

**Directors' report and financial statements**

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## Directors' report

The directors present their first report and the audited financial statements for the period ended 31 March 2000.

### Principal activities

The principal activity of the company is the generation of electricity from landfill gas.

### Business review

The company was incorporated on 15 April 1999. The company changed its name from Seamer Carr Energy Limited on 25 February 2000 to Bolam Energy Limited. The company did not trade during the financial period ended 31 March 2000.

### Directors and directors' interests

The directors who held office during the period and their beneficial interests in the shares of the company were as follows:

<u>DIRECTOR</u>	<u>DATE OF APPOINTMENT</u>	<u>INTEREST AT APPOINTMENT</u>	<u>INTEREST AT END OF PERIOD</u>
HHP Wyndham	8/6/1999	Nil	134,453
DH FitzHerbert	8/6/1999	Nil	115,221
MB Thorneycroft	(resigned 8/6/1999)	Nil	Nil
JE Goold	(resigned 8/6/1999)	Nil	Nil

### Auditors

A resolution for the re-appointment of KPMG as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



**DH FitzHerbert**  
Director

20 - 22 Queen Street  
Mayfair  
London W1X 7PJ

3 October 2000

## **Statement of directors' responsibilities**

The directors are required by the Companies Act 1985 to prepare financial statements which give a true and fair view of the state of affairs of the company at the end of the financial year and of the results for that year.

In preparing those financial statements, 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 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 have the responsibility at any time for ensuring the company keeps adequate accounting records which disclose with reasonable accuracy the financial position of the company and enable them to ensure the financial statements comply with the Companies Act 1985.

The directors have a general responsibility for taking reasonable steps to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



St James' Square  
Manchester M2 6DS  
United Kingdom

## **Report of the auditors to the members of Bolam Energy Limited**

We have audited the financial statements on pages 4 to 8.

### **Respective responsibilities of directors and auditors**

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements 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 financial statements give a true and fair view and are properly prepared in accordance with the 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 with the company is not disclosed.

### **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 31 March 2000 and of its results for the 50 week period then ended and have been properly prepared in accordance with the Companies Act 1985.

**KPMG**

*Chartered Accountants  
Registered Auditors*

*MMH 25/10/00*

**Profit and loss account**

*for the period ended 31 March 2000*

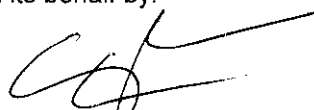
No profit and loss account has been prepared as the company did not trade during the period.

**Balance sheet**

at 31 March 2000

	Note	2000 £
<b>Fixed assets</b>		
Intangible assets	2	26,000
<b>Current assets</b>		
Debtors	3	1,846
Cash at bank		<u>4,550</u>
<b>Total assets</b>		<b>32,396</b>
<b>Creditors:</b> amounts falling due after more than one year	4	<u>(4,550)</u>
<b>Net assets</b>		<b><u>27,846</u></b>
<b>Capital and reserves</b>		
Called up share capital	5	<u>27,846</u>
<b>Equity shareholders' funds</b>	6	<b><u>27,846</u></b>

The financial statements were approved by the board of directors on 3 October 2000 and were signed on its behalf by:

  
**HHP Wyndham**  
Director

  
**DH FitzHerbert**  
Director

## **Notes**

*(forming part of the financial statements)*

### **1 Accounting policies**

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 applicable accounting standards and under the historical cost accounting rules.

#### ***Tangible fixed assets and depreciation***

Tangible fixed assets are stated at cost, which includes finance costs incurred during the production or purchase of assets.

Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Plant and machinery        -    5 to 15 years

#### ***Intangible fixed assets and amortisation***

Intangible fixed assets are stated at cost. Amortisation is provided by the company to write off the cost by equal instalments over their estimated economic lives once extraction has commenced as follows:

Development rights to extract landfill gas - 10 years

#### ***Cash flow statement***

Under Financial Reporting Standard 1 (revised), the company is exempt from the requirement to prepare a cash flow statement on the grounds that the company is a small entity.

**Notes** *(continued)*

<b>2 Intangible fixed assets</b>	<b>2000</b>
	<b>£</b>
Purchase of development rights to extract landfill gas:	
<b>Cost</b>	
Acquisition of development rights	26,000
	<hr/>
At end of year	<u>26,000</u>
 <b>3 Debtors</b>	 <b>2000</b>
	<b>£</b>
Called up share capital unpaid	<u>1,846</u>
The debtor balance relating to called up share capital unpaid is due in more than one year.	
 <b>4 Creditors: amounts falling due after more than one year</b>	
	<b>2000</b>
	<b>£</b>
Shareholders' loan	<u>4,550</u>
The loan is unsecured, interest free and repayable in more than 5 years.	



Notes (continued)

**5 Called up share capital**

	2000 £
<b>Authorised</b>	
5,000,000 ordinary shares of £0.01 each	<u>50,000</u>
<b>Allotted and called up</b>	
<b>Fully Paid</b>	
2,599,999 ordinary shares of £0.01 each	26,000
<b>Nil Paid</b>	
184,644 ordinary shares of £0.01 each	<u>1,846</u>
	<u>27,846</u>

**6 Reconciliation of movement in shareholders' funds**

	2000 £
Issue of ordinary shares	27,846
Closing shareholders' funds	<u>27,846</u>

**7 Related party transactions**

During the year a loan of £4,550 was made by the shareholders, disclosed in creditors due after more than one year. Included in this loan are directors loans of £408 and a majority shareholder loan of £2,307.

**Connon Bridge Energy Limited**

**Director's report and financial statements**

50 Weeks Ended 31 March 2000  
Registered Number 3754257