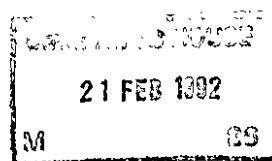


1569257



ANTI-WASTE LIMITED

ACCOUNTS

31ST DECEMBER 1991

RICHARD ALLIBAN & CO.

CHARTERED ACCOUNTANTS

ANTI-WASTE LIMITED

DIRECTORS

P.A. Rackham
P.A. Rackham Jnr.
Mrs. S.A. Rackham

SECRETARY

S.R. Stuteley

REGISTERED OFFICE

27a. High Street,
Brandon,
Suffolk.

COMPANY NUMBER

1569257

AUDITORS

Richard Alliban & Co.

SOLICITORS

Cunningham, John & Co.

BANKERS

Lloyds Bank plc

ANTI-WASTE LIMITED

I N D E X

	Page
Directors' Report	1
Report of the Auditors	2
Profit and Loss Account	3
Balance Sheet	4
Statement of Source and Application of Funds	5
Notes to the Accounts	6 to 11

ANTI-WASTE LIMITEDDIRECTORS' REPORT

The directors present their report and statement of accounts for the year ended 31st December 1991.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The company's principal activity is that of providing waste disposal facilities and reclamation of waste products, together with management services relating to the waste disposal industry. During the year the company disposed of an agricultural property for a consideration of £1,350,000 retaining landfill rights.

The company continues to seek avenues to expand its trade.

DIVIDENDS

The directors do not propose the payment of any dividend.

DIRECTORS AND THEIR INTERESTS

	<u>1991</u>	<u>1990</u>
P.A. Rackham	Nil	44,055
P.A. Rackham Junior	Nil	17,445
Mrs. S.A. Rackham	Nil	Nil

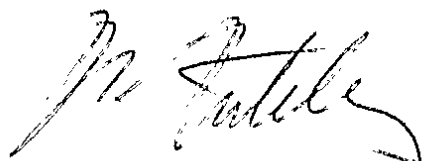
SIGNIFICANT CHANGES IN FIXED ASSETS

The acquisition of fixed assets is shown in note 8 to the accounts.

AUDITORS

The Auditors, Richard Alliban & Co., have signified their willingness to continue in office. A resolution to re-appoint them will be put to the annual general meeting in accordance with section 384(1) of the Companies Act, 1985.

By Order of the Board



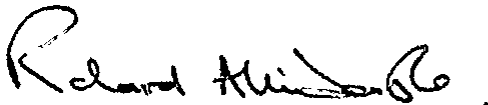
S.R. STUTELEY
SECRETARY

14th February 1992

REPORT OF THE AUDITORS
TO THE MEMBERS OF ANTI-WASTE LIMITED

We have audited the financial statements on pages 3 to 11. Our audit was conducted in accordance with approved auditing standards.

In our opinion the financial statements, which have been prepared under the Historical Cost Convention, give a true and fair view of the state of the affairs of the company at 31st December 1991 and of its profit and source and application of funds for the year ended on that date and complies with the Companies Act 1985.



Richard Alliban & Co.,
Chartered Accountants and Registered Auditor,
27a High Street,
Brandon,
Suffolk,
IP27 0AQ.

14th February 1992

ANTI-WASTE LIMITEDPROFIT AND LOSS ACCOUNTFOR THE YEAR ENDED 31ST DECEMBER 1991

		15 months to 31.12.90	
	Notes	£	£
TURNOVER	2	2,496,263	2,870,369
Cost of sales		1,724,766	2,067,278
		<hr/>	<hr/>
GROSS PROFIT		771,497	803,091
Administrative expenses		258,229	219,495
		<hr/>	<hr/>
OPERATING PROFIT	3	513,268	583,596
Interest payable less receivable	6	159,033	379,925
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		354,235	203,671
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	7	135,833	74,948
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		218,402	128,723
RETAINED PROFIT brought forward		412,190	283,467
		<hr/>	<hr/>
RETAINED PROFIT at 31st December 1991		£ 630,592	£ 412,190
		<hr/>	<hr/>

The notes on pages 6 to 11 form part of these accounts.

ANTI-WASTE LIMITEDBALANCE SHEET AS AT 31ST DECEMBER 1991

	Notes	£	£	31.12.90 £
FIXED ASSETS				
Tangible assets	8	1,610,715		1,413,243
CURRENT ASSETS				
Stock	9	17,770	1,263,283	
Debtors: within one year	10	2,012,097	658,810	
Cash in hand		110	-	
		<u>2,029,977</u>	<u>1,922,093</u>	
Prepayments	11	284,980	25,828	
		<u>2,314,957</u>	<u>1,947,921</u>	
CURRENT LIABILITIES				
Amounts falling due within one year:				
Creditors	12	2,620,804	1,975,538	
NET CURRENT LIABILITIES		(305,847)	(27,617)	
		<u>1,304,868</u>	<u>1,385,626</u>	
CREDITORS: Amounts falling due after more than one year	12	207,931	507,091	
		<u>£1,096,937</u>	<u>£ 878,535</u>	
CAPITAL AND RESERVES				
Paid up share capital	13	61,500	61,500	
Capital reserve	14	321,585	321,585	
Share premium account	15	83,260	83,260	
Profit and loss account		630,592	412,190	
		<u>£1,096,937</u>	<u>£ 878,535</u>	

Signed on behalf of the Board of Directors



P.A. RACKHAM

The notes on pages 6 to 11 form part of these accounts.

ANTI-WASTE LIMITED
STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE YEAR ENDED 31ST DECEMBER 1991

	£	£	£	15 months to 31.12.90 £
SOURCE OF FUNDS				
Funds generated from operations:				
Profit on ordinary activities before taxation		354,235		203,671
Adjustment for items not involving the movement of funds:				
Depreciation (Profit) on sale of fixed assets		199,187 (352)		162,615 (21,824)
		<u>553,070</u>		<u>344,462</u>
Funds from other sources:				
Increase in creditors falling due after more than one year	-		250,080	
Sales of fixed assets	33,502		96,840	
	<u>33,502</u>		<u>96,840</u>	
		33,502		346,920
		<u>586,572</u>		<u>691,382</u>
APPLICATION OF FUNDS				
Purchase of tangible fixed assets	429,809		783,915	
Corporation tax paid	32,732		74,876	
Decrease in creditors falling due after more than one year	299,160		-	
	<u>761,701</u>		<u>858,791</u>	
		<u>£(175,129)</u>		<u>£(167,409)</u>
MOVEMENT IN WORKING CAPITAL				
Decrease in stock	(1,245,513)		(133,704)	
Increase in debtors and prepayments	1,612,439		122,203	
Increase in creditors	(318,180)		(166,507)	
Movement in net liquid funds:				
(Increase)/decrease in bank overdraft	(223,985)		10,704	
Increase/(decrease) in cash in hand	110		(105)	
	<u>£ (175,129)</u>		<u>£(167,409)</u>	

ANTI-WASTE LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31ST DECEMBER 1991****1. ACCOUNTING POLICIES****a) Accounting Convention**

The accounts have been prepared under the historical cost convention.

b) Turnover

Turnover represents net invoiced sales of goods and services provided excluding V.A.T.

c) Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life as follows:

Freehold buildings	- over 50 years
Leasehold properties and licence agreements	- over the expected life of each individual site.
Leased assets	- over the term of the lease
Plant and equipment	- over 5 years
Motor vehicles	- over 4 years

d) Stocks

Stocks have been valued at the lower of cost and net realisable value.

e) Deferred Taxation

The company is an active trading concern with a continuous replacement policy for its fixed assets. It has therefore been decided that no provision for deferred tax is required on the excess book value of its assets over their corresponding written down value for tax purposes.

f) Finance Leases

In respect of each finance lease entered into after 1st October 1987, the cost of the asset is capitalised and depreciated over its expected useful life. Rentals payable are apportioned between the finance charge and leasing commitment. The total finance charge is allocated to accounting periods over the terms of the lease at a constant periodic rate of charge on the remaining leasing commitment balance for each accounting period.

2. TURNOVER

Turnover is attributable to the principal activity of the company and the sale of a property, which proved surplus to the Company's requirements, and relates wholly and exclusively to receipts from United Kingdom residents.

ANTI-WASTE LIMITEDNOTES TO THE ACCOUNTS
(Continued)FOR THE YEAR ENDED 31ST DECEMBER 1991

	£	1990 £
3. OPERATING PROFIT		
The operating profit is stated after charging/(crediting):		
Depreciation of tangible fixed assets	199,187	162,615
Leasing	19,247	29,002
Hired plant	784	14,770
Directors' remuneration (note 4)	53,106	57,134
Staff costs (note 5)	107,711	126,207
Audit fees	4,500	4,000
Profit on sale of fixed assets	(352)	(21,824)
	<hr/>	<hr/>
4. DIRECTORS' REMUNERATION		
Fees	28,938	28,346
Pension costs	21,558	26,036
Social security costs	2,610	2,752
	<hr/>	<hr/>
	£53,106	£57,134
	<hr/>	<hr/>
5. STAFF COSTS		
Wages and salaries	96,495	112,900
Social security costs	9,105	9,639
Other pension costs	2,111	3,668
	<hr/>	<hr/>
	£107,711	£126,207
	<hr/>	<hr/>
The average number of employees (excluding directors) during the year was as follows:		
	No.	No.
Operational staff	6	6
Administration	4	3
	<hr/>	<hr/>
	10	9
	<hr/>	<hr/>
6. INTEREST PAYABLE		
	£	£
Interest payable on bank overdraft	20,079	40,442
Loan interest	139,081	299,511
Interest on leases	34,857	37,819
Other interest	-	3,800
	<hr/>	<hr/>
	194,017	381,572
INTEREST RECEIVABLE	34,984	1,647
	<hr/>	<hr/>
	£159,033	£379,925
	<hr/>	<hr/>

ANTI-WASTE LIMITED
NOTES TO THE ACCOUNTS
(Continued)

FOR THE YEAR ENDED 31ST DECEMBER 1991

7. TAXATION

The tax charge on the profit of ordinary activities for the year is as follows:

	£	1990 £
Corporation tax at the current rate based on the adjusted results for the year	134,892	70,266
Under provision for previous years	941	4,682
	<u>£135,833</u>	<u>£74,948</u>

The effect of not providing for all potential deferred tax has been to reduce the charge for taxation by £5,996.

8. TANGIBLE FIXED ASSETS

	Freehold Property £	Leasehold Property & Licence Agreements £	Leased Assets £	Plant & Equipment £	Motor Vehicles £	Total £
COST						
At 1.1.90	751,682	192,234	469,436	172,807	91,262	1,677,421
Additions	192,197	143,434	40,000	8,939	45,239	429,809
Disposals	—	—	—	—	(41,602)	(41,602)
At 31.12.91	943,879	335,668	509,436	181,746	94,899	2,065,628
DEPRECIATION						
At 1.1.90	9,604	15,936	122,304	100,868	15,466	264,178
Provided during year	5,944	52,927	97,220	20,478	22,618	199,187
Disposals	—	—	—	—	(8,452)	(8,452)
At 31.12.91	15,548	68,863	219,524	121,346	29,632	454,913
WRITTEN DOWN VALUE						
At 31.12.91	928,331	266,805	289,912	60,400	65,267	1,610,715
At 31.12.90	742,078	176,298	347,132	71,939	75,796	1,413,243
					1991 £	1990 £

9. STOCKS

Consumable stocks	7,770	5,460
Stock for resale	10,000	1,257,823
	<u>£17,770</u>	<u>£1,263,283</u>

ANTI-WASTE LIMITED
NOTES TO THE ACCOUNTS
(Continued)
FOR THE YEAR ENDED 31ST DECEMBER 1991

	Notes	£	1990 £
10. DEBTORS: Amounts falling due within one year			
Trade debtors		243,010	522,615
Amounts owed by group companies		1,727,393	-
Other debtors		41,694	136,195
		<u>£2,012,097</u>	<u>£ 658,810</u>
11. PREPAYMENTS		<u>£ 284,980</u>	<u>£ 25,828</u>

The company has paid rent totalling £250,000 for five years in advance for a waste disposal site commencing 18th June 1991, none of which has been written off in these accounts as the site is not yet being operated. It will be brought into operation in the first half of 1992 and the rent will then commence to be written off evenly over the remainder of the five-year period.

12. a) CREDITORS: Amounts falling due within one year			
Trade creditors		190,658	87,422
Accruals		33,741	31,276
Bank loans		1,659,585	1,434,137
Bank overdraft (secured)		347,235	123,250
Corporation tax		196,099	92,998
Other taxes and social security costs		27,447	39,990
Invoiced in advance		625	13,585
Leasing commitment		100,853	122,118
Directors' current account		64,561	25,105
Other creditors		-	5,657
		<u>£2,620,804</u>	<u>£1,975,538</u>
b) CREDITORS: Amounts falling due after more than one year			
Bank loan		25,000	296,143
Leasing commitments (non-current)		182,931	210,948
		<u>£ 207,931</u>	<u>£ 507,091</u>
Repayable within five years		207,931	507,091
Repayable after five years		-	-
		<u>£ 207,931</u>	<u>£ 507,091</u>

The bank loan of £1,384,585 entered into on 9th June 1989 is subject to a variable rate of interest chargeable quarterly. The loan is secured on the property which has been sold to the parent company to whom the loan will be transferred.

The bank loan of £300,000 entered into on 2nd August 1990, is subject to a variable rate of interest payable quarterly. It is a revolving premium loan with repayments of capital over one year commencing February 1992. The loan is secured.

ANTI-WASTE LIMITEDNOTES TO THE ACCOUNTS
(Continued)FOR THE YEAR ENDED 31ST DECEMBER 1991

£

13. CALLED UP SHARE CAPITAL

Authorised:

Ordinary shares of £1 each

£100,000

Allotted, issued and fully paid

Ordinary shares of £1 each

£61,500

14. CAPITAL RESERVE

Balance as at 1st January 1991

£321,585

Balance as at 31st December 1991

£321,585

15. SHARE PREMIUM ACCOUNT

Balance as at 1st January 1991

£83,260

Balance as at 31st December 1991

£83,260

16. LEASING COMMITMENTS - FINANCE LEASES

The future minimum lease payments to which the company is committed at the balance sheet date under finance leases are as follows:-

	£	£
Year ended 31st December 1991	-	122,118
Year ended 31st December 1992	130,615	118,418
Year ended 31st December 1993	112,276	100,079
Year ended 31st December 1994	79,264	67,067
Year ended 31st December 1995	17,503	11,405
	<u>339,658</u>	<u>419,087</u>
Less finance charges allocated to future periods	55,874	86,021
	<u>£283,784</u>	<u>£333,066</u>
Amounts falling due within one year	100,853	122,118
Amounts falling due after more than one year	182,931	210,948
	<u>£283,784</u>	<u>£333,066</u>

17. HOLDING COMPANY

The Company became a fully owned subsidiary of Paul Rackham Limited, a company which is registered in the United Kingdom, on 20th December 1991.

ANTI-WASTE LIMITED
NOTES TO THE ACCOUNTS
(Continued)

FOR THE YEAR ENDED 31ST DECEMBER 1991

18. TRANSACTIONS WITH DIRECTORS

There are transactions with the director, group companies and associated companies during the year, but all such transactions are on commercial trading terms.