

PINDEN LIMITED
DIRECTORS' REPORT AND FINANCIAL
STATEMENTS
FOR THE YEAR ENDED
30 SEPTEMBER 2010

MONDAY



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PINDEN LIMITED

COMPANY INFORMATION

Directors	K R Arnold S E Bishop S M Bishop T M Bishop T J Bishop
Company secretary	K R Arnold
Company number	05195416
Registered office	Waldens Depot Waldens Road Kent Great Britain BR5 4EU
Auditors	Creaseys LLP Chartered Accountants & Statutory Auditors 12 Lonsdale Gardens Tunbridge Wells Kent TN1 1PA

PINDEN LIMITED

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PINDEN LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2010

The directors present their report and the financial statements for the year ended

Statement of directors' responsibilities

The directors are responsible for preparing the 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 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 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.

Principal activities

The principal activity of the company continued to be the operation of a quarry and landfill site, waste recycling facility, the supply of recycled materials and the hire of tippers and skips.

Business review

The directors were satisfied with the improvement in the performance of the company in the year following the difficult trading conditions that persisted throughout the previous period.

Principal risks and uncertainties

The directors recognise the risk the current economic climate may have on the industry but feel that the company is in a strong position to maintain its growth and development.

Financial instruments

The Company's principal financial instruments comprise bank balances, bank overdrafts, trade creditors, trade debtors, and loans from financial institutions. The main purpose of these instruments is to raise funds for and to finance the Company's operations. Credit risk and cash flow risk relating to trade debtors are managed in house including regular monitoring of credit terms and credit limits. Liquidity risk associated with trade creditors is managed by ensuring sufficient funds are available to meet liabilities as they fall due.

Results

The loss for the year, after taxation, amounted to £34,495 (2009 - profit £227,670).

PINDEN LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2010

Directors

The directors who served during the year were

K R Arnold
S E Bishop
S M Bishop
T M Bishop
T J Bishop

Political and charitable contributions

The company made charitable donations of £455 (2009 - £4,063)

Provision of information to auditors

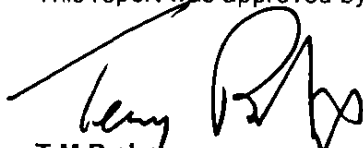
Each of the persons who are directors at the time when this directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are 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 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

The auditors, Creaseys LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board and signed on its behalf


T M Bishop
Director
24/3/11

PINDEN LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF PINDEN LIMITED

We have audited the financial statements of Pinden Limited for the year ended 30 September 2010, set out on pages 5 to 16. 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).

This report is made solely to the company's members, as a body, 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 members those matters we are required to state to them in an auditors' 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, 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 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.

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 30 September 2010 and of its loss 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 matter 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.

PINDEN LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF PINDEN LIMITED

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

Creaseys LLP

Graham Turpin BSc FCA (Senior statutory auditor)

for and on behalf of

Creaseys LLP

Chartered Accountants

Statutory Auditors

12 Lonsdale Gardens

Tunbridge Wells

Kent

TN1 1PA

30 March 2011

PINDEN LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2010

	Note	2010 £	2009 £
Turnover	1,2	8,584,728	7,330,232
Cost of sales		(5,491,215)	(5,019,598)
Gross profit		3,093,513	2,310,634
Administrative expenses		(2,993,366)	(1,769,318)
Operating profit	3	100,147	541,316
Interest receivable and similar income	4	817	17,117
Interest payable and similar charges	5	(82,920)	(141,142)
Profit on ordinary activities before taxation		18,044	417,291
Tax on profit on ordinary activities	6	(52,539)	(189,621)
(Loss)/profit for the financial year	17	(34,495)	227,670

All amounts relate to continuing operations

There were no recognised gains and losses for 2010 or 2009 other than those included in the profit and loss account

The notes on pages 7 to 16 form part of these financial statements

PINDEN LIMITED
REGISTERED NUMBER: 05195416

BALANCE SHEET
AS AT 30 SEPTEMBER 2010

	Note	£	2010 £	£	2009 £
Fixed assets					
Tangible assets	7		9,158,766		9,085,277
Investment property	8		114,833		114,833
Investments	9		104		104
			<u>9,273,703</u>		<u>9,200,214</u>
Current assets					
Stock	10	19,441		15,511	
Debtors	11	2,320,350		1,300,851	
Cash at bank and in hand		1,493,346		791,461	
		<u>3,833,137</u>		<u>2,107,823</u>	
Creditors amounts falling due within one year	12	(6,380,671)		(4,243,794)	
Net current liabilities			(2,547,534)		(2,135,971)
Total assets less current liabilities			<u>6,726,169</u>		<u>7,064,243</u>
Creditors , amounts falling due after more than one year	13		(3,406,408)		(3,870,749)
Provisions for liabilities					
Deferred tax	14	(209,682)		(263,847)	
Other provisions	15	(1,361,637)		(1,146,710)	
			<u>(1,571,319)</u>		<u>(1,410,557)</u>
Net assets			<u>1,748,442</u>		<u>1,782,937</u>
Capital and reserves					
Called up share capital	16		100		100
Profit and loss account	17		1,748,342		1,782,837
Shareholders' funds	18		<u>1,748,442</u>		<u>1,782,937</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
29/3/11

T M Bishop
 Director



Mark R. Arnold
 K R Arnold
 Director

The notes on pages 7 to 16 form part of these financial statements

PINDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

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

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 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts

Revenue is recognised when waste is deposited or when skips are delivered

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Freehold property	-	38 Years
Freehold land	-	Over the life of the void
Plant & machinery	-	25% reducing balance
Motor vehicles	-	25% reducing balance
Fixtures & fittings	-	25% reducing balance

No depreciation is provided on assets under construction. When complete, the asset is transferred to the relevant class and depreciated in accordance with the above policy

1.5 Investments

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

1.6 Investment properties

Investment properties are included in the balance sheet at their open market value in accordance with Statement of Standard Accounting Practice No 19 and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the company

PINDEN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2010

1 Accounting policies (continued)

1.7 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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 a constant periodic rate of charge on the net obligation outstanding in each period.

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.9 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.10 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.11 Provision for aftercare costs

Aftercare costs are the costs of reinstating the land fill site at the end of its usage and monitoring the site thereafter as required by the Environment Agency. Provision is made based on costs estimated at the balance sheet date. The provision is allocated over the estimated useful life of the site based on the rate of current landfill. The provision each year is discounted back to its present value.

2 Turnover

All turnover arose within the United Kingdom.

PINDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

3 Operating profit

The operating profit is stated after charging

	2010 £	2009 £
Depreciation of tangible fixed assets - owned by the company	1,026,159	1,043,646
Audit fees	9,200	8,450
Operating lease rentals - plant and machinery	5,298	5,858
	<u> </u>	<u> </u>

During the year, no director received any emoluments (2009 - £NIL)

4 Interest receivable

	2010 £	2009 £
Other interest receivable	817	17,117
	<u> </u>	<u> </u>

5 Interest payable

	2010 £	2009 £
On other loans	82,920	141,142
	<u> </u>	<u> </u>

PINDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

6 Taxation

	2010 £	2009 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	102,094	171,648
Adjustments in respect of prior periods	4,610	-
Total current tax	<u>106,704</u>	<u>171,648</u>
Deferred tax		
Origination and reversal of timing differences	(49,555)	(63,985)
Effect of increased tax rate on opening liability	-	81,958
Adjustments to tax charge in respect of prior periods	(4,610)	-
Total deferred tax (see note 14)	<u>(54,165)</u>	<u>17,973</u>
Tax on profit on ordinary activities	<u>52,539</u>	<u>189,621</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2009 - higher than) the standard rate of corporation tax in the UK of 28% (2009 - 28%) The differences are explained below

	2010 £	2009 £
Profit on ordinary activities before tax	<u>18,044</u>	<u>417,291</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2009 - 28%)	5,052	116,841
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	20,593	2,558
Depreciation for year in excess of capital allowances	118,461	96,931
Utilisation of tax losses	-	(38,800)
Adjustments to tax charge in respect of prior periods	4,610	-
Marginal relief	(171)	-
Site preparation relief s91B	(24,664)	-
Provision tax adjustment	(959)	(478)
Profit on disposals	(16,218)	(5,404)
Current tax charge for the year (see note above)	<u>106,704</u>	<u>171,648</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges

PINDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

7 Tangible fixed assets

	Land and buildings £	Assets under construction £	Plant & machinery £	Motor vehicles £
Cost				
At 1 October 2009	5,010,483	1,263,188	4,036,750	1,951,182
Additions	51,309	339,047	551,946	346,505
Disposals	-	-	(388,000)	(94,508)
Transfer between classes	1,601,805	(1,601,805)	-	-
At 30 September 2010	6,663,597	430	4,200,696	2,203,179
Depreciation				
At 1 October 2009	459,450	-	1,803,566	921,595
Charge for the year	184,746	-	576,825	262,200
On disposals	-	-	(214,684)	(73,246)
At 30 September 2010	644,196	-	2,165,707	1,110,549
Net book value				
At 30 September 2010	6,019,401	430	2,034,989	1,092,630
At 30 September 2009	4,551,033	1,263,188	2,233,184	1,029,587
			Fixtures & fittings £	Total £
Cost				
At 1 October 2009			10,465	12,272,068
Additions			5,419	1,294,226
Disposals			-	(482,508)
Transfer between classes			-	-
At 30 September 2010			15,884	13,083,786
Depreciation				
At 1 October 2009			2,180	3,186,791
Charge for the year			2,388	1,026,159
On disposals			-	(287,930)
At 30 September 2010			4,568	3,925,020
Net book value				
At 30 September 2010			11,316	9,158,766
At 30 September 2009			8,285	9,085,277

Assets under construction includes site preparation expenditure incurred in relation to the creation of a new landfill cell

PINDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

8 Investment property

	Freehold investment property £
Cost	
At 1 October 2009 and 30 September 2010	114,833
The 2010 valuations were made by the directors, on an open market value for existing use basis	

9 Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 October 2009 and 30 September 2010	104
Net book value	
At 30 September 2010	104
At 30 September 2009	104

Subsidiary undertakings

The following were subsidiary undertakings of the company

Name	Class of shares	Holding
Erith Waste Management Limited	Ordinary	100 %
Bexleyheath Skips Limited	Ordinary	100 %
Erith Waste Recycling Limited	Ordinary	100 %

The aggregate of the share capital and reserves as at 30 September 2010 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Erith Waste Management Limited	280,076	56,934
Bexleyheath Skips Limited	2	-
Erith Waste Recycling Limited	2	-

10 Stock

	2010 £	2009 £
Fuel stock	19,441	15,511

PINDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

11 Debtors

	2010 £	2009 £
Trade debtors	2,312,452	1,272,617
Other debtors	2,272	-
Prepayments and accrued income	5,626	28,234
	<u>2,320,350</u>	<u>1,300,851</u>

12 Creditors Amounts falling due within one year

	2010 £	2009 £
Bank loans and overdrafts	460,812	451,707
Trade creditors	861,552	526,879
Amounts owed to group undertakings	3,845,082	2,436,070
Corporation tax	106,704	171,648
Social security and other taxes	1,019,156	556,156
Other creditors	32,980	60,561
Accruals and deferred income	54,385	40,773
	<u>6,380,671</u>	<u>4,243,794</u>

13 Creditors Amounts falling due after more than one year

	2010 £	2009 £
Bank loans	<u>3,406,408</u>	<u>3,870,749</u>

Included within the above are amounts falling due as follows

	2010 £	2009 £
Between one and two years		
Bank loans	<u>460,811</u>	<u>451,707</u>
Between two and five years		
Bank loans	<u>1,382,435</u>	<u>1,355,121</u>
Over five years		
Bank loans	<u>1,563,162</u>	<u>2,063,921</u>

PINDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

13 Creditors Amounts falling due after more than one year (continued)

Creditors include amounts not wholly repayable within 5 years as follows

	2010 £	2009 £
Repayable by instalments	1,563,162	2,063,921

The long term bank loans are secured by a Mortgage Debenture dated 24 December 2004 over the assets of Pinden Limited, Watch It Come Down Limited and Syd Bishop & Sons (Demolition) Limited together with a First Legal Mortgage over Pinden Quarry Landfill Site, Longfield, Kent and Maybank Quarry, Strawmill Hill, Tovil, Maidstone, Kent. It is also secured by a Cross Guarantee for all advances among Syd Bishop & Sons (Demolition) Limited, Pinden Limited and Watch It Come Down Limited and an assignment over the Permit granted by the Environmental Agency authorising the disposal of hazardous and inert waste in the name of Pinden Limited at the Pinden Quarry Landfill Site.

There are two bank loans payable by instalments. The first loan period is 17 years from 24 December 2004 and is repayable by quarterly instalments of £106,533. The second loan period is 15 years from 23 April 2008 and is repayable by quarterly instalments of £28,006. Both loans attract interest at a rate of 1.5% above the Allied Irish Bank base rate.

14 Deferred taxation

	2010 £	2009 £
At beginning of year	263,847	245,874
(Released during)/charge for year	(54,165)	17,973
At end of year	209,682	263,847

The provision for deferred taxation is made up as follows

	2010 £	2009 £
Accelerated capital allowances	209,682	263,847

15 Provisions

	Provisions £
At 1 October 2009	1,146,710
Additions	214,927
At 30 September 2010	1,361,637

Provisions

The aftercare provision relates to the Company's obligation to restore land after quarrying and landfill, which is expected to take place in 34 years time.

PINDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

16 Share capital

	2010 £	2009 £
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100

17 Reserves

	Profit and loss account £
At 1 October 2009	1,782,837
Loss for the year	(34,495)
At 30 September 2010	1,748,342

18 Reconciliation of movement in shareholders' funds

	2010 £	2009 £
Opening shareholders' funds	1,782,937	1,555,267
(Loss)/profit for the year	(34,495)	227,670
Closing shareholders' funds	1,748,442	1,782,937

19 Operating lease commitments

At 30 September 2010 the company had annual commitments under non-cancellable operating leases as follows

	2010 £	2009 £
Expiry date		
Within 1 year	4,914	-
Between 2 and 5 years	-	4,914

20 Directors' remuneration

The directors received no remuneration for their services during the period

PINDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

21 Staff costs

Staff costs were as follows

	2010 £	2009 £
Wages and salaries	2,212,971	2,141,575
Social security costs	204,797	198,880
Other pension costs	28,500	2,631
	<u>2,446,268</u>	<u>2,343,086</u>

The average monthly number of employees, including the directors, during the year was as follows

	2010	2009
Administration staff	13	13
Production staff	50	48
	<u>63</u>	<u>61</u>

22 Ultimate parent undertaking and controlling party

The company is a wholly owned subsidiary of Syd Bishop & Sons (Demolition) Limited, a company incorporated in the United Kingdom and is controlled by the board of directors of this company. The ultimate controlling party is Watch It Come Down Limited, a company incorporated in the United Kingdom.

23 Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.