

**EMC ENVIRONMENT  
ENGINEERING LIMITED**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 2003



**EMC ENVIRONMENT ENGINEERING LIMITED**

**FINANCIAL STATEMENTS**

For the year ended 30 June 2003

---

Company registration number: 2720870

Registered office: Regent House  
Wolseley Road  
Kempston  
Bedfordshire

Director: W Pope

Secretary: Shoosmiths Secretaries Limited

Auditors: Grant Thornton  
Registered Auditors  
Chartered Accountants

# **EMC ENVIRONMENT ENGINEERING LIMITED**

## **FINANCIAL STATEMENTS**

For the year ended 30 June 2003

---

<b>INDEX</b>	<b>PAGE</b>
Report of the director	1 - 2
Report of the independent auditors	3 - 4
Principal accounting policies	5 - 6
Profit and loss account	7
Balance sheet	8
Notes to the financial statements	9 - 17

# **EMC ENVIRONMENT ENGINEERING LIMITED**

## **REPORT OF THE DIRECTOR**

---

The director presents his report together with the financial statements for the year ended 30 June 2003.

### **Principal activity**

The company's principal activity is the sale, installation and servicing of electrical and environmental monitoring equipment.

### **Business review**

There was a loss for the year after taxation amounting to £874,021 (2002: loss £2,229,079). The director cannot recommend the payment of a dividend (2002: £nil). The loss for the year was transferred from reserves.

### **Exceptional item**

As a result of the restructuring of operations, the company incurred restructuring costs of £437,225.

### **Directors**

The present membership of the Board consists of Mr W Pope who served throughout the year. Mr P A Robson and Mr J E Mills resigned on 4 October 2002 and 24 January 2003 respectively.

The director's interest in the shares of the ultimate holding company, The Casella Group Limited are disclosed in the financial statements of that company.

### **Director's responsibilities for the financial statements**

United Kingdom company law requires the director 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 director is 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 director is responsible for keeping proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# EMC ENVIRONMENT ENGINEERING LIMITED

## REPORT OF THE DIRECTOR

---

### Auditors

Grant Thornton offer themselves for reappointment as auditors in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD

.....  
W Pope  
Director

5 November 2003

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
EMC ENVIRONMENT ENGINEERING LIMITED**

We have audited the financial statements of EMC Environment Engineering Limited for the year ended 30 June 2003 which comprise the principal accounting policies, the profit and loss account, the balance sheet and notes 1 to 24. 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 the director and auditors**

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

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom auditing standards.

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 director's 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 with the company is not disclosed.

We read other information contained in the director's report, and consider whether it is consistent with the audited financial statements. This other information comprises only the director's report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

**Basis of opinion**

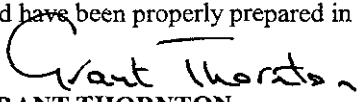
We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates 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. However, the evidence available to us was limited in relation to the comparatives in the current period's financial statements which are derived from the financial statements for the period ended 30 June 2002. Those records that the company was able to make available were considered unreliable in providing all the audit evidence required except that a prior year adjustment was considered necessary to adjust for an overstatement of goodwill and stocks at 30 June 2002 amounting to £737,860. Because we were not appointed auditors until 23 March 2002, it was not possible for us to perform the auditing procedures necessary to obtain sufficient appropriate audit evidence concerning the other amounts included in the balance sheet at 30 June 2002. Any adjustment to these figures could have a potential material effect on the loss for the period ended 30 June 2002.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
EMC ENVIRONMENT ENGINEERING LIMITED**

**Qualified opinion arising from limitation in audit evidence about comparatives**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 2003, except for any adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning comparative amounts as at 30 June 2002, and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
**GRANT THORNTON  
REGISTERED AUDITORS  
CHARTERED ACCOUNTANTS**

Northampton

12 November 2003

# **EMC ENVIRONMENT ENGINEERING LIMITED**

## **PRINCIPAL ACCOUNTING POLICIES**

---

### **BASIS OF PREPARATION**

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, under the historical cost convention and on a going concern basis.

The principal accounting policies have remained unchanged from the previous year and are set out below. The directors have reviewed the adopted accounting policies and consider them to be appropriate to the activities of the company.

The company is exempt from preparing consolidated financial statements under 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.

### **TURNOVER**

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

### **TANGIBLE FIXED ASSETS AND DEPRECIATION**

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by equal annual instalments over their expected useful lives.

The rates generally applicable are:

Motor vehicles	25% per annum
Fixtures, fittings and office equipment	15% - 25% per annum
Leasehold improvements	Length of lease

### **INVESTMENTS**

Investments are included at cost less amounts written off.

### **STOCKS**

Stocks are stated at the lower of cost and net realisable value. Costs include direct labour and an attributable proportion of overheads based on normal levels of activity.

### **INTANGIBLE FIXED ASSETS**

Purchased goodwill representing the excess of the fair value of the consideration given over the fair values of the identifiable net assets acquired, is capitalised and is amortised on a straight line basis over its estimated useful economic life of 20 years. Negative goodwill is written back to the profit and loss account to match the recovery of the non-monetary assets acquired. This has been deemed a period of 20 years.



# **EMC ENVIRONMENT ENGINEERING LIMITED**

## **PRINCIPAL ACCOUNTING POLICIES**

---

### **DEFERRED TAX**

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

### **FOREIGN CURRENCIES**

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. All other exchange differences are dealt with through the profit and loss account.

### **RETIREMENT BENEFITS**

#### **Defined Contribution Scheme**

The pension costs charged against operating profits are the amount of the contributions payable to the scheme in respect of the accounting period.

#### **Defined Benefit Scheme**

The company makes contributions to the Industry Wide Coal Staff Superannuation Scheme (operated by British Coal) for some of its staff.

The pension costs charged in the year represent the amount of contributions payable to the scheme in respect of the accounting period as the company is unable to identify its share of the underlying assets and liabilities.

### **LEASED ASSETS**

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

**EMC ENVIRONMENT ENGINEERING LIMITED****PROFIT AND LOSS ACCOUNT**

For the year ended 30 June 2003

	Note	Year ended 30 June 2003 £	15 months ended 30 June 2002 £
Turnover	1	4,985,372	7,638,311
Cost of sales		<u>(2,824,458)</u>	<u>(5,089,041)</u>
Gross profit		2,160,914	2,549,270
Administrative expenses		<u>(2,551,712)</u>	<u>(4,670,880)</u>
Operating loss		(390,798)	(2,121,610)
Exceptional items			
Reorganisation and restructuring costs	2	(437,225)	-
Net interest	3	<u>(45,998)</u>	<u>(107,469)</u>
Loss on ordinary activities before taxation	1	(874,021)	(2,229,079)
Tax on loss on ordinary activities	5	-	-
Loss transferred from reserves	16	<u>(874,021)</u>	<u>(2,229,079)</u>

There were no recognised gains or losses other than the loss for the financial year.

The accompanying accounting policies and notes form an integral part of these financial statements.

# EMC ENVIRONMENT ENGINEERING LIMITED

## BALANCE SHEET AT 30 JUNE 2003

	Note	£	2003 £	£	2002 £
<b>Fixed assets</b>					
Tangible fixed assets	7		624,460		990,183
Investments	8		<u>250,000</u>		<u>250,000</u>
			874,460		1,240,183
<b>Current assets</b>					
Stocks	9	1,081,981		1,166,876	
Debtors	10	1,883,838		2,124,104	
Cash at bank and in hand		<u>88,002</u>		<u>67,584</u>	
		3,053,821		3,358,564	
<b>Creditors: amounts falling due within one year</b>	11	<u>(6,679,417)</u>		<u>(6,648,998)</u>	
<b>Net current liabilities</b>			<u>(3,625,596)</u>		<u>(3,290,434)</u>
<b>Total assets less current liabilities</b>			(2,751,136)		(2,050,251)
<b>Creditors: amounts falling due after more than one year</b>	12		-		(62,068)
<b>Provisions for liabilities and charges</b>	14		(235,204)		-
			<u>(2,986,340)</u>		<u>(2,112,319)</u>
<b>Capital and reserves</b>					
Called up share capital	15		1,342,004		1,342,004
Profit and loss account	16		(4,328,344)		(3,454,323)
<b>Equity shareholders' funds</b>	17		<u>(2,986,340)</u>		<u>(2,112,319)</u>

The financial statements were approved by the Board of Directors on 5 November 2003.

.....  
W Pope  
Director

The accompanying accounting policies and notes form an integral part of these financial statements.

# EMC ENVIRONMENT ENGINEERING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2003

### 1 TURNOVER AND LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

Turnover and loss on ordinary activities before taxation are attributable to the activity as stated in the Report of the Director.

The loss on ordinary activities before taxation is stated after:

	Year ended 30 June 2003 £	15 months ended 30 June 2002 £
Auditors' remuneration	7,500	17,900
Depreciation:		
Tangible fixed assets owned	212,307	320,492
Tangible fixed assets held under finance leases and hire purchase contracts	87,967	144,967
Hire of plant and machinery	19,258	2,102
Other operating lease rentals	90,739	180,812
Profit on sale of fixed assets	(26,287)	(22,444)

### 2 EXCEPTIONAL ITEMS

	Year ended 30 June 2003 £	15 months ended 30 June 2002 £
Restructuring of operations	437,225	-

### 3 NET INTEREST

	Year ended 30 June 2003 £	15 months ended 30 June 2002 £
On bank loans and overdraft	16,362	67,178
Finance charges in respect of finance leases	29,636	40,391
	45,998	107,569
Other interest receivable and similar income	-	(100)
	45,998	107,469

# EMC ENVIRONMENT ENGINEERING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2003

### 4 DIRECTORS AND EMPLOYEES

Staff costs during the year were as follows:

	Year ended 30 June 2003 £	15 months ended 30 June 2002 £
Wages and salaries	1,581,400	2,642,016
Social security costs	154,095	228,718
Other pension costs	125,777	167,660
Redundancy costs (included in exceptional items)	286,021	-
	<u>2,147,293</u>	<u>3,038,394</u>

The average number of employees of the company during the year was 78 (2002: 98).

Remuneration in respect of directors was as follows:

	Year ended 30 June 2003 £	15 months ended 30 June 2002 £
Emoluments	88,333	107,733
Pension contributions to money purchase pension schemes	3,500	1,443
	<u>91,833</u>	<u>109,176</u>
Compensation for loss of office	30,000	-
	<u>121,833</u>	<u>109,176</u>

During the year 1 director (2002: 1) participated in money purchase pension schemes.

# EMC ENVIRONMENT ENGINEERING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2003

### 5 TAX ON LOSS ON ORDINARY ACTIVITIES

The tax charge represents:

	Year ended 30 June 2003 £	15 months ended 30 June 2002 £
Total current tax and tax on loss on ordinary activities	-	-

#### Factors affecting the tax charge for the year

The tax assessed for the year is higher than the standard rate of corporation tax in the UK of 30% (2002: 30%).  
The differences are explained as follows:

	Year ended 30 June 2003 £	15 months ended 30 June 2002 £
Loss on ordinary activities before tax	(874,021)	(2,229,079)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2002: 30%)	(262,206)	(668,724)
Effect of:		
Expenses not deductible for tax purposes	12,864	14,163
Capital allowances for the year in excess of depreciation	6,431	(2,351)
Unutilised tax losses	242,911	656,912
Current tax charge for the year	-	-

# EMC ENVIRONMENT ENGINEERING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2003

### 6 INTANGIBLE FIXED ASSETS

	2003 Purchased goodwill £
Cost	
At 1 July 2002 and 30 June 2003	<u>591,002</u>
Amortisation	
At 1 July 2002 and at 30 June 2003	<u>591,002</u>
Net book amount at 30 June 2003 and 30 June 2002	<u>-</u>

Goodwill is being amortised over 20 years which the directors consider to be the useful economic life.

### 7 TANGIBLE FIXED ASSETS

Company	Leasehold improvements £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost				
At 1 July 2002	2,990	1,396,261	469,006	1,868,257
Additions	-	3,850	-	3,850
Disposals	-	(12,413)	(278,997)	(291,410)
At 30 June 2003	<u>2,990</u>	<u>1,387,698</u>	<u>190,009</u>	<u>1,580,697</u>
Amounts written off				
At 1 July 2002	-	589,228	288,846	878,074
Provided in the year	-	247,847	52,427	300,274
Eliminated on disposals	-	(4,804)	(217,307)	(222,111)
At 30 June 2003	<u>-</u>	<u>832,271</u>	<u>123,966</u>	<u>956,237</u>
Net book amount at 30 June 2003	<u>2,990</u>	<u>555,427</u>	<u>66,043</u>	<u>624,460</u>
Net book amount at 30 June 2002	<u>2,990</u>	<u>807,033</u>	<u>180,160</u>	<u>990,183</u>

# EMC ENVIRONMENT ENGINEERING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2003

### 7 TANGIBLE FIXED ASSETS (CONTINUED)

The figures stated above include assets held under finance leases and hire purchase contracts as follows:

	Fixtures, fittings and equipment £	Motor vehicles £
Net book amount at 30 June 2003	<u>76,623</u>	<u>14,693</u>
Net book amount at 30 June 2002	<u>127,224</u>	<u>107,954</u>
Depreciation provided during the year	<u>50,601</u>	<u>37,366</u>

### 8 FIXED ASSET INVESTMENTS

#### Shares in group undertakings

	£
Cost	
At 1 July 2002 and at 30 June 2003	<u>250,000</u>

The company is entitled under section 228 of the Companies Act 1985 not to prepare group financial statements since its parent undertaking, The Casella Group Limited, prepares full statements which include this company.

At 30 June 2003 the company held more than 20% of the allotted share capital of the following:

Subsidiary undertaking	Class of share capital held	Proportion held by the company	Nature of business	Aggregate of capital and reserves		Profit for financial year	
				2003 £	2002 £	2003 £	2002 £
Monitor (Europe) Limited	Ordinary	100%	Manufacture of environmental instrumentation	<u>388,003</u>	<u>120,615</u>	<u>267,388</u>	<u>41,842</u>

### 9 STOCKS

	2003 £	2002 £
Finished goods and goods for resale	<u>1,081,981</u>	<u>1,166,876</u>



**EMC ENVIRONMENT ENGINEERING LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 30 June 2003

**10 DEBTORS**

	2003 £	2002 £
Trade debtors	1,227,586	934,577
Amounts owed by group undertakings	-	306,656
Other debtors	583,741	800,351
Prepayments and accrued income	72,511	82,520
	<u>1,883,838</u>	<u>2,124,104</u>

**11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2003 £	2002 £
Trade creditors	674,031	785,246
Amounts owed to group undertakings	2,274,441	893,474
Payments received on account	260,361	325,995
Social security and other taxes	85,430	71,230
Other creditors	1,600,891	1,764,939
Accruals and deferred income	1,683,158	2,684,465
Amounts due under finance leases and hire purchase contracts	101,105	123,649
	<u>6,679,417</u>	<u>6,648,998</u>

Amounts due under finance leases and hire purchase contracts are secured on the assets to which they relate.

**12 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2003 £	2002 £
Amounts due under finance leases and hire purchase contracts	-	62,068

**13 BORROWINGS**

Borrowings are repayable as follows:

	2003 £	2002 £
Within one year		
Finance leases	101,105	123,649
After one and within two years		
Finance leases	-	38,047
After two and within five years		
Finance leases	-	24,021
	<u>126,935</u>	<u>185,717</u>

# EMC ENVIRONMENT ENGINEERING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2003

### 14 PROVISIONS FOR LIABILITIES AND CHARGES

	Restructuring provision £
Provided during the year and at 30 June 2003	<u>235,204</u>

The restructuring provision has been made for the costs incurred in the restructuring of the company.

### 15 SHARE CAPITAL

	2003 £	2002 £
Authorised		
51,002 A ordinary shares of £1 each	51,002	51,002
51,002 B ordinary shares of £1 each	51,002	51,002
1,240,000 C ordinary shares of £1 each	1,240,000	1,240,000
	<u>1,342,004</u>	<u>1,342,004</u>
Allotted, called up and fully paid		
51,002 A ordinary shares of £1 each	51,002	51,002
51,002 B ordinary shares of £1 each	51,002	51,002
1,240,000 C ordinary shares of £1 each	1,240,000	1,240,000
	<u>1,342,004</u>	<u>1,342,004</u>

All shares rank pari passu in all respects other than the C shares conferring no voting rights at any general meeting of the company.

### 16 RESERVES

	Profit and loss account £
At 1 July 2002	(3,454,323)
Retained loss for the year	(874,021)
At 30 June 2003	<u>(4,328,344)</u>

# EMC ENVIRONMENT ENGINEERING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2003

### 17 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2003 £	2002 £
Loss for the financial year	(874,021)	(2,229,079)
Issue of shares	-	1,240,000
Net decrease in shareholders' funds	(874,021)	(989,079)
Shareholders' funds at 1 July 2002	(2,112,319)	(1,123,240)
Shareholders' funds at 30 June 2003	<u>(2,986,340)</u>	<u>(2,112,319)</u>

### 18 CAPITAL COMMITMENTS

The company had no capital commitments at 30 June 2003 or 30 June 2002.

### 19 CONTINGENT LIABILITIES

The company had outstanding bid bonds of £8,496 at 30 June 2003.

There were no contingent liabilities at 30 June 2002.

### 20 RETIREMENT BENEFITS

#### Defined Contribution Pension Scheme

The company is included within The Casella Group defined contribution pension scheme. The assets of the scheme are administered by trustees in a fund independent from those of the company.

#### Defined Benefit Pension Scheme

The company makes contributions to the Industry Wide Coal Staff Superannuation Scheme (operated by British Coal) in respect of some employees.

However, the employer is unable to identify its share of the underlying assets and liabilities of the scheme and accordingly, no provision can be made for any under or over provision of funding within the scheme as permitted under Financial Reporting Standard No. 17 "Retirement Benefits".

### 21 LEASING COMMITMENTS

Operating lease payments amounting to £128,502 (2002: £246,706) are due within one year. The leases to which these amounts relate expire as follows:

	2003		2002	
	Land and buildings £	Other £	Land and buildings £	Other £
In one year or less	26,382	-	21,000	342
Between two and five years	-	102,120	98,000	103,864
In five years or more	-	-	23,500	-
	<u>26,382</u>	<u>102,120</u>	<u>142,500</u>	<u>104,206</u>

# **EMC ENVIRONMENT ENGINEERING LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 30 June 2003

---

### **22 RELATED PARTY TRANSACTIONS**

As a wholly owned subsidiary of The Casella Group Limited, the company is exempt from the requirements of FRS 8 to disclose transactions with other members of the group headed by that company.

### **23 ULTIMATE PARENT UNDERTAKING AND CONTROLLING RELATED PARTY**

The director considers that the ultimate parent undertaking and controlling related party of this company is the Casella Group Limited, registered in England and Wales.

### **24 POST BALANCE SHEET FINANCE**

The financial statements have been prepared on a going concern basis. The validity of this depends upon the adequacy of the support from the ultimate parent undertaking and in turn the group having adequate resources for the next twelve months. As a result of the recent actions they have taken the directors believe that this support will be available.

The group directors updated their business plans in July 2003 and have successfully raised an additional £2 million of funding since then. This is in addition to £5.3 million raised in November 2002. The group's principal investors are represented on the group Board and they have reiterated their financial support for the group. The Board believe that it is appropriate to assume that the funding that has been put in place will be adequate to meet the group's financial requirements over the next twelve months.

The directors are pleased with the progress that has been made since the year end in implementing the restructuring plans. This, coupled with the refinancing referred to above, gives the directors confidence that the business will not only be able to meet its liabilities as they fall due over the next twelve months, but also it will be able to fund its planned growth.