

THE E J COOK SCD PARTNERSHIP LIMITED

Registered Number: 472901

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2000

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 2000

BUSINESS REVIEW

The company has sought no new contracts and has ceased its trading activities.

The results for the year are set out in the profit and loss account on page 4

DIRECTORS AND SHARE INTERESTS

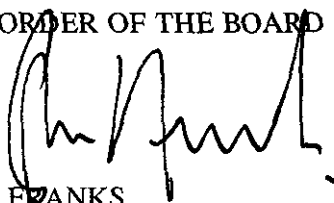
Directors who held office during the year and their disclosable interests in shares, according to the register of directors interests were as follows

| | | | | At 1.1.00 | At 31.12.00 |
|-------------|----------------------|---|------|--------------|----------------|
| J A Armitt* | | | | | |
| C L Franks | (appointed 02.06.00) | a | 393† | 393 | |

J R Campbell* (resigned 02.06.00)

- a - Costain Group PLC ordinary shares of 10p each.
- * - the interests of the directors in the shares of Costain Group PLC are disclosed in the accounts of that company.
- † - at subsequent date of appointment.

BY ORDER OF THE BOARD



C L FRANKS
SECRETARY

REGISTERED OFFICE

Costain House, Nicholson's Walk
Maidenhead, Berkshire SL6 1LN

Date: 29 March 2001

THE E J COOK SCD PARTNERSHIP LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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. 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 the applicable accounting standards have been followed, subject to any material departures disclosed and explained in 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 are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE E J COOK SCD PARTNERSHIP LIMITED

REPORT OF THE AUDITORS TO THE MEMBERS

For the year ended 31 December 2000

To the Members of The E J Cook SCD Partnership Limited

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

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

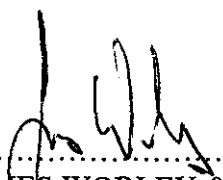
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board.

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 2000 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

29/03/2001
.....
Date

THE E J COOK SCD PARTNERSHIP LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2000

| | Notes | 2000 £ | 1999 £ |
|--|-------|-----------|-----------|
| Cost of sales | | (1,062) | 58,811 |
| Operating (loss)/profit | | (1,062) | 58,811 |
| Interest receivable: external | | - | 40 |
| Interest payable: external | | - | (40) |
| (Loss)/profit on ordinary activities before and after taxation | 2 | (1,062) | 58,811 |

Movements on reserves are set out in note 7.

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

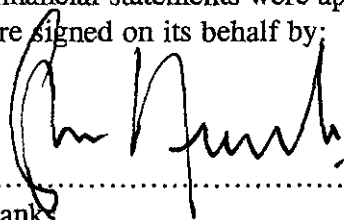
THE NOTES ON PAGES 6 TO 8 FORM PART OF THESE FINANCIAL STATEMENTS

THE E J COOK SCD PARTNERSHIP LIMITED**BALANCE SHEET**

As at 31 December 2000

| | Notes | 2000 £ | 1999 £ |
|---|-------|------------------|------------------|
| Current assets | | | |
| Debtors | 4 | 3,563 | 6,588 |
| Creditors: amounts falling due within one year | | | |
| Other creditors | 5 | (408,668) | (410,631) |
| Net liabilities | | <u>(405,105)</u> | <u>(404,043)</u> |
| Capital and reserves | | | |
| Called up share capital | 6 | 100 | 100 |
| Profit and loss account | 7 | (405,205) | (404,143) |
| Equity shareholders' deficit | 8 | <u>(405,105)</u> | <u>(404,043)</u> |

These financial statements were approved by the Board of Directors on 29 March 2001
and were signed on its behalf by:



..... Director
C L Franks

THE NOTES ON PAGES 6 TO 8 FORM PART OF THESE FINANCIAL STATEMENTS

THE E J COOK SCD PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 2000

1. Accounting policies

BASIS OF ACCOUNTING

The accounts are prepared under the historical cost convention, and due to the decision by the company to cease its trading activities, 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.

CASH FLOW STATEMENT

As the cash flow 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 cash flow statement.

| | | | |
|----|--|-----------|-----------|
| 2. | (Loss)/profit on ordinary activities before taxation | 2000 £ | 1999 £ |
| | (Loss)/profit on ordinary activities is after charging: Auditors remuneration | 1,100 | 1,100 |
| 3. | Staff costs and remuneration of directors | | |
| | There were no emoluments paid to directors in 2000 (1999: £nil). There were no staff employed during the year (1999: nil) | | |
| 4. | Debtors | 2000 £ | 1999 £ |
| | Amounts falling due within one year: Prepayments | 3,563 | 6,588 |
| | | 3,563 | 6,588 |

THE E J COOK SCD PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued

31 December 2000

| 5. Creditors | 2000 | 1999 |
|--------------------------------------|-------------|-------------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Trade creditors | 30,039 | 30,039 |
| Other creditors | 102 | 102 |
| Accruals - deferred income | 5,763 | 5,762 |
| Amounts owing to group undertakings | 372,764 | 374,728 |
| | <hr/> | <hr/> |
| | 408,668 | 410,631 |
| | <hr/> | <hr/> |

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 Ltd.

| 6. Share capital | 2000 | | 1999 | |
|--|-------------------|---------------|-------------------|---------------|
| | Authorised | Issued | Authorised | Issued |
| | £ | £ | £ | £ |
| Ordinary shares of £1 each, fully paid | 100 | 100 | 100 | 100 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

| 7. Profit and loss account | £ |
|-----------------------------------|-----------|
| At 1 January 2000 | (404,143) |
| Loss for the financial year | (1,062) |
| | <hr/> |
| At 31 December 2000 | (405,205) |
| | <hr/> |

| 8. Reconciliation of movements in shareholders' funds | 2000 | 1999 |
|--|-------------|-------------|
| | £ | £ |
| (Loss)/profit for the financial year | (1,062) | 58,811 |
| Opening shareholders' deficit | (404,043) | (462,854) |
| | <hr/> | <hr/> |
| Closing shareholders' deficit | (405,105) | (404,043) |
| | <hr/> | <hr/> |

THE E J COOK SCD PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued

31 December 2000

9. Other financial commitments

Annual commitments under non-cancellable operating leases of land and buildings comprise:

| | 2000 £ | 1999 £ |
|----------------------------------|-----------|-----------|
| Leases expiring after five years | 14,250 | 14,250 |

10. 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 accounts of the ultimate parent company and amount to £4.6m (1999: £10.7m).

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

11. 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, Costain House, Nicholson's Walk, Maidenhead, Berks SL6 1LN.

12. 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.