

Registered number: 02264638

Suez Environment UK Limited

Directors' report and financial statements

for the year ended 31 December 2013

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Suez Environment UK Limited

Contents

	Page
Strategic report	1
Directors' report	2 - 3
Independent auditor's report	4 - 5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8 - 12

Suez Environment UK Limited

**Strategic report
for the year ended 31 December 2013**

Business review

The company generated a profit after tax for the year ended 31 December 2013 of £95,000 (2012 - £15,187,000). This relates to interest received on group balances. In the previous financial year, dividend income of £15,000,000 was also received. A dividend was paid in the year of £11,100,000 (2012 - £14,399,000).

Principal risks and uncertainties

Suez Environment UK Limited is a holding company, and as such, is subject to the risks faced by its subsidiary trading companies. These risks are described in detail in the subsidiary company directors' reports.

This report was approved by the board on 27 June 2014 and signed on its behalf.



**C Chapron
Director**

Suez Environment UK Limited

Directors' report for the year ended 31 December 2013

The directors present their report and the financial statements for the year ended 31 December 2013.

Principal activities

The company acts as a holding company for SITA UK investments in the United Kingdom.

Results and dividends

The profit for the year, after taxation, amounted to £95,000 (2012 - £15,187,000).

A dividend payment of £11,100,000 has been made in the year (2012 - £14,399,000).

Directors

The directors who served during the year were:

C Chapron
E Taupin

No director who held office on 31 December 2013 had an interest in the company's shares either during the financial year or at 31 December 2013.

Directors' indemnity

The company has granted indemnity to one or more of its directors against liabilities in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

**Directors' report
for the year ended 31 December 2013**

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, 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 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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 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;
- 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's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Re-appointment of auditor

The re-appointment of auditor will be considered at the company's AGM.

This report was approved by the board on 27 June 2014 and signed on its behalf.



C Chapron
Director

Independent auditor's report to the shareholder of Suez Environment UK Limited

We have audited the financial statements of Suez Environment UK Limited for the year ended 31 December 2013, which comprise the Profit and loss account, the Balance sheet 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 auditor

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. This report is made solely to the company's member in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's member 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 member for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 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.

Suez Environment UK Limited

Independent auditor's report to the shareholder of Suez Environment UK Limited

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.



Jonathan Seaman (Senior statutory auditor)

for and on behalf of

Mazars LLP

Chartered Accountants and Statutory Auditor

Tower Bridge House

St Katharine's Way

London

E1W 1DD

Date: 30 June 2014

Suez Environment UK Limited

**Profit and loss account
for the year ended 31 December 2013**

	Note	2013 £000	2012 £000
Income from shares in group undertakings		-	15,000
Interest receivable and similar income	4	397	244
Interest payable and similar charges	5	(273)	-
		<hr/>	<hr/>
Profit on ordinary activities before taxation		124	15,244
Tax on profit on ordinary activities	6	(29)	(57)
		<hr/>	<hr/>
Profit for the financial year	12	<u>95</u>	<u>15,187</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2013 or 2012 other than those included in the Profit and loss account.

The notes on pages 8 to 12 form part of these financial statements.

Suez Environment UK Limited
Registered number: 02264638

Balance sheet
as at 31 December 2013

	Note	£000	2013 £000	£000	2012 £000
Fixed assets					
Investments	7		540,000		540,000
Current assets					
Debtors	8	15,332		22,412	
Creditors: amounts falling due within one year	9	(3,986)		(61)	
Net current assets			11,346		22,351
Net assets			551,346		562,351
Capital and reserves					
Called up share capital	11		505,000		505,000
Share premium account	12		3,491		3,491
Capital redemption reserve	12		13,940		13,940
Profit and loss account	12		28,915		39,920
Shareholders' funds - equity	13		551,346		562,351

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
27 June 2014



C Chapron
Director

The notes on pages 8 to 12 form part of these financial statements.

**Notes to the financial statements
for the year ended 31 December 2013**

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Having taken into account all available information including the support offered by the company to its UK subsidiary entities, in particular forecasts for the twelve months from the date of approval of the financial statements, and having performed the appropriate sensitivity analyses; the directors are of the opinion that it is appropriate to prepare the accounts on a going concern basis.

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.3 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.4 Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exception:

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the period in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. Operating profit

The company has no employees other than the directors, who did not receive any remuneration (2012 - £NIL) for services to this company.

For the year ended 31 December 2013 and the prior year, auditors' remuneration was borne by a fellow group company.

3. Staff costs

The company has no employees other than the directors, who did not receive any remuneration (2012 - £NIL) for services to this company.

Suez Environment UK Limited

**Notes to the financial statements
for the year ended 31 December 2013**

4. Interest receivable

	2013	2012
	£000	£000
Interest receivable from group companies	397	244

5. Interest payable

	2013	2012
	£000	£000
On loans from group undertakings	273	-

6. Taxation

	2013	2012
	£000	£000
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	29	60
Adjustments in respect of prior periods	-	(53)
Total current tax	29	7
Deferred tax (see note 10)		
Adjustments in respect of prior periods	-	50
Tax on profit on ordinary activities	29	57

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2012 - *lower than*) the standard rate of corporation tax in the UK of 23.25% (2012 - 24.5%). The differences are explained below:

	2013	2012
	£000	£000
Profit on ordinary activities before tax	124	15,244
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.25% (2012 - 24.5%)	29	3,735
Effects of:		
Adjustments to tax charge in respect of prior periods	-	(53)
Dividends from UK companies	-	(3,675)
Current tax charge for the year (see note above)	29	7

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

Suez Environment UK Limited

**Notes to the financial statements
for the year ended 31 December 2013**

7. Fixed asset investments

	Investments in subsidiary companies £000
Cost or valuation	
At 1 January 2013 and 31 December 2013	564,237
Impairment	
At 1 January 2013 and 31 December 2013	24,237
Net book value	
At 31 December 2013	540,000
<i>At 31 December 2012</i>	<i>540,000</i>

Subsidiary undertakings

The following were direct subsidiary undertakings of the company:

Name	Holding
SITA UK Group Holdings Limited	100 %
United Water UK Limited	100 %

SITA UK Group Holdings Limited acts as an investment holding company within the waste industry in the United Kingdom. It is registered in England & Wales.

United Water UK Limited formerly acted as an investment holding company, but is now non-trading. It is registered in England & Wales.

8. Debtors falling due within one year

	2013 £000	2012 £000
Amounts owed by group undertakings	15,330	22,409
Other debtors	2	3
	<u>15,332</u>	<u>22,412</u>

**9. Creditors:
Amounts falling due within one year**

	2013 £000	2012 £000
Amounts owed to group undertakings	3,956	-
Corporation tax	30	61
	<u>3,986</u>	<u>61</u>

Suez Environment UK Limited

**Notes to the financial statements
for the year ended 31 December 2013**

10. Deferred taxation

	2013 £000	2012 £000
At beginning of year	-	(50)
Charge for year (P&L)	-	50
At end of year	-	-

11. Share capital

	2013 £000	2012 £000
Allotted, called up and fully paid		
505,000,000 ordinary shares of £1 each	505,000	505,000

12. Reserves

	Share premium account £000	Capital redemption reserve £000	Profit and loss account £000
At 1 January 2013	3,491	13,940	39,920
Profit for the year	-	-	95
Dividends paid	-	-	(11,100)
At 31 December 2013	3,491	13,940	28,915

13. Reconciliation of movement in shareholders' funds

	2013 £000	2012 £000
Opening shareholders' funds	562,351	561,563
Profit for the financial year	95	15,187
Dividends (Note 14)	(11,100)	(14,399)
Closing shareholders' funds	551,346	562,351

14. Dividends

	2013 £000	2012 £000
Dividends paid on equity capital	11,100	14,399

**Notes to the financial statements
for the year ended 31 December 2013**

15. Related party transactions

Under the provisions of Financial Reporting Standard 8, the company is not required to disclose details of related party transactions with Group entities as it is a wholly owned subsidiary and the consolidated financial statements in which the company results are included are available to the public.

16. Ultimate parent undertaking and controlling party

At the year end the ultimate parent undertaking was Suez Environnement SAS, a company incorporated in France.

The largest and smallest group of which Suez Environment UK Limited is a member and for which group financial statements are drawn up is that headed by Suez Environnement SAS, whose group financial statements are available from Tour CB21, 16 Place de L'Iris, 92040 Paris La Defense Cedex, France.

In the opinion of the directors, at the year end Suez Environnement SAS controlled the company as a result of controlling 100% of the issued share capital of Suez Environment UK Limited.