

SHANKS & McEWAN (GREENGAIRS POWER GENERATION) LIMITED
(Registered Number 2563623)

REPORT AND ACCOUNTS

YEAR ENDED 4 APRIL 2000



SHANKS & McEWAN (GREENGAIRS POWER GENERATION) LIMITED

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SHANKS & McEWAN (GREENGAIRS POWER GENERATION) LIMITED

DIRECTORS' REPORT

The Directors present their Annual Report and audited financial statements for the year ended 4 April 2000.

TRADING RESULTS AND DIVIDEND

The Company did not trade during the year and there were no transactions on the profit and loss account. The Directors do not recommended that a dividend be paid in respect of the year ended 4 April 2000 (1999: £Nil).

DIRECTORS

The Directors who held office during the year were as follows:

D J Downes	
M C E Averill	Appointed 29 April 1999
J R Meredith	Appointed 29 April 1999
M J Clarke	Appointed 29 April 1999

DIRECTORS' INTERESTS

None of the Directors had a direct interest in the share capital of the Company. Messrs M C E Averill and D J Downes are directors of Shanks Group plc and their interests in that company's share capital are disclosed in that company's Report and Accounts. The interests of Messrs J R Meredith and M J Clarke in the share capital of Shanks Group plc are disclosed in the accounts of Shanks Waste Services Limited. The Directors had no interests in the shares of any other company in the Group.

STATEMENT OF 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; 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 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.

SHANKS & McEWAN (GREENGAIRS POWER GENERATION) LIMITED

DIRECTORS' REPORT (Continued)

AUDITORS

A resolution to re-appoint PricewaterhouseCoopers as Auditors of the Company will be proposed at the Annual General Meeting.

By Order of the Board



D J Downes
Director

27 July 2000

Registered Office:
Dunedin House
Auckland Park
Mount Farm
Milton Keynes
Buckinghamshire
MK1 1BU

**AUDITORS' REPORT TO THE MEMBERS OF
SHANKS & McEWAN (GREENGAIRS POWER GENERATION) LIMITED**

We have audited the financial statements on pages 4 and 5 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

Respective responsibilities of Directors and Auditors

The Directors are responsible for preparing the Annual Report. As described on page 1, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the United Kingdom Companies Act. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and transactions is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.


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 other irregularity or error. 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 at 4 April 2000 and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants
and Registered Auditors
27 July 2000

SHANKS & McEWAN (GREENGAIRS POWER GENERATION) LIMITED

BALANCE SHEET - 4 APRIL 2000

	<u>2000</u> £	<u>1999</u> £
CURRENT ASSETS		
Amounts due from group undertakings	22,434	22,434
	<hr/>	<hr/>
NET CURRENT ASSETS	22,434	22,434
	<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES	22,434	22,434
	<hr/>	<hr/>
CAPITAL AND RESERVES		
Called up share capital (Note 3)	2	2
Profit and loss account	22,432	22,432
	<hr/>	<hr/>
EQUITY SHAREHOLDER'S FUNDS	22,434	22,434
	<hr/>	<hr/>

Approved by the Board on 27 July 2000



D J Downes
DIRECTOR

The notes on page 5 form part of these financial statements.

SHANKS & McEWAN (GREENGAIRS POWER GENERATION) LIMITED

NOTES TO THE ACCOUNTS - 4 APRIL 2000

1 ACCOUNTING POLICIES - Basis of Preparation and Company status

The financial statements have been prepared under the historical cost convention and in accordance with applicable UK Accounting Standards. The Company has not traded during the year and accordingly it has made neither a profit nor a loss. No profit and loss account has therefore been prepared.

2 EMOLUMENTS OF DIRECTORS AND EMPLOYEE INFORMATION

The salaries of the Directors were paid by other Shanks Group undertakings and no remuneration was paid or is payable by Shanks & McEwan (Greengairs Power Generation) Limited. The Directors estimate that no emoluments paid by other Shanks Group undertakings relate to services provided to the Company. The Company had no employees during the year (1999: Nil).

3 CALLED UP SHARE CAPITAL

	<u>2000</u> £	<u>1999</u> £
Authorised 1,000 ordinary shares of £1 each	1,000 <u> </u>	1,000 <u> </u>
Allotted and fully paid 2 ordinary shares of £1 each	2 <u> </u>	2 <u> </u>

4 RELATED PARTY TRANSACTIONS

In accordance with FRS8, the Company, being a wholly owned subsidiary of another company which prepares a statement of related party transactions including that of this Company, has not prepared such a statement itself.

5 CASH FLOW STATEMENT

In accordance with paragraph 8(c) of FRS1, the Company, being the wholly owned subsidiary of another company which prepares a cash flow statement including that of this Company, has not prepared such a statement itself.

6 ULTIMATE PARENT COMPANY

The Company's immediate holding company is Shanks Northern Limited. The ultimate parent company is Shanks Group plc, a company registered in Scotland. Copies of the Group accounts may be obtained from the Company Secretary, Shanks Group plc, Astor House, Station Road, Bourne End, Buckinghamshire, SL8 5YP.