



LANSTAR LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

Company registration number 02318907

LANSTAR LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

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LANSTAR LIMITED
OFFICERS AND PROFESSIONAL ADVISERS
YEAR ENDED 31 DECEMBER 2010

Executive directors	H M T Lanoe Gould B Dollen
Non-executive director	P P Quigley
Company secretary	B Dollen
Business address	Liverpool Road Cadishead Manchester Greater Manchester M44 5DT
Registered office	Grange Road Botley Southampton Hampshire SO30 2GD
Auditor	RSM Tenon Audit Limited Highfield Court Tollgate Chandlers Ford Eastleigh Hampshire SO53 3TY
Accountants	RSM Tenon Limited Accountants and Business Advisers Highfield Court Tollgate Chandlers Ford Eastleigh Hampshire SO53 3TY

LANSTAR LIMITED
THE DIRECTORS' REPORT
YEAR ENDED 31 DECEMBER 2010

The directors present their report and the financial statements of the company for the year ended 31 December 2010

Principal activities and business review

The principal activity of the company during the year was the processing and safe disposal of hazardous waste

A comprehensive review of the group's performance has been included in the accounts of Cleansing Service Group Limited

Results and dividends

The trading results for the year and the company's financial position at the end of the year are shown in the attached accounts

The directors have not recommended a dividend (2009 - £nil)

Given the nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business. A review of key performance indicators relating to the group, which include those of the company, is provided in the accounts of the ultimate parent company, Cleansing Service Group Limited

Financial risk management objectives and policies

The financial risk management objectives of the company in relation to financial instruments are set by the board of directors with a view to minimising its exposure to price risk, credit risk, liquidity risk and cash flow risk. Further information is provided in the accounts of Cleansing Service Group Limited

Principal risks and uncertainties

The directors of Lanstar Limited manage the company's risk at a group level, rather than at an individual business unit level. For this reason, the company's directors believe that a discussion of the group's risks would not be appropriate for an understanding of the development, performance or position of Lanstar Limited's business. A review of the principal risks and uncertainties relating to the group, which include those of the company, is provided in the accounts of Cleansing Service Group Limited

Future developments

The directors of Lanstar Limited have no plans to change the way the company operates

Directors

The directors who served the company during the year were as follows

H M T Lanoe Gould
P P Quigley (non executive)
B Dollen

LANSTAR LIMITED
THE DIRECTORS' REPORT
YEAR ENDED 31 DECEMBER 2010

Directors' responsibilities

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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, 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

In so far as the directors are, individually, aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

A resolution to reappoint RSM Tenon Audit Limited as auditor for the ensuing year will be proposed at the forthcoming annual general meeting.

Signed on behalf of the directors



B Dollen
Director

Approved by the directors on 27 May 2011

LANSTAR LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
LANSTAR LIMITED
YEAR ENDED 31 DECEMBER 2010

We have audited the financial statements of Lanstar Limited for the year ended 31 December 2010 on pages 6 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its result for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

LANSTAR LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
LANSTAR LIMITED *(continued)*
YEAR ENDED 31 DECEMBER 2010

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Michaela Johns, Senior Statutory Auditor
For and on behalf of

RSM Tenon Audit Limited

RSM Tenon Audit Limited
Statutory Auditor
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
Hampshire
SO53 3TY

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LANSTAR LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 2010

		2010 £	2009 £
	Note		
Turnover	2	7,777,379	5,809,496
Cost of sales		(4,771,569)	(3,439,848)
Gross profit		<u>3,005,810</u>	<u>2,369,648</u>
Administrative expenses		(1,442,877)	(1,161,494)
Operating profit	3	1,562,933	1,208,154
Other income	4	1,231,601	-
Write off of investments	5	(1,047,282)	-
Profit on ordinary activities before taxation		<u>1,747,252</u>	<u>1,208,154</u>
Tax on profit on ordinary activities	7	(386,724)	(353,349)
Profit for the financial year	20	<u><u>1,360,528</u></u>	<u><u>854,805</u></u>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

The notes on pages 9 to 18 form part of these financial statements

LANSTAR LIMITED
NOTE OF HISTORICAL COST PROFITS AND LOSSES
YEAR ENDED 31 DECEMBER 2010

	2010 £	2009 £
Reported profit on ordinary activities before taxation	1,747,252	1,208,154
Difference between a historical cost depreciation charge and the actual charge calculated on the revalued amount	<u>31,000</u>	<u>31,000</u>
Historical cost profit on ordinary activities before taxation	<u>1,778,252</u>	<u>1,239,154</u>
Historical cost profit for the year retained after taxation	<u><u>1,391,528</u></u>	<u><u>885,805</u></u>

The notes on pages 9 to 18 form part of these financial statements

LANSTAR LIMITED
Registered number 02318907

BALANCE SHEET

YEAR ENDED 31 DECEMBER 2010

		2010		2009
		£	£	£
	Note			
Fixed assets				
Tangible assets	8	3,053,444		2,713,059
Investments	9	-		1,047,282
		<u>3,053,444</u>		<u>3,760,341</u>
Current assets				
Stocks	10	12,497		9,903
Debtors	11	2,558,818		1,371,044
Cash at bank		2,237		2,199
		<u>2,573,552</u>		<u>1,383,146</u>
Creditors: Amounts falling due within one year	12	<u>(1,856,671)</u>		<u>(2,728,121)</u>
Net current assets/(liabilities)		716,881		(1,344,975)
Total assets less current liabilities		3,770,325		2,415,366
Provisions for liabilities				
Deferred taxation	13	(121,156)		(126,725)
		<u>3,649,169</u>		<u>2,288,641</u>
Capital and reserves				
Called-up share capital	18	3,533,774		3,533,774
Revaluation reserve	19	423,813		454,813
Profit and loss account	20	(308,418)		(1,699,946)
Shareholders' funds	21	<u>3,649,169</u>		<u>2,288,641</u>

These financial statements were approved by the directors and authorised for issue on 27 May 2011 and are signed on their behalf by



B Dollen
Director

The notes on pages 9 to 18 form part of these financial statements

LANSTAR LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards

Cash flow statement

The company is exempt from preparing a cash flow statement under Financial Reporting Standard 1, on the grounds that the company is a wholly owned subsidiary and is part of consolidated group accounts which include a cash flow statement

Turnover

The turnover shown in the profit and loss account represents the value of all goods sold during the period, less returns received, at selling price exclusive of Value Added Tax

Credit is taken for income from the intake of waste material when the material is received from customers. Provision is made for the amount, if any, by which the cost of processing and disposing of stocks of untreated waste exceeds the realisable value of recovered and recoverable products. The profit, if any, on disposing of recoverable products is taken when they are sold.

Research and development

Research expenditure is written off to the profit and loss account in the period in which it is incurred. Development expenditure is written off in the same period unless the directors are satisfied as to the technical, commercial and financial viability of the individual projects. In this situation, the expenditure is deferred and amortised over the period from which the company is expected to benefit. There are a number of assets included in plant and machinery that have been capitalised under this criteria.

Tangible fixed assets

All assets, other than freehold land and buildings, are stated at cost, being purchase price, less accumulated depreciation.

The company has adopted Financial Reporting Standard 15 "Tangible Fixed Assets" and has decided to continue with its policy of carrying its land and buildings at valuation.

The company has taken advantage of the transitional provision of Financial Reporting Standard 15 concerning the revaluation of the land and buildings carried out in 1998. This valuation has not been updated. The directors have opted not to continue with the programme of regular revaluations.

Depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Freehold land	- nil
Freehold buildings	- 5% straight line
Leasehold buildings	- over the life of the lease
Plant and machinery	- 10% - 33% straight line
Motor vehicles	- at rates ranging from 7.14% to 33.3% straight line

LANSTAR LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

1 Accounting policies (continued)

Stocks

Stocks consist of raw materials, finished products and stores. All stocks have been valued on a basis consistent with previous years at the lower of cost, being purchase price, and net realisable value.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account.

Hire purchase contracts held by the ultimate parent company relating to assets held in this company are shown in the accounts of that company.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. Contributions are charged to the profit and loss account as and when they fall due.

The company previously contributed to the Lanstar Holdings Group Pension Scheme (1974), which was a funded defined benefit scheme operated by the companies within the Lanstar Group. With effect from 31 December 2002, contributions to this scheme ceased, along with any benefit accrual. From 30 April 2003, this scheme was in the process of being wound up. As at the year end the scheme has been accepted for the Financial Assistance Scheme. Further information has been included in note 13 to the accounts.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more, or a right to pay less tax, or a right to receive repayments of tax in the future have occurred by the balance sheet date with certain limited exceptions.

Deferred tax assets are recognised only to the extent that the directors consider it more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax assets and liabilities recognised have been discounted.

Deferred tax is measured on a discounted basis at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

LANSTAR LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

1. Accounting policies (continued)

Consolidation

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so under the Companies Act 2006 as it is a subsidiary undertaking of Cleansing Service Group Limited, a company registered in England and Wales, and is included in the consolidated accounts of that company.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Related party transactions

The company is related to Cleansing Service Group Limited by virtue of that being the parent company. The company has taken advantage of the exemption conferred by Financial Reporting Standard No 8 "Related Party Transactions" from disclosing details of transactions with Cleansing Service Group Limited and its wholly owned subsidiaries on the grounds that it is a wholly owned subsidiary of Cleansing Service Group Limited.

Fixed asset investments

Unlisted investments are shown at cost, being purchase price, less any provision for impairment in value.

2. Turnover

The turnover and profit before tax are attributable to the one principal activity of the company, arising in the United Kingdom.

3. Operating profit

Operating profit is stated after charging

	2010	2009
	£	£
Staff pension contributions	73,263	63,558
Directors remuneration	-	-
Depreciation		
On owned assets	168,021	169,868
On assets held under hire purchase	83,663	75,336
Amounts paid to auditors consists of		
Audit fees	5,000	5,000
Taxation	1,000	1,000
Operating lease costs		
Plant and equipment	57,851	32,027
Land and buildings	9,188	9,800
	<u> </u>	<u> </u>

LANSTAR LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

4. Other income

	2010	2009
	£	£
Dividends received from group companies	1,231,596	-
Write off of intercompany balances	5	-
	<u>1,231,601</u>	<u>-</u>

5. Write off of investments

	2010	2009
	£	£
Write off of investments	1,047,282	-
	<u>1,047,282</u>	<u>-</u>

At the year end all subsidiaries excluding Lanstar (Scotland) Limited and Lanstar Northern Ireland Limited were impaired

6. Particulars of employees

The average number of staff employed by the company during the financial year amounted to

	2010	2009
	No	No
Operational staff	24	20
Management and administrative staff	17	12
	<u>41</u>	<u>32</u>

The aggregate payroll costs of the above were

Wages and salaries	1,204,772	890,165
Social security costs	128,601	91,920
Other pension costs	73,263	63,558
	<u>1,406,636</u>	<u>1,045,643</u>

7. Taxation on ordinary activities

Analysis of charge in the year.

	2010	2009
	£	£
Current taxation		
Current year corporation tax	389,366	309,298
Under/(over) provision in prior year	2,927	(6,366)
Deferred tax	(5,569)	50,417
	<u>386,724</u>	<u>353,349</u>

LANSTAR LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

7 Taxation on ordinary activities (cont'd)

Factors affecting the tax charge for period

The tax assessed for the period is lower (2009 – lower) than the standard rate of corporation tax in the UK 28% (2009 - 28%) These differences are explained below

	2010 £	2009 £
Profit on ordinary activities before taxation	1,747,252	1,208,154
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28 % (2009 – 28%)	489,231	338,283
Effects of:		
Expenses not deductible for tax purposes	-	9,631
Capital allowances for period in excess of depreciation	(46,617)	(37,457)
Income not taxable	(56,479)	-
Adjustments to tax charge in respect of previous periods	2,927	(6,366)
Other short term timing differences	3,231	(1,159)
	<u>392,293</u>	<u>302,932</u>

8 Tangible fixed assets

	Land & buildings £	Plant and machinery £	Motor vehicles £	Total £
Cost/ Valuation				
At 1 January 2010	1,823,547	9,145,427	1,008,452	11,977,426
Additions	112,017	459,803	-	571,820
Intragroup transfers	-	-	255,095	255,095
At 31 December 2010	<u>1,935,564</u>	<u>9,605,230</u>	<u>1,263,547</u>	<u>12,804,341</u>
Depreciation				
At 1 January 2010	881,996	7,388,579	993,792	9,264,367
Charge for year	63,336	170,596	17,752	251,684
Intragroup transfers	-	-	234,846	234,846
At 31 December 2010	<u>945,332</u>	<u>7,559,175</u>	<u>1,246,390</u>	<u>9,750,897</u>
Net book value				
At 31 December 2010	<u>990,232</u>	<u>2,046,055</u>	<u>17,157</u>	<u>3,053,444</u>
At 31 December 2009	<u>941,551</u>	<u>1,756,848</u>	<u>14,660</u>	<u>2,713,059</u>

LANSTAR LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

8. Tangible fixed assets (cont'd)

Revaluation of fixed assets

On 31 March 1998 the freehold land and buildings at Cadishead was revalued at an open market value by a firm of consultant surveyors to £1,500,000. Included within land and buildings is freehold land of £392,394 (2009 - £392,394) which is not depreciated.

In respect of assets stated at valuations, the comparable historical cost and depreciation values are as follows

	2010 £	2009 £
Net book value at end of year	990,232	941,551
Historical cost	1,593,353	1,481,336
Depreciation	(944,847)	(912,511)
Net historical cost value	648,506	568,825

Hire purchase agreements

Included within net book value of £3,122,444 is £1,481,252 (2009 - £918,132) relating to assets which have been financed by hire purchase agreements held by the parent company. The depreciation charged to the accounts in the year in respect of such assets amounted to £83,663 (2009 - £75,336). These agreements are held by the ultimate parent company, Cleansing Service Group Limited.

9 Investments

	Investment in subsidiary undertakings £
Cost	
At 1 January 2010 and 31 December 2010	1,047,282
Provision	
Written off during the year	(1,047,282)
At 31 December 2010	(1,047,282)
Net book value	
At 31 December 2010	-
At 31 December 2009	1,047,282

LANSTAR LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2010

9 Investments (cont'd)

The company's principal subsidiary undertakings are registered in England and Wales, except for Lanstar (Scotland) Limited, which is registered in Scotland, and Lanstar Northern Ireland Limited, which is registered in Northern Ireland. Its interests at 31 December 2010 were

Subsidiary undertaking	Principal activity	Ordinary shares
Lanstar (Scotland) Limited	Dormant	100%
Lanstar High Force Limited	Dormant	40%
Lanstar Northern Ireland Limited	Dormant	70%
Lanstar Hydrocarbons Limited	Dormant	100%
Lancashire Tar Distillers Limited	Dormant	100%
Lanstar Chemicals Limited	Dormant	100%
Lanstar Astley Limited	Dormant	100%
Lanstar Waste Treatment Limited	Dormant	100%

The company is exempt from producing consolidated accounts as it is a wholly owned subsidiary, all companies are included in the consolidated accounts of Cleansing Service Group Limited, the ultimate parent company

10 Stocks

	2010 £	2009 £
Raw materials and consumables	12,497	9,903

11 Debtors

	2010 £	2009 £
Trade debtors	1,225,547	842,864
Amounts owed by group undertakings	1,154,596	324,704
Other debtors and prepayments	178,675	203,476
	2,558,818	1,371,044

12. Creditors' Amounts falling due within one year

	2010 £	2009 £
Trade creditors	259,353	112,768
Amounts owed to group undertakings	11,543	1,243,144
Accruals and deferred income	1,393,996	1,210,354
Corporation tax	191,779	161,855
	1,856,671	2,728,121

LANSTAR LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

13. Deferred taxation

The movement in the deferred taxation provision during the year was

	2010 £	2009 £
Provision brought forward	126,725	76,308
Increase/ (reduction) in provision	(5,569)	50,417
Provision carried forward	<u>121,156</u>	<u>126,725</u>

The provision for deferred taxation consist of the tax effect of timing differences in respect of

	2010 Provided £	2009 Provided £
Excess of taxation allowance over depreciation on fixed assets	175,933	126,725
Undiscounted provision for deferred taxation	175,933	126,725
Deferred tax discount	(54,777)	-
Discounted provision for deferred taxation	<u>121,156</u>	<u>126,725</u>

14. Commitments under operating leases

At 31 December 2010 the company had annual commitments under non-cancellable operating leases as set out below

	2010		2009	
	Land and buildings	Other items	Land and buildings	Other items
Operating leases which expire				
Within 1 year	9,188	10,677	9,800	12,408
Within 2 to 5 years	-	39,489	-	40,069
	<u>9,188</u>	<u>50,166</u>	<u>9,800</u>	<u>52,477</u>

15. Contingent liabilities

The company has entered into a joint agreement with the other companies in the group whereby it has pledged all of its assets as security for the group's borrowings from HSBC. As at 31 December 2010 these totalled £6,294,666 (2009 - £7,484,085)

LANSTAR LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

16. Pensions

The company previously participated in the Lanstar Holdings Group Pension Scheme (1974) ("the scheme") From 31 December 2002, all contributions to this scheme and benefit accruing from the scheme ceased From 30 April 2003 onwards the scheme commenced winding up

During the year ended 31 December 2008 the scheme was accepted as qualifying for the Financial Assistance Scheme The directors have taken legal advice and in their opinion it is not necessary to undertake a valuation for the scheme as at 31 December 2010

Further details of the scheme are shown in the accounts of Cleansing Service Group Limited

The company now participates in a group defined contribution scheme for employees The assets of the scheme are held separately from those of the group in an independently administered fund The pension charges made by the company in respect of contributions made to the scheme amounted to £73,263 (2009 - £63,558) At the year end there were no contributions unpaid (2009 - £nil)

17 Capital commitments

At the year end the company has committed to spending £nil (2009 - £259,000) on plant and machinery

18. Share capital

Allotted, called up and fully paid	2010 £	2009 £
3,533,774 Ordinary shares of £1 each	<u>3,533,774</u>	<u>3,533,774</u>

19. Revaluation reserve

	2010 £	2009 £
Balance brought forward	454,813	485,813
Transfer to the profit and loss account	(31,000)	(31,000)
Balance carried forward	<u>423,813</u>	<u>454,813</u>

20 Profit and loss account

	2010 £	2009 £
Balance brought forward	(1,699,946)	(2,585,751)
Retained profits for the financial year	1,360,528	854,805
Transfer from revaluation reserve	31,000	31,000
Balance carried forward	<u>(308,418)</u>	<u>(1,699,946)</u>

LANSTAR LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

21. Reconciliation of movements in shareholders' funds

	2010	2009
	£	£
Profit for the financial year	1,360,528	854,805
Opening shareholders' funds	2,288,641	1,433,836
	<u> </u>	<u> </u>
Closing shareholders' funds	<u>3,649,169</u>	<u>2,288,641</u>

22. Immediate and ultimate parent company

The company is a 100% subsidiary of Lanstar Holdings Limited, a company registered in England and Wales. The ultimate parent company is Cleansing Service Group Limited which is registered in England. A copy of the consolidated accounts of Cleansing Service Group Limited can be obtained from Grange Road, Botley, Southampton, Hampshire, SO30 2GD.

23. Ultimate controlling party

There is no ultimate controlling party.