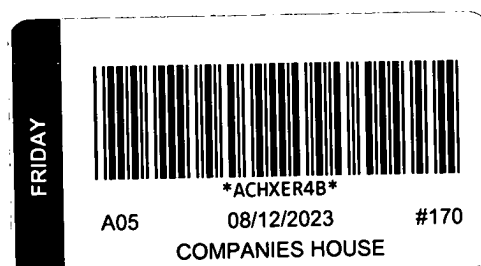




**Viridor Enviroscot Limited**

**Annual Report and Financial Statements**

**for the Year Ended 31 March 2023**



# Viridor Enviroscot Limited

## Contents

Strategic Report	1 to 2
Directors' Report	3 to 4
Statement of Directors' Responsibilities	4
Income Statement	5
Statement of Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Unaudited Financial Statements	10 to 24

## **Viridor Envirosco Limited**

### **Strategic Report for the Year Ended 31 March 2023**

The directors present their strategic report for the year ended 31 March 2023.

#### **PRINCIPAL ACTIVITIES**

The principal activities of the company the operation of waste collection and materials recycling.

On 31 August 2021, the Company sold its collections business and recycling assets to Biffa and as a result ceased to trade. The company remains active whilst finalising and restructuring outstanding contractual obligations.

#### **BUSINESS REVIEW**

##### **Sale of Collections business and certain recycling assets and activities**

On 21 May 2021 the Company announced the agreement to sell its collections business and a number of recycling assets to Biffa. The disposal was completed on 31 August 2021; resulting in the Company ceasing to trade.

##### **Financial results**

Revenue decreased by £6,342,000 from last year to £- (2022: £6,342,000)

Operating profit before interest, tax and depreciation, was £11,000 (2022: £812,000). The operating margin decreased to less than 1% (2022: 13%).

Net finance costs were £- (2022: £84,000).

The Company's taxation position results in a charge for current tax of £721,000 (2022: £21,000) and a credit for deferred tax of £10,000 (2022: charge of £715,000).

##### **Dividends and reserves**

No interim dividends were paid in the year (2022: 20,336,000). The Directors do not recommend the payment of a final dividend (2022: nil).

The transfer to retained earnings for the year was a loss of £700,000 (2022: a loss of £649,000).

The balance in retained earnings at 31 March 2023 is £420,000 (2022: £1,111,000).

##### **Financial risk management**

The Company's activities expose it to a variety of financial risks; market risk (interest rate risk), liquidity risk and credit risk. Further information on the Company's management of these risks is given in note 3 of these financial statements.

##### **Key performance indicators ('KPI's')**

The directors of Viridor Limited manage the Viridor Group's operations on a fully integrated basis. For this reason, the Company's Directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The development, performance and position of the Viridor Group's operations, including those of the Company, are discussed on pages 2 to 11 of Viridor Limited's Annual Report and Accounts which does not form part of this Report.

##### **Principle risks and uncertainties**

The principal risks and uncertainties of the Company are integrated with the principal risks of the Viridor Energy (Investments One) Limited Group and are not separately managed. The principal risks and uncertainties of Viridor Energy (Investments One) Limited, which include those of the Company, are discussed on pages 9 to 11 of Viridor Energy (Investments One) Limited's Annual Report and Financial Statements, which does not form part of this report.

## Viridor Enviroscot Limited

### Strategic Report for the Year Ended 31 March 2023 (continued)

#### Environmental impacts

We keep a strong focus on our environmental performance and responsibilities, working closely with environmental regulators (the Environment Agency, Scottish Environment Protection Agency and Natural Resources Wales) to maintain high standards of operations and compliance, and to further reduce the risk of pollution incidents. In addition to the services Viridor offers its customers for the safe management, treatment and disposal of hazardous wastes, our environment policy clearly commits us to minimising hazardous wastes used or produced and any impacts arising, as well as any (non-greenhouse gases) emissions to air.

The Strategic Report was approved by the Board and authorised for issue on 23 November 2023 and signed on its behalf by:

J Haynes

J Haynes (Nov 23, 2023 10:36 GMT)

J L Haynes  
Director

## **Viridor Enviroscot Limited**

### **Directors' Report for the Year Ended 31 March 2023**

The directors present their report and the unaudited financial statements for the year ended 31 March 2023.

The Directors' Report is prepared in accordance with the provisions of the Companies Act 2006 and regulations made thereunder. It comprises pages 3 to 4 as well as any matters incorporated by reference.

Information regarding the Company, including events and its progress during the year, events since the year-end and likely future developments is contained in the strategic report set out on pages 1 to 2.

In addition, and in accordance with s414C of the Companies Act 2006, the strategic report contains a fair, balanced and comprehensive review and analysis of the development and performance of the Company's business during the year and the position of the Company's business at the end of the year.

#### **Directors**

The directors, who held office during the year, were as follows:

K M Bradshaw (ceased 12 November 2023)

N W Maddock (ceased 16 June 2023)

The following directors were appointed after the year end:

P G Dorel (appointed 16 June 2023)

J L Haynes (appointed 25 September 2023)

#### **Directors' insurance and indemnities**

The Directors have the benefit of the indemnity provisions contained in the Company's Articles and the Company has maintained throughout the year Directors' and Officers' liability insurance for the benefit of the Company, the Directors and its Officers. The Company has entered into qualifying third party indemnity arrangements for the benefit of all its Directors in a form and scope which comply with the requirements of the Companies Act 2006 and which were in force throughout the year and remain in force.

#### **Donations**

No political donations were made or political expenditure incurred.

#### **Going concern**

Following the cessation of trading, the directors do not anticipate that the company will continue in operational existence and is likely to be wound up at some point in the future. All contractual obligations will be satisfied and external creditors will be paid using the company's own funds.

In these circumstances it is not appropriate to prepare the financial statements on a going concern basis. As the company plans to realise its assets and settle liabilities in an orderly fashion, the directors have determined that the accounting policies applied to individual items should be consistent with those adopted in the prior year.

#### **Employment policies and employee involvement**

The Company has no employees (2022: none). Services provided by the Company were undertaken by employees of Viridor Energy Limited (a fellow subsidiary of Viridor Energy (Investments One) Limited, the smallest Group in which these financial statements are consolidated). Policies relating to the training and development in the affairs, policy and performance of the Company can be found in the financial statements of Viridor Energy (Investments One) Limited.

#### **Financial instruments**

Details of the Company's financial instruments are provided in note 2 on page 14 and note 10 on page 22.

## Viridor Enviroscot Limited

### Directors' Report for the Year Ended 31 March 2023 (continued)

#### Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual 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 International Financial Reporting Standards (IFRSs) in conformity with the requirements of the Companies Act 2006. 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 in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information and provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the group and company financial position and financial performance ; 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.

Under applicable law and regulations, the directors are also responsible for preparing a strategic report and directors' report, that comply with that law and those regulations. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

The Directors' Report was approved by order of the Board on 23 November 2023 and signed on its behalf by:

  
Lyndi Hughes (Nov 23, 2023 10:43 GMT)

.....  
L M Hughes  
Company secretary

# Viridor Enviroscot Limited

## Income Statement for the Year Ended 31 March 2023

	Note	2023 £ 000	2022 £ 000
Revenue	3	-	6,342
Employment costs	3	-	(1,255)
Raw materials and consumables used	3	-	(2,980)
Other expenses	3	11	(1,295)
<b>Profit before interest, tax, depreciation, amortisation and dividends</b>		<b>11</b>	<b>812</b>
Depreciation and amortisation expense	3	-	(809)
<b>Operating profit</b>		<b>11</b>	<b>3</b>
Finance income		-	118
Finance costs		-	(34)
Net finance income	4	-	84
<b>Profit before tax</b>		<b>11</b>	<b>87</b>
Taxation charge	5	(711)	(736)
<b>Loss for the year</b>		<b>(700)</b>	<b>(649)</b>

**Viridor Enviroscot Limited****Statement of Comprehensive Income for the Year Ended 31 March 2023**

	<b>2023</b>	<b>2022</b>
	<b>£ 000</b>	<b>£ 000</b>
Loss for the year	(700)	(649)
<b>Items that may be reclassified subsequently to profit or loss</b>		
Unrealised gain or loss on cash flow hedges	-	(73)
Income tax effect	9	(2)
	<u>9</u>	<u>(75)</u>
<b>Total comprehensive loss for the year</b>	<u><b>(691)</b></u>	<u><b>(724)</b></u>



**Viridor Enviroscot Limited****(Registration number: SC182926)****Statement of Financial Position as at 31 March 2023**

		<b>31 March 2023 £ 000</b>	<b>31 March 2022 £ 000</b>
<b>Note</b>			
<b>Assets</b>			
<b>Current assets</b>			
Trade and other receivables	11	<u>1,027</u>	<u>1,310</u>
		<u>1,027</u>	<u>1,310</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	12	-	(158)
Current tax liability		<u>(607)</u>	<u>(21)</u>
		<u>(607)</u>	<u>(179)</u>
<b>Non-current liabilities</b>			
Deferred tax liabilities	5	-	(20)
		-	(20)
<b>NET ASSETS</b>		<u><b>420</b></u>	<u><b>1,111</b></u>
<b>Equity</b>			
Retained earnings		<u><b>420</b></u>	<u><b>1,111</b></u>
<b>TOTAL EQUITY</b>		<u><b>420</b></u>	<u><b>1,111</b></u>

For the financial year ending 31 March 2023 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

**Directors' responsibilities:**

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the Board on 23 November 2023 and signed on its behalf by:

J Haynes  
J Haynes (Nov 23, 2023 10:36 GMT)  
.....  
J L Haynes  
Director

# Viridor Enviroscot Limited

## Statement of Changes in Equity for the Year Ended 31 March 2023

	Share capital £ 000	Share premium £ 000	Cash flow hedging reserve £ 000	Other reserves £ 000	Retained earnings £ 000	Total £ 000
At 1 April 2021	15	60	75	75	21,946	22,171
Loss for the year	-	-	-	-	(649)	(649)
Other comprehensive income	-	-	(75)	-	-	(75)
Total comprehensive loss	-	-	(75)	-	(649)	(724)
Dividends	-	-	-	-	(20,336)	(20,336)
Other ordinary share capital movements	(15)	(60)	-	-	75	-
Other capital redemption reserve movements	-	-	-	(75)	75	-
At 31 March 2022	-	-	-	-	1,111	1,111

	Share capital £ 000	Share premium £ 000	Cash flow hedging reserve £ 000	Other reserves £ 000	Retained earnings £ 000	Total £ 000
At 1 April 2022	-	-	-	-	1,111	1,111
Loss for the year	-	-	-	-	(700)	(700)
Other comprehensive income	-	-	-	-	9	9
Total comprehensive loss	-	-	-	-	(691)	(691)
At 31 March 2023	-	-	-	-	420	420

# Viridor Enviroscot Limited

## Statement of Cash Flows for the Year Ended 31 March 2023

	Note	2023 £ 000	2022 £ 000
<b>Cash flows from operating activities</b>			
Loss for the year		(700)	(649)
<i>Adjustments to cash flows from non-cash items:</i>			
Depreciation and amortisation	3	-	809
Loss on disposal of property plant and equipment		-	253
Finance income	4	-	(118)
Finance costs	4	-	34
Taxation charge	5	711	736
Trade receivables impairment		(23)	34
		(12)	1,099
<i>Working capital adjustments:</i>			
Decrease in inventories		-	15
Decrease in trade and other receivables		305	2,347
Decrease in trade and other payables		(158)	(945)
Decrease in provisions		-	(266)
Cash generated from operations		135	2,250
Taxation (paid)/received		(135)	978
Net cash flow from operating activities		-	3,228
<b>Cash flows from investing activities</b>			
Interest received		-	118
Acquisitions of property plant and equipment		-	(45)
Proceeds from sale of property plant and equipment		-	1,265
Cash receipts from repayment of loans, classified as investing activities		-	12,000
Net cash flows from investing activities		-	13,338
<b>Cash flows from financing activities</b>			
Dividends paid		-	(20,336)
Finance lease principal repayments		-	(35)
Net cash flows from financing activities		-	(20,371)
Net decrease in cash and cash equivalents		-	(3,805)
Cash and cash equivalents at 1 April		-	3,805
Cash and cash equivalents at 31 March		-	-

# **Viridor Envirosco Limited**

## **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023**

### **1 General information**

The company is a private company limited by share capital, incorporated and domiciled in England.

The address of its registered office is:

C/O Shepherd & Wedderburn LLP

9 Haymarket Square

Edinburgh

EH3 8FY

United Kingdom

The nature of the Company's operations include the operation of waste collection and materials recycling.

On 31 August 2021, the Company sold its collections business and recycling assets to Biffa and as a result ceased to trade. The company remains active whilst finalising and restructuring outstanding contractual obligations.

These financial statements were authorised for issue by the board on 23 November 2023.

### **2 Accounting policies**

#### **Statement of compliance**

The company financial statements have been prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006.

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Basis of preparation**

The financial statements have been prepared in accordance with adopted IFRSs and under historical cost accounting rules.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

These financial statements are presented in pound sterling, which is the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

#### **Going concern**

Following the cessation of trading, the directors do not anticipate that the company will continue in operational existence and is likely to be wound up at some point in the future. All contractual obligations will be satisfied and external creditors will be paid using the company's own funds.

In these circumstances it is not appropriate to prepare the financial statements on a going concern basis. As the company plans to realise its assets and settle liabilities in an orderly fashion, the directors have determined that the accounting policies applied to individual items should be consistent with those adopted in the prior year.

## **2 Accounting policies (continued)**

### **New standards, interpretations and amendments not yet effective**

There were no new standards or interpretations, which were mandatory for the first time in the year beginning 1 April 2022, that had an impact on the net assets or results of the Company.

New standards or interpretations due to be adopted from 1 April 2023 are not expected to have a material impact on the Company's net assets or results.

### **Revenue recognition**

#### ***Recognition***

Revenue is recognised following delivery of performance obligations and an assessment of when control over the product or service is transferred to the customer. Revenue is only recognised when collection of consideration is highly probable.

Revenue is recognised either when the performance obligation in the contract has been performed ('point in time' recognition) or 'over time' as the performance obligations to the customer are satisfied. For each obligation satisfied over time, the company applies a revenue recognition method that accurately reflects performance in transferring control of the services to the customer.

Where a contract with a customer includes more than one performance obligation, revenue is allocated to each obligation in proportion to a fair value assessment of the total contract sales value split across the services provided.

At the inception of a contract the total transaction price is estimated, being the fair value to which the company expects to be entitled under the contract, including any variable consideration. Variable consideration is based on the most likely outcome of the performance obligations.

Revenue excludes value added tax, trade discounts and includes revenue arising from transactions between Group companies.

#### ***Waste management services***

In respect of single services with fixed fees, such as the receipt of gate and collection fees, revenue is recognised at the time the service is provided.

The Company also delivers other waste management services for which revenue is recognised 'over time' in accordance with contracts with customers. The nature of contracts and/or performance obligations includes management fees to operate local authority recycling centres and energy recovery facilities, multi service contracts including collections and gate fees.

Revenue from other services can be fixed (i.e. management fees) or variable (i.e. gate fees).

Gate fee revenue, derived from the Company's operational assets, is recognised as customer waste is deposited and is based on tonnage received.

In respect of waste collection services, revenue is recognised at the point of collection from customer premises.

A majority of waste management customers are invoiced monthly for services provided within the monthly billing period. Payments are typically due on an end of month following invoice basis. Alternative billing and/or payment terms are agreed in exceptional circumstances.

The Company transfers control of such waste management services prior to invoicing. Receipt of payment following invoice is based solely on the passage of time. A trade receivable is recognised until payment is made and/or refund issued.

# Viridor Enviroscot Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023 (continued)

### 2 Accounting policies (continued)

#### *Recyclate*

The Company transforms waste into recyclate ready for resale. Revenue is measured at the agreed transaction price per tonne of recyclate under the contract with the customer. Revenue recognition occurs when control over the recyclate assets has been transferred to the customer.

In respect of UK sales, the Company's performance obligation is satisfied at the point of collection by the customer. This is the point in time when an invoice is issued and revenue is recognised. Payment terms are typically end of month following invoice date. Overseas sales are predominantly agreed under a letter of credit. Goods are despatched at the point the letter of credit is accepted by the customers bank. Payment is released when the customer confirms satisfactory receipt of the recyclate. This is the point legal title (i.e. control) passes to the customer and revenue is recognised.

#### *Contract assets and liabilities*

A trade receivable is recognised when the Company has an unconditional right to receive consideration in exchange for performance obligations already fulfilled. A contract asset is recognised when the Company has fulfilled some of its performance obligations but has not yet obtained an unconditional right to receive consideration, such as during the construction phase of a service concession agreement, as described above.

A contract liability is recognised when consideration is received in advance of the Company performing its performance obligations to customers.

#### **Foreign exchange**

Transactions denominated in foreign currencies are translated at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in a foreign currency are translated at the closing balance sheet rate. The resulting gain or loss is recognised in the income statement.

#### **Property, plant and equipment**

Property, plant and equipment is stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of property, plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

#### **Depreciation**

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Freehold buildings	30-50 years
Energy recovery facilities	25-40 years
Short-term leasehold land and buildings	The shorter of their estimated useful economic lives or the finance lease period.
Fixed and mobile plant, vehicles and computers	3-10 years
Assets classified as construction in progress	Not depreciated until commissioned

## **2 Accounting policies (continued)**

### **Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Leased assets are accounted for by recognising a right-of use-asset and a lease liability except for:

- Low value assets; and
- Leases with a duration of 12 months or less.

The costs of which are charged to the income statement in the period to which they relate.

#### *Right-of-use assets*

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

If a lease liability is terminated or novated to a third party the related right-of-use asset is derecognised. Any gain or loss on derecognition of the asset (calculated as the difference between the net disposal proceeds, the carrying amount of the asset and the present value of the lease liability) is included in the income statement in other operating expenses.

#### *Lease liabilities*

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date, because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

### **Fair values**

The fair values of short-term deposits, loans and overdrafts with a maturity of less than one year are assumed to approximate to their book values. In the case of non-current bank loans and other loans, the fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate available to the company for similar financial instruments.

### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

**2 Accounting policies (continued)**

**Retirement benefit obligations**

Costs of the defined contribution pension scheme are charged to the income statement in the year in which they arise. The company has no further payment obligations once the contributions have been paid.

**Financial instruments**

Financial instruments are recognised and measured in accordance with IFRS 9.

The Company classifies its financial instruments in the following categories:

***i) Trade receivables***

Trade receivables do not carry any interest receivable and are recognised initially at fair value and subsequently at amortised cost using the effective interest method, less provision for expected credit losses (ECLs). The Company performs an impairment analysis at each reporting date to measure the ECLs. The Company does not track changes in credit risk but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has an established provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the receivables and the economic environment.

***ii) Receivables due from subsidiary undertakings***

Amounts owed by subsidiaries are classified and recorded at amortised cost and reduced by allowances for expected credit losses. Estimated future credit losses are first recorded on initial recognition of a receivable and are based on estimated probability of default.

**Taxation**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in the statement of comprehensive income or directly in equity. In this case the tax is recognised in the statement of comprehensive income or directly in equity as appropriate.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.



# Viridor Enviroscot Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023 (continued)

### 3 Operating profit

#### Revenue

The grouping of revenue streams, analysed by how they are affected by economic factors is as follows:

	UK £000	Total £000
<b>Year ended 31 March 2023</b>	-	-
<b>Year ended 31 March 2022</b>		
Waste management services	5,870	5,870
Recyclate	472	472
	<u>6,342</u>	<u>6,342</u>

The Company's country of domicile is the United Kingdom and is the country in which it generates most of its revenue. The Company's non-current assets are all located in the United Kingdom.

#### Operating costs

		31 March 2023 £000	31 March 2022 £000
Employment costs	Note 6	-	1,255
Raw materials and consumables		-	2,980
<b>Other operating expenses:</b>			
Loss on disposal of property, plant and equipment		-	253
Short-term and low value lease rentals payable		-	49
Trade receivables impairment	11	(23)	34
Power		-	11
Rates		-	25
Hired and contracted services		2	607
Other external charges		10	316
		<u>(11)</u>	<u>1,295</u>
<b>Depreciation of property, plant and equipment:</b>			
- Owned assets		-	809

**Viridor Enviroscot Limited****Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023 (continued)****4 Finance income and costs**

	Note	2023 £ 000	2022 £ 000
<b>Finance income</b>			
Interest income on loans to related parties	15	-	118
Total finance income		-	118
<b>Finance costs</b>			
Interest element of lease rentals		-	(34)
Total finance costs		-	(34)
<b>Net finance income</b>		-	84

## Viridor Enviroscot Limited

### Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023 (continued)

#### 5 Taxation

Tax charged in the income statement

	2023 £ 000	2022 £ 000
UK corporation tax	721	21
Deferred tax	(10)	715
Tax charge in the income statement	<u>711</u>	<u>736</u>

UK corporation tax is calculated at 19% (2022: 19%) of the estimated assessable profit before tax for the year.

#### Reconciliation of total tax charge:

The total tax for the year differs from the theoretical amount that would arise using the standard rate of Corporation tax in the UK of 19% (2022: 19%) as follows:

	2023 £ 000	2022 £ 000
Profit before tax	<u>11</u>	<u>87</u>
Tax calculated at the standard rate of UK Corporation tax of 19%	2	17
Deferred tax expense (credit) relating to changes in tax rates or laws	-	2
Increase (decrease) in current tax from adjustment for prior periods	103	219
Other tax effects for reconciliation between accounting profit and tax expense (income)	-	497
Increase (decrease) from effect of expenses not deductible in determining taxable profit (tax loss)	-	1
Movement in uncertain tax positions	<u>606</u>	<u>-</u>
Total tax charge	<u>711</u>	<u>736</u>

The average total effective rate for the year, is >100% (2022: >100%).

UK corporation tax is stated after a charge relating to prior year current tax of £114,000 (2022: charge of £26,000) and a prior year deferred tax credit of £11,000 (2022: charge of £193,000).

An Uncertain Tax Position ("UTP") of £606k arises in the Company as at 31 March 2023 due to unpaid amounts of corporation tax of £606k in respect of the year ended 31 March 2012. Historic payments of this amount has been paid to HMRC but misallocated to former group entities which are now under different ownership. Agreement has been obtained post year end to reallocate these credits, which should result in the reversal of this amount in the financial statements for the year ended 31 March 2024.

The above UTP forms part of the total UTP recognised in the consolidated financial statements of Viridor Limited and Planets UK Midco Limited for the year ended 31 March 2023.

# Viridor Enviroscot Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023 (continued)

### 5 Taxation (continued)

#### Deferred tax

Deferred tax is provided in full on temporary differences under the liability method using enacted tax rates.

Movements on deferred tax were:

	31 March 2023 £ 000	31 March 2022 £ 000
(Net liabilities)/Net assets at 1 April	(19)	698
Credit/(Charge) to the income statement	10	(715)
Credit/(Charge) to other comprehensive income	9	(2)
Net liabilities at 31 March	-	(19)

The movement in deferred tax assets and liabilities were:

	At 1 April 2022 £ 000	Recognised in income statement £ 000	Recognised in other comprehensive income £ 000	At 31 March 2023 £ 000
Accelerated tax depreciation	-	-	-	-
Provisions	-	-	-	-
Derivatives	(19)	10	9	-
Net tax assets/(liabilities)	(19)	10	9	-

The movement in deferred tax assets and liabilities during the prior year were:

	At 1 April 2021 £ 000	Recognised in income statement £ 000	Recognised in other comprehensive income £ 000	At 31 March 2022 £ 000
Accelerated tax depreciation	679	(679)	-	-
Provisions	33	(33)	-	-
Derivatives	(14)	(3)	(2)	(19)
Net tax assets/(liabilities)	698	(715)	(2)	(19)

## Viridor Enviroscot Limited

### Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023 (continued)

#### 6 Employment costs

The Company has no employees (2022: none). Services provided by the Company were undertaken by employees of Viridor Energy Limited, a fellow subsidiary of Viridor Energy (Investments One) Limited (the smallest Group in which this company's results are consolidated). The employment costs in the income statement were recharged to the Company by Viridor Energy Limited in relation to nil (2022: 39 ) employees who worked predominantly for the Company.

The aggregate payroll costs (including directors' remuneration) were as follows:

	2023 £ 000	2022 £ 000
Wages and salaries	-	1,111
Social security costs	-	100
Pension costs, defined contribution scheme	-	44
	<u>-</u>	<u>1,255</u>

#### 7 Key management personnel

Key management personnel have been determined to be the Executive Leadership Team (ELT) by virtue of their authority and responsibility for planning, directing and controlling the activities of the Group. This includes statutory directors of the Company.

##### Key management compensation

	2023 £ 000	2022 £ 000
Aggregate emoluments of key management personnel in respect of their services to the Company	<u>-</u>	<u>23</u>

The Company incurred no direct charge for key management compensation but received a proportion of the employment costs as a management charge from Viridor Waste Limited (a parent company). Total emoluments of the Directors are disclosed in the Financial Statements of Viridor Limited (a Group in which this company's results are consolidated).

# Viridor Enviroscot Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023 (continued)

### 8 Property, plant and equipment

	Land and buildings £ 000	Fixed and mobile plant, vehicles and computers £ 000	Assets under construction £ 000	Total £ 000
<b>Cost or valuation</b>				
At 1 April 2021	4,071	4,522	12	8,605
Additions	-	152	44	196
Disposals	(4,071)	(4,687)	(43)	(8,801)
Transfers/reclassifications	-	13	(13)	-
At 31 March 2022	-	-	-	-
<b>Depreciation</b>				
At 1 April 2021	3,968	2,032	-	6,000
Charge for year	19	204	-	223
Eliminated on disposal	(3,987)	(2,236)	-	(6,223)
At 31 March 2022	-	-	-	-
<b>Carrying amount</b>				
At 31 March 2023	-	-	-	-
At 31 March 2022	-	-	-	-

During the prior year the Company's property, plant and equipment assets were sold at their net book value as part of the disposal of its collections business.

# Viridor Enviroscot Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023 (continued)

### 9 Right of use assets

	Machinery £ 000	Property £ 000	Total £ 000
<b>Cost or valuation</b>			
At 1 April 2021	5,201	1,821	7,022
Additions	10	-	10
Disposals	<u>(5,211)</u>	<u>(1,821)</u>	<u>(7,032)</u>
At 31 March 2022	<u>-</u>	<u>-</u>	<u>-</u>
<b>Depreciation</b>			
At 1 April 2021	2,715	410	3,125
Charge for year	518	68	586
Eliminated on disposal	<u>(3,233)</u>	<u>(478)</u>	<u>(3,711)</u>
At 31 March 2022	<u>-</u>	<u>-</u>	<u>-</u>
<b>Carrying amount</b>			
At 31 March 2023	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2022	<u>-</u>	<u>-</u>	<u>-</u>

The corresponding lease liabilities are disclosed in note .

Short-term and low value lease rentals payable are disclosed in note 3.

**Viridor Enviroscot Limited**

**Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023 (continued)**

**10 Financial instruments by category**

	Notes	Amortised cost Trade receivables and trade payables £000	Total £000
<b>31 March 2023</b>			
<b>Financial assets</b>			
Trade and other receivables	11	<u>1,024</u>	<u>1,024</u>
		<u><b>1,024</b></u>	<u><b>1,024</b></u>
<b>31 March 2022</b>			
<b>Financial assets</b>			
Trade and other receivables	11	<u>1,310</u>	<u>1,310</u>
		<u><b>1,310</b></u>	<u><b>1,310</b></u>
<b>Financial liabilities</b>			
Trade and other payables	12	<u>(156)</u>	<u>(156)</u>
		<u><b>(156)</b></u>	<u><b>(156)</b></u>



# Viridor Enviroscot Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023 (continued)

### 11 Trade and other receivables

		31 March 2023 £ 000	31 March 2022 £ 000
<b>Current</b>	<b>Note</b>		
Trade receivables		-	48
Provision for impairment of trade receivables		-	(48)
Net trade receivables		-	-
Receivables from related parties	15	1,024	1,310
Other receivables		3	-
		<u>1,027</u>	<u>1,310</u>

The Company applies the simplified approach in calculating the expected credit losses for trade receivables allowing a provision matrix to be used which is based on the expected life of trade receivables. The expected credit loss rate applied ranges from 0% for not due balances up to 100% for balances aged over 120 days. However there are exceptions, for example where a customer has gone into liquidation a provision will be made regardless of ageing, or conversely if a customer is a major corporate or local authority with no history of default, a provision might not be considered appropriate.

#### The movement in the allowance for expected credit losses in respect of trade receivables was:

		31 March 2023 £ 000	31 March 2022 £ 000
	<b>Note</b>		
At start of year		48	53
Provision for expected credit losses	3	(23)	34
Receivables written off during the year as uncollectable		(25)	(39)
		<u>-</u>	<u>48</u>

### 12 Trade and other payables

		31 March 2023 £ 000	31 March 2022 £ 000
	<b>Note</b>		
Trade payables		-	5
Amounts due to related parties	15	-	151
Social security and other taxes		-	2
		<u>-</u>	<u>158</u>

The Directors consider that the carrying amount of trade and other payables approximates to their fair value.

### 13 Share capital

#### Allotted, called up and fully paid shares

	31 March 2023		31 March 2022	
	No.	£	No.	£
A Ordinary shares of £0.20 each	<u>5</u>	<u>1</u>	<u>5</u>	<u>1</u>

## Viridor Enviroscot Limited

### Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023 (continued)

#### 14 Contingent liabilities

During the prior year, the company issued charges over its assets as security for the wider Viridor Group's financing facilities. These charges had not been satisfied as at 31 March 2023.

#### 15 Related party transactions

The inter-company relationships described below relate to the relationships that existed at 31 March.

"Parent" relates to both direct and indirect parent companies.

##### Year end balances

	Note	31 March 2023 £000	31 March 2022 £000
<b>Current receivables</b>			
Parent company		1,024	1,310
	11	<u>1,024</u>	<u>1,310</u>
<b>Current trade payables</b>			
Parent company		-	(151)
	12	<u>-</u>	<u>(151)</u>
<b>Income from related parties:</b>			
		<b>Intermediate parent company £ 000</b>	<b>Total £000</b>
<b>2023</b>		<u>-</u>	<u>-</u>
		<b>Intermediate parent company £ 000</b>	<b>Total £000</b>
<b>2022</b>	Note	<u>118</u>	<u>118</u>
Income from provision of loan finance	4		

#### 16 Parent and ultimate parent undertaking

The following information relates to the Group structure that existed at 31 March 2023.

The company's immediate parent was Viridor Dunbar Waste Services Limited.

The ultimate parent was KKR Planets Aggregator L.P.

The most senior parent entity producing publicly available financial statements was Planets UK Midco Limited. These financial statements are available upon request from 11th Floor, 200 Aldersgate Street, London, United Kingdom, EC1A 4HD

The parent of the smallest group in which these financial statements are consolidated is Viridor Energy (Investments One) Limited, incorporated in England.

The address of Viridor Energy (Investments One) Limited is:  
Viridor House, Priory Bridge Road, Taunton, Somerset, TA1 1AP