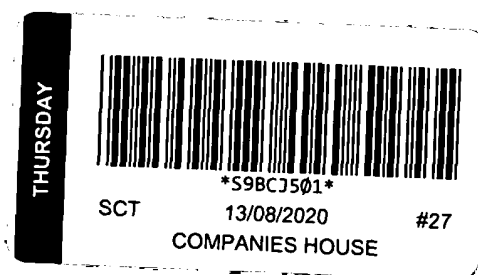


**Brightwaste Ltd**  
**Filleted Financial Statements**  
**30 September 2019**



# Brightwaste Ltd

## Statement of Financial Position

30 September 2019

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Intangible assets	5	1,649	2,199
Tangible assets	6	<u>2,180</u>	<u>23,353</u>
		3,829	25,552
<b>Current assets</b>			
Debtors	7	20,547	137,220
Cash at bank and in hand		<u>1,856</u>	<u>8,538</u>
		22,403	145,758
<b>Creditors: amounts falling due within one year</b>	8	<u>301,715</u>	<u>322,735</u>
<b>Net current liabilities</b>		<u>279,312</u>	<u>176,977</u>
<b>Total assets less current liabilities</b>		(275,483)	(151,425)
<b>Provisions</b>	9	<u>414</u>	<u>—</u>
<b>Net liabilities</b>		<u>(275,897)</u>	<u>(151,425)</u>
<b>Capital and reserves</b>			
Called up share capital	12	100	100
Profit and loss account		<u>(275,997)</u>	<u>(151,525)</u>
<b>Shareholders deficit</b>		<u>(275,897)</u>	<u>(151,425)</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

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

The statement of financial position  
continues on the following page.

The notes on pages 3 to 11 form part of these financial statements.

# Brightwaste Ltd

## Statement of Financial Position *(continued)*

30 September 2019

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These financial statements were approved by the board of directors and authorised for issue on 2 July 2020, and are signed on behalf of the board by:



Mr R B Green  
Director

Company registration number: SC571264

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The notes on pages 3 to 11 form part of these financial statements.

# Brightwaste Ltd

## Notes to the Financial Statements

Year ended 30 September 2019

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### 1. General information

The company is a private company limited by shares, registered in Scotland (SC571264). The address of the registered office is 29 York Place, Edinburgh, EH1 3HP. The place of business is Harbour Point, Newhailes Road, Mussleburgh, EH21 6QD. The principal activity is the provision of commercial recycling services.

### 2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### 3. Accounting policies

#### Basis of preparation

The financial statements have been prepared on the historical cost basis and relate to the individual entity. The financial statements are prepared in sterling, which is the functional currency of the entity.

#### Going concern

The financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future. The validity of this assumption depends on the financial support of the parent company, Spotless Commercial Cleaning Ltd.

The directors of Spotless Commercial Cleaning Ltd have confirmed their support and cashflow forecasts demonstrate that the company has adequate resources available to operate for the foreseeable future.

#### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

#### Classification of leases

# Brightwaste Ltd

## Notes to the Financial Statements *(continued)*

Year ended 30 September 2019

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### 3. Accounting policies *(continued)*

#### Judgements and key sources of estimation uncertainty *(continued)*

##### Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Depreciation

##### Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for services rendered, stated net of discounts and of Value Added Tax.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

##### Exceptional items

Exceptional items are disclosed separately in the financial statements in order to provide further understanding of the financial performance of the entity. They are material items of income or expense that have been shown separately because of their nature or amount.

##### Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Payment is made in respect of the surrender of group losses.

##### Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

# Brightwaste Ltd

## Notes to the Financial Statements *(continued)*

Year ended 30 September 2019

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### 3. Accounting policies *(continued)*

#### **Goodwill**

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

#### **Intangible assets**

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

#### **Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Website - 20% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

#### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

# Brightwaste Ltd

## Notes to the Financial Statements *(continued)*

Year ended 30 September 2019

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### 3. Accounting policies *(continued)*

#### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Motor vehicles	- 20% reducing balance
Equipment	- 20% reducing balance

#### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

#### Financial instruments

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand includes cash and short term highly liquid investments.

Creditors are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

#### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

# Brightwaste Ltd

## Notes to the Financial Statements *(continued)*

Year ended 30 September 2019

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### 4. Employee numbers

The average number of persons employed by the company during the year amounted to 13 (2018: 24).

### 5. Intangible assets

	Goodwill £	Website £	Total £
<b>Cost</b>			
At 1 October 2018 and 30 September 2019	<u>1</u>	<u>2,747</u>	<u>2,748</u>
<b>Amortisation</b>			
At 1 October 2018	—	549	549
Charge for the year	<u>—</u>	<u>550</u>	<u>550</u>
At 30 September 2019	<u>—</u>	<u>1,099</u>	<u>1,099</u>
<b>Carrying amount</b>			
At 30 September 2019	<u>1</u>	<u>1,648</u>	<u>1,649</u>
At 30 September 2018	<u>1</u>	<u>2,198</u>	<u>2,199</u>

### 6. Tangible assets

	Motor vehicles £	Equipment £	Total £
<b>Cost</b>			
At 1 October 2018	8,708	22,806	31,514
Additions	17,200	1,446	18,646
Disposals	<u>(25,908)</u>	<u>(21,000)</u>	<u>(46,908)</u>
At 30 September 2019	<u>—</u>	<u>3,252</u>	<u>3,252</u>
<b>Depreciation</b>			
At 1 October 2018	2,840	5,321	8,161
Charge for the year	—	650	650
Disposals	<u>(2,840)</u>	<u>(4,899)</u>	<u>(7,739)</u>
At 30 September 2019	<u>—</u>	<u>1,072</u>	<u>1,072</u>
<b>Carrying amount</b>			
At 30 September 2019	<u>—</u>	<u>2,180</u>	<u>2,180</u>
At 30 September 2018	<u>5,868</u>	<u>17,485</u>	<u>23,353</u>



# Brightwaste Ltd

## Notes to the Financial Statements *(continued)*

Year ended 30 September 2019

### 7. Debtors

	2019	2018
	£	£
Trade debtors	8,935	69,238
Deferred tax asset	—	21,752
Other debtors	11,612	46,230
	<u>20,547</u>	<u>137,220</u>

#### Other debtors

	2019	2018
	£	£
Prepayments	2,612	32,112
Other	9,000	14,118
	<u>11,612</u>	<u>46,230</u>

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

	2019	2018
	£	£
Bank loans and overdrafts	—	32,083
Trade creditors	14,681	105,169
Amounts owed to group undertakings	273,129	147,852
Accruals and deferred income	5,050	7,005
Social security and other taxes	6,544	29,850
Other creditors	2,311	776
	<u>301,715</u>	<u>322,735</u>

### 9. Provisions

	Deferred tax (note 10) £
At 1 October 2018	—
Additions	414
At 30 September 2019	<u>414</u>

# Brightwaste Ltd

## Notes to the Financial Statements *(continued)*

Year ended 30 September 2019

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### 10. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2019	2018
	£	£
Included in debtors (note 7)	–	21,752
Included in provisions (note 9)	(414)	–
	<u>(414)</u>	<u>21,752</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2019	2018
	£	£
Accelerated capital allowances	(414)	4,204
Unused tax losses	–	(25,956)
	<u>(414)</u>	<u>(21,752)</u>

### 11. Financial instruments at fair value

The company only has financial assets and liabilities of a kind which qualify as basic financial instruments.

### 12. Called up share capital

Issued, called up and fully paid

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	<u>100</u>	<u>100.00</u>	<u>100</u>	<u>100.00</u>

### 13. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2019	2018
	£	£
Not later than 1 year	5,707	49,054
Later than 1 year and not later than 5 years	<u>19,023</u>	<u>36,403</u>
	<u>24,730</u>	<u>85,457</u>

# Brightwaste Ltd

## Notes to the Financial Statements *(continued)*

Year ended 30 September 2019

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### 14. Events after the end of the reporting period

#### Coronavirus - COVID19

In the first half of 2020, the Company has faced many challenges with the suspension and termination of contracts, retention and furloughing of employees and the resultant impact on its profitability and funding due to the global outbreak of the Coronavirus COVID19.

The Company has been supported by its parent company - Spotless Commercial Cleaning Ltd - throughout this global pandemic.

The United Kingdom government led Coronavirus Job Retention Scheme has also allowed the Company to keep its workforce employed where core services have been suspended during the Coronavirus outbreak.

### 15. Summary audit opinion

The auditor's report for the year dated 2 July 2020 was unqualified.

The senior statutory auditor was Walter Raymond Paterson, for and on behalf of McDonald Gordon & Co Ltd.

### 16. Directors' advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

	2019			
	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	Balance outstanding
	£	£	£	£
Mr R B Green	<u>5,000</u>	<u>—</u>	<u>(5,000)</u>	<u>—</u>

	2018			
	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	Balance outstanding
	£	£	£	£
Mr R B Green	<u>—</u>	<u>5,000</u>	<u>—</u>	<u>5,000</u>

### 17. Related party transactions

The company has taken advantage of the exemption under FRS102 Section 33 from the requirement to disclose information of transactions with the entities which are part of the group, on the basis that consolidated group financial statements are publicly available.

# Brightwaste Ltd

## Notes to the Financial Statements *(continued)*

**Year ended 30 September 2019**

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### **18. Ultimate parent undertaking**

Throughout the period, the company was under the control of Spotless Commercial Cleaning Ltd, a company registered in Scotland, registration number: SC163138 with its registered office situated at Harbour Point, Newhailes Road, Musselburgh, Scotland, EH21 6QD. Consolidated accounts for Spotless Commercial Cleaning Ltd are available from Companies House, 4th Floor, Edinburgh Quay2, 139 Fountainbridge, Edinburgh, EH3 9FF.

Spotless Commercial Cleaning Ltd held 100% of the issued share capital of Brightwaste Ltd throughout the period.