

IWM Business Services Limited

**Directors' report and financial
statements**

Registered number 2731563

31 December 2003



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Company information

Incorporated in England and Wales on 15 July 1992.

Chairman MR Hewitt CEng FICE FIMech FIIE CCIM FCIWM

Non Executive Directors MJ Baker BSc MSc CEng ACGI MICE MCIWM
DT Beadle BA FCIWM
MS Bedford BSc(MEM) MRICS MCIWM
JB Carter FCIWM
SJ Lee MCIWM
CP O'Brien MCIWM
KA Simmonite FCIWM MCIT Minst TA

Secretary SP Mahoney ACMA ACIS AMIS

Registered office 9 Saxon Court
St Peter's Gardens
Northampton
NN1 1SX

Auditors KPMG LLP
Altius House
1 North Fourth Street
Milton Keynes
MK9 1NE

Solicitors Toller Hales & Colcutt
Castilian Chambers
2 Castilian Street
Northampton
NN1 1JX

Bankers HSBC Bank plc
Wood Hill Branch
PO Box 14
3 Wood Hill
Northampton
NN1 2DE

Directors' report

The directors present their report and audited financial statements for the year ended 31 December 2003.

Principal activity

The principal activities of the company are organising exhibitions, training courses, seminars and conferences, producing journals and publications and selling advertising to the wastes management industry.

Business review

Economic pressures within the waste management sector were reflected in reduced demand for and attendance at certain events.

During the year, the Training Services department organised a number of scheduled and bespoke courses for a variety of organisations, including WRAP.

The Events department organised the annual June conference and exhibition at Torbay and a number of seminars and workshops on healthcare waste, kerbside collection, energy from waste best practice, waste regulation, thermal treatment, mechanical biological treatment and other key topical issues.

The exhibition continues to be an important activity of the company and 2003 saw the further development of the "recycling village" at Preston Green. The Government continues to sponsor a large delegation of visitors from abroad to the exhibition.

"*Wastes Management*" maintains its position as the premier journal for the waste management industry and is well supported by both contributors and advertisers.

Results, dividends and appropriations

The results for the year are shown in the profit and loss account on page 6. The directors do not recommend the payment of a dividend (2002: £Nil).

Directors

The directors who served during the year were:

MJ Baker	
DT Beadle	
MS Bedford	
JB Carter	
MR Hewitt	
SJ Lee	(appointed 17 September 2003)
D MacKrill	(resigned 9 June 2003)
CP O'Brien	(appointed 9 June 2003)
MJ Philpott	(resigned 17 September 2003)
KA Simmonite	
MJ Surtees	(resigned 24 April 2003)

None of the directors had any beneficial interests in the share capital of the company or any other group company.

Directors' report *(continued)*

Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the reappointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the Board

A handwritten signature in black ink, consisting of the letters 'SP' followed by a large, stylized loop and a long horizontal stroke extending to the right.

SP Mahoney
Secretary

Registered office:
9 Saxon Court
St Peter's Gardens
Northampton
NN1 1SX

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



Altius House
1 North Fourth Street
Central Milton Keynes
Buckinghamshire MK9 1NE
United Kingdom

Report of the independent auditors to the members of IWM Business Services Limited

We have audited the financial statements on pages 6 to 12.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 4, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by 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 1985. 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 with the group is not disclosed.

Basis of 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 group'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 affairs of the company as at 31 December 2003 and of the result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Chartered Accountants
Registered Auditor

5 April 2004

Profit and loss account

for the year ended 31 December 2003

	Note	2003 £	2002 £
Turnover		2,046,529	2,189,553
Cost of sales		(812,873)	(832,809)
Gross profit		1,233,656	1,356,744
Administrative expenses		(946,790)	(915,842)
Operating profit		286,866	440,902
Interest receivable and similar income	5	15,204	14,911
Gift aid	7	(292,070)	(455,813)
Profit on ordinary activities before taxation	2-4	10,000	-
Tax on profit on ordinary activities	6	-	-
Retained profit for the year		10,000	-
Retained profit brought forward		-	-
Retained profit carried forward		10,000	-

The company had no recognised gains or losses in either year other than the profit on ordinary activities as detailed above. Turnover and operating profits are derived entirely from continuing operations.

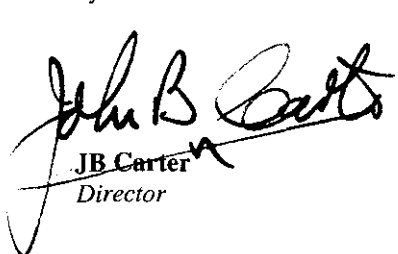
The notes on pages 8 to 12 form part of these financial statements.

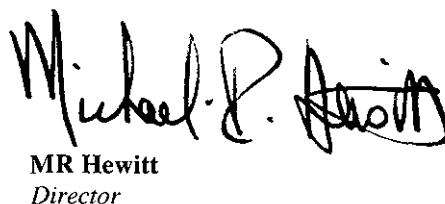
Balance sheet
at 31 December 2003

	Note	2003		2002	
		£	£	£	£
Current assets					
Debtors	8	621,213		601,105	
Cash at bank and in hand		335,382		356,562	
		<u>956,595</u>		<u>957,667</u>	
Creditors: amounts falling due within one year	9	<u>(886,593)</u>		<u>(957,665)</u>	
Net current assets		70,002			2
Provisions for liabilities and charges	10	<u>(60,000)</u>			-
Net assets		<u>10,002</u>			<u>2</u>
Capital and reserves					
Called up share capital	12		2		2
Profit and loss account			<u>10,000</u>		-
Equity shareholders' funds	13		<u>10,002</u>		<u>2</u>

The notes on pages 8 to 12 form part of these financial statements.

These financial statements were approved by the board of directors on 16/03/04 and were signed on its behalf by:


JB Carter
Director


MR Hewitt
Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of accounting

The financial statements have been prepared on a going concern basis in accordance with applicable accounting standards and under the historical cost convention.

Cash flow statement

The company has taken advantage of the exemption contained within Financial Reporting Standard No 1 from the requirement to prepare a cash flow statement on the grounds that it qualifies as a small company as defined by the provisions of the Companies Act 1985.

Turnover

Turnover represents the amount derived from the provision of goods and services which fall within the company's ordinary activities, entirely within the United Kingdom, stated net of value added tax.

Taxation

The taxation charge or credit is based on the profit or loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Pensions

The company makes pension contributions into independently administered personal funds for certain employees. The amount charged against profits represents the contributions payable in respect of the accounting period.

2 Profit on ordinary activities before taxation

	2003 £	2002 £
<i>Profit on ordinary activities before taxation is stated after charging/(crediting):</i>		
Auditors' remuneration	7,000	6,750
Re-charges from Chartered Institution of Wastes Management	349,165	173,880
Re-charges from Institute of Wastes Management	-	173,880
Re-charges to Chartered Institution of Wastes Management	(122,600)	(80,588)
Re-charges to Institute of Wastes Management	-	(55,590)
Operating lease rental payments	-	4,170
	<hr/>	<hr/>

Notes (continued)

3 Remuneration of directors

	2003 £	2002 £
Directors' emoluments	29,831	18,354
Directors' pension	-	351
	<u>29,831</u>	<u>18,705</u>

Directors fees are not paid to members of the board. No directors emoluments are paid to any director/trustee of the parent company.

4 Staff numbers and costs

The average number of persons employed by the company (including executive directors) during the year was:

	2003 Number	2002 Number
Office and management	18	19

The aggregate payroll costs of these persons were as follows:

	2003 £	2002 £
Wages and salaries	421,032	390,463
Social security costs	37,181	34,649
Personal pension plan costs	7,602	8,299
	<u>465,815</u>	<u>433,411</u>

No emoluments are paid to any director/trustee of the parent company.

5 Interest receivable and similar income

	2003 £	2002 £
Bank deposit interest receivable	15,204	14,911

Notes (continued)

6 Taxation

Analysis of charge in period

	2003		2002	
	£	£	£	£
<i>UK corporation tax</i>				
Current tax on income for the period	-		-	
Adjustments in respect of prior periods	-		-	
	<hr/>		<hr/>	
Total current tax		-		-
Deferred tax	-		-	
	<hr/>		<hr/>	
		-		-
		<hr/>		<hr/>
Tax on profit on ordinary activities		-		-
		<hr/>		<hr/>

Factors affecting the tax charge for the current period

The current tax charge for the period is lower (2002: lower) than the standard rate of corporation tax in the UK 30% (2002 : 30%). The differences are explained below.

	2003	2002
	£	£
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax and gift aid	302,070	455,813
	<hr/>	<hr/>
Current tax at 30% (2002: 30%)	90,621	136,744
<i>Effects of:</i>		
Exempt amount due to Gift Aid	(87,621)	(136,744)
Amount subject to zero tax	(3,000)	-
	<hr/>	<hr/>
Total current tax charge (see above)	-	-
	<hr/>	<hr/>

7 Gift Aid

This represents the payment to the Chartered Institution of Wastes Management, a registered charity, which is the company's ultimate parent company.

The payment totalling £292,070 (2002: £455,813) was made under Gift Aid (2002: *Gift Aid and Deed of covenant*) during the year.

Notes (continued)

8 Debtors

	2003 £	2002 £
Amounts falling due within one year:		
Trade debtors	570,383	573,852
Amounts owed by parent undertaking	39,191	7,372
Prepayments and accrued income	11,639	19,881
	<u>621,213</u>	<u>601,105</u>

9 Creditors: amounts falling due within one year

	2003 £	2002 £
Trade creditors	39,508	4,592
Other creditors including taxation and social security:		
Other creditors	35,139	79,339
Taxation and social security	92,797	122,463
Accruals	53,300	80,578
Deferred income	665,849	670,693
	<u>886,593</u>	<u>957,665</u>

10 Provisions for liabilities and charges

	Other provisions £
Movement in the year	60,000
At end of year	<u>60,000</u>
Other provisions relates to commitments at the year end as follows:	
	£
Waste Awareness Certificate	30,000
Exhibition costs	30,000
At end of year	<u>60,000</u>

11 Commitments

There are no annual commitments under non-cancellable operating leases nor any other commitments at the balance sheet date.

Notes (continued)

12 Share capital

	2003 £	2002 £
<i>Authorised</i>		
Ordinary shares of £1 each	100	100
	<hr/>	<hr/>
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	2	2
	<hr/>	<hr/>

13 Reconciliation of movements in shareholders' funds

	2003 £	2002 £
Profit for the financial year (before Gift Aid)	302,070	455,813
Appropriated to parent company by Gift Aid	(292,070)	(455,813)
	<hr/>	<hr/>
Net change in shareholders' funds	10,000	-
Opening shareholders' funds	2	2
	<hr/>	<hr/>
Closing shareholders' funds	10,002	2
	<hr/>	<hr/>

14 Related party transactions

The company is a wholly owned subsidiary of the Chartered Institution of Wastes Management. The consolidated accounts of the parent undertaking may be obtained from its registered office, 9 Saxon Court, St Peter's Gardens, Northampton, NN1 1SX.

The company has taken advantage of the exemption contained within Financial Reporting Standard No 8 'Related Party Transactions' from the requirement to disclose related party transactions on the grounds that it is a wholly owned subsidiary and its results are consolidated into those of the parent company.

15 Ultimate parent undertaking

The ultimate parent undertaking of the company is the Chartered Institution of Wastes Management.

Profit and loss account

for the year ended 31 December 2003

	2003 £	2002 £
Turnover		
Delegate fees	182,610	215,637
Exhibition fees	994,833	1,007,701
Seminars and meetings	44,207	93,846
Journal subscriptions	40,377	39,623
Advertising - Journal and other	465,507	463,453
Publications	4,124	3,576
Training courses	300,670	350,131
Other income	14,201	15,586
	<hr/> 2,046,529	<hr/> 2,189,553
Cost of sales		
Conference and exhibitions	494,672	456,849
Business development (direct)	34,663	19,901
Seminars and meetings	24,785	59,938
Journals and publications	261,140	302,680
Less: recovery of journal costs from CIWM/IWM	(122,600)	(136,178)
Training courses	120,213	129,619
	<hr/> 812,873	<hr/> 832,809
Gross profit	<hr/> 1,233,656	<hr/> 1,356,744
Recharges from CIWM/IWM	(349,165)	(347,760)
Administrative expenses (see page 14)	(597,625)	(568,082)
	<hr/> (946,790)	<hr/> (915,842)
Net trading profit	<hr/> 286,866	<hr/> 440,902
Bank deposit interest receivable	15,204	14,911
Net profit for the year	<hr/> 302,070	<hr/> 455,813

This page does not form part of the audited financial statements.

Profit and loss account

for the year ended 31 December 2003 (continued)

	2003 £	2002 £
Administrative expenses		
Salaries and wages	421,032	390,463
National insurance	37,181	34,649
Personal pension plan costs	7,602	8,299
Healthcare	11,208	9,411
Recruitment costs	9,814	19,186
Training costs	1,669	2,592
Postage and telephone	17,433	17,200
General office expenses	7,936	7,847
Staff travel and accommodation	11,656	15,727
Board meeting costs	8,005	11,286
Promotion and marketing	10,936	10,626
Training course development	7,856	
Bank charges	1,701	1,447
Legal and professional	9,918	9,091
Leasing of vehicles	-	4,170
Bad debts	-	3,270
Computer software licences and support	13,767	3,485
Equipment maintenance and repairs	2,599	1,695
Printing and stationery	15,284	16,127
Photocopying costs	2,028	1,511
Total administrative expenses (to page 13)	597,625	568,082

This page does not form part of the audited financial statements.