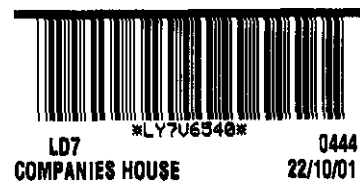


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Abbreviated accounts for
the year ended 30 June 2000

**Argent Environmental
Services Limited**

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Argent Environmental Services Limited

Independent Auditors' Report to Argent Environmental Services Limited Under section 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages 2 to 5, together with the financial statements of the company for the year ended 30 June 2000 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts 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 accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts 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 accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

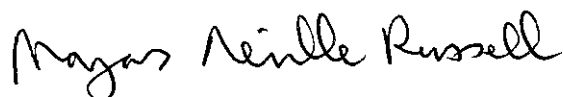
In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

Other information

On 15 October 2001 we reported as auditors to the members of the company on the financial statements prepared under section 226 of the Companies Act 1985 and our report included the following paragraph:

Fundamental uncertainty

"In forming our opinion, we have considered the adequacy of the disclosures made in note 15 of the financial statements concerning the uncertainty of the outcome of claims received by the company. In view of the significance of this uncertainty we consider that it should be drawn to your attention but our opinion is not qualified in this respect."



MAZARS NEVILLE RUSSELL
CHARTERED ACCOUNTANTS
and Registered Auditors
City House, 9 Cranbrook Road, Ilford, Essex. IG1 4EA

15 October 2001


Argent Environmental Services Limited

Abbreviated balance sheet As at 30 June 2000

	Notes	2000 £	£	1999 £	£
Fixed assets					
Tangible assets	2		68,207		56,036
Current assets					
Stocks		55,823		61,376	
Debtors		364,672		323,858	
Cash at bank and in hand		68,565		57,216	
		<u>489,060</u>		<u>442,450</u>	
Creditors: amounts falling due within one year		<u>(376,303)</u>		<u>(376,290)</u>	
Net current assets			112,757		66,160
Total assets less current liabilities			180,964		122,196
Creditors: amounts falling due after more than one year			(28,173)		(23,431)
Provisions for liabilities and charges			(2,372)		(2,121)
			<u>150,419</u>		<u>96,644</u>
Capital and reserves					
Called up share capital	3		100		100
Profit and loss account			150,319		96,544
Shareholders' funds			<u>150,419</u>		<u>96,644</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the board on 15 October 2001



D McGinley Esq
Director

Argent Environmental Services Limited

Notes to the abbreviated financial statements For the year ended 30 June 2000

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Motor vehicles	25% reducing balance basis
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1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.5 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value.

1.6 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

Argent Environmental Services Limited

Notes to the abbreviated financial statements For the year ended 30 June 2000

2 Fixed assets

	Tangible assets £
Cost	
At 1 July 1999	98,373
Additions	34,905
	<hr/>
At 30 June 2000	133,278
	<hr/>
Depreciation	
At 1 July 1999	42,337
Charge for the year	22,734
	<hr/>
At 30 June 2000	65,071
	<hr/>
Net book value	
At 30 June 2000	68,207
	<hr/>
At 30 June 1999	56,036
	<hr/>

3 Share capital

	2000 £	1999 £
Authorised		
100,000 Ordinary shares of £ 1 each	100,000	100,000
	<hr/>	<hr/>
Allotted, called up and fully paid		
100 Ordinary shares of £ 1 each	100	100
	<hr/>	<hr/>

4 Contingent liabilities

The Liquidator of Argent Building Services Limited is claiming an amount of approximately £200,000 from Argent Environmental Services Limited. A claim has also been received, amounting to approximately £190,000, in respect of a contract carried out for the City of Westminster. Having taken legal advice, the directors intend to defend vigorously these claims and, on the basis of the information available, are confident that no liabilities will attach to the company. Accordingly no provision has been made in these accounts.

Argent Environmental Services Limited

Notes to the abbreviated financial statements For the year ended 30 June 2000

5 Related party transactions

D McGinley, a director of Argent Environmental Services Limited, holds an interest in Amadia Properties Limited, Poliflexsol Limited and Argent Building Services Limited. These accounts include sales to related parties of £175,037 (1999 : £36,075), charges from related parties for labour, materials and expenses of £267,996 (1999 : £181,241) and charges from related parties for rent and management charges of £248,500 (1999: £175,000). All transactions were at normal commercial rates. Details of the balances with related parties are included in notes 8 and 9. Argent Environmental Services Limited has given a cross guarantee and a charge over its assets to National Westminster Bank PLC in respect of the bank overdraft facilities of Amadia Properties Limited, Argent Building Services Limited and Poliflexsol Limited. D McGinley has also given personal guarantees in respect of these facilities. During the year Argent Building Services Limited went into liquidation. The Administrative Receiver of Argent Building Services Limited has indicated that the cross guarantee will not be called upon. The balance due from Argent Building Services Limited at 30 June 2000 of £29,364 has been written off as a bad debt.