

**WAKEFIELD ENVIRONMENTAL DEVELOPMENTS
LIMITED**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2000

Company Registration Number 02871169



CREERS

Chartered Accountants & Registered Auditors
St. Andrew's House
Spen Lane
York
YO1 7FS

WAKEFIELD ENVIRONMENTAL DEVELOPMENTS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2000

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WAKEFIELD ENVIRONMENTAL DEVELOPMENTS LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2000

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 March 2000.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the undertaking of physical environmental projects to bring unproductive land and buildings back into beneficial use. This included the development of an Intermediate Labour Market within the Wakefield District.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year were as follows:

Mr J M Mackman
Mr K Taylor
Mr R Young

The company is a wholly owned subsidiary and the interests of group directors are disclosed in the financial statements of the parent company.

The directors are permanent and are not required to retire by rotation.

AUDITORS


A resolution to re-appoint Creers as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:
First Floor
Chantry House
123 Kirkgate
Wakefield
WF1 1JG

Signed on behalf of the directors



Mr J M MACKMAN
Director

Approved by the directors on 20 July 2000

WAKEFIELD ENVIRONMENTAL DEVELOPMENTS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

YEAR ENDED 31 MARCH 2000

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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to:

select suitable accounting policies, as described on page 6, and then apply them consistently;

make judgements and 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 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. The directors 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.

WAKEFIELD ENVIRONMENTAL DEVELOPMENTS LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS

YEAR ENDED 31 MARCH 2000

We have audited the financial statements on pages 4 to 7 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on page 6 .

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

As described on page 2, the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

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.

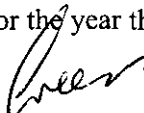
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 as at 31 March 2000 and of the profit of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

St. Andrew's House
Spenn Lane
York
YO1 7FS

20 July 2000


CREERS
Chartered Accountants
& Registered Auditors

WAKEFIELD ENVIRONMENTAL DEVELOPMENTS LIMITED**PROFIT AND LOSS ACCOUNT****YEAR ENDED 31 MARCH 2000**

	Note	2000 £	1999 £
TURNOVER		166,793	116,919
Cost of sales		159,518	118,194
GROSS PROFIT/(LOSS)		7,275	(1,275)
Administrative expenses		2,242	2,036
OPERATING PROFIT/(LOSS)	2	5,033	(3,311)
Interest receivable		14,985	14,401
Deed of covenant		(20,018)	(11,090)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	-
RETAINED PROFIT FOR THE FINANCIAL YEAR		-	-

WAKEFIELD ENVIRONMENTAL DEVELOPMENTS LIMITED**BALANCE SHEET****31 MARCH 2000**

	Note	2000 £	£	1999 £
CURRENT ASSETS				
Stocks and work in progress		22,137		1,399
Debtors	3	64,744		20,267
Cash at bank		251,911		271,959
		<u>338,792</u>		<u>293,625</u>
CREDITORS: Amounts falling due within one year	4	<u>(338,790)</u>		<u>(293,623)</u>
NET CURRENT ASSETS			<u>2</u>	<u>2</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2</u>	<u>2</u>
CAPITAL AND RESERVES				
Called-up equity share capital	6		<u>2</u>	<u>2</u>
SHAREHOLDERS' FUNDS			<u>2</u>	<u>2</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

These financial statements were approved by the directors on the 20 July 2000 and are signed on their behalf by:



MR J M MACKMAN

WAKEFIELD ENVIRONMENTAL DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2000

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover

Turnover represents the release of Landfill Tax Credit and other income over the lives of relevant projects. Income is released based upon the amount of project costs incurred so as to apportion any surpluses over the lives of the projects.

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

2. OPERATING PROFIT/LOSS

Operating profit/loss is stated after charging:

	2000 £	1999 £
Directors' emoluments	-	-
Auditors' fees	876	1,645

There is one director to whom benefits are accruing under the holding company's defined benefit pension scheme.

3. DEBTORS

	2000 £	1999 £
Trade debtors	57,558	16,265
Other debtors	7,186	4,002
	<u>64,744</u>	<u>20,267</u>

WAKEFIELD ENVIRONMENTAL DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2000

4. CREDITORS: Amounts falling due within one year

	2000	1999
	£	£
Trade creditors	55,361	1,326
Other creditors comprise:		
Amounts due to holding company	35,235	12,329
Other creditors	248,194	279,968
	<u>338,790</u>	<u>293,623</u>

5. RELATED PARTY TRANSACTIONS

As the consolidated financial statements of Wakefield Groundwork Trust Limited include the transactions of Wakefield Environmental Developments Limited, the directors have taken advantage of the exemption from disclosing group transactions conferred by the Financial Reporting Standard for Smaller Entities (effective March 2000).

6. SHARE CAPITAL

Authorised share capital:

	2000	1999
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2000	1999
	£	£
Ordinary share capital	<u>2</u>	<u>2</u>

7. LANDFILL TAX CREDIT SCHEME

The company receives funding via the landfill tax credit scheme through its registration as an environmental body.

	2000	1999
	£	£
Credits received	60,000	183,000
Project expenditure	<u>129,953</u>	<u>35,842</u>

8. ULTIMATE PARENT COMPANY

The company's ultimate parent company is Wakefield Groundwork Trust Limited, registered in England.