

# **Finstop Limited**

Directors' report and financial  
statements

Registered number 3188850

31 December 2004



## Contents

Statutory information	1
Directors' report	2
Statement of Directors' responsibilities	3
Profit and loss account	4
Balance sheet	4
Notes	5

## **Statutory information**

### **Directors**

JR Meredith  
LJD Cassells  
SN Hardman

### **Company secretary**

JM Bolton

### **Joint company secretary**

SJ Calder

### **Registered office**

Ground Floor West  
900 Pavilion Drive  
Northampton Business Park  
Northampton  
NN4 7RG

## Directors' report

The directors (the "Directors") of Finstop Limited (the "Company") present their annual report and financial statements for the year ended 31 December 2004.

### Principal activity

The Company was dormant throughout the financial year ended 31 December 2004.

### Developments in the year

On 15 December 2004 the Company was a party to the refinancing of WRG Finance plc and its subsidiary companies under which it granted security by way of fixed and floating charge over its assets and became a borrower and guarantor under an Amended and Restated Facilities Agreement dated 9 December 2004. In addition, the Company became a Subsidiary Guarantor of Second Lien Floating Rate Notes due 2011 issued by WRG Acquisitions plc and also 9% Senior Notes due 2014 issued by WRG Finance plc.

### Directors and their interests

The Directors who served as directors of the Company during the year and up to the date of this report were as follows:

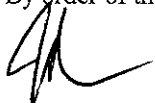
JR Meredith	
LJD Cassells	(appointed 15 January 2004)
SN Hardman	(appointed 16 August 2004)
R Prior	(resigned 15 January 2004)

None of the Directors or connected persons held an interest in the share capital of the Company during the year under review. The interests of the Directors and connected persons in the share capital of WRG Investments Limited (formerly Cholet Investments Limited), an indirect parent company of the Company, as at 31 December 2004 are set out below:

		31 December 2004		1 January 2004*	
		Beneficial	Non-beneficial	Beneficial	Non-beneficial
LJD Cassells	'B' Ordinary shares £0.01	500	-	-	-
SN Hardman	'B' Ordinary shares £0.01	300	-	-	-
JR Meredith	'B' Ordinary shares £0.01	2,000	-	-	-

\*or date of appointment if later

By order of the board



**JM Bolton**  
 Company Secretary

5th OCTOBER 2005

## **Statement of Directors' responsibilities**

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss for that period. In preparing those 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 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

**Profit and loss account**  
*year ended 31 December 2004*

The Company has not traded in the financial year ended 31 December 2004 and consequently the Company has made neither a profit or loss, nor any other recognised gain or loss.

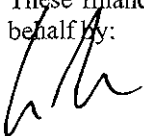
**Balance sheet**  
*at 31 December 2004*

	<i>Note</i>	2004 £000	2003 £000
<b>Fixed assets</b>			
Investments	2	16,696	16,696
		<hr/>	<hr/>
<b>Creditors: amounts falling due within one year</b>	3	<b>(1,431)</b>	<b>(1,431)</b>
		<hr/>	<hr/>
<b>Total assets less current liabilities and net assets</b>		<b>15,265</b>	<b>15,265</b>
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	4	15,265	15,265
		<hr/>	<hr/>
<b>Shareholders' funds</b>		<b>15,265</b>	<b>15,265</b>
		<hr/>	<hr/>
<b>Analysis of shareholders' funds</b>			
Equity		15,152	15,152
Non-equity		113	113
		<hr/>	<hr/>
<b>Total shareholders' funds</b>		<b>15,265</b>	<b>15,265</b>
		<hr/>	<hr/>

These financial statements have not been audited because the Company is entitled to the exemption provided by section 249AA(1) of the Companies Act 1985 relating to dormant companies and its members have not required the Company to obtain an audit of these financial statements in accordance with section 249B(2).

The Directors acknowledge their responsibilities for ensuring that the Company keeps accounting records that comply with section 221 of the Companies Act 1985. The Directors also acknowledge their responsibilities for preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for the financial year in accordance with section 226 of the Companies Act 1985 and which otherwise comply with the requirements of that Act relating to the financial statements, so far as is applicable to the Company.

These financial statements were approved by the board of Directors on 5<sup>th</sup> October 2005 and were signed on its behalf by:



Les Cassells  
 Director

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

#### *Accounting convention*

The financial statements are prepared under the historical cost convention.

#### *Cash flow exemption*

The Company has taken advantage of the exemption conferred by Financial Reporting Standard 1 (Revised) from presenting a cash flow statement as it is an indirectly wholly owned subsidiary of a group which prepares a consolidated cash flow statement.

#### *Group accounts*

The Company has claimed exemption from the preparation of consolidated financial statements under section 228 of the Companies Act 1985 as it is a subsidiary of a group which has prepared consolidated financial statements. Accordingly, these financial statements present information about the Company and not the group.

#### *Investments*

Investments are stated at cost less provision for any impairment in value.

### 2 Fixed asset investment

	2004	2003
	£000	£000
Shares in subsidiary undertakings		
Cost and net book value	16,696	16,696
	<u>16,696</u>	<u>16,696</u>

The Company holds 100% of the issued ordinary share capital of Darrington Quarries Limited, a company which is registered in England and Wales. Its principal activities are that of quarrying, landfill management and electricity generation.

### 3 Creditors: amounts falling due within one year

	2004	2003
	£000	£000
Amounts owed to subsidiary undertaking	1,431	1,431
	<u>1,431</u>	<u>1,431</u>

**Notes (continued)**

**4 Called up share capital**

	2004 £000	2003 £000
<i>Authorised, allotted, called up and fully paid</i>		
15,002,269 ordinary shares of £1 each	15,002	15,002
15,000,000 ordinary shares of £0.01 each	150	150
75,000 deferred shares of £1 each	75	75
3,750,000 deferred shares of £0.01 each	38	38
	15,265	15,265
<i>Analysis of non-equity shares</i>		
75,000 deferred shares of £1 each	75	75
3,750,000 deferred shares of £0.01 each	38	38
	113	113

The deferred shares do not carry any rights to receive payment of dividends or any right to receive notice of, or to attend and vote at any general meeting of the Company. On a return of assets on winding up, the deferred shares are entitled solely to repayment of amounts fully paid.

**5 Contingent liabilities**

- (a) The Company is a member of a group VAT registration and as such has contingent liabilities for VAT in respect of other members of the group.
- (b) On 15 December 2004, the Company was a party to the refinancing of WRG Finance plc and its subsidiary companies under which it granted security by way of fixed and floating charges over its assets and became a borrower and guarantor under an Amended and Restated Facilities Agreement dated 9 December 2004. In addition, the Company became a Subsidiary Guarantor of Second Lien Floating Rate Notes due 2011 issued by WRG Acquisitions plc and also 9% Senior Notes due 2014 issued by WRG Finance plc.

**6 Ultimate parent company**

The Company's immediate parent undertaking is Waste Recycling Group Limited, a company which is registered in England and Wales.

The Directors regard Terra Firma Capital Partners Holdings Limited, a company registered in Guernsey, as the ultimate controlling party and the ultimate parent entity.

WRG Holdings Limited (formerly Cholet Holdings Limited) is the parent company of the largest group of which the Company is a member and for which group accounts are drawn up. Copies of WRG Holdings Limited financial statements are available from the Company Secretary, Ground Floor West, 900 Pavilion Drive, Northampton Business Park, Northampton, NN4 7RG.