Registration number 4603621

Argyll Environmental Ltd

Directors' Report and Financial Statements

for the Year Ended 30 September 2012

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Argyll Environmental Ltd

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Argyll Environmental Ltd

Company Information

Directors	A Turck J S Boyle C S Taylor D Callcott R H Barnes S J Stout
Company secretary	D Callcott
Registered office	7 Abbey Court Eagle Way Sowton Industrial Estate Exeter EX2 7HY
Bankers	The Royal Bank of Scotland Corporate Services Commercial and Industrial PO BOX 32844 Regents House London N1 8FT
Solicitors	Michelmores Woodwater House Pynes Hill Exeter EX2 5WR
Auditor	Deloitte LLP Bristol

Argyll Environmental Ltd

Directors' Report for the Year Ended 30 September 2012

The directors present their annual report on the affairs of the company, together with the audited financial statements and the Independent Auditor's Report for the year ended 30 September 2012

Principal activity
The principal activity of the company is that of environmental consultants There have not been any significant changes in the company's principal activity in the period under review

The company's year end changed to 30th September in the prior year to be consistent with other group companies

Going concern
The company has adequate financial resources together with long-term relationships with a number of customers As a consequence, the directors believe the company is well placed to manage its business risks successfully despite the current uncertain economic outlook

After making enquiries and taking account of the factors noted above, the directors have a reasonable expectation that the company will have access to adequte resources to continue in existence for the forseeable future Accordingly, they continue to adopt the going concern basis in preparing the financial statements

Business review
The company is a wholly owed subsidiary of Daily Mail and General Trust plc (DMGT) and operates as part of the group's business-to-business division

DMGT manages its operations on a divisional basis For this reason the company's directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business The performance of dmg information, the business division of DMGT which includes the company, is discussed in the group's Annual Report which does not form part of this report

The directors expect the general level of activity of the company to remain consistent with prior years and the company's activities are not expected to change substantially

There have been no significant events since the balance sheet date

Results and dividends
The company performed well during the period The profit and loss account on page 7 of the financial statements shows a profit of £156,174 for the year to 30 September 2012 (18 months to 30 September 2011 £36,803) The balance sheet on page 8 of the financial statements shows that the net asset position of the company has increased to £271,199 (2011 - £115,025)

The directors do not recommend the payment of a dividend (2011- £nil)

Principal risks and uncertainties
The company's activities expose it to a number of financial risks The company's main financial risk is primarily attributable to its trade debtors The amounts presented in the balance sheet are net of allowances for doubtful debts An allowance for impairment is made where there is sufficient doubt over recoverability based on previous experience The company has no significant concentration of credit risk, with exposure spread over a large number of customers

Directors of the company
The directors who held office during the year and up to the date of this report, except where stated, were as follows

A Turck

J S Boyle

C S Taylor

D Callcott - Company secretary and director

R H Barnes

S J Stout

J S G Sherwood-Rogers (resigned 3 January 2012)

Disclosure of information to the auditor
Each of the persons who is a director at the date of approval of this report confirms that

- so far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

Reappointment of auditor
Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting

Approved by the Board on 27 March 2013 and signed on its behalf by

D Callcott
Company secretary and director

Argyll Environmental Ltd

Directors' Responsibilities Statement

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 apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, 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'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

Independent Auditor's Report to the Members of Argyll Environmental Ltd

We have audited the financial statements of Argyll Environmental Ltd for the year ended 30 September 2012 which comprise the Profit and Loss Account, the Balance sheet and the related notes 1 to 17 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 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 members as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, 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 30 September 2012 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 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

..... *(continued)*

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

Andrew Wright

Andrew Wright (Senior Statutory Auditor)
For and on behalf of Deloitte LLP, Chartered Accountants and Statutory Auditor
Bristol, United Kingdom

Date 28 March 2013

Argyll Environmental Ltd

Profit and Loss Account for the Year Ended 30 September 2012

	Note	Year ended 30 September 2012 £	18 months ended 30 September 2011 £
Turnover	1	1,790,438	2,189,800
Cost of sales		(628,283)	(1,055,585)
Gross profit		1,162,155	1,134,215
Administrative expenses		(943,131)	(1,077,672)
Operating profit	2	219,024	56,543
Other interest receivable and similar income	3	4	-
Profit on ordinary activities before taxation		219,028	56,543
Tax charge on profit on ordinary activities	4	(62,854)	(19,740)
Profit for the financial year	14	156,174	36,803

The company has no recognised gains or losses for the year or the prior period other than the results above and therefore no separate statement of total recognised gains and losses has been presented

There is no difference between the profit for the periods stated above, and their historical cost equivalents

Turnover and operating profit derive wholly from continuing perations

The notes on pages 9 to 18 form an integral part of these financial statements

Argyll Environmental Ltd

(Registration number 4603621)

Balance Sheet at 30 September 2012

	Note	2012 £	2011 £
Fixed assets			
Intangible fixed assets	7	91,049	96,618
Tangible fixed assets	8	28,546	23,456
Investments	9	100	-
		119,695	120,074
Current assets			
Debtors	10	831,988	221,567
Cash at bank and in hand		18,513	62,609
		850,501	284,176
Creditors Amounts falling due within one year	11	(698,997)	(289,225)
Net current assets/(liabilities)		151,504	(5,049)
Net assets		271,199	115,025
Share Capital and Reserves			
Called up share capital	13	145,750	145,750
Profit and loss account	14	125,449	(30,725)
Shareholders' funds		271,199	115,025

Approved by the Board on 27 March 2013 and signed on its behalf by

D Callcott
Company secretary and director

The notes on pages 9 to 18 form an integral part of these financial statements

1 Accounting policies

Basis of preparation

The financial statements are prepared in accordance with applicable United Kingdom accounting standards The particular accounting policies adopted, which have been applied consistently throughout the current year and the prior financial period, are described below

The current accounting period is the year to 30 September 2012, the prior period relates to the 18 month period from 1 April 2010 to 30 September 2011

The financial statements are prepared under the historical cost convention

Going concern

The company has adequate financial resources together with long-term relationships with a number of customers As a consequence, the directors believe the company is well placed to manage its business risks successfully despite the current uncertain economic outlook

After making enquiries and taking account of the factors noted above, the directors have a reasonable expectation that the company will have access to adequte resources to continue in existence for the forseeable future Accordingly, they continue to adopt the going concern basis in preparing the financial statements

Intangible fixed assets

Intangible assets with finite lives are stated at cost less accumulated amortisation and impairment losses Amortisation is charged to the profit and loss account on a straight line basis, with a full year's charge in the year of acquisition and none in the year of disposal The useful estimated lives are as follows

Asset class	Amortisation method and rate
Website development costs	10% straight line

Website design and content development costs are capitalised only to the extent that they lead to the creation of an enduring asset delivering benefits at least as great as the amount capitalised If there is insufficient evidence on which to base reasonable estimates of the economic benefits that will be generated in the period until the design and content are updated, the costs of developing the design and content are charged to the profit and loss account as incurred

Tangible fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation and any provision for impairment

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset evenly over its expected useful life at the following rates

Asset class	Depreciation method and rate
Fixtures and fittings	25% reducing balance
Plant and machinery	25% on cost

Investments

Investments in subsidiaries held for the long term are stated at cost, less any provision for impairment, where appropriate

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Deferred tax is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered Deferred tax assets and liabilities are not discounted

Turnover

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties The turnover for the period was derived from the company's principal activity which the directors consider to relate to one class of business All turnover arises in the United kingdom Turnover is recognised when the information relating to environmental or property issues has been delivered to the customer

Pensions

The company operates a defined contribution pension scheme The pension cost represents the contribution payable to the pension scheme in respect of the accounting period

Cash flow

The company is a wholly owned subsidiary of DMGT and the cash flows of the company are included in the consolidated cash flow of that company Consequently the company is exempt under the terms of FRS 1(revised) from publishing a separate cash flow statement

Operating leases

Rentals paid under operating leases are charged to income on a straight line basis over the term of the lease

2 Operating profit

Operating profit is stated after charging

	Year ended 30 September 2012 £	18 months ended 30 September 2011 £
Operating leases - other assets	52,680	73,317
Auditor's remuneration	10,028	-
Loss on sale of intangible fixed assets	-	17,814
Depreciation of owned assets	9,512	30,356
Amortisation	5,569	20,409

In the 18 months to 30 September 2011, the audit fee of £7,000 was borne by Landmark Information Group Limited, a fellow group company and not recharged

3 Other interest receivable and similar income

	Year ended 30 September 2012 £	18 months ended 30 September 2011 £
Bank interest receivable	4	-

4 Taxation

Tax charge on profit on ordinary activities

	Year ended 30 September 2012 £	18 months ended 30 September 2011 £
Current tax		
Corporation tax charge at 25% (2011 27%)	58,501	23,464
Adjustments in respect of previous years	1,468	2,941
Current tax charge	59,969	26,405
Deferred tax		
Origination and reversal of timing differences	(30)	(330)
Deferred tax adjustment relating to previous years	2,915	(6,335)
Total deferred tax	2,885	(6,665)
Tax charge on profit on ordinary activities	62,854	19,740

Factors affecting current tax charge for the year

Tax on profit on ordinary activities for the year is higher than (2011 higher than) the standard rate of corporation tax in the UK of 25% (2011 27%) The differences are reconciled below

	Year ended 30 September 2012 £	18 months ended 30 September 2011 £
Profit on ordinary activities before taxation	219,028	56,543
Corporation tax at standard rate 25% (2011 27%)	54,757	15,267
Difference between depreciation and capital allowances	(260)	3,284
Expenses not deductible for tax purposes	4,004	4,913
Prior period adjustments	1,468	2,941
Total current tax	59,969	26,405

Factors that may affect future tax charges

The main rate of corporation tax has been reduced from 26% to 24% with effect from 1 April 2012 Accordingly, current tax has been provided for at an effective rate of 25% in these financial statements
Under UK GAAP, deferred tax is calculated at the tax rate that has been enacted or substantively enacted at the balance sheet date Legislation was passed in July 2012 to reduce the main rate of UK corporation tax from 24% to 23% from 1 April 2013 Hence, the rate of 23% has been applied in the calculation of deferred tax

The UK government has announced a further reduction to the main rate to 21% from 1 April 2014 However, this further reduction has not been substantively enacted at the balance sheet date and is therefore not reflected in these financial statements

5 Particulars of employees including directors

The aggregate payroll costs were as follows

	Year ended 30 September 2012 £	18 months ended 30 September 2011 £
Wages and salaries	474,762	399,872
Social security costs	96,945	164,894
Staff pensions	14,404	5,641
	586,111	570,407

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows

	Year ended 30 September 2012 No	18 months ended 30 September 2011 No
Administration and support	18	13

6 Directors' remuneration

The directors' remuneration for the period was as follows

	Year ended 30 September 2012 £	18 months ended 30 September 2011 £
Aggregate emoluments (including benefits in kind)	160,744	210,297

D Callcott, R H Barnes and S J Stout are directors of Landmark Information Group Ltd and Argyll Environmental Ltd Total directors remuneration for Landmark Information Group Ltd for the year was £1,122,257 (2011 - £954,370) It is not practicable to allocate this between the directors' services as directors of Landmark Information Group Ltd and Argyll Environmental Ltd

7 Intangible fixed assets

	Website development costs £
Cost	
At 1 October 2011 and 30 September 2012	135,903
Amortisation	
At 1 October 2011	39,285
Charge for the year	5,569
At 30 September 2012	44,854
Net book value	
At 30 September 2012	91,049
At 30 September 2011	96,618

8 Tangible fixed assets

	Short leasehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 October 2011	-	37,450	10,920	48,370
Additions	10,253	1,589	2,760	14,602
At 30 September 2012	10,253	39,039	13,680	62,972
Depreciation				
At 1 October 2011	-	14,744	10,170	24,914
Charge for the year	-	8,319	1,193	9,512
At 30 September 2012	-	23,063	11,363	34,426
Net book value				
At 30 September 2012	10,253	15,976	2,317	28,546
At 30 September 2011	-	22,706	750	23,456

9 Investments

Investments

	Subsidiary undertakings £
Cost	
Reclassification	100
At 30 September 2012	100
Provision for impairment	
30 September 2012	-
Net book value	
At 30 September 2012	100
At 30 September 2011	-

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows

Undertaking	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiary undertakings			
Ensura Limited	Ordinary	100%	Insurance broker

The company has held 100% of the shares in Ensura Limited since June 2005 This investment was previously held within intercompany debtors and has now been reclassified to fixed asset investments

10 Debtors

	2012 £	2011 £
Trade debtors	287,109	183,292
Amounts owed by group undertakings	523,904	23,085
Other debtors	-	8,525
Deferred tax	3,780	6,665
Prepayments and accrued income	17,195	-
	831,988	221,567

11 Creditors Amounts falling due within one year

	2012 £	2011 £
Trade creditors	51,059	23,642
Amounts owed to group undertakings	419,400	170,204
Corporation tax	59,943	21,731
Other taxes and social security	71,297	32,675
Other creditors	16,035	40,973
Accruals and deferred income	81,263	-
	698,997	289,225

12 Deferred tax asset

The movement in the deferred tax asset in the year is as follows

	2012 £	2011 £
At start of the period	6,665	-
Deferred tax (charged)/credited to the profit and loss account	(2,885)	6,665
At end of the period	3,780	6,665

Analysis of deferred tax

	2012 £	2011 £
Difference between accumulated depreciation and capital allowances	3,780	6,665

13 Share capital

Allotted, called up and fully paid shares

	2012		2011	
	No	£	No	£
Ordinary A of £1 each	17,000	17,000	17,000	17,000
Ordinary B of £0 50 each	32,000	16,000	32,000	16,000
Ordinary C of £0 25 each	51,000	12,750	51,000	12,750
Ordinary D of £1 each	100,000	100,000	100,000	100,000
	200,000	145,750	200,000	145,750

14 Reserves

	Profit and loss account £
At 1 October 2011	(30,725)
Profit for the year	156,174
At 30 September 2012	125,449

15 Commitments

Operating lease commitments

As at 30 September 2012 and 2011 the Company had annual commitments under non-cancellable operating leases as follows

Operating leases which expire

	2012 £	2011 £
Land and buildings		
Within two and five years	41,600	41,600

16 Related party transactions

Since 12 October 2010 the company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from the requirement to disclose related party transactions with companies, where 100% of the share capital is controlled within the Group, by virtue of being a wholly owned subsidiary of a company the financial statements of which are publicly available

In the period between 1 April 2010 and 12 October 2010, Agryll Environmental Ltd purchased goods to the value of £1,655 on behalf of Ensura Ltd, a 100% subsidiary of the company During the same period Argyll Environmental Ltd made sales of £2,279 to Ensura Ltd At 12 October 2010 £21,020 was owed by Ensura Ltd to Argyll Environmental Ltd

17 Ultimate parent company and controlling party

The company is controlled by Rothermere Continuation Limited which is incorporated in Bermuda The ultimate controlling party is the Viscount Rothermere, who is a director of Daily Mail and General Trust plc The company's immediate parent undertaking at the balance sheet date was EDR Landmark Group Limited

The largest and smallest group of which the company is a member and for which Group Accounts are drawn up is that of Daily Mail and General Trust plc, incorporated in Great Britain Copies of the Report and Accounts are available from

The Company Secretary
Daily Mail and General Trust plc
Northcliffe House
2 Derry Street
London
W8 5TT

The ultimate controlling party is Viscount Rothermere