

R.O.C.

**CYNON VALLEY WASTE DISPOSAL COMPANY
LIMITED**

ABBREVIATED FINANCIAL STATEMENTS

31ST MAY 1998

Registered number: 2660628

KAHN THOMAS SHANKLAND

CHARTERED ACCOUNTANTS



K *Kahn*
T *Thomas*
S *Shankland*

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED
ABBREVIATED FINANCIAL STATEMENTS
for the year ended 31st May 1998

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CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED**Auditors' report to****under section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements set out on pages 3 to 4, together with the financial statements of the company for the year ended 31st May 1998 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

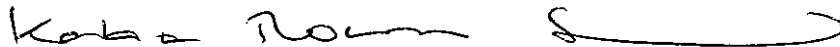
The directors are responsible for preparing the abbreviated financial statements in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages 3 to 4 are properly prepared in accordance with those provisions.



26 October 1998

Kahn Thomas Shankland
Registered Auditors
Chartered Accountants
33 - 35 Cathedral Road
Cardiff
CF1 9HB

K Kahn
T Thomas
S Shankland

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED

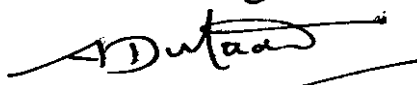
ABBREVIATED BALANCE SHEET

at 31st May 1998

	Note	£	1998 £	£	1997 £
Fixed assets					
Tangible assets	2		3,340,302		3,031,716
Current assets					
Debtors		291,318		266,732	
Cash at bank and in hand		1,253,056		807,815	
		1,544,374		1,074,547	
Creditors: amounts falling due within one year		(572,049)		(521,730)	
Net current assets			972,325		552,817
Total assets less current liabilities			4,312,627		3,584,533
Creditors: amounts falling due after more than one year			(138,011)		(30,900)
Provision for liabilities and charges			(554,013)		(360,838)
			3,620,603		3,192,795
Capital and reserves					
Called up share capital	3		2,806,000		2,806,000
Profit and loss account			814,603		386,795
Total shareholders' funds			3,620,003		3,192,795

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated financial statements on pages 3 to 4 were approved by the board of directors on 19th October 1998 and signed on its behalf by:


A D Maddox
Chairman

K Kahn
T Thomas
S Shankland

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st May 1998

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost accounting rules.

Turnover

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Freehold land	over 40 years
Leasehold land and buildings	the period of the lease
Computer equipment	over 3 years
Plant and machinery	between 2 and 10 years
Fixtures and fittings	between 3 and 10 years

Leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

Rentals paid under operating leases are charged to income as incurred.

Research and development

Expenditure on research and development incurred in the year other than on fixed assets is charged against profit.

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Pensions

Defined benefit scheme

The company operates defined benefit, externally funded pension schemes covering the majority of its employees. Contributions are normally charged against profits as the contributions are made.

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CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st May 1998

2 Fixed assets

	Tangible fixed assets £
Cost	
31st May 1997	3,570,717
Additions	517,416
Disposals	(15,000)
31st May 1998	<u>4,073,133</u>
Depreciation	
31st May 1997	539,001
Charge for year	208,830
Disposals	(15,000)
31st May 1998	<u>732,831</u>
Net book amount	
31st May 1998	<u><u>3,340,302</u></u>
31st May 1997	<u><u>3,031,716</u></u>

3 Called up share capital

	1998		1997	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary shares of £1 each	<u>2,806,000</u>	<u>2,806,000</u>	<u>2,806,000</u>	<u>2,806,000</u>
Allotted called up and fully paid				
Ordinary shares of £1 each	<u>2,806,000</u>	<u>2,806,000</u>	<u>2,806,000</u>	<u>2,806,000</u>

4 Related parties

During the year the company paid royalties of £208,896 to Rhondda Cynon Taff Borough Council, who own the entire share capital of the company.