

# **WRG Properties Limited**

**Directors' report and financial  
statements**

**Registered number 2181617**

**31 December 2008**



## Contents

Statutory information	1
Directors' report	2
Statement of Directors' responsibilities in respect of the Directors' Report and the financial statements	3
Profit and loss account	4
Balance sheet	4
Notes	5

## **Statutory information**

### **Directors**

JR Meredith  
LJD Cassells

### **Company Secretary**

C Favier-Tilston

### **Registered office**

Ground Floor West  
900 Pavilion Drive  
Northampton Business Park  
Northampton  
NN4 7RG

## **Directors' report**

The directors (the "Directors") of WRG Properties Limited (the "Company") present their annual report and the unaudited financial statements for the year ended 31 December 2008.

### **Principal activity**

The Company was dormant during both the current and previous financial year. The Directors do not expect the Company to trade in the foreseeable future.

### **Directors**

The Directors who served as directors of the Company during the year ended 31 December 2008 and up to the date of this report were as follows:

JR Meredith  
LJ D Cassells  
SN Hardman (resigned 30 April 2008)

### **Companies Act 2006**

Under the Companies Act 2006 there is no longer a statutory requirement to hold an annual general meeting of the Company or to lay accounts and reports before the Company in general meeting for approval.

The Company is therefore no longer required to fulfil its obligations under the elective resolutions that were in place at previous year ends.

### **Charitable and political donations**

The Company made no charitable or political donations in either the current or previous financial year.

By order of the board



**C Favier-Tilston**  
*Company Secretary*

11 May 2009

## **Statement of Directors' responsibilities in respect of the Directors' Report and the financial statements**

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

The financial statements are required by law to 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 these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

## Profit and loss account

*year ended 31 December 2008*

The Company has not traded during the current or prior financial years, and consequently has made neither a profit or loss nor any other recognised gain or loss.

## Balance sheet

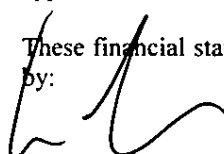
*at 31 December 2008*

	<i>Note</i>	2008 £	2007 £
<b>Current assets</b>			
Cash at bank and in hand		24	24
		<u>24</u>	<u>24</u>
<b>Creditors: amounts falling due within one year</b>	2	(6,004)	(6,004)
<b>Net current liabilities</b>		<u>(5,980)</u>	<u>(5,980)</u>
<b>Net liabilities</b>		<u>(5,980)</u>	<u>(5,980)</u>
<b>Capital and reserves</b>			
Called up share capital	3	908,166	908,166
Profit and loss account		<u>(914,146)</u>	<u>(914,146)</u>
<b>Equity shareholders' deficit</b>		<u>(5,980)</u>	<u>(5,980)</u>

These financial statements have not been audited because the Company is entitled to the exemption provided by section 480(1)(b) of the Companies Act 2006 relating to dormant companies and its members have not required the Company to obtain an audit of these financial statements in accordance with section 476.

The Directors acknowledge their responsibilities for ensuring that the Company keeps accounting records that comply with section 386 of the Companies Act 2006. The Directors also acknowledge their responsibilities for preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for the financial year in accordance with section 393 of the Companies Act 1985 and which otherwise comply with the requirements of that Act relating to the financial statements, so far as is applicable to the Company.

These financial statements were approved by the board of Directors on 11 May 2009 and were signed on its behalf by:



**LJD Cassells**  
Director

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

These financial statements are prepared in accordance with applicable United Kingdom accounting standards.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

#### *Accounting convention*

The financial statements are prepared under the historical cost convention.

#### *Going concern*

The financial statements have been prepared on a going concern basis, notwithstanding net current liabilities of £5,980 which the directors believe to be appropriate for the following reasons.

The ability of the Company to trade in the foreseeable future is largely dependant on the continued support of the Company's parent company, Waste Recycling Group Limited, which has indicated that it intends to provide such funds as are necessary for the Company to continue to trade for the foreseeable future. The directors of Waste Recycling Group Limited make the following statements in their financial statements for the year ended 31 December 2008 which were approved in March 2009:

"The Group meets its day to day working capital requirements through a £70m revolving credit facility which is due for renewal in November 2009 and we shall commence renewal discussions in due course. In addition the Group has various long-term intercompany loans totalling £149.8m. The earliest Group loan is repayable in 2021.

A Group subsidiary, Kent Enviropower Limited ("KEL"), has a project facility of £123.4m which is secured on the assets of the subsidiary only and the funding banks have no recourse to the rest of the Group.

Under the terms of the credit agreement between KEL and the project finance funding banks, the EPC contractor had obtained the take over certificate for the plant on 24 December 2008, subsequent to the long stop date for completion of 4 April 2008. Whilst there is no agreement on the necessary waiver to the Credit Agreement as at the date of the accounts, the debt is payable on demand and this has led to the need to re-state 100% of the non-recourse loan as a current liability within these accounts.

In March 2009, KEL and the syndicate banks reached an agreement on conditions and wording for a waiver agreement, thereby re-instating the loan with some amendments to margins and fees. This will allow £119.1m of the loan to be re-classified within long-term liabilities in the future.

Current economic conditions create uncertainty particularly over sales volumes and pricing. The Group has reported an operating loss for the year and, whilst the Directors have implemented measures to preserve cash and secure additional funding, these circumstances create uncertainties over future trading results and cash flows.

After making enquiries and discussions with the ultimate holding company, the Directors have a reasonable expectation that the Group and the Company will have adequate resources to continue trading for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the annual report and accounts."

The directors of the company consider that the commitments made by Waste Recycling Group Limited should enable the company to continue to trade for the foreseeable future and accordingly, the Directors consider that the financial statements should be prepared on a going concern basis.

## Notes (continued)

### 2 Creditors: amounts falling due within one year

	2008 £	2007 £
Amounts owed to fellow subsidiary undertakings	6,004	6,004

### 3 Called up share capital

	2008 £	2007 £
<i>Authorised</i>		
1,000,000 ordinary shares of £1 each	1,000,000	1,000,000
<i>Called up, allotted and fully paid</i>		
908,166 ordinary shares of £1 each	908,166	908,166

### 4 Ultimate parent company

The Directors regard Fomento de Construcciones y Contratas, S.A., a company registered in Spain, as the ultimate controlling party and the ultimate parent entity.

Fomento de Construcciones y Contratas, S.A. is the parent company of the largest group of which the Company is a member and for which group accounts are drawn up. Waste Recycling Group 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 the financial statements of both Waste Recycling Group Limited and Fomento de Construcciones y Contratas, S.A. are available from the Company Secretary, Ground Floor West, 900 Pavilion Drive, Northampton Business Park, Northampton, NN4 7RG.