

Company Registration No. 280220

BALVAC WHITLEY MORAN LIMITED

Report and Financial Statements

31 December 2002

**Deloitte & Touche LLP
London**



BALVAC WHITLEY MORAN LIMITED

REPORT AND FINANCIAL STATEMENTS 2002

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BALVAC WHITLEY MORAN LIMITED

REPORT AND FINANCIAL STATEMENTS 2002

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

D R Moffett
P J Dennis
K J Barrow

SECRETARY

P M Wright

REGISTERED OFFICE

Osborn Way
Hook
Hampshire
RG27 9HX

BANKERS

National Westminster Bank Plc
Bishopsgate
PO Box 34
15 Bishopsgate
London
EC2P 2AP

AUDITORS

Deloitte & Touche LLP
Chartered Accountants
London

BALVAC WHITLEY MORAN LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 2002.

ACTIVITIES

The company acts as the agent of Balfour Beatty Group Limited as a specialist structural repair and strengthening contractor and the results of the business are dealt with in the accounts of that company. The company did not trade during the year.

DIVIDEND

The directors do not recommend the payment of a dividend (2001 - £nil).

DIRECTORS AND THEIR INTERESTS

The following were directors of the company during the year:

D R Moffett
P J Dennis
K J Barrow (appointed 1 November 2002)
A W Merricks (resigned 14 January 2002)

The directors who held office at 31 December 2002 had no interests in the shares, debentures and loan stock of Balfour Beatty plc at the relevant dates.

According to the register of directors' interests maintained under the Companies Act, no rights to subscribe for shares in Balfour Beatty plc were granted to any other directors or their immediate families, or exercised by them during the financial year except as indicated below:

	At 1 January 2002	Number of options Granted/(exercised or lapsed) during year	At 31 December 2002
D R Moffett	33,473	15,403	48,876
P J Dennis	9,423	-	9,423
K J Barrow	9,026	1,151	10,177

All interests at the dates shown are beneficial and are in respect of numbers of ordinary shares in Balfour Beatty plc.

No director had any interest (including options) in other group undertakings at the relevant dates.

BALVAC WHITLEY MORAN LIMITED

DIRECTORS' REPORT (continued)

AUDITORS

Deloitte & Touche were appointed as auditors by the Board from 1 August 2002 following the resignation of Arthur Andersen.

On 1 August 2003 Deloitte & Touche transferred its entire business to Deloitte & Touche LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. The company's consent has been given to treating the appointment of Deloitte & Touche as extending to Deloitte & Touche LLP with effect from 1 August 2003 under the provisions of section 26(5) of the Companies Act 1989. The company has elected to dispense with the obligation to appoint auditors annually and, accordingly, Deloitte & Touche LLP shall be deemed to be re-appointed as auditors for a further term under the provisions of section 386(2) of the Companies Act 1985.

Approved by the Board of Directors
and signed on behalf of the Board



P M Wright

Secretary

12 September 2003

STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. 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; 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 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 financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BALVAC WHITLEY MORAN LIMITED

We have audited the financial statements of Balvac Whitley Moran Limited for the year ended 31 December 2002 which comprise the balance sheet and the related notes 1 to 6. These financial statements have been prepared under the accounting policy set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

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 1985. We also report 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.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.


Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 December 2002 and the result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche LLP

Chartered Accountants and Registered Auditors
London

12 September 2003

BALVAC WHITLEY MORAN LIMITED

BALANCE SHEET 31 December 2002

	Note	2002 £	2001 £
CURRENT ASSETS			
Debtors: amounts owed by other Group undertakings		29,463	29,463
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>29,463</u>	<u>29,463</u>
CAPITAL AND RESERVES			
Called up share capital:	5	15,100	15,100
Profit and loss account		<u>14,363</u>	<u>14,363</u>
SHAREHOLDERS' FUNDS		<u>29,463</u>	<u>29,463</u>

These financial statements were approved by the Board of Directors on 12 September 2003.

Signed on behalf of the Board of Directors



D R Moffett

Director

BALVAC WHITLEY MORAN LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 December 2002

1. ACCOUNTING POLICY

The financial statements are prepared in accordance with applicable UK accounting standards. The particular accounting policy adopted is described below.

Accounting convention

The financial statements are prepared under the historical cost convention, in accordance with the Companies Act 1985.

2. RESULTS

All transactions are entered into as agent of Balfour Beatty Group Limited in whose accounts such transactions are recorded. The company has not traded on its own account and accordingly has made neither a profit nor a loss nor any other recognised gain or loss in the current or prior year. No profit and loss account is therefore prepared. The auditors' remuneration is borne by Balfour Beatty Group Limited for the current and prior year.

3. DIRECTORS' EMOLUMENTS

No directors are entitled to remuneration or other emoluments for services to the company for the current and prior year.

4. EMPLOYEES

The company has no employees (2001 – nil).

5. SHARE CAPITAL

	2002 £	2001 £
Authorised		
30,000 ordinary shares of £1 each	30,000	30,000
Allotted, called up and fully paid		
15,100 ordinary shares of £1 each	15,100	15,100

6. ULTIMATE PARENT COMPANY

The company is a subsidiary undertaking of Balfour Beatty Group Limited registered in England and Wales. The ultimate parent company is Balfour Beatty plc, incorporated in Great Britain and also registered in England and Wales.

The smallest and largest group in which the results of the company are consolidated is that headed by Balfour Beatty plc. The consolidated accounts of this group are available to the public and may be obtained from 130 Wilton Road, London SW1V 1LQ.