
BILLETVALE LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2003



BILLETVALE LIMITED

COMPANY INFORMATION

DIRECTORS	IA Sexton M Gordon
SECRETARY	J Knight
COMPANY NUMBER	2407955
REGISTERED OFFICE	SITA House Grenfell Road Maidenhead Berkshire SL6 1ES

BILLETVALE LIMITED

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DIRECTORS' REPORT
For the year ended 31 December 2003

The directors present their report and the financial statements for the year ended 31 December 2003.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The company did not trade during the year or prior year, and is not expected to do so in the foreseeable future. A loss of £5,943,000 in the prior year resulted from the write-down of the value of the company's investments in subsidiary undertakings to the net asset value of the subsidiaries.

DIRECTORS

The directors who served during the year (except as noted) were as follows:

IF Goodfellow (resigned 31 May 2003)

IA Sexton

M Gordon (appointed 31 May 2003)

No director who held office on 31 December 2003 had an interest in the company's shares either during the financial year or at 31 December 2003.

The interests of the directors who held office on 31 December 2003 in the shares of the ultimate parent company, Suez SA, are reported in the Directors' Report and Financial Statements of the company's UK holding company, SITA Holdings UK Limited, for the year ended 31 December 2003.

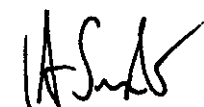
STATEMENT OF DIRECTORS' RESPONSIBILITIES

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;
- state whether applicable 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 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 the system of internal controls, safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the board on 30 March 2004 and signed on its behalf by:



IA Sexton
Director

BILLETVALE LIMITED

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2003

	Note	2003 £000	2002 £000
Amounts written off investments		-	(5,943)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	3	-	(5,943)
TAXATION ON LOSS ON ORDINARY ACTIVITIES	2	-	-
RETAINED LOSS FOR THE YEAR	9	-	(5,943)

There has been no trade during the year.

There were no recognised gains and losses for 2003 or 2002 other than those included in the profit and loss account.

The notes on pages 6 to 9 form an integral part of these financial statements.

BILLETVALE LIMITED**BALANCE SHEET**
As at 31 December 2003

	Note	£000	2003 £000	2002 £000
FIXED ASSETS				
Investments	4		6,579	6,579
CURRENT ASSETS				
Debtors	5	8,867		8,867
CREDITORS : amounts falling due within one year	6	(21,721)		(21,721)
NET CURRENT LIABILITIES			(12,854)	(12,854)
TOTAL ASSETS LESS CURRENT LIABILITIES			(6,275)	(6,275)
CAPITAL AND RESERVES				
Called up share capital	7		10,000	10,000
Profit and loss account	8		(16,275)	(16,275)
SHAREHOLDERS' FUNDS - All Equity	9		(6,275)	(6,275)

For the year ended 31 December 2003 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.

Members have not required the company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- (i) ensuring the company keeps accounting records which comply with section 221 of the Companies Act 1985, and
- (ii) preparing accounts 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 the requirements of section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

The financial statements were approved by the board on 30 March 2004 and signed on its behalf.



IA Sexton
Director

The notes on pages 4 to 8 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2003

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the current and preceding year.

1.1 Basis of preparation of financial statements

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

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 228 of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Cash flow

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement as it is a wholly owned subsidiary of a parent undertaking which has produced a group cash flow statement.

1.3 Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;
- deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on a discounted basis at the tax rates that are expected to apply in the period in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. LOSS ON ORDINARY ACTIVITIES

During the current year, no director received any emoluments in respect of their services as director of the company (2002 - £nil).

The auditors' remuneration for the current year has been borne by the company's UK holding company, SITA Holdings UK Limited.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2003

3 TAXATION

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	2003	2002
UK Corporation Tax	-	-

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 30% (2002 - 30%). The differences are reconciled below:

	2003 £'000	2002 £'000
Loss on ordinary activities before tax	-	(5,943)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2002 - 30%)	-	(1,783)
Expenses not deductible for tax purposes	-	1,783
Total current tax	-	-

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2003

4 FIXED ASSET INVESTMENTS

	Shares in group under- takings £000
Cost	
At 1 January 2003 and 31 December 2003	22,861
Provisions	
At 1 January 2003 and 31 December 2003	16,282
Net book value	
At 31 December 2003	6,579
At 31 December 2002	6,579
Subsidiary undertakings	Principal activity
Dixi Sanitation Services UK Limited *	Dormant
Drinkwater and Murray Limited	Dormant
Drinkwater Sabey (Tilmanstone) Limited *	Dormant
EF Phillips & Sons Limited	Dormant
Holmspring Limited	Dormant
Maybank Enterprises Limited	Dormant
Maybank Enterprises (Holdings) Limited	Dormant
Openpitch Limited	Dormant
WW Drinkwater Limited	Dormant
	% Holding
	100%
	100%
	100%
	100%
	100%
	100%
	100%
	50%
	100%

Provision has been made to write the net book value of investments in subsidiaries down to the lower of cost and net asset

All subsidiaries are registered in England and Wales.

* held by subsidiary undertaking.

5. DEBTORS

	2003 £000	2002 £000
Due within one year		
Amounts owed by group undertakings	8,867	8,867

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2003

6. CREDITORS:

Amounts falling due within one year

	2003 £000	2002 £000
Amounts owed to group undertakings	21,721	21,721

7. SHARE CAPITAL

	2003 £000	2002 £000
Authorised		
11,000,000 Ordinary shares of £1 each	11,000	11,000
Allotted, called up and fully paid		
10,000,002 Ordinary shares of £1 each	10,000	10,000

8. RESERVES

	£000
Profit and loss account	
At 1 January 2003	(16,275)
At 31 December 2003	(16,275)

9. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2003 £000	2002 £000
Profit for the year	-	(5,943)
Opening shareholders' deficit	(6,275)	(332)
Closing shareholders' deficit	(6,275)	(6,275)

10. RELATED PARTY TRANSACTIONS

In accordance with the exemption under Financial Reporting Standard No. 8 the company does not disclose transactions with companies which are at least 90% controlled within the group because copies for the group financial statements are publicly available.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2003

11. CONTROLLING PARTY

In the opinion of the directors, SITA Holdings UK Limited, the intermediate holding company, controls Billetvale Limited as a result of controlling 100% of the issued share capital. Suez SA is the ultimate controlling party, being the ultimate controlling party of SITA Holdings UK Limited.

12. PARENT COMPANY

The ultimate parent undertaking is Suez SA, a company incorporated in France.

The largest group of which Billetvale Limited is a member and for which group financial statements are drawn up is that headed by Suez SA, whose consolidated financial statements are available from 1 Rue d'Astorg, Paris, France. The smallest such group is that headed by SITA Holdings UK Limited, a company registered in England and Wales. The consolidated financial statements of SITA Holdings UK Limited may be obtained from SITA House, Grenfell Road, Maidenhead, Berkshire, SL6 1ES.