

BRUMCAN RECYCLING LIMITED
(Limited by Guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30 SEPTEMBER 2003

COMPANY NUMBER:3630566



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BRUMCAN RECYCLING LIMITED
(Limited by Guarantee)

COMPANY INFORMATION

DIRECTORS	G Dixon (resigned 24/02/04) A R Key M J Williams M T Howard (resigned 01/10/02) J B Hughes (appointed 09/12/03) S A Giles (appointed 09/12/03)
SECRETARY	L L Langdon
COMPANY NUMBER	3630566
REGISTERED OFFICE	Unit 1 Mount Street Business Park Mount Street Nechells Birmingham B7 5QU
AUDITORS	Bentley Jennison Chartered Accountants & Registered Auditors 15-20 St Paul's Square Birmingham B3 1QT

BRUMCAN RECYCLING LIMITED

(Limited by Guarantee)

DIRECTORS' REPORT

For the year ended 30 September 2003

The directors present their report and the financial statements for the year ended 30 September 2003.

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 of the company 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;
- 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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITIES

The principal activity of the company is the collection and recycling of commercial waste. It is the trading subsidiary of the registered charity, Brumcan.

DIRECTORS

The directors who served during the year were:

G Dixon (resigned 24/02/04)
A R Key
M J Williams
M T Howard (resigned 01/10/02)
J B Hughes (appointed 09/12/03)
S A Giles (appointed 09/12/03)

AUDITORS

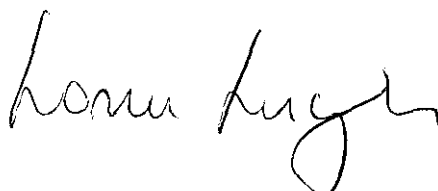
The auditors, Bentley Jennison, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 24/02/04

and signed on its behalf.

L L Langdon
Secretary



BRUMCAN RECYCLING LIMITED
(Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRUMCAN RECYCLING LIMITED

We have audited the financial statements of Brumcan Recycling Limited for the year ended 30 September 2003 set out on pages 3 to 7. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002) under the historical cost convention and the accounting policies set out on page 5.

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 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 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.

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 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.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 September 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Bentley Jennison

Chartered Accountants
Registered Auditors

15-20 St Paul's Square
Birmingham
B3 1QT

24 February 2004

BRUMCAN RECYCLING LIMITED**(Limited by Guarantee)****PROFIT AND LOSS ACCOUNT**
For the year ended 30 September 2003

	Note	2003 £	2002 £
TURNOVER	1	35,831	28,532
Cost of sales		<u>(16,436)</u>	<u>(13,157)</u>
GROSS PROFIT		19,395	15,375
Administrative expenses		<u>(16,579)</u>	<u>(12,516)</u>
OPERATING PROFIT	2	2,816	2,859
Interest receivable		<u>35</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,851	2,859
TAX ON PROFIT ON ORDINARY ACTIVITIES		<u>-</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	7	<u>2,851</u>	<u>2,859</u>

The notes on pages 5 to 7 form part of these financial statements.

BRUMCAN RECYCLING LIMITED
(Limited by Guarantee)

BALANCE SHEET
As at 30 September 2003

	Note	2003 £	2002 £
FIXED ASSETS			
Tangible fixed assets	3	3,218	3,883
CURRENT ASSETS			
Debtors	4	8,038	5,361
Cash at bank and in hand		4,588	2,263
		<u>12,626</u>	<u>7,624</u>
CREDITORS: amounts falling due within one year	5	(2,652)	(1,166)
NET CURRENT ASSETS		<u>9,974</u>	<u>6,458</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>13,192</u></u>	<u><u>10,341</u></u>
CAPITAL AND RESERVES			
Profit and loss account	7	13,192	10,341
		<u><u>13,192</u></u>	<u><u>10,341</u></u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the board on 24/02/04 and signed on its behalf.

A R Key
Director



M J Williams
Director



The notes on pages 5 to 7 form part of these financial statements.

BRUMCAN RECYCLING LIMITED
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 September 2003

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.3 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of trade discounts.

1.4 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Motor vehicles	-	25% reducing balance
Office furniture	-	20% reducing balance
Office equipment	-	25% reducing balance

1.5 Deferred taxation

Provision is made in full for all taxation deferred in respect of timing differences that have originated but not reversed by the balance sheet date, except for gains on disposal of fixed assets which will be rolled over into replacement assets. No provision is made for taxation on permanent differences.

Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered.

2. OPERATING PROFIT

The operating profit is stated after charging:

	2003	2002
	£	£
Depreciation of tangible fixed assets:		
- owned by the company	1,031	1,187
Auditors' remuneration	1,100	-
	<u>2,131</u>	<u>1,187</u>

During the year, no director received any emoluments (2002 - £nil).

BRUMCAN RECYCLING LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 September 2003

3. TANGIBLE FIXED ASSETS

	Motor vehicles £	Office furniture £	Office equipment £	Total £
Cost				
At 1 October 2002	8,200	1,526	829	10,555
Additions	-	-	366	366
At 30 September 2003	<u>8,200</u>	<u>1,526</u>	<u>1,195</u>	<u>10,921</u>
Depreciation				
At 1 October 2002	5,606	900	166	6,672
Charge for the year	649	125	257	1,031
At 30 September 2003	<u>6,255</u>	<u>1,025</u>	<u>423</u>	<u>7,703</u>
Net book value				
At 30 September 2003	<u>1,945</u>	<u>501</u>	<u>772</u>	<u>3,218</u>
At 30 September 2002	<u>2,594</u>	<u>626</u>	<u>663</u>	<u>3,883</u>

4. DEBTORS

	2003 £	2002 £
Due within one year		
Trade debtors	<u>8,038</u>	<u>5,361</u>

5. CREDITORS:
Amounts falling due within one year

	2003 £	2002 £
Other creditors	<u>2,652</u>	<u>1,166</u>

6. COMPANY STATUS

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

BRUMCAN RECYCLING LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 September 2003

7. RESERVES

Profit and loss account	£
At 1 October 2002	10,341
Profit retained for the year	2,851
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At 30 September 2003	13,192
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8. OPERATING LEASE COMMITMENTS

At 30 September 2003 the company had annual commitments under non-cancellable operating leases as follows:

	2003	2002
	£	£
Expiry date:		
Between 2 and 5 years	6,000	6,000
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9. RELATED PARTY TRANSACTIONS

During the year the company made a loan to Brumcan of £1,500 (2002: £nil). This amount was offset against expenses incurred by Brumcan on behalf of the company.

Brumcan incurs expenses on behalf of the company which are recharged. The total value of the recharges for this year, excluding the loan repayment above, was £5,424. (2002: £3,067)

The balanced owed to Brumcan at the year end was £697 (2002: £766).

10. PARENT UNDERTAKING AND CONTROLLING PARTY

The parent undertaking is Brumcan, a company limited by guarantee and a registered charity.

There is no controlling party in Brumcan as defined by FRS 8.