

Gyb Services Limited

Private limited with Share Capital

Company No : **04897142**

Registered Address:

**280 Fifers Lane
Norwich
Norfolk**

NR6 6EQ

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Financial Statements GYB Services Limited

For the period from 2 February 2009 to 31 January 2010

TUESDAY



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Company No 04897142

Company Information

Company registration number	04897142
Registered office	280 Fifers Lane Norwich Norfolk NR6 6EQ
Directors	P W Adams P M Hawes A T Williams
Secretary	A J Merricks
Bankers	Co-operative Bank Olympic House 6 Olympic Court Salford M5 2QP
Auditor	Grant Thornton UK LLP Chartered Accountants Statutory Auditor Kingfisher House 1 Gilders Way St James Place Norwich NR3 1UB

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Report of the directors

The directors present their report and the financial statements of the company for the period from 2 February 2009 to 31 January 2010

Principal activity and business review

The principal activity of the company is that of refuse, cleansing and maintenance services

Overview

The company continued to work largely for Great Yarmouth Borough Council, and continues to work in partnership with them to deliver improved refuse and environmental services in the Borough

The figures in this report have been significantly affected by the application of Financial Reporting Standard 17. The Board believes that in order to gain a true reflection and appreciation of the company's trading activities, the financial key performance indicators ("KPI's"), discussed below, should be stated before the impact of FRS 17 (see footnote)

Prior to FRS 17 pension adjustments the company made an operating profit of £229,409 (2009 £229,566). Whilst both gross and net margins were lower than anticipated, the Board are satisfied that the 2009-10 results do not constitute a fundamental deterioration in the company's ongoing commercial viability.

Outlook

The company has a long term agreement with Great Yarmouth Borough Council covering the bulk of its activities, and continues to develop its commercial waste collection business in conjunction with its parent company, through Norse Waste Solutions.

Key performance indicators

The company uses a range of performance measures to monitor and manage the business effectively. The financial measures are reported on using the Balanced Scorecard performance monitoring system.

The key financial performance indicators are turnover, gross profit and margin and net profit and margin. The key non-financial indicator is the average number of employees employed by the company. The KPI's for the period to 31 January 2010 together with comparatives for period to 1 February 2009 are as follows:

	2010	2009
Turnover	£9,706,818	£8,731,436
Gross profit	£1,878,573	£1,699,164
Gross profit margin	19.35%	19.46%
Net profit before tax	£229,562	£231,187
Net profit margin	2.36%	2.65%
Average number of employees	199	188

Results and dividends

The profit for the financial period amounted to £4,037 (2009 £1,437). The directors have not recommended a dividend.

FRS 17 pension adjustment represents the difference between employer contributions paid (£458,000) and the pension cost charged to operating profit (£529,000) plus the net finance charge within interest payable (£155,000).

Financial risk management objectives and policies

In common with other businesses, the company aims to minimise financial risk. The measures used by the directors to manage this risk include the preparation of profit and cash flow forecasts, regular monitoring of actual performance against these forecasts and ensuring that adequate financing facilities are in place to meet the requirements of the business. Trade debtors are closely monitored to keep the risk of bad debts to a minimum level.

Credit risk

Credit limits are set for customers based on a combination of credit checks and trading history, the limits are reviewed regularly and the debts are actively chased by the credit control department.

Liquidity risk

Working capital requirements are regularly reviewed in conjunction with available financing facilities as part of routine financial management.

Currency risk

As the vast majority of both sales and purchases are transacted in sterling, the company has minimal exposure to translation and transaction foreign exchange risk.

Directors

The directors who served the company during the period were as follows:

P W Adams
P M Hawes
A T Williams

GYB Services Limited is a 100% owned subsidiary of Norse Commercial Services Limited. The ultimate controlling party is Norfolk County Council.

The company maintains liability insurance for its directors and officers. The directors and officers have also been granted a qualifying third party provision under section 234 of the Companies Act 2006. Neither the company's indemnity nor insurance provides cover in the event that a director or officer is proved to have acted fraudulently or dishonestly.

Policy on the payment of creditors

The company endeavours to pay all invoices by the end of the month following the month of invoice.

Statement of directors' responsibilities

The directors are responsible for preparing the report of the directors 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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 then apply them consistently,
- make judgements and 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 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.

In so far as each of the directors is aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Disabled employees

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities. In the event of employees becoming disabled, every effort is made to retrain them in order that their employment with the company may continue.

It is the policy of the company that training, career development and promotion opportunities should be available to all employees.

Employee involvement

The company has continued the Council's practice of keeping employees informed of matters affecting them as employees and the financial and economic factors affecting the performance of the company. This is achieved through consultations with employee representatives and a company newsletter.

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'A J Merricks', written over a vertical line that extends from the text 'BY ORDER OF THE BOARD' above.

A J Merricks
Secretary
16 June 2010



Independent auditor's report to the member of GYB Services Limited

We have audited the financial statements of GYB Services Limited for the period ended 31 January 2010 which comprise the profit and loss account, the balance sheet, the statement of total recognised gains and losses 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).

This report is made solely to the company's member, 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 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.

Respective responsibilities of directors and auditor

As explained more fully in the statement of directors responsibilities set out on page 5, 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/UKNP.

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 31 January 2010 and of its profit for the period 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

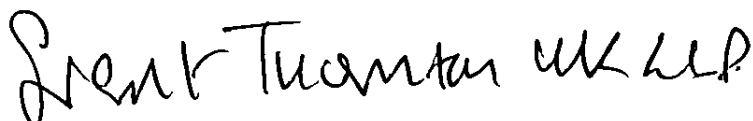
In our opinion the information given in the report of the directors' for the financial period for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the member of GYB Services Limited (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



Patrick Harris
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
NORWICH

16.6.2010

Principal accounting policies

Basis of accounting

The financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and under the historical cost convention

The financial statements have been prepared on the going concern basis, notwithstanding the deficit on shareholders funds. The deficit arises on the inclusion of the pension fund liability which is a long term liability and, as such, does not affect the ability of the company to pay its short term liabilities

The company has been profitable and forecasts prepared by the directors indicate that it will continue to trade profitably in the current financial year. The company also does not have any external borrowings as any finance required is provided by the parent company, Norse Commercial Services Limited, via an intercompany loan account. As a consequence the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook. Accordingly, it remains appropriate to prepare the financial statements on a going concern basis

The principal accounting policies are set out below

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard 1 (revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is a subsidiary undertaking where 90% or more of the voting rights are controlled within the group, and consolidated financial statements in which the company is included are publicly available

Turnover

Turnover represents the amount derived from the provision of services, excluding VAT and trade discounts, charged on an accruals basis and recognised to the extent that the company has obtained the right to consideration through its performance

In the case of long term contracts, turnover reflects the contract activity during the period and represents the proportion of total contract value which costs incurred to date bear to total expected contract costs

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account on a straight line basis over the lease term

Pension costs and other post-retirement benefits

Defined benefit scheme

The amounts charged to operating profit are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the profit and loss account if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in the statement of total recognised gains and losses

Pension costs and other post-retirement benefits (continued)

The defined benefit scheme is funded, with the assets of the scheme held separately from those of the company, in a separate trustee-administered fund. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are prepared on a triennial basis and updated annually.

The resulting defined benefit asset or liability, net of the related deferred tax, is presented separately after other net assets on the face of the balance sheet. Further details regarding the company pension scheme are contained in note 11 to the financial statements.

Taxation

The charge for taxation is based on the result for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised on all timing differences where the transactions or events that give an obligation to pay more tax, or a right to pay less tax, in the future, have occurred but not reversed by the balance sheet date.

Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date and is not discounted.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Transactions with related parties

The company has taken advantage of the exemptions available under Financial Reporting Standard 8 (revised) whereby wholly owned group undertakings do not have to disclose transactions with other wholly owned members of the same group.

Profit and loss account

	Note	Period from 2 Feb 09 to 31 Jan 2010 £	Period from 28 Jan 08 to 1 Feb 09 £
Turnover	1	9,706,818	8,731,436
Cost of sales		(7,899,245)	(7,312,272)
Gross profit		1,807,573	1,419,164
Other operating charges	2	(1,649,164)	(1,469,598)
Operating profit/(loss)	3	158,409	(50,434)
Interest receivable and similar income	5	153	56,621
Interest payable and similar charges	6	(155,000)	-
Profit on ordinary activity before taxation		3,562	6,187
Tax on profit on ordinary activity	7	475	(4,750)
Profit for the financial period	16	<u>4,037</u>	<u>1,437</u>

All of the activities of the company are classed as continuing

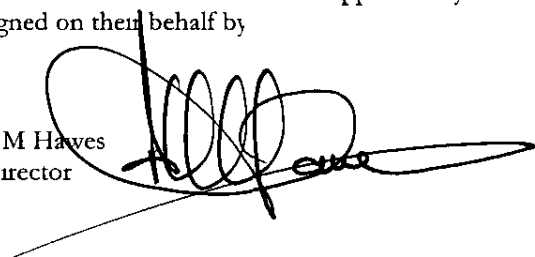
The accompanying accounting policies and notes form part of these financial statements.

Balance sheet

	Note	31 Jan 10 £	1 Feb 09 £
Current assets			
Debtors	8	1,270,565	1,327,371
Cash at bank		2,406	2,617
		<u>1,272,971</u>	<u>1,329,988</u>
Creditors, amounts falling due within one year	9	<u>(785,243)</u>	<u>(1,009,017)</u>
Total assets less current liabilities		<u>487,728</u>	<u>320,971</u>
Defined benefit pension scheme liability	11	<u>(2,082,960)</u>	<u>(1,374,480)</u>
Net liabilities		<u><u>(1,595,232)</u></u>	<u><u>(1,053,509)</u></u>
Capital and reserves			
Called-up equity share capital	15	2	2
Profit and loss account	16	<u>(1,595,234)</u>	<u>(1,053,511)</u>
Equity shareholder's deficit	17	<u><u>(1,595,232)</u></u>	<u><u>(1,053,509)</u></u>

These financial statements were approved by the directors and authorised for issue on 16 June 2010 and signed on their behalf by

P M Hawes
Director



Other primary statement

Statement of total recognised gains and losses

	Period from 2 Feb 09 to 31 Jan 2010 £	Period from 28 Jan 08 to 1 Feb 09 £
Profit for the financial period	4,037	1,437
Actuarial loss in respect of defined benefit pension scheme	(758,000)	(1,716,000)
Deferred tax credit in respect of defined benefit pension scheme	212,240	480,480
Total gains and losses recognised for the period	<u>(541,723)</u>	<u>(1,234,083)</u>

The accompanying accounting policies and notes form part of these financial statements.

Notes to the financial statements

1 Turnover

Turnover which took place in the UK, is attributable to the following class of business

	Period from 2 Feb 09 to 31 Jan 2010	Period from 28 Jan 08 to 1 Feb 09
	£	£
Refuse, cleansing and maintenance services	<u>9,706,818</u>	<u>8,731,436</u>

2 Other operating charges

	Period from 2 Feb 09 to 31 Jan 2010	Period from 28 Jan 08 to 1 Feb 09
	£	£
Administrative expenses	<u>1,649,164</u>	<u>1,469,598</u>

3 Operating profit/(loss)

Operating profit/(loss) is stated after charging

	Period from 2 Feb 09 to 31 Jan 2010	Period from 28 Jan 08 to 1 Feb 09
	£	£
Auditor's remuneration		
Audit fees	4,800	4,700
- Non audit fees - tax compliance	2,130	2,000
- Non audit fees - accountancy services	900	1,120
Operating lease costs		
Plant and equipment	<u>471,579</u>	<u>468,756</u>

4 Particulars of employees

The average number of staff employed by the company during the financial period amounted to

	Period from 2 Feb 09 to 31 Jan 2010 Number	Period from 28 Jan 08 to 1 Feb 09 Number
Production staff	176	167
Administrative staff	23	21
	<u>199</u>	<u>188</u>

The aggregate payroll costs of the above were

	Period from 2 Feb 09 to 31 Jan 2010 £	Period from 28 Jan 08 to 1 Feb 09 £
Wages and salaries	4,120,646	4,096,313
Social security costs	299,017	296,682
Pension costs (note 11)	529,000	705,000
	<u>4,948,663</u>	<u>5,097,995</u>

Other pension costs are amounts charged to operating profit and do not include amounts credited to finance income (note 5)/debited to finance charges (note 6) and amounts recognised in the statement of recognised gains and losses

The directors did not receive any emuneration from the company in either the current of preceding period

Retirement benefits are accruing to one (2009 - one) director under a group defined benefit scheme

5 Interest receivable and similar income

	Period from 2 Feb 09 to 31 Jan 2010 £	Period from 28 Jan 08 to 1 Feb 09 £
Net finance income in respect of defined benefit pension scheme (note 11)	-	55,000
Interest on corporation tax	153	1,621
	<u>153</u>	<u>56,621</u>

6 Interest payable and similar charges

	Period from 2 Feb 09 to 31 Jan 2010 £	Period from 28 Jan 08 to 1 Feb 09 £
Net finance cost in respect of defined benefit pension scheme (note 11)	155,000	-
	<u>155,000</u>	<u>-</u>

7 Taxation on profit on ordinary activity

(a) Analysis of (credit)/charge in the period

	Period from 2 Feb 09 to 31 Jan 2010 £	Period from 28 Jan 08 to 1 Feb 09 £
Current tax		
In respect of the period		
UK Corporation tax based on the results for the period at 28%	63,990	73,687
Adjustments in relation to prior periods	<u>(1,474)</u>	<u>(1,733)</u>
Total current tax (note 7(b))	62,516	71,954
Deferred tax		
Origination and reversal of timing differences - defined benefit pension (note 10)	(63,280)	(63,000)
Origination and reversal of timing differences (note 10)	289	(3,173)
Adjustments in relation to prior periods (note 10)	-	(1,031)
Total deferred tax	<u>(62,991)</u>	<u>(67,204)</u>
Tax (credit)/charge on profit on ordinary activity	<u>(475)</u>	<u>4,750</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activity for the period is higher than the standard rate of corporation tax in the UK of 28%

	Period from 2 Feb 09 to 31 Jan 2010 £	Period from 28 Jan 08 to 1 Feb 09 £
Profit on ordinary activity before taxation	<u>3,562</u>	<u>6,187</u>
Profit on ordinary activity by rate of tax at 28% - expected charge	997	1,732
Expenses not deductible for tax purposes	813	4,929
Difference between capital allowances and depreciation	(1,100)	3,173
Charge at a higher rate of tax	-	853
Adjustments in relation to prior periods	(1,474)	(1,733)
Pension fund timing difference	63,280	63,000
Total current tax (note 6(a))	<u>62,516</u>	<u>71,954</u>

8 Debtors

	31 Jan 10	1 Feb 09
	£	£
Trade debtors	418,165	991,650
Amounts owed by group undertakings	679,717	88,128
Other debtors	-	68,670
Deferred tax asset (note 10)	3,915	4,204
Prepayments and accrued income	168,768	174,719
	<u>1,270,565</u>	<u>1,327,371</u>

9 Creditors: amounts falling due within one year

	31 Jan 10	1 Feb 09
	£	£
Trade creditors	139,104	177,968
Amounts owed to group undertakings	95,884	333,729
Corporation tax	63,990	73,687
Other taxation and social security	99,314	99,758
Other creditors	84,058	158,019
Accruals and deferred income	302,893	165,856
	<u>785,243</u>	<u>1,009,017</u>

10 Deferred taxation

The movement in the deferred taxation balance during the period was

	31 Jan 10	1 Feb 09
	£	£
Deferred tax asset brought forward	4,204	-
(Origination and reversal of timing differences (note 7))	(289)	3,173
Adjustments in respect of prior periods (note 7)	-	1,031
Deferred tax asset carried forward (note 8)	<u>3,915</u>	<u>4,204</u>

The asset for deferred taxation consists of the tax effect of timing differences in respect of

	31 Jan 10	1 Feb 09
	£	£
Excess of depreciation on fixed assets over capital allowances	<u>3,915</u>	<u>4,204</u>

10 Deferred taxation (continued)

Deferred tax asset relating to pension deficit is as follows

	31 Jan 10	1 Feb 09
	£	£
As at start of period	534,520	(8,960)
Credit to profit and loss account	63,280	63,000
Movement in statement of total recognised gains and losses	212,240	480,480
As at end of period (note 11)	<u>810,040</u>	<u>534,520</u>

11 Pension commitments

The calculations for FRS 17 disclosures are based on a full actuarial valuation of the scheme as at 31 March 2007 updated to 31 January 2010 by a qualified independent actuary

The main assumptions used by the actuary to calculate scheme liabilities of the company under FRS 17 were

	2010	2009	2008
	%	%	%
Rate of increase in salaries	4.0	5.1	5.1
Rate of increase in pensions in payment	3.5	3.6	3.6
Discount rate	5.5	6.9	6.3
Inflation assumption	3.5	3.6	3.6

The post retirement mortality assumptions used to value the benefit obligation at the year end are based on the PFA92 and PMA92 tables, projected to calendar year 2033 for non-pensioners and 2017 for pensioners

The actual return on scheme assets in the year was a gain of £1,867,000 (2009 £2,403,000 loss)

The fair value of the scheme assets and the expected rate of return, the present value of the scheme liabilities and the resulting (deficit)/surplus are

	2010		2009		2008	
	Long-term rate of return expected	Value	Long-term rate of return expected	Value	Long-term rate of return expected	Value
	%	£	%	£	%	£
Equities	7.7	7,932,000	7.5	6,174,000	7.6	7,768,000
Bonds	5.0	2,231,000	5.7	2,125,000	5.3	2,196,000
Property	5.9	1,363,000	5.5	1,215,000	5.6	1,733,000
Cash	4.8	868,000	4.0	607,000	4.7	485,000
Total market value of assets		<u>12,394,000</u>		<u>10,121,000</u>		<u>12,182,000</u>
Present value of scheme liabilities		<u>(15,287,000)</u>		<u>(12,030,000)</u>		<u>(12,150,000)</u>
(Deficit)/surplus in the scheme		<u>(2,893,000)</u>		<u>(1,909,000)</u>		<u>32,000</u>
Related deferred tax asset/(liability)		810,040		534,520		(8,960)
Net pension (liability)/asset		<u><u>(2,082,960)</u></u>		<u><u>(1,374,480)</u></u>		<u><u>23,040</u></u>

11 Pension commitments (continued)

An analysis of the movements in the (deficit)/surplus during the period are shown below

	31 Jan 10	1 Feb 09
	£	£
At 2 February 2009	(1,909,000)	32,000
Total operating charge	(529,000)	(705,000)
Total finance (charge)/ income	(155,000)	55,000
Actuarial loss	(758,000)	(1,716,000)
Employer contributions	458,000	425,000
At 31 January 2010	<u>(2,893,000)</u>	<u>(1,909,000)</u>

An analysis of the defined benefit cost follows

Analysis of the amount charged to operating profit

	31 Jan 10	1 Feb 09
	£	£
Current service cost	(433,000)	(509,000)
Past service cost	-	(196,000)
Settlement and curtailment costs	(96,000)	-
Total operating charge	<u>(529,000)</u>	<u>(705,000)</u>

Analysis of the amount (charged)/ credited to finance (costs)/ income

	31 Jan 10	1 Feb 09
	£	£
Expected return on pension scheme assets	691,000	840,000
Interest on pension scheme liabilities	(846,000)	(785,000)
Net finance (charge)/income (note 5)	<u>(155,000)</u>	<u>55,000</u>

Analysis of the amount recognised in statement of total recognised gains and losses

	31 Jan 10	1 Feb 09
	£	£
Actual return less expected return on pension scheme assets	1,176,000	(3,243,000)
Experience gains arising on scheme liabilities	-	467,000
(Loss)/gain arising from changes in assumptions underlying the present value of scheme liabilities	<u>(1,934,000)</u>	<u>1,060,000</u>
Actuarial loss	<u>(758,000)</u>	<u>(1,716,000)</u>

11 Pension commitments (continued)

A history of experience gains and losses is shown below

	2010	2009	2008	2007	2006
Difference between the expected and actual return on scheme assets					
- amount (£)	(1,176,000)	(3,243,000)	(872,000)	(284,000)	1,727,000
- % of scheme assets	(10)	(32)	(7)	(3)	16
Experience (losses)/gains on scheme liabilities					
- amount (£)	-	467,000	(26,000)	(14,000)	7,000
- % of the present value of scheme liabilities	-	4	-	-	-
Changes in assumptions underlying the present value of the scheme liabilities					
- amount (£)	(1,934,000)	1,060,000	1,504,000	988,000	(1,516,000)
- % of the present value of scheme liabilities	(13)	9	12	12	(19)
Total amount recognised in statement of total recognised gains and losses					
- amount (£)	(758,000)	(1,716,000)	606,000	480,000	263,000
- % of the present value of scheme liabilities	(5)	(14)	5	4	2

The cumulative amount of actuarial gains and losses recognised in the statement of total recognised gains and losses at 31 January 2010 was a net loss of £1,037,000 (2009 loss of £279,000)

Analysis of changes in the value of the scheme assets during the period

	31 Jan 10	1 Feb 09
	£	£
Market value of scheme assets at the beginning of the period	10,121,000	12,182,000
Expected return on scheme assets	691,000	840,000
Actuarial gain/(losses)	1,176,000	(3,243,000)
Employer contributions	458,000	425,000
Member contributions	172,000	167,000
Benefits paid	(224,000)	(250,000)
Market value of the scheme assets at the end of the period	<u>12,394,000</u>	<u>10,121,000</u>

11 Pension commitments (continued)*Analysis of changes in the value of the scheme liabilities during the period*

	31 Jan 10	1 Feb 09
	£	£
Present value of scheme liabilities at the start of the period	12,030,000	12,150,000
Current service cost	433,000	509,000
Interest cost	846,000	785,000
Member contributions	172,000	167,000
Past service costs	-	196,000
Losses on curtailments	96,000	-
Benefits paid	(224,000)	(250,000)
Actuarial losses/(gains)	1,934,000	(1,527,000)
Present value of the scheme liabilities at the end of the period	<u>15,287,000</u>	<u>12,030,000</u>

Five year history of scheme assets, liabilities and net (deficit)/surplus position

	2010	2009	2008	2007	2006
	£'000	£'000	£'000	£'000	£'000
Market value of plan assets at start of period	12,394	10,121	12,182	11,001	10,480
Present value of scheme liabilities at end of period	(15,287)	(12,030)	(12,150)	(11,538)	(11,340)
Net (deficit)/asset in the plan at end of period	<u>(2,893)</u>	<u>(1,909)</u>	<u>32</u>	<u>(537)</u>	<u>(860)</u>

Future funding obligation

The directors best estimate of the contributions which will be paid in the year to 31 January 2011 will be approximately £491,000 (2009 £457,000)

12 Commitments under operating leases

At 31 January 2010 the company had annual commitments under non-cancellable operating leases as set out below

	Plant and equipment	
	31 Jan 10	1 Feb 09
	£	£
Operating leases which expire		
Within 1 year	11,917	-
Within 2 to 5 years	75,358	184,316
After more than 5 years	27,752	-
	<u>115,027</u>	<u>184,316</u>

13 Contingencies

The company is part of a group VAT registration and as such is jointly and severally liable for the VAT liability of the entire group. The group liability at the year end was £610,874 (2009 £1,448,026)

14 Related party transactions

The company has taken advantage of the exemptions available under Financial Reporting Standard 8 (revised) whereby wholly owned group undertakings do not have to disclose transactions with other wholly owned members of the same group

There were no other related party transactions during the current or prior period

15 Share capital

Authorised share capital

	31 Jan 10		1 Feb 09	
	No	£	No	£
2 Ordinary shares of £1 each		<u>2</u>		<u>2</u>
Allotted, called up and fully paid				
	No	£	No	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

16 Profit and loss account

	31 Jan 10		1 Feb 09	
		£		£
Balance brought forward		(1,053,511)		180,572
Profit for the financial period		4,037		1,437
Defined pension benefit scheme (net movement)		(545,760)		(1,235,520)
Balance carried forward		<u>(1,595,234)</u>		<u>(1,053,511)</u>

17 Reconciliation of movements in shareholder's deficit

	31 Jan 10		1 Feb 09	
		£		£
Profit for the financial period		4,037		1,437
Defined pension benefit scheme (net movement)		(545,760)		(1,235,520)
Net addition to shareholder's deficit		<u>(541,723)</u>		<u>(1,234,083)</u>
Opening shareholder's (deficit)/funds		<u>(1,053,509)</u>		<u>180,574</u>
Closing shareholder's deficit		<u>(1,595,232)</u>		<u>(1,053,509)</u>

18 Parent undertakings

The immediate parent undertaking is Norse Commercial Services Limited and consolidated financial statements for this group are available from Companies House, Cardiff, CF4 3UZ

The ultimate parent undertaking is Norse Group Limited and consolidated financial statements for this group are available from Companies House, Cardiff, CF4 3UZ

The company's ultimate controlling party is Norfolk County Council by virtue of its ownership of 100% of the ordinary share capital of Norse Group Limited