

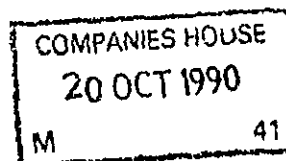


BDO Binder Hamlyn
Chartered Accountants

CLEANAWAY LIMITED
and
SUBSIDIARY COMPANIES

DIRECTORS' REPORT
and
CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 DECEMBER 1989



Altrincham Ayr Bacup Belfast Birmingham Bristol
Bury St Edmunds Cardiff Croydon Dublin Edinburgh
Enniskillen Glasgow Hartlepool Leamington Spa Leeds
London Manchester Middlesbrough Newbury Newcastle
Newmarket Norwich Nottingham Poole Rochdale St Albans
Saltcoats Stoke-on-Trent Stranraer Telford Wetherby
Offshore Isle of Man

CLEANAWAY LIMITED

REPORT OF THE DIRECTORS

for the year ended 31 DECEMBER 1989

The directors submit their report and the audited financial statements for the year ended 31 December 1989.

ACTIVITIES

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

REVIEW OF THE BUSINESS

The company has continued to trade satisfactorily during the year, and its operating profit was substantially higher than in 1988. 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

A final dividend of £6,100,000 in respect of 1988, was paid on 29 June 1989. An interim dividend of £4,000,000 in respect of 1989, was paid on 22 December 1989. A final dividend of £5,400,000 in respect of 1989 is proposed.

SIGNIFICANT CHANGES IN FIXED ASSETS

The company's investment in fixed assets increased significantly during the year. Further details of the movement in fixed assets are given in notes 5 and 6 to the financial statements.

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 financial statements.

DIRECTORS AND THEIR INTERESTS

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.

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 Cleanaway Holdings Limited.

REPORT OF THE DIRECTORS

for the year ended 31 DECEMBER 1989 (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 A M Heath	-	Chairman with effect from 19 January 1990
P T Williams	-	resigned 19 January 1990 (Chairman until his resignation)
M McCarthy	-	resigned 31 December 1989
D W Benjafield		
D M A Birtles	-	appointed 6 December 1989
P Everall	-	appointed 6 December 1989
P J Jansen	-	resigned 13 February 1990
A Jones		
P M Levett	-	appointed 19 January 1990
D S McGregor	-	appointed 14 February 1989
P A Neill	-	resigned 31 August 1989
A J D Pawson	-	resigned 1 February 1990
J Walker		
D T Weir		

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 £1,827 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 group 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 BDO Binder Hamlyn as auditors.

BY ORDER OF THE BOARD


Secretary

Dated: 21.6.90

The Drive
Warley
Brentwood
Essex

AUDITORS' REPORT TO THE MEMBERS OF
CLEANAWAY LIMITED

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

In our opinion the financial statements give a true and fair view of the state of affairs of the company and of its subsidiaries at 31 December 1989 and of the profit and source and application of funds for the year then ended and have been properly prepared in accordance with the companies Act 1985.

BDO Binder Hamlyn

16th July, 1990.

CLEANAWAY LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT

for the year ended 31 DECEMBER 1989

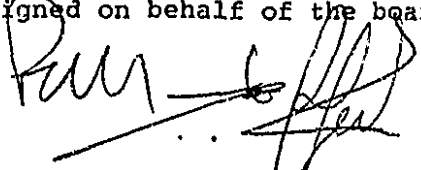
	Notes	1989 £'000	1988 £'000
TURNOVER			
United Kingdom		80,537	77,373
Rest of Europe		1,920	1,813
		<hr/>	<hr/>
		82,457	72,186
Consumable stores and repairs		(7,724)	(7,549)
Staff costs		(19,954)	(16,749)
Depreciation and depletion		(8,477)	(7,873)
Other operating charges		(28,837)	(24,334)
		<hr/>	<hr/>
OPERATING PROFIT		17,465	15,681
Interest payable		(2,437)	(1,160)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	15,028	14,521
Tax on profit on ordinary activities	4	(5,622)	(5,356)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		9,406	9,165
Dividends - Paid	(10,100)		(5,400)
- Proposed	(5,400)		-
		<hr/>	<hr/>
		(15,500)	(5,400)
		<hr/>	<hr/>
		(6,094)	3,765
RETAINED PROFITS BROUGHT FORWARD		7,374	3,609
		<hr/>	<hr/>
RETAINED PROFITS CARRIED FORWARD		1,280	7,374
		<hr/>	<hr/>

CLEANAWAY LIMITED

CONSOLIDATED BALANCE SHEET at 31 DECEMBER 1989

	Notes	1989 £'000	1988 £'000
FIXED ASSETS			
Intangible assets	5	590	784
Tangible assets	6	47,849	35,674
		<u>48,439</u>	<u>36,458</u>
CURRENT ASSETS			
Stocks	1	451	431
Debtors	8	20,509	17,677
Cash at bank and in hand		6	7
		<u>20,966</u>	<u>18,115</u>
CREDITORS: Amounts falling due within one year	9	(26,560)	(18,910)
NET CURRENT LIABILITIES		<u>(5,594)</u>	<u>(795)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		42,845	35,663
CREDITORS: Amounts falling due after more than one year	9	(31,788)	(19,132)
PROVISIONS FOR LIABILITIES AND CHARGES			
Pensions	10	(534)	-
Deferred taxation	11	(3,295)	(3,528)
Other provisions	12	(2,010)	(1,691)
		<u>5,218</u>	<u>11,312</u>
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		1,280	7,374
		<u>5,218</u>	<u>11,312</u>

Signed on behalf of the board


)
) Directors

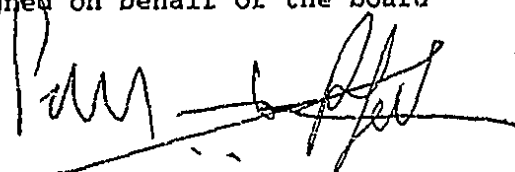
Dated: 21.6.90

CLEANAWAY LIMITED

BALANCE SHEET at 31 DECEMBER 1989

	Notes	1989		1988	
		£'000	£'000	£'000	£'000
FIXED ASSETS					
Intangible assets	5		590		784
Tangible assets	6		17,849		35,674
Investments	7		511		511
			<hr/>		<hr/>
			48,950		36,969
CURRENT ASSETS					
Stocks	1	451		431	
Debtors	8	20,509		18,523	
Cash at bank and in hand		6		7	
		<hr/>		<hr/>	
		20,966		18,961	
CREDITORS: Amounts falling due within one year	9	(27,069)		(20,265)	
NET CURRENT LIABILITIES			(6,103)		(1,304)
TOTAL ASSETS LESS CURRENT LIABILITIES			<hr/>		<hr/>
			42,847		35,665
CREDITORS: Amounts falling due after more than one year	9		(31,788)		(19,132)
PROVISIONS FOR LIABILITIES AND CHARGES					
Pensions	10		(534)		-
Deferred taxation	11		(3,295)		(3,528)
Other provisions	12		(2,010)		(1,691)
			<hr/>		<hr/>
			5,220		11,314
			<hr/>		<hr/>
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			1,695		7,789
			<hr/>		<hr/>
			5,220		11,314
			<hr/>		<hr/>

Signed on behalf of the board


) Directors

Dated: 21.6.90

CLEANAWAY LIMITED

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CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS

for the year ended 31 DECEMBER 1989

	1989 £'000	1988 £'000
FUNDS GENERATED FROM OPERATIONS		
Profit from ordinary activities before taxation	15,028	14,521
Adjustment for items not involving the movement of funds:		
Depreciation and depletion	8,477	7,873
Provision for pension costs	534	-
Site restoration provision	319	412
Profit on disposal of fixed assets	(257)	(204)
	<hr/>	<hr/>
Total generated from operations	24,101	22,602
Dividend paid	(10,100)	(5,400)
Tax paid	(7,710)	(3,841)
	<hr/>	<hr/>
Net funds generated from operations	6,291	13,361
	<hr/>	<hr/>
FIXED ASSETS		
Cost of assets acquired	20,802	9,852
Disposal proceeds	(601)	(765)
	<hr/>	<hr/>
	20,201	9,087
	<hr/>	<hr/>
ADDITIONAL/(REDUCED) WORKING CAPITAL		
Stocks	20	45
Debtors	2,832	3,743
Creditors (excluding loans, overdrafts and corporation tax)	(2,954)	(1,564)
	<hr/>	<hr/>
	(102)	2,224
	<hr/>	<hr/>
TOTAL FUNDS APPLIED	20,099	11,311
	<hr/>	<hr/>
EXTERNAL FINANCE (REQUIRED)/REPAID	(13,808)	2,050
	<hr/>	<hr/>
EXTERNAL FINANCE		
(Increase)/reduction in bank loans and overdrafts	(14,608)	1,930
Repayment to parent company	800	120
	<hr/>	<hr/>
	(13,808)	2,050
	<hr/>	<hr/>

CLEANAWAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 DECEMBER 1989

1. ACCOUNTING POLICIES

(a) Accounting basis

As in previous years, the financial statements have been prepared under the historical cost convention, except to the extent that certain fixed assets are stated at valuation as shown in note 6.

(b) Group financial statements

The financial statements incorporate the results of the parent company and its subsidiaries for the year ended 31 December 1989. As permitted by Sections 227 and 228 of the Companies Act 1985 the profit and loss account of the parent company is not presented as part of these financial statements. All of the profit for the financial year has been dealt with in the financial statements of the parent company.

(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 (see note 5).

(d) Profits/losses 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 on ordinary activities before taxation.

(e) Deferred taxation

Provision is made for deferred taxation where it is thought 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 amounts deferred by accelerated capital allowances and other timing differences, less recoverable tax losses.

(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:) the shorter of site life,
over fifty years) length of lease or site
under fifty years) licence.
Freehold land - other	Nil
Freehold buildings - other	2%
Plant, machinery and vehicles	20%
with the exception of:	
Containers	10% to 14%
Private cars	25%
Tugs and barges	10%

NOTES TO THE FINANCIAL STATEMENTS
(continued)

1. ACCOUNTING POLICIES (continued)

(g) Stocks

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

(h) Site restoration provision

Provision is made out of revenue to cover the estimated future cost of restoration of landfill sites. The future cost is regularly reassessed and the funding rate amended accordingly.

(i) Leases

Rental payments under operating leases are charged to profit and loss account on a straight-line basis over the term of the lease.

(j) Pensions

Contributions are made to defined benefit pension schemes in accordance with the recommendations of the independent actuaries. The expected costs of pensions are charged to the profit and loss account so as to spread the costs over the service lives of the employees in the schemes. This represents a change in accounting policy. Comparative figures have not been restated as the surpluses in the schemes are being amortised over the remaining service lives of the employees in accordance with SSAP24.

(k) Research and development

Expenditure on research and development is written off as incurred.

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

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

	1989		1988	
	£'000	£'000	£'000	£'000
INCOME				
Profit on sale of fixed assets		257		204
Rent receivable, less outgoings		13		19
EXPENDITURE				
Directors' emoluments (note 3)		516		355
Auditors' remuneration		60		58
Operating leases, plant and machinery	1,522		1,662	
Operating leases, other	862		768	
		2,384		2,430
Depreciation and depletion of assets:				
Freehold land and buildings	153		200	
Leasehold, land and buildings -				
over fifty years	23		145	
under fifty years	1,161		971	
Plant, machinery and vehicles	6,946		6,313	
Goodwill	194		244	
Provision for site restoration		8,477		7,873
		803		834

CLEANAWAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
(continued)

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION (continued)

Expenditure incurred in respect of research and development is an integral part of the company's business. It is impractical to distinguish these costs from those of providing ongoing technical support.

	Group		Company	
	1989 £'000	1988 £'000	1989 £'000	1988 £'000
STAFF COSTS				
Wages and salaries	18,012	15,525	18,012	15,521
Social security costs	1,283	1,146	1,283	1,146
Other pension costs	659	78	659	78
	<hr/>	<hr/>	<hr/>	<hr/>
	19,954	16,749	19,954	16,745
	<hr/>	<hr/>	<hr/>	<hr/>
Average number of employees	1,245	1,201	1,245	1,201
	<hr/>	<hr/>	<hr/>	<hr/>

The remuneration for higher paid employees (other than directors) fall within the following bands:

	1989	1988
£30,001 - £35,000	12	2
£35,001 - £40,000	8	4
£40,001 - £45,000	10	-
£45,001 - £50,000	-	1
	<hr/>	<hr/>

3. DIRECTORS' EMOLUMENTS

Aggregate emoluments are made up of:

	1989 £'000	1988 £'000
Salaries and pension contributions	508	347
Fees	8	8
	<hr/>	<hr/>

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

	1989 £	1988 £
Emoluments of the chairman	-	-
Emoluments of the highest paid director	90,254	74,555
	<hr/>	<hr/>
Emoluments of other directors	Number	Number
£ 0 - £ 5,000	5	3
£ 5,001 - £10,000	1	1
£15,001 - £20,000	-	1
£25,001 - £30,000	1	-
£35,001 - £40,000	-	2
£45,001 - £50,000	3	1
£55,001 - £60,000	1	-

CLEANAWAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

(continued)

4. TAXATION

	1989 £'000	1988 £'000
The charge consists of:		
United Kingdom corporation tax at 35%	5,595	6,365
Overseas taxes	260	85
Provision for deferred taxation	(233)	(1,094)
	<hr/> 5,622	<hr/> 5,356

5. INTANGIBLE ASSETS: GOODWILL AND CONCESSIONS

	Concessions £'000	Goodwill £'000	Total £'000
Group and company			
Cost			
At 31 December 1988	125	2,241	2,366
	<hr/>	<hr/>	<hr/>
At 31 December 1989	125	2,241	2,366
	<hr/>	<hr/>	<hr/>
Accumulated depreciation			
At 31 December 1988	125	1,457	1,582
Charge for the year	-	194	194
	<hr/>	<hr/>	<hr/>
At 31 December 1989	125	1,651	1,776
	<hr/>	<hr/>	<hr/>
Net book amount			
At 31 December 1989	-	590	590
	<hr/>	<hr/>	<hr/>
At 31 December 1988	-	784	784
	<hr/>	<hr/>	<hr/>

The cost of goodwill is amortised over the following periods:

	1989 £'000	1988 £'000
5 years or less	1,113	1,113
10 years	1,128	1,128
	<hr/> 2,241	<hr/> 2,241

CLEANAWAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
(continued)

6. TANGIBLE ASSETS

	Land and buildings £'000	Plant, machinery and vehicles £'000	Total £'000
Group and company			
Cost or valuation			
At 31 December 1988	17,243	50,757	68,000
Capital expenditure	1,095	19,707	20,802
Disposals	(71)	(3,870)	(3,941)
	<hr/>	<hr/>	<hr/>
At 31 December 1989	18,267	66,594	84,861
	<hr/>	<hr/>	<hr/>
Accumulated depreciation			
At 31 December 1988	5,175	27,151	32,326
Disposals	(43)	(3,554)	(3,597)
Charge for year	1,337	6,946	8,283
	<hr/>	<hr/>	<hr/>
At 31 December 1989	6,469	30,543	37,012
	<hr/>	<hr/>	<hr/>
Net book amount			
At 31 December 1989	11,798	36,051	47,849
	<hr/>	<hr/>	<hr/>
At 31 December 1988	12,068	23,606	35,674
	<hr/>	<hr/>	<hr/>

Total cost and valuation of group land and buildings shown above at £18,267,000 (1988 - £17,243,000) is analysed as follows:

	1989		1988	
	Cost	Valuation	Cost	Valuation
	£'000	1971 £'000	£'000	1971 £'000
Freehold	4,946	1,700	4,933	1,700
Leasehold over 50 years	1,529	-	1,029	-
Leasehold under 50 years	10,092	-	9,581	-
	<hr/>	<hr/>	<hr/>	<hr/>
	16,567	1,700	15,543	1,700
	<hr/>	<hr/>	<hr/>	<hr/>

CLEANAWAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. TANGIBLE ASSETS (continued)

Total net book amount of group land and buildings shown at £11,798,000 (1988 - £12,068,000) is analysed as follows:

	1989		1988	
	Cost	Valuation	Cost	Valuation
	£'000	1971 £'000	£'000	1971 £'000
Freehold	3,635	1,509	3,758	1,525
Leasehold over 50 years	1,105	-	629	-
Leasehold under 50 years	5,549	-	6,156	-
	<hr/>	<hr/>	<hr/>	<hr/>
	10,289	1,509	10,543	1,525
	<hr/>	<hr/>	<hr/>	<hr/>

7. INVESTMENTS

Shares in subsidiary companies at cost	£'000
At 31 December 1988 and 1989	1,850
<u>Less: Provisions</u>	
At 31 December 1988 and 1989	(1,339)
	<hr/>
	511
	<hr/>

The company's subsidiaries at 31 December 1989 were as follows:

Subsidiary	Country of Incorporation	Share of equity held by:	
		The company	A subsidiary
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%	
Byland Environmental Limited	Great Britain	100%	

None of the subsidiary companies traded during 1989.

CLEANAWAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

8. DEBTORS

	Group		Company	
	1989	1988	1989	1988
	£'000	£'000	£'000	£'000
Trade debtors	15,897	14,954	15,897	14,954
Other debtors	2,520	878	2,520	878
Prepayments and accrued income	2,092	1,845	2,092	1,845
Dividends receivable	-	-	-	846
	<u>20,509</u>	<u>17,677</u>	<u>20,509</u>	<u>18,523</u>

9. CREDITORS

	Group		Company	
	1989	1988	1989	1988
	£'000	£'000	£'000	£'000
(a) Amounts falling due within one year				
Bank loans and overdrafts	3,811	1,860	3,811	1,860
Trade creditors	3,572	3,624	3,572	3,624
Amounts owed to parent company	-	800	-	800
Amounts owed to subsidiaries	-	-	509	1,355
Other creditors	763	741	763	741
Corporation tax	3,867	5,722	3,867	5,722
Other taxes and social security	1,181	1,254	1,181	1,254
Unpaid dividend	5,404	4	5,404	4
Accruals and deferred income	7,962	4,905	7,962	4,905
	<u>26,560</u>	<u>18,910</u>	<u>27,069</u>	<u>20,265</u>

Bank loans and overdrafts include £343,416 secured by way of mortgage on certain fixed assets.

	Group		Company	
	1989	1988	1989	1988
	£'000	£'000	£'000	£'000
(b) Amounts falling due after more than one year				
Bank loans	25,030	12,374	25,030	12,374
Amounts due to parent company	6,750	6,750	6,750	6,750
Other creditor repayable within 5 years	8	8	8	8
	<u>31,788</u>	<u>19,132</u>	<u>31,788</u>	<u>19,132</u>

Bank loans include £1,030,207 of loan secured by way of mortgage on certain fixed assets. The rest of the 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 FINANCIAL STATEMENTS
(continued)

10. PENSION COSTS

The company operates a number of pension schemes providing benefits based on final pensionable pay. The pension schemes are set up under trust and the assets of the schemes are therefore held separately from those of the company.

The pension cost charged to the profit and loss account is calculated by the actuary so as to spread the cost of pensions over the employees' working lives with the company. The pension costs are based on an actuarial valuation which was completed with an effective date of 6 April 1988. The actuarial methods used were the projected unit and the attained age methods.

The most significant assumptions, for their effect on the pension costs, are those relating to the rate of return on the investments of the schemes and the rate of increase in pay. It was assumed that, over the long term, the yield earned on investments would exceed the rates of pay by 1.5% per year and that dividend income will grow at the rate of 4.75% per annum. The schemes are funded using the assumptions and actuarial methods as described above.

The net pension cost charged to the profit and loss account for the year was £658,570 (1988:£77,409). This cost was after a reduction of £294,000 (1988:£Nil) in respect of the amortisation of over-funding and related interest. This amortisation is over the average remaining service lives of pensioned employees.

The total market value of the schemes' assets was £11,202,722 at the valuation date and the actuarial value of those assets represented approximately 125% of the benefits accrued for service to that date. None of the schemes had a material deficiency on a current funding level.

11. DEFERRED TAXATION

£'000

Group and company

Balance at 31 December 1988

3,528

Transferred from profit and loss account

(233)

Balance at 31 December 1989

3,295

Accelerated capital allowances

1989

1988

Provided and
potentialProvided and
potential

£'000

£'000

4,459

4,288

Other timing differences

(1,125)

(760)

Tax losses

(39)

-

3,295

3,528

NOTES TO THE FINANCIAL STATEMENTS
(continued)

12. OTHER PROVISIONS

Site
restoration
f'000

Group and company

At 31 December 1988

1,691

Expenditure during year

(484)

Further provision

803

At 31 December 1989

2,010

The site restoration provision represents provision made for the cost of restoring landfill sites.

13. CALLED UP SHARE CAPITAL

	1989	1988
	f'000	f'000

Authorised

7,500,000 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

1,346 1,346

1,481 1,481

14. CONTINGENT LIABILITIES

At 31 December 1989 there were contingent liabilities of £1,107,986 (1988: £1,005,916) in respect of performance bonds given by the company.

15. FINANCIAL COMMITMENTS

The company is committed to the following payments in 1990 under operating leases:

	Land and buildings f'000	Others f'000	Total f'000
Expiry within 1 year	5	-	5
Expiry within 2 - 5 years	105	185	290
Expiry over 5 years	599	-	599
	<u>709</u>	<u>185</u>	<u>894</u>

NOTES TO THE FINANCIAL STATEMENTS
(continued)

16. FUTURE CAPITAL EXPENDITURE

The board of directors of Cleanaway Limited has approved the following capital expenditure for which no provision has been made in these financial statements

	1989 £'000	1988 £'000
Authorised and contracted	2,413	655
Authorised but not contracted	1,661	1,465
	<hr/>	<hr/>
	4,074	2,120
	<hr/>	<hr/>

17. ULTIMATE HOLDING COMPANY

The directors regard Cleanaway Holdings Limited, a company incorporated in Great Britain, as the ultimate holding company. Cleanaway Holdings Limited is jointly owned by subsidiaries of GKN plc and Brambles Industries Limited of Australia.

18. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the board of directors on 21 June 1990