

Registration number 01600851 (England and Wales)

McGrath Bros. (Waste Control) Limited
Directors' report and financial statements
for the year ended 30th November 2011

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McGrath Bros (Waste Control) Limited

Company information

Directors	D McGrath, Esq P McGrath, Esq M McGrath, Esq J Oliver, Esq G Vines, Esq J McDaid, Esq T Donaghy, (Ms)
Secretary	D McGrath, Esq
Company number	01600851 (England and Wales)
Registered office and business address	McGrath House Hepscott Road Hackney Wick London E9 5HH
Auditors	Riordan O'Sullivan & Co Chartered Certified Accountants and Statutory Auditors 40 Chamberlayne Road London NW10 3JE
Bankers	Allied Irish Bank (GB) Grays Inn Branch 100 Grays Inn Road London WC1X 8AL
Solicitors	Whitehorns Solicitors Ivy House Carnarvon Road Barnet EN5 4LX

McGrath Bros. (Waste Control) Limited

Contents

	Page
Directors' report	1 – 4
Independent auditors' report	5
Profit and loss account	6
Balance sheet	7
Cash flow statement	8
Notes to the financial statements	9 - 17

McGrath Bros. (Waste Control) Limited

Directors' report for the year ended 30th November 2011

The directors present their report and financial statements for the year ended 30th November 2011

Principal activity

The company is engaged in the provision of waste management, recycling and reprocessing services to a broad range of sectors such as construction, demolition, commercial, industrial, utility, local authority and public services. The company continues to invest in and develop new waste management and recycling processes.

Results

The results for the year are set out in the profit and loss account on page 6.

Review of the business and future prospects

Turnover increased by 16.8% to £17,535,285 (from £15,010,841 in 2010) and profit before tax increased to £1,594,317 (from £994,831 in 2010).

The satisfactory increase in turnover and profitability was due to the substantial completion of the major redevelopment and investment in modern waste recycling equipment and related infrastructure that we have been carrying out at our main waste management site at River Road, Barking. Our second waste management site at Hackney Wick also performed satisfactorily.

However, the welcome increase in turnover and profitability does not yet fully reflect the huge investment in waste recycling equipment and related infrastructure that we have made in recent years and which was needed to cater for the environmental demands now placed on our industry.

Pricing was very challenging throughout the year and remains so in the current year. Our volume of business increased more than the increase in turnover suggests. However, McGrath's remain excited by the challenges of modern day waste management, recycling, re-using and the related energy sector. Our recent investment in recycling plant, equipment, technology and training has positioned us to cater for and fully comply with stringent Environmental Agency waste recycling legislation and we remain committed to be amongst the leaders in the waste industry.

We adopt the Government's waste strategy of developing a sustainable waste industry with reduced use of landfill, increased use of recycled materials and products and the disposal of residue in a clean and safe environmental way.

Turnover and profitability in the current year continues at a satisfactory level, our recycling, reprocessing and 're-use' percentages continue to increase, our use of landfill continues to decline and the directors' project continuous profitable trading.

The directors are proud of the highly motivated and highly skilled management and administrative workforce that underpin the McGrath Waste Recycling business and we thank them for their continued loyalty and dedication.

Key performance indicators

		2011	2010	2009	2008
Turnover	(£)	17,535,285	15,010,841	14,235,723	17,810,195
Turnover increase/ (decrease)	(%)	16.8	5.4	(20.1)	5.1
Profit before tax	(£)	1,594,317	994,831	749,917	851,958
Profit before tax	(%)	9.1	6.6	5.3	4.8

McGrath Bros. (Waste Control) Limited

Directors' report for the year ended 30th November 2011

continued

Fixed assets

The movements in fixed assets are set out in note 9 to these financial statements

Principal risks and uncertainties facing the company

The principal risk for our company is similar to most companies and industry sectors, namely the state of the economy

The waste management recycling business has additional environmental legislative and compliance risks. We try to minimise these risks by employing highly skilled management, by training and by engaging specialist consultants, by having the most modern recycling plant and equipment so that we keep up with statutory regulation and comply with the conditions of our operating licence and permits. Landfill capacity and pricing has also to be constantly monitored.

The banking crisis and lack of funding continues to have an impact on business confidence and activity levels.

Financial instruments and credit and liquidity risks

The principal financial instruments that fund the company's operations are bank balances, bank borrowings, trade debtors, trade creditors and hire purchase finance.

Whilst acknowledging that the success of the company is dependent on the state of the economy generally and on the sectors of the waste industry in which we operate, we believe that we manage our exposure to financial risk by maintaining a strong balance sheet with a good mix of trade debtors that are constantly vetted and that have an acceptable credit risk profile and by having good internal controls and financial reporting systems.

Going concern

The directors are confident that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in note 18 in the financial statements.

Employee involvement

Our workforce is our most important and valuable asset and they operate at the heart of our operations and in the main see for themselves our activities and developments on a day to day basis. In addition regular meetings are held to discuss activity and performance and opportunity is given for management to be questioned on all areas that affect our employees. We encourage an open door policy of involvement and close cooperation.

Equal opportunities

It is the policy of the company to employ persons of any ethnic origin, of either sex, and to employ persons only by considering their ability to undertake the task required. This policy applies at all levels of employment.

Employment of disabled persons

The company continues its policy regarding the employment of disabled persons and fair consideration is given to applications for employment by disabled persons having regard to their particular aptitudes and abilities.

McGrath Bros. (Waste Control) Limited

Directors' report for the year ended 30th November 2011

continued

Health and safety at work

The company has its own health and safety professionals who look after the health, safety and welfare of its employees. We continue to invest in training to ensure that the highest standards of health and safety are imposed and maintained. We continue to support the health and safety policies of our customers and the industry generally.

Directors

The directors who served during the year were

D McGrath, Esq
P McGrath, Esq
M McGrath, Esq
J Oliver, Esq
G Vines, Esq
J McDaid, Esq
T Donaghy, (Ms)

There were no changes during the year

Charitable and political contributions

Charitable donations of £1,393 (2010 £2,631) were made during the year. No political contributions were made.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 apply them consistently,
- make judgements and accounting 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 adequate accounting records that are sufficient to show and explain the company transactions and 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 2006. 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.

The directors are responsible for the maintenance and integrity of information included on the company's website.

McGrath Bros. (Waste Control) Limited

**Directors' report
for the year ended 30th November 2011**

continued

Statement of disclosure of information to auditors

The directors of the company who held office at the date of approval of this annual report confirm that

- so far as each director is aware, there is no relevant audit information, information needed by the company's auditors in connection with preparing their report, of which the company's auditors are unaware, and
- each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

Auditors

Riordan O'Sullivan & Co, are deemed to be re-appointed in accordance with an elective resolution made under S 386 of the Companies Act 1985 which continues in force under the Companies Act 2006

Approval

This report was approved by the Board on 20th August 2012 and signed on its behalf by

A handwritten signature in black ink, appearing to be 'D. McGrath', written over a horizontal line.

**D. McGrath, Esq
Director**

McGrath Bros. (Waste Control) Limited

**Independent Auditors' Report
to the Members of McGrath Bros. (Waste Control) Limited
for the year ended 30th November 2011**

We have audited the financial statements of McGrath Bros (Waste Control) Limited for the year ended 30th November 2011 which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30th November 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion, adequate accounting records have not been kept by the company, or the company financial statements are not in agreement with the accounting records and returns, or certain disclosures of directors' remuneration specified by law are not made, or we have not received all the information and explanations we require for our audit.



**J.F. O'Sullivan (Senior Statutory Auditor)
for and on behalf of Riordan O'Sullivan & Co
Chartered Certified Accountants and Statutory Auditors
40 Chamberlayne Road
London, NW10 3JE**

Dated. 20th August 2012

McGrath Bros. (Waste Control) Limited

**Profit and loss account
for the year ended 30th November 2011**

		Continuing operations	
	Notes	2011 £	2010 £
Turnover	2	17,535,285	15,010,841
Cost of sales		<u>(11,852,448)</u>	<u>(10,129,666)</u>
Gross profit		5,682,837	4,881,175
Administrative expenses		<u>(3,826,575)</u>	<u>(3,616,282)</u>
Operating profit	3	1,856,262	1,264,893
Other interest receivable and similar income	4	-	4,066
Interest payable and similar charges	5	<u>(261,945)</u>	<u>(274,128)</u>
Profit on ordinary activities before tax		1,594,317	994,831
Taxation	8	<u>(337,130)</u>	<u>(245,365)</u>
Profit for the year after taxation		<u>1,257,187</u>	<u>749,466</u>

There are no recognised gains or losses other than the profits shown above


The notes on pages 9 to 17 form an integral part of these financial statements.


McGrath Bros. (Waste Control) Limited

**Balance sheet
as at 30th November 2011**

	Notes	2011 £	2010 £
Fixed Assets			
Tangible assets	9	9,399,638	8,914,275
Current assets			
Stocks	10	46,358	45,126
Debtors	11	4,450,735	3,981,894
Cash at bank and in hand		13,719	19,805
		<u>4,510,812</u>	<u>4,046,825</u>
Creditors. amounts falling due within one year	12	<u>(4,400,993)</u>	<u>(5,672,677)</u>
Net current assets/ (liabilities)		<u>109,819</u>	<u>(1,625,852)</u>
Total assets less current liabilities		<u>9,509,457</u>	<u>7,288,423</u>
Creditors: amounts falling due after more than one year	13	<u>(2,503,445)</u>	<u>(1,671,152)</u>
Provisions for liabilities	14	<u>(669,193)</u>	<u>(537,639)</u>
Net assets		<u><u>6,336,819</u></u>	<u><u>5,079,632</u></u>
Capital and reserves			
Called up share capital	15	100	100
Profit and loss account	16	<u>6,336,719</u>	<u>5,079,532</u>
Shareholders' funds	17	<u><u>6,336,819</u></u>	<u><u>5,079,632</u></u>

The financial statements were approved by the Board on 20th August 2012 and signed on its behalf by


D. McGrath, Esq.
Director


P. McGrath, Esq.
Director

Registration number 01600851 (England and Wales)

The notes on pages 9 to 17 form an integral part of these financial statements.

McGrath Bros. (Waste Control) Limited

**Cash flow statement
for the year ended 30th November 2011**

	Notes	2011 £	2010 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		1,856,262	1,264,893
Depreciation		1,150,032	1,130,291
Increase in stocks		(1,232)	(3,622)
Increase in debtors		(468,841)	(776,490)
Increase in creditors		52,256	489,351
Net cash inflow from operating activities		<u>2,588,477</u>	<u>2,104,423</u>

Cash flow statement

Net cash inflow from operating activities		2,588,477	2,104,423
Returns on investments and servicing of finance	23	(261,945)	(270,062)
Taxation	23	(38,610)	(13,588)
Capital expenditure	23	(680,369)	(1,134,917)
		<u>1,607,553</u>	685,856
Financing	23	(1,507,993)	(1,414,179)
Increase/ (decrease) in cash in the year		<u>99,560</u>	<u>(728,323)</u>

Reconciliation of net cash flow to movement in net debts (Note 24)

Increase/ (decrease) in cash in the year		99,560	(728,323)
Cash outflow from change in debts and lease financing	23	1,507,993	1,414,179
Change in net funds resulting from cash flows		<u>1,607,553</u>	685,856
New hire purchase contracts		(955,026)	(275,778)
Reduction in debt in the year		<u>652,527</u>	410,078
Opening net debt		<u>(3,756,243)</u>	<u>(4,166,321)</u>
Closing net debt		<u>(3,103,716)</u>	<u>(3,756,243)</u>

The notes on pages 9 to 17 form an integral part of these financial statements.

McGrath Bros. (Waste Control) Limited

Notes to the financial statements for the year ended 30th November 2011

1. Accounting policies

1.1. Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board

1.2. Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts

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

Plant and machinery	- over 5 to 10 years
Fixtures, fittings and equipment	- over 4 to 7 years
Motor vehicles	- over 4 to 7 years

1.4. Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over their useful lives in accordance with our depreciation policy as set out above. 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.

Rentals payable under operating leases are charged on a straight-line basis over the lease term.

1.5. Stocks

Stocks are valued at the lower of cost and net realisable value.

1.6. Pensions

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

1.7. Deferred taxation

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not there will be suitable taxable profits from which the future reversal of the underlying timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

McGrath Bros. (Waste Control) Limited

Notes to the financial statements for the year ended 30th November 2011

continued

1.8. Going concern

The Directors' Report sets out the company's business activities, and highlights the factors which may impact on its financial performance, market position and future development. The Directors' report also provides information in relation to the company's financial position, its financial instruments, management of capital, and exposure to credit and liquidity risk.

The company continues to trade satisfactorily, its repeat business represents the majority of its turnover, it has a reasonable level of new enquiries and its forecasts project continuous profitable trading for the current year and beyond. The company's hire purchase debts are reducing year on year which will add to its cashflow generation going forward and help pay down its capital debt. As a consequence the directors are confident that the company has sufficient resources to meet its requirements for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

3. Operating profit

	2011 £	2010 £
Operating profit is stated after charging		
Depreciation or other amounts written off tangible assets	1,150,032	1,154,109
Auditors' remuneration		
- audit	15,000	12,000
- other services	30,472	11,029
	<hr/>	<hr/>
and after crediting		
Profit on disposal of tangible fixed assets	-	23,818
	<hr/>	<hr/>

4. Interest receivable and similar income

	2011 £	2010 £
Other interest	-	4,066
	<hr/>	<hr/>

5. Interest payable and similar charges

	2011 £	2010 £
Bank interest	20,547	-
Hire purchase interest	241,398	274,128
	<hr/>	<hr/>
	261,945	274,128
	<hr/>	<hr/>

McGrath Bros. (Waste Control) Limited

**Notes to the financial statements
for the year ended 30th November 2011**

continued

6. Staff costs

Number of employees	2011	2010
The average monthly number of employees (including the directors) during the year were		
Management and administration	20	20
Waste recycling operations	78	78
	<u>98</u>	<u>98</u>
 Aggregate employment costs	 2011	 2010
	£	£
Wages and salaries	3,411,712	3,442,743
Social security costs	378,624	371,789
Pension costs	25,840	25,281
	<u>3,816,176</u>	<u>3,839,813</u>

6.1. Directors' remuneration

	2011	2010
	£	£
Remuneration and other emoluments	141,692	164,611

7. Pension costs

The company operates a defined contribution pension scheme in respect of certain employees. The scheme and its assets are held by independent pension fund managers. The pension charge represents contributions paid by the company and amounted to £25,840 (2010: £25,281).

McGrath Bros. (Waste Control) Limited

**Notes to the financial statements
for the year ended 30th November 2011**

continued

8. Taxation

Analysis of charge in year	2011	2010
	£	£
UK corporation tax – current year	205,576	38,610
Deferred tax charge	131,554	206,755
Total tax charge	<u>337,130</u>	<u>245,365</u>

Factors affecting the tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK (26 per cent). The differences are explained below

	2011	2010
	£	£
Profit on ordinary activities before taxation	<u>1,594,317</u>	<u>994,831</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26% (2010 28%)	414,522	278,553
Effects of:		
Expenses not deductible for tax purposes	790	2,972
Capital allowances for period in excess of depreciation	(169,957)	(200,086)
Group tax relief	(44,891)	(33,490)
Marginal relief	-	(2,670)
Change in tax rate (part year 28% and part year 26%)	5,112	-
(Profit)/ loss on disposal of fixed assets	-	(6,669)
Tax charge for the year	<u>205,576</u>	<u>38,610</u>

McGrath Bros. (Waste Control) Limited

**Notes to the financial statements
for the year ended 30th November 2011**

continued

9.	Tangible fixed assets	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
	Cost				
	At 1st December 2010	17,414,668	385,011	199,956	17,999,635
	Additions	1,546,608	88,787	-	1,635,395
	At 30th November 2011	18,961,276	473,798	199,956	19,635,030
	Depreciation				
	At 1st December 2010	8,669,337	274,693	141,330	9,085,360
	Charge for the year	1,084,724	42,935	22,373	1,150,032
	At 30th November 2011	9,754,061	317,628	163,703	10,235,392
	Net book values				
	At 30th November 2011	9,207,215	156,170	36,253	9,399,638
	At 30th November 2010	8,745,331	110,318	58,626	8,914,275

The net book value of plant and machinery includes an amount of £4,363,552 (2010 £5,019,591) in respect of assets held under hire purchase contracts

10.	Stocks	2011 £	2010 £
	Fuel, plant spares and aggregates	46,358	45,126
		<u>46,358</u>	<u>45,126</u>
11	Debtors	2011 £	2010 £
	Trade debtors	3,181,316	3,250,660
	Amounts owed by group undertakings	1,224,690	680,222
	Other debtors	4,028	9,839
	Prepayments	40,701	41,173
		<u>4,450,735</u>	<u>3,981,894</u>

McGrath Bros. (Waste Control) Limited

**Notes to the financial statements
for the year ended 30th November 2011**

continued

12	Creditors: amounts falling due within one year	2011 £	2010 £
	Bank operating facility (secured)	635,235	740,881
	Net obligations under hire purchase contracts	1,244,640	1,364,015
	Trade creditors	1,631,400	1,314,179
	Amounts owed to group undertakings	-	1,466,780
	Corporation tax	205,576	38,610
	Other taxes and social security costs	521,869	476,113
	Directors' accounts	44,681	-
	Accruals	117,592	272,099
		<u>4,400,993</u>	<u>5,672,677</u>

The bank operating facility has a limit of £3 0 Million and is secured by a first mortgage debenture over the assets of the company and the Group

13.	Creditors. amounts falling due after more than one year	2011 £	2010 £
	Net obligations under hire purchase contracts	1,237,560	1,671,152
	Amounts owed to group undertakings	1,265,885	-
		<u>2,503,445</u>	<u>1,671,152</u>
		£	£
	Net obligations under hire purchase contracts		
	Repayable within one year	1,443,880	1,601,209
	Repayable between one and five years	1,430,872	1,936,112
		<u>2,874,752</u>	<u>3,537,321</u>
	Finance charges and interest allocated to future accounting periods	(392,552)	(502,154)
		<u>2,482,200</u>	<u>3,035,167</u>

Hire purchase contracts are secured on the assets to which they relate

McGrath Bros. (Waste Control) Limited

**Notes to the financial statements
for the year ended 30th November 2011**

continued

14.	Provision for liabilities and charges	2011 £	2010 £
	Deferred taxation		
	Balance brought forward	537,639	330,884
	Charge for the year	131,554	206,755
	Balance carried forward	<u>669,193</u>	<u>537,639</u>
In accordance with Financial Reporting Standard 19 "Deferred Taxation" provision has been made in full for deferred tax liabilities arising from timing differences in respect of accelerated capital allowances on plant and machinery			
15.	Share capital	2011 £	2010 £
	Allotted, called up and fully paid		
	100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
16.	Profit and loss account	2011 £	2010 £
	At 1st December	5,079,532	4,330,066
	Profit on ordinary activities before tax	1,594,317	994,831
	Taxation charge	(337,130)	(245,365)
	At 30th November	<u>6,336,719</u>	<u>5,079,532</u>
17	Reconciliation of movements in shareholders' funds	2011 £	2010 £
	Profit on ordinary activities before tax	1,594,317	994,831
	Taxation charge	(337,130)	(245,365)
	Profit for the year after taxation	1,257,187	749,466
	Opening shareholders' funds	5,079,632	4,330,166
	Closing shareholders' funds	<u>6,336,819</u>	<u>5,079,632</u>

McGrath Bros. (Waste Control) Limited

Notes to the financial statements for the year ended 30th November 2011

continued

18. Financial commitments

There were no capital commitments either authorised or contracted for at the balance sheet date

Annual commitment under a non-cancellable operating lease is as follows

	<u>Land and buildings</u>	
	2011	2010
	£	£
Expiry date		
- within one year	1,200,000	1,200,000
- between two and five years	1,200,000	1,200,000
- after five years	1,200,000	1,200,000
	<u>1,200,000</u>	<u>1,200,000</u>

The company pays for all insurance, maintenance and repair costs under the arrangement

19. Contingent liabilities

Bank and others guarantees given by the company as part of group arrangement amounted to £24,345,000 (2010 £24,845,000)

20. Related party transactions

	2011	2010
	£	£
At the balance sheet date the following amounts were owed from/ (to) fellow group undertakings		
McGrath (RMC) Limited	172,027	672,810
Demo One Limited	194,792	7,412
McGrath Brothers (Holdings) Limited	857,871	(118,400)
McGrath Bros (Environmental) Limited	(1,265,885)	(1,348,380)
	<u>(41,195)</u>	<u>(786,558)</u>

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with members of the group headed by McGrath Brothers (Holdings) Limited on the grounds that the company is a wholly owned subsidiary and is included in the consolidated accounts

21. Ultimate parent undertaking

McGrath Brothers (Holdings) Limited, a company incorporated in Great Britain, is the company's ultimate parent undertaking

22. Post balance sheet events

There were no events since the year end which materially affected the company

McGrath Bros. (Waste Control) Limited

**Notes to the financial statements
for the year ended 30th November 2011**

continued

23 Gross cash flows

	2011	2010
	£	£
Returns on investments and servicing of finance		
Interest received	-	4,066
Interest paid	(261,945)	(274,128)
	(261,945)	(270,062)
Taxation		
Corporation tax paid	(38,610)	(13,588)
	2011	2010
	£	£
Capital expenditure		
Payments to acquire tangible assets	(680,369)	(1,231,971)
Receipts from sales of tangible assets	-	97,054
	(680,369)	(1,134,917)
Financing		
Capital element of hire purchase contracts	(1,507,993)	(1,414,179)

24. Analysis of changes in net debt

	Opening balance £	Cash flows £	Other changes £	Closing balance £
Cash at bank and in hand	19,805	(6,086)		13,719
Overdrafts	(740,881)	105,646		(635,235)
	(721,076)	99,560		(621,516)
Hire purchase contracts	(3,035,167)	1,507,993	(955,026)	(2,482,200)
Net debt	(3,756,243)	1,607,553	(955,026)	(3,103,716)