

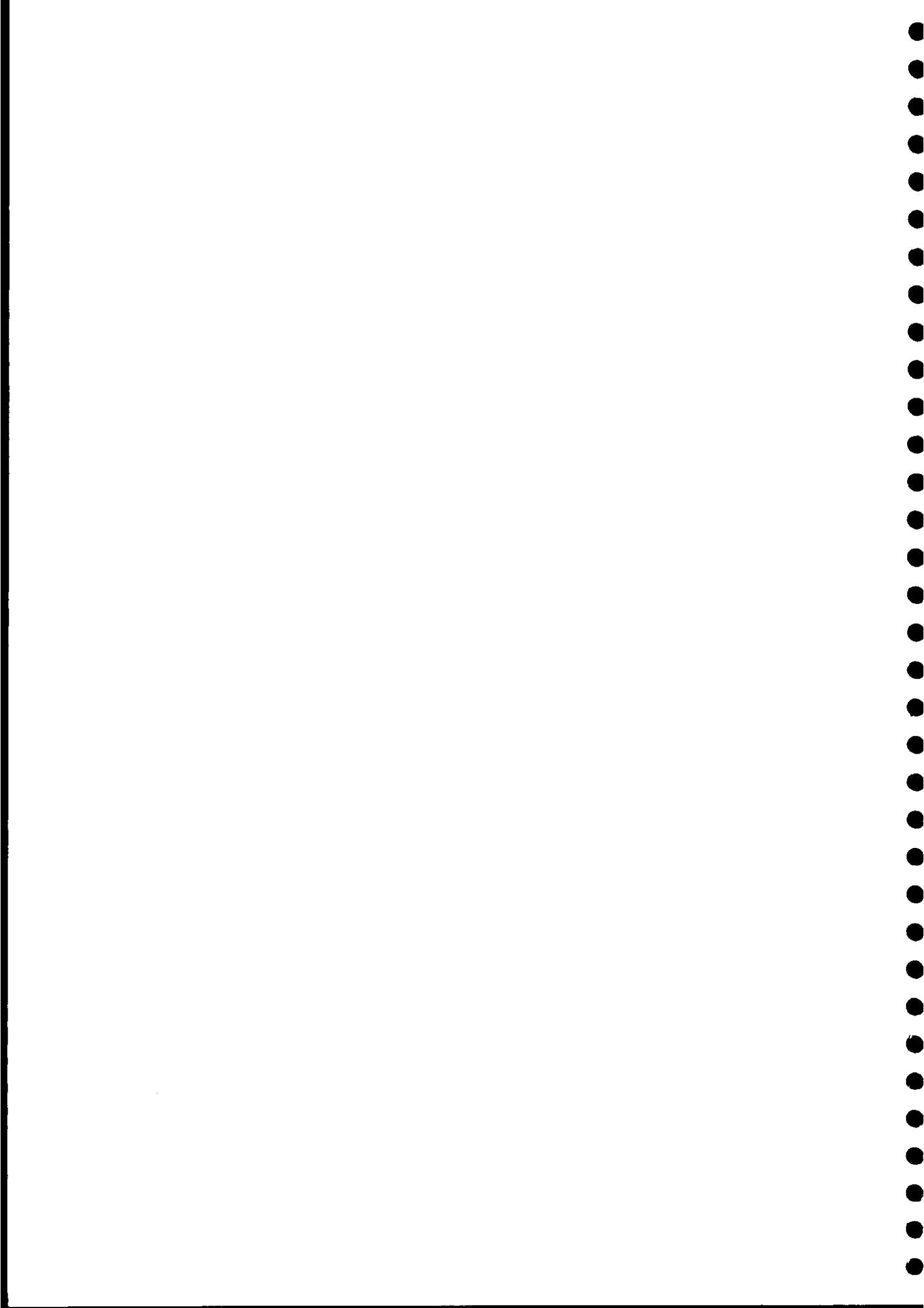
**IWM Business Services Limited**

**Directors' report and financial  
statements**

**Registered number 02731563**

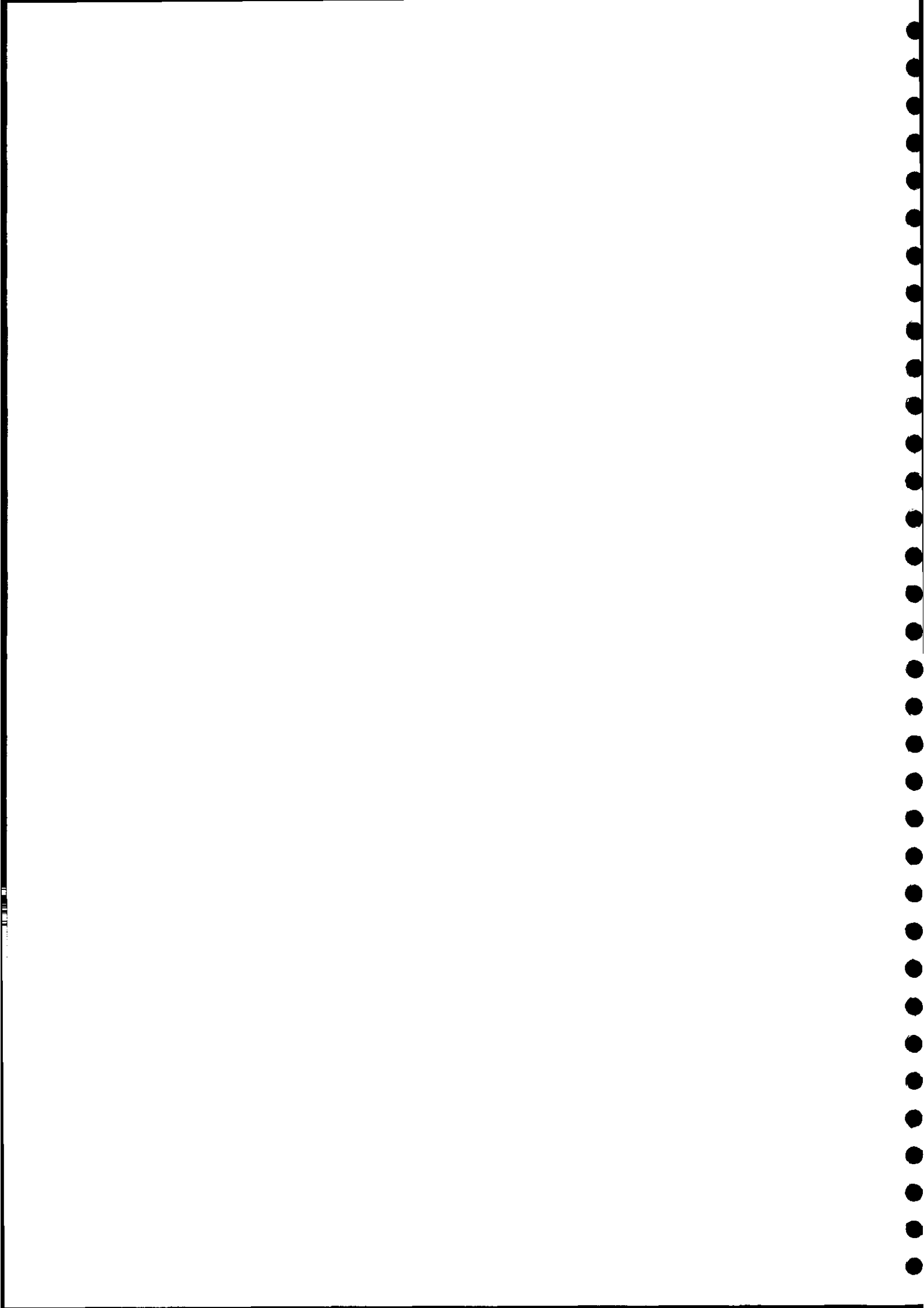
**31 December 2005**





## **Contents**

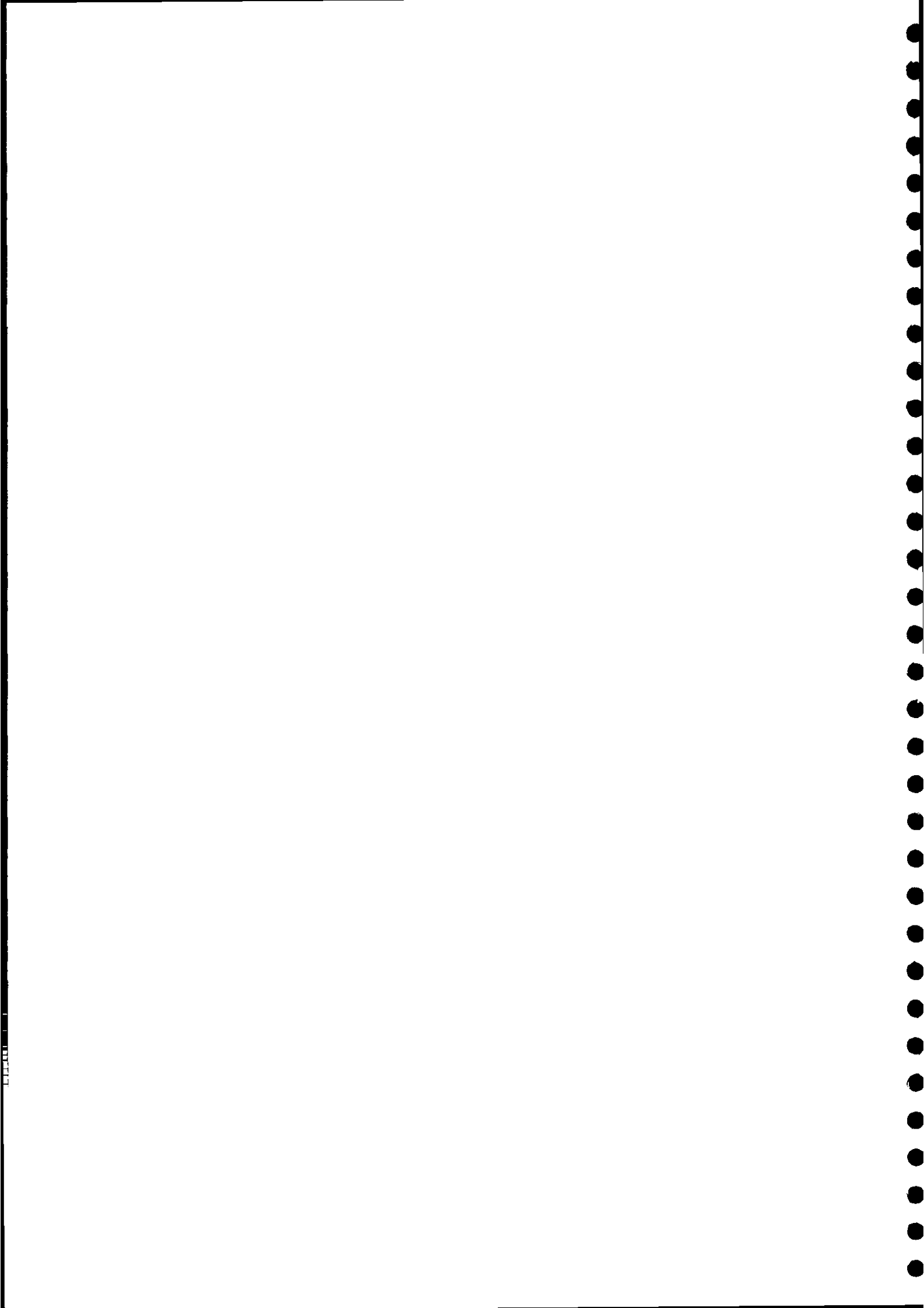
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## **Company information**

Incorporated in England and Wales on 15 July 1992.

<b>Chairman</b>	MR Hewitt CEng CEnv FICE FIMech FIIE CCIM FCIWM
<b>Non Executive Directors</b>	DT Beadle BA CEnv FCIWM MS Bedford BSc(MEM) CEnv MRICS MCIWM JB Carter FCIWM MR Hewitt CEng CEnv FICE FIMech FIIE CCIM FCIWM AKG Lamont MBE DMS CEnv FCIWM MCIM AMIEMA MSOE MIRTE SJ Lee BSc CEnv MCIWM CP O'Brien MCIWM KA Simmonite CEnv FCIWM MCIT Minst TA D MacKrill FCIWM
<b>Company Secretary</b>	SP Mahoney ACMA ACIS AIMIS
<b>Registered office</b>	9 Saxon Court St Peter's Gardens Northampton NN1 1SX
<b>Auditors</b>	KPMG LLP Altius House 1 North Fourth Street Milton Keynes MK9 1NE
<b>Solicitors</b>	Tollers Castilian Chambers 2 Castilian Street Northampton NN1 1JX
<b>Bankers</b>	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 2005.

### **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**

2005 was another excellent year for the company, with similar financial results compared to the previous year.

The Training Services department achieved material growth in course attendees. The department organised 50 courses, the same number as last year, but achieved attendances of 748 delegates, compared to 569 in 2004. In addition, the department organised 37 bespoke courses (2004: 36) for a number of organisations, including WRAP.

The Events department organised the annual Conference & Exhibition at Torbay and an increased number of seminars and workshops during the year on a variety of subjects, including waste strategy, hazardous wastes, PPC guidance for waste treatment & storage, new technologies, composting and mechanical biological treatment. In addition the department organised the Composting Association annual conference. There were 1,309 paying delegates attending events, including conferences, seminars and workshops during the year.

The annual Conference & Exhibition continues to be a major event for IWM Business Services and 2005 saw further development of all sites. New to the exhibition was a live demonstration area which showed handling and shredding equipment in action. Government continues to sponsor delegations of visitors from abroad to the Exhibition. The 2005 event was again a major success and underlines the continuing development of the Conference & Exhibition as a national and international convention for wastes management and the associated industries.

The Journal continued its development as the leading journal for the waste management industry and was well supported by both contributors and advertisers throughout the year. Green Pages was launched on the Institution's web site during the year which has received considerable positive response.

The Waste Awareness Certificate has now become firmly established, with 1,505 delegates (2004: 1,060) receiving their waste awareness certificate in the year. As at 31<sup>st</sup> December 2005, 2,656 delegates have attended 239 courses.

### **Results, dividends and appropriations**

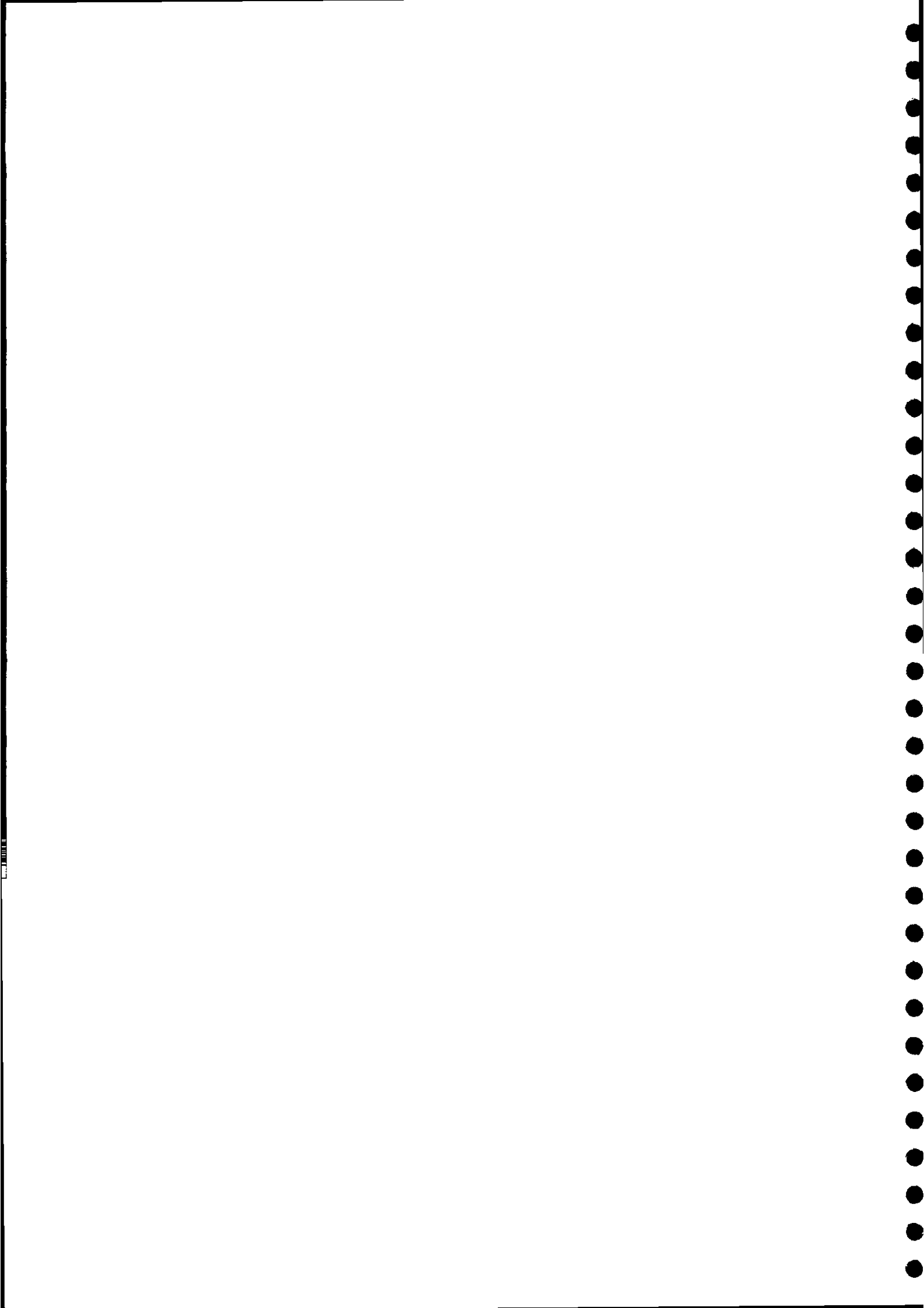
The results for the year are shown in the profit and loss account on page 6. The directors do not recommend the payment of a dividend (2004: £Nil).

### **Directors**

The directors who served during the year were:

MR Hewitt  
KA Simmonite  
SJ Lee  
CP O'Brien  
MJ Baker (resigned 15/06/2005)  
DT Beadle  
MS Bedford  
JB Carter  
AKG Lamont (appointed 15/06/2005)  
D MacKrill (appointed 15/06/2005)

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





## **Directors' report** *(continued)*

### **Officers**

The officers who served during the year were:

SP Mahoney (Company Secretary)

### **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.

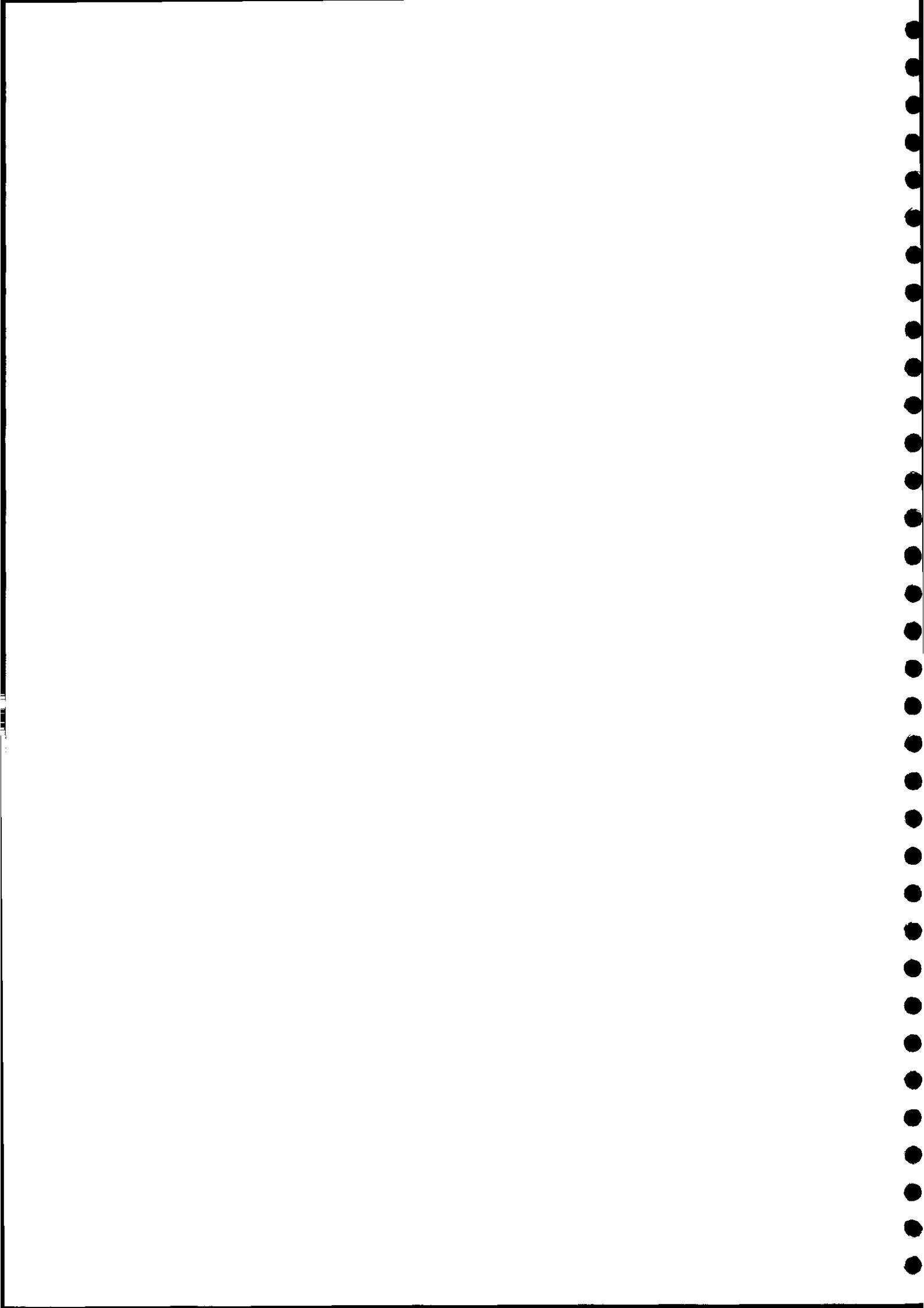
By order of the Board

A handwritten signature in black ink, appearing to be 'SP' followed by a stylized, elongated flourish.

**SP Mahoney**  
*Company Secretary*

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

Dated: 21<sup>st</sup> March 2006



## **Statement of directors' responsibilities in respect of the directors' report and the financial statements**

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards.

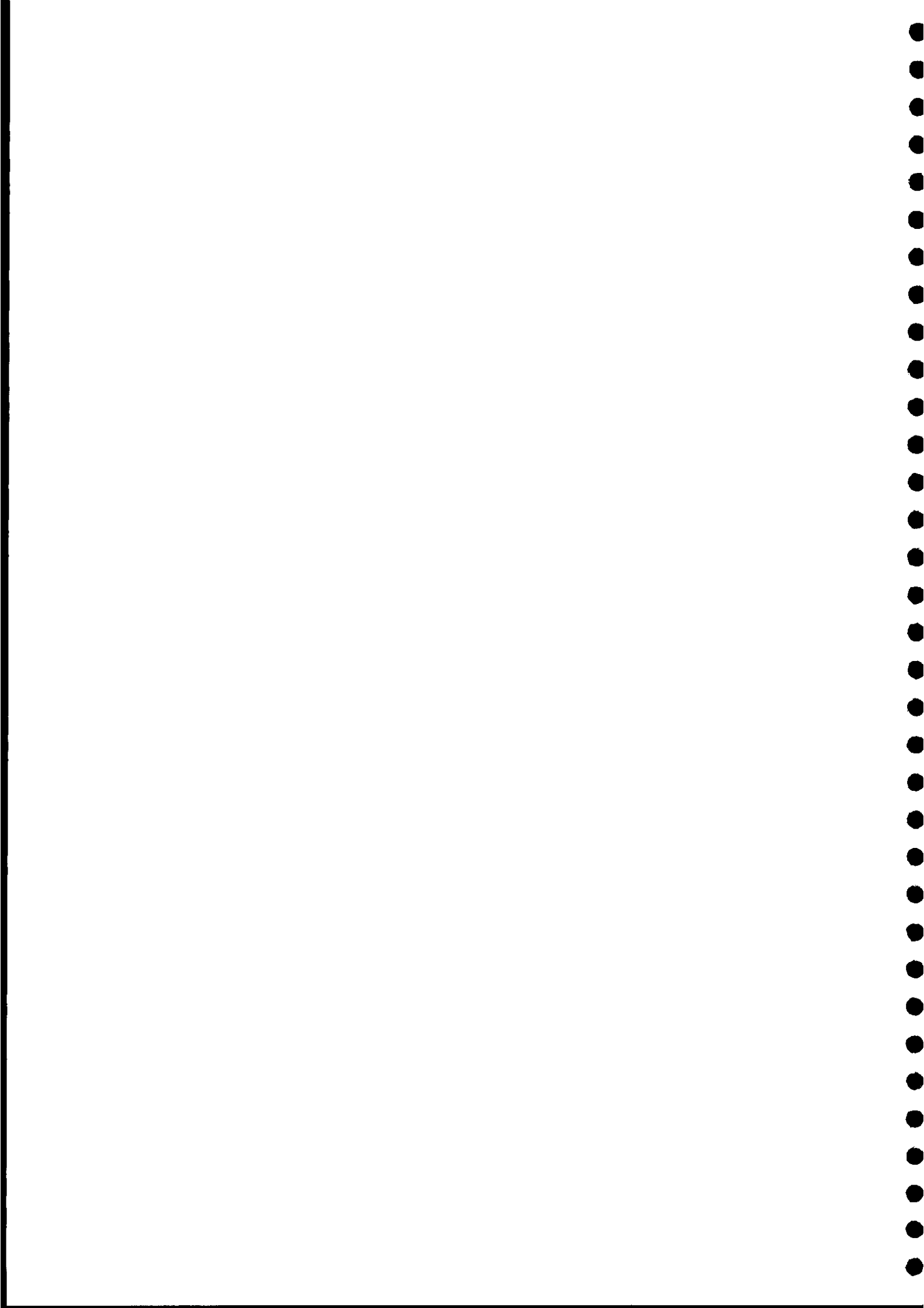
The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.





## KPMG LLP

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 of IWM Business Services Limited for the year ended 31 December 2005 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

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**

As described in the statement of directors' responsibilities on page 4, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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.

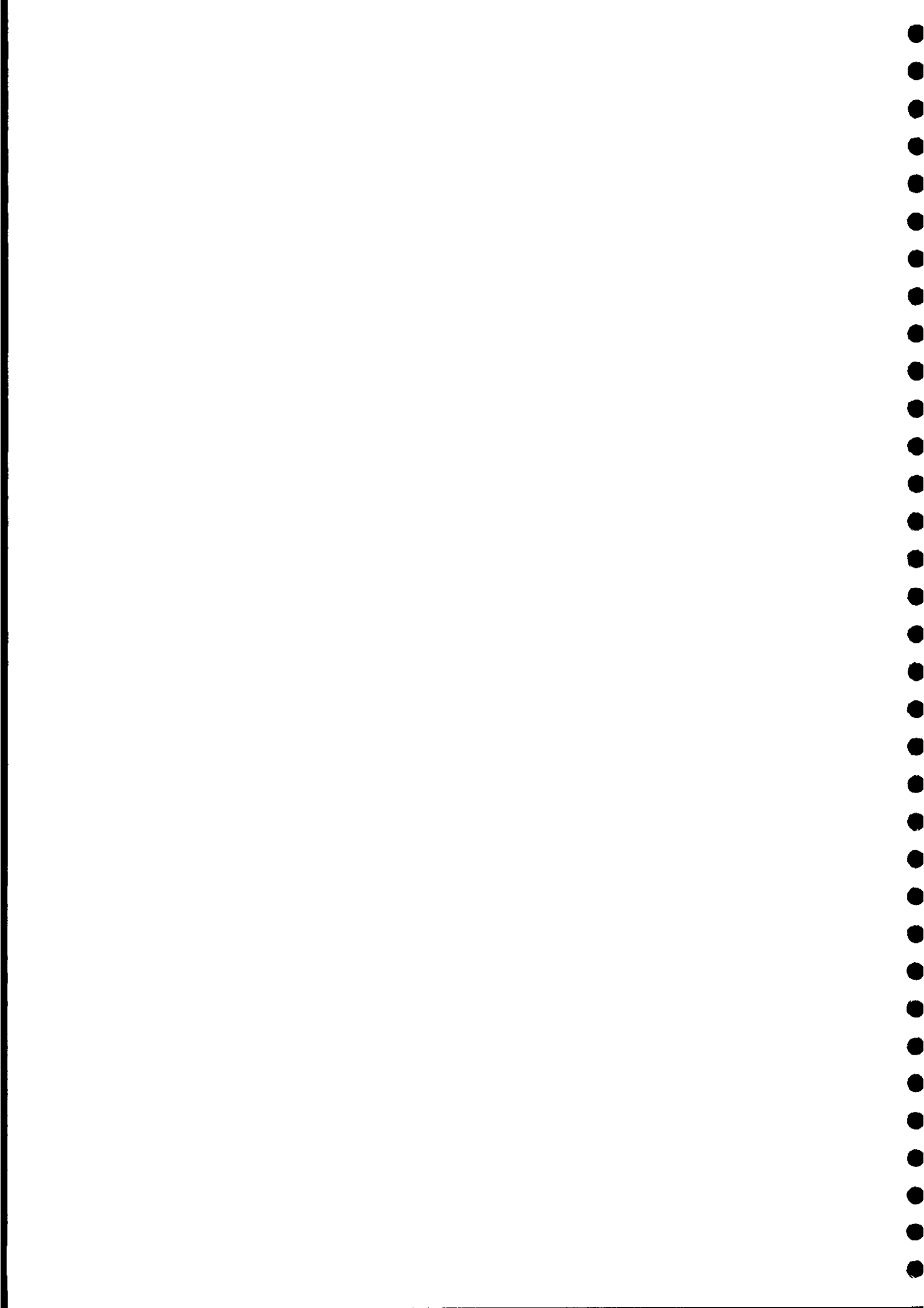
#### **Opinion**

In our opinion the financial statements:

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and of its profit for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

Chartered Accountants  
Registered Auditor

Dated: 18 April 2006

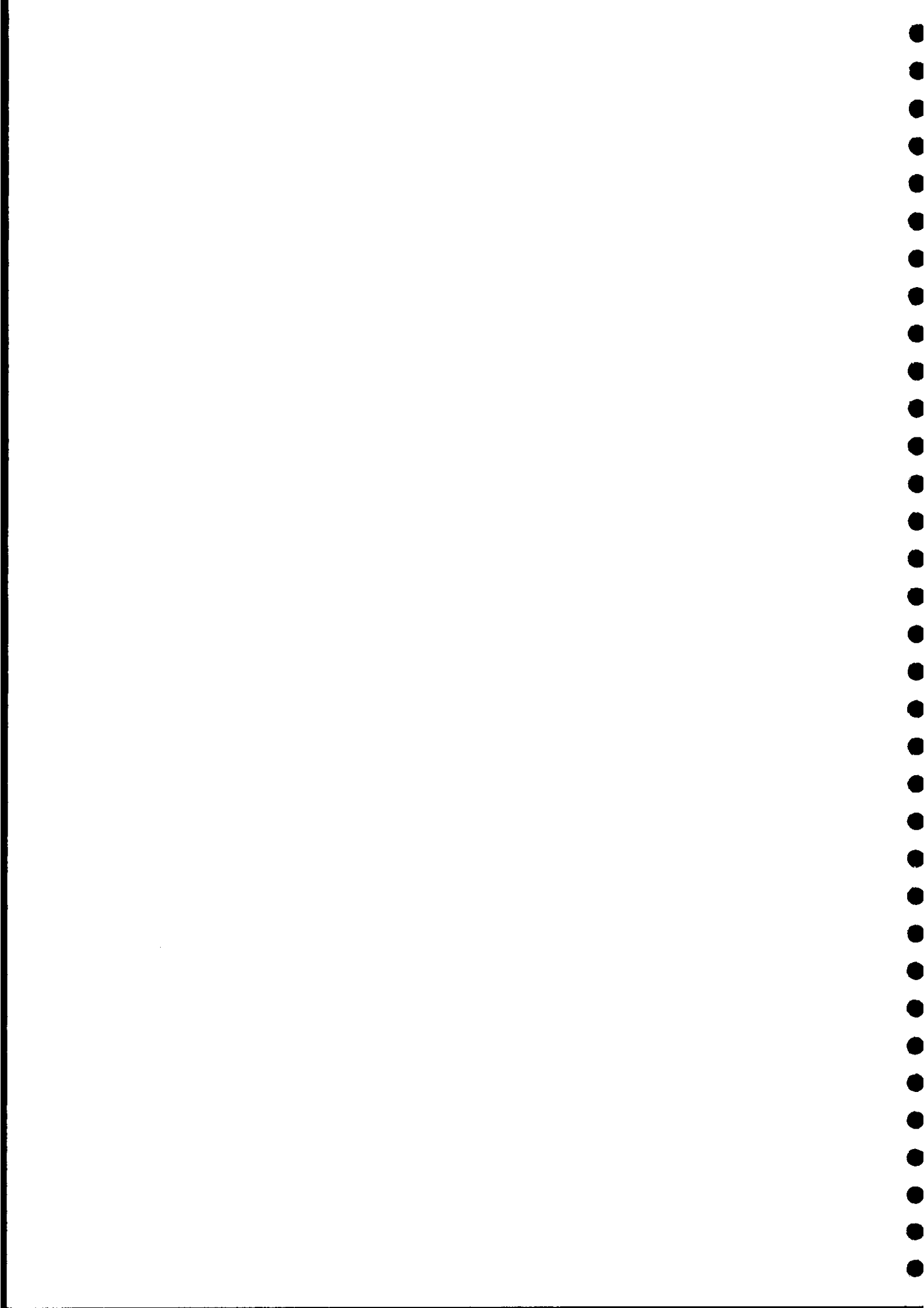


**Profit and loss account**  
*for the year ended 31 December 2005*

	<i>Note</i>	<b>2005</b> £	2004 £
<b>Turnover</b>		<b>2,562,619</b>	2,330,264
Cost of sales		<b>(895,711)</b>	(734,188)
<b>Gross profit</b>		<b>1,666,908</b>	1,596,076
Administrative expenses		<b>(1,082,463)</b>	(1,006,040)
<b>Operating profit</b>		<b>584,445</b>	590,036
Interest receivable and similar income	5	<b>30,892</b>	26,934
Gift aid	7	<b>(605,337)</b>	(606,970)
<b>Profit on ordinary activities before taxation</b>	2	<b>10,000</b>	10,000
Tax on profit on ordinary activities	6	-	-
<b>Retained profit for the year</b>		<b>10,000</b>	10,000
Retained profit brought forward		<b>20,000</b>	10,000
<b>Retained profit carried forward</b>		<b>30,000</b>	20,000

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.

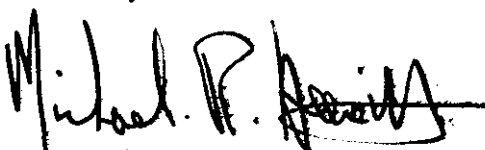




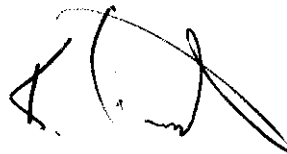
**Balance sheet**  
*as at 31 December 2005*

	Note	2005	2004
		£	£
<b>Current assets</b>			
Debtors	8	694,456	664,283
Cash at bank and in hand		390,684	405,912
		<u>1,085,140</u>	<u>1,070,195</u>
<b>Creditors: amounts falling due within one year</b>	9	(995,138)	(990,193)
<b>Net current assets</b>		<u>90,002</u>	<u>80,002</u>
<b>Total assets less current liabilities</b>		<u>90,002</u>	<u>80,002</u>
<b>Provisions for liabilities and charges</b>	10	(60,000)	(60,000)
<b>Net assets</b>		<u>30,002</u>	<u>20,002</u>
<b>Capital and reserves</b>			
Called up share capital	12	2	2
Profit and loss account		30,000	20,000
<b>Equity shareholders' funds</b>	13	<u>30,002</u>	<u>20,002</u>

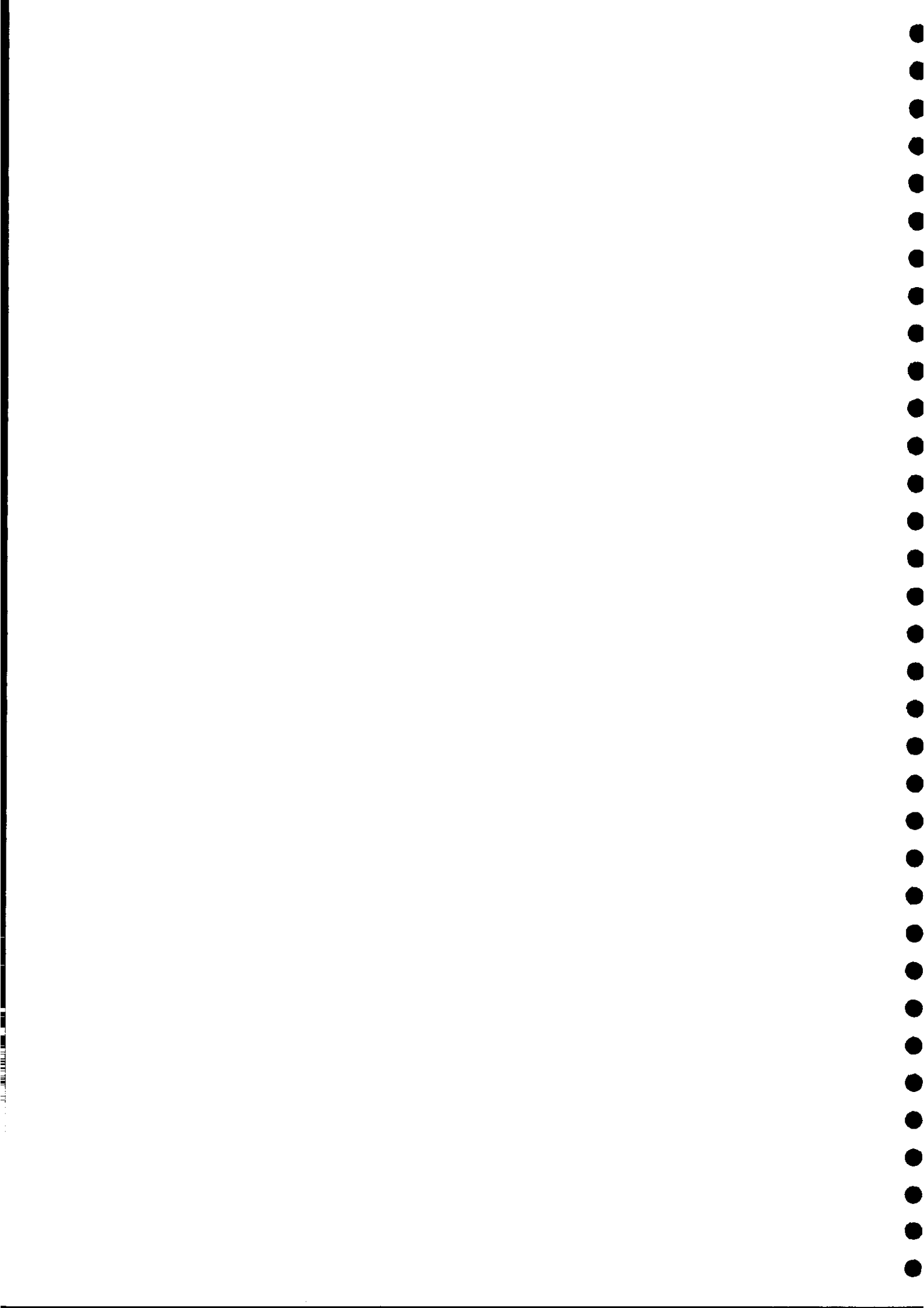
These financial statements were approved by the board of directors on 21<sup>st</sup> MARCH 2006 and were signed on its behalf by:



**MR Hewitt**  
*Director*



**KA Simmonite**  
*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.

In these financial statements the following new standards have been adopted for the first time:

- FRS 21 'Events after the balance sheet date'; and
- FRS 28 'Corresponding amounts'.

The accounting policies under these new standards are set out below together with an indication of the effects of their adoption. FRS 28 'Corresponding amounts' has had no material effect as it imposes the same requirements for comparatives as hitherto required by the Companies Act 1985.

The corresponding amounts in these financial statements are restated in accordance with the new policies.

#### *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*

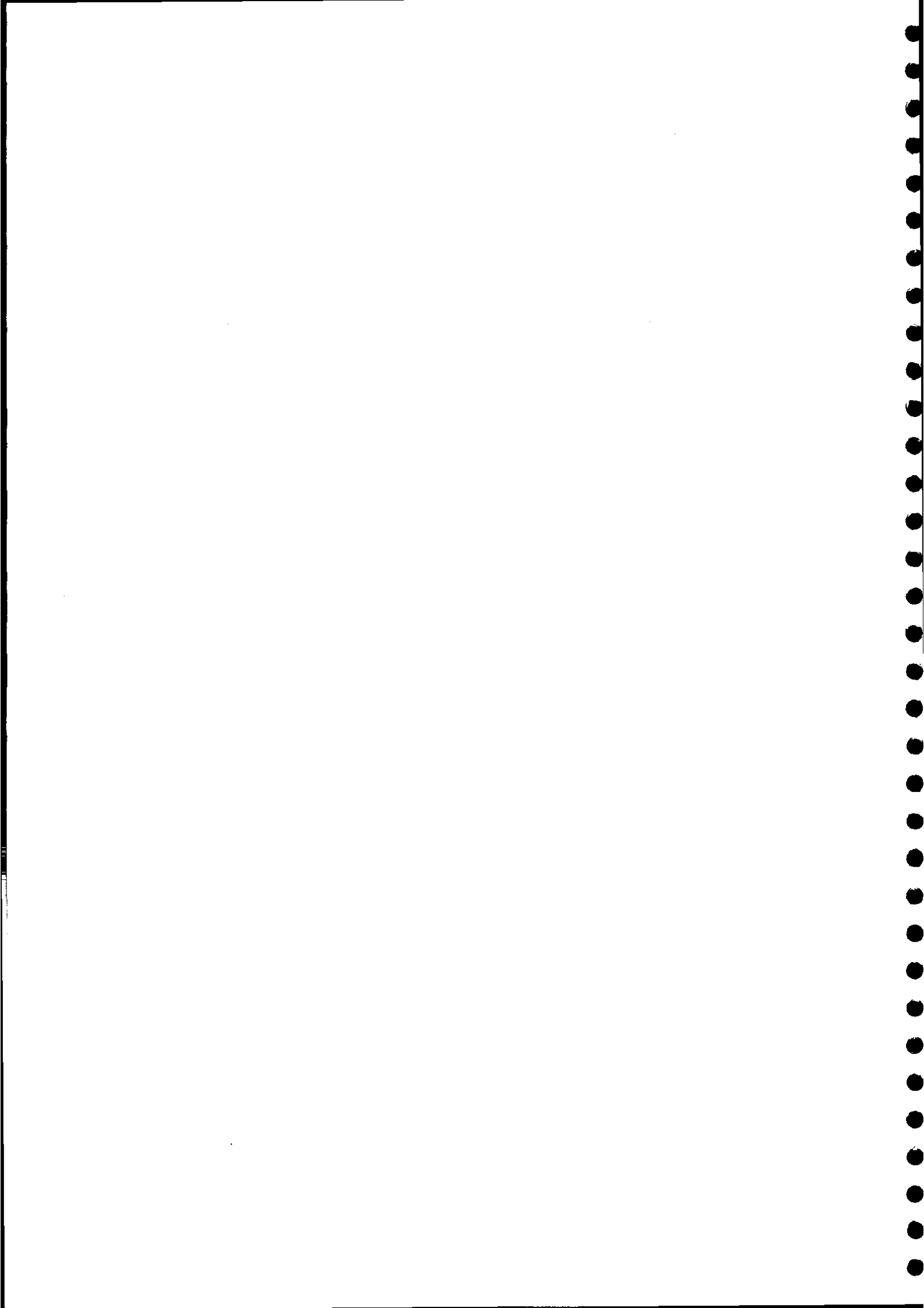
Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

#### *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

	2005	2004
	£	£
<i>Profit on ordinary activities before taxation is stated after charging/(crediting):</i>		
Auditors' remuneration	8,750	7,250
Re-charges from Chartered Institution of Wastes Management	347,876	352,447
Re-charges to Chartered Institution of Wastes Management	(153,450)	(141,500)
	<hr/>	<hr/>



**Notes (continued)**

**3 Remuneration of directors**

	2005 £	2004 £
Directors' emoluments	-	-
Directors' pension	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

**4 Staff numbers and costs**

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

	2005 Number	2004 Number
Office and management	21	19
	<hr/>	<hr/>

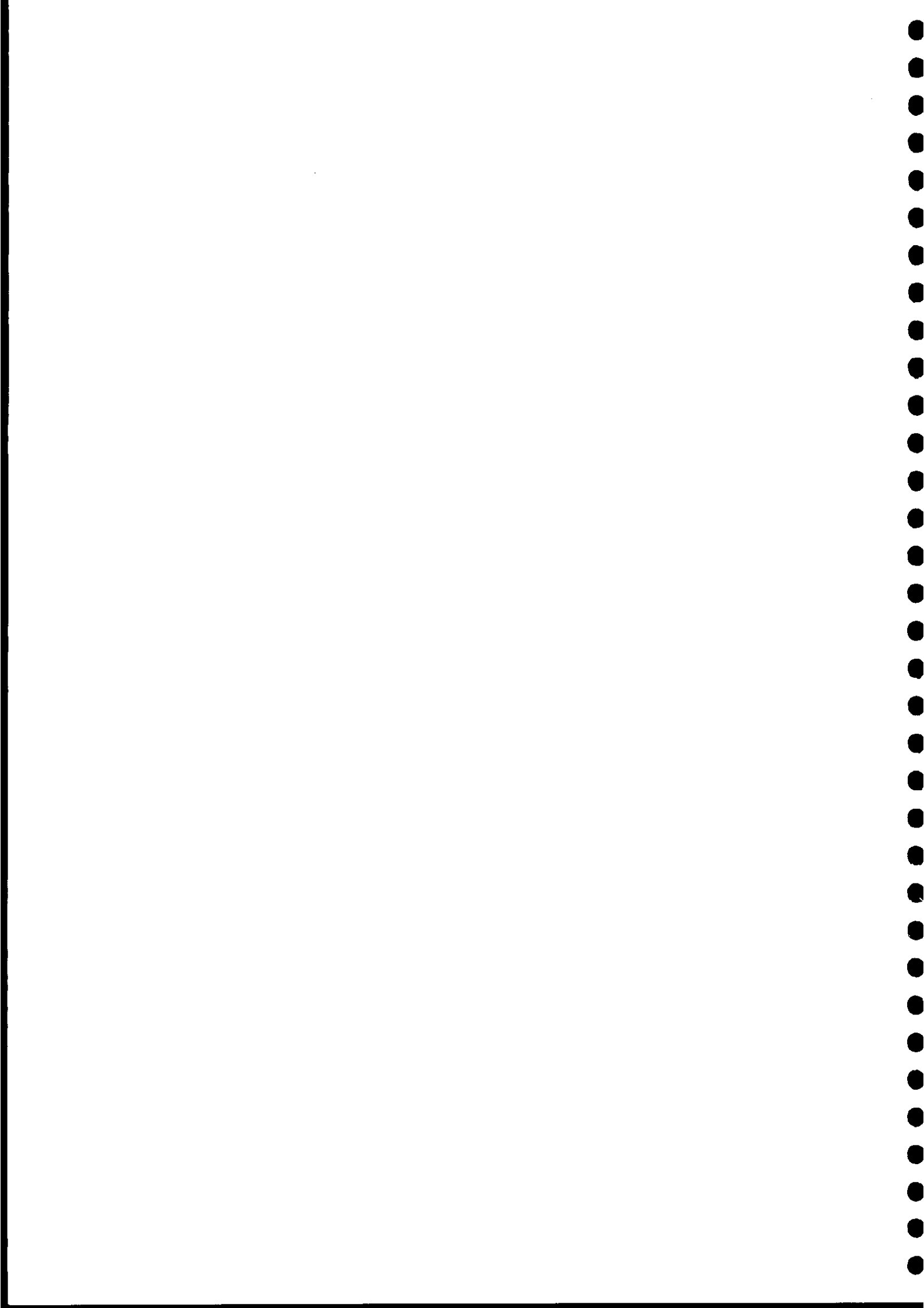
The aggregate payroll costs of these persons were as follows:

	2005 £	2004 £
Wages and salaries	512,974	417,478
Social security costs	48,095	41,323
Personal pension plan costs	6,246	8,881
	<hr/>	<hr/>
	567,315	467,682
	<hr/>	<hr/>

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

**5 Interest receivable and similar income**

	2005 £	2004 £
Bank deposit interest receivable	30,892	26,934
	<hr/>	<hr/>



## Notes (continued)

### 6 Taxation

#### Analysis of charge in period

	2005		2004	
	£	£	£	£
<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

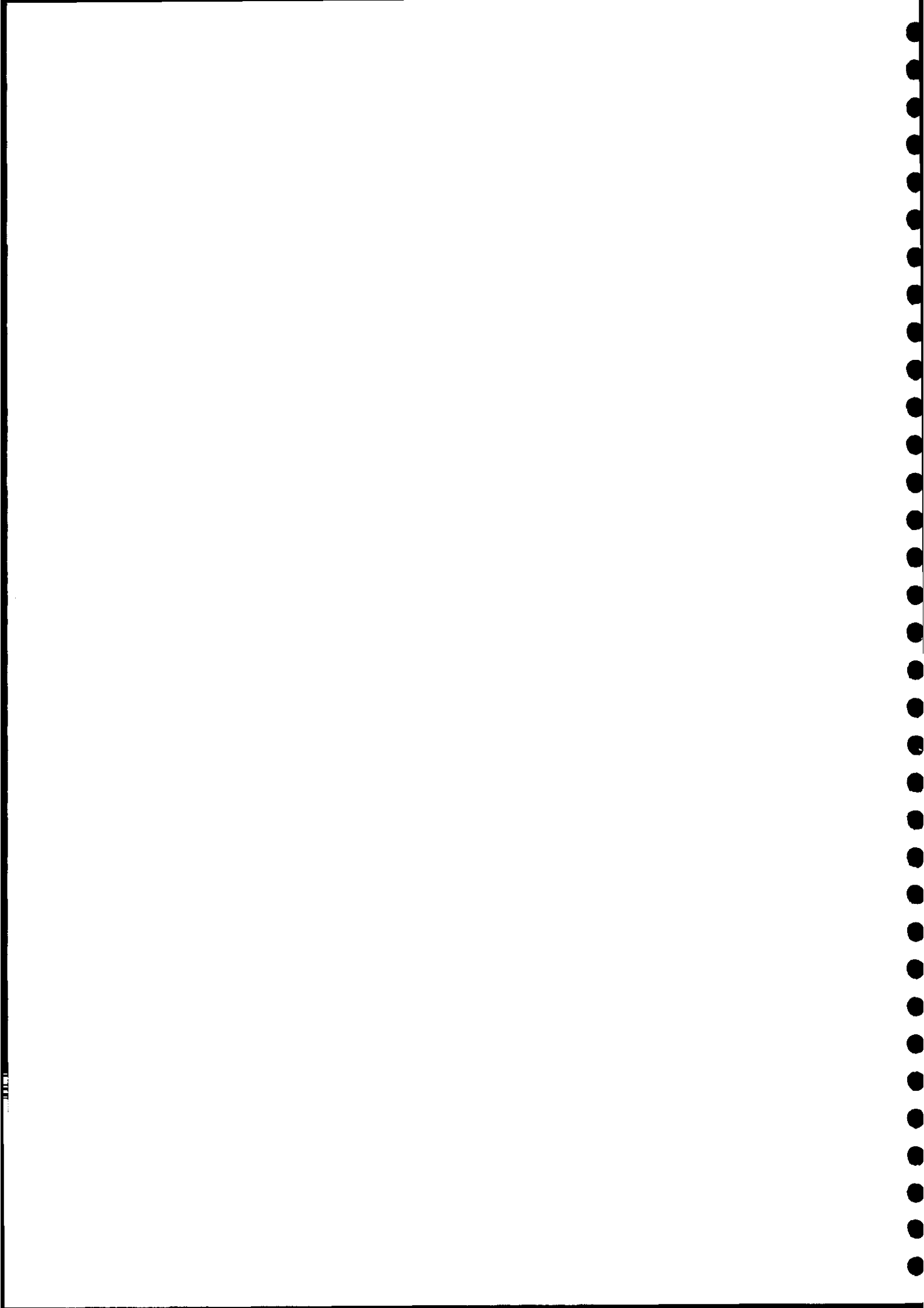
The current tax charge for the period is lower (2004: lower) than the standard rate of corporation tax in the UK 30% (2004: 30%). The differences are explained below.

	2005	2004
	£	£
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax and gift aid	615,337	616,970
	<hr/>	<hr/>
Current tax at 30% (2004: 30%)	184,601	185,091
<i>Effects of:</i>		
Exempt amount due to Gift Aid	(181,601)	(182,091)
Amount subject to zero tax	(3,000)	(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 £605,337 (2004: £606,970) was made under Gift Aid during the year.





## Notes (continued)

### 8 Debtors

	2005 £	2004 £
Amounts falling due within one year:		
Trade debtors	652,724	642,256
Amounts owed by parent undertaking	20,846	19,782
Prepayments and accrued income	20,886	2,245
	<u>694,456</u>	<u>664,283</u>

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

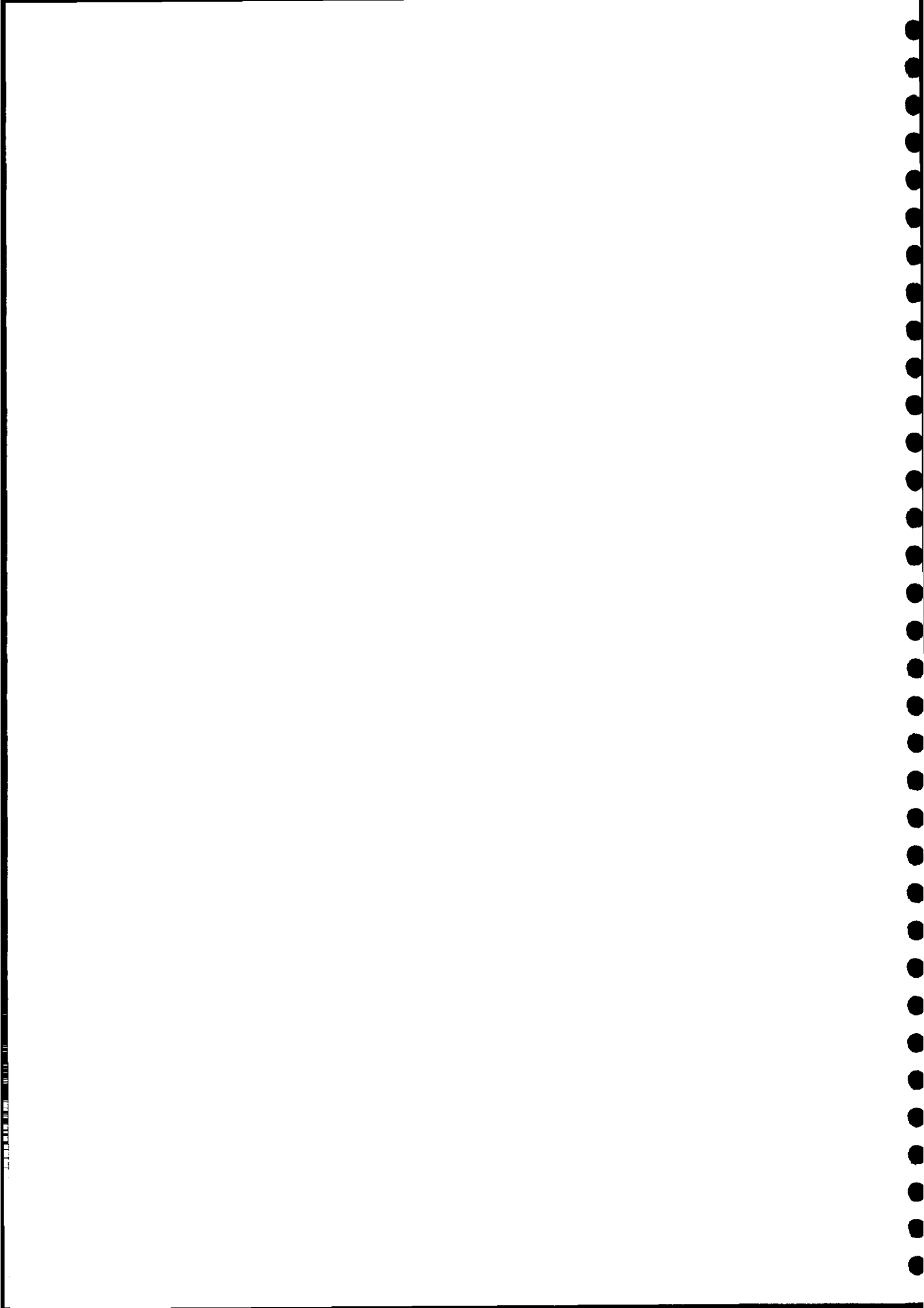
	2005 £	2004 £
Trade creditors	24,128	5,634
Other creditors including taxation and social security:		
Other creditors	14,017	24,171
Taxation and social security	99,673	114,145
Accruals	68,456	62,731
Deferred income	788,864	783,512
	<u>995,138</u>	<u>990,193</u>

### 10 Provisions for liabilities and charges

	Other provisions £
At beginning of year	60,000
Movement in the year	-
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 or any other commitments at the balance sheet date.



## Notes (continued)

### 12 Share capital

	2005 £	2004 £
<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

	2005 £	2004 £
Profit for the financial year (before Gift Aid)	615,337	616,970
Appropriated to parent charity by Gift Aid	(605,337)	(606,970)
	<hr/>	<hr/>
Net change in shareholders' funds	10,000	10,000
Opening shareholders' funds	20,002	10,002
	<hr/>	<hr/>
Closing shareholders' funds	30,002	20,002
	<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, or downloaded from the Internet [www.ciwm.co.uk](http://www.ciwm.co.uk).

The company has taken advantage of the exemption contained within Financial Reporting Standard No 8 'Related Party Transactions' within the group, 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.

Payments totalling £13,500 were paid to two members of the board, JB Carter, £8,000 (2004: £2,475) and D Mackrill, £5,500 (2004: £1,200); both payments related to acting as exhibition show directors at Torbay for health and safety reasons. All payments are made as permitted by the constitutional documents.

### 15 Ultimate parent undertaking

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

