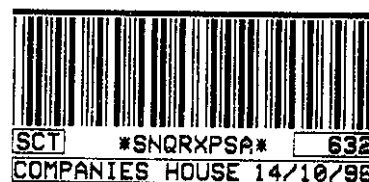


**ARMSTRONG WASTE MANAGEMENT LIMITED**

**ANNUAL REPORT**

**YEAR ENDED 31 MARCH 1996**

Registered No: 109950 .



# ARMSTRONG WASTE MANAGEMENT LIMITED

## ANNUAL REPORT

YEAR ENDED 31 MARCH 1996

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# **ARMSTRONG WASTE MANAGEMENT LIMITED**

## **DIRECTORS, OFFICERS AND ADVISERS**

### **Directors**

Janet Armstrong  
John A Armstrong  
Joyce Armstrong

### **Secretary**

Joyce Armstrong

### **Registered Office**

Newton Road Industrial Estate  
Glasgow Road  
Dumfries  
DG2 0EF

### **Auditors**

Pannell Kerr Forster  
Chartered Accountants  
78 Carlton Place  
GLASGOW  
G5 9TH

### **Solicitors**

AB & A Matthews and Loy & Associates  
The Old Bank  
Buccleuch Street Bridge  
DUMFRIES

### **Bankers**

National Westminster Bank  
92 English Street  
CARLISLE  
CA3 8NF

The Royal Bank of Scotland PLC  
Whitesands  
DUMFRIES

# ARMSTRONG WASTE MANAGEMENT LIMITED

## DIRECTORS' REPORT

The directors present their annual report together with the financial statements for the year ended 31 March 1996.

### PRINCIPAL ACTIVITY

The principal activity of the company continued to be that of waste management.

### RESULTS

The profit for the financial year after tax amounted to £12,156 (1995 - £37,108)

### DIRECTORS

The directors at 31 March 1996 and their interests in the share capital of the company were as follows:

	31 March 1996	1 April 1995
Mr J A Armstrong	1	1
Mrs J Armstrong	1	1
Miss J Armstrong	-	-

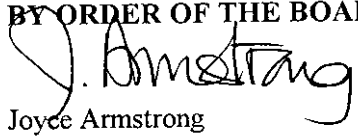
### AUDITORS

In accordance with Section 386 of the Companies Act 1985, by an elective resolution of the company, Pannell Kerr Forster, Chartered Accountants, are deemed reappointed as auditors for the succeeding year.

### SPECIAL EXEMPTIONS

We have taken advantage in the preparation of the Directors' Report of the special exemptions applicable to small companies conferred by Part II of Schedule 8 to the Companies Act 1985.

BY ORDER OF THE BOARD

  
Joyce Armstrong  
Secretary

# **ARMSTRONG WASTE MANAGEMENT LIMITED**

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial year which 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 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;
- \* 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 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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**AUDITORS' REPORT TO THE SHAREHOLDERS OF  
ARMSTRONG WASTE MANAGEMENT LIMITED**

**PANNELL  
KERR  
FORSTER**  
CHARTERED ACCOUNTANTS

We have audited the financial statements on pages 5 to 11 which have been prepared under the accounting policies set out on page 7.

**Respective responsibilities of directors and auditors**

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**Basis of opinion**

We conducted our audit in accordance with Auditing Standards. 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 affairs of the company as at 31 March 1996 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

  
**PANNELL KERR FORSTER**

Chartered Accountants  
REGISTERED AUDITORS

**GLASGOW**

*13 September 1996*

**ARMSTRONG WASTE MANAGEMENT LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 MARCH 1996**

	Notes	1996 £	1995 £
<b>TURNOVER</b>		625,378	599,309
<b>COST OF SALES</b>		(423,074)	(401,991)
<b>GROSS PROFIT</b>		202,304	197,318
<b>OTHER OPERATING INCOME</b>		15,000	--
<b>DISTRIBUTION COSTS</b>		(4,014)	(5,495)
<b>ADMINISTRATIVE EXPENSES</b>		(192,300)	(143,814)
<b>OPERATING PROFIT</b>		20,990	48,009
<b>INTEREST PAYABLE AND SIMILAR CHARGES</b>	3	(8,834)	(9,164)
<b>INTEREST RECEIVABLE</b>		--	<u>2,013</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	4	12,156	40,858
<b>TAX CHARGE ON PROFIT ON ORDINARY ACTIVITIES</b>	5	--	<u>3,750</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	11	<u>12,156</u>	<u>37,108</u>

All amounts relate to continuing operations.

The company has no recognised gains or losses other than the profit for the year.

# ARMSTRONG WASTE MANAGEMENT LIMITED

## BALANCE SHEET

31 MARCH 1996

	Notes	1996 £	1995 £
<b>FIXED ASSETS</b>			
Tangible assets	6	473,721	392,730
<b>CURRENT ASSETS</b>			
Stocks		4,337	5,377
Debtors	7	150,646	204,889
Cash at bank and in hand		<u>388</u>	<u>10,803</u>
		155,371	221,069
<b>CREDITORS</b>			
Amounts falling due within one year	8	<u>214,575</u>	<u>266,212</u>
<b>NET CURRENT LIABILITIES</b>		(59,204)	(45,143)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		414,517	347,587
<b>CREDITORS</b>			
Amounts falling due after more than one year	8	<u>81,543</u>	<u>26,769</u>
<b>NET ASSETS</b>		332,974	320,818
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10	2	2
Revaluation reserve	11	9,535	9,535
Profit and loss account	11	<u>323,437</u>	<u>311,281</u>
<b>EQUITY SHAREHOLDERS' FUNDS</b>	12	332,974	320,818

We have taken advantage in the preparation of the financial statements of the special exemptions conferred by Part I of Schedule 8 to the Companies Act 1985 on the grounds that the company qualifies as a small company.

Approved by the board on

..... 6/9/96 .....

JOHN A ARMSTRONG

.....  ..... Director

JOYCE ARMSTRONG

.....  ..... Director



**ARMSTRONG WASTE MANAGEMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 1996**

**1 ACCOUNTING POLICIES**

The following accounting policies have been used consistently in dealing with items which are considered material to the company's affairs.

**(a) Accounting convention**

The financial statements set out on pages 5 to 11 are prepared under the historical cost convention as modified to include the revaluation of certain tangible fixed assets.

**(b) Depreciation**

Tangible fixed assets are written off over their estimated useful lives on a straight line basis at the following annual rates:

Plant and equipment	10% - 20%
Motor vehicles	20%

**(c) Turnover**

Turnover represents invoiced sales less allowances, trade discounts and value added tax.

**(d) Deferred taxation**

Provision is made for deferred taxation using the liability method to the extent that it is probable that a liability will crystallise.

**(e) Leasing and hire purchase obligations**

Assets acquired under finance leases and hire purchase contracts have been capitalised and are depreciated over the estimated useful life of the asset. The present value of future rentals is shown as a liability and the interest element of rental obligations is charged to the profit and loss account over the period of the agreement.

Leasing charges in respect of operating leases are recognised in the profit and loss account over the lives of the lease agreements as incurred.

**(f) Stocks**

Stocks are stated at the lower of cost and net realisable value. Cost is determined on a first in first out basis, and includes all direct costs incurred and attributable production overheads. Net realisable value is based on estimated selling price allowing for all further costs of completion and disposal.

**2 DIRECTORS' REMUNERATION/**

**ARMSTRONG WASTE MANAGEMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 1996**

<b>2 DIRECTORS' REMUNERATION</b>	1996	1995
	£	£
The aggregate amount of directors' emoluments comprised:		
Salaries as executives ( <i>including pension contributions</i> )	29,753	27,320
	-----	-----
<b>3 INTEREST PAYABLE AND SIMILAR CHARGES</b>		
Interest payable and similar charges comprised:		
On bank loans and overdrafts wholly repayable within five years	509	1,237
On hire purchase contracts	<u>8,325</u>	<u>7,927</u>
	8,834	9,164
	-----	-----
<b>4 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		
Profit on ordinary activities before taxation is stated after charging the following:		
Depreciation (Note 6)	44,455	68,722
Directors' remuneration	29,753	27,320
Auditors' remuneration - audit fee	<u>1,800</u>	<u>1,800</u>
	-----	-----
and after crediting:		
Gain on sale of tangible fixed assets	--	52,583
	-----	-----
<b>5 TAX CHARGE ON PROFIT ON ORDINARY ACTIVITIES</b>		
The tax charge for the year represented:		
Corporation tax on the profit for the year at 25% (1995 - 25%)	--	2,043
Adjustment in respect of prior year	<u>--</u>	<u>1,707</u>
	--	3,750
	-----	-----
<b>6 FIXED ASSETS - TANGIBLE ASSETS/</b>		

# ARMSTRONG WASTE MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1996

### 6 FIXED ASSETS - TANGIBLE ASSETS

The movement on these accounts during the year was as follows:

Cost or Valuation	Plant and Equipment £	Motor Vehicles £	Total £
At 1 April 1995	536,064	19,000	555,064
Additions	126,688	--	126,688
Disposals	<u>(3,735)</u>	<u>--</u>	<u>(3,735)</u>
At 31 March 1996	<u>659,017</u>	<u>19,000</u>	<u>678,017</u>
<b>Accumulated Depreciation</b>			
At 1 April 1995	160,181	2,153	162,334
Charge	40,635	3,820	44,455
Disposals	<u>(2,493)</u>	<u>--</u>	<u>(2,493)</u>
At 31 March 1996	<u>198,323</u>	<u>5,973</u>	<u>204,296</u>
<b>Net Book Amount</b>			
At 31 March 1996	<u>460,694</u>	<u>13,027</u>	<u>473,721</u>
At 1 April 1995	<u>375,883</u>	<u>16,847</u>	<u>392,730</u>

The net book amount of plant and equipment included £208,756 (1995 - £154,252) in respect of assets held under hire purchase contracts. Depreciation charged in the year on those assets amounted to £20,489 (1995 - £15,120).

The net book amount of motor vehicles included £12,956 (1995 - £16,684) in respect of assets held under hire purchase contracts. Depreciation charged in the year on those assets amounted to £3,728 (1995 - £616).

The net book amount of plant and equipment includes certain plant and equipment, valued on an open market basis in 1992, net of subsequent depreciation, of £5,300 (1995 - £9,500). On an historical cost basis, the revalued plant and equipment would have been included as follows:

	1996 £	1995 £
Cost	5,267	5,267
Accumulated depreciation	<u>(5,267)</u>	<u>4,499</u>
Net book amount	<u>--</u>	<u>768</u>

# ARMSTRONG WASTE MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1996

### 7 DEBTORS

	1996 £	1995 £
Debtors comprised:		
Trade debtors	100,749	149,325
Others	<u>49,897</u>	<u>55,564</u>
	150,646	204,889
	-----	-----

### 8 CREDITORS

	Amounts falling due within one year		Amounts falling due after more than one year	
	1996 £	1995 £	1996 £	1995 £
Creditors comprised:				
Bank overdraft	37,216	11,501	-	-
Trade creditors	50,955	128,146	-	-
Corporation tax	(1,094)	761	-	-
Other creditors	116,634	120,589	81,543	26,769
Other taxes and social security	<u>10,864</u>	<u>5,215</u>	<u>--</u>	<u>--</u>
	214,575	266,212	81,543	26,769
	-----	-----	-----	-----

The bank overdraft is secured.

Other creditors include hire purchase instalments which are secured on plant and motor vehicles and are repayable as follows:-

	1996 £	1995 £
Within one year	69,087	26,945
Between 1-2 years	53,622	19,342
Between 2-5 years	<u>27,921</u>	<u>17,427</u>
	150,630	63,714
	-----	-----

### 9 PROVISIONS FOR LIABILITIES AND CHARGES

Deferred taxation provision and potential liability comprised:

	1996		1995	
	Provision £	Not Provided £	Provision £	Not Provided £
Accelerated capital allowances in excess of depreciation	--	62,790	--	56,422
Short term differences	--	1,034	--	--
Losses offset	<u>--</u>	<u>(4,626)</u>	<u>--</u>	<u>--</u>
	--	59,198	--	56,422
	-----	-----	-----	-----

**ARMSTRONG WASTE MANAGEMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 1996**

**10 CALLED UP SHARE CAPITAL**

Called up share capital comprised allotted, called up and fully paid ordinary shares of £1 each. The authorised share capital of the company throughout the year was £1,000 divided into 1,000 ordinary shares of £1 each.

**11 RESERVES**

The movement of reserves during the year was as follows:

	Revaluation Reserve £	Profit and Loss Account £
At 1 April 1995	9,535	311,281
Profit for the year	<u>—</u>	<u>12,156</u>
At 31 March 1996	9,535	323,437
	-----	-----

**12 EQUITY SHAREHOLDERS' FUNDS**

The reconciliation of movements in shareholders' funds was as follows:

	1996 £	1995 £
Profit for the financial year	12,156	37,108
Balance at 1 April 1995	<u>320,818</u>	<u>283,710</u>
Balance at 31 March 1996	332,974	320,818
	-----	-----