

DIRECTORS' REPORT AND ACCOUNTS

THE WASTE CONSULTANCY LIMITED
No. 3018815

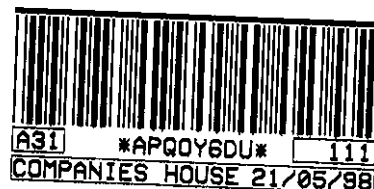
31 December 1997

Directors

T.C.Jones
P.S.Johnson
D.E Riddle

Secretary

K.C.Walls



Registered Office

Ocean House, The Ring, Bracknell, Berkshire, RG12 1AN

THE WASTE CONSULTANCY LIMITED

Directors' Report

The Directors submit their report and the accounts for the nine-month period ended 31 December 1997. The company's immediate parent company is Ocean Group Investments Limited.

Principal Activity and Business Review

The Company did not trade during the year and therefore no profit and loss account has been prepared.

The Directors are not aware of any likely future developments for the Company.

In accordance with section 250 of the Companies Act 1985 (as amended), a special resolution resolving that auditors shall not be appointed was passed on 24 November 1996.

Directors' Responsibilities

Company law 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 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;
- * state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- * 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.

Interest of Directors

The present Directors are named on page 1 none of whom were Directors throughout the period. Messrs. G. Baum, D.J.Burton, R.A.Chapman, L.F.Poole and R.Potter resigned from the Board and Messrs P.S.Johnson and T.C.Jones were appointed Directors on 3 May 1997. Mr D.E.Riddle was appointed a Director on 23 May 1997.

The interests of the Directors in office at the end of the year and their families in the ordinary shares of Ocean Group plc, the Company's ultimate holding company, were as shown below:

Ordinary Shares 25p During the year				
	1 January	Acquisitions	Disposals	31 December
P.S.Johnson	2,663	-	2,663	-
T C Jones	-	-	-	-

THE WASTE CONSULTANCY LIMITED
Directors' Report (Continued)

The undermentioned Directors held options under the Ocean Group plc's Share Option Schemes:

Name	Number of Options				Exercise price	Market price at date of exercise	Date from which exercisable	Expiry Date
	At 1 Jan	Granted	Exercised	At 31 Dec				
P.S.Johnson	3,606	-	-	3,606	287.00p	-	01.12.2000	31.05.2001
"	9,098	-	-	9,098	305.00p	-	18.04.1998	17.04.2005
"	7,400	-	-	7,400	375.00p	-	16.10.1998	15.10.2005
"	7,248	-	-	7,248	423.00p	-	15.04.1999	14.04.2006
"	6,348	-	-	6,348	452.50p	-	24.09.1999	23.09.2006
"	-	954	-	954	536.50p	-	05.08.2000	04.08.2007
"	-	906	-	906	430.00p	-	01.12.2000	31.05.2001
T.C.Jones	4,508	-	-	4,508	305.00p	-	18.04.1998	17.04.2005
"	3,666	-	-	3,666	375.00p	-	16.10.1998	15.10.2005
"	14,722	-	-	14,722	423.00p	-	15.04.1999	14.04.2006
"	6,614	-	-	6,614	452.50p	-	24.09.1999	23.09.2006
"	260	-	-	260	374.00p	-	01.12.1999	31.05.2000
"	-	802	-	802	536.50p	-	05.08.2000	04.08.2007
"	-	906	-	906	430.00p	-	01.12.2000	31.05.2001

Mr D.E.Riddle is a Director of Ocean Group plc and his interests are as shown in the report and accounts of that company.

The Company's Register of Directors Interests, which is open to inspection at the registered office, contains full details of Directors shareholdings and share options.

Except as above no Director had any interests in any shares or debentures in any companies of the Group.

By order of the Board



K.C.Walls
Secretary

30 April 1998

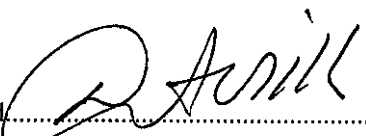
Registered Number : 3018815

THE WASTE CONSULTANCY LIMITED

Balance Sheet as at 31 December 1997

	31 December 1997	31 March 1997
	£	£
Assets	2	2
	<u>2</u>	<u>2</u>
Represented by		
Authorised Share Capital:		
100 Ordinary Shares of £1 each	2	2
	<u>2</u>	<u>2</u>

Throughout the financial period ending on the above date the Company was dormant within the meaning of Section 250 of the Companies Act 1985

Signed.....
Director

Dated.....30.4.'98.....