

IWM Business Services Limited

**Directors' report and financial
statements**

Registered number 2731563

31 December 2001



Contents

Company information	1
Directors' report	2
Statement of directors' responsibilities	4
Independent auditors' report to the members of IWM Business Services Limited	5
Profit and loss account	6
Balance sheet	7
Notes	8

Company information

Incorporated in England and Wales on 15 July 1992.

Chairman JB Carter FIWM

Managing Director Mrs VJ Martin

Non Executive Directors MJ Baker BSc MSc CEng ACGI MICE MIWM
DT Beadle BA MIWM
MS Bedford BSc(MEM) MRICS MIWM
MR Hewitt CEng FICE MIMechE FIIE CIMgt FIWM
D MacKrill JP FIWM
MJ Philpott AKC BSc(Eng) MICE FIWM FCIWEM CEng
KA Simmonite FIWM MCIT Minst TA

Secretary SP Mahoney ACMA ACIS AMIS

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

Auditors KPMG
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 31st December 2001.

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

The annual exhibition at Torbay, which is the key event of the organisation's year produced a very satisfactory result. The overall exhibition attendance numbers was significant and provides evidence that this event continues to be the premier international waste management exhibition in the United Kingdom.

A number of seminars were organised during the year, these included Emerging Technology, Landfill, Healthcare and Partnering.

Training continues to be an important area, with over 60 scheduled and bespoke courses in the year, which were attended by over 700 delegates.

The IWM Journal continued to develop through the year, with advertising revenue increasing with expectations. For the first year, the publications department published "Waste Management & Research".

As the trading subsidiary of the Institute of Wastes Management, the company has again achieved excellent financial results, enabling it to covenant to the Institute an amount of £448,178.

Continued application of stringent financial controls have helped to keep costs, whether direct or administrative expenses, as low as possible, thus reflecting in the final results.

As all of the profit on ordinary activities is transferred to the Institute of Wastes Management, under a deed of covenant, the retained profit for the year is £nil (2000: £nil).

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 (2000: £Nil).

Directors' report *(continued)*

Directors

The directors who served during the year were:

JB Carter
MR Hewitt
MJ Philpott (appointed 11 June 2001)
Mrs VJ Martin (appointed 11 June 2001)
D MacKrill
KA Simmonite
MJ Baker
DT Beadle
MS Bedford

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

Officers

The officers who served during the year were:

SP Mahoney (Company Secretary)

Auditors

In accordance with Section 384 of the Companies Act 1985, the re-appointment of KPMG as auditors of the company will be considered 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
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

Independent auditors' report to the members of IWM Business Services Limited

We have audited the financial statements on pages 6 to 11.

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 2001 and of the result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in black ink, appearing to be 'KPMG' or similar, written over a horizontal line.

*Chartered Accountants
Registered Auditors*

16 April 2002

Profit and loss account

for the year ended 31 December 2001

	Note	2001 £	2000 £
Turnover		1,995,672	1,810,249
Cost of sales		(723,499)	(628,228)
		<hr/>	<hr/>
Gross profit		1,272,173	1,182,021
Administrative expenses		(846,977)	(733,725)
		<hr/>	<hr/>
Operating profit		425,196	448,296
Interest receivable and similar income	5	22,982	29,592
Deed of covenant	6	(448,178)	(477,888)
		<hr/>	<hr/>
Profit on ordinary activities before taxation	2-4	-	-
Tax on profit on ordinary activities		-	-
		<hr/>	<hr/>
Retained profit for the year		-	-
Retained profit brought forward		-	-
		<hr/>	<hr/>
Retained profit carried forward		-	-
		<hr/>	<hr/>

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 11 form part of these financial statements.

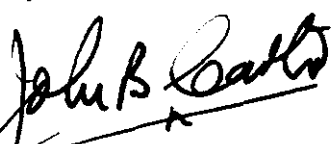
Balance sheet

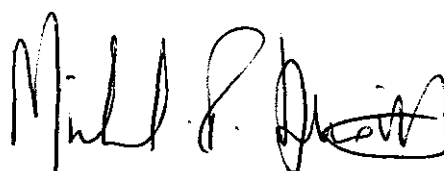
at 31 December 2001

	Note	2001	2000
		£	£
Current assets			
Debtors	7	612,166	660,255
Cash at bank and in hand		346,313	255,054
		<u>958,479</u>	<u>915,309</u>
Creditors: amounts falling due within one year	8	(958,477)	(915,307)
Net current assets		<u>2</u>	<u>2</u>
Total assets less current liabilities		<u>2</u>	<u>2</u>
Capital and reserves			
Called up share capital	10	2	2
Profit and loss account		-	-
Equity shareholders' funds	11	<u>2</u>	<u>2</u>

The notes on pages 8 to 11 form part of these financial statements.

These financial statements were approved by the board of directors on 19 March 2002 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

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors. 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

	2001 £	2000 £
<i>Profit on ordinary activities before taxation is stated after charging/(crediting):</i>		
Auditors' remuneration	6,500	6,250
Re-charges from Institute of Wastes Management	324,917	285,541
Re-charges to Institute of Wastes Management	(109,660)	(107,728)
Operating lease rental payments	7,821	3,887
	<hr/>	<hr/>

Notes (continued)

3 Remuneration of directors

	2001 £	2000 £
Directors' fees (non Executive)	-	-
Directors' emoluments	18,414	-
Directors' pension	842	-
	<u>19,256</u>	<u>-</u>

Directors fees are not paid to members of the board.

4 Staff numbers and costs

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

	2001 Number	2000 Number
Office and management	18	16
	<u>18</u>	<u>16</u>

The aggregate payroll costs of these persons were as follows:

	2001 £	2000 £
Wages and salaries	346,370	289,784
Social security costs	29,306	26,457
Personal pension plan costs	6,007	6,407
	<u>381,683</u>	<u>322,648</u>

5 Interest receivable and similar income

	2001 £	2000 £
Bank deposit interest receivable	22,982	29,592
	<u>22,982</u>	<u>29,592</u>

6 Deed of covenant

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

Payments totalling £448,178 (2000: £477,888) were made under deed of covenant during the year.

Notes (continued)

7 Debtors

	2001 £	2000 £
Amounts falling due within one year:		
Trade debtors	567,062	642,595
Amounts owed by parent undertaking	41,205	10,095
Prepayments and accrued income	3,899	7,565
	<u>612,166</u>	<u>660,255</u>

8 Creditors: amounts falling due within one year

	2001 £	2000 £
Trade creditors	54,858	31,088
Other creditors including taxation and social security:		
Other creditors	50,681	50,680
Taxation and social security	116,834	96,272
Accruals	65,373	16,325
Deferred income	670,731	720,942
	<u>958,477</u>	<u>915,307</u>

9 Commitments

Annual commitments under non-cancellable operating leases are as follows:

	2001 £	2000 £
Operating leases which expire:		
In less than one year	-	2,818
In the second to fifth years inclusive	4,019	4,019
	<u>4,019</u>	<u>6,837</u>

10 Share capital

	2001 £	2000 £
<i>Authorised</i>		
Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

Notes (continued)

11 Reconciliation of movements in shareholders' funds

	2001 £	2000 £
Profit for the financial year (before Deed of Covenant)	448,178	477,888
Appropriated to parent company by Deed of Covenant	(448,178)	(477,888)
	<hr/>	<hr/>
Net change in shareholders' funds	-	-
Opening shareholders' funds	2	2
	<hr/>	<hr/>
Closing shareholders' funds	2	2
	<hr/>	<hr/>

12 Related party transactions

The company is a wholly owned subsidiary of the Institute of Wastes Management. The consolidated accounts of the parent undertaking may be obtained from the address given in note 13 below.

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.

13 Ultimate parent undertaking

The ultimate parent undertaking of the company is the Institute of Wastes Management, which is a company registered in England and Wales. Consolidated accounts are prepared and are available from the Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff.