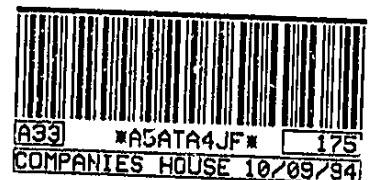


Company N° 1126 437

NETWORK PLANT LIMITED

REPORT AND FINANCIAL STATEMENTS

2nd JANUARY 1994



Network Plant Limited

Directors

Sir John Wickerson, LLB
S.R. Charlick, BSG (Econ), FCA
R.C. Gardner
G.D. Bell, FCMA, FBIM, FFB
R.B. Adcock, MCIOB, FASI
P.J. Norman, FCA

(Chairman)
(Joint Managing Director)
(Joint Managing Director)

Secretary and Registered Office

P.E. Pordage, BA, FCCA, ACIS
Roman 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 2nd January 1994.

Review of 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 £202,793 (1992: £65,602). An interim dividend of £936,389 was paid during the year (1992: £nil). The deficiency of £733,596 (1992: surplus of £65,602) has been deducted from the reserves retained in the business. The directors do not recommend the payment of a final dividend for the year.

Directors

Interests in the Group

Sir John Wickerson, Mr. R.B. Adcock, Mr. G.D. Bell and Mr. S.R. Charlick are 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 2nd January 1994.

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

	<u>2.1.94</u>		<u>3.1.93</u>	
	<u>Shares of 25p each</u>		<u>Shares of 25p each</u>	
	<u>Ordinary</u>	<u>Preferred</u>	<u>Ordinary</u>	<u>Preferred</u>
		<u>Ordinary</u>		<u>Ordinary</u>
R.C. Gardner	10,000	-	-	-
P.J. Norman	20,058	-	15,058	-

Network Plant Limited**Report of the Directors (continued)****Directors (continued)****Retirement of Directors**

B.J. Adams retired from the Board on 10th June 1994 and on the same day Sir John Wickerson was appointed as a director.

In accordance with the Articles of Association, Mr. G.D. Bell and Sir John Wickerson will retire at the Annual General Meeting and, being eligible, will offer themselves for re-election.

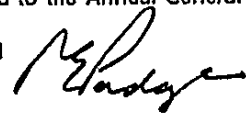
Auditors

The auditors, Moore Stephens, are willing to continue in office. A resolution for their re-appointment and authorising the directors to fix their remuneration will be submitted to the Annual General Meeting.

By Order of the Board

PETER E. PORDAGE

Secretary



Network Plant 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 applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Network Plant Limited**Report of the Auditors**

We have audited the financial statements on pages 5 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3 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, on 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, 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 statement 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 affairs of the Company as at 2nd January 1994 and of the result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

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



Moore Stephens
Registered Auditors
Chartered Accountants

10 JUN 1994

Network Plant Limited
Profit and Loss Account
For the year ended 2nd January 1994

	<u>Note</u>	<u>1993</u>	<u>1992</u>
Turnover	1(c)	3,401,866	3,476,875
Cost of sales	2	2,129,934	2,129,934
		<hr/>	<hr/>
Gross Profit		1,271,932	1,317,722
Administration expenses	2	977,815	1,180,578
		<hr/>	<hr/>
Profit on ordinary activities before taxation	3	284,177	137,144
Taxation on profit on ordinary activities	4	91,324	71,542
		<hr/>	<hr/>
Profit for the Financial Year		202,793	65,602
Dividend paid		936,389	-
		<hr/>	<hr/>
Retained loss for the Financial Year	10	£ (733,596)	£ (65,602)
		<hr/>	<hr/>

The company has no recognised gains or losses other than those included in the profit and loss account

Network Plant Limited
Balance Sheet at 2nd January 1994

	<u>Note</u>	<u>2.1.94</u>	<u>3.1.93</u>
Tangible Fixed Assets	5	253,800	292,990
		<hr/>	<hr/>
Current Assets			
Stocks	6	123,905	123,280
Debtors	7	195,987	818,494
		<hr/>	<hr/>
		319,892	941,774
Creditors, amounts falling due within one year	8	145,899	73,375
		<hr/>	<hr/>
Net Current Assets		173,993	868,399
		<hr/>	<hr/>
Total Assets Less Current Liabilities		427,793	£ 1,161,389
		<hr/>	<hr/>
Capital and Reserves			
Called up share capital	9	225,000	225,000
Profit and loss account	10	202,793	936,389
		<hr/>	<hr/>
		£ 427,793	£ 1,161,389
		<hr/>	<hr/>

These financial statements were approved by the Board on 10th June 1994

John Wickerson
 Sir John Wickerson
 Director

Network Plant Limited

Notes to the Financial Statements - 2nd January 1994

1. Principal Accounting Policies

(a) Basis of Accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable standards.

(b) Accounting Data

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 is the value of work executed during the year in respect of contracting together with the invoiced value of sales in respect of other activities excluding VAT.

(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) 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.

(f) Stocks

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

2. Cost of Sales and Administration 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 £182,750 (1992 £257,857).

4. Taxation on Profit on Ordinary Activities

	<u>1993</u>	<u>1992</u>
United Kingdom corporation tax based on the profits for the year as adjusted for taxation purposes at a rate of 33% (1992 33%)	92,350	73,376
Prior year adjustment	(1,026)	(1,833)
	<hr/>	<hr/>
	£ 91,324	£ 71,542
	<hr/>	<hr/>

Network Plant Limited

Notes to the Financial Statements - 2nd January 1994
(Continued)

5. Tangible Fixed Assets

	<u>Plant and Machinery</u>
Cost	
At 4th January 1993	1,835,616
Additions	155,791
Disposals	(44,779)
	<hr/>
At 2nd January 1994	1,946,628
	<hr/>
Depreciation	
At 4th January 1993	1,542,626
Charge for year	182,750
On disposal	(32,548)
	<hr/>
At 2nd January 1994	1,692,828
	<hr/>
Written down value	
At 2nd January 1994	£ 253,800
	<hr/>
At 4th January 1993	£ 292,990
	<hr/>

6. Stocks

	<u>1993</u>	<u>1992</u>
Raw materials and consumables	£ 123,905	£ 123,280
	<hr/>	<hr/>

7. Debtors

All amounts falling due within one year

Trade debtors	194,222	177,291
Owed by group companies	-	634,627
Corporation tax	1,765	6,576
	<hr/>	<hr/>
	£ 195,987	£ 818,494
	<hr/>	<hr/>

Network Plant Limited

Notes to the Financial Statements - 2nd January 1994
(Continued)

	<u>1993</u>	<u>1992</u>
8. Creditors - Amounts falling due within one year		
Due to group companies	145,899	-
Corporation tax	-	73,375
	<u>£ 145,899</u>	<u>£ 73,375</u>
9. Called Up Share Capital		
Ordinary shares of £1 each	£ 500,000	£ 500,000
Authorised	<u>£ 500,000</u>	<u>£ 500,000</u>
Allotted, called up and fully paid	<u>£ 225,000</u>	<u>£ 225,000</u>
10. Reserves		
	<u>Profit and</u>	
	<u>Loss Account</u>	
At 4th January 1993	936,389	
Retained loss for the year	(733,596)	
	<u>£ 202,793</u>	
At 2nd January 1994		
11. 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.		