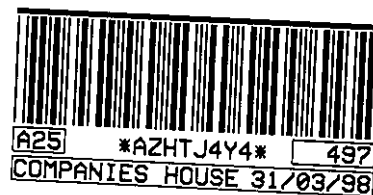


JACKSONS (WARWICKSHIRE) BRICKWORKS LIMITED

DIRECTORS' REPORT AND ACCOUNTS
for the year ended
30 September 1997

Company number 319658



JACKSONS (WARWICKSHIRE) BRICKWORKS LIMITED

REPORT OF THE DIRECTORS for the year ended 30 September 1997

ACCOUNTS

The directors present their report and the accounts of the company for the year ended 30 September 1997.

ACTIVITIES, REVIEW OF THE BUSINESS AND DIVIDENDS

The company does not trade. The company's sole asset was disposed of during the year for no consideration. The company's ultimate parent company has signed a definitive agreement for the transfer of its international operations to SITA SA, a company incorporated in France, in exchange for cash and SITA stock. The sale includes the BFI Acquisitions Limited group and is expected to be completed in April 1998. The impact of this proposed transaction on the group's activities and prospects has yet to be determined.

DIRECTORS

The directors who held office during the year were:-

M R Gordon
T J Penfold
R A Searby
J P Volpi (resigned 29 September 1997)

None of the directors had any interest in the share capital of any company in the group at any time during the year.

AUDITORS

A resolution proposing Arthur Andersen be re-appointed as auditors will be put to the Annual General Meeting.

This report was approved by the Board on 3 March 1998.



R A Searby
Secretary

**AUDITORS' REPORT TO THE MEMBERS OF
JACKSONS (WARWICKSHIRE) BRICKWORKS LIMITED**

We have audited the accounts on pages 3 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

Respective responsibilities of directors and auditors

As described on page 5 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the circumstances of the company, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 30 September 1997 and of the company's result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Arthur Andersen
Chartered Accountants and Registered Auditors

Victoria Square
Victoria Street
St Albans
Herts
AL1 3TF

3 March 1998

JACKSONS (WARWICKSHIRE) BRICKWORKS LIMITED

PROFIT AND LOSS ACCOUNT for the year ended 30 September 1997

	Notes	1997 £	1996 £
Loss on disposal of freehold property		(<u>895,000</u>)	<u>-</u>
(Loss) for the period transferred to reserves	4	£(<u>895,000</u>)	£ <u>-</u>

There are no recognised gains or losses for the periods ended 30 September 1997 and 30 September 1996 other than those disclosed in the profit and loss account above.

JACKSONS (WARWICKSHIRE) BRICKWORKS LIMITED

BALANCE SHEET as at 30 September 1997

	Notes	1997 £	1996 £
FIXED ASSETS			
Tangible assets	2	—	<u>895,000</u>
CURRENT ASSETS			
Debtor: Amount owed by group company		82,110	82,110
CREDITORS: Amounts falling due within one year: Corporation tax payable		(30,000)	(30,000)
Net current assets		<u>52,110</u>	<u>52,110</u>
Total assets less current liabilities		£ <u>52,110</u>	£ <u>947,110</u>
Represented by:			
CAPITAL AND RESERVES			
Called up share capital	3	53,076	53,076
Share premium account	4	15,000	15,000
Revaluation reserve	4	—	851,116
Profit and loss account	4	(15,966)	<u>27,918</u>
Equity shareholders' funds		£ <u>52,110</u>	£ <u>947,110</u>

The accounts on pages 3 to 7 were approved by the Board on 3 March 1998.



R A Searby
Director

JACKSONS (WARWICKSHIRE) BRICKWORKS LIMITED

NOTES TO THE ACCOUNTS for the year ended 30 September 1997

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts 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 of the company for that year. In preparing those accounts, the directors are required to:

- * select suitable accounting policies and 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 accounts; and
- * prepare the accounts 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 enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's accounts.

- * The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.
- * No depreciation is provided on freehold land.
- * No cash flow statement has been prepared as the company is a wholly owned subsidiary of BFI Acquisitions Limited.

2. FIXED ASSETS

VALUATION AND NET BOOK VALUE

	Freehold land £
At 1 October 1996	895,000
Disposal	(895,000)
At 30 September 1997	£ -

JACKSONS (WARWICKSHIRE) BRICKWORKS LIMITED

NOTES TO THE ACCOUNTS for the year ended 30 September 1997 (continued)

3. SHARE CAPITAL

1997 and 1996
£

Authorised:

Ordinary shares of 1p each

476

Ordinary shares of £1 each

7,924

Deferred shares of £1 each

47,600

£ 56,000

Allotted and fully paid:

Ordinary shares of 1p each

476

Ordinary shares of £1 each

5,000

Deferred shares of £1 each

47,600

£ 53,076

4. RESERVES

	Share premium account £	Revaluation reserve £	Profit and loss account £
At 1 October 1996	15,000	851,116	27,918
Retained loss for the period	-	-	(895,000)
Transfer	<u>-</u>	<u>(851,116)</u>	<u>851,116</u>
At 30 September 1997	£ <u>15,000</u>	£ <u>-</u>	£ <u>(15,966)</u>

JACKSONS (WARWICKSHIRE) BRICKWORKS LIMITED

NOTES TO THE ACCOUNTS for the year ended 30 September 1997 (continued)

5. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1997 £	1996 £
(Loss) for the year	(895,000)	-
Net (reductions)	(895,000)	-
Opening shareholders' funds	<u>947,110</u>	<u>947,110</u>
Closing shareholders' funds	£ <u>52,110</u>	£ <u>947,110</u>

6. ULTIMATE PARENT COMPANY

The company's ultimate parent company is Browning-Ferris Industries Inc, a company registered in the USA. Consolidated accounts for this company, which is the largest company in which the results of the company are consolidated, may be obtained from Browning-Ferris Building, 757 N Eldridge, PO Box 3151, Houston, Texas 77253.

BFI Acquisitions Limited is the parent company of the smallest group of which the company is a member and for which group accounts are drawn up. Copies of these group accounts can be obtained from the Registrar of Companies, Companies Registration Office, Crown Way, Cardiff CF4 3UZ.

The ultimate parent company has signed a definitive agreement for the transfer of its international operations to SITA SA, a company incorporated in France, in exchange for cash and SITA stock. The sale includes the BFI Acquisitions Limited group and is expected to be completed in April 1998.

7. RELATED PARTY DISCLOSURES

By virtue of the exemption in Financial Reporting Standard 8 for 90% (or more) owned subsidiaries, transactions within the BFI Acquisitions group are not disclosed.

Other related party transactions occurring during the year are summarised below:

Related party	Nature of relationship	Description of transactions	Value of transactions	Balance at 30 September 1997
BFI Group Pension Scheme	Common director/trustees	Transfer of freehold land	£ nil	£ nil