

Registered number: 01440405

SITA Recycling & Trading Limited

Directors' report and financial statements

for the year ended 31 December 2012



SITA Recycling & Trading Limited

Company Information

Directors	C Chapron D Palmer-Jones
Company secretary	J Knight
Company number	01440405
Registered office	SITA House Grenfell Road Maidenhead Berkshire SL6 1ES
Auditor	Mazars LLP Tower Bridge House St Katharine's Way London E1W 1DD

SITA Recycling & Trading Limited

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SITA Recycling & Trading Limited

Directors' report for the year ended 31 December 2012

The directors present their report and the financial statements for the year ended 31 December 2012

Principal activities

The company's principal activity during the year was that of a waste paper merchant

Business review

The company's key financial indicators during the year were as follows

	2012	2011	
	£000	£000	Change
Turnover	29,841	39,778	-25%
Operating (loss)/profit	(2,367)	139	-1,803%
Profit after tax	4,769	60	+7,848%
Shareholders deficit	-	(4,769)	
Current assets as % of current liabilities	-	26%	

Turnover and operating profit have decreased year on year due to lower volumes of paper traded, and the closure of the site in Swindon. Operating profit in 2011 also benefited from a provision release of £220k. The company received dividend income from its subsidiary entities of £1,100,000 in the year ended 31 December 2012.

On 31 December 2012 the company sold its trade and assets to SITA South East Limited for consideration of £1. The profit realised on the sale of trade and assets/ liabilities was £5,552,000. The directors intend for the company to become dormant.

Results and dividends

The profit for the year, after taxation, amounted to £4,769,000 (2011 - £60,000).

The directors do not recommend the payment of a dividend (2011 - £nil).

Directors

The directors who served during the year were

C Chapron
D Palmer-Jones

No director who held office on 31 December 2012 had an interest in the company's shares either during the financial year or at 31 December 2012.

Directors' indemnity

The company has granted indemnity to one or more of its directors against liabilities in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

SITA Recycling & Trading Limited

Directors' report for the year ended 31 December 2012

Going concern

The company's going concern is intrinsically linked to the performance, risks and going concern of the SITA Group. The SITA group, along with its ultimate parent company GDF Suez SA, has considerable financial resources together with long term contracts with a number of customers across different geographic areas and within different sectors of the recycling industry. As a consequence, the directors believe that the SITA group is well placed to manage its business risks successfully despite the current uncertain economic outlook.

Having made enquiries, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Environmental impact

Our purpose is to protect our environment by putting waste to good use.

A crucial element of this is ensuring that the vision of the circular economy – where the waste cycle can work with the economic cycle to return waste as a secondary resource back into production and consumption – becomes a reality and value is extracted from waste.

In 2012 the SITA group

- recycled and recovered over 3 million tonnes of the materials we handled,
- generated over 800,000 megawatt-hours of electricity from our landfill gas and energy-from-waste facilities,
- successfully maintained and extended our accreditation to the Carbon Trust Standard, recognition of our commitment towards reducing our carbon footprint,
- produced over 100,000 tonnes of compost,
- reduced our GHG emissions produced by vehicles by 2% on the previous year, and
- increased renewable energy production by 12%.

Future developments

Following the sale of the trade and assets/ liabilities previously held by the company to SITA South East Limited on 31 December 2012, the intention is for this company to become dormant.

Principal risks and uncertainties

The SITA Group has established a risk committee that evaluates the main risks facing the Group and the measures in place to manage those risks. The principal risks and uncertainties facing the Group are broadly grouped as operational risks, competitive risks, legislative risks, health and safety risks and financial instrument risks.

Operational risks

The SITA Group's operations involve some major public sector contracts, ranging from periods of 7 to 25 years or more, where default on the contract may result in substantial compensation payments to the client.

Long-term contracts also expose the Group to the risk that the contract's revenue profile over the life of the contract may not be sufficient to compensate the Group for unforeseen cost increases, and hence losses may result. The Group has put in place rigorous tender approval procedures to ensure all risks are properly considered. The Group's management and review procedures are aimed at ensuring any problems are identified at an early stage and steps are taken to mitigate any losses arising.

The success of the Group's operations is dependent upon the recruitment and retention of good quality staff. The Group's strategy seeks to make the SITA Group the preferred employer in the waste management sector through its employment policies.

SITA Recycling & Trading Limited

Directors' report for the year ended 31 December 2012 Principal risks and uncertainties (continued)

Competitive risks

Part of the SITA Group's business involves contracts with local authorities which are subject to periodic competitive tender. Renewal of these contracts is uncertain and based on financial and performance criteria.

The remaining business relies upon short-term contracts and non-contractual business from industrial and commercial customers, which is subject to normal price competition in the open market.

Legislative risks

The waste management business is subject to strict legislation and regulation. These standards are subject to continuous revision. Compliance with new standards can impose additional costs on the Group, and failure to comply could result in heavy penalties. The Group's management systems aim to ensure compliance with all relevant regulations.

Health and safety risks

The SITA Group acknowledges that its employees working within the waste management industry face significant potential hazards in their everyday work. The Group makes every effort to ensure that its Health and Safety policies are of the highest standard, are fit for purpose and are strictly adhered to on a daily basis.

Financial instrument risks

The Group has established a risk and financial management framework whose primary objectives are to protect the Group from events that hinder the achievement of the Group's performance objectives.

Use of derivatives

On certain major contracts, the SITA Group uses interest rate swaps in respect of the related funding to reduce exposure to interest rate movements.

Exposure to price, credit, liquidity and cash flow risk

Price risk arises on financial instruments because of changes in, for example, commodity prices or equity prices. The Group's major joint venture and associated investments, which the Group does not intend to sell in the short-term, are held at net asset value and are therefore not exposed to price risk.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the 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.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Cash flow risk is the risk of exposure to variability of cash flows relating to a recognised asset or liability such as future interest payments on a variable rate debt. The Group produces long-term cash forecasts and monitors cash flows against these on a daily basis to ensure all financial obligations may be met as they fall due. Group funding requirements are periodically agreed with the Suez Group.

SITA Recycling & Trading Limited

Directors' report for the year ended 31 December 2012

Statement of directors' responsibilities

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Provision of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- each director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

Re-appointment of auditors

The re-appointment of auditors will be considered at the company's AGM.

This report was approved by the board on *September 25, 2013* and signed on its behalf



C Chapron
Director

SITA Recycling & Trading Limited

Independent auditor's report to the shareholder of SITA Recycling & Trading Limited

We have audited the financial statements of SITA Recycling & Trading Limited for the year ended 31 December 2012, which comprise the Profit and loss account, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditor

As explained more fully in the Directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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. This report is made solely to the company's member 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 member 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 member for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

SITA Recycling & Trading Limited

Independent auditor's report to the shareholder of SITA Recycling & Trading Limited

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial year 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, 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



David Herbinet (Senior statutory auditor)
for and on behalf of
Mazars LLP
Chartered Accountants and Statutory Auditor
Tower Bridge House
St Katharine's Way
London
E1W 1DD
Date 30/09/2013

SITA Recycling & Trading Limited

Profit and loss account for the year ended 31 December 2012

	Note	2012 £000	2011 £000
Turnover	1,2	29,841	39,778
Cost of sales		(31,048)	(38,502)
Gross (loss)/profit		(1,207)	1,276
Administrative expenses		(1,160)	(1,137)
Operating (loss)/profit	3	(2,367)	139
Income from other fixed asset investments		1,100	-
Profit on disposal of trade and assets		5,552	-
Interest payable and similar charges	5	(47)	(35)
Profit on ordinary activities before taxation		4,238	104
Tax on profit on ordinary activities	6	531	(44)
Profit for the financial year	16	4,769	60

All amounts relate to continuing operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the Profit and loss account

The notes on pages 10 to 18 form part of these financial statements

SITA Recycling & Trading Limited

**Note of historical cost profits and losses
for the year ended 31 December 2012**

	2012 £000	2011 £000
Reported profit on ordinary activities before taxation	4,238	104
Realisation of valuation gains of previous periods	164	-
Historical cost profit on ordinary activities before taxation	4,402	104
Historical profit for the year after taxation	4,933	60

The notes on pages 10 to 18 form part of these financial statements

SITA Recycling & Trading Limited
Registered number. 01440405

Balance sheet
as at 31 December 2012

	Note	£000	2012 £000	£000	2011 £000
Fixed assets					
Tangible assets	8	-	-		868
Investments	9	-	-		-
			<u>-</u>		<u>868</u>
Current assets					
Stocks	10	-		47	
Debtors	11	-		1,830	
			<u>-</u>	<u>1,877</u>	
Creditors, amounts falling due within one year	12	-		(7,232)	
			<u>-</u>	<u>(7,232)</u>	
Net current liabilities			-		(5,355)
Total assets less current liabilities			-		(4,487)
Provisions for liabilities					
Other provisions	14	-	-		(282)
			<u>-</u>		<u>(282)</u>
Net liabilities			-		(4,769)
			<u>-</u>		<u>(4,769)</u>
Capital and reserves					
Called up share capital	15		2,667		2,667
Revaluation reserve	16		-		164
Profit and loss account	16		(2,667)		(7,600)
			<u>(2,667)</u>		<u>(7,600)</u>
Shareholders' deficit	17		-		(4,769)
			<u>-</u>		<u>(4,769)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
September 25, 2013.



C Chapron
Director

The notes on pages 10 to 18 form part of these financial statements

SITA Recycling & Trading Limited

Notes to the financial statements for the year ended 31 December 2012

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain freehold land and in accordance with applicable accounting standards

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied. Revenue is measured at the fair value of the consideration received and exclusive of trade discounts, rebates, Value Added Tax and other sales tax or duty.

1.4 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.5 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and loss account over its estimated economic life.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- 50 years, straight line
Plant & machinery	- 3 - 10 years, straight line
Motor vehicles	- 4 - 10 years, straight line
Fixtures & fittings	- 3 - 5 years, straight line
Assets under construction	- Depreciation commences upon completion of asset

1.7 Revaluation of tangible fixed assets

As permitted by the transitional provisions of FRS 15 Tangible Fixed Assets the company has elected not to adopt a policy of revaluation of tangible fixed assets. The company will retain the book value of land and buildings, previously revalued at 23 June 2000 and will not update that valuation.

1.8 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

SITA Recycling & Trading Limited

Notes to the financial statements for the year ended 31 December 2012

1. Accounting policies (continued)

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.10 Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

- provision is made for tax gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding arrangement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,
- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the period in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1.11 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. Contributions are made by the company and the employees to a separately administered fund.

2. Turnover

The whole of the turnover is attributable to the one principal activity of the company being a waste paper merchant.

All turnover arose within the United Kingdom.

SITA Recycling & Trading Limited

Notes to the financial statements for the year ended 31 December 2012

3 Operating (loss)/profit

The operating (loss)/profit is stated after charging

	2012 £000	2011 £000
Depreciation of tangible fixed assets - owned by the company	214	255
Operating lease rentals other operating leases	95	95

During the year, no director received any emoluments (2011 - £NIL) for services to the company

For the year ended 31 December 2012 and the prior year, auditors' remuneration was borne by a fellow group company

4. Staff costs

Staff costs were as follows

	2012 £000	2011 £000
Wages and salaries	805	771
Social security costs	93	84
Other pension costs	23	15
	921	870

All employees are employed by SITA UK Limited and paid by SITA Holdings UK Limited. Costs are then recharged to the company.

The average monthly number of employees, including the directors, during the year was as follows

	2012 No	2011 No
Operational	7	16
Administration & management	20	15
	27	31

5. Interest payable

	2012 £000	2011 £000
On loans from group undertakings	47	35

SITA Recycling & Trading Limited

Notes to the financial statements for the year ended 31 December 2012

6. Taxation

	2012 £000	2011 £000
Analysis of tax credit in the year		
Current tax (see note below)		
UK corporation tax credit on profit for the year	(586)	(15)
Adjustments in respect of prior periods	1	-
Total current tax	(585)	(15)
Deferred tax		
Origination and reversal of timing differences	55	58
Adjustments in respect of prior periods	(1)	1
Total deferred tax (see note 13)	54	59
Tax on profit on ordinary activities	(531)	44

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2011 - lower than) the standard rate of corporation tax in the UK of 24.5% (2011 - 26.5%). The differences are explained below

	2012 £000	2011 £000
Profit on ordinary activities before tax	4,238	104
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24.5% (2011 - 26.5%)	1,038	28
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	(1,300)	(159)
Capital allowances for year in excess of depreciation	16	10
Adjustments to tax charge in respect of prior periods	1	-
Short term timing difference leading to a decrease in taxation	(70)	-
Other timing differences leading to an increase in taxation	-	106
Dividends from UK companies	(270)	-
Current tax credit for the year (see note above)	(585)	(15)

Factors that may affect future tax charges

The UK corporation tax rate decreased from 26% to 24% from 1 April 2012. The impact on the current year's tax charge is shown above.

Further reductions to the UK corporation tax rate have been announced that will have an effect on future tax charges. The change in the corporation tax rate to 23% from 1 April 2013 had been enacted at the balance sheet date and the deferred tax balance has been adjusted to reflect this change (note 13). Further reductions in the rate to 21% from 1 April 2014 and to 20% from 1 April 2015 have now been announced but were not substantively enacted at the balance sheet date, and are therefore not recognised in these financial statements.

SITA Recycling & Trading Limited

**Notes to the financial statements
for the year ended 31 December 2012**

7. Intangible fixed assets

	Goodwill £000
Cost	
At 1 January 2012	177
Disposals	(177)
At 31 December 2012	-
Amortisation	
At 1 January 2012	177
On disposals	(177)
At 31 December 2012	-
Net book value	
At 31 December 2012	-
At 31 December 2011	-

8. Tangible fixed assets

	Freehold property £000	Plant & machinery £000	Motor vehicles £000	Fixtures & fittings £000	Assets under construction £000	Total £000
Cost or valuation						
At 1 January 2012	2,712	1,710	815	15	-	5,252
Additions	-	26	23	-	18	67
Transfers intra group	-	(168)	179	(3)	-	8
Disposals	(82)	(133)	(157)	(8)	-	(380)
Sale of trade and assets	(2,630)	(1,435)	(860)	(4)	(18)	(4,947)
At 31 December 2012	-	-	-	-	-	-
Depreciation						
At 1 January 2012	2,409	1,322	638	15	-	4,384
Charge for the year	17	107	90	-	-	214
Transfers intra group	-	(138)	114	(4)	-	(28)
On disposals	(59)	(126)	(30)	(8)	-	(223)
Sale of trade and assets	(2,367)	(1,165)	(812)	(3)	-	(4,347)
At 31 December 2012	-	-	-	-	-	-
Net book value						
At 31 December 2012	-	-	-	-	-	-
At 31 December 2011	303	388	177	-	-	868

SITA Recycling & Trading Limited

Notes to the financial statements for the year ended 31 December 2012

8. Tangible fixed assets (continued)

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows

	2012 £000	2011 £000
Cost	-	410
Accumulated depreciation	-	(272)
Net book value	-	138

9. Fixed asset investments

	Investments in subsidiary companies £000
Cost or valuation	
At 1 January 2012 and 31 December 2012	2,656
Impairment	
At 1 January 2012 and 31 December 2012	2,656
Net book value	
At 31 December 2012	-
<i>At 31 December 2011</i>	-

Subsidiary undertakings

The following were subsidiary undertakings of the company

Name	Holding
Freeth Wastepaper Limited	100 %
Sargood Wastepaper Limited	100 %
Southern Shredding Limited	100 %
C&P Paper Waste Limited	100 %
MM Recycling Trading UK Limited	100 %

All subsidiary undertakings are wholly owned by SITA Recycling & Trading Limited. They are all dormant, and are registered in England & Wales.

SITA Recycling & Trading Limited

Notes to the financial statements for the year ended 31 December 2012

10 Stocks

	2012	2011
	£000	£000
Raw materials	-	47

The difference between purchase price or production cost of stocks and their replacement cost is not material

11 Debtors

	2012	2011
	£000	£000
Corporation tax recoverable	-	15
Prepayments and accrued income	-	1,688
Deferred tax asset (see note 13)	-	127
	<u>-</u>	<u>1,830</u>

12 Creditors. **Amounts falling due within one year**

	2012	2011
	£000	£000
Trade creditors	-	7
Amounts owed to group undertakings	-	7,168
Accruals and deferred income	-	57
	<u>-</u>	<u>7,232</u>

13 Deferred taxation

	2012	2011
	£000	£000
At beginning of year	127	186
Charged for year	(54)	(59)
Sale of trade and assets	(73)	-
	<u>-</u>	<u>127</u>

The deferred taxation balance is made up as follows

	2012	2011
	£000	£000
Accelerated capital allowances	-	56
Other timing differences	-	71
	<u>-</u>	<u>127</u>

SITA Recycling & Trading Limited

Notes to the financial statements for the year ended 31 December 2012

14. Provisions

	Health and safety provision £000
At 1 January 2012	282
Amounts used	(282)
At 31 December 2012	-

Health and safety provision

A provision was previously held in relation to a health and safety incident at one of the depots in 2008. This claim was settled in 2012.

15. Share capital

	2012 £000	2011 £000
Allotted, called up and fully paid		
2,666,513 ordinary shares of £1 each	2,667	2,667

16. Reserves

	Revaluation reserve £000	Profit and loss account £000
At 1 January 2012	164	(7,600)
Profit for the year	-	4,769
Transfer of revaluation surplus realised on disposal of property	(164)	164
At 31 December 2012	-	(2,667)

17. Reconciliation of movement in shareholders' deficit

	2012 £000	2011 £000
Opening shareholders' deficit	(4,769)	(4,829)
Profit for the year	4,769	60
Closing shareholders' deficit	-	(4,769)

18. Capital commitments

At 31 December 2012 the company had capital commitments as follows

	2012 £000	2011 £000
Contracted for but not provided in these financial statements	-	1

SITA Recycling & Trading Limited

Notes to the financial statements for the year ended 31 December 2012

19. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £23,000 (2011 - £15,000)

20. Operating lease commitments

At 31 December 2012 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2012	2011	2012	2011
	£000	£000	£000	£000
Expiry date:				
After more than 5 years	-	95	-	-

21. Related party transactions

Under the provisions of Financial Reporting Standard 8, the company is not required to disclose details of related party transactions with Group entities as it is a wholly owned subsidiary, and the consolidated financial statements in which the company results are included are available to the public

22. Ultimate parent undertaking and controlling party

At the year end the ultimate parent undertaking was GDF Suez SA, a company incorporated in France

The largest group of which SITA Recycling & Trading Limited is a member and for which group financial statements are drawn up is that headed by GDF Suez SA, whose consolidated financial statements are available from 1 Place Samuel de Champlain, Faubourg de l'Arche, 92930 Paris la Defense, Cedex, France. The smallest such group is that headed by SITA Holdings UK Limited, a company registered in England & Wales. The consolidated financial statements of the SITA Holdings UK Limited Group may be obtained from SITA House, Grenfell Road, Maidenhead, Berkshire, SL6 1ES

In the opinion of the directors, SITA Holdings UK Limited controls the company as a result of controlling 100% of the issued share capital of SITA Recycling & Trading Limited. At the year end GDF Suez SA was the ultimate controlling party, being the ultimate controlling party of SITA Holdings UK Limited