

Company No: 39338

Middle East Holding Limited

31 December 2000



MIDDLE EAST HOLDING LIMITED

DIRECTORS' REPORT

The directors present their annual report and accounts of the company for the year ended 31 December 2000.

DIRECTORS

The directors who served during the year were as follows:

A Rae	
J E Child	Appointed 22 February 2000
J W S Fletcher	Resigned 10 January 2000
N F Hobson	Resigned 22 February 2000
P J Ladd	Resigned 22 February 2000
J R Millard	Resigned 22 February 2000

By order of the board



J E Child
Secretary

30 October 2001

MIDDLE EAST HOLDING LIMITED

BALANCE SHEET AT 31 DECEMBER 2000

	Notes	2000 £	1999 £
FIXED ASSETS			
Investment in Undertaking	4	6,500,001	1
Trade Investment	5	<u>1</u>	<u>1</u>
		6,500,002	2
CURRENT ASSETS			
Amounts owed by immediate parent undertaking		1	23,004,714
NET ASSETS			
		<u>6,500,003</u>	<u>23,004,716</u>
CAPITAL AND RESERVES			
Equity share capital	6	53,495,286	70,000,000
Preference share capital	7	1	-
Profit and loss account		<u>(46,995,284)</u>	<u>(46,995,284)</u>
		<u>6,500,003</u>	<u>23,004,716</u>

The accounts were approved by the directors on 30 October 2001.

For the year ended 30 December 2000 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2).

The directors acknowledge their responsibility for:

- a) Ensuring the company keeps accounting records which comply with section 221;
- b) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with requirements of the Companies Act relating to accounts, so far as applicable to the company.



J E Child
Director

30 October 2001

MIDDLE EAST HOLDING LIMITED

Notes to the Accounts

1. Accounting Policies

Basis of Preparation

The accounts have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

2. Trading

The company has not traded during the period and has made neither profit nor loss.

3. Directors Emoluments

None of the directors received any remuneration from the company during the year (1999:Nil).

4. Investment in Subsidiaries

	Country of Incorporation	% Owned	Activity
Cleveland Bridge & Engineering Middle East (PVT) Limited	Dubai	49	Trading
		31 December 2000 £	31 December 1999 £
Value of investment		<u>6,500,001</u>	<u>1</u>

On 20 January 2000 the beneficial interest of Cleveland Bridge & Engineering Middle East (PVT) Limited was transferred from Kvaerner Construction BV to Redpath Dorman Long Limited for a consideration of £6,500,000.

MIDDLE EAST HOLDING LIMITED

Notes to the Accounts

5. Trade Investment

	Country of Incorporation	% Owned	Activity
Cleveland Construction Company (Private) Limited	India	100	Dormant
		31 December 2000 £	31 December 1999 £
Shares at cost less amount written off		1	1

Trade investment is shown at cost, less amounts written off.

6. Share Capital

	31 December 2000 £	31 December 1999 £
Authorised:		
Equity share capital 70,000,000 shares of £1 each	70,000,000	70,000,000
Preference share capital 1 share of £1	1	-
	<u>70,000,001</u>	<u>70,000,000</u>
Allotted, called up and fully paid:		
Preference share capital, 1 share of £1	1	-
Equity share capital 53,495,286 shares of £1 each	53,495,286	70,000,000

On 21 September 2000, under Section 162 of the Companies Act 1985 the company purchased 16,504,714 shares of £1 each of its own equity share capital.

7. On 21 September 2000 the authorised and issued share capital of the company was increased by creation of 1 preference share of £1.

MIDDLE EAST HOLDING LIMITED

Notes to the Accounts

8. Ultimate Parent Company

The ultimate parent company is The Cleveland Group of Companies Limited which heads the largest group in which the results of the Company are consolidated.

9. Change of Name

The company changed its name from Redpath Dorman Long Limited to Middle East Holding Limited on 6 October 2000.