

Company Registration No. 4952392  
(England and Wales)

**EQUIP RVG LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

**31 MARCH 2008**

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# **EQUIP RVG LIMITED**

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# **EQUIP RVG LIMITED**

## **COMPANY INFORMATION**

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**Directors**

T Sweeney  
S Creed  
P Ward  
H Etheridge

**Secretary**

H Etheridge

**Registered office**

The Old Academy  
21 Horse Fair  
Banbury  
Oxfordshire  
OX16 OAH

**Company number**

4952392

**Auditors**

KPMG LLP  
Altius House  
One North Fourth Street  
Milton Keynes  
MK9 1NE

**Bankers**

Barclays Bank Plc  
Barclays House  
PO Box 1500 Dominus Way  
Meridian Business Park  
Leicester  
LE19 1RP

**Managers of the eEquip scheme**

Cranmer Lawrence & Company Limited  
Kings Head House  
27 London End  
Beaconsfield  
Bucks  
HP9 2HN

## **EQUIP RVG LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2008**

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The directors present their report and financial statements for the year ended 31 March 2008.

#### **Principal activities**

The company was established to issue residual value guarantees (RVG's) on recycling equipment.

#### **Directors**

The following directors have held office during the period:

T Sweeney  
S Creed  
P Ward  
H Etheridge

#### **Results**

The results of the company's activities are summarised on page 6. The surplus for the financial year amounted to £33,742 (2007: £18,399 deficit). During the year, guarantees of £26,201 were called on and paid.

#### **Review of activities**

eEquip RVG Limited is a wholly owned subsidiary of The Waste and Resources Action Programme (Company Registration No 4125764). The company aims to help recycling companies lease the machinery they need by guaranteeing its future residual value. In the last financial year eEquip RVG Ltd provided guarantees covering over £5.8m (2007: £8.9m) of recycling equipment.

The directors estimate that approximately 30% of the residual value guarantees could crystallise, and accordingly provision has been made for this percentage of guarantees given.

The directors have considered the amount of capital required to ensure that current and future guarantees can be met. The cash reserves of £2.2 million represent their view of the appropriate amount of capital for the current and projected future position.

#### **Disclosure of information to auditors**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

## **EQUIP RVG LIMITED**

### **DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2008**

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#### **Auditors**

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG LLP as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

#### **Statement of directors' responsibilities in respect of the Directors' Report and the financial statements**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

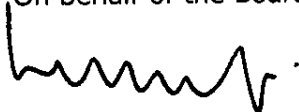
The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its 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.

On behalf of the Board



H Etheridge  
**Secretary**

## **EQUIP RVG LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EQUIP RVG LIMITED FOR THE YEAR ENDED 31 MARCH 2008**

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#### **KPMG LLP**

Altius House  
One North Fourth Street  
Milton Keynes  
MK9 1NE  
United Kingdom

### **Independent auditors' report to the members of eEquip RVG Limited**

We have audited the financial statements of eEquip RVG Limited for the year ended 31 March 2008 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes. 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 directors and auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 3.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions 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 International Standards on Auditing (UK and Ireland) 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 judgments made by the directors in the preparation of the financial statements, and of whether the accounting

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS (continued)  
FOR THE YEAR ENDED 31 MARCH 2008**

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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, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2008 and of its surplus for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

*KPMG W* 11/8/2008

**KPMG LLP**  
*Chartered Accountants*  
*Registered Auditor*

**EQUIP RVG LIMITED****INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2008**

	<b>Note</b>	<b>2008 £</b>	<b>2007 £</b>
<b>Incoming resources</b>			
Grants receivable from parent company		<u>523,579</u>	<u>810,912</u>
<b>Total incoming resources</b>		<u>523,579</u>	<u>810,912</u>
<b>Resources expended</b>			
Management fees		(188,945)	(265,395)
Provision for residual value guarantees	<b>7</b>	(329,952)	(472,839)
Guarantees paid		<u>(26,201)</u>	<u>(146,675)</u>
Direct Expenditure		<u>(545,098)</u>	<u>(884,909)</u>
Administration expenses		<u>(3,033)</u>	<u>(5,060)</u>
<b>Operating deficit</b>		<u>(24,552)</u>	<u>(79,057)</u>
Interest receivable	<b>2</b>	<u>72,867</u>	<u>74,886</u>
<b>Operating surplus /(deficit) on ordinary activities before taxation</b>		48,315	(4,171)
Taxation on surplus/(deficit) on ordinary activities	<b>3</b>	<u>(14,573)</u>	<u>(14,228)</u>
<b>Surplus /(deficit) for the financial year</b>	<b>4</b>	<u>33,742</u>	<u>(18,399)</u>
Balance brought forward		<u>1,108,966</u>	<u>1,127,365</u>
<b>Balance carried forward at 31 March</b>		<u>1,142,708</u>	<u>1,108,966</u>

There are no deficits or surpluses for the period other than those reflected above. All activities are continuing.

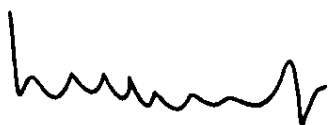
The notes on pages 8 to 11 form part of these financial statements



**EQUIP RVG LIMITED****BALANCE SHEET  
AS AT 31 MARCH 2008**

	Note	£	2008 £	£	2007 £
<b>Current assets</b>					
Debtors	5	248,070		-	
Cash at bank and in hand		2,203,873		2,120,741	
		<u>2,451,943</u>		<u>2,120,741</u>	
<b>Creditors:</b> Amounts falling due within one year					
	6	<u>(105,089)</u>		<u>(137,581)</u>	
<b>Net current assets</b>			2,346,854		1,983,160
<b>Total assets less current liabilities</b>			2,346,854		1,983,160
Provision for liabilities and charges	7		<u>(1,204,145)</u>		<u>(874,193)</u>
<b>Net assets</b>			<u>1,142,709</u>		<u>1,108,967</u>
<b>Capital and reserves</b>					
Called up share capital	9		1		1
Reserves	10		<u>1,142,708</u>		<u>1,108,966</u>
			<u>1,142,709</u>		<u>1,108,967</u>

The financial statements were approved by the Board on 23<sup>rd</sup> July 2008



H Etheridge  
**Director**

The notes on pages 8 to 11 form part of these financial statements.

## **EQUIP RVG LIMITED**

### **NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2008**

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#### **1. Basis of financial statements and accounting policies**

The company has adopted the following accounting policies which should be read in conjunction with the financial statements set out on pages 6 to 11 and which have been prepared under the historical cost convention and in accordance with applicable financial standards.

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

As the Company is a wholly owned subsidiary of The Waste & Resources Action Programme, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of The Waste & Resources Action Programme, within which this Company is included, can be obtained from the address given in note 11.

##### **1.1 Income**

Revenue grants receivable are initially credited to the Income and Expenditure Account in the period in which the funding is receivable. Income received in advance is carried forward as deferred income. Capital grants receivable are treated as deferred credits and credited to the Income and Expenditure Account over the estimated useful life of the assets.

##### **1.2 Expenditure**

All expenditure is charged in the period to which it relates on an accruals basis and a liability is recognised when there is a legal or constructive obligation.

##### **1.3 Provisions**

Provision is made for the potential shortfalls in residual values of assets underwritten by the scheme based on the directors' current projections of the probable cost.

##### **1.4 Taxation**

The charge for taxation is based on the surplus/(deficit) for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes

#### **2. Interest receivable**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Bank interest receivable	<u>72,867</u>	<u>74,886</u>

## EQUIP RVG LIMITED

### NOTES AND ACCOUNTING POLICIES (continued) FOR THE YEAR ENDED 31 MARCH 2008

#### 3. Taxation

##### a.) *Analysis of charge in period*

###### Current Tax

	2008	2007
	£	£
UK corporation tax at 20% on the Surplus/(deficit) on ordinary activities	14,573	14,228
Total current tax	<u>14,573</u>	<u>14,228</u>

##### b.) *Factors affecting the tax charge for the current period*

The current tax charge for the period is higher (2007: higher) than the small companies rate of corporation tax in the UK (20%, 2007 : 19%). The differences are explained below.

	2008	2007
	£	£
Surplus/(deficit) on ordinary activities before tax	48,315	(4,171)
Current tax at 20% (2007: 19%)	9,663	(792)
<i>Effects of:</i>		
Deficit on activities outside the scope of corporation tax	4,910	15,020
Current tax charge for the period	<u>14,573</u>	<u>14,228</u>

#### 4. Surplus/(deficit) for the financial year

	2008	2007
	£	£
Surplus/(deficit) for the financial year is stated after charging:		
Auditors' remuneration	2,938	2,938

There were no employees in current or previous financial years.

#### 5. Debtors

	2008	2007
	£	£
Accrued Interest	7,971	-
Amounts due from parent undertaking	240,099	-
	<u>248,070</u>	<u>-</u>

**NOTES AND ACCOUNTING POLICIES (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2008**

**6. Creditors : Amounts falling due within one year**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Amounts due to parent undertaking	-	15
Corporation tax	14,573	14,229
Accruals and deferred income	90,516	123,337
	<u>105,089</u>	<u>137,581</u>

**7. Provision for liabilities and charges**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Provision for residual value guarantees brought forward	874,193	401,354
Additions in the year	329,952	472,839
	<u>1,204,145</u>	<u>874,193</u>

**8. Financial commitments**

Management fees payable to the lease guarantee scheme administrator on an annual basis will be £160,975 (£137,000+VAT) per annum. A bonus also becomes payable if the value of leases entered into exceeds £5 million in any year and this shall be 2.5% of the excess cost of the equipment over £5 million. In the current year, an amount of £26,477 (2007: £116,540) has been accrued in respect of this bonus.

**9. Share capital**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
<b>Allotted, called up and fully paid</b>		
1 ordinary share of £1	<u>1</u>	<u>1</u>

**10. Residual interest**

	<b>Total Funds</b>
	<b>£</b>
At 31 March 2007	1,108,966
Net incoming resources for year	<u>33,742</u>
<b>At 31 March 2008</b>	<u>1,142,708</u>

**NOTES AND ACCOUNTING POLICIES (continued)  
FOR THE YEAR ENDED 31 MARCH 2008**

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**11. Control**

The ultimate controlling party is The Waste and Resources Action Programme, a company limited by guarantee.

The Company is a subsidiary of The Waste & Resources Action Programme, a company incorporated in England and Wales. The largest and smallest group in which the results of the company are consolidated is that headed by The Waste & Resources Action Programme. The consolidated accounts of this company are available to the public and may be obtained from Companies House, Crown Way, Cardiff, South Glamorgan, CF14 3UF