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COMPANY 3401072

FAVERDALE RECYCLING CENTRE LIMITED

FAVERDALE NORTH, FAVERDALE INDUSTRIAL ESTATE
DARLINGTON

ACCOUNTS FOR THE YEAR ENDED

31 JULY 2002

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FORTUNE & HARGREAVES
Chartered Accountants

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FAVERDALE RECYCLING CENTRE LIMITED

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2002

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FAVERDALE RECYCLING CENTRE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JULY 2002

DIRECTORS J A WARD

The directors present their report and the accounts for the year ended 31 July 2002.

PRINCIPAL ACTIVITY

The principal activity of the company continued to be the recycling of waste products.

DIRECTORS' INTERESTS IN SHARES

The directors' shareholdings at the beginning and at the end of the year were as follows :-

	31 July 2002	31 July 2001
J A Ward	950	950

AUDITORS

In accordance with section 384 of the Companies Act 1985, a resolution proposing the reappointment of Fortune & Hargreaves as auditors to the company will be put to the Annual General Meeting.

Advantage has been taken in the preparation of the directors report of the special exemption conferred by Part II of Schedule 8 to the Companies Act 1985 on the grounds that the company qualifies as a small company.

By Order of the Board

MRS D WARD
Deborah Ward
Secretary
19th March 2003

FAVERDALE RECYCLING CENTRE LIMITED

RESPONSIBILITIES OF THE DIRECTORS

Company law requires the directors to prepare accounts 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 accounts, the directors have:

(a) selected suitable accounting policies and applied them consistently;

(b) made judgements and estimates that are reasonable and prudent;

(c) followed applicable accounting standards; and

(d) prepared the accounts on the going concern basis.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts 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.

FORTUNE & HARGREAVES
Chartered Accountants

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FAVERDALE RECYCLING CENTRE LIMITED

YEAR ENDED 31 JULY 2002

ACCOUNTANTS' REPORT

In accordance with the instructions given to us, we have prepared the attached accounts from the accounting records and from information and explanations given to us. We have not carried out an audit and accordingly express no opinion on the accounts.

Fortune & Hargreaves

19th March 2003

Registered to carry on audit work and authorised to carry on investment business by the Institute of Chartered Accountants in England and Wales

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2002

	Notes	£	£	2001 £
TURNOVER -	2			
Continuing operations			177,254	231,359
Change in stocks of finished goods and work-in-progress			-	-
Other operating income			-	-
			177,254	231,359
Raw materials and consumables		-		-
Other external charges		47,316		48,170
Staff costs		68,002		68,077
Depreciation		76,963		66,458
Other operating charges		(23,197)		(8,176)
			169,084	174,529
OPERATING PROFIT -				
Continuing operations	3		8,170	56,830
Other interest payable			(7,518)	(10,491)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAX			652	46,339
Tax on profit on ordinary activities	4		-	7,546
RETAINED PROFIT FOR THE YEAR			£652	£38,793

RETAINED PROFITS

Retained profit at 31 July 2001	220,963	182,170
RETAINED PROFIT FOR THE YEAR	652	38,793
Retained profit at 31 July 2002	£221,615	£220,963

The notes on pages 6 to 8 form part of these accounts

FAVERDALE RECYCLING CENTRE LIMITED

BALANCE SHEET

31 JULY 2002

	Notes	£	£	2001 £
FIXED ASSETS				
Tangible assets	5		454,939	446,328
CURRENT ASSETS	6	-		-
CREDITORS : amounts falling due within one year	7	158,766		133,125
NET CURRENT LIABILITIES			(158,766)	(133,125)
TOTAL ASSETS LESS CURRENT LIABILITIES			296,173	313,203
CREDITORS : amount falling due after more than one year	8		(73,558)	(91,240)
NET ASSETS			£222,615	£221,963
CAPITAL & RESERVES				
Called up share capital	10		1,000	1,000
Profit and loss account			221,615	220,963
SHAREHOLDERS' FUNDS			£222,615	£221,963

1. The directors acknowledge their responsibilities for ensuring the company keeps accounting records that comply with s221 and preparing accounts that give a true and fair view in accordance with s226 and otherwise comply with the Companies Act 1995.

2. The directors confirm the company was entitled to exemption from an audit under s249A(1) and no notice was deposited under s249B(2) in relation to these accounts.

3. Advantage has been taken in the preparation of the accounts of the special exemptions conferred by Part 1 of Schedule 8 to the Companies Act 1985 on the grounds that the company qualifies as a small company.

Approved by the board on 19th March 2003
and signed on it's behalf by:

J A WARD



The notes on pages 6 to 8 form part of these accounts

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2002

1. ACCOUNTING POLICIES

BASIS OF ACCOUNTING
The accounts have been prepared in accordance with applicable accounting standards and under the historical cost convention.

DEPRECIATION
Depreciation is provided on all tangible fixed assets in use, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life as follows :

Freehold buildings	- over 10 years
Plant & machinery	-25%
Motor vehicles	-25%

DEFERRED TAXATION
Deferred taxation is accounted for using the liability method on all material timing differences to the extent that it is probable that liabilities or assets will crystallise. Advance corporation tax is carried forward to the extent that it is expected to be recovered.

GOVERNMENT GRANTS
Government grants received are treated as deferred credits and credited to profit and loss account over the estimated useful life of the relevant fixed assets.

2. TURNOVER
Turnover consists of the amount invoiced (excluding VAT) for goods and services during the year.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2002

	2002	2001
3. OPERATING PROFIT		
This is stated after charging:	£	£
Auditors' remuneration	1,200	1,000
Depreciation	76,963	66,458
Accountancy	678	3,985
4. TAX ON PROFIT ON ORDINARY ACTIVITIES		
Based on the profit for the year		
Corporation tax at 21%	-	7,546
Underprovision for previous years	-	-
	-	£7,546

5. TANGIBLE FIXED ASSETS

	Freehold Land	Freehold Land and buildings	Plant & machinery	Motor vehicles	Total
	£	£	£	£	£
Cost or valuation:					
1 August 2001	20,657	296,333	255,167	17,995	590,152
Additions at cost	-	7,786	84,591	-	92,377
Disposals	-	-	(9,339)	-	(9,339)
31 July 2002	20,657	304,119	330,419	17,995	673,190
Depreciation:					
1 August 2001	-	20,133	122,566	1,125	143,824
Provision for year	-	6,379	66,084	4,500	76,963
Disposals	-	-	(2,536)	-	(2,536)
31 July 2002	-	26,512	186,114	5,625	218,251
Net book values:					
31 July 2002	£20,657	£277,607	£144,305	£12,370	£454,939
31 July 2001	£20,657	£276,200	£132,601	£16,870	£446,328

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2002

6. Debtors

Associated company	-	-
Other debtors	-	-
	-	-

7. CREDITORS: amounts falling due within one year

Associated company loan	130,616	93,008
VAT	-	5,297
Corporation tax	-	6,620
Accruals	2,950	3,000
Bank loans	25,200	25,200
	£158,766	£133,125

8. CREDITORS: amounts falling due after more than one year

Long term bank loans	73,558	91,240
	£73,558	£91,240

The bank loans are repayable at the rate of £2,100 per month.

9. DEFERRED TAXATION

The amount provided for deferred taxation is the entire potential amount calculated using the liability method.

10. SHARE CAPITAL

Authorised		
Shares of £1 each	£1,000	£1,000
Allotted, issued and fully paid		
Shares of £1 each	£1,000	£1,000

10. STATEMENT OF TOTAL RECOGNISED GAINS & LOSSES

OPERATING PROFIT	652	38,793
	£652	£38,793