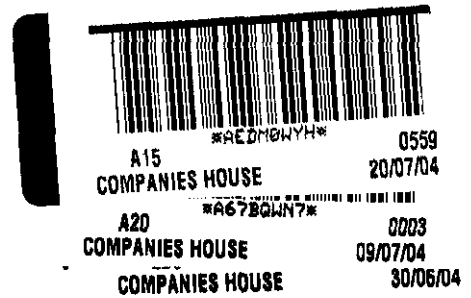


Abbreviated Accounts for the Year Ended 31 August 2003

for

ENVIRO-WASTE LIMITED



ENVIRO-WASTE LIMITED

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for the Year Ended 31 August 2003**

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ENVIRO-WASTE LIMITED

**Company Information
for the Year Ended 31 August 2003**

DIRECTOR: R A Clark

SECRETARY: Mrs J L Clark

REGISTERED OFFICE: Teresa Gavin House
Woodford Avenue
Woodford Green
ESSEX IG8 8FB

REGISTERED NUMBER: 2615521 (England and Wales)

AUDITORS: Ashton Hart David Lee
Registered Auditors
Teresa Gavin House
Woodford Avenue
Woodford Green
Essex
IG8 8FB

ENVIRO-WASTE LIMITED

Report of the Director for the Year Ended 31 August 2003

The director presents his report with the financial statements of the company for the year ended 31 August 2003.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of supplying sludge to land.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

No dividends will be distributed for the year ended 31 August 2003.

DIRECTOR

R A Clark was the sole director during the year under review.

The director holding office at 31 August 2003 did not hold any beneficial interest in the issued share capital of the company at 1 September 2002 or 31 August 2003.

DONATIONS

During the year the company made charitable donations of £3,457.00 (2001 - £1,658.00).

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

Company law requires the director 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, the director is required to

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

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

AUDITORS

The auditors, Ashton Hart David Lee, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:



R A Clark - Director

26 February 2004

**Report of the Independent Auditors to
ENVIRO-WASTE LIMITED
Under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts on pages four to fifteen, together with the full financial statements of the company for the year ended 31 August 2003 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of director and auditors

The director is responsible for preparing the abbreviated accounts in accordance with Section 246A 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 Section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with that provision 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 full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages four to fifteen are properly prepared in accordance with that provision.

Ashton Hart David Lee
Registered Auditors
Teresa Gavin House
Woodford Avenue
Woodford Green
Essex
IG8 8FB



26 February 2004

ENVIRO-WASTE LIMITED

Abbreviated Profit and Loss Account for the Year Ended 31 August 2003

	Notes	31.8.03 £	31.8.02 £
GROSS PROFIT		725,097	827,960
Administrative expenses		611,548	561,879
OPERATING PROFIT	3	113,549	266,081
Interest payable and similar charges	4	73,142	74,775
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		40,407	191,306
Tax on profit on ordinary activities	5	2,413	49,764
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		37,994	141,542
RETAINED PROFIT FOR THE YEAR		37,994	141,542

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

The notes form part of these abbreviated accounts

ENVIRO-WASTE LIMITED

Abbreviated Balance Sheet 31 August 2003

	Notes	31.8.03 £	£	31.8.02 £	£
FIXED ASSETS					
Intangible assets	6		35,056		43,516
Tangible assets	7		947,162		940,682
			<u>982,218</u>		<u>984,198</u>
CURRENT ASSETS					
Stocks	8	3,187		10,602	
Debtors	9	725,592		531,113	
Cash in hand		412		769	
		<u>729,191</u>		<u>542,484</u>	
CREDITORS					
Amounts falling due within one year	10	871,062		695,074	
NET CURRENT LIABILITIES			<u>(141,871)</u>		<u>(152,590)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			840,347		831,608
CREDITORS					
Amounts falling due after more than one year	11		279,122		308,377
			<u>561,225</u>		<u>523,231</u>
CAPITAL AND RESERVES					
Called up share capital	15		1,000		1,000
Profit and loss account	16		560,225		522,231
SHAREHOLDERS' FUNDS			<u>561,225</u>		<u>523,231</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

ON BEHALF OF THE BOARD:



R A Clark - Director

Approved by the Board on 26 February 2004

The notes form part of these abbreviated accounts

ENVIRO-WASTE LIMITED

Cash Flow Statement for the Year Ended 31 August 2003

	Notes	31.8.03 £	31.8.02 £
Net cash inflow from operating activities	1	440,102	367,641
Returns on investments and servicing of finance	2	(73,142)	(74,775)
Taxation		(52,177)	(16,729)
Capital expenditure	2	(247,850)	(321,840)
		66,933	(45,703)
Financing	2	(31,064)	9,289
Increase/(Decrease) in cash in the period		<u>35,869</u>	<u>(36,414)</u>
Reconciliation of net cash flow to movement in net debt	3		
Increase/(Decrease) in cash in the period		35,869	(36,414)
Cash outflow from decrease in debt and lease financing		<u>31,064</u>	<u>-</u>
Change in net debt resulting from cash flows		66,933	(36,414)
New finance leases		-	(67,812)
Movement in net debt in the period		66,933	(104,226)
Net debt at 1 September		<u>(575,064)</u>	<u>(470,838)</u>
Net debt at 31 August		<u>(508,131)</u>	<u>(575,064)</u>

The notes form part of these abbreviated accounts

ENVIRO-WASTE LIMITED

Notes to the Cash Flow Statement for the Year Ended 31 August 2003

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31.8.03 £	31.8.02 £
Operating profit	113,549	266,081
Depreciation charges	258,826	201,823
Profit on disposal of fixed assets	(9,000)	(422)
Decrease in stocks	7,415	3,298
Increase in debtors	(194,475)	(223,323)
Increase in creditors	263,787	120,184
Net cash inflow from operating activities	<u>440,102</u>	<u>367,641</u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	31.8.03 £	31.8.02 £
Returns on investments and servicing of finance		
Interest paid	(723)	(574)
Interest element of hire purchase and finance lease rental payments	(72,419)	(74,201)
Net cash outflow for returns on investments and servicing of finance	<u>(73,142)</u>	<u>(74,775)</u>
Capital expenditure		
Purchase of tangible fixed assets	(256,850)	(367,655)
Sale of tangible fixed assets	9,000	45,815
Net cash outflow for capital expenditure	<u>(247,850)</u>	<u>(321,840)</u>
Financing		
New loans in year	-	9,289
Capital repayments in year	(31,064)	-
Net cash (outflow)/inflow from financing	<u>(31,064)</u>	<u>9,289</u>

The notes form part of these abbreviated accounts

ENVIRO-WASTE LIMITED

Notes to the Cash Flow Statement for the Year Ended 31 August 2003

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.9.02 £	Cash flow £	At 31.8.03 £
Net cash:			
Cash at bank and in hand	769	(357)	412
Bank overdraft	(48,160)	36,226	(11,934)
	<u>(47,391)</u>	<u>35,869</u>	<u>(11,522)</u>
Debt:			
Hire purchase and finance leases	(527,673)	31,064	(496,609)
	<u>(527,673)</u>	<u>31,064</u>	<u>(496,609)</u>
Total	<u>(575,064)</u>	<u>66,933</u>	<u>(508,131)</u>

The notes form part of these abbreviated accounts

ENVIRO-WASTE LIMITED

Notes to the Abbreviated Accounts for the Year Ended 31 August 2003

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Goodwill

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - 15 years straight line

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the director, there is reasonable probability that the liability will not arise in the foreseeable future.

2. STAFF COSTS

	31.8.03	31.8.02
	£	£
Wages and salaries	618,994	554,417
Other pension costs	4,836	4,836
	<u>623,830</u>	<u>559,253</u>

ENVIRO-WASTE LIMITED

Notes to the Abbreviated Accounts - continued for the Year Ended 31 August 2003

2. STAFF COSTS - continued

The average monthly number of employees during the year was as follows:

	31.8.03	31.8.02
Administration and clerical	3	3
Management	2	1
Operatives	20	20
	<u>25</u>	<u>24</u>

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	31.8.03	31.8.02
	£	£
Hire of plant and machinery	84,563	113,843
Other operating leases	14,900	15,800
Depreciation - owned assets	66,584	38,585
Depreciation - assets on hire purchase contracts and finance leases	183,782	154,778
Profit on disposal of fixed assets	(9,000)	(422)
Goodwill written off	8,460	8,460
Auditors remuneration	3,010	3,000
	<u>-</u>	<u>-</u>
Director's emoluments	-	-

4. INTEREST PAYABLE AND SIMILAR CHARGES

	31.8.03	31.8.02
	£	£
Bank interest	723	574
Hire purchase	19,474	12,559
Leasing charges	52,945	61,642
	<u>73,142</u>	<u>74,775</u>

5. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	31.8.03	31.8.02
	£	£
Current tax:		
UK corporation tax	-	49,764
Underprovision in prior years	2,413	-
Total current tax	<u>2,413</u>	<u>49,764</u>
Tax on profit on ordinary activities	<u>2,413</u>	<u>49,764</u>

UK corporation tax was charged at 25.84% in 2002.

ENVIRO-WASTE LIMITED

Notes to the Abbreviated Accounts - continued for the Year Ended 31 August 2003

6. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 September 2002	
and 31 August 2003	<u>126,755</u>
AMORTISATION	
At 1 September 2002	83,239
Amortisation for year	<u>8,460</u>
At 31 August 2003	<u>91,699</u>
NET BOOK VALUE	
At 31 August 2003	<u>35,056</u>
At 31 August 2002	<u>43,516</u>

7. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 September 2002	1,500,250	49,755	101,691	1,651,696
Additions	214,101	1,608	41,141	256,850
Disposals	(49,805)	-	(9,460)	(59,265)
At 31 August 2003	<u>1,664,546</u>	<u>51,363</u>	<u>133,372</u>	<u>1,849,281</u>
DEPRECIATION				
At 1 September 2002	654,128	28,840	28,050	711,018
Charge for year	218,723	5,208	26,435	250,366
Eliminated on disposal	(49,805)	-	(9,460)	(59,265)
At 31 August 2003	<u>823,046</u>	<u>34,048</u>	<u>45,025</u>	<u>902,119</u>
NET BOOK VALUE				
At 31 August 2003	<u>841,500</u>	<u>17,315</u>	<u>88,347</u>	<u>947,162</u>
At 31 August 2002	<u>846,122</u>	<u>20,915</u>	<u>73,641</u>	<u>940,678</u>

ENVIRO-WASTE LIMITED

Notes to the Abbreviated Accounts - continued for the Year Ended 31 August 2003

7. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts and finance leases are as follows:

	Plant and machinery £	Motor vehicles £	Totals £
COST			
At 1 September 2002	1,049,436	79,769	1,129,205
Additions	207,106	35,289	242,395
At 31 August 2003	<u>1,256,542</u>	<u>115,058</u>	<u>1,371,600</u>
DEPRECIATION			
At 1 September 2002	390,412	7,690	398,102
Charge for year	158,910	24,872	183,782
At 31 August 2003	<u>549,322</u>	<u>32,562</u>	<u>581,884</u>
NET BOOK VALUE			
At 31 August 2003	<u>707,220</u>	<u>82,496</u>	<u>789,716</u>
At 31 August 2002	<u>659,024</u>	<u>72,079</u>	<u>731,103</u>

8. STOCKS

	31.8.03 £	31.8.02 £
Stock of fuels	<u>3,187</u>	<u>10,602</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.03 £	31.8.02 £
Trade debtors	601,642	519,541
Prepayments and accrued income	123,950	11,572
	<u>725,592</u>	<u>531,113</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.03 £	31.8.02 £
Bank loans and overdrafts (see note 12)	11,934	48,160
Hire purchase contracts and finance leases (see note 13)	217,487	219,296
Trade creditors	389,715	127,028
Amounts owed to group undertakings	122,634	122,634
Tax	-	49,764
Social security and other taxes	28,296	26,963
VAT	52,023	55,296
Other creditors	24,143	12,115
Accrued expenses	24,830	33,818
	<u>871,062</u>	<u>695,074</u>

ENVIRO-WASTE LIMITED

Notes to the Abbreviated Accounts - continued for the Year Ended 31 August 2003

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.8.03	31.8.02
	£	£
Hire purchase contracts and finance leases (see note 13)	<u>279,122</u>	<u>308,377</u>

12. LOANS

An analysis of the maturity of loans is given below:

	31.8.03	31.8.02
	£	£
Amounts falling due within one year or on demand: Bank overdrafts	<u>11,934</u>	<u>48,160</u>

The bank overdraft is secured on a unschedule debenture dated 2 August 2002 incorporating a fixed and floating charge over all the current and future assets of the company.

On 7 August 2002 the company has given guarantee to National Westminster Bank Plc covering the liabilities of Carcarc Limited a group undertaking.

13. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	Hire purchase contracts		Finance leases	
	31.8.03	31.8.02	31.8.03	31.8.02
	£	£	£	£
Gross obligations repayable:				
Within one year	139,392	100,722	126,316	187,308
Between one and five years	<u>275,621</u>	<u>213,048</u>	<u>42,483</u>	<u>168,195</u>
	<u>415,013</u>	<u>313,770</u>	<u>168,799</u>	<u>355,503</u>
Finance charges repayable:				
Within one year	14,705	15,519	33,516	53,215
Between one and five years	<u>29,396</u>	<u>29,764</u>	<u>9,586</u>	<u>43,102</u>
	<u>44,101</u>	<u>45,283</u>	<u>43,102</u>	<u>96,317</u>
Net obligations repayable:				
Within one year	124,687	85,203	92,800	134,093
Between one and five years	<u>246,225</u>	<u>183,284</u>	<u>32,897</u>	<u>125,093</u>
	<u>370,912</u>	<u>268,487</u>	<u>125,697</u>	<u>259,186</u>

ENVIRO-WASTE LIMITED

Notes to the Abbreviated Accounts - continued for the Year Ended 31 August 2003

14. SECURED DEBTS

The following secured debts are included within creditors:

	31.8.03	31.8.02
	£	£
Bank overdraft	11,934	48,160
Hire purchase contracts and finance leases	496,609	527,673
	<u>508,543</u>	<u>575,833</u>

15. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	31.8.03	31.8.02
			£	£
100,000	Ordinary	£1	<u>100,000</u>	<u>100,000</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.8.03	31.8.02
			£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>

16. RESERVES

	Profit and loss account
	£
At 1 September 2002	522,231
Retained profit for the year	37,994
	<u>560,225</u>
At 31 August 2003	

17. ULTIMATE PARENT COMPANY

At the balance sheet date, the director regarded Carcare Holdings Limited a company incorporated in England and Wales as the ultimate parent company and the ultimate controlling party.

18. RELATED PARTY DISCLOSURES

The company has taken advantage of exemptions under FRS 8 not to disclose transactions with other group companies as it is a wholly owned subsidiary.

ENVIRO-WASTE LIMITED

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 August 2003**

19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.8.03	31.8.02
	£	£
Profit for the financial year	37,994	141,542
Net addition to shareholders' funds	37,994	141,542
Opening shareholders' funds	523,231	381,689
Closing shareholders' funds	561,225	523,231
Equity interests	561,225	523,231