

**TILGHMAN WHEELABRATOR
SPECIAL PRODUCTS LIMITED**

**REPORT AND FINANCIAL STATEMENTS
30 NOVEMBER 1994**

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TILGHMAN WHEELABRATOR SPECIAL PRODUCTS LIMITED

COMPANY INFORMATION

Directors	R J Archer J Baldwin J M Smith M C E Sturt
Secretary	R J Archer
Company Number	1297257
Registered office	Sandhall Works Gibbet Street Highroad Well Halifax West Yorkshire HX2 0AL
Auditors	Spenser, Wilson & Co 15/17 Carlton Street Halifax West Yorkshire HX1 2AL
Bankers	Barclays Bank Plc 51 Mosley Street Manchester M60 2AU

TILGHMAN WHEELABRATOR SPECIAL PRODUCTS LIMITED

DIRECTORS' REPORT

The directors submit their report for the year ended 30 November 1994.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The company has undertaken no trading in the period under review. It is anticipated that the company will remain dormant for the foreseeable future.

DIRECTORS AND DIRECTORS' INTERESTS

The directors of the company during the year and their interests in its share capital were as follows:

	Ordinary shares of £1 each		Preference shares of £1 each	
	1994	1993	1994	1993
J Baldwin	-	-	-	-
J M Smith	1*	1*	-	-
M C E Sturt	-	-	-	-
R J Archer	-	-	-	-

* Held in trust for the holding company.

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 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;
- 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 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.

STATUS

The company is a wholly-owned subsidiary of Tilghman Wheelabrator Limited, a company incorporated in England.

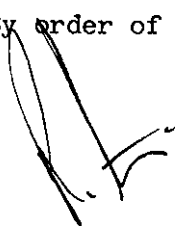
TILGHMAN WHEELABRATOR SPECIAL PRODUCTS LIMITED

DIRECTORS' REPORT (continued)

AUDITORS

In accordance with section 250 of the Companies Act, 1985, a special resolution will be put to the annual general meeting proposing that the company makes itself exempt from the need to appoint auditors whilst it remains a dormant company.

By order of the Board

A handwritten signature in black ink, appearing to be 'R J Archer', written over the printed name.

R J ARCHER

Secretary

17 October 1995

TILGHMAN WHEELABRATOR SPECIAL PRODUCTS LIMITED

REPORT OF THE AUDITORS

TO THE SHAREHOLDERS

We have audited the financial statements on pages 6 and 7 which have been prepared under the historical cost convention.

Respective responsibilities of directors and auditors

As described on page 3 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.

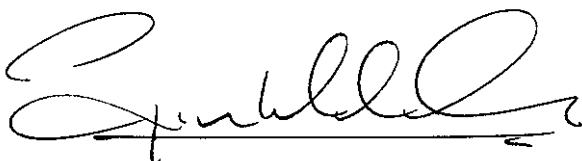
Basis of opinion

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 at 30 November 1994 and have been properly prepared in accordance with the Companies Act, 1985.



SPENSER, WILSON & CO

Chartered Accountants and Registered Auditors

HALIFAX

17 October 1995


TILGHMAN WHEELABRATOR SPECIAL PRODUCTS LIMITED

BALANCE SHEET

AT 30 NOVEMBER 1994

	Note	1994 £	1993 £
CURRENT ASSETS			
Debtors - amounts due to holding company		<u>£309,288</u>	<u>£309,288</u>
CAPITAL AND RESERVES			
Called-up share capital	2	102,388	102,388
Share premium account		8,400	8,400
Profit and loss account		<u>198,500</u>	<u>198,500</u>
Shareholders' funds		<u>£309,288</u>	<u>£309,288</u>

Approved by the board



R J ARCHER

Director

17 October 1995

The notes on page 7 form part of these financial statements

TILGHMAN WHEELABRATOR SPECIAL PRODUCTS LIMITED

NOTES ON THE ACCOUNTS

1. ACCOUNTING POLICIES

Basis of preparation of accounts

These financial statements are prepared under the historical cost convention. The company has not traded during the year and all expenses will be borne by the holding company.

2. SHARE CAPITAL

	1994	1993
	£	£
Authorised, allotted and fully paid		
Ordinary shares of £1 each	4,000	4,000
Preference shares of £1 each	98,388	98,388
	<u>£102,388</u>	<u>£102,388</u>

3. HOLDING COMPANY

The company is a wholly-owned subsidiary of Tilghman Wheelabrator Limited, a company incorporated in England. The company's ultimate holding company is WMX Inc., a company incorporated in the United States of America.