

THE E J COOK SCD PARTNERSHIP LIMITED

Registered Number: 472901

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 1997

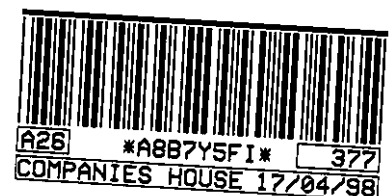
JAMES WORLEY & SONS

Chartered Accountants

Registered Auditors

Kingston-Upon-Thames

SURREY



THE E J COOK SCD PARTNERSHIP LIMITED

REPORT OF THE DIRECTORS

For the year ended 31 December 1997

BUSINESS REVIEW

The company continued to carry out its principal activity as a structural engineering consultant but sought no new contracts.

DIRECTORS

Directors who held office at the end of the year:

J A Armitt (appointed 9.4.97)

J R Campbell

A C Lovell (resigned 8.4.97)

BY ORDER OF THE BOARD



**B W RACE
SECRETARY**

REGISTERED OFFICE

111 Westminster Bridge Road
London SE1 7UE

Date: **- 2 APR 1998**

THE E J COOK SCD PARTNERSHIP LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

For the year ended 31 December 1997

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 and of the profit or loss of the company for that period. The directors are required to ensure that those financial statements are based on suitable accounting policies consistently applied, are prepared on the going concern basis, unless it is inappropriate to presume that the company will continue in business, are supported by 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.

The directors are also responsible for ensuring that the company keeps proper accounting records which disclose with reasonable accuracy the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for safeguarding the assets of the company and for taking such steps as are reasonably open to them to prevent and detect fraud and other irregularities.

THE E J COOK SCD PARTNERSHIP LIMITED

REPORT OF THE AUDITORS TO THE MEMBERS

For the year ended 31 December 1997

To the Members of The E J Cook SCD Partnership Limited

We have audited the financial statements on pages 4 to 10.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit of those statements 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 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 1997 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


.....
JAMES WORLEY & SONS
Chartered Accountants
Registered Auditors
Kingston-Upon-Thames
SURREY

2/4/98
.....
Date

THE E J COOK SCD PARTNERSHIP LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 1997

	Notes	1997 £	1996 £
Cost of sales		(54,636)	(1,244)
Operating loss		(54,636)	(1,244)
Profit on sale/termination of operations		-	28,448
Interest receivable: External		832	-
Loss on ordinary activities before and after taxation (1996 profit)	2	(53,804)	27,204
Loss on ordinary activities after taxation (1996 profit)	8	(53,804)	27,204

Movements on reserves are set out in note 8.

There were no recognised gains nor losses other than the loss for the year and the loss for the prior year.

THE NOTES ON PAGES 6 TO 10 FORM PART OF THESE FINANCIAL STATEMENTS

THE E J COOK SCD PARTNERSHIP LIMITED

BALANCE SHEET

As at 31 December 1997

	Notes	1997 £	1996 £
Current assets			
Debtors	4	30,905	38,961
		<hr/>	<hr/>
Creditors: amounts falling due within one year			
Borrowings	5	(5,914)	(77,000)
Other creditors	6	(482,760)	(365,926)
		<hr/>	<hr/>
		(488,674)	(442,926)
		<hr/>	<hr/>
Net liabilities		(457,769)	(403,965)
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	7	100	100
Profit and loss account	8	(457,869)	(404,065)
		<hr/>	<hr/>
Shareholders' funds	9	(457,769)	(403,965)
		<hr/>	<hr/>

These financial statements were approved by the Board of Directors on 2 / 4 / 98
and were signed on its behalf by:



..... Director
J R Campbell

THE NOTES ON PAGES 6 TO 10 FORM PART OF THESE FINANCIAL STATEMENTS

THE E J COOK SCD PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 1997

1. Accounting policies

BASIS OF ACCOUNTING

The accounts are prepared under the historical cost convention, and due to the decision by the company to terminate its operating activities on completion of its present commitments, on a break-up basis.

ACCOUNTING STANDARDS

In all material respects these financial statements have been prepared in accordance with applicable United Kingdom accounting standards.

CASHFLOW STATEMENT

As the cashflow statement in the consolidated financial statements of the ultimate parent company, Costain Group PLC, complies with the conditions of Financial Reporting Standard No 1 ("FRS 1"), the company is exempt under FRS 1 from the requirements to prepare a separate cashflow statement.

THE E J COOK SCD PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued

31 December 1997

2.	Loss(1996 profit) on ordinary activities before taxation	1997	1996
		£	£
	Loss(1996 profit) on ordinary activities is after charging:		
	Auditors remuneration	1,100	1,200
		<u> </u>	<u> </u>
3.	Staff costs and remuneration of directors		
	There were no emoluments paid to directors in 1997 (1996: £nil).		
	There were no staff employed during the year (1996: nil)		
4.	Debtors	1997	1996
		£	£
	Amounts falling due within one year:		
	Trade debtors	17,882	30,476
	Prepayments - accrued income	12,965	8,485
	Corporation tax	58	-
		<u> </u>	<u> </u>
		30,905	38,961
		<u> </u>	<u> </u>
5.	Borrowings	1997	1996
		£	£
	Due within one year:		
	Overdraft	5,914	77,000
		<u> </u>	<u> </u>

The company's bankers have the right to set-off the company's bank balance with that bank when in credit against borrowings by Richard Costain Limited.

THE E J COOK SCD PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued

31 December 1997

6. Creditors			1997	1996
			£	£
Amounts falling due within one year:				
Trade creditors			29,379	45,285
Accruals - deferred income			110,684	62,999
Amounts owing to group undertakings			342,697	257,642
			<hr/>	<hr/>
			482,760	365,926
			<hr/>	<hr/>
7. Share capital		1997		1996
	Authorised	Issued	Authorised	Issued
	£	£	£	£
Ordinary shares of £1 each, fully paid	100	100	100	100
	<hr/>	<hr/>	<hr/>	<hr/>
8. Reserves		£		
At 1 January 1997		(404,065)		
Loss for the year		(53,804)		
		<hr/>		
At 31 December 1997		(457,869)		
		<hr/>		

THE E J COOK SCD PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued

31 December 1997

9. Reconciliation of movements in shareholders' funds	1997	1996
	£	£
Loss for the financial year (1996 profit)	(53,804)	27,204
Net reduction to shareholders' funds	(53,804)	27,204
Opening shareholders' funds (adverse)	(403,965)	(431,169)
Closing shareholders' funds (adverse)	(457,769)	(403,965)

10. Other financial commitments

Annual commitments under non-cancellable operating leases comprise:

	Land and buildings	
	1997	1996
	£	£
Leases expiring		
- between two and five years	19,860	-
- after five years	12,104	31,964
	31,964	31,964

11. Contingent liabilities

The company has entered into cross guarantees together with the ultimate parent company and certain fellow Group undertakings, for loans and overdraft facilities made available to the Group. These facilities are included in the Group financial statements and amount to £6.0m (1996 £28.9m) and US\$16.0m (1996 US\$70.0m).

There are also contingent liabilities in respect of performance bonds and other undertakings entered into in the ordinary course of business.

THE E J COOK SCD PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued

31 December 1997

12. Ultimate parent company

The company's ultimate parent company is Costain Group PLC, a company registered in England and Wales. A copy of the consolidated financial statements of Costain Group PLC may be obtained from the registered office of Costain Group PLC, 111 Westminster Bridge Road, London SE1 7UE.

13. Related parties transactions

The company is exempt under Financial Reporting Standard No 8 (FRS 8) from the requirements to disclose related party transactions on the basis that it is a wholly owned subsidiary of the ultimate parent company, Costain Group PLC.