

CYNON VALLEY WASTE DISPOSAL COMPANY
LIMITED

FINANCIAL STATEMENTS

31ST MAY 1995

Registered number: 2660628

KAHN THOMAS SHANKLAND

CHARTERED ACCOUNTANTS



CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED

FINANCIAL STATEMENTS

for the year ended 31st May 1995

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The following pages do not form part of the statutory accounts

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| Detailed trading and profit and loss account | Appendix 1 |
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CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED

DIRECTORS' REPORT

31st May 1995

The directors present their report and the audited financial statements for the year ended 31st May 1995.

Principal activity

The principal activity of the company is providing facilities for tipping of waste.

Directors

The directors who served during the year, none of whom have any interests in the shares of the company were as follows

| | | |
|-----------------------|---|---|
| G Mabb | - | - |
| P Hall | - | - |
| A Maddox | - | - |
| N A Lowe | - | - |
| Councillor D E Morgan | - | - |

Auditors

Kahn Thomas Shankland have agreed to offer themselves for re-appointment as auditors of the company.

Small company exemptions

Advantage has been taken in the preparation of this report of special exemptions applicable to small companies.

On behalf of the board


 G Mabb
 Secretary

13 December 1995

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

We are required under company law 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 we are required to:


- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

We are also responsible for:

- keeping proper accounting records;
- safeguarding the company's assets;
- taking reasonable steps for the prevention and detection of fraud.

13 December 1995

On behalf of the board


G Mahb
Director

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED

AUDITORS' REPORT

Auditors' report to the members of

Cynon Valley Waste Disposal Company Limited

We have audited the financial statements on pages 6 - 9 which have been prepared under the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 3, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with 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 error or other irregularity. 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 31st May 1995 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



Kahn Thomas Shankland
Registered Auditors
Chartered Accountants

14 December 1995

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31st May 1995

| | Note | 1995 £ | 1994 £ |
|--|------|-----------|-----------|
| Turnover | | 950,452 | 755,232 |
| Cost of sales | | (165,290) | (144,290) |
| Gross profit | | 785,162 | 610,942 |
| Net operating expenses | | | |
| Distribution costs | | (280,582) | (229,366) |
| Administrative expenses | | (279,456) | (262,058) |
| Other operating income | | 14,638 | 2,395 |
| Operating profit | 2 | 239,762 | 121,913 |
| Interest payable | | (7,712) | (8,864) |
| Profit on ordinary activities before taxation | | 232,050 | 113,049 |
| Taxation | 4 | (114,136) | (60,624) |
| Profit on ordinary activities after taxation | | 117,914 | 52,425 |
| retained for the year | 11 | | |

Movements in reserves are shown in note 11.

None of the company's activities were acquired or discontinued during the above two financial years.

There are no recognised gains and losses in 1995 or 1994 other than the profit for the year.

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED

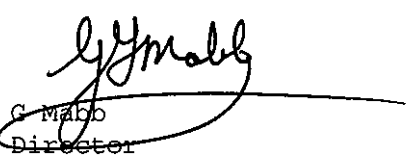
BALANCE SHEET

at 31st May 1995

| | Note | 1995 £ | 1994 £ |
|--|------|------------------|------------------|
| Fixed assets | | | |
| Tangible assets | 5 | 2,981,993 | 2,902,782 |
| Current assets | | | |
| Debtors | 6 | 66,720 | 76,968 |
| Cash at bank and in hand | | 397,321 | 234,605 |
| | | <u>464,041</u> | <u>311,573</u> |
| Creditors: amounts falling due within one year | 7 | <u>(238,823)</u> | <u>(167,721)</u> |
| Net current assets | | <u>225,218</u> | <u>143,852</u> |
| Total assets less current liabilities | | <u>3,207,211</u> | <u>3,046,634</u> |
| Creditors: amounts falling due after more than one year | 8 | (91,921) | (143,333) |
| Provision for liabilities and charges | | <u>(138,951)</u> | <u>(44,876)</u> |
| | | <u>2,976,339</u> | <u>2,858,425</u> |
| Capital and reserves | | | |
| Called up share capital | 10 | 2,806,000 | 2,806,000 |
| Profit and loss account | 11 | 170,339 | 52,425 |
| Total shareholders' funds | 9 | <u>2,976,339</u> | <u>2,858,425</u> |

The directors have taken advantage in the preparation of these financial statements of special exemptions provided by Part I of Schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a small company.

The financial statements on pages 6 - 9 were approved by the board of directors on 13 December 1995.


G. Maho
Director

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED

NOTES ON FINANCIAL STATEMENTS

31st May 1995

1 Accounting policies**Basis of accounting**

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it is entitled to the exemptions available in Section 246 to 247 of the Companies Act 1985 for small companies.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

| | |
|------------------------------|-----------------------------|
| Leasehold land and buildings | The period of the lease |
| Computer Equipment | 33.3% on cost |
| Plant and machinery | Between 10% and 50% on cost |
| Fixtures and fittings | Between 10% and 33% on cost |
| Vesting Costs | 2.5% on cost |

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Pensions**Defined benefit scheme**

The company operates defined benefit, externally funded pension schemes covering the majority of its employees. Contributions are normally charged against profits as the contributions are made.

2 Operating profit

| | 1995 £ | 1994 £ |
|---|-----------|-----------|
| Operating profit is stated after crediting | | |
| Interest receivable | 14,638 | 2,395 |
| Profit on sale of assets | 724 | 6,584 |
| | <hr/> | <hr/> |
| and after charging | | |
| Auditors' remuneration | 3,000 | 2,800 |
| Operating leases | | |
| Rent | 3,082 | 1,860 |
| | <hr/> | <hr/> |
| Depreciation of tangible fixed assets (note 5) | | |
| owned assets | 138,202 | 131,551 |
| | <hr/> | <hr/> |

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED

NOTES ON FINANCIAL STATEMENTS

31st May 1995

3 Directors

| | 1995 £ | 1994 £ |
|-----------------------|-----------|-----------|
| Directors' emoluments | 86,938 | 70,381 |

4 Taxation

| | 1995 £ | 1994 £ |
|--|-----------|-----------|
| Corporation tax on profit on ordinary activities at 25% (1994 25%) | 90,200 | 60,624 |
| Deferred taxation | 23,936 | - |
| | 114,136 | 60,624 |

The company's liability to corporation tax is affected by the possible disallowance of expenditure as an aftercare fund.

5 Tangible fixed assets

| Cost or valuation | Plant and Machinery £ | Fixtures and Fittings £ | Land and Buildings £ | Computer Equipment £ | Total £ |
|------------------------|--------------------------------|----------------------------------|-------------------------------|----------------------------|------------|
| 31st May 1994 | 196,193 | 2,429 | 2,810,295 | 13,832 | 3,022,749 |
| Additions | 212,528 | 732 | 6,600 | 3,888 | 223,748 |
| Disposals | (8,559) | - | - | - | (8,559) |
| 31st May 1995 | 400,162 | 3,161 | 2,816,895 | 17,720 | 3,237,938 |
| Depreciation | | | | | |
| 31st May 1994 | 44,448 | 341 | 70,570 | 4,608 | 119,967 |
| Charge for year | 60,649 | 648 | 71,628 | 5,277 | 138,202 |
| Disposals | (2,224) | - | - | - | (2,224) |
| 31st May 1995 | 102,873 | 989 | 142,198 | 9,885 | 255,945 |
| Net book amount | | | | | |
| 31st May 1995 | 297,289 | 2,172 | 2,674,697 | 7,835 | 2,981,993 |
| 31st May 1994 | 151,745 | 2,088 | 2,739,725 | 9,224 | 2,902,782 |

6 Debtors

| | 1995 £ | 1994 £ |
|--|-----------|-----------|
| Amounts falling due within one year | | |
| Trade debtors | 66,546 | 76,628 |
| Other debtors | 174 | 340 |
| | 66,720 | 76,968 |

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED

NOTES ON FINANCIAL STATEMENTS

31st May 1995

7 Creditors: amounts falling due within one year

| | 1995 £ | 1994 £ |
|----------------------|----------------|----------------|
| Bank loans - secured | 68,168 | - |
| Trade creditors | 30,812 | 7,854 |
| Other creditors | 139,843 | 159,867 |
| | <u>238,823</u> | <u>167,721</u> |

8 Creditors: amounts falling due after more than one year

| | 1995 £ | 1994 £ |
|-----------------|---------------|----------------|
| Bank loans | 91,921 | 83,333 |
| Other creditors | - | 60,000 |
| | <u>91,921</u> | <u>143,333</u> |

Maturity of debt included above

| | | |
|---|----------------|----------------|
| Between 1 and 2 years | 50,089 | - |
| Between 2 and 5 years | 110,000 | 143,333 |
| years payable other than by instalments | <u>160,089</u> | <u>143,333</u> |

9 Reconciliation of movements in shareholders' funds

| | 1995 £ | 1994 £ |
|-------------------------------------|------------------|------------------|
| Profit for the financial year | 117,914 | 52,425 |
| New share capital subscribed | - | 2,806,000 |
| Net addition to shareholders' funds | <u>117,914</u> | <u>2,858,425</u> |
| Opening shareholders' funds | 2,858,425 | - |
| Closing shareholders' funds | <u>2,976,339</u> | <u>2,858,425</u> |

CYNON VALLEY WASTE DISPOSAL COMPANY LIMITED

NOTES ON FINANCIAL STATEMENTS

31st May 1995

10 Called up share capital

| | 1995 | | 1994 | |
|--|---------------------|------------------|---------------------|------------------|
| | Number of shares | £ | Number of shares | £ |
| Authorised | | | | |
| Ordinary shares of £1 each | 2,806,000 | 2,806,000 | 2,806,000 | 2,806,000 |
| | <u>2,806,000</u> | <u>2,806,000</u> | <u>2,806,000</u> | <u>2,806,000</u> |
| Allotted called up and fully paid | | | | |
| | 2,806,000 | 2,806,000 | 2,806,000 | 2,806,000 |
| | <u>2,806,000</u> | <u>2,806,000</u> | <u>2,806,000</u> | <u>2,806,000</u> |

11 Profit and loss account

| | 1995 £ |
|------------------------------|----------------|
| 31st May 1994 | 52,425 |
| Retained profit for the year | 117,914 |
| | <u>117,914</u> |
| 31st May 1995 | 170,339 |
| | <u>170,339</u> |