

The Shaw Group UK 1997 Pension Scheme Limited

(Formerly Prospect Industries Pensions Limited)

Accounts 30 September 1997

together with directors' and auditors' reports

Registered number: 2486942



Directors' report

For the year ended 30 September 1997

The directors present their annual report on the affairs of the company, together with the accounts and auditors' report, for the year ended 30 September 1997.

Principal activities

The company has not traded during the year and there has been no income or expenditure. The accounts therefore consist of a balance sheet only. The company's activities are to act as trustee of Shaw Group UK Limited 1997 Pension Scheme. All costs are borne by Shaw Group UK Limited or the pension scheme as appropriate.

Change of name and accounting reference date

On 2 March 1998, the company changed its name to The Shaw Group UK 1997 Pension Scheme Limited.

On 2 April 1998, the company changed its accounting reference date to 31 August.

Directors

The directors during the period were as follows:

T A Barfield	(appointed 14 November 1997, resigned 1 June 1998)
R A Wilson	(appointed 14 November 1997, resigned 1 June 1998)
D T Cundy	(appointed 19 January 1998)
P N Wilbraham	(resigned 20 August 1997)
I R Bryce	(resigned 20 August 1997)
A J Taylor	(resigned 18 December 1996)
H M Bedelian	(appointed 9 January 1997, resigned 12 February 1998)
R M Pilgrim	(appointed 22 August 1997)
S P Wainman	(appointed 30 June 1997)
A E Crooks	(appointed 30 June 1997, resigned 6 May 1998)
D C Wood	(appointed 1 May 1998)

Directors' interests

None of the directors had any interest in the share capital of the company

At 30 September 1997, R M Pilgrim and H M Bedelian were directors of the company's ultimate parent undertaking, Prospect Industries PLC. They did not have any interests in the share capital of that company.

Post balance sheet event

On 14 November 1997 the share capital of the company was acquired by The Shaw Group Inc. and it ceased to be a member of the Prospect Industries PLC group of companies.

Directors' report (continued)

Statement of directors' responsibilities in respect of 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 of the company for that period. In preparing those accounts, 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

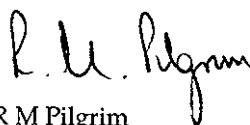
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

The company's auditors, Ernst & Young resigned during the period. Arthur Andersen were appointed as auditors on 8 July 1998 to fill the casual vacancy arising. The directors will place a resolution before the annual general meeting to reappoint Arthur Andersen as auditors for the ensuing year.

Stores Road
Derby
DE21 4BG

By order of the Board



R M Pilgrim
Secretary

14 July 1998

Auditors' report

Leeds

To the members of The Shaw Group UK 1997 Pension Scheme Limited

We have audited the accounts on pages 4 and 5 which have been prepared under the historical cost convention and the accounting policy set out on page 5.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of the 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 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 30 September 1997 and have been properly prepared in accordance with the Companies Act 1985.

Arthur Andersen

Arthur Andersen

Chartered Accountants and Registered Auditors

1 City Square

Leeds

LS1 2AL

14 July 1998

Balance sheet

30 September 1997

	Notes	1997 £	1996 £
Current assets			
Cash in hand		<u>2</u>	<u>2</u>
Total assets less current liabilities		<u>2</u>	<u>2</u>
Capital and reserves			
Called-up share capital	2	<u>2</u>	<u>2</u>
Equity shareholders' funds		<u>2</u>	<u>2</u>

Signed on behalf of the Board

D T Cundy

Director



14 July 1998

The accompanying notes are an integral part of this balance sheet.

Notes to accounts

30 September 1997

1 Accounting policy

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

2 Called-up share capital

	1997 £	1996 £
<i>Authorised</i>		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<i>Allotted, called-up and fully paid</i>		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

3 Post balance sheet events

On 14 November 1997 the share capital of the company was acquired by The Shaw Group Inc. and it ceased to be a member of the Prospect Industries PLC group of companies.

4 Ultimate parent undertaking

Up to 14 November 1997, the ultimate parent undertaking was Prospect Industries PLC. Following the sale of the company, the ultimate parent undertaking for which group accounts are drawn up and of which the company is a member is The Shaw Group Inc., registered in the U.S.A. Copies of the accounts of The Shaw Group Inc. can be obtained from 11100 Mead Road, Baton Rouge, Louisiana, 70816.