

**BIFFA HOLDINGS LIMITED**  
**FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED**  
**1 APRIL 2011**

**Company Number : 01032104**



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**BIFFA HOLDINGS LIMITED**

**REPORT OF THE DIRECTORS**

**FOR THE 52 WEEKS ENDED 1 APRIL 2011**

Directors. I Wakelin  
Biffa Corporate Services Ltd  
K Woodward

Secretaries: H Ellson  
K Woodward

The directors present their report and the audited financial statements of the Company for the 52 weeks ended 1 April 2011 (2010: 53 weeks ended 2 April 2010)

This directors' report has been prepared in accordance with the special provisions relating to small companies under section 417 of the Companies Act 2006

**PRINCIPAL ACTIVITY**

Biffa Holdings Limited is the holding company of a group whose principal activity is the collection and disposal of industrial, commercial and household waste

**REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS**

The Company will continue to act as a holding company to the subsidiary companies listed in note 6 to the financial statements for the foreseeable future.

Whilst not immune to the current economic situation, the waste management industry is protected by the ongoing responsibility for businesses and local councils to ensure the proper disposal of commercial and domestic waste

The Company's trading subsidiaries have a large number of customers across a wide variety of industries, including long term contracts for collection of commercial and municipal waste. In addition, these companies' landfill void continues to be a valuable resource necessary for the disposal of waste

The Company's activities expose it primarily to liquidity risk.

*Liquidity risk*

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Company uses primarily funding from other group companies

**BIFFA HOLDINGS LIMITED**

**REPORT OF THE DIRECTORS (CONTINUED)**

**FOR THE 52 WEEKS ENDED 1 APRIL 2011**

**GOING CONCERN**

The Company is managed as part of the Biffa Group. Biffa Group Limited has committed financing facilities which the directors consider sufficient to service its ongoing working capital and capital investment requirements. The providers of intercompany financing have confirmed their intention to continue to make that funding available for the foreseeable future.

After considering the above and making enquiries, the directors have a reasonable expectation that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook and has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

**KEY PERFORMANCE INDICATORS**

Key Performance Indicators in respect of the Biffa group of companies are shown in the Financial Statements of Biffa Group Limited for the period to 1 April 2011, which do not form part of this report.

**FINANCIAL RESULTS AND DIVIDENDS**

	52 weeks to 1 April 2011 £000	53 weeks to 2 April 2010 £000
Loss before taxation	(1,916)	(2,718)
Taxation	537	2,288
Loss for the financial year	(1,379)	(430)

The directors do not propose the payment of a final dividend (2010: nil). No interim dividends were paid during the period (2010: £nil).

**BIFFA HOLDINGS LIMITED**  
**REPORT OF THE DIRECTORS (CONTINUED)**  
**FOR THE 52 WEEKS ENDED 1 APRIL 2011**

**DIRECTORS**

The directors of the Company at the date of this report are shown on page 1

The following changes took place to the board of directors during the 52 weeks to 1 April 2011 and up until the date of this report

N Gregg	(resigned 29 April 2010)
J A L Horbach	(resigned 28 May 2010)
P W Jennings	(resigned 03 August 2010)
J Bowden-Williams	(appointed 27 July 2010) (resigned 31 March 2011)
C K C Pone	(resigned 2 August 2011)
I Wakelin	(appointed 25 July 2011)
Biffa Corporate Services Ltd	(appointed 25 July 2011)

**DIRECTORS' INDEMNITIES**

All of the directors have been granted indemnities by Biffa Group Limited as at 1 April 2011 to the maximum extent permitted by sections 309A and 309B of the Companies Act 2006 (including the right to recover costs on an "as incurred" basis), save that such indemnities will not apply to the extent that any recovery is made under any policy of insurance or if the relevant director or directors is or are in breach of obligations in relation to the conduct of claims or if the Company determines that the liability arises out of the Director's fraud or wilful default

**BIFFA HOLDINGS LIMITED**

**REPORT OF THE DIRECTORS (CONTINUED)**

**FOR THE 52 WEEKS ENDED 1 APRIL 2011**

**DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are required to prepare the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent; 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

**BIFFA HOLDINGS LIMITED**

**REPORT OF THE DIRECTORS (CONTINUED)**

**FOR THE 52 WEEKS ENDED 1 APRIL 2011**

**AUDITOR**

Deloitte LLP were appointed as auditor during the year, pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Deloitte LLP, Chartered Accountants, will therefore continue in office.

Each of the directors of the Company at the date when this report was approved confirms that:

- So far as each of the directors is aware, there is no relevant audit information of which the Company's auditor are unaware; and
- Each of the directors has taken all steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Company's auditor are aware of that information.

This confirmation is given and should be interpreted in accordance with the requirements of s.418 of the Companies Act 2006

On behalf of the Board

*K.Wm*

K Woodward  
Director

5 August 2011

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**

### **BIFFA HOLDINGS LIMITED**

We have audited the financial statements of Biffa Holdings Limited for the 52 weeks ended 1 April 2011 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 1 April 2011 and of its loss for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**

**BIFFA HOLDINGS LIMITED (CONTINUED)**

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report.



Ross Howard FCA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditors  
London, United Kingdom

5 August 2011



**BIFFA HOLDINGS LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE 52 WEEKS ENDED 1 APRIL 2011**

	Notes	52 weeks to 1 April 2011 £000	53 weeks to 2 April 2010 £000
Interest payable and similar charges	4	(1,916)	(2,718)
Loss on ordinary activities before taxation		(1,916)	(2,718)
Taxation on loss on ordinary activities	5	537	2,288
Loss for the financial year	10	(1,379)	(430)

All losses derive from continuing operations.

The Company has no recognised gains and losses other than the loss above and therefore no separate statement of total recognised gains and losses has been presented.

**BIFFA HOLDINGS LIMITED**

**BALANCE SHEET**

**AS AT 1 APRIL 2011**

	Notes	As at 2 April 2010 £000	As at 2 April 2010 £000
<b>FIXED ASSETS</b>			
Investments	6	709,092	709,092
<b>CURRENT ASSETS</b>			
Debtors	7	5,619	-
<b>CREDITORS</b>			
Amounts falling due within one year	8	(427,740)	(420,742)
<b>NET CURRENT LIABILITIES</b>		(422,121)	(420,742)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		286,971	288,350
<b>CREDITORS</b>			
Amounts falling due after more than one year	9	(2,475)	(2,475)
<b>NET ASSETS</b>		284,496	285,875
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10	301,459	301,459
Share premium account	11	971	971
Profit and Loss Account	11	(17,934)	(16,555)
<b>SHAREHOLDER'S FUNDS</b>	12	284,496	285,875

The financial statements of Biffa Holdings Limited, registered number 01032104 on pages 8 to 16 were approved and authorised for issue by the Board of Directors on 5 August 2011 and signed on its behalf by.

*K.W.M*  
..... .. K Woodward  
.. Director

**BIFFA HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE 52 WEEKS ENDED 1 APRIL 2011**

**1 ACCOUNTING POLICIES**

a) Basis of accounting

As detailed in the Directors' Report, these financial statements are prepared under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. Accounting policies have been applied consistently in the current and prior year. The principal accounting policies are set out below.

b) Going Concern

As detailed in the Directors' Report, the directors have a reasonable expectation that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook and has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

c) Investments

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

d) Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

e) Finance costs

Finance costs of financial liabilities are recognised in the profit and loss account over the term of such instruments at a constant rate

f) Finance liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities

**BIFFA HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE 52 WEEKS ENDED 1 APRIL 2011**

**2 CASHFLOW STATEMENT AND RELATED PARTY DISCLOSURES**

The Company is a wholly owned subsidiary of Biffa Group Limited and is included in the consolidated financial statements of Biffa Group Limited, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cashflow statement under the terms of Financial Reporting Standard 1 (revised 1996). The Company is also exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of the Biffa Group Limited group of companies.

**3 OPERATING LOSS**

The Company had no employees during both years, other than directors. Directors' emoluments during both years were paid by other group undertakings and no amounts were allocated to the Company. Statutory audit fees of £1,035 (2010: £1,000) were borne by another Group company. There were no non-audit fees in period (2010: £nil).

**4 INTEREST PAYABLE AND SIMILAR CHARGES**

	52 weeks to 1 April 2011 £000	53 weeks to 2 April 2010 £000
Interest payable on loans from group undertakings	1,916	2,718
	<u>1,916</u>	<u>2,718</u>

**BIFFA HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE 52 WEEKS ENDED 1 APRIL 2011**

**5 TAX ON LOSS ON ORDINARY ACTIVITIES**

	52 weeks to 1 April 2011 £000	53 weeks to 2 April 2010 £000
Current tax		
Group relief at 28% (2010: 28%)		
Current year	(536)	(761)
Prior year	(1)	(1,527)
Total current tax	<u>(537)</u>	<u>(2,288)</u>

The differences between the total current tax above and the amount calculated by applying the standard rate of UK corporation tax of 28% (2010: 28%) to the loss before tax are as follows:

	52 weeks to 1 April 2011 £000	53 weeks to 2 April 2010 £000
Loss on ordinary activities before tax	<u>(1,916)</u>	<u>(2,718)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2010: 28%)	(536)	(761)
Effects of:		
Adjustments to tax in respect of prior periods	(1)	(1,527)
Total current tax	<u>(537)</u>	<u>(2,288)</u>

Legislation reducing the main rate of corporation tax from 28% to 26% with effect from 1 April 2011 was substantively enacted during the period. Accordingly, current tax has been provided for at a rate of 28% in these financial statements. Further reductions to the main rate of corporation tax of 1% per annum to 23% by 1 April 2014 have been announced by the government but have not yet been substantively enacted, so their effect has not been reflected in these financial statements.

**BIFFA HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE 52 WEEKS ENDED 1 APRIL 2011**

**6 FIXED ASSET INVESTMENTS**

	As at 1 April 2011 £000
Subsidiary undertakings	
Cost of shares at 2 April 2010 and 1 April 2011	714,507
Amounts provided at 2 April 2010 and 1 April 2011	<u>(5,415)</u>
Net book value at 2 April 2010 and 1 April 2011	<u>709,092</u>

Biffa Holdings Limited wholly owns the ordinary shares of the following companies that are registered and operate in England and Wales except where stated otherwise:

- a) Companies that traded during the year, the principal activity of each being operating waste management services:

Biffa Waste Services Limited	
Island Waste Services Limited	
Barge Waste Management Limited	
Poplars Resource Management Company Limited	
Biogeneration Limited	
Biffa (Jersey) Limited	Indirect Holding Registered in Jersey

- b) Non trading companies:

Bushscale Limited	
Fernmead Limited	
M Joseph & Sons (Birmingham) Limited	
Richard Biffa (Reclamation) Limited	
Richard Biffa Limited	
Biffa Environmental Technology Limited	
Exclusive Cleansing Services Limited	
Descaling Contractors Limited	
Biffa Pension Scheme Trustees Limited	Indirect Holding

The Company is not required to prepare consolidated financial statements in accordance with S408 of the Companies Act 2006, because it is a wholly-owned subsidiary of Biffa Group Limited registered in England and Wales and its results are included in the consolidated financial statements of Biffa Group Limited. In the directors' opinion the value of the investments in subsidiary undertakings is not less than the aggregate amount at which they are stated in the financial statements.

**BIFFA HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE 52 WEEKS ENDED 1 APRIL 2011**

**7 DEBTORS**

	As at 1 April 2011 £000	As at 2 April 2010 £000
Amounts due from group undertakings	5,619	-

The amounts due from group undertakings are unsecured, interest free and have no fixed repayment dates

**8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	As at 1 April 2011 £000	As at 2 April 2010 £000
Group relief	3,553	3,329
Amounts due to group undertakings	424,187	417,413
	427,740	420,742

Amounts due to group undertaking are unsecured, repayable on demand and incur interest at LIBOR + 0.5%.

**9 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	As at 1 April 2011 £000	As at 2 April 2010 £000
Loans from parent company	2,475	2,475

The loans from the parent company are unsecured, interest free and have no fixed repayment dates

**BIFFA HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE 52 WEEKS ENDED 1 APRIL 2011**

**10 CALLED UP SHARE CAPITAL**

	As at 1 April 2011 £000	As at 2 April 2010 £000
Authorised		
200,000,000 preference shares of £1 each	200,000	200,000
301,459,000 ordinary shares of £1 each	<u>301,459</u>	<u>301,459</u>
Allotted, called-up and fully paid		
301,459,000 ordinary shares of £1 each	<u>301,459</u>	<u>301,459</u>
	<u>301,459</u>	<u>301,459</u>

Preference shares entitle holders to dividends at a fixed rate of 3 3% above LIBOR payable at the Company's discretion. Preference shares rank pari passu with ordinary shares on a winding up and carry no voting rights.

**11 RESERVES**

	Share Premium Account £000	Profit and Loss Account £000
At 2 April 2010	971	(16,555)
Loss for the financial year	-	(1,379)
At 1 April 2011	<u>971</u>	<u>(17,934)</u>



**BIFFA HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE 52 WEEKS ENDED 1 APRIL 2011**

**12 RECONCILIATION OF MOVEMENT IN SHAREHOLDER'S FUNDS**

	As at 1 April 2011 £000	As at 2 April 2010 £000
Loss for the financial year	(1,379)	(430)
Net decrease in shareholder's funds	(1,379)	(430)
Shareholder's funds at beginning of year	285,875	286,305
Shareholder's funds at end of the year	<u>284,496</u>	<u>285,875</u>

**13 COMMITMENTS AND CONTINGENCIES**

The Company acts as guarantor under the terms of a finance lease entered into by Poplars Resource Management Company Limited (a fellow group company).

Capital outstanding under the lease at 1 April 2011 totalled £9,661,000 (2010: £10,601,000).

Cash outflows in respect of this commitment are expected to be £nil (2010: £nil).

**14 ULTIMATE PARENT UNDERTAKING**

The immediate parent undertaking is Reclamation and Disposal Limited

The Company's ultimate parent undertaking is WasteInvestments LLP. The parent company of the smallest group to consolidate these financial statements is Biffa Group Limited. The parent company of the largest group to consolidate these financial statements is WasteInvestments LLP. Following enactment of a scheme of arrangement on 7 April 2009, the Company's joint controlling parties are considered to be Montagu Private Equity and Global Infrastructure Partners. Copies of Biffa Group Limited and WasteInvestments LLP consolidated financial statements can be obtained from the Company Secretary at Coronation Road, Cressex, High Wycombe, Bucks, HP12 3TZ.