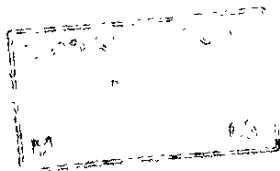


NETWEX PLANT LIMITED
(Formerly R. Marshall (Plant Hire) Limited)

REPORT AND FINANCIAL STATEMENTS

30th DECEMBER 1990



Network Plant Limited
(Formerly R Mansell (Plant Hire) Limited)

Directors

B.J. Adams, FCIOB, MBIM, F.Inst.D (Chairman)
S.R. Charlick BSc (Econ), FCA (Joint Managing Director)
R.C. Gardner (Joint Managing Director)
G.D. Bell FCMA, FBIM, FFB
R.B. Adcock MCIOB, FASl
P.J. Norman FCA

Secretary and Registered Office

P.E. Pordage, BA, FCCA, ACIS
Reman House, 13/27 Grant Road, Croydon, Surrey, CR9 6BU

Auditors

Moore Stephens
Chartered Accountants
St. Paul's House, Warwick Lane, London, EC4P 4BN

Report of the Directors

The directors submit their report and the audited financial statements for the year ended 30th December 1990.

Activities

The company's principal activities are plant hire and the maintenance and repair of plant, tools and vehicles.

Profit and Loss Account

The profit for the year, after taxation, amounted to £356,616 which is to be added to profits retained in the business.

The directors do not recommend the payment of a dividend for the year.

Employees

Employees throughout the group are on the payroll of the parent company, which charges the operating subsidiaries for their services.

Directors

Interests in the Group

Mr. B.J. Adams, Mr. R.B. Adcock, Mr. G.D. Bell, and Mr. S.R. Charlick are also directors of the parent company, R. Mansell Limited, and their interests in the group, as defined by the Companies Act 1985, are set out in the directors' report attached to the financial statements of that company for the year ended 30th December 1990.

Network Plant Limited
(Formerly R Mansell (Plant Hire) Limited)

Report of the Directors (Continued)

Directors (Continued)

The interests in the share capital of R. Mansell Limited at the beginning and end of the year for other directors were as follows:-

	<u>30.12.90</u> <u>Ordinary Shares</u>	<u>1.1.90</u> <u>Ordinary Shares</u>
R.C. Gardner	-	-
P.J. Norman	15,058	10,000*
* at date of appointment		

Board Changes

Mr. P.J. Norman was appointed to the Board with effect from 2nd January 1990.

Retirement of Directors

In accordance with the Articles of Association, Mr. R. B. Adcock and Mr. S. R. Charllick will retire at the Annual General Meeting and, being eligible, they will offer themselves for re-election.

Auditors

The Auditors, Moore Stephens, are willing to continue in office and a resolution for their reappointment and authorising the directors to fix their remuneration will be submitted to the Annual General Meeting.

By Order of the Board

PETER E. PORTAGE

Secretary

11th April 1991

Network Plant Limited
(Formerly R Marsell (Plant Hire) Limited)

Profit and Loss Account
For the year ended 30th December 1990

	<u>Note</u>	<u>1990</u>	<u>1989</u>
Turnover	1(c)	6,408,402	4,117,067
Cost of sales	2	4,440,058	2,509,971
		<hr/>	<hr/>
Gross Profit		1,968,344	1,607,096
Administrative expenses	2	1,410,374	1,267,210
		<hr/>	<hr/>
Profit on ordinary activities before taxation	3	557,970	339,886
Taxation on profit on ordinary activities	4	201,354	118,964
		<hr/>	<hr/>
Retained Profit for the Financial Year	11	£ 356,616	£ 220,922
		<hr/>	<hr/>

Network Plant Limited
(Formerly R Mansell (Plant Hire) Limited)

Balance Sheet at 30th December 1990

	<u>Note</u>	<u>30.12.90</u>	<u>31.12.89</u>
Tangible Fixed Assets	5	605,760	702,480
Current Assets			
Stocks	6	151,713	115,008
Debtors	7	573,974	91,507
		725,687	206,515
Creditors, amounts falling due within one year	8	213,460	145,413
Net Current Assets		512,227	61,102
Total Assets less Current Liabilities		1,117,987	763,582
Provisions for Liabilities and Charges	9	-	2,211
		<u>£ 1,117,987</u>	<u>£ 761,371</u>
Capital and Reserves			
Called up share capital	10	225,000	225,000
Profit and loss account	11	892,987	536,371
		<u>£ 1,117,987</u>	<u>£ 761,371</u>

These financial statements were approved by the Board on 11th April 1991

B.J. ADAMS)
G.D. BELL) Directors

Report of the Auditors to the Members of
Network Plant Limited

We have audited the above financial statements on pages 3 to 8 in accordance with auditing standards.

In our opinion the financial statements give a true and fair view of the state of affairs of the company at 30th December 1990 and of the profit and source and application of funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

St. Paul's House,
London, EC4P 4BN

11th April 1991

Moore Stephens
MOORE STEPHENS

Chartered Accountants

Network Plant Limited
(Formerly R Mansell (Plant Hire) Limited)

Statement of Source and Application of Funds
For the year ended 30th December 1990

	<u>1990</u>	<u>1989</u>
Source of Funds		
From Operations		
Profit on ordinary activities before taxation	557,970	339,886
Adjustments for items not involving the movement of funds		
Depreciation	289,645	216,399
	<u>847,615</u>	<u>556,285</u>
From other sources		
Disposal of tangible fixed assets	11,461	386
	<u>859,076</u>	<u>556,671</u>
Total Funds Generated		
Application of Funds		
Expenditure on tangible fixed assets	204,386	512,927
Corporation tax paid	106,505	139,092
	<u>310,891</u>	<u>652,019</u>
Increase In Net Funds	<u>£ 548,185</u>	<u>£ (95,348)</u>
Represented by Movements In:		
Stocks	36,705	12,630
Debtors	482,467	(78,965)
Creditors	29,013	(29,013)
	<u>£ 548,185</u>	<u>£ (95,348)</u>

Network Plant Limited
(Formerly R Mansell (Plant Hire) Limited)

Notes to the Financial Statements - 30th December 1990 (Continued)

1. Principal Accounting Policies

(a) Basis of Accounting

The financial statements have been prepared under the historical cost convention in compliance with current statements of standard accounting practice.

(b) Accounting Date

For management control purposes the year is divided into three four-month periods, which end on the Sunday before the first Wednesday in the following month, and the annual financial statements are drawn to coincide.

(c) Turnover

Turnover for the year is the total of invoices issued less credit notes, exclusive of Value Added Tax.

(d) Depreciation

The cost of fixed assets is depreciated by equal annual instalments over their expected lives at the annual rate of 25 per cent.

(e) Stocks

Stocks are stated at the lower of cost or net realisable value.

(f) Deferred taxation

Provision for deferred taxation is made except where it can be shown that the taxation deferred will not be payable in the foreseeable future.

2. Cost of Sales and Administrative Expenses

These consist of charges and transfers from the parent company and incorporate all staff costs. No directors are remunerated directly by the company.

Administrative expenses include a contribution towards head office expenses which is based on the use made of head office facilities and the company's ability to make such a contribution.

3. Profit on Ordinary Activities before Taxation

Profit on ordinary activities before taxation is stated after charging depreciation on tangible fixed assets amounting to £289,645 (1989-£216,399)

Network Plant Limited
(Formerly R Mansell (Plant Hire) Limited)

Notes to the Financial Statements - 30th December 1990 (Continued)

4. Taxation on Ordinary Activities	<u>1990</u>	<u>1989</u>
United Kingdom corporation tax based on the profit for the year, as adjusted for taxation purposes at a rate of 34.25% (1989 - 35%)	213,460	126,642
Deferred taxation	(2,211)	(7,678)
Prior year overprovision	(9,895)	-
	<hr/> £ 201,354	<hr/> £ 118,964
 5. Tangible Fixed Assets		
	<u>Plant and Machinery</u>	
Cost		
At 1st January 1990	1,564,811	
Additions	204,385	
Disposals	(33,972)	
	<hr/> 1,735,225	
At 30th December 1990		
Depreciation		
At 1st January 1990	862,331	
Charge for year	289,645	
On disposal	(22,511)	
	<hr/> 1,129,465	
At 30th December 1990		
Written down value		
At 30th December 1990	<hr/> £ 605,760	
At 31st December 1989	<hr/> £ 702,480	
 6. Stocks	<u>1990</u>	<u>1989</u>
Raw materials and consumables	151,713	115,008
 7. Debtors		
All amounts falling due within one year		
Owing from group companies	451,127	-
Trade debtors	92,824	16,157
Other debtors	30,023	75,350
	<hr/> £ 573,974	<hr/> £ 91,507

Network Plant Limited
(Formerly R Mansell (Plant Hire) Limited)

Notes to the Financial Statements - 30th December 1990 (Continued)

8. Creditors - Amounts falling due within one year	<u>1990</u>	<u>1989</u>
Owing to group companies	-	29,013
Corporation tax	213,460	116,400
	<hr/>	<hr/>
	£ 213,460	£ 145,413
	<hr/>	<hr/>
 9. Provisions for Liabilities and Charges		
Deferred taxation		
Accelerated capital allowances		
At 1st January 1990	2,211	9,889
Transfer from profit and loss account	(2,211)	(7,678)
	<hr/>	<hr/>
At 30th December 1990	£ -	£ 2,211
	<hr/>	<hr/>
 10. Called up Share Capital		
Ordinary shares of £1 each		
Authorised	£ 500,000	£ 500,000
	<hr/>	<hr/>
Alotted, called up and fully paid	£ 225,000	£ 225,000
	<hr/>	<hr/>
 11. Reserves		
	<u>Profit and</u>	
	<u>Loss Account</u>	
At 1st January 1990	536,371	
Retained profits for the year	356,616	
	<hr/>	
At 30th December 1990	£ 892,987	
	<hr/>	
 12. Ultimate Holding Company		

The company is a wholly-owned subsidiary of R. Mansell Limited, which is incorporated in Great Britain. Copies of the group accounts may be obtained from the Company Secretary, R. Mansell Limited, Roman House, Grant Road, Croydon CR9 6BU.