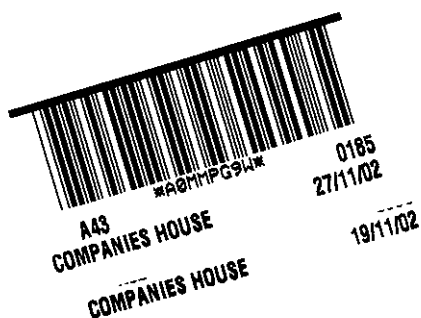


# AMEC Offshore Wind Power Limited

Directors' report and accounts

31 December 2001

Registered number 4155137



# AMEC Offshore Wind Power Limited

## **Directors**

C R Fleming  
G Stockwood  
N A Bruce

## **Secretary**

C Fellowes

## **Registered Office**

Sandiway House  
Hartford  
Northwich  
Cheshire CW8 2YA

## **Auditors**

KPMG Audit plc  
Chartered Accountants  
St James' Square  
Manchester  
M2 6DS

# AMEC Offshore Wind Power Limited

## Directors' Report

### Business Review

The company has not traded since its incorporation on 7 February 2001.

### Directors

The current directors are listed on page 1.

The following were directors during the year:

N A Bruce (appointed 7 February 2001)

R J Corke (appointed 7 February 2001, resigned 11 March 2002)

GR Ling (appointed 7 February 2001, resigned 15 February 2002)

CR Fleming and G Stockwood were appointed as directors of the company on 11 March 2002.

The number of options in the ordinary share capital of AMEC plc, the ultimate parent company, held by directors under the Executive and Savings Related Share Option Schemes were as follows:

	As at 7 February 2001 **	Exercised during the year	Granted during the year	As at 31 December 2001	Option price (pence)
GR Ling	* 4,211	-	-	4,211	230

\* *Savings Related Scheme*

\*\* *Or on date of appointment*

In 1998, shareholders approved the introduction of a long-term incentive plan (the "plan"). The design of the plan took account of the provisions of Schedule A to the Combined Code.

In 2001, further shares were purchased in the market at 462.5p each and awards were made to directors on 19 April 2001, as determined by the remuneration committee.

# AMEC Offshore Wind Power Limited

The interests in restricted shares of the directors to whom awards were made under the plan are as follows:

	As at 7 February 2001 **	Vested 11 April 2001	Awarded 19 April 2001	As at 31 December 2001	Value of vested shares £000
GR Ling	32,311	7,500	8,081	32,892	35
NA Bruce	37,311	12,500	11,081	35,892	58
RJ Corke	7,702	-	3,860	11,562	-

## Notes:

- i) The award of restricted shares will vest only if pre-determined performance conditions are met. These performance conditions, which are measured over three years, require the total return to ordinary shareholders (share price growth plus re-invested dividends) to be ranked in the top quartile of a group of engineering, construction and building material comparator companies for an award to vest in full. If the company's performance is at the median, 25% of the award will vest. Between those two levels, the award will vest on a sliding scale. No awards will vest if the company's performance is below the median at the end of the measured period.
- ii) The total value of awards cannot exceed 75% of a participant's base annual salary in any year.
- iii) Participants in the long-term incentive plan will not receive further grants of options under the Executive Share Option Scheme.
- iv) The shares which vested during the year were sold in the market by the Trustees of the Plan, for the benefit of the directors concerned, at 462.5p per share

The closing price of the ordinary shares at 31 December 2001 was 395.0p.

The range of the closing prices for the ordinary shares during the year was 340.0p to 531.5p.

The register of directors' interests, which is open to inspection at the company's registered office, contains full details of directors' shareholdings, share options and awards under the long-term incentive plan.

Ordinary Shares in AMEC plc held by directors were as follows:

	As at 7 February 2001 **	As at 31 December 2001
GR Ling	6,609	13,367
NA Bruce	4,572	17,808
RJ Corke	1,621	1,837

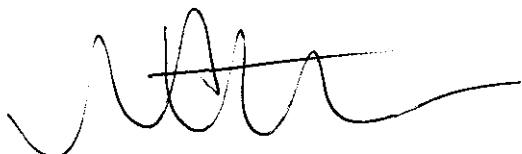
# AMEC Offshore Wind Power Limited

## Auditors

KPMG Audit plc were appointed as auditors during the period.

In accordance with section 385 of the Companies Act 1985, a resolution for the reappointment of KPMG Audit plc as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By Order of the Board



C FELLOWES  
Secretary

10/07/02

Sandiway House  
Hartford  
Northwich  
Cheshire  
CW8 2YA

# AMEC Offshore Wind Power Limited

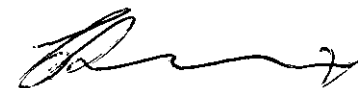
## Profit and Loss Account for the period ended 31 December 2001

The company did not trade during the period from incorporation to 31 December 2001 and received no income and incurred no expenditure. Consequently, during that time the company made neither a profit nor a loss.

## Balance Sheet as at 31 December 2001

	Note	2001 £
<b>CURRENT ASSETS</b>		
Debtors: amounts falling due after more than one year	2	<u>1</u>
<b>CAPITAL AND RESERVES</b>		
Called up share capital	3	<u>1</u>

These accounts were approved by the Board of Directors on 10/7/02  
and were signed on its behalf by:



C R FLEMING  
DIRECTOR

The notes on page 6 form part of these accounts.

# AMEC Offshore Wind Power Limited

## Notes to the Accounts

### 1 ACCOUNTING POLICIES

#### Basis of the Preparation of the Accounts

The directors have taken advantage of the exemption in FRS8, paragraph 3(c) and have not disclosed related party transactions with parent and fellow subsidiary undertakings.

#### Accounting Convention

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Companies Act 1985.

#### Cash Flow Statement

The company is exempt from the requirement of Financial Reporting Standard No. 1 to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of AMEC plc, and its cash flows are included within the consolidated cash flow of that group.

### 2 DEBTORS: Amounts falling due after more than one year

	2001 £
Amounts owed by group undertakings	<u>1</u>

### 3 SHARE CAPITAL

	Authorised 2001 number	Allotted, called up and fully paid 2001 £
Ordinary shares of £1 each	<u>1,000</u>	<u>1</u>

### 4 ULTIMATE PARENT COMPANY

The company regarded by the directors as the ultimate parent company is AMEC plc, which is incorporated in England. Copies of the group accounts can be obtained from AMEC plc, Sandiway House, Hartford, Northwich, Cheshire, CW8 2YA.

# AMEC Offshore Wind Power Limited

## Statement of directors' responsibilities

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 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- 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 maintaining 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



# AMEC Offshore Wind Power Limited

## **Independent Auditor's report to the members of Monenco Associates Limited**

We have audited the accounts on pages 5 and 6.

### *Respective responsibilities of directors and auditors*

The directors are responsible for preparing the directors' report and, as described on page 7 the accounts in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the accounts, 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 with the company is not disclosed.

### *Basis of audit 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 the affairs of the company as at 31 December 2001 and of its result for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

*KPMG Audit plc*  
**KPMG Audit plc**  
Chartered Accountants  
Registered Auditor  
MANCHESTER  
Date: *12th July 2002*