

Registration No: 296234

**LEIGH ENVIRONMENTAL SOUTHERN LIMITED**

**ANNUAL REPORT**

**YEAR ENDED 31 DECEMBER 2001**



# **LEIGH ENVIRONMENTAL SOUTHERN LIMITED**

**Annual report for the year ended 31 December 2001**

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<b>Directors</b>	<b>M Gourvennec J Kutner T Spaul J Pearson</b>
<b>Secretary</b>	<b>J Kutner</b>
<b>Registered office</b>	<b>Onyx House 154A Pentonville Road London N1 9PE</b>
<b>Auditors</b>	<b>RSM Robson Rhodes 186 City Road London EC1V 2NU</b>

**Report of the directors for the year ended 31 December 2001**

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The directors present their report together with the audited financial statements for the year ended 31 December 2001.

**Principal activities, trading review and future developments**

The company did not trade during the year, the result for the year is shown on page 3.

**Dividends**

The directors do not recommend the payment of an ordinary dividend (2000: £nil). Holders of the preference shares have waived their right to a dividend (2000: £nil).

**Directors**

J Kutner and M Gourvennec were the company's directors throughout the year.

None of the directors has any interest in the shares of the company, or the shares of any other company within the CGEA U.K. Plc Group.

**Statement of directors' responsibilities for the Annual Report**

Company law in the United Kingdom 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 as at the end of the financial year 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;
- follow applicable United Kingdom accounting standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

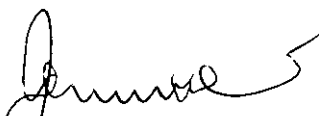
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for ensuring that the directors' report and other information included in the Annual Report is prepared in accordance with company law in the United Kingdom.

**Auditors**

The auditors, RSM Robson Rhodes, are willing to continue in office, and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

By order of the Board



J Kutner  
Secretary

11 October 2002.

**Independent Auditors' report to the shareholders of Leigh Environmental Southern Limited**

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We have audited the financial statements on pages 3 to 7.

**Respective responsibilities of directors and Auditors**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards 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 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 information contained in the Annual Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any information outside the Annual Report.

**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 affairs of the company as at 31 December 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



RSM Robson Rhodes  
Chartered Accountants and  
Registered Auditors

London, England  
11 October 2002.

**Profit and loss account for the year ended 31 December 2001**


	<b>Discontinued Operations</b>	
	<b>2001</b>	<b>2000</b>
	<b>£'000</b>	<b>£'000</b>
Provision against amounts owed by group undertakings	(144)	(648)
<b>Loss on ordinary activities before taxation</b>	<b>(144)</b>	<b>(648)</b>
Tax on loss on ordinary activities	-	-
<b>Retained loss for the financial year</b>	<b>(144)</b>	<b>(648)</b>

The company has no recognised gains or losses other than those included above, and therefore no separate statement of total recognised gains and losses has been presented.

Balance sheet at 31 December 2001

	Note	2001 £'000	2000 £'000
<b>Current assets</b>			
Debtors	3	16,325	16,469
<b>Creditors: amounts falling due within one year</b>	4	(15,641)	(15,641)
<b>Net current assets</b>		<u>684</u>	<u>828</u>
<b>Net assets</b>		<u>684</u>	<u>828</u>
<b>Capital and reserves</b>			
Called up share capital	5	2	2
Capital reserve	6	2,016	2,016
Profit and loss account	6	(1,532)	(1,388)
<b>Equity shareholder' funds</b>		<u>486</u>	<u>630</u>
Non equity shareholders' funds	5	198	198
<b>Shareholder's funds (including non-equity)</b>		<u>684</u>	<u>828</u>

The financial statements on pages 3 to 7 were approved by the Board of Directors on 11 October 2002 and were signed on its behalf by:

  
J Kutner  
Director

**1 Accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom under the historical cost convention.

Financial Reporting Standard 18 "Accounting Policies" has been adopted. It did not cause any changes in policy, as after careful review, the directors are satisfied that the current accounting policies are the most appropriate for the company.

**Cash flow statement**

Under Financial Reporting Statement 1 (revised) the company is exempt from the requirement to prepare a cash flow statement as it is a wholly owned subsidiary of Vivendi Environment S.A. whose financial statements are publicly available.

**Related party transactions**

The company has taken advantage of the exemption available under paragraph 3(c) of Financial Reporting Standard 8, not to disclose intra-group transactions.

**2 Directors' emoluments, employee information and Auditors**

The directors received no emoluments during the year in respect of their services as directors of the company (2000: £ nil). The company has no employees (2000: nil).

The auditors' remuneration for the year has been borne by another group undertaking (2000: £ nil).

**3 Debtors**

	2001 £'000	2000 £'000
Amounts falling due within one year:		
Amounts owed by group undertakings	16,325	16,469
	<u>          </u>	<u>          </u>

**4 Creditors: amounts falling due within one year**

	2001 £'000	2000 £'000
Amounts owed to group undertakings	15,641	15,641
	<u>          </u>	<u>          </u>

**5 Share capital**

	2001 £'000	2000 £'000
<b>Authorised</b>		
200,000 ordinary shares of £1 each	200	200
198,000 0.001% preference shares of £1 each	198	198
	<u>398</u>	<u>398</u>
<b>Allotted and fully paid</b>		
1,980 ordinary shares of £1 each	2	2
198,000 0.001% preference shares of £1 each	198	198
	<u>200</u>	<u>200</u>

The preference shares carry the right to a fixed non-cumulative dividend at the rate of 0.001% per annum on the amount for the time being paid or credited as fully paid. The shares, which carry no voting rights, are subordinated to the ordinary shares on a winding up or return of capital to the extent of £0.99 per ordinary share. Holders of the preference shares have waived their right to a dividend for the year ended 31 December 2001 (2000: £nil).

**6 Reserves**

	Profit and loss account £'000	Capital Reserve £'000
At 1 January 2001	(1,388)	2,016
Loss for the year	(144)	-
At 31 December 2001	<u>(1,532)</u>	<u>2,016</u>

The capital reserve relates to revalued tangible fixed assets which have been transferred to another group undertaking.

**7 Reconciliation of movements in shareholders' funds**

	2001 £'000	2000 £'000
Opening shareholders' funds	828	1,476
Loss for the year	(144)	(648)
Closing shareholders' funds	<u>684</u>	<u>828</u>
Equity	486	630
Non-equity	198	198
	<u>684</u>	<u>828</u>



**8 Ultimate parent and controlling company**

The ultimate parent and controlling company at 31 December 2001 was Vivendi Universal S.A. (incorporated in France). Copies of the parent's consolidated financial statements may be obtained from the Secretary, 42 avenue de Friedland, 75380 Paris Cedex 08, France. The company's ultimate United Kingdom holding company is Vivendi UK Limited (registered in England and Wales).

The immediate parent company is Onyx Environmental Group Plc (registered in England and Wales).

The directors consider Onyx Environmental Group Plc (registered in England and Wales) to be the smallest group for which group accounts including Onyx Landfill Limited are drawn up. Copies of the accounts may be obtained from The Registrar of Companies, Crown Way, Cardiff.