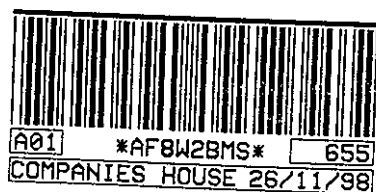


EPR Ely Limited

Report and Accounts

31 March 1998

Reg No: 3401618



EPR Ely Limited

REPORT OF THE DIRECTORS

The directors submit their report together with the accounts of the company for the period from incorporation on 10 July 1997 to 31 March 1998.

The company was incorporated under the name Shirelane Limited, and changed name to EPR Ely Limited with effect from 14 August 1997. The company did not trade during the period to 31 March 1998.

DIRECTORS

The directors of the company and their interests as defined in the Companies Act 1985, in the company's ordinary £1 shares were:

*At 31 March 1998
(and at date of appointment)*

W M Law	(appointed 7 August 1997)	-
W J King	(appointed 7 August 1997)	-
D J Williams	(appointed 7 August 1997)	-
M D Chilton	(appointed 7 August 1997)	-

D S Muir was appointed as a director on 1 May 1998.

London Law Services Limited served as director of the company from incorporation until 7 August 1997.

RESPONSIBILITIES OF THE DIRECTORS IN RESPECT OF THE ACCOUNTS

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 are required to:

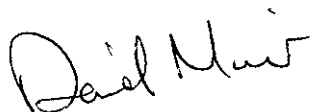
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 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.

AUDITORS

A resolution to reappoint Ernst & Young as auditors will be put to the members at the Annual General Meeting.

On behalf of the Board



Director

REPORT OF THE AUDITORS
to the members of EPR Ely Limited

We have audited the accounts on pages 4 and 5, which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 5.

Respective responsibilities of directors and auditors

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

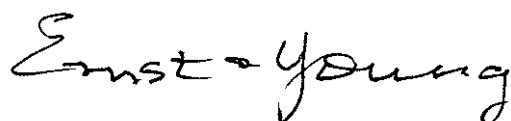
Basis of opinion

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 31 March 1998 and have been properly prepared in accordance with the Companies Act 1985.



Registered Auditor
Bristol

17 Sept '98

EPR Ely Limited

PROFIT AND LOSS ACCOUNT AND STATEMENT OF RECOGNISED GAINS AND LOSSES for the period ended 31 March 1998

The company did not trade during the period ended 31 March 1998 and accordingly no Profit and Loss Account has been prepared. There were no other recognised gains and losses during the period.

BALANCE SHEET at 31 March 1998

	Note	1998 £
CURRENT ASSETS		
Debtors : amounts owed by group companies		2
CREDITORS: amounts falling due within one year		
Other creditors		-
NET CURRENT ASSETS AND TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2</u>
CAPITAL AND RESERVES		
Called up share capital	2	<u>2</u>

[Handwritten signature]

Director

David Munt
9 September 1998

EPR Ely Limited

NOTES TO THE ACCOUNTS for the period ended 31 March 1998

1. ACCOUNTING POLICIES

Accounting convention

These accounts are prepared under the historical cost convention.

2. SHARE CAPITAL

	1998	
	£	
Ordinary shares of £1 each:		
Authorised		100
		<u> </u>
	<i>No</i>	<i>£</i>
Allotted, called up and fully paid	2	2
	<u> </u>	<u> </u>

3. HOLDING COMPANY AND GROUP ACCOUNTS

The ultimate parent undertaking of EPR Ely Limited is Energy Power Resources Limited, a company registered in England. Energy Power Resources Limited is the parent company of the group of companies for which group accounts are to be drawn up and of which the company is a member. Copies of the accounts of Energy Power Resources Limited may be obtained from that company's registered office at 15 The Courtyard, Woodlands Lane, Bradley Stoke, Bristol, BS32 4NQ.