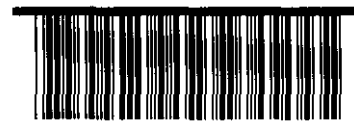

Viridian Cogeneration Limited

Report and Accounts

31 March 1999

Registered No. 3684054



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COMPANIES HOUSE

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18/12/99

Viridian Cogeneration Limited

Registered No : 3684054

DIRECTORS

J McDonnell (appointed 10/12/98)

SECRETARY

C W Boyd

AUDITORS

Ernst & Young
Bedford House
16 Bedford Street
Belfast
BT2 7DT

REGISTERED OFFICE

Church Lane
Garforth
Leeds
LS25 1HB
England

DIRECTORS' REPORT

The directors present their report and the financial statements for the period ended 31 March 1999.

RESULTS

The company was formed on 10 December 1998.

As the company has not traded during the period a profit and loss account has not been prepared.

DIRECTORS


The directors of the company during the period are those listed on page 2.

None of the directors who held office at 31 March 1999 had any beneficial interest in the shares of the company.

AUDITORS

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

By the order of the board



Secretary

16/12/99

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 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' REPORT

REPORT OF THE AUDITORS

to the members of Viridian Cogeneration Limited

We have audited the accounts on pages 6 to 7 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 7.

Respective responsibilities of the directors and auditors

As described on page 4 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 the information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs at 31 March 1999 have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young
Registered Auditor
Belfast

Ernst & Young

16 December 1999.

Viridian Cogeneration Limited

BALANCE SHEET at 31 March 1999

	<i>Note</i>	1999 £
CURRENT ASSETS		
Amounts owed by group undertaking		<u>2</u>
CAPITAL AND RESERVES		
Called up share capital	2	<u>2</u>


Directors

16/12/99

Viridian Cogeneration Limited

NOTES TO THE ACCOUNTS at 31 March 1999

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

2. SHARE CAPITAL

	<i>Authorised 1999</i>	<i>Allotted called up and fully paid 1999</i>
Ordinary shares of £1 each	<u>150,000,000</u>	<u>2</u>

3. PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate parent undertaking and controlling party of the company is Viridian Group PLC a company incorporated in Northern Ireland. Copies of the consolidated group accounts, which include the company are available from 120 Malone Road, Belfast BT9 5HT.