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Airtricity Group (UK) Limited

Directors' report and
financial statements

Year ended 31 March 2008

Registered number: NI049557

Airtricity Group (UK) Limited

Directors' report and financial statements

<i>Contents</i>	<i>Page</i>
Directors and other information	1
Directors' report	2
Statement of directors' responsibilities	4
Independent auditor's report	5
Statement of accounting policies	7
Balance sheet	8
Profit and loss account	8
Notes forming part of the financial statements	9

Airtricity Group (UK) Limited

Directors and other information

Directors

M. Ennis
F. McGregor Alexander
D. Flynn (Irish)

Secretary

Cypher Services Limited

Registered office

50 Bedford Street
Belfast
BT2 7FW

Bankers

Bank of Ireland
Belfast City Branch
BT1 2BA

Solicitors

Cleaver Fulton Rankin Solicitors
50 Bedford Street
Belfast
BT2 7FW

Auditor

KPMG
Chartered Accountants
1 Stokes Place
St. Stephen's Green
Dublin 2
Ireland

Airtricity Group (UK) Limited

Directors' report

The directors present their annual report and financial statements for the year ended 31 March 2008.

Principal activity and business review

The company is a holding company for the purposes of holding shares in other fellow group companies. The directors do not anticipate the company's principal activity will change significantly in the foreseeable future.

Up to 15 February 2008, the company was part of the NTR Group. On 15 February 2008, the entire share capital of the company's parent undertaking was acquired by Scottish and Southern Energy plc and the company became a wholly owned subsidiary of Scottish and Southern Energy plc as and from that date.

Results for the year and dividends

During the year, the company made neither a profit nor a loss (2007: £Nil). The balance sheet at 31 March 2008 is set out on page 8 and indicates net assets of £101 (2007: £101).

Directors and company secretary

The directors and secretary who were in office at the date of approval of these financial statements are those listed on page 1. In accordance with the Articles of Association of the company, the directors are not required to retire by rotation.

The following directors resigned from office during the period:

Director	Resignation date
L. FitzGerald	15 February 2008
S. Murphy	5 December 2007
E. O'Connor	1 February 2008
A. Baker	11 March 2008
S. Cowie	5 June 2008
M. McAdam	31 July 2008

The following directors were appointed during the period:

Director	Appointment date
F. McGregor Alexander	15 February 2008
D. Flynn	5 December 2007
M. McAdam	11 March 2008

Post balance sheet events

On 15 April 2008, Airtricity Holdings (UK) Limited, a wholly owned subsidiary of Airtricity Group (UK) Limited purchased the remaining 50% of the equity share capital of Greater Gabbard Offshore Winds Limited from Fluor Inc. for €40 million. Greater Gabbard Offshore Winds Limited is now a wholly owned subsidiary of Airtricity Holdings (UK) Limited.

Airtricity Group (UK) Limited

Directors' report *(continued)*

Political and charitable donations

The company did not make any political or charitable donations during the year (2007: £Nil).

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware, and each director has taken all the steps that he ought to have taken as director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

In accordance with Section 392(1) of the Companies (Northern Ireland) Order 1986, the auditor, KPMG, Chartered Accountants, will continue in office.

On behalf of the board:



D. Flynn
Director



M. Ennis
Director

22 August 2008

Airtricity Group (UK) Limited

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Standards).

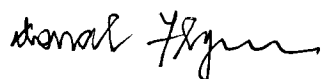
The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss for that year.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK 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 that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies (Northern Ireland) Order 1986. They are also responsible 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.

On behalf of the board:



D. Flynn
Director



M. Ennis
Director



KPMG
Chartered Accountants
1 Stokes Place
St. Stephen's Green
Dublin 2
Ireland

Independent auditor's report to the members of Airtricity Group (UK) Limited

We have audited the financial statements of Airtricity Group (UK) Limited for the year ended 31 March 2008 which comprise the balance sheet, profit and loss account and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies (Northern Ireland) Order 1986. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As described in the Statement of Directors' Responsibilities on page 4, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 Companies (Northern Ireland) Order 1986. We also report to you whether, in our opinion, the Directors' Report is consistent with the financial statements. In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Directors' Report and consider implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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.



Independent auditor's report to the members of Airtricity Group (UK) Limited
(continued)

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2008 and of its result for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies (Northern Ireland) Order 1986; and
- the information given in the Directors' Report is consistent with the financial statements.

A handwritten signature of 'KPMG' in black ink, with a horizontal line drawn underneath the letters.

*Chartered Accountants
Registered Auditor*

22 August 2008

Airtricity Group (UK) Limited

Statement of accounting policies

for the year ended 31 March 2008

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with generally accepted accounting principles under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board, as promulgated by the Institute of Chartered Accountants in Ireland. The financial statements are stated in Pounds Sterling.

The financial statements cover the year ended 31 March 2008.

Cash flow statement

The company is exempt from the requirements of FRS 1 *Cash flow Statements (revised)*, to include a cash flow statement as part of its financial statements because the company is a wholly owned subsidiary of Scottish and Southern Energy plc, which publishes a consolidated cash flow statement.

Financial assets

Financial assets are shown at cost less provision for any impairment in value.

Related party transactions

The company is availing of the exemption under FRS 8 *Related Party Disclosures*, whereby as it is a wholly owned subsidiary undertaking of Scottish and Southern Energy plc, it is not disclosing transactions with any group undertakings which are consolidated in the financial statements of Scottish and Southern Energy plc.

Consolidated accounts

Consolidated accounts have not been prepared as the company is availing of the exemption whereby, as a wholly owned subsidiary of an entity which prepares consolidated accounts, it is not required to prepare consolidated accounts.

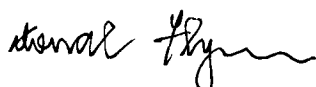
Airtricity Group (UK) Limited

Balance sheet

as at 31 March 2008

	Note	2008 £	2007 £
Fixed assets			
Financial assets	3	186	186
		<hr/>	<hr/>
		186	186
Creditors: amounts falling due within one year	4	(85)	(85)
		<hr/>	<hr/>
Net assets		101	101
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	5	101	101
		<hr/>	<hr/>
Shareholders' funds		101	101
		<hr/>	<hr/>

On behalf of the board:



D. Flynn
Director



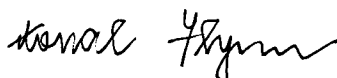
M. Ennis
Director

Profit and loss account

for the year ended 31 March 2008

The company received no income and incurred no expenditure during the year or the prior year. Consequently, during the year or the prior year, the company made neither a profit nor a loss and has €Nil accumulated profits. Additionally, the company had no other gains and losses nor any cash flows during the year.

On behalf of the board:



D. Flynn
Director



M. Ennis
Director

Airtricity Group (UK) Limited

Notes

forming part of the financial statements

1 Ownership

The company's immediate parent undertaking is Airtricity Holdings Limited, registered in the Republic of Ireland.

Up to 15 February 2008, the company was part of the NTR Group and its results for this period are consolidated in the NTR plc financial statements. On 15 February 2008, the entire share capital of the company's parent undertaking was acquired by Scottish and Southern Energy plc and the company became a wholly owned subsidiary of Scottish and Southern Energy plc as and from that date.

The company's ultimate parent undertaking is Scottish and Southern Energy plc, registered in the United Kingdom. The largest group in which the results of the company are consolidated is that headed by Scottish and Southern Energy plc. The consolidated financial statements of Scottish and Southern Energy plc are available to the public and may be obtained from its registered office at Inveralmond House, 200 Dunkeld Road, Perth, PH1 3AQ.

No other group financial statements include the results of the company.

2 Statutory information

Auditor's remuneration and all other expenses have been borne by another group company.

None of the directors received any emoluments in respect of fees or services to the company in the year ended 31 March 2008 (2007: £Nil).

The company had no employees in the current or prior year.

3 Financial assets

	2008 £	2007 £
Shares in subsidiary undertakings, at cost	116	116
Investment in joint ventures	70	70
	<hr/>	<hr/>
	186	186
	<hr/>	<hr/>

The company's subsidiary undertakings are as follows:

Investments held directly

- (i) Airtricity Developments (UK) Limited, a wholly owned subsidiary engaged in the provision of windfarm development consultancy services to group companies. *
- (ii) Bessy Bell Windfarm (N.I.) Limited, a wholly owned subsidiary engaged in the development of a windfarm. *
- (iii) Slieve Beagh Windfarm (N.I.) Limited, a wholly owned subsidiary engaged in the development of a windfarm. *

Airtricity Group (UK) Limited

Notes (continued)

3 Financial assets (continued)

- (iv) Bin Mountain Windfarm (N.I.) Limited, a wholly owned subsidiary engaged in the generation of electricity. *
- (v) Kilkeel Offshore Wind Limited, a wholly owned subsidiary engaged in the provision of offshore development of a windfarm. *
- (vi) Braes of Doune Holding Company Limited, a wholly owned subsidiary which is a holding company for Braes of Doune Windfarm (Scotland) Limited. **
- (vii) Minsca Windfarm (Scotland) Limited, a wholly owned subsidiary engaged in the development of a windfarm. **
- (viii) Kilpatrick Windfarm (Scotland) Limited, a wholly owned subsidiary engaged in the development of a windfarm. **
- (ix) Grennock Windfarm (Scotland) Limited, a wholly owned subsidiary engaged in the development of a windfarm. **
- (x) Dalswinton Windfarm (Scotland) Limited, a wholly owned subsidiary engaged in the development of a windfarm. **
- (xi) Ardrossan Phase II Windfarm (Scotland) Limited, a wholly owned subsidiary engaged in the development of a windfarm. **
- (xii) Airtricity Holdings (UK) Limited, a wholly owned subsidiary which acts as a holding company for fellow group subsidiaries. *
- (xiii) Invercassley Windfarm Limited, a wholly owned subsidiary engaged in the development of a windfarm. **
- (xiv) Whiteside Hill Windfarm (Scotland) Limited, a wholly owned subsidiary engaged in the development of a windfarm. *
- (xv) Clyde Windfarm (Scotland) Limited, a wholly owned subsidiary engaged in the development of a windfarm. **
- (xvi) Langhope Rig Windfarm (Scotland) Limited, a wholly owned subsidiary engaged in the development of a windfarm. **
- (xvii) Carcant Windfarm (Scotland) Limited, a wholly owned subsidiary engaged in the development of a windfarm. **

Investments held in Joint Ventures

- (xviii) Braes of Doune Windfarm (Scotland) Limited, a 50% Joint Venture with Centrica Renewable Energy plc generation of electricity. **
- (xix) Greater Gabbard Offshore Winds Limited, a 50% Joint Venture with Fluor, engaged in the development of an offshore windfarm. ***

* Registered office at 50 Bedford Street, Belfast, BT2 7FW.

** Registered office at The Ca'D'Oro, 45 Gordon Street, Glasgow, Lanarkshire.

*** Registered office at Fluor Centre, Watchmoor Park, Riverside Way, Camberley, Surrey, GU15 3YL.

Airtricity Group (UK) Limited

Notes (continued)

4 Creditors: amounts falling due within one year	2008	2007
	£	£
Amounts due to group companies (unsecured, interest free, payable on demand)	85	85

5 Share capital	2008	2007
	£	£
<i>Authorised</i>		
100,000 ordinary shares of £1 each	100,000	100,000
<i>Allotted, called up and fully paid</i>		
101 ordinary shares of £1	101	101

6 Post balance sheet events

On 15 April 2008, Airtricity Holdings (UK) Limited, a wholly owned subsidiary of Airtricity Group (UK) Limited purchased the remaining 50% of the equity share capital of Greater Gabbard Offshore Winds Limited from Fluor Inc. for €40 million. Greater Gabbard Offshore Winds Limited is now a wholly owned subsidiary of Airtricity Holdings (UK) Limited.

7 Approval of financial statements

The financial statements were approved by the directors on 22 August 2008.