

CAIRD TRADING LIMITED
(Registered Number 80212)

REPORT AND ACCOUNTS

FOR THE FIFTEEN MONTHS ENDED 04 APRIL 2000



CAIRD TRADING LIMITED

DIRECTORS' REPORT

The Directors present their report and accounts.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The Company did not trade during the period. The Company was acquired by the Shanks Group on 25 June 1999.

CHANGE OF YEAR END

In order to align its year end with the ultimate parent company, the Company changed its year end from 31 December to 4 April 2000.

RESULTS AND DIVIDEND

There were no transactions during the period and therefore no Profit and Loss Account is presented. No dividend has been paid or is proposed for the period (1998 - £nil).

DIRECTORS

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

D R Flynn (Resigned 18 October 1999)
P M Coburn (Resigned 31 December 1998)
M C E Averill (Appointed 25 June 1999)
D J Downes (Appointed 25 June 1999)

DIRECTORS' INTERESTS

The Directors have no beneficial interests in the share capital of the Company.

Messrs Averill and Downes are also Directors of Shanks Group plc and accordingly their interests in the share capital of that company are disclosed in the group accounts.

The Directors had no interests in the shares of any other company in the Group.

REGISTERED AUDITORS

A resolution re-appointing PricewaterhouseCoopers as the company's auditors will be proposed at the Annual General Meeting.

By order of the Board



P Kaye
Secretary
27 July 2000

CAIRD TRADING LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm that the accounts comply with the above requirements.

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.

REPORT OF THE AUDITORS, PRICEWATERHOUSECOOPERS, TO THE MEMBERS OF CAIRD TRADING LIMITED

We have audited the financial statements on pages 4 to 6 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 2, 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 as at 4 April 2000 and have been properly prepared in accordance with the Companies Act 1985.



PRICEWATERHOUSECOOPERS
Chartered Accountants and Registered Auditors
London

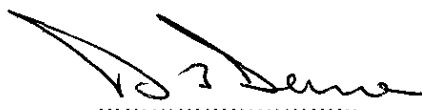
27 July 2000

CAIRD TRADING LIMITED

BALANCE SHEET - 4 APRIL 2000

	4 April 2000 £	31 Dec 1998 £
CURRENT ASSETS		
Debtors (Note 3)	809,820	809,820
CREDITORS - Amounts falling due within one year (Note 4)	(793,327)	(793,327)
NET CURRENT ASSETS	<u>16,493</u>	<u>16,493</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>16,493</u>	<u>16,493</u>
CAPITAL AND RESERVES		
Called up share capital (Note 5)	1,000	1,000
Profit and loss account (Note 6)	15,493	15,493
Equity shareholders' funds	<u>16,493</u>	<u>16,493</u>

These accounts were approved by the Board of Directors
and signed on their behalf on 27 July 2000.



D J Downes

CAIRD TRADING LIMITED

NOTES TO THE ACCOUNTS FOR THE FIFTEEN MONTHS TO 4 APRIL 2000

1. ACCOUNTING POLICIES

Accounting Convention

The accounts have been prepared under the historical cost convention, and in accordance with applicable UK Accounting Standards. The principal accounting policies are as follows:

(a) Deferred taxation

Deferred taxation is provided using the liability method in respect of all timing differences to the extent that it is probable that liabilities will crystallise in the foreseeable future.

2. PROFIT AND LOSS

The company had no employees during the period. The remuneration of the auditors has been borne by another Group company.

3. DEBTORS

	<u>4 April</u> <u>2000</u> £	<u>31 Dec</u> <u>1998</u> £
Amounts owed by parent and fellow subsidiary undertakings	<u>809,820</u>	<u>809,820</u>

4. CREDITORS - Amounts falling due within one year

	<u>4 April</u> <u>2000</u>	<u>31 Dec</u> <u>1998</u>
Amounts owed to parent and fellow subsidiary undertakings	<u>793,327</u>	<u>793,327</u>

CAIRD TRADING LIMITED

NOTES TO THE ACCOUNTS (continued) FOR THE FIFTEEN MONTHS TO 4 APRIL 2000

5. CALLED UP SHARE CAPITAL

	<u>4 April</u> <u>2000</u> £	<u>31 Dec</u> <u>1998</u> £
Authorised, allotted, called up and fully paid 1,000 shares of £1 each	<u>1,000</u>	<u>1,000</u>

6. RESERVES

	<u>Profit and loss account</u> £
At 31 December 1998 and 4 April 2000	<u>15,493</u>

7. 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.

8. PARENT COMPANY AND CONTROLLING PARTY

The Company's immediate holding company is Caird Environmental 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.

9. CASH FLOW STATEMENT

In accordance with paragraph 8(c) 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.

10. CONTINGENT LIABILITIES

The Company has granted to its bankers an unlimited guarantee and a right of set off against accounts outstanding on advances to its parent and fellow subsidiary undertakings.