



Registration Number 03687641

AMGEN RHONDDA LIMITED

Abbreviated Accounts

for the year ended 31 May 2001



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Contents

	Page
Auditors' Report	1
Abbreviated Balance Sheet	2
Notes to the Financial Statements	3 - 6



**Auditors' Report to Amgen Rhondda Limited
under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts set out on pages 2 to 6 together with the financial statements of Amgen Rhondda Limited for the year ended 31 May 2001 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Going Concern

In forming our opinion, we have considered the adequacy of the disclosures made in Note 1 of the accounts concerning the uncertainty as to the ability of the company to be able to pay its debts in terms of present and future royalty charges to Rhondda Cynon Taff County Borough Council; and the continued support of the shareholders. In view of the significance of this uncertainty, we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985 in respect of the year ended 31 May 2001, and the abbreviated accounts on pages 2 to 6 are properly prepared in accordance with those provisions.

KTS
Chartered Accountants and
Registered Auditor
18a Whitcombe Street
Aberdare
CF44 7AU

19 November 2001

Amgen Rhondda Limited
**Abbreviated Balance Sheet
as at 31 May 2001**

		2001		8 months 2000	
	Notes	£	£	£	£
Fixed Assets					
Tangible assets	3		500,025		275,763
Current Assets					
Debtors		525,111		547,305	
Cash at bank and in hand		179,685		367,593	
		<u>704,796</u>		<u>914,898</u>	
Creditors: amounts falling due within one year		<u>(866,958)</u>		<u>(1,053,342)</u>	
Net Current Liabilities			<u>(162,162)</u>		<u>(138,444)</u>
Total Assets Less Current Liabilities			337,863		137,319
Creditors: amounts falling due after more than one year			<u>(7,107)</u>		<u>-</u>
Net Assets			<u><u>330,756</u></u>		<u><u>137,319</u></u>
Capital and Reserves					
Called up share capital	4		910,095		138,393
Profit and loss account			<u>(579,339)</u>		<u>(1,074)</u>
Shareholders' Funds	5		<u><u>330,756</u></u>		<u><u>137,319</u></u>

The abbreviated accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The abbreviated accounts were approved by the Board on 2nd November 2001 and signed on its behalf by

R J Mansfield
Director



The notes on pages 3 to 6 form an integral part of these financial statements.

**Notes to the Abbreviated Financial Statements
for the year ended 31 May 2001**

1. Accounting Policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The financial statements have been prepared on a going concern basis. At the balance sheet date, the company had negative profit and loss reserves of £578,265 (2000-£1,074) and forecasts trading losses of £490,403 for the next 24 months. The company owes £346,192 to Rhondda Cynon Taff County Borough Council at the year end in respect of royalty charges, for which the company has renegotiated terms of repayment. These charges will continue to be incurred in future periods.

The directors' are of the opinion that Rhondda Cynon Taff County Borough Council will continue to support the company and offer favourable repayment terms and to this extent are of the opinion that it is appropriate to prepare the accounts on a going concern basis.

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax and landfill tax, of sales made during the year.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Land & Buildings	-	Straight line over 8 years
Plant and machinery	-	Straight line over 8 years
Fixtures & fittings	-	Straight line over 8 years
Computer equipment	-	Straight line over 3 years

1.4. Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. 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 constant periodic rates of charge on the net obligations outstanding in each period.

1.5. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

The regular cost of providing retirement pensions and related benefits is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings.

**Notes to the Abbreviated Financial Statements
for the year ended 31 May 2001**

1.6. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to materialise.

2. Operating costs	2001	8 months 2000
	£	£
Site Restoration & capping costs	<u>537,875</u>	<u>249,140</u>
 3. Fixed assets		Tangible fixed assets £
Cost		
At 1 June 2000		289,877
Additions		<u>294,394</u>
At 31 May 2001		<u>584,271</u>
Depreciation		
Charge for year		<u>70,132</u>
At 31 May 2001		<u>84,246</u>
Net book values		
At 31 May 2001		<u>500,025</u>
At 31 May 2000		<u>275,763</u>

Amgen Rhondda Limited



**Notes to the Abbreviated Financial Statements
for the year ended 31 May 2001**

4. Share capital	2001	8 months
	£	2000
		£
Authorised		
1,000 Ordinary shares of £1 each	1,000	1,000
910,000 Preference shares of £1 each	910,000	910,000
	<u>911,000</u>	<u>911,000</u>
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100
909,995 Preference shares of £1 each	909,995	138,293
	<u>910,095</u>	<u>138,393</u>

During the year, Amgen Rhondda Limited issued an additional 771,702 £1 preference shares.

5. Reconciliation of movements in shareholders' funds	2001	8 months
	£	2000
		£
Loss for the year	(578,265)	(1,074)
Proceeds of issue of non-equity shares	771,702	-
	<u>193,437</u>	(1,074)
Opening shareholders' funds	137,319	138,393
	<u>330,756</u>	<u>137,319</u>

**Notes to the Abbreviated Financial Statements
for the year ended 31 May 2001**

6. Related party transactions

1) Rhondda Cynon Taff County Borough Council owns 909,995 £1 preference shares in Amgen Rhondda Limited.

a) During the year, the charge for royalties and base rent totalled £255,426 (2000-£168,848). The amounts owed by Amgen Rhondda Limited to Rhondda Cynon Taff County Borough Council at the year end were £346,192 (2000-£90,776).

b) During the year, Rhondda Cynon Taff County Borough Council used the landfill site for tipping waste totalling £113,602. The amounts owed to Amgen Rhondda Limited at the year end were £321,204 (2000-£334,065).

c) The amounts owed by Amgen Rhondda Limited to Rhondda Cynon Taff County Borough Council in respect of general rates at the year end were £58,551 (2000-£63,414).

2) During the year, management charges were made from Cynon Valley Waste Disposal Company Limited to Amgen Rhondda Limited totalling £183,014 (2000-£101,338). Cynon Valley Waste Disposal Company Limited own 100 £1 ordinary shares in Amgen Rhondda Limited.

3) During the year Amgen Rhondda Limited contributed to a Landfill Tax Credit Scheme. Contributions were made to CDG Limited, an 'Entrust Approved Distributive Environmental Body', who then distributed the contributions to approved schemes. Adrian Poller, a former director of Amgen Rhondda Limited is a non remunerated trustee and director of CDG Limited.

Amounts paid to CDG Limited during the year under the Landfill Tax Credit Scheme totalled £56,000 (2000-£ Nil)

7. Ultimate parent undertaking

The company's ultimate parent undertaking at the balance sheet was Rhondda Cynon Taff County Borough Council, a company incorporated in England and Wales.