

806128

CLEANAWAY LIMITED
and
SUBSIDIARY COMPANIES

DIRECTORS' REPORT AND CONSOLIDATED ACCOUNTS
for the year ended
31 DECEMBER 1985

191



BinderHamlyn 
CHARTERED ACCOUNTANTS

806128

CLEANAWAY LIMITED
and
SUBSIDIARY COMPANIES

DIRECTORS' REPORT AND CONSOLIDATED ACCOUNTS
for the year ended
31 DECEMBER 1985

CLEANAWAY LIMITEDREPORT OF THE DIRECTORS
for the year ended 31 DECEMBER 1985

The directors submit their report and the audited accounts for the year to 31 December 1985.

ACTIVITIES

The principal activity of the company continues to be the treatment and disposal of waste.

REVIEW OF BUSINESS

The company has continued to trade satisfactorily during the year, and its operating profit was significantly higher than in 1984. The company's business continues to be the treatment, transportation and disposal of domestic, commercial and industrial waste. The company looks forward to continued expansion in waste management in the United Kingdom.

DIVIDENDS

The directors do not recommend the payment of a dividend.

SIGNIFICANT CHANGES IN FIXED ASSETS

The company's investment in fixed assets increased significantly during the year, primarily due to capital expenditure in relation to new long-term domestic waste disposal contracts. Further details of the movement in fixed assets are given in notes 6 and 7 to the accounts

INTERESTS IN LAND

The market value of interests in land is, in the opinion of the directors, not less in total than its book value. Since the company's and its subsidiaries' interests in land are held for use in the business and are not specifically held for realisation, the directors consider that the cost of a full professional revaluation at frequent intervals would not be justified and hence no valuation of the company's and its subsidiaries' interests in land has been carried out for the purposes of these accounts.

DIRECTORS AND THEIR INTERESTS**(a) Contracts**

There were no contracts subsisting during or at the end of the year either with the company or with any of its subsidiaries in which any director was, or is, materially interested.

(b) Shares

No director had at any time during the year any beneficial interest in the shares of the company or in the shares of its holding company, Circe Limited.

CLEANAWAY LIMITED

REPORT OF THE DIRECTORS
for the year ended 31 DECEMBER 1985
(continued)

DIRECTORS AND THEIR INTERESTS (continued)

The directors of the company during the year and at the end of the year unless otherwise indicated were as follows:

P.T. Williams - chairman
M. McCarthy - (appointed 25 September 1985)
A.F. Walker - (resigned 25 September 1985)
D.W. Benjafield
D. Blake - (resigned 31 October 1985)
C. Hoskisson
P.J. Jansen
J.E. Fletcher
N.W. Fricker - (resigned 5 June 1985)
P.A.M. Heath
D.T. Weir - (appointed 1 January 1985)

SHARE CAPITAL

There were no changes in the authorised and allotted share capital of the company during the year.

CHARITABLE DONATIONS

During the year the group made donations of £1,499 to charities.

DISABLED PERSONS

It has been, and is, the group's policy to give full and fair consideration to the employment and development of disabled persons, having regard to their qualifications and abilities.

EMPLOYEE INVOLVEMENT

Through appropriate regular formal and informal communication, the company continued to provide employees with information regarding the financial, economic and other factors affecting its performance. Where decisions were reached which directly affected employees, the company developed the approach of advising and consulting them and their representatives.

AUDITORS

A resolution will be submitted to the annual general meeting of the company to re-appoint Binder Hamlyn as auditors.

Claydons Lane,
Rayleigh,
Essex.

By Order of the Board,


Secretary.

17 March 1986.

REPORT OF THE AUDITORS TO THE MEMBERS OF
CLEANAWAY LIMITED

We have audited the financial statements on pages 4 to 17 in accordance with approved Auditing Standards.

In our opinion, the financial statements, which have been prepared on the basis of the accounting policies set out on pages 8 and 9, give a true and fair view of the state of affairs of the company and the group at 31 December 1985 and of the profit and source and use of funds of the group for the year then ended and comply with the Companies Act 1985.

Binder Hamlyn

Chartered Accountants.

17 March 1986.

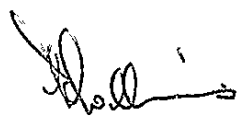
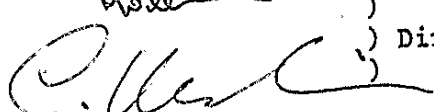
CLEANAWAY LIMITEDCONSOLIDATED PROFIT AND LOSS ACCOUNT
for the year ended 31 DECEMBER 1985

	<u>Notes</u>	<u>1985</u> <u>£'000</u>	<u>1984</u> <u>£'000</u>
TURNOVER		43,113	36,177
United Kingdom		<u>1,629</u>	<u>1,590</u>
Rest of Europe		44,742	37,767
Consumable stores and repairs		(6,715)	(5,427)
Staff costs		(13,616)	(12,266)
Depreciation		(5,596)	(4,500)
Other operating charges		<u>(14,484)</u>	<u>(12,390)</u>
OPERATING PROFIT		4,331	3,184
Interest payable		<u>(2,127)</u>	<u>(1,329)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	2,204	1,855
Tax on profit on ordinary activities	4	<u>(655)</u>	<u>(352)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		1,549	1,503
Extraordinary item	5	<u>-</u>	<u>(3,455)</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR TRANSFERRED TO RESERVES	14	<u>1,549</u>	<u>(1,952)</u>

All of the profit for the financial year has been dealt with in the accounts of the parent company.

CLEANAWAY LIMITEDCONSOLIDATED BALANCE SHEET at 31 DECEMBER 1985



	<u>Notes</u>	<u>1985</u> £'000	£'000	<u>1984</u> £'000	£'000
FIXED ASSETS					
Intangible assets	6		1,226		1,457
Tangible assets	7		<u>32,753</u>		<u>25,928</u>
			33,979		27,385
CURRENT ASSETS					
Stocks	1(g)	402		408	
Debtors	9	10,267		8,982	
Cash at bank and in hand		<u>6</u>		<u>135</u>	
		10,675		9,525	
CREDITORS (amounts falling due within one year)	10	<u>(26,337)</u>		<u>(15,100)</u>	
NET CURRENT LIABILITIES			<u>(15,662)</u>		<u>(5,575)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			18,317		21,810
CREDITORS (amounts falling due after more than one year)	10		(7,404)		(13,000)
PROVISIONS FOR LIABILITIES AND CHARGES					
Deferred taxation	11		(5,373)		(4,779)
Other provisions	12		<u>(961)</u>		<u>(1,001)</u>
			4,579		3,030
CAPITAL AND RESERVES					
Called up share capital	13		1,481		1,481
Share premium account			704		704
Revaluation reserve			1,340		1,340
Other reserves			413		413
Profit and loss account	14		<u>641</u>		<u>(908)</u>
			4,579		3,030

Directors

CLEANAWAY LIMITEDBALANCE SHEET at 31 DECEMBER 1985

	<u>Notes</u>	<u>1985</u> £'000	£'000	<u>1984</u> £'000	£'000
FIXED ASSETS					
Intangible assets	6		1,226		1,457
Tangible assets	7		32,753		25,927
Investments	8		<u>608</u>		<u>608</u>
			34,587		27,992
CURRENT ASSETS					
Stocks	1(g)	402		408	
Debtors	9	10,267		8,982	
Cash at bank and in hand		<u>6</u>		<u>135</u>	
		10,675		9,525	
CREDITORS (amounts falling due within one year)	10	<u>(26,943)</u>		<u>(15,705)</u>	
NET CURRENT LIABILITIES			<u>(16,268)</u>		<u>(6,180)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			18,319		21,812
CREDITORS (amounts falling due after more than one year)	10		(7,404)		(13,000)
PROVISIONS FOR LIABILITIES AND CHARGES					
Deferred taxation	11		(5,373)		(4,779)
Other provisions	12		<u>(961)</u>		<u>(1,001)</u>
			4,581		3,032
CAPITAL AND RESERVES					
Called up share capital	13		1,481		1,481
Share premium account			704		704
Revaluation reserve			1,340		1,340
Profit and loss account	14		<u>1,056</u>		<u>(493)</u>
			4,581		3,032


 } Directors

CLEANAWAY LIMITEDCONSOLIDATED SOURCE AND USE OF FUNDS STATEMENT
for the year ended 31 DECEMBER 1985

	<u>1985</u> <u>£'000</u>	<u>1984</u> <u>£'000</u>
FUNDS GENERATED FROM OPERATIONS		
Profit from ordinary activities before taxation	2,204	1,855
Adjustment for items not involving the movement of funds:		
Depreciation and depletion	5,596	4,500
Site restoration provision	(40)	(63)
Profit on disposal of fixed assets	(568)	(477)
Total generated from operations	7,192	5,815
Tax reclaimed	4	45
Net funds generated from operations	<u>7,196</u>	<u>5,860</u>
FIXED ASSETS		
Cost of assets acquired	12,565	15,392
Disposal proceeds	(943)	(1,090)
	<u>11,622</u>	<u>14,302</u>
ADDITIONAL (REDUCED) WORKING CAPITAL		
Stocks	(6)	82
Debtors	1,289	2,232
Creditors (excluding loans, overdrafts and corporation tax)	60	(2,118)
	<u>1,343</u>	<u>196</u>
TOTAL FUNDS APPLIED	<u>12,965</u>	<u>14,498</u>
EXTERNAL FINANCE REQUIRED	<u>5,769</u>	<u>8,638</u>
EXTERNAL FINANCE		
Bank loans and overdrafts	2,640	6,721
Funding by parent company	3,000	2,000
Decrease/(increase) in cash at bank and in hand	129	(83)
	<u>5,769</u>	<u>8,638</u>

CLEANAWAY LIMITED

NOTES TO THE ACCOUNTS
for the year ended 31 DECEMBER 1985

ACCOUNTING POLICIES

(a) Accounting basis

As in previous years, the accounts have been prepared under the historical cost convention, except to the extent that certain fixed assets are stated at valuation as shown in note 7.

(b) Group accounts

The accounts incorporate the results of the parent company and its subsidiaries for the year ended 31 December 1985. As permitted by Section 228(7) of the Companies Act 1985 the profit and loss account of the parent company is not presented as part of these accounts.

(c) Goodwill

Goodwill arising on the acquisition of unincorporated business concerns is the excess of the consideration paid for such businesses over the fair value of assets acquired. Such goodwill is written off over a period not exceeding its useful economic life.

(d) Profits/loss from sale of surplus land and property

The group's business is such that it involves the continual acquisition and disposal of land and property. Consequently, profits and losses from sales of land and property surplus to operating requirements are not considered to be extraordinary items and are included in the profit before tax.

(e) Deferred tax

Provision is made for deferred tax where it is thought reasonably probable that a liability will crystallise in the foreseeable future. The provision is calculated on the liability basis using the rates of corporation tax expected to apply on tax deferred by accelerated capital allowances and other timing differences, less recoverable tax losses. No provision is made for taxation on surpluses on revaluation of assets in respect of any chargeable gains unless sales are contemplated in the foreseeable future.

(f) Depreciation and depletion

Depreciation of fixed assets is provided on a straight line basis to write the assets down to their estimated residual values over their estimated useful lives at the following annual rates:

Freehold land and buildings - landfill) Rate of write off determined by
Leasehold land and buildings:) by the shorter of site life,
over fifty years) length of lease or site licence.
under fifty years)
Freehold land - other	Nil
Freehold buildings - other	2%
Plant, machinery and vehicles	20%
with the exception of:	
Containers	10%
Private cars	25%
Tugs and barges	10%

(g) Stocks

Stocks of consumable stores are valued at the lower of cost and net realisable value.

CLEANAWAY LIMITED

NOTES TO THE ACCOUNTS
for the year ended 31 DECEMBER 1985
(continued)

1. ACCOUNTING POLICIES (continued)

(h) Site restoration provision

Provision is made out of revenue to cover the future cost of restoration of landfill sites.

(i) Leases

Rental payments under operating and finance leases are charged to profit and loss account on a straight-line basis over the term of the lease. Assets under finance leases have not been capitalised.

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The following items have been included in arriving at the profit on ordinary activities before taxation:

	1985		1984	
	£'000	£'000	£'000	£'000
<u>Income</u>				
Profit on sale of fixed assets		568		477
Rent receivable, less outgoings		30		33
Royalties and licence fees		12		12
		<u> </u>		<u> </u>
<u>Expenditure</u>				
Directors' emoluments (note 3)		212		156
Auditors' remuneration		40		40
Finance leases, plant and machinery	287		218	
Operating leases, plant and machinery	87		38	
Operating leases, other	329		479	
Other hire of plant, machinery and equipment	<u>487</u>		<u>470</u>	
		1,190		1,205
 Depreciation and depletion of assets:				
Freehold and buildings	127		155	
Leasehold, land and buildings - over fifty years	11		13	
under fifty years	270		152	
Plant, machinery and vehicles	4,938		3,999	
Goodwill	<u>250</u>		<u>181</u>	
		5,596		4,500
Provision for site restoration		<u>377</u>		<u>213</u>
 <u>Staff costs</u>				
Wages and salaries		12,396		11,168
Social security costs		878		823
Other pension costs		<u>342</u>		<u>275</u>
		13,616		12,266
 Average number of employees		<u>1,202</u>		<u>1,126</u>

CLEANAWAY LIMITED

NOTES TO THE ACCOUNTS
for the year ended 31 DECEMBER 1985
(continued)

3. DIRECTORS' EMOLUMENTS

Aggregate emoluments are made up of:

	<u>1985</u> £'000	<u>1984</u> £'000
Salaries, fees and pension contributions	212	156

Directors' emoluments, excluding pension scheme contributions, are made up as follows:

	<u>1985</u>	<u>1984</u>
Emoluments of the chairman	-	-
Emoluments of the highest paid director	£41,331	£34,310
Emoluments of other directors	<u>Number</u>	<u>Number</u>
£0 - £5,000	5	7
£25,001 - £30,000	1	2
£30,001 - £35,000	2	1
£35,001 - £40,000	1	-

4. TAXATION

The charge consists of:

	<u>1985</u> £'000	<u>1984</u> £'000
United Kingdom corporation tax (1984 - 46.25%)	-	(973)
Overseas taxes	61	1
Provision for deferred tax	594	1,324
	<u>655</u>	<u>352</u>

5. EXTRAORDINARY ITEM - 1984

The Finance Act 1984 made fundamental changes to the basis of corporation tax in the United Kingdom, in particular to tax rates and tax allowances on capital expenditure. These changes were taken into account in arriving at the tax charge and, on the basis of the group's accounting policies, this led to a significant adjustment to the provision for deferred taxation.

The extraordinary item of £3,455,000 represented the provision which would have been made in prior years if the new rules had then been in force.

CLEANAWAY LIMITED

NOTES TO THE ACCOUNTS
for the year ended 31 DECEMBER 1985
(continued)

INTANGIBLE ASSETS: GOODWILL AND CONCESSIONS

	<u>Concessions</u> £'000	<u>Goodwill</u> £'000	<u>Total</u> £'000
Group and company			
Cost	125	1,844	1,969
At 31 December 1984	-	19	19
Additions	125	1,863	1,988
At 31 December 1985			
Accumulated depreciation:	125	387	512
At 31 December 1984	-	250	250
Charge for the year	125	637	762
At 31 December 1985			
Net book amount	-	1,226	1,226
At 31 December 1985			
	-	1,457	1,457
At 31 December 1984			

The cost of goodwill is amortised over the following periods:

	<u>1985</u> £'000	<u>1984</u> £'000
5 years	735	716
10 years	1,128	1,128
	1,863	1,844

CLEANAWAY LIMITED

NOTES TO THE ACCOUNTS
for the year ended 31 DECEMBER 1985
(continued)

7. TANGIBLE ASSETS

	Land and buildings £'000	Plant, machinery and vehicles £'000	Total £'000
Group and company			
Cost or valuation			
At 31 December 1984	7,318	31,745	39,063
Assets in the course of construction at 31 December 1984	2,994	1,307	4,301
Capital expenditure	2,449	10,097	12,546
Disposals	(79)	(2,543)	(2,622)
Re-classification between categories	(124)	124	-
At 31 December 1985	<u>12,558</u>	<u>40,730</u>	<u>53,288</u>
Accumulated depreciation			
At 31 December 1984	1,824	15,612	17,436
Disposals	(78)	(2,169)	(2,247)
Charge for year	<u>408</u>	<u>4,938</u>	<u>5,346</u>
At 31 December 1985	<u>2,154</u>	<u>18,381</u>	<u>20,535</u>
Net book amount			
At 31 December 1985	<u>10,404</u>	<u>22,349</u>	<u>32,753</u>
At 31 December 1984	<u>8,488</u>	<u>17,440</u>	<u>25,928</u>

Total cost and valuation of group land and buildings shown above at £12,558,000 (1984 - £10,312,000) is analysed as follows:

	1985 Cost £'000	1985 Valuation 1971 £'000	1984 Cost £'000	1984 Valuation 1971 £'000
Freehold	3,108	1,700	2,979	1,700
Leasehold over 50 years	924	-	907	-
Leasehold under 50 years	<u>6,826</u>	<u>-</u>	<u>4,726</u>	<u>-</u>
	<u>10,858</u>	<u>1,700</u>	<u>8,612</u>	<u>1,700</u>

CLEANAWAY LIMITED

NOTES TO THE ACCOUNTS
for the year ended 31 DECEMBER 1985
(continued)

TANGIBLE ASSETS (continued)

Total net book amount of group land and buildings shown at £10,404,000 (1984 - £8,488,000) is analysed as follows:

	<u>1985</u>		<u>1984</u>	
	<u>Cost</u>	<u>Valuation</u>	<u>Cost</u>	<u>Valuation</u>
	<u>£'000</u>	<u>1971</u>	<u>£'000</u>	<u>1971</u>
		<u>£'000</u>		<u>£'000</u>
Freehold	2,353	1,570	2,390	1,531
Leasehold over 50 years	695	-	689	-
Leasehold under 50 years	<u>5,786</u>	<u>-</u>	<u>3,878</u>	<u>-</u>
	8,834	1,570	6,957	1,531
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

INVESTMENTS

	<u>1985</u>	<u>1984</u>
	<u>£'000</u>	<u>£'000</u>
Shares in subsidiary companies at cost	1,792	1,792
Less: Provisions	<u>(1,184)</u>	<u>(1,184)</u>
	608	608
	<u> </u>	<u> </u>

The company's subsidiaries, none of which traded in 1985, at 31 December 1985 were as follows:

<u>Subsidiary</u>	<u>Country of incorporation</u>	<u>Share of equity held:</u>	
		<u>by the company</u>	<u>by a subsidiary</u>
A.G. Homes Refuse Disposal Limited	Great Britain	100%	
Land Reclamation Company Limited	Great Britain	100%	
Cleanaway (Bristol) Limited	Great Britain	100%	
Cleanaway (N.I.) Limited	Northern Ireland	100%	
Industrial Waste Disposals (South Wales) Limited	Great Britain	100%	
Easibins Limited	Great Britain	100%	
T. Ivory & Sons Limited	Great Britain	100%	
W.R. Cunis (Waste Disposal) Limited	Great Britain		100%
Cleanaway (UK) Limited	Great Britain	100%	
Purle Limited	Great Britain	100%	

CLEANAWAY LIMITED

NOTES TO THE ACCOUNTS
for the year ended 31 DECEMBER 1985
(continued)

9. DEBTORS

	<u>Group and Company</u>	
	<u>1985</u>	<u>1984</u>
	<u>£'000</u>	<u>£'000</u>
Trade debtors	9,142	7,734
Other debtors	96	186
Prepayments and accrued income	<u>1,029</u>	<u>1,062</u>
	<u>10,267</u>	<u>8,982</u>

10. CREDITORS

	<u>Group</u>		<u>Company</u>	
	<u>1985</u>	<u>1984</u>	<u>1985</u>	<u>1984</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
(a) Amounts falling due within one year				
Bank loans and overdrafts	12,094	3,858	12,094	3,858
Trade creditors	2,597	3,322	2,597	3,322
Amounts owed to parent company	6,750	3,750	6,750	3,750
Amounts owed to subsidiaries	-	-	606	605
Other creditors	567	455	567	455
Corporation tax	60	-	60	-
Other taxes and social security	947	649	947	649
Unpaid dividend	404	404	404	404
Accruals and deferred income	<u>2,918</u>	<u>2,662</u>	<u>2,918</u>	<u>2,662</u>
	<u>26,337</u>	<u>15,100</u>	<u>26,943</u>	<u>15,705</u>

Bank loans and overdrafts include bills of exchange payable to banks under acceptance credit facilities.

(b) Amounts falling due after more than one year

Medium-term finance	<u>7,404</u>	<u>13,000</u>	<u>7,404</u>	<u>13,000</u>
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Medium-term finance has been provided by banks by way of revolving unsecured loans and acceptance credit facilities. Though the individual bills and loans drawn are due within 12 months, the company has options, for periods which do not exceed five years, to replace them.

CLEANAWAY LIMITED

NOTES TO THE ACCOUNTS
for the year ended 31 DECEMBER 1985
(continued)

11. DEFERRED TAX

<u>Group and company</u>	£'000
Balance at 31 December 1984	4,779
Transferred from profit and loss account	<u>594</u>
Balance at 31 December 1985	<u>5,373</u>

	1985 Provided and Potential £'000	1984 Provided and Potential £'000
Accelerated capital allowances	7,184	5,938
Other timing differences	(401)	(363)
Unrelieved losses	<u>(1,410)</u>	<u>(796)</u>
	<u>5,373</u>	<u>4,779</u>

In accordance with the accounting policy in note 1(e) no provision has been made for the tax estimated at £475,000 (1984 - £475,000) which might arise on the disposal of the properties at their revalued amount.

12. OTHER PROVISIONS

<u>Group and company</u>	Site restoration provision £'000	Legal expenses £'000	Total £'000
31 December 1984	911	90	1,001
Expenditure during year	(417)	-	(417)
Further provision	<u>377</u>	<u>-</u>	<u>377</u>
31 December 1985	<u>871</u>	<u>90</u>	<u>961</u>

The site restoration provision represents provision made for the cost of restoring landfill sites. The provision for legal expenses represents a recognition of the fact that certain issues extant at 31 December 1985 may require resolution through litigation.

CLEANAWAY LIMITED

16.

NOTES TO THE ACCOUNTS
for the year ended 31 DECEMBER 1985
(continued)

13. CALLED UP SHARE CAPITAL

	<u>1985</u> <u>£'000</u>	<u>1984</u> <u>£'000</u>
Authorised Shares of 20p each	1,500	1,500
Allotted and fully paid:		
673,140 new ordinary shares of 20p each	135	135
6,731,405 deferred shares of 20p each	<u>1,346</u>	<u>1,346</u>
	1,481	1,481

14. PROFIT AND LOSS ACCOUNT

	<u>Group</u> <u>£'000</u>	<u>Company</u> <u>£'000</u>
Balance at 31 December 1984 - (adverse)	(908)	(493)
Retained profit	<u>1,549</u>	<u>1,549</u>
Balance at 31 December 1985	<u>641</u>	<u>1,056</u>

15. CONTINGENT LIABILITIES

At 31 December 1985 there were contingent liabilities of £1,016,902 (1984 - £822,735) in respect of performance bonds given by the company.

Claims have been lodged with the Engineer by the main contractor for costs of construction of the Coldharbour jetty at Rainham in addition to the contract price. The Directors believe that given the overall contractual position no further provision for the cost of construction is necessary in these accounts.

The group may have other contingent liabilities in relation to the use of landfill sites the amount of which cannot be quantified.

16. FINANCIAL COMMITMENTS

The company is committed to the following payments under finance leases:

	<u>1985</u> <u>£'000</u>	<u>1984</u> <u>£'000</u>
1985	-	239
1986	229	229
1987	224	224
1988	1	1
1989	<u>1</u>	<u>1</u>
	455	694

NOTES TO THE ACCOUNTS
for the year ended 31 DECEMBER 1985
(continued)

16. FINANCIAL COMMITMENTS (continued)

The company is committed to the following payments in 1986 under operating leases:

	<u>Land and Buildings</u>	<u>Others</u>	<u>Total</u>
	£'000	£'000	£'000
Expiry within 1 year	48	-	48
Expiry within 2 - 5 years	77	-	77
Expiry over 5 years	<u>248</u>	<u>108</u>	<u>356</u>
	373	108	481
	<u> </u>	<u> </u>	<u> </u>

17. FUTURE CAPITAL EXPENDITURE

The board of directors of Cleanaway Limited has authorised and contracted capital expenditure of £924,402 (1984 - £7,132,839) for which no provision has been made in these accounts.

18. IDENTITY OF ULTIMATE HOLDING COMPANY

At 31 December 1985 the directors regarded Circe Limited, a company incorporated in Great Britain, as the ultimate holding company. Circe Limited is jointly owned by subsidiaries of GKN PLC and Brambles Industries of Australia.

19. APPROVAL OF ACCOUNTS

These accounts were approved by the board of directors on 17 March 1986.