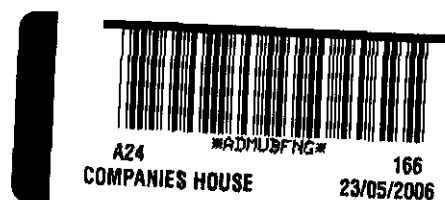


# **Oxfordshire Waste Limited**

Directors' report and financial  
statements

Registered number 2693394

31 December 2005



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## **Statutory information**

### **Directors**

LJD Cassells  
JR Meredith  
SN Hardman

### **Company secretary**

JM Bolton

### **Joint company secretary**

SJ Calder

### **Registered office**

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

### **Auditors**

KPMG LLP  
1 Puddle Dock  
London  
EC4V 3PD

## Directors' report

The directors (the "Directors") of Oxfordshire Waste Limited (the "Company") present their annual report and the audited financial statements for the year ended 31 December 2005.

### Principal activity

The principal activity of the Company during the year ended 31 December 2005 was the disposal of household waste and the management of waste recycling and reception centres on behalf of Oxfordshire County Council.

### Dividends and transfers to reserves

The Company made neither a profit nor a loss in the financial year ended 31 December 2005 or the previous financial year. The Directors do not propose the payment of a dividend (2004: *£nil*) and thus there is no movement of reserves (2004: *£nil*).

### Directors and directors' interests

The Directors who served as directors of the Company during the financial year ended 31 December 2005 and up to the date of this report were as follows:

JR Meredith  
LJD Cassells  
SN Hardman

None of the Directors or connected persons held an interest in the share capital of the Company during the financial year ended 31 December 2005.

The interests of the Directors and connected persons in the share capital of WRG Investments Limited, an indirect parent company of the Company, as at 31 December 2005 are set out below:

		31 December 2005		1 January 2005	
		Beneficial	Non-beneficial	Beneficial	Non-beneficial
LJD Cassells	'B' Ordinary shares £0.01	500	-	500	-
SN Hardman	'B' Ordinary shares £0.01	300	-	300	-
JR Meredith	'B' Ordinary shares £0.01	2,000	-	2,000	-

### Elective regime

On 31 July 2003 the Company passed elective resolutions in accordance with Section 379A of the Companies Act 1985 as amended (the "Act") to dispense with the formalities of:

- the laying of accounts before the Company in general meeting (section 252 of the Act)
- the holding of annual general meetings (section 366A of the Act)
- the obligation to appoint auditors annually (section 386 of the Act)

Section 253(2) gives members the right to require the laying of accounts before the Company in general meeting. To exercise such right, a member must give notice in writing to that effect deposited at the registered office of the Company within 28 days of the day on which the report and financial statements are sent out in accordance with section 238(1) of the Act.

## **Directors' report** *(continued)*

### **Charitable and political donations**

The Company made no political or charitable donations in either the financial year ended 31 December 2005 or the previous financial year.

### **Auditors**

Pursuant to a shareholders' resolution, the Company is not obliged to reappoint its auditors annually and KPMG LLP will therefore continue in office.

By order of the board



**JM Bolton**  
*Company Secretary*

11 may 2006

## **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.

*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.



**KPMG LLP**

1 Puddle Dock  
London  
EC4V 3PD  
United Kingdom

**Independent auditors' report to the members of Oxfordshire Waste Limited**

We have audited the financial statements of Oxfordshire Waste Limited for the year ended 31 December 2005 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors**

As described in the Statement of Directors' Responsibilities on page 4, the Company's Directors are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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.

**Independent auditors' report to the members of Oxfordshire Waste Limited**  
*(continued)*

**Opinion**

In our opinion the financial statements:

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2005 and of its result for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

*KPMG LLP*

KPMG LLP  
Chartered Accountants  
Registered Auditor

*K May*

2006

**Profit and loss account**  
*year ended 31 December 2005*

	<i>Note</i>	<b>2005</b> <b>£000</b>	Restated 2004 £000
<b>Turnover</b>	2	<b>3,326</b>	3,348
Cost of sales		<b>(3,326)</b>	(3,348)
<hr/>			
<b>Operating profit and profit on ordinary activities before taxation</b>	3	-	-
Tax on profit on ordinary activities	5	-	-
<hr/>			
<b>Profit for the financial year</b>	8	-	-
<hr/>			

All results are derived from continuing operations.

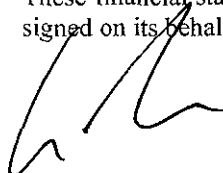
There are no recognised gains and losses in either the financial year ended 31 December 2005 or previous financial year other than as stated in the profit and loss account. Therefore, no separate statement of total recognised gains and losses has been presented.

There is no material difference between the result on a historical cost basis and that shown in the profit and loss account.

**Balance sheet**  
*at 31 December 2005*

	<i>Note</i>	<b>2005 £000</b>	<b>2004 £000</b>
<b>Current assets</b>			
Debtors	6	73	73
		<hr/>	<hr/>
<b>Net assets</b>		<b>73</b>	<b>73</b>
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	7	73	73
		<hr/>	<hr/>
<b>Equity shareholders' funds</b>		<b>73</b>	<b>73</b>
		<hr/>	<hr/>

These financial statements were approved by the board of Directors on  
 signed on its behalf by:



**LJD Cassells**  
*Director*

10 May 2006 and were

## 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, except as noted below.

In these financial statements the following new standards have been adopted for the first time:

- FRS 21 'Events after the balance sheet date';
- the presentation requirements of FRS 25 'Financial instruments: presentation and disclosure'; and
- FRS 28 'Corresponding amounts'.

The accounting policies under these new standards are set out below together with an indication of the effects of their adoption. The introduction of FRS 21 and FRS 25 has had no material effect on the current or prior year numbers as the Company has no financial statement items in either year that are impacted by the introduction of these two accounting standards. FRS 28 'Corresponding amounts' has had no material effect as it imposes the same requirements for comparatives as hitherto required by the Companies Act 1985.

The corresponding amounts in these financial statements are in accordance with the new policies.

#### *Accounting convention*

The financial statements are prepared under the historical cost convention.

#### *Cash flow statement*

The Company has taken advantage of the exemption, conferred by Financial Reporting Standard 1 (Revised) from presenting a cash flow statement as it is an indirectly wholly owned subsidiary of a group which has prepared a consolidated cash flow statement.

#### *Turnover*

Turnover represents invoiced sales of goods and services including landfill tax, but excluding value added tax.

#### *Prior year adjustment*

The Company has a landfill contract with Oxfordshire County Council. Each year the turnover and cost of sales relating to this contract is accounted for in the profit and loss account of this Company. This was inadvertently not recognised in the Company's financial statements for the year ended 31 December 2004. Turnover and cost of sales have both been increased by £3,448,000 in the comparative figures. As a result of these transactions there has been no change to the opening net assets or the operating profit for the year ended 31 December 2004.

### 2 Turnover

All turnover was generated in the United Kingdom principally from the disposal of household waste and the management of waste recycling and reception centres on behalf of Oxfordshire County Council.

### 3 Profit on ordinary activities before taxation

Auditors' remuneration in respect of audit fees has been met by the Company's fellow subsidiary undertaking Waste Recycling Limited in both the financial year ended 31 December 2005 and the previous financial year.

## Notes (continued)

### 4 Information regarding directors and employees

The Company has no employees and incurs no payroll costs (2004: *£nil*). None of the Directors received any remuneration from the Company in either the financial year ended 31 December 2005 or the previous financial year.

### 5 Taxation

There is no corporation tax charge (current or deferred) for either the financial year ended 31 December 2005 or the previous financial year.

### 6 Debtors

	2005 £000	2004 £000
Amount due from parent undertaking	73	73

### 7 Called up share capital

	2005 £'000	2004 £'000
<i>Authorised, called up, allotted and fully paid</i> 73,002 ordinary shares of £1 each	73	73

### 8 Reserves

Profit and loss account	2005 £000
At 1 January 2005	-
Profit for the year	-
At 31 December 2005	-

### 9 Reconciliation of movement on shareholders' funds

	2005 £000	2004 £000
Profit for the financial year	-	-
Opening shareholders' funds	73	73
Closing shareholders' funds	73	73

## **Notes** *(continued)*

### **10 Contingent liabilities**

The Company is a member of a group VAT registration and as such has contingent liabilities for VAT in respect of other members of the group.

On 15 December 2004, the Company was a party to the refinancing of WRG Finance PLC and its subsidiary companies under which it granted security by way of fixed and floating charges over its assets and became a subsidiary guarantor under an Amended and Restated Facilities Agreement dated 9 December 2004.

### **11 Related party transactions**

In the ordinary course of business, the Company has also traded with fellow subsidiaries of Waste Recycling Group Limited. The Company has taken advantage of the exemption conferred by FRS 8 from disclosing details of these transactions.

### **12 Ultimate parent company**

The Directors regard TFCP Holdings Limited (*formerly Terra Firma Capital Partners Holdings Limited*), a company registered in Guernsey, as the ultimate controlling party and the ultimate parent entity.

Monterey Capital II Sarl 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 Waste Recycling Group Limited financial statements are available from the Company Secretary, Ground Floor West, 900 Pavilion Drive, Northampton Business Park, Northampton, NN4 7RG.