

Anti-Waste (Restoration) Limited

**Directors' report and financial
statements**

Registered number 2993753

31 December 2004



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Statutory information

Directors

JR Meredith
LJD Cassells
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 Anti-Waste (Restoration) Limited (the "Company") present their annual report and the audited financial statements for the year ended 31 December 2004.

Principal activity

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

Developments in the year

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 guarantor under an Amended and Restated Facilities Agreement dated 9 December 2004.

Results and dividends

The result for the year is set out on page 6. The Directors do not recommend the payment of a dividend (2003: *£nil*) and thus £4,000 (2003: *£9,000*) has been transferred to reserves.

Directors and their interests

The Directors who served as directors of the Company during the year ended 31 December 2004 and up to the date of this report were as follows:

JR Meredith
LJD Cassells (appointed 15 January 2004)
SN Hardman (appointed 16 August 2004)
R Prior (resigned 15 January 2004)

None of the Directors or connected persons held an interest in the share capital of the Company during the year.

The interests of the Directors and connected persons in the shares of WRG Investments Limited (formerly Cholet Investments Limited), an indirect parent company of the Company, as at 31 December 2004 are set out below:

		31 December 2004		1 January 2004*	
		Beneficial	Non-beneficial	Beneficial	Non-beneficial
LJD Cassells	'B' Ordinary shares £0.01	500	-	-	-
SN Hardman	'B' Ordinary shares £0.01	300	-	-	-
JR Meredith	'B' Ordinary shares £0.01	2,000	-	-	-

*or date of appointment if later

Directors' report *(continued)*

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.

Charitable and political donations

No political or charitable donations were made during the year (2003: *£nil*).

By order of the board



JM Bolton
Company Secretary

31 October

2005

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 6 to 11.

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 4, 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 2004 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

31 October 2005

Profit and loss account
year ended 31 December 2004

	Note	2004 £000	Restated 2003 £000
Turnover	2	4,569	2,217
Cost of sales		(4,562)	(2,212)
Gross profit		7	5
Administrative expenses		(3)	-
Profit on ordinary activities before taxation	3	4	5
Tax on profit on ordinary activities	5	-	4
Profit for the financial year		4	9

All results are derived from continuing operations.

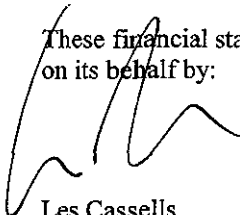
There are no recognised gains and losses in either the current or previous financial year other than as stated in the profit and loss account. Therefore, no separate statement of total recognised gains and losses has been presented.

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

Balance sheet
 at 31 December 2004

	Note	2004 £000	2003 £000
Current assets			
Debtors: amounts due within one year	6	40,440	40,440
Cash at bank and in hand		-	3
		<hr/>	<hr/>
Creditors: amounts falling due within one year	7	40,440 (9,984)	40,443 (14,564)
		<hr/>	<hr/>
Net current assets		30,456	25,879
Creditors: amounts falling due after more than one year	8	(30,432)	(25,859)
		<hr/>	<hr/>
Net assets		24	20
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	9	-	-
Profit and loss account	10	24	20
		<hr/>	<hr/>
Equity shareholders' funds		24	20
		<hr/>	<hr/>

These financial statements were approved by the board of Directors on 31 October 2005 and were signed on its behalf by:



Les 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.

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 an indirectly wholly owned subsidiary of a group which prepares a consolidated cash flow statement.

Related party transactions

As the Company is an indirectly wholly owned subsidiary of WRG Holdings Limited (formerly 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 WRG Holdings Limited, within which the Company is included, can be obtained from the address given in note 14.

BDR Waste Disposal Limited and Derbyshire Waste Limited do not form part of this group for the purposes of FRS8. Details of the balances and transactions with these related parties are given in note 13 to these financial statements.

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 credited to the profit and loss account in the periods in which the associated costs arise. Expenditure on the final site restoration and monitoring made on behalf of other group companies is debited to the profit and loss account in the periods in which the associated costs arise.

Prior year restatement

The comparative figures in the profit and loss account have been restated to recognise income and expenditure of final site restoration and monitoring. This income and expenditure was not previously recognised in the profit and loss account. The restatement has no impact on opening net assets.

2 Turnover

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

3 Profit on ordinary activities before taxation

Fees in respect of auditors' remuneration are met by the Company's indirect parent company, Waste Recycling Group Limited.

4 Information regarding directors and employees

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

Notes (continued)

5 Taxation

	2004 £000	2003 £000
UK Corporation tax		
United Kingdom corporation tax at 30% (2003: 30%) based on profits for the year	-	-
Adjustments in respect of prior years	-	(4)
	<hr/>	<hr/>
Tax on profit on ordinary activities	-	(4)
	<hr/>	<hr/>

The total current tax charge for the year is less than (2003: less than) the standard rate of 30% (2003: 30%) for the reasons set out in the following reconciliation:

	2004 £000	2003 £000
Profit on ordinary activities before tax	4	5
	<hr/>	<hr/>
Tax on profit on ordinary activities at standard rate	1	2
Group loss relief claimed	(1)	(2)
Adjustments in respect of prior years	-	(4)
	<hr/>	<hr/>
Tax on profit on ordinary activities	-	(4)
	<hr/>	<hr/>

No provision for deferred tax was considered necessary and there is no unprovided deferred tax.

6 Debtors: amounts falling due within one year

	2004 £000	2003 £000
Amounts due from fellow subsidiary undertakings	40,440	40,440
	<hr/>	<hr/>

7 Creditors: amounts falling due within one year

	2004 £000	2003 £000
Amounts due to fellow subsidiary undertakings	6,384	14,564
Deferred income	3,600	-
	<hr/>	<hr/>
	9,984	14,564
	<hr/>	<hr/>

Notes (continued)

8 Creditors: amounts falling due after more than one year

	2004 £000	2003 £000
Deferred income	30,432	25,859

Deferred income is in respect of sums charged to fellow subsidiary 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

	2004 £	2003 £
<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 Reserves

	Profit and loss account £000
At 1 January 2004	20
Profit for the financial year	4
At 31 December 2004	24

11 Reconciliation of movement in shareholders' funds

	2004 £000	2003 £000
Profit/(loss) for the financial year	4	9
Opening shareholders' funds	20	11
Closing shareholders' funds	24	20

Notes (continued)

12 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 guarantor under an Amended and Restated Facilities Agreement dated 9 June 2003.

13 Related party transactions

The Company has balances due from BDR Waste Disposal Limited of £1,312,000 (2003: £1,254,000) and Derbyshire Waste Limited of £609,000 (2003: £969,000), fellow subsidiaries of Waste Recycling Group Limited, for the future costs of landfill site restoration.

During the year the Company accounted for revenues and incurred expenditures on behalf of these companies as follows:

	Restoration revenues		Restoration expenditure	
	2004 £000	2003 £000	2004 £000	2003 £000
BDR Waste Disposal Limited	6	52	(6)	(52)
Derbyshire Waste Limited	385	761	(385)	(761)
	<u>391</u>	<u>813</u>	<u>(391)</u>	<u>(813)</u>

14 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.

WRG Holdings Limited (formerly 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 WRG Holdings Limited financial statements are available from the Company Secretary, Ground Floor West, 900 Pavilion Drive, Northampton Business Park, Northampton, NN4 7RG.