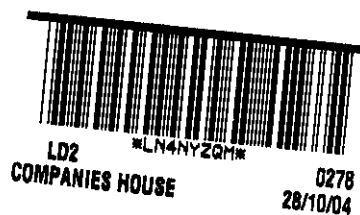


# **Anti-Waste (Restoration) Limited**

Directors' report and financial  
statements

Registered number 2993753

31 December 2003



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## **Statutory information**

### **Directors**

JR Meredith  
LJD Cassells  
SN Hardman

### **Company secretary**

A Waterhouse

### **Registered office**

3 Sidings Court  
White Rose Way  
Doncaster  
DN4 5NU

### **Auditors**

KPMG LLP  
1 Puddle Dock  
London  
EC4V 3PD

## Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2003.

### Principal activities

The principal activity of the company is that of the provision of landfill site monitoring and restoration services.

### Review of developments and future prospects

The result for the year was in line with directors' expectations and trading at current levels is anticipated for the foreseeable future.

On 29 July 2003, the company's ultimate parent company and controlling party changed as a result of the acquisition of the entire issued share capital of Waste Recycling Group plc by Cholet Acquisitions Limited. The directors now consider that Terra Firma Capital Partners Holdings Limited is the company's ultimate controlling party and ultimate parent entity.

### Results and dividends

The result for the year is set out on page 5. The directors do not recommend the payment of a dividend (2002: £nil) and thus £9,000 (2002: £9,000) has been transferred to reserves.

### Directors and their interests

The directors who held office during the year and since the year end were as follows:

NDA Sandy	(resigned 31 July 2003)
HC Etheridge	(resigned 31 July 2003)
TC Walsh	(resigned 31 July 2003)
QR Stewart	(appointed 31 July 2003, resigned 30 September 2003)
PW Burns	(appointed 31 July 2003, resigned 30 September 2003)
R Prior	(appointed 8 September 2003, resigned 15 January 2004)
JR Meredith	(appointed 8 September 2003)
LJD Cassells	(appointed 15 January 2004)
SN Hardman	(appointed 16 August 2004)

None of the directors held an interest in the share capital of the company during the year.

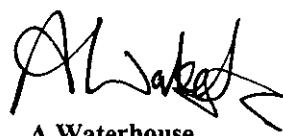
### Charitable and political donations

No political or charitable donations were made during the year (2002: £nil).

### Auditors

On 31 July 2003, Deloitte & Touche resigned as auditor to the company. On 31 July 2003 KPMG LLP were appointed by the directors in their place to fill the casual vacancy.

By order of the board



A Waterhouse  
Company Secretary

25 October 2004

## Statement of directors' responsibilities

Company law requires the directors 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 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the 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

**Report of the independent auditors to the members of Anti-Waste (Restoration) Limited**

We have audited the financial statements on pages 5 to 9.

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**

The directors are responsible for preparing the directors' report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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 with the company is not disclosed.

**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 company's affairs as at 31 December 2003 and of its profit 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

*26 October 2004*

**Profit and loss account**  
*year ended 31 December 2003*

	<i>Note</i>	<b>2003</b> <b>£000</b>	<b>2002</b> <b>£000</b>
Turnover	2	25	99
Cost of sales		(20)	(77)
<b>Gross profit</b>		<b>5</b>	<b>22</b>
Administrative expenses		-	(9)
<b>Profit on ordinary activities before taxation</b>	3	<b>5</b>	<b>13</b>
Tax on profit on ordinary activities	5	4	(4)
<b>Profit for the financial year</b>		<b>9</b>	<b>9</b>
Retained profit brought forward		11	2
<b>Retained profit carried forward</b>		<b>20</b>	<b>11</b>

All results are derived from continuing operations.

There are no recognised gains and losses in either the current 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 are no movements in shareholders' funds in either the current or previous financial year other than the retained profit shown above. Accordingly, no reconciliation of movements in shareholders' funds is presented.

**Balance sheet**  
**at 31 December 2003**

	<i>Note</i>	<b>2003</b> <b>£000</b>	<b>2002</b> <b>£000</b>
<b>Current assets</b>			
Debtors: amounts due within one year	6	40,440	47,543
Cash at bank and in hand		3	78
		<hr/>	<hr/>
<b>Creditors: amounts falling due within one year</b>	7	40,443 (14,564)	47,621 (1,342)
		<hr/>	<hr/>
<b>Net current assets</b>		25,879	46,279
		<hr/>	<hr/>
<b>Creditors: amounts falling due after more than one year</b>	8	(25,859)	(46,268)
		<hr/>	<hr/>
<b>Net assets</b>		20	11
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	9	-	-
Profit and loss account		20	11
		<hr/>	<hr/>
<b>Equity shareholders' funds</b>		20	11
		<hr/>	<hr/>

These financial statements were approved by the board of directors on 25 October 2004 and were signed on its behalf by:

  
**LJD Cassells**  
 Director



## **Notes**

*(forming part of the financial statements)*

### **1 Accounting policies**

These financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

#### ***Accounting convention***

The financial statements are prepared under the historical cost convention.

#### ***Cash flow exemption***

The company has taken advantage of the exemption, conferred by Financial Reporting Standard 1 (Revised), from presenting a cash flow statement as it is a wholly owned subsidiary of Waste Recycling Group Plc, "the group", which prepares a consolidated cash flow statement.

#### ***Related party transactions***

As the company is a wholly owned subsidiary of Cholet Holdings Limited, the company has taken advantage of the exemption contained in FRS8 and has therefore not disclosed transactions or balances with entities that form part of the group. The consolidated financial statements of Cholet Holdings Limited, within which this company is included, can be obtained from the address given in note 18.

#### ***Turnover***

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

#### ***Restoration costs***

Income from charges made to other group companies in respect of the anticipated cost of final site restoration and monitoring costs is deferred and will be credited to the profit and loss account in the periods in which the associated costs arise.

### **2 Turnover**

Turnover is wholly attributable to the principal activity of the company and is carried on within the United Kingdom.

### **3 Operating profit**

Fees in respect of auditors' remuneration are met by the parent company.

### **4 Information regarding directors and employees**

Wages and salaries of directors and administrative activities are met by the company's immediate parent company and Waste Recycling Group Limited.

## Notes (continued)

### 5 Taxation

	2003 £000	2002 £000
UK Corporation tax		
United Kingdom corporation tax at 30% (2002: 30%) based on profits for the year	-	4
Adjustments in respect of prior years	(4)	-
	<hr/>	<hr/>
Tax on profit on ordinary activities	(4)	4
	<hr/>	<hr/>

The total current tax charge for the current year is less than (2002: equal to) the standard rate of 30% (2002: 30%) for the reasons set out in the following reconciliation:

	2003 £000	2002 £000
Profit on ordinary activities before tax	5	13
	<hr/>	<hr/>
Tax on profit on ordinary activities at standard rate	2	4
Group loss relief claimed	(2)	-
Adjustments in respect of prior years	(4)	-
	<hr/>	<hr/>
Tax on profit on ordinary activities	(4)	4
	<hr/>	<hr/>

### 6 Debtors: due within one year

	2003 £000	2002 £000
Amounts due from ultimate parent undertakings	-	41,692
Amounts due from fellow group undertakings	40,440	5,851
	<hr/>	<hr/>
	40,440	47,543
	<hr/>	<hr/>

### 7 Creditors: amounts falling due within one year

	2003 £000	2002 £000
Amounts due to fellow group undertakings	14,564	1,338
Corporation tax	-	4
	<hr/>	<hr/>
	14,564	1,342
	<hr/>	<hr/>

## Notes (continued)

### 8 Creditors: amounts falling due after more than one year

	2003 £000	2002 £000
Deferred income	25,859	46,268

Deferred income is in respect of sums charged to fellow group undertakings in respect of landfill site restoration costs, to be released to the profit and loss account and matched against the relevant costs when they arise.

### 9 Called up share capital

	2003 £	2002 £
<i>Authorised</i>		
100,000 ordinary shares of £1 each	100,000	100,000
<i>Called up, allotted and fully paid</i>		
2 ordinary shares of £1 each	2	2

### 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.

### 11 Related party transactions

In the ordinary course of business, the company has also traded with fellow subsidiaries of Cholet Holdings Limited. The company has taken advantage of the exemption conferred by FRS8 from disclosing details of these transactions.

### 12 Ultimate parent company

The company's immediate parent company is Anti-Waste Limited, a company which is registered in England and Wales.

The directors regard Terra Firma Capital Partners Holdings Limited, a company registered in Guernsey, as the ultimate controlling party and the ultimate parent entity.

Cholet Holdings Limited is the parent company of the largest group of which the company is a member and for which group accounts are drawn up. Copies of Cholet Holdings Limited financial statements are available from 3 Sidings Court, White Rose Way, Doncaster DN4 5NU.