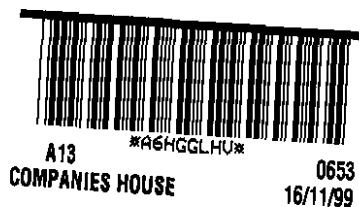


Registered no: 2566333

Greater Manchester Sites Limited  
Annual report  
for the year ended 31 March 1999



# **Greater Manchester Sites Limited**

## **Annual report for the year ended 31 March 1999**

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**Directors and advisers**

**Executive directors**

**N Warren**  
(Chairman)  
**S T Jenkinson**  
**G K Johnson**  
**N Franklin**  
**R Tweedale**  
**M Stewart**

**Registered Auditors**

**PricewaterhouseCoopers**  
Abacus Court  
6 Minshull Street  
Manchester  
M1 3ED

**Bankers**

**Royal Bank of Scotland PLC**  
1-5 Church Terrace  
Oldham  
OL1 3AU

**Secretary and registered office**

**G K Johnson FCA**  
P O Box 151  
Higher Swan Lane  
Bolton  
BL3 3WW

**Directors' report  
for the year ended 31 March 1999**

The directors present their report and the audited financial statements for the year ended 31 March 1999.

**Principal activities**

The profit and loss account for the year is set out on page 6.

The principal activity of the company is the arrangement of the disposal of domestic and trade refuse.

**Review of business**

Both the level of business and the period end financial position were satisfactory. The directors expect that the present level of activity will be sustained for the foreseeable future.

**Dividends and transfers to reserves**

The directors do not recommend the payment of a dividend. The profit for the financial year of £7,239 will be transferred to reserves.

**Directors**

The directors of the company at 31 March 1999, all of whom have been directors for the whole of the year are listed on page 1, with the exception of N Warren who was appointed on 14 December 1998.

R Fletcher resigned as a director on 29 July 1998.

**Directors' interests in shares of the company**

No directors held beneficial interests in the shares of the company at 31 March 1999, or at any time during the year.

**Changes in fixed assets**

The company does not own any fixed assets.

## Close company provisions

The company is not a close company as defined by the provisions of the Income and Corporation Taxes Act 1988.

## Year 2000

The directors recognise the importance of Year 2000 compliance. Consequently an assessment of the threat to the organisation has been undertaken and an action plan initiated to achieve compliance. This plan provides for full testing and system modification or replacement to be achieved by the end of September 1999.

Details of the anticipated costs of this programme can be found in the consolidated financial statements of Greater Manchester Waste Limited, the immediate parent undertaking.

## Euro

The directors consider that the introduction of the Euro will not significantly affect its financial processes.

The commercial implications of the UK introducing the Euro and necessary related actions are being monitored by the directors on an ongoing basis.

## Directors' responsibilities

The directors are required by UK company law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period.


The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 March 1999. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for taking reasonable steps to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## Auditors

A resolution proposing that PricewaterhouseCoopers be appointed as auditors will be put to the members at the next Annual General Meeting.

By order of the board



G K Johnson  
Company Secretary  
21 October 1999

# Report of the auditors to the members of Greater Manchester Sites Limited

We have audited the financial statements on pages 6 to 11, which have been prepared under the historical cost convention and the accounting policies set out on page 8.

## Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report, including as described on page 3, the financial statements. Our responsibilities, as independent auditors, are established by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

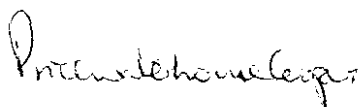
## Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 March 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**PricewaterhouseCoopers**

Chartered Accountants and Registered Auditors  
Manchester  
21 October 1999

## Profit and loss account for the year ended 31 March 1999

	Notes	1999 £	1998 £
<b>Continuing operations</b>			
<b>Turnover</b>	2	24,984,676	24,304,416
<b>Cost of sales</b>		(24,971,580)	(24,291,323)
<b>Gross profit</b>		13,096	13,093
<b>Other operating income and expenses</b>	5	(10,731)	(47,079)
<b>Operating profit/(loss)</b>		2,365	(33,986)
<b>Interest receivable and similar income</b>		6,798	36,820
<b>Profit on ordinary activities before taxation</b>	6	9,163	2,834
<b>Tax on profit on ordinary activities</b>	7	(1,924)	(524)
<b>Retained profit for the year</b>		7,239	2,310
<b>Statement of retained profits</b>			
<b>Retained profit brought forward</b>		61,360	59,050
<b>Profit for the year</b>		7,239	2,310
<b>Retained profits at 31 March 1999</b>		68,599	61,360

The company has no recognised gains and losses other than the profits above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above, and their historical cost equivalents.

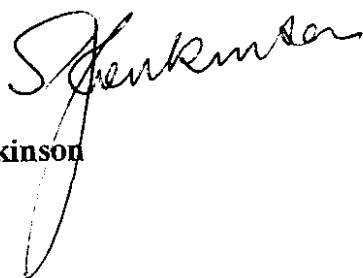


## Balance sheet at 31 March 1999

	Notes	1999 £	1998 £
<b>Current assets</b>			
Debtors	8	3,713,705	2,285,548
Cash at bank and in hand		87,794	113,993
		<u>3,801,499</u>	<u>2,399,541</u>
<b>Creditors: amounts falling due within one year</b>	9	<u>3,731,900</u>	<u>2,337,181</u>
<b>Net assets</b>		<u><u>69,599</u></u>	<u><u>62,360</u></u>
<b>Capital and reserves</b>			
Called up share capital	10	1,000	1,000
Profit and loss account		<u>68,599</u>	<u>61,360</u>
<b>Equity shareholders' funds</b>	11	<u><u>69,599</u></u>	<u><u>62,360</u></u>

The financial statements on pages 6 to 11 were approved by the board of directors on 21 October 1999 and were signed on its behalf by:

**S T Jenkinson**  
Director



**Notes to the financial statements  
for the year ended 31 March 1999**

**1 Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

**Basis of accounting**

The financial statements are prepared in accordance with the historical cost convention.

**Cash flow**

No cash flow statement has been prepared as Greater Manchester Waste Limited, the immediate parent company, is preparing consolidated financial statements including a consolidated cash flow statement.

**Turnover**

Turnover includes landfill tax, but excludes value added tax, and comprises charges made for the disposal of trade and domestic waste.

**Deferred taxation**

Tax deferred, or accelerated, is accounted for in respect of all material timing differences to the extent that it is probable that a liability or asset will crystallise.

**2 Turnover and profit on ordinary activities before taxation**

Turnover consists entirely of sales made in the United Kingdom.

**3 Directors' emoluments**

The directors received no emoluments during the year (1998: £Nil).

**4 Employee information**

The directors were the only employees of the company during the year.

**5 Other operating income and expenses**

	1999 £	1998 £
Administrative expenses	10,731	47,079

**6 Profit on ordinary activities before taxation**

	1999 £	1998 £
Profit on ordinary activities before taxation is stated after charging:		
Auditors' remuneration	19	5,000

**7 Tax on profit on ordinary activities**

	1999 £	1998 £
United Kingdom corporation tax at 21% (1998: 21%):		
Current	1,919	595
Under/(over)provision in respect of prior years:		
Current	5	(71)
	1,924	524

**8 Debtors**

	1999 £	1998 £
Amounts owed by group undertakings	3,487,886	2,126,279
Other debtors	225,819	159,269
	3,713,705	2,285,548

**9 Creditors: amounts falling due within one year**

	1999 £	1998 £
Trade creditors	3,387,198	2,158,709
United Kingdom corporation tax payable	1,919	595
Other tax and social security	86	172
Accruals and deferred income	342,697	177,705
	3,731,900	2,337,181

**10 Called up share capital**

	1999 £	1998 £
<b>Authorised</b>		
500 ordinary 'A' shares of £1 each	500	500
500 ordinary 'B' shares of £1 each	500	500
	<u>1,000</u>	<u>1,000</u>
<b>Allotted, called up and fully paid</b>		
500 ordinary 'A' shares of £1 each	500	500
500 ordinary 'B' shares of £1 each	500	500
	<u>1,000</u>	<u>1,000</u>

**11 Reconciliation of movement in shareholders' funds**

	1999 £	1998 £
Opening shareholders' funds	62,360	60,050
Profit for the financial year	7,239	2,310
	<u>69,599</u>	<u>62,360</u>

**12 Related party transactions**

Greater Manchester Sites Limited is a subsidiary of Greater Manchester Waste Limited, with which it had inter-company sales of £24,984,676 (1998: £24,304,316) during the year. This turnover was generated as a result of the arrangement of domestic and trade refuse disposal on behalf of its parent company.

Balances due from Greater Manchester Waste Limited at 31 March 1999 were:

	1999 £	1998 £
Trade debtor	<u>3,487,886</u>	<u>2,126,279</u>

In addition, transactions have occurred between GM Sites Limited and UK Waste Management Limited, the company's other 50% shareholder, during the year. Payments for services supplied by UK Waste Management Limited amounted to £ £24,971,580 (1998: £24,291,323) for the year ended 31 March 1999.

Balances due to UK Waste Management Limited at 31 March 1999 were:

	1999 £	1998 £
Trade creditor	<u>3,387,198</u>	<u>2,158,709</u>

## **13 Ultimate parent company and ultimate controlling party**

The directors regard Greater Manchester Waste Limited, a company incorporated in the United Kingdom, as the immediate parent company, and the Greater Manchester Waste Disposal Authority as the ultimate parent undertaking and ultimate controlling party. Details of the relevant financial information may be obtained from: Oldham Metropolitan Borough Council, The Treasurer to the Authority, Greater Manchester Waste Disposal Authority, P O Box 196, Civic Centre, West Street, Oldham, O11 1QJ.