

Crossco (1371) Limited

Annual report and financial statements

Registered number 09067739

31 December 2022

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Directors and Advisors

Directors: Mr JP Balaguer
Mr P Vera
Mr CS McCarthy

Registered office: Ashford House
Grenadier Road
Exeter
EX1 3LH

Auditor: Ernst & Young
The Paragon
Counterslip
Bristol
BS1 6BX

Banker: Santander
Bridle Road
Bootle
Merseyside
L30 4GB

Registered number: 09067739

Strategic Report

The directors present their strategic report for the year ended 31 December 2022.

Principal activities and business review

The Company is the holding company for J&B Recycling Limited.

J&B Recycling's principal activity during the year continued to be that of recycling of general and co-mingled municipal waste through its four existing sites, with the aim of J&B Recycling being to recycle as much waste as possible, minimising that which ultimately goes to landfill.

The Company's results for the year are set out on page 8.

Key performance indicators

As a holding company the Company has few relevant KPIs. The Company does monitor its performance and position carefully, however. KPIs include:


	31 December 2022 (12 months)	31 December 2021 (9 months)
Loss for the financial year (£)	(305,397)	(337,719)
Net liabilities (£)	(4,919,232)	(4,613,835)

Principal risks and uncertainties

The principal risks and uncertainties for the Company are in respect of the continued support of the company's parent undertaking.

Post balance sheet events

No significant events have been identified since the balance sheet date.

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Mr JP Balaguer
Director

22 September 2023

Directors' Report

The directors present their directors' report and financial statements for the year ended 31 December 2022.

Going concern

The Company is ultimately owned by Urbaser Limited who have indicated their intention to continue to make available funds as are needed by the Company, and do not intend to seek repayment of amounts currently due in the going concern period to 30 September 2024. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

The directors of the Company have obtained a letter of support which confirms financial support from Urbaser Limited from up to and including the period ending 30 September 2024. Accordingly, the Company's accounts have been prepared on a going concern basis.

Dividends

The Company does not propose the payment of a dividend (*31 December 2021: £nil*).

Directors

The directors who held office during the year and subsequent to the year-end, up to the date of this report, are as follows:

Mr JP Balaguer
Mr P Vera
Mr CS McCarthy

Employees

The Company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a disabled person. Where existing employees become disabled, it is the Company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training, career development and promotion to disabled employees wherever appropriate.

During the year the Company has provided employees with information about the business through internal media methods and by holding regular meetings

Political and charitable contributions

The Company made no political or charitable donations nor incurred any political expenditure during either the current year or previous period.


Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he or she ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be re-appointed and EY will therefore continue in office.

This report was approved by the Board on 22 September 2023 and signed on its behalf by:

DocuSigned by:

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Mr JP Balaguer

Director

Statement of directors' responsibilities in respect of the Strategic report, Directors' report and the financial statements

The directors are responsible for preparing the Strategic Report, the Directors' 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations or have no realistic alternative but to do so (as explained in note 1, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis).

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CROSSCO (1371) LIMITED

Opinion

We have audited the financial statements of Crossco (1371) Limited for the year ended 31 December 2022 which comprise the Profit and Loss Account and Other Comprehensive Income, the Balance Sheet, the Statement of changes in equity and the related notes 1 to 13, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period from when the financial statements are authorised for issue through until 30 September 2024.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CROSSCO (1371) LIMITED (continued)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CROSSCO (1371) LIMITED (continued)

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework (FRS 101 and the Companies Act 2006) and compliance with the relevant direct and indirect tax regulation in the United Kingdom. In addition, the Company has to comply with laws and regulations relating to its operations, including health and safety.
- We understood how Crossco (1371) Limited is complying with those frameworks by making inquiries of management and those charged with governance to understand how the company maintains and communicates its policies and procedures in these areas. We understood any controls put in place by management to reduce the opportunities for fraudulent transactions. We performed procedures, including reading minutes of the board meetings and making enquiries with the management for any correspondence of non-compliance with the tax authorities, and noted no significant issues. We performed journal entry testing to ensure that there are no unusual legal or penalty expenses incurred during the period and to ensure that the management is in compliance with the applicable framework. We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur through internal team conversations and inquiry of management and those charged with governance. Through these procedures we determined there to be a fraud risk of management override, and in particular the manual journals around the period end. In relation to management override we used data analytics to sample from the entire population of journals, including manual journals, identifying specific transactions which did not meet our expectations based on specific criteria, to investigate to gain an understanding and agree to source documentation.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved inquiry of management and those charged with governance with no indication of non-compliance identified.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Ernst & Young LLP

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Jane Barwell (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Bristol
25 September 2023

Profit and Loss Account and Other Comprehensive Income
For the year ended 31 December 2022

	<i>Note</i>	31 December 2022 (12 months) £	31 December 2021 (9 months) £
Administrative expenses		-	(5,500)
Operating loss	2	-	(5,500)
Interest payable and similar expenses	4	(305,397)	(332,219)
Loss before taxation		(305,397)	(337,719)
Tax on loss	5	-	-
Loss for the financial year		(305,397)	(337,719)
Other comprehensive income		-	-
Total comprehensive loss for the year		(305,397)	(337,719)

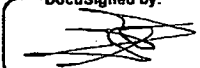
All results derive from continuing operations.

The notes on pages 11 to 17 form an integral part of these financial statements.

Balance Sheet
As at 31 December 2022

	<i>Note</i>	31 December 2022	31 December 2021
		£	£
Fixed assets			
Investments	6	2,824,445	2,824,445
Current assets			
Debtors		-	-
		-----	-----
		-	-
Creditors: amounts falling due within one year	7	(7,743,677)	(7,438,280)
		-----	-----
Net current liabilities		(7,743,677)	(7,438,280)
		-----	-----
Total assets less current liabilities		(4,919,232)	(4,613,835)
		-----	-----
Net liabilities		(4,919,232)	(4,613,835)
		=====	=====
Capital and reserves			
Called up share capital	8	701	701
Merger reserve	9	823,744	823,744
Profit and loss account		(5,743,677)	(5,438,280)
		-----	-----
Shareholders' deficit		(4,919,232)	(4,613,835)
		=====	=====

The financial statements were approved by the board of directors on 22 September 2023 and were signed on its behalf by:

DocuSigned by:

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Mr JP Balaguer

Director

Registered number: 09067739

The notes on pages 11 to 17 form an integral part of these financial statements.

Statement of Changes in Equity
As at 31 December 2022

	Share capital £	Merger reserve £	Profit and loss account £	Total equity £
Balance at 1 April 2021	701	823,744	(5,100,561)	(4,276,116)
Total comprehensive loss for the period				
Loss	-	-	(337,719)	(337,719)
Other comprehensive income	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive loss for the period	-	-	(337,719)	(337,719)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 December 2021	701	823,744	(5,438,280)	(4,613,835)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 1 January 2022	701	823,744	(5,438,280)	(4,613,835)
Total comprehensive loss for the year				
Loss	-	-	(305,397)	(305,397)
Other comprehensive income	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive loss for the year	-	-	(305,397)	(305,397)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 December 2022	701	823,744	(5,743,677)	(4,919,232)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The merger reserve arose on the issue of shares in respect of the acquisition of J&B Recycling Limited.

The notes on pages 11 to 17 form an integral part of these financial statements.

Notes to the financial statements For the year ended 31 December 2022

(Forming part of the financial statements)

1 Accounting policies

Crossco (1371) Limited (the “Company”) is a company incorporated and domiciled in the UK.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* (“FRS 101”).

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of international accounting standards in conformity with the requirements of the Companies Act 2006 (“Adopted IFRSs”), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company’s ultimate parent undertaking, PE Luna Holding S.a.r.l includes the Company in its consolidated financial statements. The consolidated financial statements of PE Luna Holding S.a.r.l are prepared in accordance with International Financial Reporting Standards and are available to the public from Registro Mercantil de Madrid, Paseo de la Castellana 44, 28046, Madrid, Spain.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital and tangible fixed assets;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs; and
- Disclosures in respect of the compensation of Key Management Personnel.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 11

1.1 *Measurement convention*

The financial statements are prepared on the historical cost basis.

1.2 *Going concern*

The Company is ultimately owned by Urbaser Limited who have indicated their intention to continue to make available funds as are needed by the Company, and do not intend to seek repayment of amounts currently due in the going concern period to 30 September 2024. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

The directors of the Company have obtained a letter of support which confirms financial support from Urbaser Limited from up to and including the period ending 30 September 2024. Accordingly, the Company’s accounts have been prepared on a going concern basis.

Notes to the financial statements (continued)

For the year ended 31 December 2022

1 Accounting policies (continued)

1.3 Classification of financial instruments issued by the Company

Following the adoption of IAS 32, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- (b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

1.4 Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

Trade and other debtors: Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other creditors: Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Cash and cash equivalents: Cash and cash equivalents comprise cash balances and call deposits.

Interest-bearing borrowings: Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Investments in jointly controlled entities and subsidiaries: Investments in jointly controlled entities and subsidiaries are carried at cost less impairment.

1.5 Impairment excluding stocks

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Notes to the financial statements (continued) For the year ended 31 December 2022

1 Accounting policies (continued)

1.6 Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

1.7 Expenses

Interest receivable and Interest payable

Interest payable and similar expenses include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method and unwinding of the discount on provisions.

Other interest receivable and similar income include interest receivable on funds invested.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established.

1.8 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

2 Operating loss

Included in operating loss are the following:

	31 December 2022 (12 months) £	31 December 2021 (9 months) £
<i>Auditor's remuneration</i>		
Audit of these financial statements	-	5,500
	<u> </u>	<u> </u>

Auditor's remuneration is paid on behalf of the Company by J&B Recycling Limited.

Notes to the financial statements (continued) For the year ended 31 December 2022

3 Remuneration of directors, staff numbers and costs

The directors were the only employees of the Company in both the current year and previous period and received no remuneration from the Company in respect of their services in either period.

4 Interest payable and similar expenses

	31 December 2022 (12 months) £	31 December 2021 (9 months) £
Total interest on financial liabilities measured at amortised cost	305,397	332,219

Interest payable and similar charges includes interest payable on other loans of £nil (31 December 2021: £229,096), £nil (31 December 2021: £nil) and Interest payable to parent company of £305,397 (31 December 2021: £103,123).

5 Taxation

Recognised in the profit and loss account

	31 December 2022		31 December 2021	
	£	£	£	£
<i>UK corporation tax</i>				
Current tax on income for the year	-	-	-	-
Total current tax	-	-	-	-
<i>Deferred tax</i>				
Origination and reversal of temporary differences	-	-	-	-
Total deferred tax	-	-	-	-
Tax on loss	-	-	-	-

Reconciliation of effective tax rate

	31 December 2022	31 December 2021
	£	£
Loss for the year	(305,397)	(337,719)
Total tax expense	-	-
Loss before taxation	(305,397)	(337,719)
Tax using the UK corporation tax rate of 19% (31 December 2021: 19%)	(58,025)	(64,167)
Group relief surrendered	58,025	64,167
Deferred tax not recognised	-	-
Total tax expense	-	-

Factors that may affect future tax charges

In the 3 March 2021 Budget, it was announced that the UK tax rate will increase to 25% from 1 April 2023. This will have a consequential effect on the Company's future tax charge. This rate has now been substantially enacted

Notes to the financial statements (continued)

For the year ended 31 December 2022

6 Fixed asset investments

	31 December 2022	31 December 2021
	£	£
<i>Cost and net book value</i>		
At beginning and end of year	2,824,445	2,824,445
	<u> </u>	<u> </u>

The undertakings in which the Company's interest at the year end is more than 20% are as follows:

	Country of incorporation	Principal activity	Ownership	Class and percentage of shares held
J&B Recycling Limited	United Kingdom	Recycling	Direct	Ordinary shares 100%
J & B Bio Limited	United Kingdom	Recycling	Indirect*	Ordinary shares 50%*

* Ownership of J & B Bio Limited is indirect. J&B Recycling Limited holds the investment in J & B Bio Limited.

The registered office address of both J&B Recycling Limited and J & B Bio Limited is Windermere MRF, Thomlinson Road, Hartlepool, TS25 1NS.

7 Creditors: amounts falling due within one year

	31 December 2022	31 December 2021
	£	£
Accruals and deferred income	3,380	3,380
Amounts due to subsidiary undertakings	2,414,673	2,517,796
Amounts due to parent undertaking	5,325,624	4,917,104
	<u> </u>	<u> </u>
	<u>7,743,677</u>	<u>7,438,280</u>

The amounts due to subsidiary and parent undertakings have no fixed terms for their repayment.

Notes to the financial statements (continued)
For the year ended 31 December 2022

8 Called up share capital

	31 December 2022		31 December 2021	
	Number of shares	£	Number of shares	£
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	701	701	701	701
	<u>701</u>	<u>701</u>	<u>701</u>	<u>701</u>

The ordinary shares of £1 each have full voting rights, and full dividend and capital distribution rights (including on winding up).

9 Merger reserve

	31 December 2022	31 December 2021
	£	£
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	823,744	823,744
	<u>823,744</u>	<u>823,744</u>

The merger reserve arose on the issue of shares in respect of the acquisition of J&B Recycling Limited.

10 Ultimate parent company and parent company of larger group

The entire ordinary share capital of the company is held by Crossco (1370) Limited, the Company's parent undertaking.

The largest group in which the results of the Company are consolidated is that headed by PE Luna Holding S.a.r.l incorporated in Spain.

Following a change in ownership of the group in July 2021, the intermediate parent undertaking is now Urbaser Limited.

**Notes to the financial statements (continued)
For the year ended 31 December 2022**

11 Accounting estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the period. The directors consider the main accounting estimates or judgments to be in respect of the carrying value of the investment in the Company's trading subsidiary, J&B Recycling Limited (note 6). This has been assessed with reference to the net assets of the subsidiary and its actual and forecast EBITDA performance.

The subsidiary company, J&B Recycling Limited has net assets of £12.6m at 31 December 2022 with distributable reserves of the same amount. The carrying value of the investment in the subsidiary company at 31 December 2022 in these accounts is £2.8m (see note 6) and the subsidiary company has also been profitable in 2022. As a result there is sufficient reserves in the subsidiary company to declare dividends that would enable the investment in the subsidiary company to be recovered and enable the Company to repay amounts due to the subsidiary company and parent company (see note 7) totalling £7.7m.

12 Related party transactions

Following the change in ownership, in August 2021, the 'A' and 'B' loan notes were repaid in full.

During the year £nil of costs were re-charged from subsidiary company J&B Recycling Limited.

13 Events since the balance sheet date

No significant events have been identified since the balance sheet date.