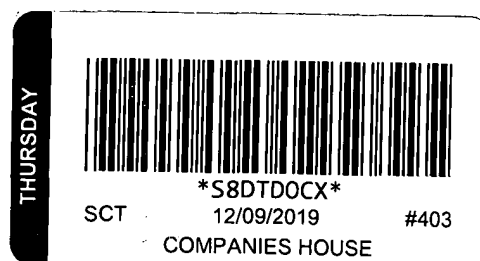


Company Registration No. SC023357

WRG Waste Services Limited

Annual report and Financial Statements

for the year ended 31 December 2018



WRG Waste Services Limited

Annual report and financial statements 2018

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WRG Waste Services Limited

Annual report and financial statements 2018

Company information

Directors

P Taylor
V F Orts-Llopis
A Serrano Minchan

Registered Office

Greengairs Landfill
Meikle Drumgray Road
Greengairs
Airdrie
Lanarkshire
ML6 7TD

WRG Waste Services Limited

Directors' report

The Directors of WRG Waste Services Limited (the "Company") present their annual report and the unaudited financial statements for the year ended 31 December 2018. No strategic report has been presented as the Company is dormant.

Principal activity

The Company has been dormant as defined in section 1169 of the Companies Act 2006 throughout the year ended 31 December 2018 and the previous financial year. It is anticipated that the Company will remain dormant for the foreseeable future.

Directors

The following individuals served as Directors of the Company during the year ended 31 December 2018 and up to the date of this report:

P Taylor
V F Orts-Llopis
A Serrano Minchan

Going concern

The Directors continue to adopt the going concern basis in preparing the Directors' report and financial statements. Full details of the going concern considerations can be found in note 2 of the notes to the financial statements.

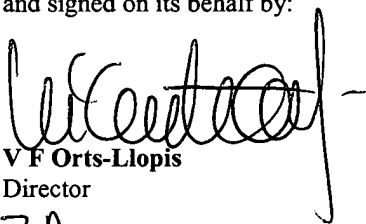
Directors' indemnities

During the financial year, qualifying third party indemnity provisions for the benefit of all Directors of the Company were in force and continue to be in force at the date of this report. Such provisions were made by the Company's ultimate parent company, Fomento de Construcciones y Contratas, S.A. ("FCC").

Small companies exemption

This Directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Approved by the Board of Directors
and signed on its behalf by:



V F Orts-Llopis
Director

7 August 2019

WRG Waste Services Limited

Balance sheet at 31 December 2018

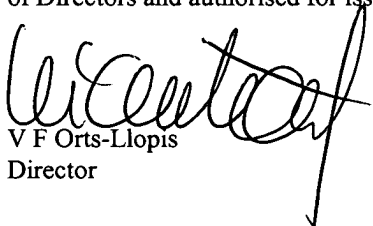
	Notes	2018 £	2017 £
Current assets			
Debtors: amounts due from parent company		132,708	132,708
Net assets		<u>132,708</u>	<u>132,708</u>
Capital and reserves			
Called-up share capital	6	24,700	24,700
Profit and loss account		108,008	108,008
Total equity		<u>132,708</u>	<u>132,708</u>

For the financial year ended 31 December 2018 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The financial statements of WRG Waste Services Limited, registered number SC023357 were approved by the Board of Directors and authorised for issue on 7 August 2019. They were signed on its behalf by:


V F Orts-Llopis
Director

WRG Waste Services Limited

Notes to the financial statements Year ended 31 December 2018

1. Corporate information

WRG Waste Services Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006, registered in England and Wales. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the Directors' report.

2. Accounting policies

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

General information and basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) issued by the Financial Reporting Council.

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

Exemptions for qualifying entities under FRS 101

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

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

Where relevant, equivalent disclosures have been given in the consolidated FCC E UK financial statements, copies of which are available from its registered office at Ground Floor West, 900 Pavilion Drive, Northampton Business Park, Northampton, NN4 7RG.

WRG Waste Services Limited

Notes to the financial statements Year ended 31 December 2018

2. Accounting policies (continued)

New and amended IFRS standards that are effective for the current year

New amendments to Standards and Interpretations that became mandatory for the first time for the financial year beginning 1 January 2018 are listed below. The new amendments had no significant impact on the Company's results other than IFRS 9 for which a detailed explanation is provided:

- IFRS 9 'Financial Instruments' (mandatory for the year commencing on or after 1 January 2018)
- IFRS 15 'Revenue from Contracts with Customers' (mandatory for the year commencing on or after 1 January 2018)
- IFRS 2 (amendments) 'Classification and Measurement of Share-based Payment Transactions' (mandatory for the year commencing on or after 1 January 2018)
- IFRS 4 (amendments) 'Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts' (mandatory for the year commencing on or after 1 January 2018) IAS 12 (amendments) 'Recognition of Deferred Tax Assets for Unrealised Losses'

Impact of the adoption of IFRS 9

IFRS 9 'Financial Instruments' is mandatory for accounting periods beginning on or after 1 January 2018. Due to the transition methods chosen by the Company in applying this standard, comparative information throughout these financial statements has not been restated to reflect the requirements of the new standard.

IFRS 9 sets out the requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

Impairment - Financial Assets

IFRS 9 replaces the 'incurred loss' model in IAS 39 with a forward looking 'expected credit loss' (ECL) model. This will require judgement about how changes in economic factors affect ECLs, which will be determined on a probability-weighted basis. Under the IFRS 9 ECL model it is not necessary for a credit event to have occurred before credit losses are recognised.

The new impairment model will apply to financial assets measured at amortised cost or FVOCI, except for investments in equity instruments, and to contract assets. The Company has applied the simplified approach to assess lifetime expected credit losses for its trade receivables and contract assets as required or permitted by IFRS 9. We have assessed the impact the new requirements will have on the Company's accounting for intercompany balances by considering the ECL probability on the Company's intercompany receivables and no provision was considered necessary.

Transition

The Company has adopted the standard using the modified retrospective approach. There were no transitional adjustments for the Company on initial application.

New international accounting standards and interpretations not yet adopted

The following adopted IFRSs (by the European Union) have been issued but have not been applied in these financial statements. At the date of the financial statements, the company has not applied the following new and revised IFRSs that have been issued but not yet effective:

- IFRS 16 Leases
- IFRS 17 Insurance Contracts
- Amendments to IFRS 9 Prepayment Features with Negative Compensation
- Amendments to IAS 28 Long term Interests in Associates and Joint Ventures
- Annual Improvements to IFRS Standards 2015–2017 Cycle

WRG Waste Services Limited

Notes to the financial statements Year ended 31 December 2018

2. Accounting policies (continued)

New international accounting standards and interpretations not yet adopted (continued)

- Amendments to IFRS 3 Business Combinations, IFRS 11 Joint Arrangements, IAS 12 Income Taxes and IAS 23 Borrowing Costs
- Amendments to IAS 19 Employee Benefits Plan Amendment, Curtailment or Settlement
- IFRS 10 Consolidated Financial Statements and IAS 28 (amendments) Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- IFRIC 23 Uncertainty over Income Tax Treatments

The Directors do not expect that the adoption of the aforementioned standards and interpretations will have a material impact on the financial statements of the Company in future periods.

Going concern

The Directors, having assessed the responses of their enquiries to the indirect parent company, FCC Environment UK Limited ("FCC E UK"), have reviewed projected cash flows and carefully considered the risks to the Company's trading performance and cash flows, and continue to adopt the going concern basis in preparing the Annual report and financial statements. The company is dormant and the Directors neither expect it to trade nor for there to be any cash flows in the foreseeable future.

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no areas of significant judgement or specific estimates or assumptions relevant to the Company.

4. Profit and loss account

No profit and loss account is presented with these financial statements because the Company has not received income, incurred expenditure or recognised any gains or losses during either the year ended 31 December 2018 or the previous financial year.

5. Information regarding directors and employees

None of the Directors received any remuneration or other benefits through the Company during the year ended 31 December 2018 (2017: £nil). They are remunerated as Directors or employees of FCC E UK for services to the Group as a whole and as such it is not possible to directly attribute any element of their remuneration to services as a director of this company. The Directors received total remuneration of £647,000 for services to the Group as a whole in the year ended 31 December 2018 (2017: £637,000). Certain Directors were remunerated by fellow subsidiary companies of FCC without recharge to the Group. The Company had no employees during the financial year ended 31 December 2018 or the previous financial year.

WRG Waste Services Limited

Notes to the financial statements Year ended 31 December 2018

6. Called-up share capital

	2018 £	2017 £
Authorised		
25,000 ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>
Called-up, allotted and fully paid		
24,700 ordinary shares of £1 each	<u>24,700</u>	<u>24,700</u>

7. Contingent liabilities

- (a) The Company is a member of a group VAT registration and as such has contingent liabilities for VAT in respect of other members of the Group.
- (b) On 22 January 2014, the Company was a party to the refinancing of Azincourt Investment S.L. ("Azincourt") and its subsidiary companies. Azincourt was the company used by Fomento de Construcciones y Contratas, S.A. for the acquisition of the Group and its subsidiary undertakings including the Company. Under the re-financing, the Group has granted legal mortgages (or the relevant Scottish equivalent) over specified real property, fixed charges over certain assets, fixed charges or share pledges over investments in addition to assigning certain of its insurance policies and interests in hedging arrangements. The Group has granted floating charges over all present and future undertakings not already charged pursuant to any of the above. Additionally, the Group has granted fixed and floating charges over certain assets as security under an Asset Backed Lending Facility.

8. Related party transactions

The cost of the annual return fee was borne by FCC Recycling (UK) Limited, a fellow subsidiary undertaking of FCC E UK.

9. Ultimate parent company

The immediate parent of the Company is WRG (Northern) Limited, a company registered in Scotland.

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

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