

Registered number· 1898264

SITA MR Coventry Limited

Directors' report and financial statements

for the year ended 31 December 2011

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SITA MR Coventry Limited

Company Information

Directors	C Chapron D Palmer-Jones
Company secretary	M H Thompson
Company number	1898264
Registered office	SITA House Grenfell Road Maidenhead Berkshire SL6 1ES
Auditor	Mazars LLP Tower Bridge House St Katharine's Way London E1W 1DD

SITA MR Coventry Limited

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SITA MR Coventry Limited

Directors' report for the year ended 31 December 2011

The directors present their report and the financial statements for the year ended 31 December 2011

Principal activities and review of business

The company's principal activity during the year was that of wholesale metal and machinery merchant, skip hire and industrial services

The company's key performance indicators during the period were as follows

	2011	2010	
	£000	£000	<i>Change</i>
Turnover	27,014	16,503	+64%
Operating loss	(920)	(1,606)	+43%
Profit/ (loss) after tax	1,153	(1,249)	+192%
Shareholders (deficit)/ funds	-	(1,153)	+100%
Current assets as % of current liabilities	-%	56%	

Higher metals prices during the first half of the year and improved volumes resulted in increased revenue and a reduced operating loss being returned in 2011

On 31st December 2011, the company sold its trade, assets and liabilities to SITA Metal Recycling Limited for consideration of £1 The profit realised on the sale of trade and assets/ liabilities was £1,861,000

Results and dividends

The profit for the year, after taxation, amounted to £1,153,000 (2010 - loss £ 1,249,000)

The directors do not recommend the payment of a dividend

Directors

The directors who served during the financial year were

C Chapron
D Palmer-Jones

No director who held office on 31 December 2011 had an interest in the company's shares either during the accounting period or at 31 December 2011

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

Future developments

Following the sale of the trade and the assets/ liabilities previous held by the company to SITA Metal Recycling Limited on 31st December 2011, the intention is for this company to become dormant

SITA MR Coventry Limited

Directors' report for the year ended 31 December 2011

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 applicable 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 auditor

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 auditor is unaware, and
- that 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 auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

Re-appointment of auditor

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

This report was approved by the board on

30 MAY 2012

and signed on its behalf



C Chapron
Director

SITA MR Coventry Limited

Independent auditor's report to the shareholder of SITA MR Coventry Limited

We have audited the financial statements of SITA MR Coventry Limited for the year ended 31 December 2011, 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 2, 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 Auditing Practices Board's website at www.frc.org.uk/apb/scope/private.cfm

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 2011 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 MR Coventry Limited

Independent auditor's report to the shareholder of SITA MR Coventry Limited

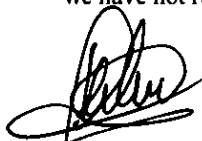
Opinion on other matter prescribed by the Companies Act 2006

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 6/6/2012

SITA MR Coventry Limited

**Profit and loss account
for the year ended 31 December 2011**

	Note	2011 £000	2010 £000
Turnover	1	27,014	16,503
Cost of sales		(27,079)	(16,295)
		<hr/>	<hr/>
Gross (loss)/profit		(65)	208
Administrative expenses		(855)	(1,814)
		<hr/>	<hr/>
Operating loss	3	(920)	(1,606)
Profit on sale of business and assets		1,861	-
Interest payable and similar charges	5	(32)	(20)
		<hr/>	<hr/>
Profit/(loss) on ordinary activities before taxation		909	(1,626)
Tax on profit/(loss) on ordinary activities	6	244	377
		<hr/>	<hr/>
Profit/(loss) for the financial year	13	1,153	(1,249)
		<hr/>	<hr/>

All amounts relate to discontinued operations

There were no recognised gains and losses for 2011 or 2010 other than those included in the Profit and loss account

The notes on pages 7 to 14 form part of these financial statements

SITA MR Coventry Limited
Registered number: 1898264

Balance sheet
as at 31 December 2011

	Note	£000	2011 £000	2010 £000
Fixed assets				
Tangible assets	7		-	563
Current assets				
Stocks	8	-		1,244
Debtors	9	-		953
Cash in hand		-		6
				<u>2,203</u>
Creditors: amounts falling due within one year	10	-		<u>(3,919)</u>
Net current liabilities			-	<u>(1,716)</u>
Total assets less current liabilities			-	<u>(1,153)</u>
Capital and reserves				
Called up share capital	12		5	5
Profit and loss account	13		(5)	(1,158)
Shareholders' deficit	14		-	<u>(1,153)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

30 MAY 2012



C Chapron
Director

The notes on pages 7 to 14 form part of these financial statements

**Notes to the financial statements
for the year ended 31 December 2011**

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

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 during the year, exclusive of Value Added Tax and trade discounts

1.4 Tangible fixed assets and depreciation

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

Leasehold property	-	Over lease term of 20 years
Plant & machinery	-	3 - 10 years, straight line
Motor vehicles	-	3 - 10 years, straight line
Fixtures & fittings	-	3 - 5 years, straight line

1.5 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.6 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.

1.7 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.

SITA MR Coventry Limited

Notes to the financial statements for the year ended 31 December 2011

1. Accounting policies (continued)

1.8 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 by 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 exception

- 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

1.9 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the Profit and loss account

1.10 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

A geographical analysis of turnover is as follows

	2011 £000	2010 £000
United Kingdom	15,171	11,387
Rest of European Union	5,709	1,729
Rest of world	6,134	3,387
	<u>27,014</u>	<u>16,503</u>

SITA MR Coventry Limited

Notes to the financial statements for the year ended 31 December 2011

3. Operating loss

The operating loss is stated after charging

	2011 £000	2010 £000
Depreciation of tangible fixed assets		
- owned by the company	97	203
Operating lease rentals other operating leases	135	135

During the year, no director received any emoluments (2010 - £NIL) for services to this company

For the year ended 31 December 2011 and the prior year, auditors' remuneration was borne by a fellow group company

4. Staff costs

Staff costs were as follows

	2011 £000	2010 £000
Wages and salaries	416	349
Social security costs	41	35
Other pension costs	5	4
	462	388

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

	2011 No.	2010 No.
Production	14	12
Distribution and administration	4	4
	18	16

5. Interest payable

	2011 £000	2010 £000
On loans from group undertakings	32	20

SITA MR Coventry Limited

Notes to the financial statements for the year ended 31 December 2011

6. Taxation

	2011 £000	2010 £000
Analysis of tax credit in the year		
Current tax (see note below)		
UK corporation tax credit on profit/loss for the year	(262)	(362)
Adjustments in respect of prior periods	(1)	(8)
Total current tax	<u>(263)</u>	<u>(370)</u>
Deferred tax		
Origination and reversal of timing differences	18	(13)
Adjustments in respect of prior periods	1	6
Total deferred tax (see note 11)	<u>19</u>	<u>(7)</u>
Tax on profit/loss on ordinary activities	<u>(244)</u>	<u>(377)</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2010 - *higher than*) the standard rate of corporation tax in the UK of 26.5% (2010 - 28%). The differences are explained below

	2011 £000	2010 £000
Profit/loss on ordinary activities before tax	<u>909</u>	<u>(1,626)</u>
Profit/loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 26.5% (2010 - 28%)	241	(455)
Effects of		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	(489)	78
Capital allowances for year in excess of depreciation	(9)	11
Adjustments to tax charge in respect of prior periods	(1)	(8)
Short term timing difference leading to an increase (decrease) in taxation	(5)	4
Current tax credit for the year (see note above)	<u>(263)</u>	<u>(370)</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges

SITA MR Coventry Limited

Notes to the financial statements for the year ended 31 December 2011

7 Tangible fixed assets

	Leasehold property £000	Plant & machinery £000	Motor vehicles £000	Fixtures & fittings £000	Total £000
Cost					
At 1 January 2011	408	2,815	486	52	3,761
Additions	22	3	-	-	25
Transfer between classes	(7)	7	-	-	-
Sale of business and assets	(423)	(2,825)	(486)	(52)	(3,786)
At 31 December 2011	-	-	-	-	-
Depreciation					
At 1 January 2011	96	2,576	486	40	3,198
Charge for the year	22	73	-	2	97
Sale of business and assets	(118)	(2,649)	(486)	(42)	(3,295)
At 31 December 2011	-	-	-	-	-
Net book value					
At 31 December 2011	-	-	-	-	-
At 31 December 2010	312	239	-	12	563

Legal title for the assets at Coventry remains in SITA MR Coventry Limited. As this site is being operated by SITA Metal Recycling Limited and thus the risks and rewards relating to the assets sit with that company, the assets are therefore recognised in the financial statements of SITA Metal Recycling Limited.

8 Stocks

	2011 £000	2010 £000
Raw materials	-	1,244

9 Debtors

	2011 £000	2010 £000
Corporation tax recoverable	-	362
Prepayments and accrued income	-	523
Deferred tax asset (see note 11)	-	68
	-	953

SITA MR Coventry Limited

**Notes to the financial statements
for the year ended 31 December 2011**

**10. Creditors:
Amounts falling due within one year**

	2011 £000	2010 £000
Amounts owed to group undertakings	-	3,404
Accruals and deferred income	-	515
	<u>-</u>	<u>3,919</u>

11. Deferred taxation

	2011 £000	2010 £000
At beginning of year	68	61
Credited to profit and loss account	(19)	7
Sale of business and assets	(49)	-
	<u>-</u>	<u>68</u>

The deferred taxation balance is made up as follows

	2011 £000	2010 £000
Decelerated capital allowances	-	(63)
Other timing differences	-	(5)
	<u>-</u>	<u>(68)</u>

12 Share capital

	2011 £000	2010 £000
Allotted, called up and fully paid 5,000 ordinary shares of £1 each	<u>5</u>	<u>5</u>

13. Reserves

	Profit and loss account £000
At 1 January 2011	(1,158)
Profit for the year	1,153
	<u>(5)</u>
At 31 December 2011	<u>(5)</u>

SITA MR Coventry Limited

Notes to the financial statements for the year ended 31 December 2011

14 Reconciliation of movement in shareholders' deficit

	2011 £000	2010 £000
Opening shareholders' (deficit)/funds	(1,153)	96
Profit/(loss) for the year	1,153	(1,249)
Closing shareholders' deficit	-	(1,153)

15. 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 £5,000 (2010 - £4,000).

16 Operating lease commitments

At 31 December 2011 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings	
	2011 £000	2010 £000
Expiry date.		
After more than 5 years	-	135

Legal title for the leasehold property at Coventry remains in SITA MR Coventry Limited. As this site is being operated by SITA Metal Recycling Limited and thus the risks and rewards relating to the assets sit with that company, the operating lease commitment is therefore recognised in the financial statements of SITA Metal Recycling Limited.

17. 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.

SITA MR Coventry Limited

Notes to the financial statements for the year ended 31 December 2011

18. Ultimate parent undertaking and controlling party

At the year end the company's immediate parent undertaking was SITA Metal Recycling Limited

At the year end the largest group of which SITA MR Coventry Limited was a member and for which group financial statements are drawn up is that headed by GDF Suez SA, whose consolidated financial statements for the year ended 31 December 2011 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 Suez Environnement Company, whose group financial statements are available from 1 Rue d'Astorg, Paris, France

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