year (2022: £nil). The Company does not propose any final dividend.

### Going concern

The Company has made a loss for the year and is in a net liability at 31 March 2023 of £6,916,000, which includes a long-term loan from its parent company, Clearway (Next Wave) Holdings Limited, of £57,612,000. The Company has received a letter of financial support from Clearway (Next Wave) Holdings Limited indicating that the Group will support the Company as needed for at least 12 months from the date of signing these financial statements. While this is not legally binding the Directors have accepted this letter of support as the Company forms an integral part of the Group.

### Directors

The directors who served during the year and since the balance sheet date were:

P D Eglinton (appointed 31 May 2023)

I Quinlan (resigned 31 May 2023)

R A Scully (appointed 31 May 2023)

S R Walls

Next Wave Partners LLP

### Directors' indemnities

A directors' indemnity policy is in place covering the directors in their roles as officers of the Company.

### Future developments

The Company continues to act as an intermediate holding company.

### Disclosure of information to auditor

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

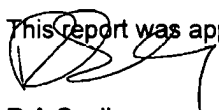
- so far as the director is aware, there is no relevant audit information of which the Company and the auditor is unaware; and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and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

### Annual general meeting

In accordance with s303 of the Companies Act 2006, the members have not required the directors to call an annual general meeting of the Company.

BDO LLP, who were appointed as first auditors of the Company by the directors, have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

This report was approved on behalf of the Board on 21 December 2023



R A Scully  
Director

# **Clearway (2021) Holdings Limited**

## **Directors' responsibilities statement for the year ended 31 March 2023**

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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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the financial statements 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; 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.

# Clearway (2021) Holdings Limited

## Independent auditor's report

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CLEARWAY (2021) HOLDINGS 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 2023 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.

We have audited the financial statements of Clearway (2021) Holdings Limited ("the Company") for the year ended 31 March 2023 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 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

#### 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 Directors 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..

# Clearway (2021) Holdings Limited

## Independent auditor's report (continued)

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### Other information (*continued*)

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

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 Strategic report or 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.

### Responsibilities of Directors

As explained more fully in the Statement of Directors Responsibilities, 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.

**Clearway (2021) Holdings Limited**  
**Independent auditor's report (continued)**

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

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:

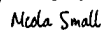
- We obtained an understanding of legal and regulatory framework through our accumulated knowledge and consideration of sector information that is applicable to the Company. We determined that the most significant which are directly relevant to specific assertions in the financial statements and those related to the financial reporting framework (including but not limited to accounting standards in conformity with the requirements of the Companies Act 2006), Health & Safety regulations, relevant environmental regulations and tax legislation.
- We have gained an understanding as to how Clearway (2021) Holdings Limited are complying with those legal and regulatory frameworks through enquiries of management and members of the Board responsible for legal and compliance procedures. We corroborated our enquiries through our review of board minutes.
- The relevant laws and regulations identified, in addition to fraud risks and how and where this may occur were communicated to the audit engagement team who remained alert to any indications of fraud or non compliance with laws and regulation throughout the audit.
- We assessed the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur where it is considered there was a susceptibility of fraud relating to management override of controls. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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:  
  
0E7059850031475...  
Nicola Small (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
Gatwick  
UK

21 December 2023

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

# Clearway (2021) Holdings Limited

## Statement of comprehensive income for the year ended 31 March 2023

|  | Note | 2023<br>£'000  | 2022<br>£'000  |
|--|------|----------------|----------------|
| Administrative expenses  |      | (288)          | (166)          |
| <b>Operating loss</b>  | 3    | <b>(288)</b>   | <b>(166)</b>   |
| Interest receivable  | 6    | 39             | -              |
| Interest payable   | 7    | (5,198)        | (3,321)        |
| <b>Loss before tax</b>   |      | <b>(5,447)</b> | <b>(3,487)</b> |
| Taxation on loss on ordinary activities                                      | 8    | 76             | 3              |
| <b>Loss for the financial year and total comprehensive loss for the year</b> |      | <b>(5,371)</b> | <b>(3,484)</b> |

There were no recognised gains and losses for 2023 (2022: none), other than those included in the statement of comprehensive income.

The notes on pages 11 to 19 form part of these financial statements.

# Clearway (2021) Holdings Limited

## Balance sheet As at 31 March 2023

| <b>Company number 13485230</b>                          | <b>Note</b> | <b>2023<br/>£'000</b> | <b>2023<br/>£'000</b> | <b>2022<br/>£'000</b> | <b>2022<br/>£'000</b> |
|---|-------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>Fixed assets</b>                                     |             |                       |                       |                       |                       |
| Investments   | 9           |                       | 1,834                 |                       | 1,834                 |
| <b>Current assets</b>                                   |             |                       |                       |                       |                       |
| Debtors: amounts falling due after more than one year   | 11          | 539                   |                       | -                     |                       |
| Debtors: amounts falling due within one year            | 12          | 58,255                |                       | 57,832                |                       |
| Creditors: amounts falling due within one year          | 13          | (660)                 |                       | (25)                  |                       |
|   |             |                       |                       |                       |                       |
| <b>Net current assets</b>                               |             |                       | 58,134                |                       | 57,807                |
| <b>Total assets less current liabilities</b>            |             |                       | 59,968                |                       | 59,641                |
| Creditors: amounts falling due after more than one year | 14          |                       | (66,779)              |                       | (61,186)              |
|   |             |                       |                       |                       |                       |
| <b>Net liabilities</b>                                  |             |                       | (6,811)               |                       | (1,545)               |
| <b>Capital and reserves</b>                             |             |                       |                       |                       |                       |
| Called up share capital                                 | 16          |                       | 1,959                 |                       | 1,939                 |
| Share premium   |             |                       | 85                    |                       | -                     |
| Profit and loss account                                 |             |                       | (8,855)               |                       | (3,484)               |
|   |             |                       |                       |                       |                       |
|   |             |                       | (6,811)               |                       | (1,545)               |

The financial statements were approved by the Board of Directors and authorised for issue on 21 December 2023

  
R A Scully  
Director

The notes on pages 11 to 19 form part of these financial statements.

## Clearway (2021) Holdings Limited

### Statement of changes in equity for the year ended 31 March 2023

|   | Share<br>Capital<br>£,000 | Share<br>Premium<br>£,000 | Profit<br>and loss<br>account<br>£'000 | Total<br>equity<br>£'000 |
|---|---------------------------|---------------------------|--|--------------------------|
| <b>At 31 March 2022</b>                             | <b>1,939</b>              | <b>-</b>                  | <b>(3,484)</b>                         | <b>(1,545)</b>           |
| <b>Comprehensive loss for year</b>                  | <b>-</b>                  | <b>-</b>                  | <b>(5,371)</b>                         | <b>(5,371)</b>           |
| <b>Loss for the year</b>                            | <b>-</b>                  | <b>-</b>                  | <b>(5,371)</b>                         | <b>(5,371)</b>           |
| <b>Contributions by and distributions to owners</b> |                           |                           |  |                          |
| Issue of share capital                              | 20                        | 85                        | -                                      | 105                      |
| <b>Total comprehensive loss for the year</b>        | <b>-</b>                  | <b>-</b>                  | <b>(5,371)</b>                         | <b>(5,266)</b>           |
| <b>At 31 March 2023</b>                             | <b>1,959</b>              | <b>85</b>                 | <b>(8,855)</b>                         | <b>(6,811)</b>           |

### Statement of changes in equity for the period ended 31 March 2022

|   | Share<br>Capital<br>£'000 | Profit<br>and loss<br>account<br>£'000 | Total<br>equity<br>£'000 |
|---|---------------------------|--|--------------------------|
| <b>Comprehensive loss for period</b>                      |                           |  |                          |
| Loss for the period                                       | -                         | (3,484)                                | (3,484)                  |
| <b>Total comprehensive loss for the period</b>            | <b>-</b>                  | <b>(3,484)</b>                         | <b>(3,484)</b>           |
| <b>Contributions by and distributions to owners</b>       |                           |  |                          |
| Issue of share capital                                    | 1,939                     | -                                      | 1,939                    |
| <b>Total contributions by and distributions to owners</b> | <b>1,939</b>              | <b>-</b>                               | <b>1,939</b>             |
| <b>At 31 March 2022</b>                                   | <b>1,939</b>              | <b>(3,484)</b>                         | <b>(1,545)</b>           |

The notes on pages 11 to 19 form part of these financial statements.

# Clearway (2021) Holdings Limited

## Notes forming part of the financial statements for the year ended 31 March 2023

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### 1 Accounting policies

#### 1.1 Basis of preparation of financial statements

Clearway (2021) Holdings Limited is a limited company incorporated in the United Kingdom. The address of the registered office is given in the Company information page of these financial statements.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The presentational currency is Pounds Sterling rounded to the nearest thousand.

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 - statement of cash flows;
- the requirements of Section 3 - financial statement presentation paragraph 3.17(d);
- the requirements of Section 11 - financial instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.49 (a) (iii), 11.48 (a) (iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 - other financial instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A; and
- the requirements of Section 33 - related party disclosures paragraph 33.7.

The information requirements above are included in the consolidated financial statements of Clearway (Next Wave) Holdings Limited (incorporated in United Kingdom) as at 31 March 2023 and these financial statements may be obtained from Companies House.

The Company has taken advantage of the exemption to prepare consolidated financial statements as permitted by FRS 102 Section 9.3 as it is included in the consolidated financial statements of Clearway (Next Wave) Holdings Limited.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires group management to exercise judgement in applying the Company's accounting policies (see note 2).

#### *Going concern*

The financial statements have been prepared on a going concern basis. The Company has made a loss for the year and is in a net liability at 31 March 2023 of £6,916,000, which includes a long-term loan from its parent company, Clearway (Next Wave) Holdings Limited, of £57,612,000. The Company has received a letter of financial support from Clearway (Next Wave) Holdings Limited indicating that the Group will support the Company as needed for at least 12 months from the date of signing these financial statements. While this is not legally binding the Directors have accepted this letter of support as the Company forms an integral part of the Group.

The following principal accounting policies have been applied:

#### 1.2 Investments

##### ***Subsidiary undertakings***

Investments in subsidiaries are valued at cost less provision for impairment.

# Clearway (2021) Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 March 2023 (*continued*)

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## 1 Accounting policies (*continued*)

### 1.3 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

### 1.4 Cash and cash equivalents

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

### 1.5 Financial instruments

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

### 1.6 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### 1.7 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

### 1.8 Interest income and expense

Interest income and expense is recognised in the statement of comprehensive income using the effective interest method.

### 1.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

# Clearway (2021) Holdings Limited

## Notes forming part of the financial statements for the year ended 31 March 2023 *(continued)*

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### 1 Accounting policies *(continued)*

#### 1.9 Current and deferred taxation *(continued)*

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

#### 1.10 Preference shares

Preference shares are recognised as debt where the terms attached to the shares meet the definition of a debt instrument as defined by FRS 102 section 11.9.

#### 1.11 Related party transactions

The Company has taken advantage of the exemption conferred by section 33.1A of FRS102 not to disclose transactions with other wholly owned subsidiaries within the Group as consolidated accounts, including subsidiary undertakings, are publicly available.

#### 1.12 Reserves

Called up share capital reserve represents the nominal value of the shares issued. Share premium reserve represents the excess amounts paid or payable over the nominal value of the shares issued.

### 2 Judgements in applying accounting policies and key sources of estimation uncertainty

#### a) *Critical judgements in applying the Company's accounting policies*

The Company has determined the accounts should be prepared on a Going Concern basis. Details of the assessment made is described in note 1.

The Company has assessed the long term recoverability of intercompany receivables with reference to the Group's funding and is confident that should any balance need to be recovered it would be able to do so.

The Company has assessed the investments relating to its subsidiaries to determine whether there were indicators of impairment. Following this, no impairment was required.

No other significant judgements have had to be made by the Company in preparing these financial statements.

#### b) *Key accounting estimates and assumptions*

No key accounting estimates and assumptions have been made by the Company in preparing these financial statements.

# Clearway (2021) Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 March 2023 (*continued*)

|          |  |                             |                             |
|----------|--|-----------------------------|-----------------------------|
| <b>3</b> | <b>Operating loss</b>  | <b>2023</b><br><b>£'000</b> | <b>2022</b><br><b>£'000</b> |
|          | Fees payable to the Group's auditor for the audit of the Company's annual financial statements | <u>15</u>                   | <u>3</u>                    |
| <b>4</b> | <b>Employees</b>   |                             |                             |
|          | There are no employees in the current or prior year.   |                             |                             |
| <b>5</b> | <b>Directors' remuneration</b>   | <b>2023</b><br><b>£'000</b> | <b>2022</b><br><b>£'000</b> |
|          | Directors' emoluments  | <u>-</u>                    | <u>-</u>                    |
|          | In the current and prior year the directors have been remunerated by another group company.    |                             |                             |
| <b>6</b> | <b>Interest receivable</b>   | <b>2023</b><br><b>£'000</b> | <b>2022</b><br><b>£'000</b> |
|          | Intercompany interest receivable   | <u>39</u>                   | <u>-</u>                    |
| <b>7</b> | <b>Interest payable</b>  | <b>2023</b><br><b>£'000</b> | <b>2022</b><br><b>£'000</b> |
|          | Preference share dividends payable   | <u>5,198</u>                | <u>3,321</u>                |
| <b>8</b> | <b>Taxation on loss on ordinary activities</b>   | <b>2023</b><br><b>£'000</b> | <b>2022</b><br><b>£'000</b> |
|          | <i>UK corporation tax</i>  |                             |                             |
|          | Current tax on losses for the year – intercompany group relief                                 | (47)                        | (3)                         |
|          | Prior year adjustment  | <u>(29)</u>                 | <u>-</u>                    |
|          | Total current tax credit   | <u>(76)</u>                 | <u>(3)</u>                  |
|          | Taxation on losses on ordinary activities  | <u>(76)</u>                 | <u>(3)</u>                  |

The UK headline corporation tax rate for the year was 19% (2022: 19%). The March 2021 Budget announced a further increase of the main rate of UK corporation tax to 25% from 1 April 2023 which was substantively enacted on 24 May 2021. The Finance Act 2021 which was substantively enacted on 24 May 2021 included an increase in the main UK corporation tax rate from 19% to 25%, effective from 1 April 2023. As the Company does not have any deferred tax balances, this rate change does not impact the current year or future tax charges.

# Clearway (2021) Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 March 2023 (*continued*)

## 8 Taxation on profit on ordinary activities (*continued*)

### Factors affecting tax charge for the year

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

|   | 2023<br>£'000 | 2022<br>£'000 |
|---|---------------|---------------|
| Loss on ordinary activities before tax  | (5,447)       | 3,487         |
| Tax on loss on ordinary activities at the standard rate of corporation tax in the UK of 19% | (1,035)       | (663)         |
| Effects of:   |               |               |
| Expenses not deductible for tax purposes  | 988           | 660           |
| Prior period adjustments  | (29)          | -             |
| Total tax (credit) for year   | (76)          | (3)           |

## 9 Fixed asset investments

|                          | Unlisted<br>Investments<br>£'000 |
|--------------------------|----------------------------------|
| <i>Cost or valuation</i> |                                  |
| At 31 March 2022         | 1,834                            |
| <b>At 31 March 2023</b>  | <b>1,834</b>                     |
| <i>Net book value</i>    |                                  |
| <b>At 31 March 2023</b>  | <b>1,834</b>                     |
| At 31 March 2022         | 1,834                            |

## Clearway (2021) Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 March 2023 (continued)

### 10 Subsidiary undertakings

The following were subsidiary undertakings of the Company:

| Name   | Country of incorporation | Class of shares | Holding | Principal activity                       |
|--|--------------------------|-----------------|---------|--|
| Clearway Environmental Services (UK) Limited*        | UK (1)                   | Ordinary        | 100%    | Security services and property clearance |
| BC16 Limited*  | UK (2)                   | Ordinary        | 100%    | Intermediate holding company             |
| Broomco (4276) Limited *                             | UK (2)                   | Ordinary        | 100%    | Intermediate holding company             |
| The Clearway Group Limited*                          | UK (2)                   | Ordinary        | 100%    | Intermediate holding company             |
| Cerberus Security and Monitoring Services Limited*   | UK (2)                   | Ordinary        | 100%    | Security services and property clearance |
| Clearway Group Support Services Limited*             | UK (2)                   | Ordinary        | 100%    | Intermediate holding company             |
| Clearway Group Holdings Limited*                     | UK (2)                   | Ordinary        | 100%    | Intermediate holding company             |
| Debt Squared Group Limited*                          | UK (2)                   | Ordinary        | 100%    | Debt recovery services                   |
| Intesec Limited*                                     | UK (2)                   | Ordinary        | 100%    | Security services and property clearance |
| Property Security and Maintenance Solutions Limited* | UK (3)                   | Ordinary        | 100%    | Security services and property clearance |
| Clearway Scotland Limited*                           | UK (3)                   | Ordinary        | 100%    | Dormant                                  |
| Sitewatch Fire and Surveillance Services Limited     | UK (2)                   | Ordinary        | 100%    | Security services and property clearance |
| Clearway Groupe Holdings SASU*                       | France (4)               | Ordinary        | 100%    | Intermediate holding company             |
| Clearway Finances SASU*                              | France (5)               | Ordinary        | 100%    | Security services and property clearance |
| Bourran Securisation de Logements SASU*              | France (5)               | Ordinary        | 100%    | Security services and property clearance |
| Protim Atlantic SAS*                                 | France (5)               | Ordinary        | 100%    | Security services and property clearance |
| Protim SAS*  | France (5)               | Ordinary        | 100%    | Security services and property clearance |
| Systeo Protection SAS*                               | France (5)               | Ordinary        | 100%    | Security services and property clearance |
| Sideo - Société Privée de Sécurité *                 | France (5)               | Ordinary        | 100%    | Security services and property clearance |
| Clearway (2021) Bidco Limited                        | UK (2)                   | Ordinary        | 100%    | Intermediate holding company             |

\* Indirectly held

(1) Registered address is Fountain House, Anchor Boulevard, Crossways Business Park, Dartford, Kent. DA2 6QH.

(2) Registered address is Pennine Place, 2a Charing Cross Road, London, WC2H 0HF

(3) Registered address is Unit 8 Colvilles Park, East Kilbride, Glasgow, Scotland, G75 0GZ

(4) Registered address is 1 rue Favart, 75002 Paris, France

(5) Registered address is 27 rue du 35ÈME Régiment d'Aviation, 69500 Bron, France

# Clearway (2021) Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 March 2023 (continued)

|   |               |              |
|---|---------------|--------------|
| <b>11 Debtors: amounts falling due after more than one year</b>   | <b>2023</b>   | <b>2022</b>  |
|   | <b>£'000</b>  | <b>£'000</b> |
| Amounts owed by group undertakings                                | <b>539</b>    | -            |
|   |               |              |
| <b>12 Debtors: amounts falling due within one year</b>            | <b>2023</b>   | <b>2022</b>  |
|   | <b>£'000</b>  | <b>£'000</b> |
| Amounts owed by group undertakings                                | <b>58,072</b> | 57,682       |
| Social security and other taxes                                   | -             | 63           |
| Corporation tax   | -             | 3            |
| Prepayments and accrued income                                    | <b>78</b>     | 84           |
| Other debtors   | <b>105</b>    | -            |
|   |               |              |
|   | <b>58,255</b> | 57,832       |
|   |               |              |
| <b>13 Creditors: amounts falling due within one year</b>          | <b>2023</b>   | <b>2022</b>  |
|   | <b>£'000</b>  | <b>£'000</b> |
| Accruals and deferred income                                      | <b>38</b>     | 25           |
| Amounts owed to group undertakings                                | <b>614</b>    | -            |
| Social security and other taxes                                   | <b>8</b>      | -            |
|   |               |              |
|   | <b>660</b>    | 25           |
|   |               |              |
| <b>14 Creditors: amounts falling due after more than one year</b> | <b>2023</b>   | <b>2022</b>  |
|   | <b>£'000</b>  | <b>£'000</b> |
| Preference shares owed to 3 <sup>rd</sup> parties                 | <b>13,373</b> | 11,939       |
| Preference shares owed to group undertakings                      | <b>53,406</b> | 49,247       |
|   |               |              |
|   | <b>66,779</b> | 61,186       |
|   |               |              |

# Clearway (2021) Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 March 2023 (*continued*)

## 15 Loans

An analysis of the maturity of loans is given below:

|                                      | 2023<br>£'000 | 2022<br>£'000 |
|--------------------------------------|---------------|---------------|
| <b>Amounts falling due 2-5 years</b> |               |               |
| Preference shares                    | 58,260        | 57,865        |
| Accrued interest                     | 8,519         | 3,321         |
|                                      | <hr/>         | <hr/>         |
|                                      | <b>66,779</b> | <b>61,186</b> |
|                                      | <hr/>         | <hr/>         |

The preference shares were issued on 27 July 2021 for £57,865,371. Interest is accrued at a rate of 8.45% per annum and is payable upon repayment of the preference shares.

## 16 Share capital and share premium

|  | 2023<br>£'000 | 2022<br>£'000 |
|--|---------------|---------------|
| <i>Shares classified as equity</i>           |               |               |
| <i>Allotted, called up and fully paid</i>    |               |               |
| 132,600,000 A1 ordinary shares of £0.01 each | 1,326         | 1,326         |
| 27,740,839 A2 ordinary shares of £0.01 each  | 277           | 337           |
| 35,559,161 B ordinary shares of £0.01 each   | 356           | 276           |
|  | <hr/>         | <hr/>         |
|  | <b>1,959</b>  | <b>1,939</b>  |
|  | <hr/>         | <hr/>         |

A1 and A2 shares rank *pari passu* in respect to voting, entitling the holder to one vote per share. The B shares do not entitle the holder to vote at meetings.

During the prior period the Company issued 57,865,371 preference shares of £1 each for £57,865,371. The preference shares are repayable on maturity after five years. A cumulative dividend of 10% per annum will also be payable upon maturity.

During the year 2,000,000 B ordinary shares of £0.01 each were issued for £105,000 and 6,000,000 A2 ordinary shares were reclassified as 6,000,000 B shares.

During the year 395,000 preference shares of £1 each were issued for £395,000. The preference shares do not entitle the holder to vote at meetings. The preference shares are recognised as a debt instrument in these financial statements.

After the year end 4,000,000 B ordinary shares of £0.01 each were issued for £272,000.

After the year end 234,559 preference shares were cancelled and £52,000 was returned to the shareholder

## 17 Controlling party

The Company's ultimate holding company is Clearway (Next Wave) Holdings Limited. At the balance sheet date, the ultimate controlling party was Next Wave Partners LLP.

# **Clearway (2021) Holdings Limited**

**Notes forming part of the financial statements  
for the year ended 31 March 2023 (*continued*)**

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## **18 Subsequent event**

After the end of the financial year, on 17 September 2023, the Company's indirect subsidiary, Clearway Group Holdings Limited, acquired 100% of the share capital of Secure Empty Property Limited, a vacant property security business.

An indirect subsidiary of the Company is in advanced discussions to acquire 100% of the share capital of a German business via a newly incorporated subsidiary, Clearway Group Deutschland GmbH. The acquisition is subject to certain closing conditions and will be funded by additional borrowing.