

**Company Registration No. NI641939 (Northern Ireland)**

**WASTEBEATER (BELFAST) LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2018**

# WASTEBEATER (BELFAST) LIMITED

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# WASTEBEATER (BELFAST) LIMITED

## BALANCE SHEET

AS AT 30 JUNE 2018

	Notes	2018 £	£	2017 £	£
<b>Fixed assets</b>					
Goodwill	4		-	3,766,667	
Tangible assets	5		-	1,200,000	
			-	4,966,667	
<b>Current assets</b>					
Debtors falling due after more than one year	7	5,495,130	-		
Debtors falling due within one year	7	4,768	2,688,228		
Cash at bank and in hand		198	371,873		
		5,500,096	3,060,101		
<b>Creditors: amounts falling due within one year</b>	8	-	(2,526,672)		
<b>Net current assets</b>		5,500,096		533,429	
<b>Total assets less current liabilities</b>		5,500,096		5,500,096	
<b>Capital and reserves</b>					
Called up share capital	10	5,500,002		5,500,002	
Profit and loss reserves		94		94	
<b>Total equity</b>		5,500,096		5,500,096	

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 7 December 2018 and are signed on its behalf by:

Mr Brett Ross  
Director

Mr Michael Gray  
Director

Company Registration No. NI641939

The notes on pages 2 - 9 form part of these financial statements and should be read in conjunction therewith.

# WASTEBEATER (BELFAST) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 30 JUNE 2018**

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### **1 Accounting policies**

#### **Company information**

Wastebeater (Belfast) Limited is a private company limited by shares incorporated in Northern Ireland. The registered office is 56 Craigmare Road, Ringsend, Garvagh, Co Londonderry, BT51 5HF.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

With the company's activities being transferred to River Ridge Recycling (Portadown) Ltd, the company ceased to trade on 30th June 2017. Consequently the directors do not consider it appropriate to prepare the financial statements on the going concern basis.

#### **1.3 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### **1.4 Intangible fixed assets - goodwill**

Goodwill represents the excess of the cost of acquisition of businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

#### **1.5 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

# WASTEBEATER (BELFAST) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

### 1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	- 20% straight line
Fixtures, fittings and equipment	- 20% straight line
Motor vehicles	- 20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

# WASTEBEATER (BELFAST) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

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### 1 Accounting policies

(Continued)

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **1.9 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### **1.10 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.11 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.12 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

# WASTEBEATER (BELFAST) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

### 1 Accounting policies

(Continued)

#### 1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

#### 1.14 Related party transactions

The company has taken advantage of the exemption contained in FRS 102 Section 33.1A "Related Party Disclosures", which allows 100% owned subsidiaries to not disclose details of transactions with its parent or fellow 100% owned subsidiary companies.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2018 Number	2017 Number
Administration	3	7
Transport	-	24
	<u>3</u>	<u>31</u>

Their aggregate remuneration comprised:

	2018 £	2017 £
Wages and salaries	-	600,520
Social security costs	-	43,717
Pension costs	-	3,029
	<u>-</u>	<u>647,266</u>

# WASTEBEATER (BELFAST) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

### 4 Intangible fixed assets

	Goodwill £
<b>Cost</b>	
At 1 July 2017	4,000,000
Disposals	(4,000,000)
At 30 June 2018	-
<b>Amortisation and impairment</b>	
At 1 July 2017	233,333
Disposals	(233,333)
At 30 June 2018	-
<b>Carrying amount</b>	
At 30 June 2018	-
At 30 June 2017	3,766,667

### 5 Tangible fixed assets

	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 July 2017	1,199,235	9,765	291,000	1,500,000
Disposals	(1,199,235)	(9,765)	(291,000)	(1,500,000)
At 30 June 2018	-	-	-	-
<b>Depreciation and impairment</b>				
At 1 July 2017	239,847	1,953	58,200	300,000
Eliminated in respect of disposals	(239,847)	(1,953)	(58,200)	(300,000)
At 30 June 2018	-	-	-	-
<b>Carrying amount</b>				
At 30 June 2018	-	-	-	-
At 30 June 2017	959,388	7,812	232,800	1,200,000



# WASTEBEATER (BELFAST) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

### 6 Financial instruments

	2018 £	2017 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	5,495,130	2,678,228
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	-	2,201,909

### 7 Debtors

	2018 £	2017 £
<b>Amounts falling due within one year:</b>		
Trade debtors	-	1,825,446
Other debtors	4,768	1,182
Prepayments and accrued income	-	10,000
	4,768	1,836,628

	2018 £	2017 £
<b>Amounts falling due after more than one year:</b>		
Amounts owed by group undertakings	5,495,130	851,600
<b>Total debtors</b>	5,499,898	2,688,228

### 8 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	-	431,984
Amounts due to group and related undertakings	-	1,725,000
Other taxation and social security	-	324,763
Accruals and deferred income	-	44,925
	-	2,526,672

## WASTEBEATER (BELFAST) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

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#### 9 Bank security

The Bank of Ireland holds security for banking facilities it provides to River Ridge Holdings Limited and River Ridge Recycling (Portadown) Ltd. Security for these debts is provided by River Ridge Holdings Limited and its subsidiary companies, which includes Wastebeater (Belfast) Limited. Specific details of the security are as follows:

- A first mortgage / charge over each of the following properties:
  - 56 Craigmore Road, Garvagh, Co. Derry BT51 5HF
  - Unit 5 Newbuildings Industrial Estate, Victoria Road, Newbuildings, Co. Derry BT47 2SX
  - Enviropac, Electra Road, Maydown, Co. Derry BT47 6UL
  - 91 Moy Road, Portadown, Co. Armagh BT62 1QW
  - 94 and 110-114 Duncrue Street, Belfast BT3 9AR
- A first ranking group debenture in respect of - River Ridge Holdings Limited, River Ridge Recycling (Portadown) Ltd, River Ridge Recycling Limited, River Ridge Energy Ltd, Full Circle Power Limited, Pioneer Fuels Ltd, Coleraine Skip Hire & Recycling Limited, River Ridge Recycling (Belfast) Limited, Wastebeater (Belfast) Limited - charging all of their assets and undertakings;
- An inter-company cross guarantee from River Ridge Holdings Limited, River Ridge Recycling (Portadown) Ltd, River Ridge Recycling Limited, River Ridge Energy Ltd, Full Circle Power Limited, Pioneer Fuels Ltd, Coleraine Skip Hire & Recycling Limited, River Ridge Recycling (Belfast) Limited and Wastebeater (Belfast) Limited;
- A charge over (i) the shares held by River Ridge Holdings Limited in Coleraine Skip Hire & Recycling Limited, River Ridge Recycling Limited and River Ridge Energy Ltd (ii) the shares held by Coleraine Skip Hire & Recycling Limited in Full Circle Power Limited and Pioneer Fuels Ltd (iii) the shares held by River Ridge Recycling Limited in River Ridge Recycling (Portadown) Ltd and River Ridge (Belfast) Limited (iv) the shares held by Full Circle Power Limited in River Ridge Energy Ltd; and, (v) the shares held by River Ridge Recycling (Portadown) Ltd in Full Circle Power Limited, Pioneer Fuels Ltd and Wastebeater (Belfast) Limited;
- An assignment of the life policy on the life of Mr. Brett Ross with cover in the sum of £3 million;
- The Original Subordination Deed and the First Deed of Amendment;
- A deposit of all environmental licenses of the Group with the Bank together with a signed, completed and updated license transfer form and power of attorney in respect of each license;
- A first fixed charge over the trade debtors of the Group;
- A deed of confirmation in respect of all existing security;
- The Restated Subordination Deed.

## WASTEBEATER (BELFAST) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

#### 10 Share capital

	2018 £	2017 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
5,500,002 Ordinary shares of £1 each	5,500,002	5,500,002
	<u>5,500,002</u>	<u>5,500,002</u>

The ordinary shares entitle the shareholders to:

- full voting rights;
- full rights to participate in dividends, as voted; and
- full rights to participate in a distribution including in a winding up situation.

#### 11 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

##### **Emphasis of matter - Going concern**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1.2 of the financial statements concerning the preparation of the financial statements on a basis other than going concern. The company ceased to trade on 30th June 2017. Details of the circumstances relating to this are described in note 1.2.

The senior statutory auditor was John Love.

The auditor was Moore Stephens (NI) LLP.

#### 12 Related party transactions

##### **Remuneration of key management personnel**

The directors are considered to be the company's key management personnel. None of the directors received remuneration for their services during the period.

##### **Transactions with related parties**

The Company has taken advantage of the exemption contained in FRS 102 Section 33.1A "Related Party Disclosures", which allows 100% owned subsidiaries to not disclose details of transactions with its parent or fellow 100% owned subsidiary companies.

No guarantees have been given or received.

#### 13 Controlling party

The entire share capital of Wastebeater (Belfast) Limited is owned by River Ridge Recycling (Portadown) Ltd. The ultimate parent company is River Ridge Holdings Limited.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.