

Company No. 3498790

HLC ENVIRONMENTAL HOLDINGS LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED
31ST DECEMBER 2001

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Moore Stephens
Chartered Accountants
Birmingham



INDEPENDENT AUDITORS' REPORT TO
HLC ENVIRONMENTAL HOLDINGS LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 4, together with the financial statements of the company for the year ended 31st December 2001 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of the director and auditors

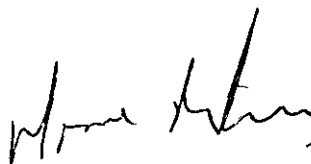
The director is responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.



MOORE STEPHENS

**CHARTERED ACCOUNTANTS
and REGISTERED AUDITOR**

Charterhouse
Legge Street
Birmingham B4 7EU

30th April 2003

HLC ENVIRONMENTAL HOLDINGS LIMITED

ABBREVIATED BALANCE SHEET

31ST DECEMBER 2001

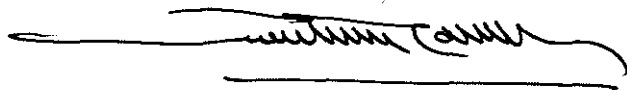
	2001 £	2000 £
FIXED ASSETS		
Investments	580000	180000
	<u>580000</u>	<u>180000</u>
CURRENT ASSETS		
Amounts due from subsidiary undertakings	-	202000
Cash at bank and in hand	771	18000
	<u>771</u>	<u>220000</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Amounts due to subsidiaries undertakings	198271	-
Amounts due to parent undertaking	132500	150000
	<u>330771</u>	<u>150000</u>
NET CURRENT (LIABILITIES)/ASSETS	<u>(330000)</u>	<u>70000</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>250000</u>	<u>250000</u>
CAPITAL AND RESERVES		
Share capital	250000	250000
	<u>250000</u>	<u>250000</u>

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

These accounts were approved by me on 30th April 2003.

H. L. De Brito Carvalho X

X DIRECTOR



HLC ENVIRONMENTAL HOLDINGS LIMITED

**NOTES TO THE
ACCOUNTS**

**FOR THE YEAR ENDED
31ST DECEMBER 2001**

1. PRINCIPAL ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention. The directors consider the going concern basis appropriate on the basis of support from group companies.

Turnover

Turnover represents the invoiced value of services and goods supplied excluding value added tax.

Group accounts

As the group qualifies as a small group, advantage has been taken of the exemption contained in section 248 of the Companies Act 1985, and these financial statements present information about the company as an individual undertaking and not about its group.

Investments

Investments held as fixed assets are stated at cost less provision for any impairment losses.

Deferred taxation

Deferred taxation is calculated under the liability method. Taxation deferred or accelerated by reason of material timing differences is accounted for if such liability is expected to arise in the foreseeable future.

2. CALLED UP SHARE CAPITAL

	2001	2000
	£	£
Ordinary shares of £1 each:-		
Authorised	1000000	1000000
Allotted, called up and fully paid	250000	250000

HLC ENVIRONMENTAL HOLDINGS LIMITED

**NOTES TO THE
ACCOUNTS**

**FOR THE YEAR ENDED
31ST DECEMBER 2001**

3. FIXED ASSET INVESTMENTS

	Investments in group undertakings £
COST	
At 31st December 2000	180000
Additions	400000
At 31st December 2001	<u>580000</u>

The details of the subsidiary undertakings are as follows. The issued shares are all ordinary shares.

	Proportion of shares held	Capital and reserves 2001 £	Capital and reserves 2000 £	Profit/(loss) for year 2001 £	Profit/(loss) for year 2000 £
HLC Environmental					
Projects Limited	100%	(161087)	(315486)	(245601)	(311483)
HLC Henley Burrowes Limited	100%	(89808)	22616	(112424)	1221
HLC Waste Management					
Services Limited	100%	(120827)	1408	(122235)	(28592)
HLC (Neath Port Talbot)					
Holdings Limited	51.1%	1000	1000	-	-
HLC (Neath Port Talbot) Limited	51.1%	(942097)	(536728)	(404369)	(537728)
HLC (NPT) Waste Services Limited	80%	901	901	-	-
HLC Wrexham Limited	100%	25055	24695	360	(305)

4. ULTIMATE PARENT UNDERTAKING

From March 2000 the company was controlled by its ultimate parent undertaking Spire Investments Limited, a company registered in Guernsey.