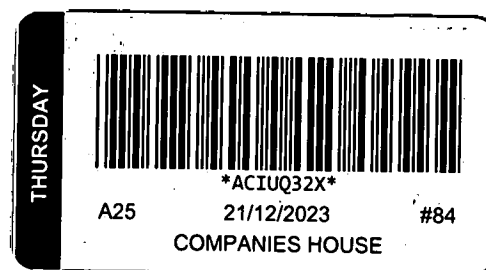


Company registration number 04727708 (England and Wales)

REALPOWER LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023



REALPOWER LIMITED

COMPANY INFORMATION

Directors

Mr T J Walsh
Mr S A Woods
Mr P R Needham

Company number

04727708

Registered office

Enviro Building Private Rd
No 4 Colwick Industrial Estate
Nottingham
NG4 2JT

Auditor

KPMG
The Soloist Building
1 Lanyon Place
Belfast
Northern Ireland
BT1 3LP

REALPOWER LIMITED

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REALPOWER LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

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

Principal activities

The company's principal activities during the year were that of a property holding company.

Results and dividends

The results for the year are set out on page 8. The company incurred a loss after tax of £72k (2022 loss after tax of £172k) of which the company consider to be a satisfactory result for the year.

No ordinary dividends were paid (2022: £Nil). The directors do not recommend payment of a final dividend.

Principal risks and uncertainties

The directors of Enva Topco Limited, the company's ultimate controlling parent, manage the group's risks at group level, rather than at an individual business unit level. For this reason, the company's directors believe that a discussion of the group's risk would not be appropriate for an understanding of the development, performance or position of Realpower Limited's business. The principal risks and uncertainties of Enva Topco Limited, which include those of the company, are discussed in the group annual report which does not form part of this report.

Key performance indicators

The Directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the performance or position of the company.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr T J Walsh
Mr S A Woods
Mr P R Needham

Auditor

Pursuant to Section 487(2) of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG will therefore continue in office.

Strategic report

In preparing directors' report, the directors have taken the small companies exemption under Section 414 (b) of the Companies Act 2006 (Strategic and Directors' Report) Regulations 2013, not to prepare a strategic report for presentation with these financial statements.

Post reporting date events

On 20th April 2023, a sale and purchase agreement was signed for the acquisition of the Group by Cube Resource Recovery Europe Limited. Competition and Consumer Protection Commission clearance was received on 23rd May 2023 and the acquisition completed on 16th June 2023.

Political and charitable contributions

The company made no political or charitable contributions in the current or prior year.

REALPOWER LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Going concern

Notwithstanding net current liabilities of £2,872k as at 31 March 2023 and a loss after taxation for the year then ended of £73k the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The entity has received a letter of support from its ultimate parent, Enva Topco Limited confirming its intention to support the entity to enable it to meet its financial obligations as they fall due for a period of at least a year from the date of the approval of these financial statements in order for the company to continue its operations. This support includes, but is not limited to, amounts repayable to other wholly owned subsidiaries within the Enva Group not being recalled within that period.

The directors have, as part of the Enva Topco Limited group's going concern assessment, prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that the group will have sufficient funds, through its operating cash flows to provide the required support to the entity, to meet its liabilities as they fall due for that period.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and consequently have prepared the financial statements on a going concern basis.

On behalf of the board



Mr S A Woods
Director

Date: 14 December 2023

Enviro Building Private Rd
No 4 Colwick Industrial Estate
Nottingham
NG4 2JT

REALPOWER LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

The directors are responsible for preparing 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 year. Under that law they have elected to prepare the financial statements in accordance with 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 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.

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 controls 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.

On behalf of the board



Mr S A Woods

Director

14 December 2023



KPMG

Audit
The Soloist Building
1 Lanyon Place
Belfast BT1 3LP
Northern Ireland

Independent auditor's report to the members of Realpower Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Realpower Limited ('the Company') for the year ended 31 March 2023 set out on pages 8 to 20, which comprise the Statement of comprehensive income, Statement of financial position, Statement of changes in equity and related notes, including the summary of significant accounting policies set out in note 1.

The financial reporting framework that has been applied in their preparation is UK Law and FRS 101 *Reduced Disclosure Framework*.

In our opinion:

- the financial statements give a true and fair view of the state of the Company's affairs as at 31 March 2023 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with FRS 101 *Reduced Disclosure Framework* issued by the UK's Financial Reporting Council; and
- the financial statements 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 ethical requirements that are relevant to our audit of financial statements in the UK, including the Financial Reporting Council (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

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

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.



Independent auditor's report to the members of Realpower Limited *(continued)*

Report on the audit of the financial statements *(continued)*

Conclusions relating to going concern *(continued)*

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 of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

Detecting irregularities including fraud

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the directors. In addition, our risk assessment procedures included: inquiring with the directors as to the Company's policies and procedures regarding compliance with laws and regulations and prevention and detection of fraud; inquiring whether the directors have knowledge of any actual or suspected non-compliance with laws or regulations or alleged fraud; inspecting the Company's regulatory and legal correspondence; and reading Board minutes.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team.

The Company is subject to laws and regulations that directly affect the financial statements including companies and financial reporting legislation and taxation legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

The Company is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the directors and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls. On this audit we do not believe there is a fraud risk related to revenue recognition. We did not identify any additional fraud risks.

In response to risk of fraud, we also performed procedures including: identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation; evaluating the business purpose of significant unusual transactions; assessing significant accounting estimates for bias; and assessing the disclosures in the financial statements.



Independent auditor's report to the members of Realpower Limited *(continued)*

Report on the audit of the financial statements *(continued)*

Detecting irregularities including fraud (continued)

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the directors' report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Opinions on other matters prescribed by the Companies Act 2006

Based solely on our work on the other information undertaken during the course of the audit:

- we have not identified material misstatements in the directors' report;
- in our opinion, the information given in the directors' report is consistent with the financial statements;
- in our opinion, the directors' report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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; or
- the directors' were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.



Independent auditor's report to the members of Realpower Limited *(continued)*

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; 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; 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 they 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, other irregularities or error, and to issue an opinion in an auditor's report. 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, other irregularities 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.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

Our 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.

Dominic Mudge (**Senior Statutory Auditor**)
for and on behalf of KPMG, Statutory Auditor
Chartered Accountants
The Soloist Building
1 Lanyon Place
Belfast
BT1 3LP

15 December 2023

REALPOWER LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £000's	2022 £000's
Administrative expenses		(71)	(171)
Loss before taxation	3	(71)	(171)
Tax on loss	4	(1)	(1)
Loss and total comprehensive loss for the financial year		(72)	(172)

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The notes on pages 11 to 20 form part of these financial statements.

REALPOWER LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

	Notes	2023 £000's	2022 £000's
Non-current assets			
Investment property	5	2,308	2,380
Investments	7	5,464	5,464
		<u>7,772</u>	<u>7,844</u>
Current assets			
Trade and other receivables	8	817	817
		<u>817</u>	<u>817</u>
Current liabilities			
Trade and other payables	9	3,689	3,688
Taxation and social security		-	1
		<u>3,689</u>	<u>3,689</u>
Net current liabilities		<u>(2,872)</u>	<u>(2,872)</u>
Total assets less current liabilities		<u>4,900</u>	<u>4,972</u>
Provisions for liabilities			
Deferred tax liabilities	10	(4)	(4)
		<u>(4)</u>	<u>(4)</u>
Net assets		<u>4,896</u>	<u>4,968</u>
Equity			
Called up share capital	11	206	206
Share premium account	12	1,079	1,079
Retained earnings		3,611	3,683
		<u>4,896</u>	<u>4,968</u>
Total equity		<u>4,896</u>	<u>4,968</u>

The accompanying notes on pages 11 to 20 form an integral part of the financial statements.

The financial statements were approved by the board of directors and authorised for issue on 14 December 2023 and are signed on its behalf by:



Mr S A Woods
Director

Company Registration No. 04727708

REALPOWER LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

	Called up Share capital £000's	Share premium account £000's	Retained earnings £000's	Total equity £000's
Balance at 31 March 2021	206	1,079	3,855	5,140
Year ended 31 March 2022:				
Loss and total comprehensive income for the year	-	-	(172)	(172)
Balances at 31 March 2022	206	1,079	3,683	4,968
Year ended 31 March 2023:				
Loss and total comprehensive income for the year	-	-	(72)	(72)
Balances at 31 March 2023	206	1,079	3,611	4,896

The accompanying notes on pages 11 to 20 form an integral part of the financial statements.

REALPOWER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Company information

Realpower Limited (the "Company") is a private company limited by shares incorporated, domiciled and registered in England and Wales in the UK. The registered number is 04727708 and the registered office is Enviro Building Private Rd, No 4 Colwick Industrial Estate, Nottingham, NG4 2JT. The company's principal activities and nature of its operations are disclosed in the directors' report.

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.

1.1 Accounting convention

The financial statements have been 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 UK-adopted international accounting standards ("UK-adopted IFRS"), 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 financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest thousand.

The financial statements have been prepared under the historical cost convention.

The Company's ultimate parent undertaking, Enva Topco Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of Enva Topco Limited are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Enva Topco Limited, Brailwood Road, Bilsthorpe Industrial Estate, Bilsthorpe, Newark, Nottinghamshire, United Kingdom, NG22 8UA.

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

- Cash Flow Statement and related notes;
- Certain disclosures regarding revenue;
- Certain disclosures regarding leases;
- Comparative period reconciliations for share capital, tangible fixed assets, intangible assets and investment properties;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel;
- Disclosures of transactions with a management entity that provides key management personnel services to the Company; and
- Disclosures required by IFRS 5 Non-current Assets Held for Sale and Discontinued Operations in respect of the cash flows of discontinued operations.

As the consolidated financial statements of Enva Topco Limited (ultimate parent company) include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 Share-Based Payments in respect of group settled share-based payments;
- Certain disclosures required by IAS 36 Impairment of assets in respect of the impairment of goodwill and indefinite life intangible assets;
- Certain disclosures required by IFRS 3 Business Combinations in respect of business combinations undertaken by the Company in the current and prior periods including the comparative period reconciliation for goodwill; and
- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

REALPOWER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.1 Accounting convention (continued)

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 2.

1.2 Going concern

Notwithstanding net current liabilities of £2,872k as at 31 March 2023 and a loss after taxation for the year then ended of £73k the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The entity has received a letter of support from its ultimate parent, Enva Topco Limited confirming its intention to support the entity to enable it to meet its financial obligations as they fall due for a period of at least a year from the date of the approval of these financial statements in order for the company to continue its operations. This support includes, but is not limited to, amounts repayable to other wholly owned subsidiaries within the Enva Group not being recalled within that period.

The directors have, as part of the Enva Topco Limited group's going concern assessment, prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that the group will have sufficient funds, through its operating cash flows to provide the required support to the entity, to meet its liabilities as they fall due for that period.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and consequently have prepared the financial statements on a going concern basis.

1.3 Investment properties

Investment properties are leased to other group companies and are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Land is not depreciated. The estimated useful lives are as follows;

Freehold land	0%
Freehold buildings	4% or 5% straight line
Land and buildings long leasehold	5% straight line

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

1.4 Non-current investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

1.5 Cash and cash equivalents

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

REALPOWER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.6 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Loans and receivables

Trade Receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those measured at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date.

The expected credit losses associated with these assets are estimated on a forward-looking basis. A broad range of information is considered when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.7 Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.8 Equity instruments

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

REALPOWER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on 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, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date 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 is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

2 Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, 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 directors consider there to be no estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

REALPOWER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

3 Expenses and auditor's remuneration

	2023 £000's	2022 £000's
Included in statement of comprehensive income are the following:		
Depreciation of investment property	72	171

Audit fees in the current and prior year are borne by other companies within the Enva Topco Limited Group.

The directors' remuneration borne by other group companies totalled £969,907 (2022: £898,166) for the Enva Topco Group.

4 Taxation

	2023 £000's	2022 £000's
Deferred tax		
Origination and reversal of temporary differences	1	1

The charge for the year can be reconciled to the loss per the income statement as follows:

	2023 £000's	2022 £000's
Loss for the year	(72)	(172)
Total tax charge	1	1
Loss excluding taxation	(71)	(171)
Expected tax credit based on a UK corporation tax rate of 19.00% (2022: 19.00%)	(13)	(32)
Fixed asset differences	13	32
Remeasurement of deferred tax for rate changes	1	1
Taxation charge for the year	1	1

Factors affecting the future, current and total tax charges.

The Finance Act 2021 increases the corporation tax rate from 19% to 25% with effect from 1 April 2023. This will have a consequential effect on the group's future tax charge.

REALPOWER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

5	Investment property	£000's
	Cost	
	At 1 April 2022 and 31 March 2023	4,783
		<u> </u>
	Accumulated depreciation	
	At 1 April 2022	2,403
	Charge for the year	72
		<u> </u>
	At 31 March 2023	2,475
		<u> </u>
	Carrying value	
	At 31 March 2023	2,308
		<u> </u>
	At 31 March 2022	2,380
		<u> </u>

REALPOWER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

6 Subsidiaries

Details of the company's subsidiaries at 31 March 2023 are as follows:

Name of undertaking	Registered office	Ownership interest (%)	Voting power held (%)	Nature of business
Enva England Limited	Enviro Building, Private Road No 4, Colwick Industrial Estate, Nottingham, Nottinghamshire, NG4 2JT.	100	100	Waste collection and recycling
Wesley Waste Limited	Enviro Building, Private Road No 4, Colwick Industrial Estate, Nottingham, Nottinghamshire, NG4 2JT.	100	100	Dormant
UK Recycling Limited	Enviro Building, Private Road No 4, Colwick Industrial Estate, Nottingham, Nottinghamshire, NG4 2JT.	100	100	Dormant
UK Materials Limited	Enviro Building, Private Road No 4, Colwick Industrial Estate, Nottingham, Nottinghamshire, NG4 2JT.	100	100	Dormant

7 Investments

	Current 2023 £000's	2022 £000's	Non-current 2023 £000's	2022 £000's
Investments in subsidiaries	-	-	5,464	5,464

The company has not designated any financial assets that are not classified as held for trading as financial assets at fair value through profit or loss.

Fair value of financial assets carried at amortised cost

The directors believe that the carrying amounts of financial assets carried at amortised cost in the financial statements approximate to their fair values.

REALPOWER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8 Trade and other receivables

	Current		Non-current	
	2023 £000's	2022 £000's	2023 £000's	2022 £000's
Other receivables	-	-	102	102
Amounts owed by fellow group undertakings	715	715	-	-
	<u>715</u>	<u>715</u>	<u>102</u>	<u>102</u>

Trade receivables disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

The other receivable falling due after more than one year is in relation to the deposit paid on Wesley Street following the lease agreement having been put in place. The lease required a deposit for 6 months rent. This deposit is not due to be returned to Realpower Limited before expiry of the lease in 2026.

Amounts from fellow group undertakings have no specific repayment date, the non trading element of which is not subject to interest.

9 Trade and other payables

	Current	
	2023 £000's	2022 £000's
Amounts owed to fellow group undertakings	3,689	3,688
	<u>3,689</u>	<u>3,688</u>

Amounts due to fellow group undertakings have no specific repayment date, the non trading element of which is not subject to interest.

10 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon during the current and prior reporting period.

	Accelerated Capital Allowances £000's
Deferred tax liability at 1 April 2021	3
Deferred tax movements in prior year	
Credit to profit or loss	1
Deferred tax liability at 1 April 2022 and 31 March 2023	<u>4</u>

REALPOWER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

10 Deferred taxation

(Continued)

Deferred tax assets and liabilities are offset in the financial statements only where the company has a legally enforceable right to do so.

	2023 £000's	2022 £000's
Deferred tax liabilities	4	4

11 Share capital

	2023 Number	2022 Number	2023 £000's	2022 £000's
Ordinary share capital Issued and fully paid Ordinary Shares of £1 each	206,233	206,233	206	206

12 Share premium account

	2023 £000's	2022 £000's
At the beginning and end of the year	1,079	1,079

13 Related party transactions

The Company has taken advantage of the exemption under FRS 101.8(K) - Related Party Transactions, not to disclose transactions with other members of the Enva Topco Limited group.

14 Controlling party

The immediate parent company is Enva UK Opco Limited, a company incorporated in Ireland and 100% owned by Enva UK Bidco Limited.

The Company is a subsidiary undertaking of Enva Topco Limited which is the ultimate parent company incorporated in England. The ultimate controlling party is Enva Topco Limited by virtue of its direct holding of 100% of the issued share capital of Enva Northern Ireland Limited.

The largest and smallest group into which the results of the Company are included is that headed by Enva Topco Limited, a company incorporated in England.

The publicly available financial statements of Enva Topco Limited can be obtained from:

Enva Topco Limited
Brailwood Road Bilsthorpe
Industrial Estate Bilsthorpe
Newark
Nottinghamshire
United Kingdom
NG22 8UA

From 17th June 2023 the ultimate parent is ISQ Global Fund III GP, LLC and the directors consider there to be one ultimate controlling party.

REALPOWER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

15 Events after the reporting date

On 20th April 2023, a sale and purchase agreement was signed for the acquisition of the Group by Cube Resource Recovery Europe Limited. Competition and Consumer Protection Commission clearance was received on 23rd May 2023 and the acquisition completed on 16th June 2023.