

Valpak Holdings Limited

Consolidated Financial Statements

for the period 1 March 2012 to 31 December 2012

Registered Number 07597708

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Valpak Holdings Limited

Registered No 07597708

Company information

Directors

The Rt Hon John Gummer Lord Deben (appointed 12 March 2012)

Steve Gough

Philip Gale

Adrian Hawkes (appointed 12 March 2012)

Gerald Orbell (appointed 12 March 2012)

Martin Webb (appointed 12 March 2012)

Philippe von Stauffenberg (appointed 12 March 2012)

Thomas Scriven (appointed 12 March 2012)

Maury Shenk (appointed 12 March 2012)

Andrew Green (appointed 12 March 2012 and resigned 27 March 2013)

George Chadfield (appointed 12 March 2012 and resigned 27 March 2013)

Jacqueline O'Neill (appointed 12 March 2012 and resigned 30 April 2012)

Secretary

Philip Gale

Auditors

Ernst & Young LLP

No 1 Colmore Square

Birmingham

B4 6HQ

Solicitors

Shoosmiths LLP

2 Colmore Square

38 Colmore Circus Queensway

Birmingham

B4 6SH

Registered Office

Stratford Business Park

Banbury Road

Stratford-upon-Avon

CV37 7GW

Valpak Holdings Limited

Directors' report

The directors present their report and audited financial statements for the ten month period 1 March 2012 to 31 December 2012

Principal activities

The core business delivers compliance services within the regulated arena of Producer Responsibility, in particular packaging waste, WEEE and waste batteries

Other important business activities include an environmental consultancy arm based in Glasgow and a recycling services arm which offers a total waste management solution to businesses

Business review and future developments

On 9 March 2012 the Company purchased Valpak Limited from its former members for an initial cash consideration of £1.4 million and deferred consideration of £1.0 million which was paid in December 2012

On 12 March 2012 Green Point Holdings SCA made a capital contribution of £0.7 million following the acquisition of a 30% stake in the company

A profit of £173,000 was reported for the period on a turnover of £54.2 million. This performance was in line with expectations at the time the business was acquired in March 2012. No dividends were paid during the period (prior period: nil)

The Group maintained its position as the UK's most prominent producer responsibility compliance scheme operator, delivering cost effective compliance whilst ensuring scheme members' legal obligations were met to the highest standards

New 5 year packaging waste recovery and recycling targets became effective from 1 January 2013. These targets include a split glass target and a 5% annual increase in plastic targets which are likely to result in higher PRN prices (packaging waste recovery notes) in the short term

Following the acquisition of Valpak Limited the Company changed its accounting period to 31 December to align with the producer responsibility compliance scheme year

In its first trading period ended 29 February 2012, the Company prepared its financial statements in accordance with UK Generally Accepted Accounting Principles (UK GAAP). These financial statements for the period ended 31 December 2012 are the first the Group has prepared in accordance with IFRS. There were no material recognition or measurement differences arising on the adoption of IFRS. Refer to note 2.4 for information on how the Group adopted IFRS

We continue to operate the UK's WEEE Distribution Take back Scheme on behalf of the Department for Business, Innovation and Skills (BIS). In December 2012 the Company was awarded the contract for Phase 3 of the scheme which is a four year period to 31 December 2016. We have successfully operated this scheme since its inception in 2007

The directors consider that the key performance indicators relate to reputation risk to the Company, its shareholders and its customers

Valpak Holdings Limited

Directors' report (continued)

Principal risks and uncertainties

In pursuing the achievement of its business plans and objectives, the Group accepts that it is exposed to risks and potential opportunities. The Group is committed to maintaining a rigorous and systematic approach to identifying, assessing and reporting on these risks. Through internal control and risk management systems, centred on the Risk Assurance Group, effective risk management is embedded in the day-to-day management of the business at every level.

The board has overall responsibility for risk management and internal control within the context of achieving the company's objectives.

Strategic risks

Our strategy is based upon expanding from our position as the leading provider of Producer Responsibility compliance, to become a successful provider of dependable, innovative and ethical recycling and waste management solutions. As the business continues to diversify and enters into new areas of compliance, the overall risk of the group reduces by avoiding reliance on our core packaging compliance business. However, by its very nature, diversification also introduces new risks to be managed.

Reputational risks

As the UK's largest producer responsibility compliance scheme, expectations of the Group are high. We also give high priority to protecting our scheme members' and customers' reputation. Failure to protect our reputation, or that of our scheme members' and customers', could lead to a loss of trust and confidence.

We engage with the reprocessing industry to ensure that secondary raw material is correctly treated and ethically exported. We also engage with our scheme members and other stakeholders to ensure that our strategy reflects their views.

Legislative risks

Valpak's compliance business is regulated by the UK's environment agencies and our waste recycling businesses have to comply with exacting standards from UK government and the Chinese authorities. These standards are subject to continual revision and any new Directive may have a material impact on the ability of the group to operate.

We have a policy department that is in regular contact with central and local government departments ensuring that the views of our scheme members are represented and contributing to changes in regulations and statutory guidance.

Competitive risks

We compete in the packaging, WEEE and batteries producer responsibility compliance markets based upon price, quality, service, reputation and reliability. We regularly communicate with our scheme members to ensure that we remain competitive and are meeting their expectations. Additional environmental consulting service offerings, including data solutions and international compliance, help to differentiate us from the competition.

The waste recycling industry is highly competitive with new players constantly entering the market. We aim to differentiate ourselves by providing a best in class full audit trail of dry recycle to the end markets in continental Europe and China, providing our customers with a level of assurance regarding the efficacy of end markets for materials. We also have our own offices in China.

Liquidity risks

The Group aims to mitigate liquidity risk by managing cash generation by its operations and applying cash collection targets. The Group is considering establishing a revolving credit facility with its bankers.

Valpak Holdings Limited

Directors' report (continued)

Principal risks and uncertainties (continued)

Credit risks

Credit risk is the risk that one party to a financial instrument will cause a financial loss for that other party by failing to discharge an obligation. Group policies are aimed at minimising such losses, and require that deferred terms are only granted to customers who demonstrate an appropriate payment history and satisfy credit worthiness procedures. Details of the Group's receivables are shown on the face of the balance sheet.

IT systems and infrastructure

The business is dependent on highly efficient IT systems. Any significant failure therein would impact on our ability to function as a compliance business. We have extensive controls in place to maintain the integrity and efficiency of our IT infrastructure and continually invest in IT innovation to improve our service offering to our customers and staff.

Financial instruments

The Group finances its activities through cash and short term deposits, as disclosed in note 15. Other financial assets and liabilities, such as trade debtors and trade creditors, arise directly from the Group's operating activities.

Financial instruments give rise to foreign currency, interest rate, credit, price and liquidity risk. Information on how these risks arise is set out above, as are the objectives, policies and processes for their management and the methods used to measure each risk.

Carbon footprint

The Group continues to measure and reduce its carbon footprint in accordance with PAS 2060:2010 (Specification for the Demonstration of Carbon Neutrality). We remain committed to carbon neutrality and as such we invest in carbon reducing projects to offset our residual carbon.

Employee involvement

Key to our success is ensuring that we attract, retain and motivate the best people with the right skill sets throughout the organisation. We have developed a key account manager programme which is being extended to all customer facing employees.

We have a personal development program which helps individuals achieve their full potential. We also offer our staff a highly competitive pay and benefits package which includes a variable bonus incentive plan. In addition, we carry out succession planning to ensure that the needs of the business going forward are considered and provided for.

It is the Group's policy to keep employees fully informed of developments. Regular briefing meetings are held to ensure all members of staff are aware of current group activities and are able to participate in policy development.

Employees can also participate in the success of the business through the share option scheme which was established during the period.

Valpak Holdings Limited

Directors' report (continued)

Directors of the Company

The current directors are shown on page 1. At 31 December 2012 the directors' interest in the issued share capital of the Company was as follows: Lord Deben 19.5%, Steve Gough 19.1%, Philip Gale 9.5% and Adrian Hawkes 4.8%.

Going concern

The Company's business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives have been considered together with the financial position of the Company, its principal risks and uncertainties and available borrowing facilities.

The Company has adequate financial resources and as a consequence, the directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Political and charitable contributions

The group has not made any political or charitable contributions during the period. The employees personally raised £2,500 for Myton Hospice through various fund raising events.

Supply payment policy and practice

It is the Company's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the Company and its suppliers, provided that all trading terms and conditions have been complied with.

Post balance sheet event

On 18 February 2013 the trade and assets of Valpak Recycling (North West) Limited were sold to JWS Lancashire Limited for a cash consideration of £4. The company operated our materials recycling facility in Preston and will now become a dormant company. The impact on group results are minimal as Valpak Recycling (North West) Limited traded solely with other group companies and the trading is therefore eliminated on consolidation.

Directors' statement as to disclosure of information to auditors

The directors who were members of the board at the time of approving the directors' report are listed on page 1. Having made enquiries of fellow directors and of the Company's auditors, each of these directors confirms that:

- to the best of each director's knowledge and belief, there is no information (that is information needed by the Company's auditors in connection with preparing their report) of which the Company's auditors are unaware, and
- each director has taken all the steps that a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditors are aware of that information.

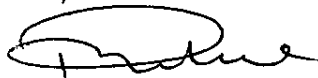
Valpak Holdings Limited

Directors' report (continued)

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the board at the Annual General Meeting

By order of the board

A handwritten signature in black ink, appearing to read 'Philip Gale', written over a circular stamp or seal.

Philip Gale
Director
5 July 2013

Valpak Holdings Limited

Directors' responsibilities statement

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the Group and Company financial statements in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the European Union. 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 Group and Company and of the profit or loss of the Group 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 IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006 and, as regards the Group financial statements, Article 4 of the IAS regulation. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the directors listed on page 1 confirm that, to the best of their knowledge

- the group financial statements, which have been prepared in accordance with IFRSs as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and profit of the group, and
- the directors report contained in the Annual Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties that it faces

By order of the board



Philip Gale
Director
5 July 2013

Independent auditors' report
To the members of Valpak Holdings Limited

We have audited the financial statements of Valpak Holdings Limited for the period to 31 December 2012 which comprise the Group Income Statement, the Group and Company Balance Sheets, the Group Cash Flow Statements, Group Statement of Changes in Equity and related notes 1 to 25. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards ('IFRSs') as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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 auditors' 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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Group's and parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and parent company's affairs as at 31 December 2012 and of the Group's profit for the period ended 31 December 2012,
- the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union,
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006, and

Independent auditors' report (continued)
To the members of Valpak Holdings Limited

- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the Group financial statements, Article 4 of the IAS Regulation

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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

Ernst & Young LLP

Anup Sodhi (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Birmingham

11 July 2013

Valpak Holdings Limited

Consolidated Income Statement

For the ten month period 1 March 2012 to 31 December 2012

		1 Mar 2012- 31 Dec 2012	8 Apr 2011- 29 Feb 2012
	Notes	£000	Restated * £000
Revenue	5	54,226	-
Cost of Sales		(45,953)	-
Gross profit		8,273	-
Administrative expenses		(8,231)	(178)
Operating profit / (loss)	6	42	(178)
Finance income	7	51	3
Profit / (loss) before tax		93	(175)
Income tax credit	9	80	-
Profit / (loss) for the financial period		173	(175)

The Group has no recognised gains or losses other than the results shown in the Income Statement. All revenue is derived from continuing operations.

* certain amounts shown here do not correspond to the financial statements to the 29 February 2012 and reflect adjustments made as detailed in Note 2.4

Valpak Holdings Limited

Group Balance Sheet

at 31 December 2012

		1 Mar 2012- 31 Dec 2012	8 Apr 2011- 29 Feb 2012 Restated *
	Notes	£000	£000
Non-current assets			
Property, plant and equipment	10	1,873	-
Intangible fixed assets	11	568	-
		2,441	-
Current assets			
Inventories	13	1,168	-
Trade and other receivables	14	11,332	3
Taxes receivable	9	141	-
Deferred income tax asset	9	416	-
Cash and short-term deposits	15	5,555	750
		18,612	753
Total assets		21,053	753
Current liabilities			
Trade and other payables	16	(19,605)	(178)
		(19,605)	(178)
Total liabilities		(19,605)	(178)
Net assets		1,448	575
Equity			
Called up share capital	18	8	8
Share premium account	18	742	742
Capital contribution	18	700	-
Retained earnings	19	(2)	(175)
Total equity		1,448	575

The financial statements were approved by the Board of Directors and are signed on its behalf by



Steve Gough
Director
5 July 2013

Company Number 07597708

* certain amounts shown here do not correspond to the financial statements to the 29 February 2012 and reflect adjustments made as detailed in Note 2.4

Valpak Holdings Limited

Company Balance Sheet

at 31 December 2012

		1 Mar 2012- 31 Dec 2012	8 Apr 2011- 29 Feb 2012 Restated *
	Notes	£000	£000
Non-current assets			
Investments in subsidiaries	12	2,364	-
		2,364	-
Current assets			
Trade and other receivables	14	-	3
Cash and short-term deposits	15	170	750
		170	753
Total assets		2,534	753
Current liabilities			
Trade and other payables	16	(1,303)	(178)
		(1,303)	(178)
Total liabilities		(1,303)	(178)
Net assets		1,231	575
Equity			
Called up share capital	18	8	8
Share premium account	18	742	742
Capital contribution	18	700	-
Retained earnings	19	(219)	(175)
Total equity		1,231	575

The financial statements were approved by the Board of Directors and are signed on its behalf by



Steve Gough

Director

5 July 2013

Company Number 07597708

* certain amounts shown here do not correspond to the financial statements to the 29 February 2012 and reflect adjustments made as detailed in Note 2.4

Valpak Holdings Limited

Consolidated statement of changes in equity for the period 1 March 2012 to 31 December 2012

	Attributable to equity holders of the parent				Total
	Issued capital (note 18) £000	Share premium (note 18) £000	Capital contribution (note 18) £000	Retained Earnings (note 19) £000	
As at 29 February 2012	8	742	-	(175)	575
Profit for the period	-	-	-	173	173
Receipt of capital contribution	-	-	700	-	700
At 31 December 2012	8	742	700	(2)	1,448

Consolidated statement of changes in equity for the period 8 April 2011 to 29 February 2012

	Attributable to equity holders of the parent				Total
	Issued capital (note 18) £000	Share premium (note 18) £000	Capital contribution (note 18) £000	Retained Earnings (note 19) Restated £000	
As at 8 April 2011	-	-	-	-	-
Loss for the period	-	-	-	(175)	(175)
Issue of share capital	8	742	-	-	750
At 29 February 2012	8	742	-	(175)	575

Valpak Holdings Limited

Consolidated Cash Flow Statement

For the ten month period 1 March 2012 to 31 December 2012

		1 Mar 2012- 31 Dec 2012	8 Apr 2011- 29 Feb 2012
	Notes	£000	£000
Cash flows from operating activities			
Cash used in operating activities	20	(1,949)	(3)
Corporation tax paid		(530)	-
Net cash used in operating activities		(2,479)	(3)
Cash flows from investing activities			
Purchase of property, plant and equipment		(105)	-
Proceeds from disposal of property, plant and equipment		40	-
Acquisition of and investment in subsidiaries, net of cash acquired		6,646	-
Interest received		51	3
Net cash generated from investing activities		6,632	3
Cash flows from financing activities			
Proceeds from issuance of ordinary shares		-	750
Capital contribution		700	-
Repayment of capital element of obligations under finance lease payments		(48)	-
Net cash generated from financing activities		652	750
Net increase in cash and cash equivalents		4,805	-
Net opening cash and cash equivalents		750	-
Net closing cash and cash equivalents		5,555	750

Valpak Holdings Limited

Notes to the financial statements

at 31 December 2012

1. Corporate information

The consolidated financial statements of Valpak Holdings Limited and its subsidiaries (collectively, the Group) for the period to 31 December 2012 were authorised for issue in accordance with a resolution of the directors on 27 June 2013. Valpak Holdings Limited (the Company) is a limited company incorporated and domiciled in the United Kingdom and its registered address is shown on page 1.

The Group's principal activities are compliance services within the regulated arena of Producer Responsibility, in particular packaging waste, WEEE and waste batteries.

Other important business activities include an environmental consultancy arm based in Glasgow and a recycling services arm which offers a total waste management solution to businesses.

The principal accounting policies adopted by the Company are set out in note 2.

2. Accounting policies

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

For all periods up to and including the period ended 29 February 2012, the Group prepared its financial statements in accordance with UK Generally Accepted Accounting Principles (UK GAAP). These financial statements for the period ended 31 December 2012 are the first the Group has prepared in accordance with IFRS. Refer to note 2.4 for information on how the Group adopted IFRS.

The consolidated financial statements are prepared on the going concern basis under the historical cost convention as modified by the revaluation of certain financial assets and liabilities at fair value.

The consolidated financial statements are presented in sterling and all values are rounded to the nearest thousand (£000), except when otherwise indicated.

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statement and the reported amount of revenues and expenses for that reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may ultimately differ from those estimates.

2.2 Basis of consolidation

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The results of the subsidiaries are included in the Income Statement from the date of acquisition, or in the case of disposals, up to the effective date of disposal. Intercompany transactions and balances between Group companies are eliminated upon consolidation.

Investments in subsidiaries are carried at cost less any impairment loss in the financial statements of the Company.

Valpak Holdings Limited

Notes to the financial statements (continued)

at 31 December 2012

2.3 Summary of significant accounting policies

a) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at the acquisition date fair value and the amount of any non-controlling interest in the acquiree. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions at the acquisition date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed. If the value of the net assets is in excess of the aggregate consideration transferred, the gain is recognised in the Income Statement.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

b) Foreign currencies

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of transaction or at the contracted rate if the transaction is covered by a forward foreign currency contract. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to the Income Statement.

c) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, value added tax and other sales taxes.

Revenue represents the amounts invoiced to customers for material levies, operating recovery and membership fees for a compliance period along with services provided to customers and the sale of goods and provision of recycling services.

d) Taxation

Current income tax

Current tax is accounted for on the basis of tax laws enacted or substantively enacted at the balance sheet date. Current tax is charged or credited to the Income Statement, except when it relates to items charged to equity or other comprehensive income, in which case the current tax is also dealt with in equity or other comprehensive income respectively.

Valpak Holdings Limited

Notes to the financial statements (continued)

at 31 December 2012

2.3 Summary of significant accounting policies (continued)

d) Taxation (continued)

Deferred tax

Deferred tax is accounted for on the basis of temporary differences arising from differences between the tax base and accounting base of assets and liabilities

Deferred tax is recognised for all temporary differences, except to the extent where it arises from the initial recognition of an asset or a liability in a transaction that is not a business combination and, at the time of transaction, affects neither accounting profit nor taxable profit. It is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax is charged or credited to the Income Statement, except when it relates to items charged or credited directly to equity or other comprehensive income, in which case the deferred tax is also dealt with in equity or other comprehensive income respectively.

e) Investments

Investments in subsidiaries are held at historical cost less any applicable provision for impairment.

f) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any recognised provision for impairment. Cost includes the original purchase price of the asset and the costs incurred attributable to bringing the asset to its working condition for intended use.

Depreciation is calculated to write down the cost of the assets to their residual values, on a straight line method on the following bases:

Freehold buildings	50 years
Leasehold land and buildings	10 years
Plant and machinery	5 to 7 years
Fixtures and fittings	5 years
Office equipment	4 years
Computer equipment	3 years

Gains and losses on disposal are determined by comparing proceeds with the asset's carrying amount and are recognised within operating profit.

g) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost includes all direct expenditure and other attributable costs incurred in bringing inventories to their present location and condition.

h) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand and short-term deposits with a maturity of three months or less and are subject to insignificant risks of changes in value.

Valpak Holdings Limited

Notes to the financial statements (continued)

at 31 December 2012

2.3 Summary of significant accounting policies (continued)

i) Leases

Leases are classed as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership to the Group. All other leases are classified as operating leases. Assets funded through finance leases are capitalised as property, plant and equipment and are depreciated over the shorter of the lease term and the assets' useful lives.

The resulting lease obligations are included in liabilities net of finance charges. Finance costs on finance leases are charged directly to the Income Statement.

Assets held under operating leases are not recorded on the balance sheet. Rental payments are charged directly to the Income Statement on a straight-line basis over the lease term.

j) Pensions

The Company provides a group personal pension scheme under which defined contributions are made to the administered funds. Contributions are charged in the Income Statement as they become payable in accordance with the rules of the scheme. Any contributions unpaid at the balance sheet date are included as an accrual as at that date. The Group has no further payment obligations once the contributions have been paid.

k) Share based payment transactions

The fair value of equity-settled employee share options granted is calculated at grant date and the resulting cost is charged to the Income Statement with a corresponding increase in equity. The value of the charge is adjusted to reflect expected levels of options vesting.

2.4 First-time adoption of IFRS

These financial statements, for the period to 31 December 2012, are the first the Group has prepared in accordance with IFRS. For periods up to and including the period to 29 February 2012, the Group has prepared its financial statements in accordance with local generally accepted accounting principle (UK GAAP).

Accordingly, the Group has prepared financial statements which comply with IFRS applicable for periods ending on or after 31 December 2012, together with the comparative period data as at and for the period ended 29 February 2012, as described in the summary of significant accounting policies. In preparing these financial statements, the Group's balance sheet was prepared as at 1 March 2012, the Group's date of transition to IFRS. This note explains the principal adjustments made by the Group in restating its UK GAAP financial statements, including the balance sheet as at 29 February 2012 and the financial statements as at and for the year ended 31 December 2012.

Standards issued but not adopted

At the date of authorisation of these financial statements, the following Standards and Interpretations were in issue but not yet effective:

- IAS 24, Related Party Disclosures (revised) (effective for the year ended 31 March 2013)
- IFRS 7, Disclosures – Offsetting Financial Assets and Liabilities – Amendments to IFRS 7 (effective for the year ended 31 March 2014)
- IFRS 9, Financial Instruments (effective for the year ended 31 March 2016)
- IFRS 10, Consolidated Financial Statements (effective for the year ended 31 March 2014)
- IFRS 11, Joint Arrangements (effective for the year ended 31 March 2014)
- IFRS 12, Disclosures of Involvement with Other Entities (effective for the year ended 31 March 2014)
- IFRS 13, Fair Value Measurement (effective for the year ended 31 March 2014)

Valpak Holdings Limited

Notes to the financial statements (continued)

at 31 December 2012

2.4 First-time adoption of IFRS (continued)

The directors do not anticipate the adoption of these Standards and Interpretations will have a material impact on the Group's financial statements in the period of initial application

The directors believe that other pronouncements which are in issue but not yet operative or adopted by the Group will not have a material impact on the financial statements, however it is not practicable to provide a reasonable estimate of the effect of these standards until a detailed review has been completed

Group reconciliation of equity as at 29 February 2012

	Notes	UK GAAP £000	Remeasurements £000	IFRS as at 29 February 2012 £000
Non-current assets				
Investments	A	175	(175)	-
		175	(175)	-
Current assets				
Trade and other receivables		3	-	3
Cash and short-term deposits		750	-	750
		753	-	753
Total assets		928	(175)	753
Current liabilities				
Trade and other payables		(178)	-	(178)
		(178)	-	(178)
Total liabilities		(178)	-	(178)
Net assets		750	(175)	575
Equity				
Called up share capital		8	-	8
Share premium account		742	-	742
Retained earnings		-	(175)	(175)
Total equity		750	(175)	575

Valpak Holdings Limited

Notes to the financial statements (continued)

at 31 December 2012

2.5 First-time adoption of IFRS (continued)

Group reconciliation of Income Statement for the period ended 29 February 2012

	Notes	UK GAAP £000	Remeasurements £000	IFRS for the period ended 29 February 2012 £000
Revenue		-	-	-
Cost of sales		-	-	-
Gross profit		-	-	-
Administrative expenses	A	(3)	(175)	(178)
Operating loss		(3)	(175)	(178)
Finance income		3	-	3
Loss before tax		-	(175)	(175)
Income tax expense		-	-	-
Loss for the period		-	(175)	(175)

Notes to the reconciliation of equity as at 29 February 2012 and Income Statements for the ten month period ending 31 December 2012

A Investments

Under UK GAAP, the Group capitalised costs incurred relating to the acquisition of its subsidiary Valpak Limited. As such this expenditure does not qualify for recognition as an asset under IFRS and therefore has been derecognised against retained earnings.

3. Significant accounting judgements, estimates and assumptions

The preparation of the consolidated financial statements requires the Directors to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Areas requiring the Directors to make judgements, estimates and assumptions are highlighted in these accounting policies and throughout the notes to the consolidated financial statements.

Key estimation and judgements areas are as follows:

Property, plant and equipment

Depreciation rates are regularly reviewed to ensure that they accurately reflect useful lives and residual values are reviewed on an annual basis in line with market conditions.

Inventories

The recoverability and value of inventories are kept under constant review and provision is made where appropriate.

Valpak Holdings Limited

Notes to the financial statements (continued)

at 31 December 2012

3. Significant accounting judgements, estimates and assumptions (continued)

Trade and other receivables

The recoverability of trade and other receivables are kept under constant review and provision is made where appropriate in line with disclosures in note 14

Trade and other payables

Where the amount payable in respect of any liability is uncertain the amount provided in the accounts is based on the best estimate available at the time

4 Business combinations

On 9 March 2012 Valpak Limited was acquired by Valpak Holdings Limited via a Scheme of Acquisition (implemented by a scheme of arrangement) The shares issued to former members were cancelled and in return they received an initial cash consideration of £1 4 million and a deferred cash consideration of £1 0 million in December 2012

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of Valpak Limited as at the date of acquisition were

	£000
Assets	
Property, plant and equipment	2,239
Cash and cash equivalents	9,010
Trade receivables	9,519
Inventories	940
Prepayments and accrued income	2,344
Deferred tax	334
	24,386
Liabilities	
Obligations under finance lease and hire purchase contracts	(48)
Trade payables	(13,565)
Income tax	(387)
Other taxes and social security	(342)
Accruals and deferred income	(8,248)
	(22,590)
Total identifiable net assets at fair value	1,796
Goodwill arising on acquisition	568
Purchase consideration transferred	2,364

The purchase consideration constituted an initial cash consideration of £1,361,700 issued April 2012 followed by a deferred cash consideration of £1,002,310 in December 2012

Analysis of cash flows on acquisition

	£000
Transaction costs of the acquisition (included in cash flows from operating activities)	(223)
Net cash acquired with the subsidiary (included in cash flows from investing activities)	9,010
Net cash flow on acquisition	8,787

Valpak Holdings Limited

Notes to the financial statements (continued)

at 31 December 2012

4. Business combinations (continued)

Transaction costs of £175,000 were incurred in the period up to 29 February 2012 and a further £48,000 in the 10 month period up to 31 December 2012. These have been expensed in line with IFRS and are included in administrative expenses.

5. Revenue

Turnover, which is stated net of value added tax, represents the amounts invoiced to customers for the provision of compliance schemes for packaging waste, producer WEEE, batteries waste, environmental consulting, retail WEEE and the provision of recycling services. All business is from continuing operations and is derived from the UK.

Turnover by destination as follows

	1 Mar 2012- 31 Dec 2012	8 Apr 2011- 29 Feb 2012
	£000	£000
UK	52,831	-
Asia	1,395	-
	54,226	-

6. Operating profit / (loss)

Operating profit / (loss) is stated after charging / (crediting) the following items

	1 Mar 2012- 31 Dec 2012	8 Apr 2011- 29 Feb 2012
	£000	£000
Audit of the financial statements	48	3
Other fees to auditors – taxation services	25	-
Other fees to auditors – other services	16	-
Employee costs (note 8)	5,064	-
Depreciation expense (note 10)	471	-
Operating lease rentals – land and buildings	185	-
Operating lease rentals – plant and equipment	187	-
Profit on disposal property, plant & equipment	(40)	-
Fees to Environment Agencies	410	-

7. Finance income

	1 Mar 2012- 31 Dec 2012	8 Apr 2011- 29 Feb 2012
	£000	£000
Interest on bank deposits	51	3

Valpak Holdings Limited

Notes to the financial statements (continued)

at 31 December 2012

8. Employee costs and directors' remuneration

Employee costs for the Group for the year amounted to

	1 Mar 2012- 31 Dec 2012 £000	8 Apr 2011- 29 Feb 2012 £000
Wages and salaries, including bonus and termination payments	4,399	-
Social security costs	443	-
Pension costs	222	-
	5,064	-

Average number of employees, including directors, for the Group during the period

	1 Mar 2012- 31 Dec 2012 Number	8 Apr 2011- 29 Feb 2012 Number
Compliance	92	-
Recycling	35	-
Support Services	30	-
	157	-

The remuneration of the directors' for the year was as follows

	1 Mar 2012- 31 Dec 2012 £000	8 Apr 2011- 29 Feb 2012 £000
Remuneration including performance related bonuses	761	-
Highest paid director	244	-

The remuneration above are after the salary sacrifice by three directors (prior period nil) under Valpak's salary exchange scheme which resulted in pension contributions of £104,000 (prior period nil) during the year. This includes £42,000 (prior period nil) in respect of the highest paid director. The Directors were remunerated for their services to the Company by Valpak Limited.

Valpak Holdings Limited

Notes to the financial statements (continued)

at 31 December 2012

9. Income tax

a) Income tax charged in the income statement

The major components of income tax credit for the period ended 31 December 2012 and 29 February 2012 are

	1 Mar 2012- 31 Dec 2012	8 Apr 2011- 29 Feb 2012
	£000	£000
Current income tax		
Current income tax charge	-	-
Deferred tax asset		
Origination and reversal of timing differences	(114)	-
Effect of rate change	34	-
Income tax credit reported in the income statement	(80)	-

b) Reconciliation of the total tax charge

A reconciliation between tax credit and the product of accounting profit multiplied by the UK's domestic tax rate for the period ending 31 December 2012 and 29 February 2012 is as follows

	1 Mar 2012- 31 Dec 2012	8 Apr 2011- 29 Feb 2012
	£000	Restated £000
Accounting profit / (loss) before income tax	93	(175)
At UK's statutory income tax rate of 24 1% (prior period 26 5%)	23	(46)
Non-deductible expenses for tax purposes	(143)	46
Losses carried forward not recognised in deferred tax	6	-
Tax rate deduction in deferred tax	34	-
Income tax credit reported in the income statement	(80)	-

c) Change in Corporation Tax rate

It was announced in the March 2012 UK Budget Statement that the main corporation tax rate will be reduced from 26% to 24% from 1 April 2012. This change has been reflected in the current tax rate used of 24 5% for the year. A further rate change to 23% to be effective from 1 April 2013 was enacted on 17 July 2012. The company has calculated deferred tax at 23%, the substantively enacted rate at the balance sheet date.

As well as a reduction from 23% to 21% from 1 April 2014 announced previously, as a result of the UK Budget announcement of 20 March 2013, a further reduction in the UK corporation tax rate from 21% to 20% effective from 1 April 2015 was announced. The full impact of future rate changes has yet to be ascertained but it is likely that the company will have a lower UK effective tax rate on future taxable profits, subject to the receipt of group relief.

Valpak Holdings Limited

Notes to the financial statements (continued)

at 31 December 2012

9 Income tax (continued)

d) Deferred tax asset

The deferred tax asset included in the Group balance sheet is as follows

	At 31 Dec 2012 £000	At 29 Feb 2012 £000
Group		
Opening balance	-	-
Tax income during the period recognised in profit	82	-
Deferred taxes acquired in business combinations	334	-
Closing balance	416	-
The deferred tax asset consists of		
Decelerate capital allowances	47	-
Other timing differences	369	-
Deferred tax asset	416	-

There is no deferred tax asset for the Company

10. Property, plant and equipment

Group	Freehold land & buildings £000	Leasehold land & buildings £000	Plant & equipment £000	Total £000
Cost or valuation				
At 1 March 2012	-	-	-	-
Additions	-	-	105	105
Acquisition of a subsidiary	1,373	-	866	2,239
Disposals	-	-	(160)	(160)
At 31 December 2012	1,373	-	811	2,184
Depreciation and impairment				
At 1 March 2012	-	-	-	-
Depreciation expense for the year	33	-	438	471
Disposals	-	-	(160)	(160)
At 31 December 2012	33	-	278	311
Net book value				
At 31 December 2012	1,340	-	533	1,873
At 1 March 2012	-	-	-	-

The fair value of leasehold, land and buildings was £nil when the Company acquired Valpak Limited and its group companies

There are no property, plant and equipment for the Company. There are no leased assets or assets acquired under hire purchase contracts at the balance sheet date within the Group or Company.

Valpak Holdings Limited

Notes to the financial statements (continued)

at 31 December 2012

11. Intangible assets

	Goodwill £000
Cost	
At 1 March 2012	-
Acquisitions of subsidiaries	568
At 31 December 2012	568
Accumulated amortisation and impairment	
At 1 March 2012	-
Amortisation expense for the year	-
At 31 December 2012	-
Net book value at 31 December 2012	568
Net book value at 1 March 2012	-

The goodwill relates to the acquisition of Valpak Limited on 9 March 2012 and recognises the strategic future value placed on the business by Green Point Holdings SCA, a 30% shareholder in Valpak Holdings Limited. As the company operates in the highly regulated producer responsibility markets no goodwill has been attributed to other intangible assets.

12. Investments in subsidiaries

	At 31 Dec 2012 £000	At 29 Feb 2012 £000
Beginning of year	-	-
Additions	2,364	-
End of year	2,364	-

Following conversion to IFRS, additions of £175,000 for the period to 29 February 2012 primarily related to legal costs incurred relating to the acquisition of Valpak Limited have been restated and charged to the Income Statement as shown in Note 2.4.

Additions up to 31 December 2012 related to the acquisition of 100% of the share capital of Valpak Limited and its subsidiaries. This acquisition was made in two instalments following the successful enactment of the packaging waste regulations.

The Company's principal operating subsidiaries, all of which are directly owned by the Company or held indirectly by a wholly owned subsidiary and incorporated in England, are

	Principal activity	Share of ordinary allotted capital and voting rights
Valpak Limited	Producer responsibility compliance	100%
Valpak Recycling Limited	Waste management services	100%
Valpak Retail WEEE Services Limited	Operator of Distributor Take-back Scheme	100%
Valpak Recycling (North West) Limited	Waste management services	100%
Supraval Limited	Holding company	100%

Valpak Holdings Limited

Notes to the financial statements (continued)

at 31 December 2012

13. Inventories

Group	At 31 Dec 2012 £000	At 29 Feb 2012 £000
Raw materials and consumables	1,065	-
Finished goods	103	-
	1,168	-

There are no inventories for the Company

14 Trade and other receivables

	Group At 31 Dec 2012 £000	Group At 29 Feb 2012 £000	Company At 31 Dec 2012 £000	Company At 29 Feb 2012 £000
Trade receivables	10,166	-	-	-
Other receivables	2	3	-	3
Prepayments & accrued income	1,164	-	-	-
	11,332	3	-	3

The carrying value of trade and other receivables approximates to fair value

Trade and other receivables are non-interest bearing and are generally on 30 day terms

Amounts owed by group undertakings are non-interest bearing and are settled in cash within 30 day terms

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty fails to meet its contractual obligations and arises principally from amounts receivable from customers

The Group's exposure to credit risk is limited as the Group has incorporated procedures such as detailed credit checks undertaken before a customer is accepted. Historically these procedures have proved effective in minimising the level of impaired and past due debtors

Impairment losses

The ageing analysis of trade receivables for the Group is as follows

	At 31 Dec 2012 Gross £000	At 31 Dec 2012 Impairment £000	At 29 Feb 2012 Gross £000	At 29 Feb 2012 Impairment £000
Not past due	5,645	-	-	-
0-30 days overdue	2,478	-	-	-
Over 30 days overdue	2,341	298	-	-
	10,464	298	-	-

Valpak Holdings Limited

Notes to the financial statements (continued)

at 31 December 2012

14 Trade and other receivables (continued)

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date the credit was initially granted up to the reporting date. The Group has no significant concentration of credit risk, with exposure spread over a large number of customers in many different markets and sectors.

15 Cash and short-term deposits

	Group At 31 Dec 2012 £000	Group At 29 Feb 2012 £000	Company At 31 Dec 2012 £000	Company At 29 Feb 2012 £000
Cash at bank and in hand	534	-	170	-
Short-term deposits	5,021	750	-	750
	5,555	750	170	750

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

Liquidity risk

Liquidity risk is the risk that the Group could be unable to meet its financial obligations as they fall due at a reasonable price. The Group's operational cash flow is largely stable and predictable. Cash flow forecasts are produced regularly to assist management in identifying future liquidity requirements.

Credit risk

The Group credit policy limits deposits to only high street banks and up to £3 million with any single party.

16 Trade and other payables

	Group At 31 Dec 2012 £000	Group At 29 Feb 2012 £000	Company At 31 Dec 2012 £000	Company At 29 Feb 2012 £000
Trade payables	16,660	-	-	-
Amounts owed to group companies	-	178	1,300	178
Social security and other taxes	196	-	-	-
Accruals and deferred income	2,749	-	3	-
	19,605	178	1,303	178

The carrying value of trade and other creditors approximates to fair value and are not interest-bearing.

Amounts owed to group undertakings are non-interest bearing and are settled in cash within 30 day terms.

Valpak Holdings Limited

Notes to the financial statements (continued)

at 31 December 2012

17. Financial risk management objectives and policies

The principal financial risks faced by the Group are liquidity, foreign currency and counterparty risks. These are managed by the Company in accordance with policies and guidelines approved by the Board of Directors. The risk management policies are designed to minimise potential adverse effects on the Group's financial performance by identifying financial exposures and setting appropriate risk limits and controls. These are covered in the appropriate notes to the accounts.

18. Called up share capital, share premium account and capital contribution

	At 31 Dec 2012	At 29 Feb 2012	At 31 Dec 2012	At 29 Feb 2012
	Number	Number	£000	£000
Group and Company				
Authorised and called up share capital				
Ordinary shares of 1p each	750,000	750,000	8	8
Share premium account				
Share premium			742	742
Capital contribution				
Capital contribution			700	-

Green Point Holdings SCA made a capital contribution of £700,000 to the Company on 12 March 2012.

The Company operates an Enterprise Management Incentive (EMI) Scheme under which share options have been granted to employees except for members of the executive management team who hold equity shares in the Company. The first grants under the scheme were awarded on 26 October 2012. These options may only be exercised in the event of a sale. At 26 October 2012 and 31 December 2012, share option grants over 37,400 shares remained available to be exercised.

The directors have taken the decision not to recognise a charge against income in 2012 as the scheme has only been operational for nine weeks and any charges were deemed to be immaterial.

19. Retained earnings

	Group	Company Restated
	£000	£000
At 8 April 2011	-	-
Loss for the year	(175)	(175)
At 29 February 2012	(175)	(175)
Profit / (loss) for the year	173	(44)
At 31 December 2012	(2)	(219)

Valpak Holdings Limited

Notes to the financial statements (continued)

at 31 December 2012

20 Notes to the cash flow statements

Reconciliation of operating profit / (loss) to cash used in operations

	1 Mar 2012- 31 Dec 2012	8 Apr 2011- 29 Feb 2012 Restated
	£000	£000
Operating profit / (loss)	42	(178)
Depreciation	471	-
Profit on disposal of property, plant and equipment	(40)	-
Operating cash flows before changes in working capital	473	(178)
Changes in working capital		
Increase in inventories	(1,168)	-
Less brought in on acquisition of subsidiaries	940	-
Increase in trade and other receivables	(11,329)	(3)
Less brought in on acquisition of subsidiaries	11,863	-
Increase in trade and other payables	19,427	178
Less brought in on acquisition of subsidiaries	(22,155)	-
Cash used in operations	(1,949)	(3)

21 Analysis of net funds

	At 31 Dec 2012 £000	At 29 Feb 2012 £000
Current assets		
Cash at bank and in hand	534	750
Short-term deposits	5,021	-
	5,555	750
Current liabilities		
Finance leases brought in on acquisition of subsidiaries	(48)	-
Cash used to repay finance leases	48	-
	-	-
Total net funds	5,555	750

Reconciliation of net cash flow to movement in net funds

	At 31 Dec 2012 £000	At 29 Feb 2012 £000
(Decrease) / increase in cash at bank and in hand	(216)	750
Increase in short term deposits	5,021	-
Net movement in funds at the end of the year	4,805	750
Finance leases brought in on acquisition of subsidiaries	48	-
Cash used to repay capital element of finance leases	(48)	-
Change in net funds resulting from cash flows	4,805	750
Net funds at beginning of year	750	-
Net funds at end of year	5,555	750

Valpak Holdings Limited

Notes to the financial statements (continued)

at 31 December 2012

22. Related party transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note

On 12 March 2012 the executive directors, together with four members of the senior management team of Valpak Limited, sold 30% of the issued share capital of the Company for a cash consideration of £225,000

During the period the company made payments of £7,745 to Sancroft Limited, a company controlled by Lord Deben, for marketing briefing documents and other costs. With the exception of personnel compensation of the directors, which disclosure can be found within note 8 to the accounts, there were no other transactions between the Company and the directors as listed on page 1

23. Controlling party

The directors of the Company, who are also members of the executive management team, hold in aggregate 52.9% of the voting rights of the Company. Four other members of the executive management team hold in aggregate 17.1% of the voting rights. As the executive management team hold in aggregate 70% of the voting rights of the Company they are, therefore, considered the ultimate controlling party.

24. Operating and finance lease commitments

All finance leases were fully paid up during the year with no finance leases outstanding as at the balance sheet date for the Group and Company.

The group leases offices and plant and equipment under non-cancellable operating leases. Annual commitments are as follows:

	At 31 Dec 2012	At 29 Feb 2012
	£000	£000
Within 1 year	68	-
Within 2 to 5 years inclusive	326	-
	394	-

The Company has no operating leases.

25. Post balance sheet event

On 18 February 2013, the trade and assets of Valpak Recycling (North West) Limited was sold to JWS Lancashire Limited for a cash consideration of £4. The company operated our materials recycling facility in Preston and will now become a dormant company. The impact on group results are minimal as Valpak Recycling (North West) Limited traded solely with other group companies and the trading is therefore eliminated on consolidation.