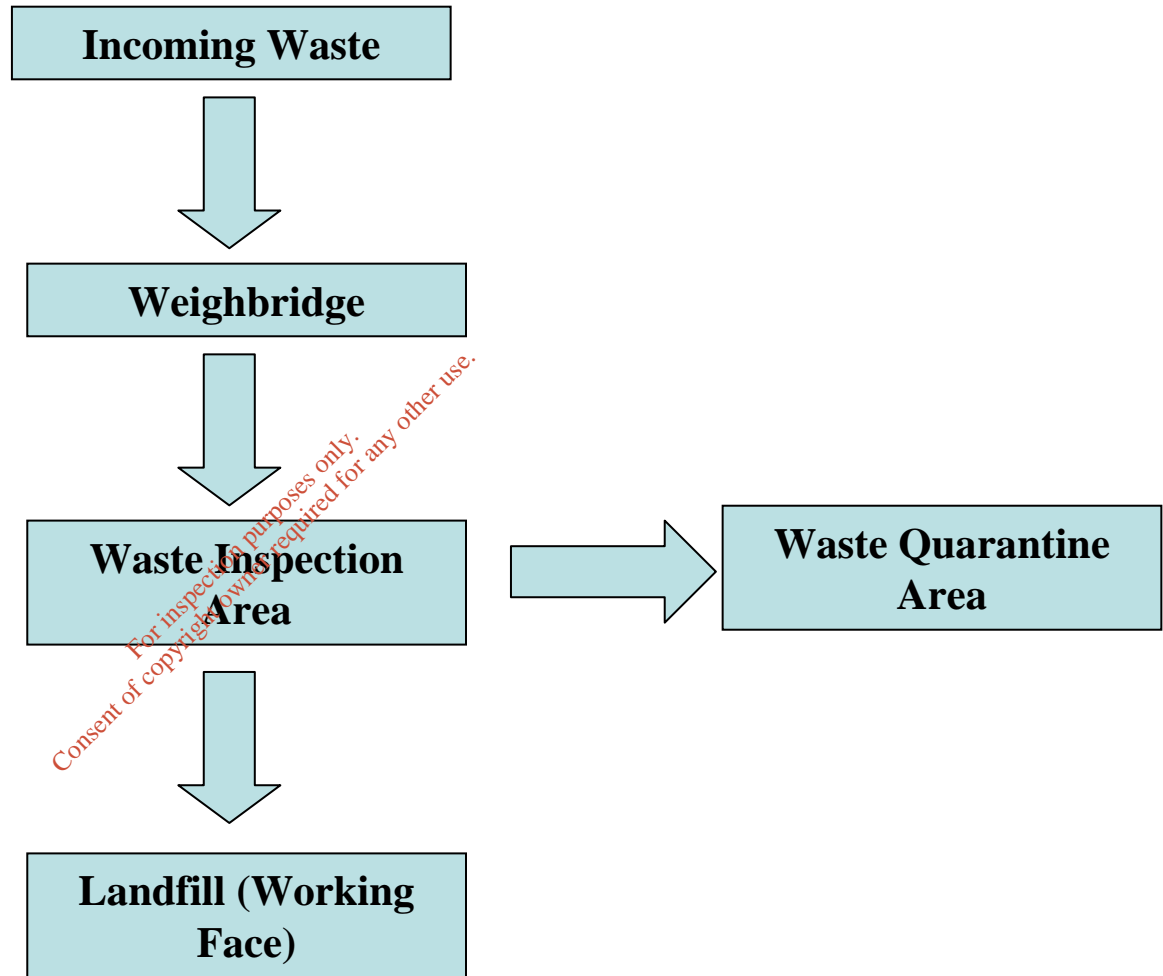


Appendix 5 Flow Chart

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Appendix 5: Flow Diagram for Landfilling at Drehid Waste Management Facility



Appendix 6 Accounts

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Independent auditors' report to the shareholders of Bord na Móna p.l.c.

We have audited the Group and parent company financial statements (the "financial statements") on pages 28 to 55. These financial statements have been prepared under the accounting policies set out in the statement of accounting policies and estimation techniques on pages 28 to 30.

Respective responsibilities of Directors and auditors

The Directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable Irish law and the accounting standards issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland) are set out in the Statement of Directors' Responsibilities on page 22.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 193 of the Companies Act, 1990 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, and are properly prepared in accordance with Irish statute comprising the Companies Acts, 1963 to 2006, and the European Communities (Companies: Group Accounts) Regulations, 1992. We state whether we have obtained all the information and explanations we consider necessary for the purposes of our audit, and whether the company balance sheet is in agreement with the books of account. We also report to you our opinion as to:

- whether the company has kept proper books of account;
- whether the Directors' report is consistent with the financial statements; and
- whether at the balance sheet date there existed a financial situation which may require the company to convene an extraordinary general meeting of the company; such a financial situation may exist if the net assets of the company, as stated in the company balance sheet, are not more than half of its called-up share capital.

We also report to you if, in our opinion, any information specified by law regarding Directors' remuneration and Directors' transactions is not disclosed and, where practicable, include such information in our report.

We read the other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Chairman's Statement, the Managing Director's Strategy, Operating and Financial Review, the Environment Report, and the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

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 Group's and 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, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the Group's and the company's affairs as at 28 March 2007 and of the Group's profit and cash flows for the year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Acts, 1963 to 2006 and the European Communities (Companies: Group Accounts) Regulations, 1992.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit. In our opinion proper books of account have been kept by the company. The company's balance sheet is in agreement with the books of account.

In our opinion the information given in the Directors' report on pages 20 to 23 is consistent with the financial statements.

The net assets of the company, as stated in the company balance sheet on page 34 are more than half of the amount of its called-up share capital and, in our opinion, on that basis there did not exist at 28 March 2007 a financial situation which under Section 40 (1) of the Companies (Amendment) Act, 1983 would require the convening of an extraordinary general meeting of the company.

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Consent of company owner required for any other use.

PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
28 June 2007

Group profit and loss account

FOR THE YEAR ENDED 28 MARCH 2007

	Note	2006/2007 €'000	2005/2006 €'000
Turnover			
Continuing operations	2	290,265	295,738
Acquisitions	2	8,910	0
		299,175	295,738
Operating profit before reorganisation and redundancy costs			
Continuing operations	2	22,551	33,141
Acquisitions	2	2,355	0
		24,906	33,141
Reorganisation and redundancy costs			
Continuing operations	2	(1,202)	(3,165)
		(1,202)	(3,165)
Operating profit			
Continuing operations	2	21,349	29,976
Acquisitions	2	2,355	0
		23,704	29,976
Profit on sale of fixed assets		4,077	4,447
Other finance income/(charges)	5	1,426	(380)
Profit before taxation		29,207	34,043
Taxation	6	(4,365)	(5,128)
Profit after taxation for the financial year		24,842	28,915
Profit attributable to minority shareholders' interests	19	(211)	(217)
Profit available for distribution		24,631	28,698
Dividend paid	3	(3,850)	0
Profit retained for the financial year		20,781	28,698

On behalf of the Board:

Fergus McArdle
Chairman

John D Hourican
Managing Director

Statement of total recognised gains and losses

FOR THE YEAR ENDED 28 MARCH 2007

	Note	THE GROUP	
		2006/2007 €'000	2005/2006 €'000
Profit for the financial year		24,631	28,698
Actuarial gain recognised on pension schemes	25	5,117	26,622
Deferred tax related to actuarial gain	17(e)	(651)	(3,277)
Revaluation of investment property during the year	9	5,000	4,600
Deferred tax on revaluation of investment property during the year	17(e)	(989)	(962)
Exchange adjustments on foreign subsidiaries		57	(97)
Total recognised gains and losses for the financial year		33,165	55,584
Prior year adjustment to implement FRS 17		0	(40,849)
Total recognised gains and losses recognised since last annual report		33,165	14,735

Reconciliation of movement on shareholders' funds

	Called up Share Capital €'000	Profit and Loss Account €'000	Revaluation Reserve €'000	Shareholders' Funds €'000
THE GROUP				
Profit for the financial year	0	24,631	0	24,631
Dividend paid	0	(3,850)	0	(3,850)
Profit retained for the financial year	0	20,781	0	20,781
Actuarial gain recognised on pension schemes	0	5,117	0	5,117
Deferred tax related to actuarial gain	0	(651)	0	(651)
Revaluation of investment property during the year	0	0	5,000	5,000
Deferred tax on revaluation of investment property during the year	0	0	(989)	(989)
Exchange adjustments on foreign subsidiaries	0	57	0	57
Net addition to shareholders' funds	0	25,304	4,011	29,315
Shareholders' funds at 29 March 2006	78,663	108,237	19,265	206,165
Shareholders' funds at 28 March 2007	78,663	133,541	23,276	235,480
THE COMPANY				
Profit available for distribution	0	53,399	0	53,399
Dividend paid	0	(3,850)	0	(3,850)
Profit retained for the financial year	0	49,549	0	49,549
Shareholders' funds at 29 March 2006	78,663	4,604	0	83,267
Shareholders' funds at 28 March 2007	78,663	54,153	0	132,816

In accordance with section 148(8) of the Companies Act, 1963 and section 7(1A) of the Companies (Amendment) Act, 1986, the company is availing of the exemption from presenting its individual profit and loss account to the annual general meeting and from filing it with the Registrar of Companies. The Company's result for the financial year, determined in accordance with Irish GAAP, is a trading loss of €11,601,000 (2006: €6,028,000) and a retained profit of €53,399,000 after receipt of intercompany dividends of €65,000,000 (2006: Nil).

On behalf of the Board:

Fergus McArdle
Chairman

John D Hourican
Managing Director

Group balance sheet

AS AT 28 MARCH 2007

	Note	28 March 2007 €'000	29 March 2006 €'000
Fixed Assets			
Intangible assets	7	12,737	6,041
Tangible assets	8	214,936	128,479
Investment properties	9	35,000	30,000
		262,673	164,520
Current Assets			
Stocks	11	92,824	82,842
Debtors	12	62,029	52,821
Cash at bank and in hand		62,336	37,451
		217,189	173,114
Creditors - amounts falling due within one year	13	(63,067)	(80,083)
Net current assets		154,122	93,031
Total assets less current liabilities		416,795	257,551
Creditors - amounts falling due after more than one year	14	(134,855)	(252)
Provisions for liabilities and charges	17	(31,446)	(28,389)
Net assets before pension funds assets and liabilities		250,494	228,910
Pension fund asset	25	9,424	5,382
Pension funds liabilities	25	(22,533)	(26,433)
Net assets after pension funds assets and liabilities		237,385	207,859
Capital and Reserves			
Called-up share capital	18	78,663	78,663
Revaluation reserve		23,276	19,265
Profit and loss account		133,541	108,237
Equity shareholders' funds		235,480	206,165
Minority shareholders' interests			
Equity interests	19	667	456
Non-equity interests	19	1,238	1,238
		1,905	1,694
		237,385	207,859

On behalf of the Board:

Fergus McArdle
ChairmanJohn D Hourican
Managing Director

Company balance sheet

AS AT 28 MARCH 2007

	Note	28 March 2007 €'000	29 March 2006 €'000
Fixed Assets			
Tangible assets	8	9,192	8,305
Financial assets	10	93,164	94,664
		102,356	102,969
Current Assets			
Debtors	12	163,606	54,789
Cash at bank and in hand		48,081	18,962
		211,687	73,751
Creditors - amounts falling due within one year	13	(50,110)	(80,095)
Net current assets/(liabilities)		161,577	(6,344)
Total assets less current liabilities		263,933	96,625
Creditors - amounts falling due after more than one year	14	(117,023)	0
Provisions for liabilities and charges	17	(9,449)	(8,801)
Net assets before pension fund liabilities		137,461	87,824
Pension fund liabilities	25	(4,645)	(4,557)
Net assets after pension fund liabilities		132,816	83,267
Capital and Reserves			
Called-up share capital	18	78,663	78,663
Profit and loss account		54,153	4,604
Equity shareholders' funds		132,816	83,267

On behalf of the Board:

Fergus McArdle
ChairmanJohn D Hourican
Managing Director

Cash flow statement

FOR THE YEAR ENDED 28 MARCH 2007

	Note	2006/2007 €'000	2005/2006 €'000
Net cash inflow from operating activities	20(a)	38,587	45,324
Net cash outflow from returns on investments and servicing of finance	20(b)	(668)	(318)
Taxation paid		(5,590)	(1,442)
Capital expenditure	20(b)	(16,294)	(11,858)
Acquisition of subsidiary undertaking	20(b)	(79,476)	0
Dividends paid	3	(3,850)	0
Net cash (outflow)/inflow before financing		(67,291)	31,706
Financing	20(b)	92,416	(2,847)
Increase in cash		25,125	28,859
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT			
Increase in cash during the year	20(c)	25,125	28,859
(Increase)/decrease in debt and lease financing	20(c)	(92,416)	2,847
Change in net (debt)/cash resulting from cash flows		(67,291)	31,706
Net cash/(debt) at beginning of the financial year		12,198	(19,508)
Net (debt)/cash at end of the financial year		(55,093)	12,198

On behalf of the Board:

Fergus McArdle
Chairman

John D Hourican
Managing Director