



ANTI-WASTE (RESTORATION) LIMITED

Report and Financial Statements

31 December 1996

Deloitte & Touche
Leda House
Station Road
Cambridge CB1 2RN

(- 26/06/97)





REPORT AND FINANCIAL STATEMENTS 1996

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OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

P A Rackham
P A Rackham Jnr
S R Stuteley
T C Walsh

SECRETARY

S R Stuteley

REGISTERED OFFICE

Manor Farm
Bridgham
Norwich
Norfolk NR16 2RX

BANKERS

Lloyds Bank plc
41 Prince of Wales Road
Norwich NR1 1BL

SOLICITORS

Rowe & Maw
20 Blackfriars Lane
London EC4V 6HD

Cunningham, John & Co
Fairstead House
7 Bury Road
Thetford
Norfolk IP24 3PL

AUDITORS

Deloitte & Touche
Chartered Accountants
Leda House
Station Road
Cambridge CB1 2RN



DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 1996.

ACTIVITIES

The principal activity of the company is that of the provision of landfill site monitoring and restoration services.

REVIEW OF DEVELOPMENTS

The results for the year are set out on page 5. In the opinion of the directors the company has traded satisfactorily during the year and will continue to prosper in the future.

DIVIDENDS AND TRANSFERS TO RESERVES

The directors do not recommend the payment of a dividend.

Retained losses of £61 have been transferred to reserves.

DIRECTORS AND THEIR INTERESTS

The directors of the company, all of whom served throughout the year, are disclosed on page 1.

None of the directors held an interest in the share capital of the company during the year.

The interests of the directors in the share capital of the parent company are disclosed in the accounts of that company.

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 as at the end of the financial year and of the profit or loss of the company 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;
- 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. 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.



DIRECTORS' REPORT

AUDITORS

Deloitte & Touche were appointed as auditors of the company during the year. Deloitte & Touche have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board

A large, stylized handwritten signature in black ink, consisting of several loops and a long horizontal stroke.

Secretary

22 July 1997



Chartered Accountants

Deloitte & Touche
Leda House
Station Road
Cambridge CB1 2RN

Telephone: National 01223 460222
International +44 1223 460222
Fax (Gp. 3): 01223 350839
DX 5812

ANTI-WASTE (RESTORATION) LIMITED

AUDITORS' REPORT TO THE MEMBERS

We have audited the financial statements on pages 5 to 9 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1996 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche

Chartered Accountants and
Registered Auditors

14 August 1997



PROFIT AND LOSS ACCOUNT
Year ended 31 December 1996

	Note	Year ended 31 December 1996 £	23 November 1994 to 31 December 1995 £
TURNOVER	2	756,502	29,767
Cost of sales		<u>756,502</u>	<u>29,767</u>
OPERATING PROFIT	3	-	-
Interest payable and similar charges	4	<u>61</u>	<u>126</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(61)	(126)
Tax on loss on ordinary activities	5	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		(61)	(126)
Retained loss brought forward		<u>(126)</u>	<u>-</u>
Retained loss carried forward		<u>(187)</u>	<u>(126)</u>

All activities derive from continuing operations.

There are no recognised gains and losses for the current financial year and the preceding financial period other than as stated in the profit and loss account.



BALANCE SHEET
31 December 1996

	Note	1996 £	1995 £
CURRENT ASSETS			
Debtors	6	1,841,981	686,861
Cash at bank and in hand		-	514
		<u>1,841,981</u>	<u>687,375</u>
CREDITORS: amounts falling due within one year			
	7	<u>579,368</u>	<u>11,995</u>
NET CURRENT ASSETS			
		1,262,613	675,380
CREDITORS: amounts falling due after more than one year			
	8	<u>1,262,798</u>	<u>675,504</u>
NET LIABILITIES			
		<u>(185)</u>	<u>(124)</u>
CAPITAL AND RESERVES			
Called up share capital	9	2	2
Profit and loss account		(187)	(126)
EQUITY SHAREHOLDERS' FUNDS			
	11	<u>(185)</u>	<u>(124)</u>

These financial statements were approved by the Board of Directors on 22/1/97

Signed on behalf of the Board of Directors

Director



NOTES TO THE ACCOUNTS

Year ended 31 December 1996

1. ACCOUNTING POLICIES

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

Accounting convention

The financial statements are prepared under the historical cost convention.

Turnover

Turnover represents invoiced sales of goods and services provided excluding value added tax.

Restoration costs

Income from charges made to other group companies in respect of the anticipated cost of final site restoration and monitoring costs is deferred and will be credited to the profit and loss account in the periods in which the associated costs are expected to arise.

Deferred taxation

Deferred taxation is provided on the liability method on all timing differences to the extent that they are expected to reverse in the foreseeable future calculated at the rate at which it is estimated that tax will be payable.

Cash flow exemption

The company has taken advantage of the exemption, conferred by Financial Reporting Standard 1, from presenting a cash flow statement as it is a wholly owned subsidiary of a group which prepares a consolidated cash flow statement.

2. TURNOVER

Turnover is wholly attributable to the principal activity of the company and is carried on within the United Kingdom.

3. OPERATING PROFIT

Fees in respect of auditors' remuneration are met by the parent company.

Wages and salaries of directors and administrative activities are also met by the parent company.

4. INTEREST PAYABLE AND SIMILAR CHARGES

	Year ended 31 December 1996 £	23 November 1994 to 31 December 1995 £
Bank loans and overdrafts repayable within five years	61	126



NOTES TO THE ACCOUNTS
Year ended 31 December 1996

5. TAX ON LOSS ON ORDINARY ACTIVITIES

There was no charge to taxation for the year due to losses sustained.

6. DEBTORS

	1996 £	1995 £
Amounts owed by group undertakings	1,819,575	681,085
Other debtors	12,933	4,598
Prepayments and accrued income	9,473	1,178
	<u>1,841,981</u>	<u>686,861</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1996 £	1995 £
Bank overdraft	563,796	-
Trade creditors	15,572	11,559
Accruals and deferred income	-	436
	<u>579,368</u>	<u>11,995</u>

The overdraft is secured by an unlimited debenture over all the assets of the company, Waste Recycling Limited, Anti-Waste (Restoration) Limited, Anti-Rubbish Limited, Waste Recycling Group plc, Herrington Limited and Lincwaste Limited.

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	1996 £	1995 £
Deferred income	1,262,798	675,504
	<u>1,262,798</u>	<u>675,504</u>

Deferred income is in respect of sums charged to fellow group undertakings in respect of post closure and monitoring costs, to be released to profit and loss account and matched against the relevant costs when they arise.



NOTES TO THE ACCOUNTS
Year ended 31 December 1996

9. CALLED UP SHARE CAPITAL

	1996 £	1995 £
Authorised: 100,000 ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Called up, allotted and fully paid: 2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

10. PARENT COMPANY

The company is a wholly owned subsidiary of Anti-Waste Limited, a company registered in England and Wales. The ultimate parent company is Waste Recycling Group plc, a company registered in England and Wales. Copies of group accounts of Waste Recycling Group plc are available from Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1996 £	1995 £
Issue of shares	-	2
Loss for the financial year	(61)	(126)
	<u>(61)</u>	<u>(124)</u>
Opening shareholders' funds	(124)	-
	<u>(185)</u>	<u>(124)</u>
Closing shareholders' funds	<u>(185)</u>	<u>(124)</u>

12. CONTINGENT LIABILITIES

- a) The company has entered into an unlimited cross-guarantee with its bankers relating to the borrowings of other group companies. At 31 December 1996 the bank borrowings of other group companies amounted to £5,848,000 (1995 - £6,005,000).
- b) 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.

13. RELATED PARTY TRANSACTIONS

In the ordinary course of business, the company has traded with its ultimate parent company Waste Recycling Group plc together with its subsidiaries. The company is exempt from disclosing details of these transactions because copies of Waste Recycling Group plc group financial statements are publicly available.