

NORWEST HOLST CIVIL ENGINEERING LIMITED
REGISTERED NUMBER: 928569

DIRECTORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED
31ST DECEMBER 1994



NORWEST HOLST CIVIL ENGINEERING LIMITED

DIRECTORS' REPORT

The Directors submit their report to the members, together with the audited accounts for the year ended 31st December 1994.

Review of the Business

Consistent with the previous year, the Company has not traded or made profits or losses during the year.

Directors and their Interests

The Directors of the Company, who served throughout the year, were:

N F Black
R Carter
A M Comba
A G Geddes
D A L Joyce
R C Kirby
J F Ryan
J O M Stanion

None of the Directors had a beneficial interest in the shares of the Company or any other company in the Group at 31st December 1994.

Auditors

Robson Rhodes are willing to continue in office and the Directors propose that they are reappointed in accordance with the elective resolution currently in force.

Directors' Responsibilities

The following statement, which should be read in conjunction with the auditors' statement on page 3, is made to distinguish for the shareholders respective responsibilities of the Directors and the Auditors in relation to the accounts.

Company law requires the Directors to prepare accounts 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 for that period. In preparing these accounts the Directors have selected suitable accounting policies and applied them consistently, made judgements and estimates that are reasonable and prudent, followed applicable accounting standards and prepared the accounts on the going concern basis.

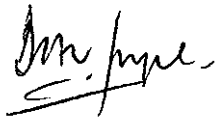
The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the accounts comply with the Companies Act 1985.

NORWEST HOLST CIVIL ENGINEERING LIMITED

DIRECTORS' REPORT (continued)

The Directors have a general responsibility to act in good faith in the interests of the Company and, accordingly, ensure that reasonable financial and other controls are adopted to safeguard the assets of the Company and to detect and reduce the risk of fraud and other irregularities.

By order of the Board



D A L Joyce
Director
7th March 1995

Astral House
Imperial Way
Watford
Hertfordshire
WD2 4YX

AUDITORS' REPORT

TO THE MEMBERS OF NORWEST HOLST CIVIL ENGINEERING LIMITED

We have audited the accounts on pages 4 to 6.

Respective responsibilities of Directors and Auditors

As described on pages 1 to 2 the Company's Directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the accounts, 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 accounts are free from material misstatement, whether caused by fraud or by other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the Company as at 31st December 1994 have been properly prepared in accordance with the Companies Act 1985.



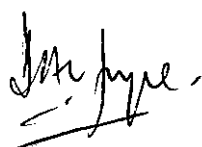
Robson Rhodes
Chartered Accountants and Registered Auditors

Manchester
7th March 1995

NORWEST HOLST CIVIL ENGINEERING LIMITED

BALANCE SHEET
AT 31ST DECEMBER 1994

	Notes	1994 £	1993 £
Current Assets			
Debtors	2	106,898	106,898
Creditors: amounts falling due within one year	3	(1,143,697)	(1,143,697)
Total Net Liabilities		<u>(1,036,799)</u>	<u>(1,036,799)</u>
Capital and reserves			
Called up share capital	4	5,250,000	5,250,000
Profit and loss account		(6,286,799)	(6,286,799)
Total Shareholders' Funds		<u>(1,036,799)</u>	<u>(1,036,799)</u>



D A L Joyce
Director

Approved by the Directors on 7th March 1995

NORWEST HOLST CIVIL ENGINEERING LIMITED

NOTES TO THE ACCOUNTS
AT 31ST DECEMBER 1994

1. Profit and Loss Account

The Company has not traded, made profits or losses, nor incurred any liabilities during the year ended 31st December 1994. Therefore, no profit and loss account is attached.

2. Debtors

	1994 £	1993 £
Due from group undertakings	106,898	106,898

3. Creditors: amounts falling due within one year

	1994 £	1993 £
Due to group undertakings	1,143,697	1,143,697

4. Share capital

Authorised, allotted and fully paid				
	1994 No.	1993 No.	1994 £	1993 £
Ordinary shares of £1 each	4,250,000	4,250,000	4,250,000	4,250,000
10% redeemable preference shares (1995) of £1 each	1,000,000	1,000,000	1,000,000	1,000,000
			5,250,000	5,250,000

The preference shareholder has waived its right to a dividend.

The cumulative preference shares are non-voting and are redeemable on 28th March 1995. On a winding up the preference shares rank ahead only of the ordinary shares.

5. Capital commitments

The Company had no capital commitments at 31st December 1994 or 31st December 1993.

NORWEST HOLST CONSTRUCTION LIMITED

NOTES TO THE ACCOUNTS (continued)

AT 31ST DECEMBER 1994

6. Ultimate parent undertaking

At 31st December 1994, the ultimate parent undertaking was Compagnie Générale des Eaux SA, a company incorporated in France. Copies of the accounts of the above company can be obtained from the Company Secretary, Compagnie Générale des Eaux SA, 52 Rue D'Anjou, 75384 Paris. The parent undertaking of the smallest group of which the company is a member and for which group accounts are prepared is Norwest Holst Limited, which is registered in England. Copies of the above accounts may be obtained from the Company Secretary, Norwest Holst Limited, Astral House, Imperial Way, Watford, Hertfordshire, WD2 4YX.