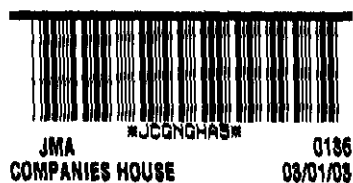


Greater Manchester Sites Limited

Directors' report and financial statements
for the year ended 31 March 2002

Registered Number 2566333



Greater Manchester Sites Limited
Directors' report and financial statements
for the year ended 31 March 2002

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Greater Manchester Sites Limited

Directors and Advisors

Directors

S T Jenkinson
G K Johnson
R Tweedale
M J Bettington
B Garlick (Chair)
T W J Lowth

Secretary

G K Johnson FCA

Auditors

PricewaterhouseCoopers
101 Barbirolli Square
Lower Mosley Street
Manchester
M2 3PW

Solicitors

Keogh Ritson
2 The Parklands
Bolton
BL6 4SE

Bankers

Royal Bank of Scotland PLC
1 - 5 Church Terrace
Oldham
OL1 3AU

Registered Office

P O Box 151
Higher Swan Lane
Bolton
BL3 3WW

Registered Number

2566333

Greater Manchester Sites Limited

Directors' report for the year ended 31 March 2002

The directors present their report and the audited financial statements for the year ended 31 March 2002.

Principal activities

The principal activity of the company is the arrangement of the disposal of domestic and trade refuse.

Review of business

The profit and loss account for the year is set out on page 5.

Both the level of business and the year end financial position were satisfactory. The directors expect that the present level of activity will be sustained for the foreseeable future.

Dividends and transfers to reserves

The directors do not recommend the payment of a dividend. The retained profit for the year of £720 will be transferred to reserves.

Directors and their interests

The directors who served during the year are given below:

S T Jenkinson (Managing Director)
G K Johnson (Finance Director)

Non-executive directors

B Garlick (Chair)
R Tweedale
M J Bettington
D A Brown (resigned 20 August 2001)
T W J Lowth (appointed 20 August 2001)

None of the directors of the company has any beneficial interest in the shares of the company.

Changes in fixed assets

The company does not own any fixed assets.

Employees

The directors were the only employees of the company during the year.

Taxation status

The company is not a close company as defined by the provisions of the Income and Corporation Taxes Act 1988.

Euro

The commercial implications of the UK introducing the Euro and necessary related actions are being monitored by the directors on an ongoing basis.

Greater Manchester Sites Limited

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that 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:

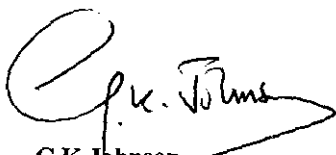
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare 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 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.

Auditors

The auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office, and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

By order of the board



G K Johnson
Company Secretary
6 December 2002

Greater Manchester Sites Limited

Independent auditors' report to the members of Greater Manchester Sites Limited

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes which have been prepared under the historical cost convention and the accounting policies set out in note 1 of the related notes to the financial statements.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with the relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

Basis of audit 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 affairs of the company at 31 March 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Manchester
6 December 2002

Greater Manchester Sites Limited

Profit and loss account for the year ended 31 March 2002

	Note	2002 £	2001 £
Turnover	2	27,949,056	28,671,502
Cost of sales		(27,937,537)	(28,659,724)
Gross profit		11,519	11,778
Administration expenses		(13,772)	(13,374)
Operating loss		(2,253)	(1,596)
Interest payable and similar charges		-	(803)
Interest receivable and similar income		3,053	4,594
Profit on ordinary activities before taxation	5	800	2,195
Tax on profit on ordinary activities	6	(80)	(659)
Retained profit for the financial year		720	1,536

Statement of retained profits

	Note	2002 £	2001 £
Retained profit brought forward		75,671	74,135
Profit for the year	10	720	1,536
Retained profits at 31 March 2002		76,391	75,671

All operations are derived from continuing activities.

The company has no recognised gains and losses other than the profits above and therefore no separate statement of total recognised gains and losses has been presented.

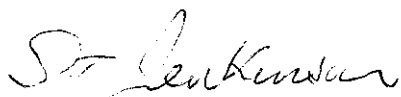
There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalents.

Greater Manchester Sites Limited

Balance sheet as at 31 March 2002

	Note	2002 £	2001 £
Current assets			
Debtors	7	2,571,990	2,282,936
Cash at bank and in hand		83,173	91,150
		2,655,163	2,374,086
Creditors: amounts falling due within one year	8	2,577,772	2,297,415
Net assets		77,391	76,671
Capital and reserves			
Called up share capital	9	1,000	1,000
Profit and loss account		76,391	75,671
Equity shareholders' funds	10	77,391	76,671

The financial statements on pages 5 to 10 were approved by the board of directors on 6 December 2002 and were signed on its behalf by:



S T Jenkinson
Director

Greater Manchester Sites Limited

Notes to the financial statements for the year ended 31 March 2002

1 Accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below. During the year, the group adopted FRS 18 - Accounting Policies. This did not result in any material changes to accounting policies or estimation techniques. The financial statements include the disclosures required under FRS 19 - Deferred Tax.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention.

Cash flow statement

The company qualifies as a small company under the terms of section 247 of the Companies Act 1985. As a consequence it is exempt from the requirement to publish a cash flow statement.

Turnover

Turnover includes landfill tax, but excludes value added tax, and comprises charges made for the disposal of trade and domestic waste.

Deferred taxation

Tax deferred, or accelerated, is accounted for in respect of all material timing differences to the extent that it is probable that a liability or asset will crystallise.

2 Turnover and profit on ordinary activities before taxation

The company's turnover and profit derive entirely from sales made in the United Kingdom.

3 Directors' emoluments

The directors received no emoluments during the year (2001: £Nil).

4 Employee information

The directors were the only employees of the company during the year.

Greater Manchester Sites Limited

5 Operating loss

	2002 £	2001 £
Operating loss is arrived at after charging:		
Auditors' remuneration for:		
Audit services	3,740	3,000
Non-audit services	1,660	2,620

6 Tax on profit on ordinary activities

(a) Analysis of tax charge in the year

	2002 £	2001 £
United Kingdom corporation tax at 10% (2000: 30%):		
Current	80	659
	80	659

(b) Factors affecting the company tax charge in the year

The tax assessed for the year is equal to the starting rate of Corporation Tax in the UK (10%). There are no other factors affecting the charge for the year.

7 Debtors

	2002 £	2001 £
Amounts owed by group undertakings	2,571,990	2,282,936

8 Creditors: amounts falling due within one year

	2002 £	2001 £
Bank loans and overdrafts	7,983	-
Trade creditors	2,562,026	2,286,215
United Kingdom corporation tax payable	-	133
Other tax and social security	1,763	2,307
Accruals and deferred income	6,000	8,760
	2,577,772	2,297,415

Greater Manchester Sites Limited

9 Called up share capital

	2002 £	2001 £
Authorised		
500 ordinary "A" shares of £1 each	500	500
500 ordinary "B" shares of £1 each	500	500
	1,000	1,000
Allotted, called up and fully paid		
500 ordinary "A" shares of £1 each	500	500
500 ordinary "B" shares of £1 each	500	500
	1,000	1,000

10 Reconciliation of movement in shareholders' funds

	2002 £	2001 £
Opening shareholders' funds	76,671	75,135
Profit for the financial year	720	1,536
Closing shareholders' funds	77,391	76,671

11 Related party transactions

Greater Manchester Sites Limited is a subsidiary of Greater Manchester Waste Limited, with which it had inter-company sales of £27,949,056 (2001: £28,671,502) during the year. This turnover was generated as a result of the arrangement for domestic and trade refuse disposal on behalf of its parent company.

Balances due from Greater Manchester Waste Limited at 31 March 2002 were:

	2002 £	2001 £
Trade debtor	2,571,990	2,282,936

In addition, transactions have occurred between Greater Manchester Sites Limited and Biffa Waste Management Limited, the company's other 50% shareholder, during the year. Purchases of services supplied by Biffa Waste Management Limited amounted to £27,937,537 (2001: £28,659,724) for the year ended 31 March 2002.

Balances due to Biffa Waste Management Limited at 31 March 2002 were:

	2002 £	2001 £
Trade creditor	2,562,026	2,286,215

Greater Manchester Sites Limited

12 Ultimate parent company and ultimate controlling party

The directors regard Greater Manchester Waste Limited, a company incorporated in the United Kingdom, as the immediate parent company, and the Greater Manchester Waste Disposal Authority as the ultimate parent undertaking and ultimate controlling party. Details of the relevant financial information may be obtained from Oldham Metropolitan Borough Council, The Treasurer to the Authority, Greater Manchester Waste Disposal Authority, P O Box 196, Civic Centre, West Street, Oldham OL1 1QJ.