UK Waste Management Limited
Annual Report and Financial Statements
For the 53 weeks ended 30 March 2018

Company number: 01362615

UK Waste Management Limited
Company Information
For the 53 weeks ended 30 March 2018

Registered office
Coronation Road
Cressex Business Park
High Wycombe
Buckinghamshire
HP12 3TZ

Directors
M Topham
R Pike
Biffa Corporate Services Limited

UK Waste Management Limited
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UK Waste Management Limited
Strategic Report
For the 53 weeks ended 30 March 2018

The Directors present here a strategic review of the business of UK Waste Management Limited (the Company). This contains certain forward looking statements with respect to the financial condition, results, operations and business of the Company. By their nature, these statements and forecasts involve risk and uncertainty because they relate to events and depend on circumstances that may or may not occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward looking statements and forecasts.

Our Strategy
The vision of the group of companies owned by Biffa plc (the Biffa Group) through the ownership of UK Waste Management Limited and its other subsidiaries is to become the UK's undisputed leading solutions provider of creative sustainable waste management services whilst delivering sustainable growth, reducing risk and improving the long term financial performance.

The Company has focused on five key goals during the 53 weeks ended 30 March 2018. It is believed that continued focus on these five key goals will drive the desired success across all areas of the business for the next financial period. These goals are:

- **Working together safely**

We aim to be industry leading in health and safety, keeping our customers, employees and the general public safe at all times, whilst minimising the impact we have on the environment.

- **First choice for customers**

To be the leading brand and solutions provider by delivering high quality, innovative services which deliver great value and are the envy of our competitors.

- **Easy to do business with**

We continue to ensure our key business processes are lean, efficient, effective and fit for purpose.

- ***Building pride in Biffa***

We want our people to be enthusiastic about our business and willing to go the extra mile.

- **Growing profitably**

We aim to deliver period on period growth through the effective management of our business.

Throughout the period the business delivered its services in three main divisions:

Industrial & Commercial (I&C)
Provides waste collection and associated services to industrial & commercial waste producers.

Energy
Provides renewable energy generation from the Biffa Group's portfolio of landfill gas assets.

Resource Recovery & Treatment (RR&T)
Provides waste treatment and disposal services for customers including landfill and other treatments.

The Company has built its future strategy and five year plan around these three key areas of the business.

Review of the period
The Company operates a network of transfer stations, depots and workshops within the I&C division. The division has continued to record strong growth with its balanced approach of efficiency gains and cost reductions whilst at the same-time ensuring that both its existing and new customer contracts are appropriately priced. The Company continues to expand upon its network of facilities to prepare waste into Refuse Derived Fuel, further increasing volumes sent to UK Energy from Waste facilities.

Review of the period (continued)
The Energy division continues to operate several sites generating electrical energy from landfill gas. Energy prices remain uncertain and the Company continues to forward sell its energy generation to provide earnings certainty.

The RR&T division continues to receive restoration soils at a number of landfill sites. The division continues to fulfil its obligations for the environmental restoration and maintenance of several closed sites.

For a detailed review of the Company's position refer to the Balance Sheet on page 9.

Financial results

	53 weeks to 30 March 2018 £'000	52 weeks to 24 March 2017 £'000	Movement £'000
Profit before taxation	**22,358**	20,357	2,001
Taxation	**1**	18	(17)
Profit after taxation	**22,359**	20,375	1,984

The Directors do not propose the payment of a dividend (2017: £nil). No interim dividends were paid during the period (2017: £nil).

Non-financial key performance indicators in respect of the Biffa Group are shown in the Financial Statements of Biffa Plc for the period to 30 March 2018, which do not form part of this report.

Future outlook
The I&C division continues to operate in a highly competitive marketplace, with relatively stable waste volumes and an increasing degree of complexity within certain waste types which are increasingly collected on a segregated basis. The division remains focused on driving organic revenue through targeted sales across all of our customer channels and by making further improvements in our levels of customer retention. The Company will continue to ensure a balanced approach, focusing on operational efficiencies to achieve a 'lowest cost to serve'.

The Energy division will continue to operate several sites generating electrical energy from landfill gas, in addition to seeking to maximise earnings from existing operations by optimising gas, electrical and material yields.

The RR&T division will continue to operate several landfill sites receiving restoration soils, while also continuing to fulfil its obligations for the environmental restoration and maintenance of its closed sites.

On 18 April 2017 Loristan Services Limited, a wholly owned subsidiary registered in the United Kingdom was dissolved via voluntary strike off.

Principal risks

The Directors are aware of the need to review all aspects of risk which are likely to affect the financial stability of the Company, whether it be from either the sales or the cost side of the business. On an annual basis the Directors carry out a detailed internal risk assessment analysis on all aspects of the business. The key risks that may prevent the Company from achieving its objectives are:

- The technologies employed fail to deliver expected performance or end product for the markets in which the Company operates.
- The Company's service offerings fail to react to legislative and market dynamics.
- The Company has contractual and other arrangements with numerous third parties in support of its business. None of these is considered, individually, to be essential to the business of the Company.

In mitigation of the above risks, the Company continues to regularly review its service offerings to ensure they are fully compliant and meet the needs of its customers.

Credit risk

Credit risk is managed on a group basis as appropriate. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted.

Liquidity risk

The Company and the Biffa Group ensure that there are sufficient committed loan facilities in order to meet short term business requirements, after taking into account cash flows from operations and its holding of cash and cash equivalents.

Currency risk

The Company and the Biffa Group have no material exposure to currency arrangements.

Price risk

The Company and the Biffa Group are not materially exposed to any equity securities risk. Both the Energy and I&C divisions are exposed to commodity price risks on their outputs.

Employees

The Company regularly reviews its employment practices to ensure it promotes dignity at work, equal opportunity and good working relations based on fairness, equality and inclusiveness. The safety of employees is the top priority.

The Company puts employee engagement at the heart of its people strategy and plans and the Biffa Group remains committed to further increasing employee engagement. Currently at 53% the Biffa Group is 3 percentage points behind the UK average and within 13 percentage points of the upper quartile threshold. Although engagement levels reduced by 3 percentage points in 2018, over the last seven years there has been an average improvement of 3.7 percentage points annually, and remain ahead of our strategic target of 3 percentage points increase per year. Importantly employee engagement has informed our people strategy, particularly in the area of development and as a result we have invested significantly more in both technical training and management development.

The Company is committed to the continual development of the skills and knowledge and behaviours of its people, providing statutory and safety related training, quality role specific personal development programmes, 'core skills' and management capability building programmes. Opportunities for continual professional development are offered through a variety of approaches, including classroom based training, e-learning and on the job coaching and assignment to projects.

Employees (continued)

The Company promotes meritocracy, endeavouring to fill internal vacancies by internal appointments wherever possible. It builds constructive relationships with recognised trade unions and safeguards equality of opportunity and respect for colleagues in the workplace through its policies and practices.

It is the policy of the Company to give full consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities and to provide for the training, career development and promotion of disabled persons employed by the Company and the Biffa Group. The Company and the Biffa Group will endeavour to retain employees who become disabled during their employment and will provide for retraining where possible to allow such employees to fulfil their potential.

Approved by the Board of Directors and signed on behalf of the Board;

R Pike
Director

15 November 2018

UK Waste Management Limited
Report of the Directors
For the 53 weeks ended 30 March 2018

Directors: M Topham
R Pike
Biffa Corporate Services Limited

The Directors present their Annual Report and the unaudited Financial Statements of the Company for the 53 weeks ended 30 March 2018 (2017: 52 weeks ended 24 March 2017).

Details of future developments, employees and financial risk management objectives and policies can be found in the Strategic Report on pages 1 to 4.

Results and dividends
The Company's result for the period is set out on page 8.

There was no dividend paid during the period (2017: £nil). The Directors do not recommend the payment of a dividend for the period ended 30 March 2018.

Financial risk management and exposure
The principal financial risks and risk management strategies are detailed in the Strategic Report on page 3.

FRS 101 reduced disclosure framework
The Financial Statements have been prepared and approved by the Directors in accordance with Financial Reporting Standard (FRS) 101 Reduced Disclosure Framework issued by the Financial Reporting Council.

Going concern
The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on pages 1 to 4.

The Company is managed as part of the Biffa Group. The Biffa Group has committed facilities which the Directors consider sufficient to service its ongoing working capital and capital investment requirements.

The Directors have considered other supportive factors in arriving at their conclusion including:
- the long term contracts with its customers and suppliers across different industries which include integrated waste management contracts
- the Company and the Biffa Group's strategic plans supporting the short, medium and long-term cash flow.

After reviewing the above and taking into account current and future developments and principal risks and uncertainties as discussed in the Strategic Report on pages 1 to 4, the Directors have a reasonable expectation that the Company is well placed to manage its business risks successfully, and have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Financial Statements.

Directors
The Directors of the Company at the date of this report are shown above. There were no changes to the Board in the 53 weeks to 30 March 2018, however after the 30 March 2018 the following changes to the Board were made:

I Wakelin resigned – 28 September 2018
M Topham appointed – 28 September 2018
R Pike appointed – 28 September 2018

Directors' indemnities

The Company has made qualifying third party provisions as defined in the Companies Act 2006 (the Act) for the benefit of its Directors. These provisions remain in force at the date of this Annual Report.

In accordance with the Company's articles, and to the extent permitted by law, the Company may indemnify its Directors out of its own funds to cover liabilities arising as a result of their office. The Biffa Group holds Directors' and Officers' Liability Insurance cover for any claim brought against Directors or Officers for wrongful acts in connection with their positions, but the cover does not extend to claims arising from dishonesty or fraud.

Employee engagement

The Company puts employee engagement at the heart of its people strategy and plans, as detailed within the Strategic Report on pages 3 to 4.

Approved and signed on behalf of the Board;

R Pike
Director
15 November 2018

UK Waste Management Limited
Directors' Responsibilities Statement
For the 53 weeks ended 30 March 2018

The Directors are responsible 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 period. Under that law the Directors have elected to prepare the Financial Statements in accordance with Financial Reporting Standard (FRS) 101 Reduced Disclosure Framework.

Under Company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; 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 Act. 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.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

UK Waste Management Limited
Profit and Loss Account
For the 53 weeks ended 30 March 2018

	Notes	**53 weeks to 30 March 2018 £'000**	52 weeks to 24 March 2017 £'000
Turnover	2	**166,154**	150,704
Cost of sales		**(143,212)**	(129,605)
Gross profit		**22,942**	21,099
Administrative expenses		**(419)**	(559)
Distribution costs		**(36)**	(20)
Operating profit		**22,487**	20,520
Interest payable and similar expenses	3	**(129)**	(163)
Profit before taxation	4	**22,358**	20,357
Taxation	5	**1**	18
Profit for the year		**22,359**	20,375

All activities are derived wholly from continuing operations.

The Company has no recognised gains or losses other than the profit above and therefore no separate Statement of Other Comprehensive Income has been presented.

UK Waste Management Limited
Balance Sheet
As at 30 March 2018

	Notes	As at 30 March 2018 £'000	As at 24 March 2017 £'000
Current assets			
Stocks	6	**630**	706
Debtors	7	**198,006**	177,359
Cash at bank and in hand		**3**	3
		198,639	178,068
Creditors			
Amounts falling due within one year	8	**(40,371)**	(41,350)
Net current assets		**158,268**	136,718
Total assets less current liabilities		**158,268**	136,718
Creditors			
Amounts falling due after more than one year	9	**(34)**	(56)
Provisions for liabilities	10	**(7,013)**	(7,800)
Net assets		**151,221**	128,862
Capital and reserves			
Called up share capital	11	**7,500**	7,500
Profit and loss account		**143,721**	121,362
Shareholder's funds		**151,221**	128,862

Company Number: 01362615

The accompanying notes form an integral part of the Financial Statements.

For the period ended 30 March 2018 the Company was entitled to exemption from audit under section 479A of the Act relating to subsidiary companies.

The members have not required the Company to obtain an audit of its accounts for the period ended 30 March 2018 in accordance with section 476 of the Act.

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

These Financial Statements were approved and authorised for issue by the Board on 15 November 2018 and signed on its behalf by

R Pike
Director

UK Waste Management Limited
Statement of Changes in Equity
As at 30 March 2018

	Called up share capital	Profit and Loss Account	Total
	£'000 (note 11)	£'000	£'000
At 25 March 2016	7,500	100,987	108,487
Total comprehensive income for the period	-	20,375	20,375
At 24 March 2017	7,500	121,362	128,862
Total comprehensive income for the period	**-**	**22,359**	**22,359**
At 30 March 2018	**7,500**	**143,721**	**151,221**

1 Accounting policies

a) General information

UK Waste Management Limited is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales.

b) Basis of accounting

The Financial Statements have been prepared and approved by the Directors in accordance with Financial Reporting Standard (FRS) 101 Reduced Disclosure Framework issued by the Financial Reporting Council. The Company adopted FRS 101 Reduced Disclosure Framework to take advantage of the reduced disclosures available as the Company meets the definition of a qualifying entity.

As permitted by FRS 101, exemptions from applying the following requirements have been adopted:

a) IFRS 7 'Financial Instruments: Disclosures';
b) IAS 1 'Presentation of Financial Statements paragraphs 10(d), 10(f), 38 (requirement to present comparative information), 39(c) and 134-136;
c) IAS 7 'Statement of Cash Flows';
d) IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' paragraphs 30 and 31;
e) IAS 24 'Related Party Disclosures' paragraph 17, and the Company has also taken advantage of the exemption from the requirements in IAS 24 'Related Party Disclosures' to disclose related party transactions entered into between two or more members of the Biffa Group

The adoption of the amendments to IFRSs and new interpretations that are mandatorily effective during the year has not had any material impact on the disclosures or on the amounts being reported.

The Financial Statements for 2018 have been prepared for the 53-week period ended 30 March 2018. The prior year was a 52-week period, to 24 March 2017. The upcoming year will also be a 52-week period, up to 29 March 2019.

Whilst the current period incorporated an additional week of trading, it included nine public holidays, whereas the prior period included seven public holidays. We consider these two factors offset one another to the extent that the results for the two periods are directly comparable without the need for adjustments.

c) Presentational and functional currency

The Financial Statements are presented in Sterling, which is also the Company's functional currency.

d) Measurement

The Financial Statements have been prepared on the historical cost basis.

e) Consolidation

The Company is exempt from the preparation of consolidated Financial Statements under IAS 27, because it is included in the group Financial Statements of Biffa plc.

f) Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on pages 1 to 4.

The Company is managed as part of the Biffa Group. The Biffa Group has committed facilities which the Directors consider sufficient to service its ongoing working capital and capital investment requirements.

The Directors have considered other supportive factors in arriving at their conclusion including:

- the long-term contracts with its customers and suppliers across different industries which include integrated waste management contracts; and
- the Company and the Biffa Group's strategic plans supporting the short, medium and long-term cash flow.

After reviewing the above and taking into account current and future developments and principal risks and uncertainties as discussed in the Strategic Report on pages 1 to 4, the Directors have a reasonable expectation that the Company is well placed to manage its business risks successfully, and have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Financial Statements.

1 Accounting policies (continued)

g) Stocks

Stocks are stated at the lower of cost and net realisable value. Costs of stocks are determined on a first-in-first-out basis. Net realisable value represents the estimated selling price for stocks less estimated costs of disposal and costs necessary to make the sale.

h) Taxation

Taxation represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from 'profit before tax' as reported in the Profit and Loss Account because of items of income or expense that are taxable or deductible in other periods and items that are never taxable or deductible. The Company's current tax is calculated using rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit not the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current or deferred tax arises from the initial accounting of a business combination, the tax effect is included in accounting for the business combination.

i) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The effects of inflation and unwinding of the discount element on existing provisions are reflected in the Financial Statements as a finance expense.

1 Accounting policies (continued)

i) Provisions (continued)

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provision for the cost of reinstating landfill sites and environmental costs are made as the obligation to reinstate the site arises. Costs are expensed to profit or loss over the operational life on the basis of the usage of void space for each landfill site. The reinstatement obligation is typically fulfilled within two years of the landfill site being closed to waste.

Provision for aftercare costs are made as the aftercare liability arises. Costs are expensed to profit or loss over the operational life of each landfill site on the basis of usage of void space. Where the obligation to restore a landfill site is an integral part of its future economic benefits, a corresponding non-current asset within property, plant and equipment is recognised. The cost of this asset is recognised over the period of gas generation. Aftercare costs are provided for based on the Directors expectation that the obligation will have been fulfilled 60 years post closure of the site.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for value added taxes and trade discounts. Landfill tax is included within both revenue and cost of sales. Revenue from the sale of goods is recognised when the goods are delivered and titles have passed. Revenue from provision of services is recognised at the point when service has been provided.

Estimates and uncertainties

The preparation of Financial Statements in conformity with Financial Reporting Standard (FRS) 101 Reduced Disclosure Framework, requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. 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.

The provisions for environmental and aftercare costs is a key source of estimation uncertainty and critical accounting judgement in applying the Company's accounting policies

The provision for environmental and aftercare costs is made over the economic life of the sites. The Directors use a combination of external third party guidance and judgement and experience to provide for these estimated costs. The present value is impacted by assumptions used on discount rates to determine present value. A change in these assumptions could impact the provision recognised in the Balance Sheet in future periods.

1 Accounting policies (continued)

Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise cash, trade and other debtors, amounts due from group undertakings and amounts due to group undertakings and other creditors. Non-derivative financial instruments are recognised initially at fair value plus any directly attributable transaction costs, except as described below. Subsequent to initial recognition, non-derivative financial instruments are measured as described below. The fair value of non-derivative financial assets and liabilities are determined based on discounted cash flow analysis using current market rates for similar instruments.

A financial instrument is recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the Company's contractual rights to the cash flows from the financial assets expire, are extinguished or if the Company transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Regular purchases and sales of financial assets are accounted for at trade date i.e. the date that the Company commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Company's obligations specified in the contracts expire or are discharged or cancelled.

(i) Cash at bank and in hand
Cash at bank and in hand comprise cash balances and call deposits.

(ii) Trade debtors, other debtors and amounts due from group undertakings
Trade debtors, other debtors and amounts due from group undertakings are stated at their cost less impairment losses).

(iii) Amounts due to group undertakings and other creditors
Amounts due to group undertakings and other creditors are stated at their expected settlement amount.

2 Turnover

The Company's turnover is derived entirely from the collection, transport and disposal of industrial, commercial and domestic waste arising in the United Kingdom.

3 *Interest payable and similar expenses*

	53 weeks to 30 March 2018 £'000	52 weeks to 24 March 2017 £'000
Unwinding of discounts in provisions (note 10)	**129**	163

4 Profit before taxation

	53 weeks to 30 March 2018 £'000	52 weeks to 24 March 2017 £'000
Operating lease expenses – plant and machinery	**202**	255
– other	**1,723**	1,201
Government grants	**(21)**	(21)
Staff costs recharged from group undertaking	**20,703**	19,860
Stock consumed during the period	**6,141**	5,754

4 Profit before taxation (continued)

Directors' emoluments during the current and prior periods were paid by Biffa plc and no amounts were allocated to the Company. These can be referenced from the consolidated Financial Statements of Biffa plc, as detailed in note 13.

Staff involved in the Company's activities are all employees of Biffa Waste Services Limited, a fellow subsidiary of Biffa plc, there are no other employees. The cost of these staff, along with the cost of other services provided by Biffa Waste Services, is recharged to the Company.

All operating leases are held by Biffa Waste Services Limited and recharged to the Company.

The Financial Statements for Biffa Waste Services Limited can be obtained from the registered office at Coronation Road, Cressex Business Park, High Wycombe, Buckinghamshire, HP12 3TZ.

5 Taxation

	53 weeks to 30 March 2018 £'000	52 weeks to 24 March 2017 £'000
Deferred tax:		
Origination and reversal of timing differences		
Current period	**1**	(21)
Effect of change in rate of tax	**(2)**	3
Total deferred tax	**(1)**	(18)
Taxation	**(1)**	(18)

The differences between the total current tax shown and the amount calculated by applying the standard rate of UK corporation tax of 19% (2017: 20%) to the profit before tax are as follows:

	53 weeks to 30 March 2018 £'000	52 weeks to 24 March 2017 £'000
Profit before tax	**22,358**	20,357
Profit before tax multiplied by the standard rate of corporation tax in the UK of 19% (2017: 20%)	**4,248**	4,071
Effects of:		
Expenses not deductible for tax purposes	**(2)**	(2)
Adjustments to tax charge in respect of prior periods	**(2)**	
Effect of change in rates	**-**	3
Group relief	**(4,245)**	(4,090)
Total current tax	**(1)**	(18)

Finance (No.2) Act 2016, which provides for reductions in the main rate of corporation tax from 20% to 19% effective from 1 April 2017 and to 17% effective from 1 April 2020, was enacted on 15 September 2016. As deferred tax assets and liabilities are measured at the rates that are expected to apply in the periods of the reversal, deferred tax balances at the balance sheet date have been calculated at the rate at which the relevant balance is expected to be recovered or settled.

6 Stocks

	As at 30 March 2018 £'000	As at 24 March 2017 £'000
Raw materials and consumables	**630**	706

There is no material difference between the Balance Sheet value of stock and its replacement cost.

7 Debtors

	As at 30 March 2018 £'000	As at 24 March 2017 £'000
Amounts falling due within one year:		
Trade Debtors	**12,811**	13,728
Amounts due from parent undertakings	**74,876**	74,878
Amounts due from other group undertakings	**107,462**	84,670
Deferred tax	**246**	245
Prepayments	**809**	1,577
Accrued income	**1,802**	2,261
	198,006	177,359

Amounts due from group undertakings are unsecured, interest free and have no fixed date of repayment.

The deferred tax asset recognised in the Financial Statements and the total unrecognised asset at 17% (2017: 20%) are as follows:

	Amount Provided		**Amount Unrecognised**	
	As at 30 March 2018 £'000	As at 24 March 2017 £'000	**As at 30 March 2018 £'000**	As at 24 March 2017 £'000
Depreciation in excess of capital allowances	**8**	8	-	-
Other timing differences	**238**	237	-	-
	246	245	-	-

Deferred tax:	£000
At 24 March 2017	245
Credited to profit and loss account (note 5)	**1**
At 30 March 2018	**246**

7 Debtors (continued)

A deferred tax asset has been recognised in respect of the above timing differences on the basis that it is regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

8 Creditors - amounts falling due within one year

	As at 30 March 2018 £'000	As at 24 March 2017 £'000
Amounts falling due within one year:		
Amounts due to parent undertakings	**30,000**	30,000
Accruals	**8,883**	9,694
Deferred income	**1,466**	1,635
Government grants	**22**	21
	40,371	41,350

Amounts due to group undertakings are unsecured, interest free and have no fixed repayment dates.

9 Creditors – amounts falling due after more than one year

	As at 30 March 2018 £'000	As at 24 March 2017 £'000
Government Grants:		
Between one and two years	**22**	22
Between two and five years	**12**	34
	34	56

10 Provisions for liabilities

	Land reinstatement and environmental £'000	Insurance £'000	Total £'000
At 24 March 2017	7,757	43	7,800
Utilised during the financial period	(780)	(36)	(816)
(Credited)/charged to profit and loss account	(142)	42	(100)
Transfers	-	-	-
Unwinding of discounts (note 3)	129	-	129
As at 30 March 2018	**6,964**	**49**	**7,013**

10 Provisions for liabilities (continued)

Land reinstatement and environmental control costs

As part of its normal activities, the Biffa Group undertakes to reinstate its landfill sites and to maintain the sites and control leachate and methane emissions from the sites. Provision is made for these anticipated costs. Reinstatement costs are incurred as each site is filled, and in the period immediately after its closure.

Maintenance and leachate and methane control costs are incurred as each site is filled and for a number of years post closure. Long term aftercare provisions included in Landfill reinstatement and environmental provisions have been discounted at a rate of 2.3% (2017: 2.3 %).

Environmental control costs are incurred as each site is filled and for a number of years post closure. This period can vary significantly from site to site, depending upon the types of waste landfilled and the speed at which it decomposes, the way the site is engineered and the regulatory requirements specific to the site.

As at the date of the Balance Sheet the associated outflows are estimated to arise over a period of up to 60 years depending on the date of each site closure.

11 Called up share capital

	As at 30 March 2018 £'000	As at 24 March 2017 £'000
Authorised, issued and fully paid:		
7,500,000 Ordinary shares of £1 each	**7,500**	7,500

12 Investment in subsidiary undertaking

At 30 March 2018 the Company had the following immaterial investments in its subsidiary:

Name	**Activity**	**Ownership**	**Registered Office**
Pilmuir Waste Disposal Limited	Dormant	100%	Coronation Road, Cressex Business Park, High Wycombe, Buckinghamshire, HP12 3TZ.

On 18 April 2017, Loristan Services Limited, a dormant subsidiary of the Company was dissolved via voluntary strike off.

13 Ultimate parent undertaking

The Company is a 100% owned subsidiary of UK Waste Management Holdings Limited, a company incorporated in the United Kingdom.

The only group in which the Company's results are consolidated is that headed by Biffa plc, a public limited company registered in England and Wales which owns the entire shareholding of the Company via its holdings in subsidiary undertakings. Copies of the consolidated Financial Statements of Biffa plc can be obtained from the registered office at Coronation Road, Cressex Business Park, High Wycombe, Buckinghamshire, HP12 3TZ.