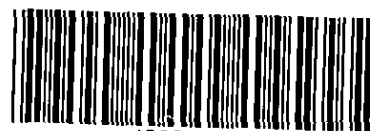


Financial Statements

Eden Waste Recycling Limited

For the 17 months to 30 June 2009

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Company information

Company Registration Number	SC209668
Registered Office	9 Charlotte Square Midlothian EDINBURGH EH2 4DR
Directors	Sir David E Murray J Donald G Wilson Jestyn R Davies M S McGill (Appointed 5 th March 2010)
Secretary	D W M Horne
Bankers	Bank of Scotland The Mound EDINBURGH EH1 1YZ
Solicitors	Dundas & Wilson Saltire Court 20 Castle Terrace EDINBURGH EH1 2EN
Auditor	Grant Thornton UK LLP Chartered Accountants Registered Auditors 95 Bothwell Street GLASGOW G2 7JZ

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Report of the directors (continued)

The directors present their report and the audited financial statements of the company for the 17 months to 30 June 2009.

Principal activities and business review

The trade and certain assets of the company and Malcolm McNeill Limited (a subsidiary of the company) were sold to a third party on 5 April 2006 at which date the company ceased to trade.

There was a loss for the 17 months to 30 June 2009 after taxation amounting to £135,161 (Year ended 31 January 2008: £83,107).

Financial risk management objectives and policies

Foreign currency risk

The company does not enter into foreign currency transactions. The directors therefore consider the company is not exposed to any foreign currency movement risk.

Credit risk

The company is exposed to credit related losses in the event on non-performance by transaction counterparties, but mitigates such risk through its policy of selecting only counterparties with high credit ratings.

Liquidity risk

Operations are financed by a mixture of shareholders' funds and bank borrowings. The objective is to ensure a mix of funding methods offering flexibility and cost effectiveness to match the needs of the company.

Cash flow risk

The company's policy is to arrange bank overdrafts and loans with a floating rate of interest plus an agreed margin.

The directors

The directors who served the company during the period were as follows:

Sir David E Murray
J Donald G Wilson
Jestyn R Davies
M S McGill (Appointed 5th March 2010)

Report of the directors (continued)

Directors' responsibilities

The directors are responsible for preparing 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom 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 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 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 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.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

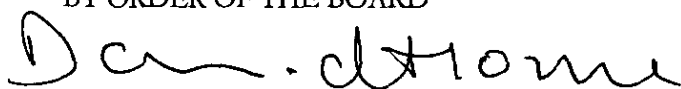
Auditor

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

BY ORDER OF THE BOARD



D W M Horne
Company Secretary

Signed 28th April 2010



Report of the independent auditor to the members of Eden Waste Recycling Limited

We have audited the financial statements of Eden Waste Recycling Limited for the 17 months ended 30 June 2009 which comprise the principal accounting policies, profit and loss account, balance sheet and notes 1 to 15. 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 auditor

The directors' responsibilities for preparing the Report of the Directors and the financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

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 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 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.

Report of the independent auditor to the members of Eden Waste Recycling Limited (continued)

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 United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 June 2009 and of its loss for the period 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.



GRANT THORNTON UK LLP
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
GLASGOW

.....
Signed 28th April 2010

Principal accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with United Kingdom accounting standards. The accounts were prepared on a going concern basis. Given the support of the Murray International Holdings Limited Group, the directors are satisfied that the company has sufficient facilities for the foreseeable future.

Consolidation

The company was, at the end of the year, a subsidiary of another company incorporated in the EU and in accordance with section 228 of the Companies Act 1985, is not required to produce, and has not published, consolidated financial statements.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Profit and loss account

		17 mths to 30 June 2009 £	12 mths to 31 January 2008 £
	Note		
Other operating (charges)/income	2	(7,680)	6,687
Operating (loss)/profit		(7,680)	6,687
Interest payable and similar charges	4	(127,570)	(129,051)
Loss on ordinary activities before taxation		(135,250)	(122,364)
Tax on loss on ordinary activities	5	89	39,257
Loss for the financial period/year		(135,161)	(83,107)

All of the activities of the company are classed as discontinued.

The company has no recognised gains or losses other than the results for the period/year as set out above.

Balance sheet

	Note	17 mths to 30 June 2009 £	12 mths to 31 January 2008 £
Current assets			
Debtors	6	88,030	146,470
Creditors: amounts falling due within one year	7	<u>(2,159,611)</u>	<u>(2,082,890)</u>
Net current liabilities		<u>(2,071,581)</u>	<u>(1,936,420)</u>
Net liabilities		<u>(2,071,581)</u>	<u>(1,936,420)</u>
Capital and reserves			
Called-up equity share capital	10	200	200
Profit and loss account	11	<u>(2,071,781)</u>	<u>(1,936,620)</u>
Shareholders' deficit	13	<u>(2,071,581)</u>	<u>(1,936,420)</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on 28th April 2010 and are signed on their behalf by:

Director



Company Number - SC209668

The accompanying accounting policies and notes form part of these financial statements.

Notes to the financial statements (continued)

1 Other operating (charges)/income

	17 mths to 30 June 2009 £	12 mths to 31 January 2008 £
Administrative expenses	<u>7,680</u>	<u>(6,687)</u>

2 Operating loss

Operating (loss)/profit is stated after charging:

	17 mths to 30 June 2009 £	12 mths to 31 January 2008 £
Auditor's remuneration:		
Audit services	<u>3,582</u>	<u>3,500</u>

3 Directors and employees

None of the directors received any remuneration from the company during the current period (Year ended 31 January 2008 - £nil).

4 Interest payable and similar charges

	17 mths to 30 June 2009 £	12 mths to 31 January 2008 £
Interest payable on bank borrowing	<u>127,570</u>	<u>129,051</u>

Notes to the financial statements (continued)

5 Taxation on ordinary activities

(a) Analysis of credit in the year

	17 mths to 30 June 2009 £	12 mths to 31 January 2008 £
Current tax:		
UK Corporation tax based on the results for the period at 28.23% (2008 - 30%)	(630)	(39,257)
Over provision in prior year	541	-
Total current tax	<u>(89)</u>	<u>(39,257)</u>

(b) Factors affecting current tax credit

The tax assessed on the loss on ordinary activities for the period is higher than the standard rate of corporation tax in the UK of 28.23% (Year ended 31 January 2008 - 30%).

	2009 £	2008 £
Loss on ordinary activities before taxation	<u>(135,249)</u>	<u>(122,364)</u>
Loss on ordinary activities multiplied by the standard rate of UK corporation tax of 28.23% (2008: 30%)	(38,184)	(36,709)
Depreciation in excess of capital allowances	-	(542)
Adjustments to tax charge in respect of prior year	541	-
Unrelieved tax losses	37,554	(2,006)
Total current tax (note 7(a))	<u>(89)</u>	<u>(39,257)</u>

At the 30 June 2009 there is an unrecognised deferred tax asset of £186,153 (Year ended 31 January 2008 - £148,908).

6 Debtors

	30 June 2009 £	31 January 2008 £
Amounts owed by group undertakings	88,030	144,988
VAT recoverable	-	1,482
	<u>88,030</u>	<u>146,470</u>

Notes to the financial statements (continued)

7 Creditors: amounts falling due within one year

	30 June 2009	31 January 2008
	£	£
Bank overdraft	2,145,340	2,068,390
Amounts owed to group undertakings	10,771	-
Accruals and deferred income	3,500	14,500
	<u>2,159,611</u>	<u>2,082,890</u>

The bank overdraft is secured by a floating charge over all the assets of the company.

8 Contingencies

In the previous year the company entered into the banking facilities of its ultimate parent undertakings. As a result of this the company has guaranteed bank borrowings of its ultimate holding company and certain other subsidiary undertakings. The total contingency at 30 June 2009 was £445,895,436 (Year ended 31 January 2008 - £385,607,940). Security for the bank facilities consists of a cross guarantees and a bond and floating charge over the assets of the company.

9 Related party transactions

The company has taken advantage of the exemption in FRS 8 from disclosing transactions with its parent undertaking.

No transactions with other related parties were undertaken.

10 Share capital

Authorised share capital:

	30 June 2009	31 January 2008
	£	£
100,000 Ordinary shares of £0.01 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid:		

	30 June 2009	31 January 2008
	No	No
	£	£
Ordinary shares of £0.01 each	<u>20,000</u>	<u>20,000</u>
	<u>200</u>	<u>200</u>

Notes to the financial statements (continued)

11 Profit and loss account

	30 June 2009	31 January 2008
	£	£
Balance brought forward	(1,936,620)	(1,853,513)
Loss for the financial period/year	(135,161)	(83,107)
Balance carried forward	<u>(2,071,781)</u>	<u>(1,936,620)</u>

12 Capital Commitments

The directors have confirmed that there are no capital commitments at 30 June 2009 (31 January 2008: £nil).

13 Reconciliation of movements in shareholders' deficit

	17 mths to 30 June 2009	12 mths to 31 January 2008
	£	£
Loss for the financial period/year	(135,161)	(83,107)
Opening shareholders' deficit	(1,936,420)	(1,853,313)
Closing shareholders' deficit	<u>(2,071,581)</u>	<u>(1,936,420)</u>

14 Ultimate parent company

The company's parent company is GM Group Holdings Limited by virtue of its 100% shareholding in the company. The ultimate controlling related party is Murray International Holdings Limited as a result of its controlling interest in GM Group Holdings Limited.

The directors consider that the ultimate controlling party of the company is Sir David E Murray by virtue of his controlling undertaking Murray International Holdings Limited.

The largest of undertakings for which group financial statements have been drawn up is that headed by Murray International Holdings Limited, the consolidated accounts of which are publicly available.

15 Post Balance Sheet Event

On 21 April 2010, Murray International Holdings Limited and certain of its subsidiaries completed a financial restructuring, details of which are set out in the financial statements of Murray International Holdings Limited for the period ended 30 June 2009.