

**Registered number: 02046398**

**Resources Management (UK) Limited**

**Directors' report and financial statements**

**for the year ended 31 December 2011**

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## **Resources Management (UK) Limited**

### **Company Information**

<b>Directors</b>	C Chapron D Palmer-Jones
<b>Company secretary</b>	SITA UK Limited
<b>Company number</b>	02046398
<b>Registered office</b>	SITA House Grenfell Road Maidenhead Berkshire SL6 1ES
<b>Auditor</b>	Mazars LLP Tower Bridge House St Katharine's Way London E1W 1DD

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## **Resources Management (UK) Limited**

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## **Resources Management (UK) 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 the provision of waste management services including the operation of a landfill site

The company operates as part of the Suez Environment waste management operations in the UK

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

	<b>2011 £000</b>	<b>2010 £000</b>	<b>Change</b>
Turnover	<b>5,450</b>	5,621	-3%
Operating (loss)/ profit	<b>(77)</b>	727	-111%
(Loss)/ profit after tax	<b>(122)</b>	464	-126%
Shareholders funds	<b>2,952</b>	3,074	-4%
Current assets as % of current liabilities	<b>531%</b>	341%	

Turnover has decreased slightly in 2011 due to lower tonnages processed following the diversion of waste away from landfill

An operating loss has been generated due to increases being booked in the environmental provisions in 2011

#### **Results and dividends**

The loss for the year, after taxation, amounted to £122,000 (2010 - £ 464,000)

No dividend was paid for the year ended 31 December 2011 (2010 - £Nil)

#### **Directors**

The directors who served during the 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 financial year 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

## **Resources Management (UK) Limited**

### **Directors' report for the year ended 31 December 2011 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 matters**

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 2011 the SITA group

- recycled and recovered over 2 million tonnes of the materials we handled,
- generated over 700,000 megawatt-hours of electricity from our landfill gas and energy-from-waste facilities,
- registered for re-certification of the Carbon Trust Standard, recognition of our commitment towards reducing our carbon footprint,
- ranked at position 211 within the Carbon Reduction Commitment Performance League Table,
- produced over 100,000 tonnes of compost, and
- reduced our direct & indirect Greenhouse Gas emissions by 6.6% on the previous year.

Furthermore, SITA UK Limited became the first recycling and resource company to be featured in the highly-respected Sunday Times Best Green Companies Top 60 League Table.

### **Future developments**

The directors expect that the company will return to profitability in the near future.

## **Resources Management (UK) Limited**

### **Directors' report for the year ended 31 December 2011 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.

#### *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.

## **Resources Management (UK) Limited**

### **Directors' report for the year ended 31 December 2011 Principal risks and uncertainties (continued)**

#### *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.

## **Resources Management (UK) 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 auditors**

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



## **Resources Management (UK) Limited**

### **Independent auditor's report to the shareholder of Resources Management (UK) Limited**

We have audited the financial statements of Resources Management (UK) 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 5, 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](http://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 loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Resources Management (UK) Limited**

**Independent auditor's report to the shareholder of Resources Management (UK) Limited**

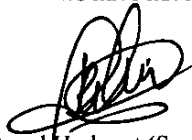
**Opinion on other matter prescribed by the Companies Act 2006**

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

**Resources Management (UK) Limited**

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

	<b>Note</b>	<b>2011 £000</b>	<b>2010 £000</b>
<b>Turnover</b>	1,2	<b>5,450</b>	<b>5,621</b>
<b>Cost of sales</b>		<b>(5,103)</b>	<b>(4,575)</b>
		<hr/>	<hr/>
<b>Gross profit</b>		<b>347</b>	<b>1,046</b>
<b>Administrative expenses</b>		<b>(424)</b>	<b>(319)</b>
		<hr/>	<hr/>
<b>Operating (loss)/profit</b>	3	<b>(77)</b>	<b>727</b>
<b>Interest receivable and similar income</b>	5	<b>13</b>	<b>10</b>
<b>Interest payable and similar charges</b>	6	<b>(37)</b>	<b>(43)</b>
		<hr/>	<hr/>
<b>(Loss)/profit on ordinary activities before taxation</b>		<b>(101)</b>	<b>694</b>
<b>Tax on (loss)/profit on ordinary activities</b>	7	<b>(21)</b>	<b>(230)</b>
		<hr/>	<hr/>
<b>(Loss)/profit for the financial year</b>	15	<b>(122)</b>	<b>464</b>
		<hr/>	<hr/>

All amounts relate to continuing 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 10 to 18 form part of these financial statements

**Resources Management (UK) Limited**  
**Registered number: 02046398**

**Balance sheet**  
**as at 31 December 2011**

	Note	£000	2011 £000	2010 £000
<b>Fixed assets</b>				
Tangible assets	8		2,279	2,496
<b>Current assets</b>				
Stocks	9	6		2
Debtors	10	2,799		1,630
Cash at bank		-		728
		<u>2,805</u>		<u>2,360</u>
<b>Creditors: amounts falling due within one year</b>	11	<u>(528)</u>		<u>(692)</u>
<b>Net current assets</b>			<u>2,277</u>	<u>1,668</u>
<b>Total assets less current liabilities</b>			<u>4,556</u>	<u>4,164</u>
<b>Provisions for liabilities</b>				
Other provisions	13		<u>(1,604)</u>	<u>(1,090)</u>
<b>Net assets</b>			<u>2,952</u>	<u>3,074</u>
<b>Capital and reserves</b>				
Called up share capital	14		1	1
Profit and loss account	15		<u>2,951</u>	<u>3,073</u>
<b>Shareholders' funds</b>	16		<u>2,952</u>	<u>3,074</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 10 to 18 form part of these financial statements

## **Resources Management (UK) Limited**

### **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

Having taken into account all available information, in particular forecasts for the next twelve months from the date of approval of the financial statements, and having performed the appropriate sensitivity analyses, the directors are of the opinion that it is appropriate to prepare the accounts on a going concern basis

##### **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 fair value of the consideration received including landfill tax where appropriate, and exclusive of trade discounts, rebates, Value Added Tax and other sales taxes or duty

##### **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

Freehold property	-	15 years, straight line
Landfill site	-	On the basis of airspace used
Plant & machinery	-	4 - 15 years, straight line
Motor vehicles	-	4 years, straight line
Fixtures & fittings	-	4 - 5 years, straight line
Assets under construction	-	Depreciation commences upon completion of asset

##### **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. Assets acquired by hire purchase are depreciated over 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.

## Resources Management (UK) Limited

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

#### 1. Accounting policies (continued)

##### 1.6 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.

##### 1.7 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.

##### 1.8 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.

##### 1.9 Provision for environmental and landfill costs

Provisions for environmental and landfill costs include provisions associated with the closure and post-closure of landfill sites. The company estimates its total future requirements for closure costs and for post-closure monitoring and maintenance of the site after the anticipated closure.

###### *Closure costs*

Provision is made for final capping and site inspection costs. These costs are incurred during the operating life of the site and the company provides for these costs as the permitted airspace is used.

###### *Post closure costs*

Provision is made for inspection, ground water monitoring, leachate management, methane gas control and recovery, and the operation and maintenance costs to be incurred during the period after the site closes.

Post-closure provisions have been shown at net present value. The current cost estimated has been inflated at 3.10% (2010 - 2.60%) and discounted by 5.76% (2010 - 5.94%). The unwinding of the discount element is shown in the financial statements as a financial item.

Future revenues from the generation of electricity from landfill gas during the post-closure period, where contracts are in place for its sale, are deducted from the provision balances and are discounted in line with the post-closure provision.

The company provides for both closure and post-closure costs as the permitted airspace is used. In accordance with Financial Reporting Standard 12 "Provisions, Contingent Liabilities and Contingent Assets", full provision has been made for the company's minimum unavoidable costs.

## Resources Management (UK) Limited

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

#### 2. Turnover

The whole of the turnover is attributable to the one principal activity of the company being the provision of waste management services

All turnover arose within the United Kingdom

#### 3. Operating (loss)/profit

The operating (loss)/profit is stated after charging

	2011 £000	2010 £000
Depreciation of tangible fixed assets		
- owned by the company	273	262
- held under finance leases	-	13
	<u>273</u>	<u>275</u>

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	316	304
Social security costs	30	30
Other pension costs	10	8
	<u>356</u>	<u>342</u>

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
Operations	14	14
Administration and management	1	0
	<u>15</u>	<u>14</u>

# **Resources Management (UK) Limited**

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

### **5. Interest receivable**

	<b>2011</b>	<b>2010</b>
	<b>£000</b>	<b>£000</b>
Interest receivable from group companies	13	8
Other interest receivable	-	2
	<u>13</u>	<u>10</u>
	<u><u>13</u></u>	<u><u>10</u></u>

### **6. Interest payable**

	<b>2011</b>	<b>2010</b>
	<b>£000</b>	<b>£000</b>
On finance leases	5	6
Discount on provisions	32	37
	<u>37</u>	<u>43</u>
	<u><u>37</u></u>	<u><u>43</u></u>

### **7. Taxation**

	<b>2011</b>	<b>2010</b>
	<b>£000</b>	<b>£000</b>
<b>Analysis of tax charge in the year</b>		
<b>Current tax (see note below)</b>		
UK corporation tax charge on (loss)/profit for the year	93	243
Adjustments in respect of prior periods	-	(2)
	<u>93</u>	<u>241</u>
<b>Total current tax</b>	<u><u>93</u></u>	<u><u>241</u></u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(72)	(13)
Adjustments in respect of prior periods	-	2
	<u>(72)</u>	<u>(11)</u>
<b>Total deferred tax (see note 12)</b>	<u><u>(72)</u></u>	<u><u>(11)</u></u>
<b>Tax on (loss)/profit on ordinary activities</b>	<u><u>21</u></u>	<u><u>230</u></u>



## Resources Management (UK) Limited

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

#### 7. Taxation (continued)

##### Factors affecting tax charge for the year

The tax assessed for the year is higher 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
(Loss)/profit on ordinary activities before tax	(101)	694
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26.5% (2010 - 28%)	(27)	194
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	33	32
Capital allowances for year in excess of depreciation	17	7
Adjustments to tax charge in respect of prior periods	-	(2)
Short term timing difference leading to an increase (decrease) in taxation	70	10
<b>Current tax charge for the year (see note above)</b>	<b>93</b>	<b>241</b>

##### Factors that may affect future tax charges

The UK corporation tax rate decreased from 28% to 26% from 1 April 2011. 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 25% from 1 April 2012 had been enacted at the balance sheet date and the deferred tax balance has been adjusted to reflect this change (note 12). A further reduction in the rate to 24% from 1 April 2012 has now been announced but was not substantively enacted at the balance sheet date, and is therefore not recognised in these financial statements. Further announcements have also been made to reduce the rate by a further 1% per annum down to 22% from 1 April 2014.

## Resources Management (UK) Limited

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

#### 8. Tangible fixed assets

	Land & buildings £000	Plant & machinery £000	Motor vehicles £000	Fixtures & fittings £000	Assets under construction £000	Total £000
<b>Cost</b>						
At 1 January 2011	2,846	1,171	57	21	1	4,096
Additions	52	5	-	-	(1)	56
At 31 December 2011	2,898	1,176	57	21	-	4,152
<b>Depreciation</b>						
At 1 January 2011	942	583	57	18	-	1,600
Charge for the year	155	117	-	1	-	273
At 31 December 2011	1,097	700	57	19	-	1,873
<b>Net book value</b>						
At 31 December 2011	1,801	476	-	2	-	2,279
At 31 December 2010	1,904	588	-	3	1	2,496

Assets under construction addition reversals relate to fixed assets purchased and capitalised in prior years, for which the final cost has now been determined

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows

	2011 £000	2010 £000
Plant and machinery	-	146

The net book value of land and buildings may be analysed as follows

	2011 £000	2010 £000
Freehold property - landfill	-	-
Freehold property	428	558
Landfill engineering	1,373	1,346
	1,801	1,904

#### 9. Stocks

	2011 £000	2010 £000
Raw materials	6	2

## Resources Management (UK) Limited

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

#### 10. Debtors

	2011 £000	2010 £000
Amounts owed by group undertakings	2,373	1,225
Prepayments and accrued income	234	285
Deferred tax asset (see note 12)	192	120
	<u>2,799</u>	<u>1,630</u>

#### 11. Creditors: Amounts falling due within one year

	2011 £000	2010 £000
Net obligations under finance leases and hire purchase contracts	-	12
Corporation tax	92	244
Social security and other taxes	191	180
Other creditors	7	3
Accruals and deferred income	238	253
	<u>528</u>	<u>692</u>

#### 12 Deferred tax asset

	2011 £000	2010 £000
At beginning of year	120	109
Recognised during the year	72	11
	<u>192</u>	<u>120</u>

The deferred tax asset is made up as follows

	2011 £000	2010 £000
Accelerated capital allowances	<u>192</u>	<u>120</u>

## Resources Management (UK) Limited

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

#### 13 Provisions

	Environment al and landfill costs £000
At 1 January 2011	1,090
Additions	249
Change in discount rate	233
Unwinding of discount	32
At 31 December 2011	<u>1,604</u>

#### Environmental and landfill costs

The provision for environmental and landfill costs has been calculated in accordance with the accounting policy set out in note 19

#### 14. Share capital

	2011 £000	2010 £000
Allotted, called up and fully paid 660 ordinary shares of £1 each	<u>1</u>	<u>1</u>

#### 15. Reserves

	Profit and loss account £000
At 1 January 2011	3,073
Loss for the year	(122)
At 31 December 2011	<u>2,951</u>

#### 16 Reconciliation of movement in shareholders' funds

	2011 £000	2010 £000
Opening shareholders' funds	3,074	2,610
(Loss)/profit for the year	(122)	464
Closing shareholders' funds	<u>2,952</u>	<u>3,074</u>

## Resources Management (UK) Limited

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

#### 17. Capital commitments

At 31 December 2011 the company had capital commitments as follows

	2011 £000	2010 £000
Contracted for but not provided in these financial statements	15	25

#### 18. 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 a fund and amounted to £10,000 (2010 - £8,000).

#### 19. 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.

#### 20. Ultimate parent undertaking and controlling party

At the year end, the largest group of which Resources Management (UK) 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 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 Resources Management (UK) Limited. At the year end GDF Suez SA was the ultimate controlling party, being the ultimate controlling party of SITA UK Group Holdings Limited.