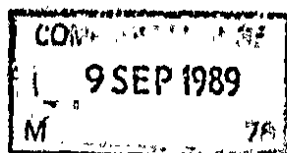


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EDMUND TUTTALL LIMITED

REPORT OF THE DIRECTORS
AND
STATEMENT OF ACCOUNTS

31 DECEMBER 1988

EDWARD NUTTALL LIMITED
ANNUAL REPORT
YEAR ENDED 31 DECEMBER 1988

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DIRECTORS

J J Endtz	Chairman
J R Grice	Managing
R W Bale	
P Naylor	
F B Brooks	
D A York	
J F W Baller	
G J Van Leeuwen	
Rt Hon Dr J Gilbert	
B Brook-Partridge	

SECRETARY

D G Trimby

REGISTERED OFFICE

St James House
Knoll Road
Camberley
Surrey
GU15 3XW

Telephone: 0276 63484
Telex: 859166
Fax: 0276 66060

BANKERS

National Westminster Bank Plc
15 Bishopsgate
London
EC2P 2AP

AUDITORS

Pannell Kerr Forster
Pannell House
Park Street
Guildford
Surrey
GU1 4HN

SOLICITORS

McKenna & Co
Inveresk House
1 Aldwych
London
WC2 0HF

MAJOR PROJECTS AND TRAVELLING - UK AND OVERSEAS

Head Office

St James House, Knoll Road
Camberley, Surrey GU15 3XW
Tel: Camberley 0276-63444 Telex: 859166 tunlon G
Fax: 0276-66069

GENERAL CIVIL ENGINEERING AND INDUSTRIAL BUILDING

ENGLAND, WALES AND THE CHANNEL ISLANDS

East

Oxton Enterprise Centre
25 Wakefield Road
Oxton, Southwark
Peterborough PE6 5AN
Tel: Peterborough 0733-231551
Fax: Peterborough 0733-236227

Central and London

Colham Green
Stockley Road
Hillingdon, Uxbridge
Middlesex UB8 3LL
Tel: Uxbridge 0895-447111
Fax: Uxbridge 0895-444536

North West

The Old Mill, Station Road
Little Sutton, South Wirral
Cheshire L66 1NY
Tel: Liverpool 051-339 6111 Telex: 628273
Fax: Liverpool 051-339 1860

SCOTLAND

Glasgow Road, Kilsyth
Glasgow G65 9BL
Tel: Kilsyth 0236-821569 Telex: 777873
Fax: Kilsyth 0236-825934

CONSTRUCTION, PROPERTY AND RESIDENTIAL DEVELOPMENT

Major Contractors

Principal Office
Cherry Orchard East, Kembrey Park
Swindon SN2 6UQ
Tel: Swindon 0793-643143
Fax: Swindon 0793-511063

South

1 Duke Street, Southampton
Hants SO9 3JQ
Tel: Southampton 0703-223045
Fax: Southampton 0703-630924

ROCK DRILLING AND EXPLOSIVES
SPECIALISTS AND GEOTECHNICAL CONTRACTORS

Ritchies Equipment

Principal Office
Glasgow Road, Kilsyth
Glasgow G65 9BL
Tel: Kilsyth 0236-822666 Telex: 778173
Fax: Kilsyth 0236-825934

Nailsea Wall

Kenn Pier, Clevedon
Avon BS21 6UE
Tel: Clevedon 0272-875338
Fax: Clevedon 0272-870076

PLANT SERVICES

Crayford Plant Depot
Nailhouse Road, Slade Green
Erith, Kent DA8 2LB
Tel: Erith 0322-337266 Telex: 8953460
Fax: Erith 0322-338888

Allbrook Plant Depot

Allbrook Hill, Allbrook
Eastleigh Hants SO5 4ND
Tel: Eastleigh 0703-611333 Telex: 47183

South East

Nailhouse Road
Slade Green
Erith
Kent DA8 2LB
Tel: Erith 0322-337266 Telex: 8953460
Fax: Erith 0322-338888

South West

Cherry Orchard East, Kembrey Park
Swindon SN2 6UQ
Tel: Swindon 0793-643143
Fax: Swindon 0793-511063

1 Duke Street

Southampton
Hants SO9 3JQ
Tel: Southampton 0703-223045
Fax: Southampton 0703-630924

North East

Wingrove House
Ponteland Road
Newcastle-upon-Tyne NE5 3AJ
Tel: Tyneside 091-214 0314 Telex: 53331
Fax: Tyneside 091-214 0933

Welwyn

40a High Street
Welwyn
Herts AL6 9MC
Tel: Welwyn 043-871 6372/8677
Fax: Welwyn 043-871 5203

SPECIALIST PILING

Nuttall Ground Techniques

St James House, Knoll Road
Camberley, Surrey GU15 3XW
Tel: Camberley 0276-63484 Telex: 859166 tunlon G
Fax: Camberley 0276-66060

Kilsyth Plant Depot

Glasgow Road, Kilsyth
Glasgow G65 9BL
Tel: Kilsyth 0236-821569 Telex: 777873
Fax: Kilsyth 0236-825934

Although a slight levelling-off was apparent towards the end of the year under review, the economic climate in the UK continued buoyant in all sectors. Nuttall's progress was gratifying, and profitability was maintained on a higher turnover than forecast.

The result for the year was £2.9 million before tax, representing an increase of 40% over last year.

Turnover was up by 60% to £161 million and the work in hand at the year end was £135 million. Orders awarded in 1988 were £72 million.

The year was characterised by a selective tendering policy, partly in view of the already substantial order book at the beginning of the year. Order acquisition was nevertheless satisfactory in both civil engineering and general and industrial building. The quarrying activities also increased.

Work on the large projects currently in progress generally proceeded smoothly. In the centre of London, the first phase of the Docklands Light Railway Tunnel Project was completed. The activities on the tunnels at Lee Valley being constructed for Thames Water Authority are making good progress. Two major jetty projects are nearing completion. Bridges are under construction in North Wales and in Newcastle and the major road improvements on the A43 are going well. The major road contract in the London Docklands, obtained in 1988, is proceeding well. Nuttall's market share in general and industrial building also increased slightly.

Despite the tight labour market in the industry, we have been able to meet the increased demand for qualified staff created by the higher volume of business. The quality and volume of the order book, together with the existing opportunities for securing new contracts, lead to a satisfactory situation for 1989.

On behalf of the Board I would like to thank all employees who have contributed to the success of the Company for their hard work and dedication.

J J ENDTZ
Chairman

5 May 1989

The directors submit their annual report and statement of accounts for the year ended 31 December 1988.

ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company is that of civil engineering, carried out through operating divisions, together with building, contracting and other related activities. A review of the activities of the company is given in the Chairman's statement preceding this report.

RESULTS FOR THE YEAR

The results of the company are set out on page 7.

DIVIDEND

The directors do not recommend the payment of a dividend.

RESEARCH AND DEVELOPMENT

During the year, research and development was confined to that required in the construction of the various projects undertaken in the normal course of business.

FIXED ASSETS

The movements in fixed assets during the year have been shown in note 8 to the accounts.

EMPLOYEES

The directors attach great importance to the maintenance of good communications with employees. The Nuttall News, published twice a year, is distributed to all permanent employees and company news sheets are issued at frequent intervals to keep members of the staff up to date with new developments. Conferences are held each year to discuss both general and particular aspects of company policy with groups of more senior employees. Seminars and training meetings are held on a regular basis to ensure that other members of our staff, particularly younger members, are involved as widely as possible in the development of the business.

It is the policy of the company to encourage the employment and training of disabled people wherever appropriate and to evaluate all employees solely on the basis of merit.

POLITICAL AND CHARITABLE CONTRIBUTIONS

No political contributions were made during the year; the total amount of charitable donations was £3,126.

DIRECTORS

None of the directors had any personal or beneficial interest in the shares or debentures of the company or any other group company.

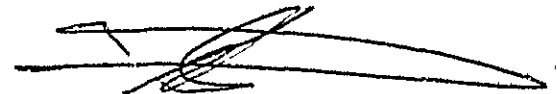
The following were directors of the company throughout 1988, except where otherwise shown:

J J Endtz	
J R Grice	
M J Bancroft	(resigned 28 July 1988)
R W Bale	
P Naylor	
P B Brooks	(appointed 3 August 1988)
D A York	(appointed 3 August 1988)
J F W Baller	
G J Van Leeuwen	
Rt Hon Dr J Gilbert	
B Brook-Partridge	

AUDITORS

A resolution to re-appoint Pannell Kerr Forster will be proposed at the Annual General Meeting.

BY ORDER OF THE BOARD

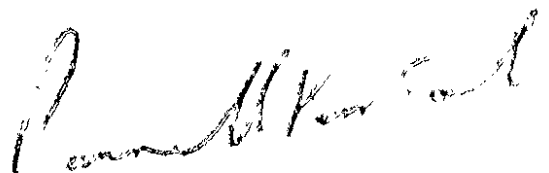


Secretary

EDMUND MITTALL LIMITED
AUDITORS' REPORT TO THE MEMBERS

We have audited the financial statements on pages 7 to 19 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 1988 and of its profit and source and application of funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Chartered Accountants

GUILDFORD

5 May 1989

EDPHIND MUTIALL LIMITED
 PROFIT AND LOSS ACCOUNT
 YEAR ENDED 31 DECEMBER 1988

	<u>Notes</u>	<u>1988</u> <u>£000</u>	<u>1987</u> <u>£000</u>
TURNOVER	2	161,438	100,693
OTHER OPERATING INCOME		48	448
		<hr/>	<hr/>
		161,486	101,141
COSTS AND EXPENSES	3	(159,601)	(99,038)
		<hr/>	<hr/>
OPERATING PROFIT	4	2,885	2,103
INCOME FROM SHARES IN GROUP COMPANIES		-	11
INTEREST RECEIVABLE		120	156
INTEREST PAYABLE	6	(131)	(222)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,874	2,048
TAX ON PROFIT ON ORDINARY ACTIVITIES	7	(35)	(55)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		2,839	1,993
DIVIDEND		-	(1,500)
		<hr/>	<hr/>
RETAINED PROFIT	15	2,839	493
		<hr/>	<hr/>

The notes on pages 10 to 19 form part of these accounts

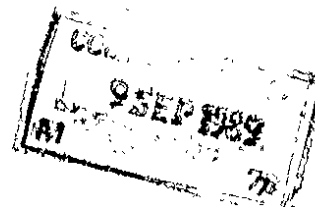
EDWARD NUTTALL LIMITED
BALANCE SHEET
31 DECEMBER 1988

	Notes	1988 £000	1987 £000
FIXED ASSETS			
Tangible assets	8	5,387	135
Investments	9	171	171
		<u>5,558</u>	<u>4,006</u>
CURRENT ASSETS			
Stocks and work in progress	10	5,618	8,295
Debtors	11	28,130	20,265
Cash at bank and in hand		18	835
		<u>33,766</u>	<u>29,395</u>
CREDITORS - Amounts falling due within one year	12	<u>(27,847)</u>	<u>(24,153)</u>
NET CURRENT ASSETS		<u>5,919</u>	<u>5,242</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>11,477</u>	<u>9,248</u>
CREDITORS - Amounts falling due after more than one year	13	<u>(622)</u>	<u>(1,232)</u>
NET ASSETS		<u>10,855</u>	<u>8,016</u>
CAPITAL AND RESERVES			
Called up share capital	14	850	850
Profit and loss account	15	10,005	7,166
		<u>10,855</u>	<u>8,016</u>

Approved by the board on 5th May.... 1989

J. R. O'Grice
[Signature]

Directors



The notes on pages 10 to 19 form part of these accounts

EDMUND TUTTALL LIMITED
STATEMENT OF SOURCE AND APPLICATION OF FUNDS
31 DECEMBER 1968

	1968	1967
	£000	£000
SOURCE OF FUNDS		
Profit on ordinary activities before taxation		2,048
Adjustment for items not involving the movement of funds:		
Depreciation	2,762	1,059
Profit on disposal of tangible fixed assets	(118)	(250)
	<u>1,644</u>	<u>809</u>
FUNDS GENERATED FROM OPERATIONS	4,518	2,857
FUNDS FROM OTHER SOURCES		
Reduction of loans to subsidiary	-	139
Proceeds from sale of investment in subsidiary	-	13
Proceeds from sale of tangible fixed assets	206	299
	<u>206</u>	<u>451</u>
	4,724	3,308
APPLICATION OF FUNDS		
Purchase of tangible fixed assets	(3,402)	(2,033)
Creditors: amounts falling due after more than one year	(610)	(80)
	<u>(4,012)</u>	<u>(2,113)</u>
	712	1,195
CHANGES IN WORKING CAPITAL		
Stocks and work in progress	(2,677)	4,905
Debtors	7,865	1,779
Creditors excluding corporation tax: amounts falling due within one year	(2,431)	(5,044)
	<u>2,757</u>	<u>1,640</u>
Movement in net liquid funds:		
(Decrease)/increase in cash at bank and in hand	<u>(2,045)</u>	<u>(445)</u>
	712	1,195

1 ACCOUNTING POLICIES

(a) Basis of preparation

The accounts have been prepared under the historical cost convention.

(b) Turnover

Turnover, excluding VAT, represents the value of work done during the year and adjustments relating to prior years agreed during the year, less provisions for forward losses. It includes the proportion of joint venture turnover attributable to the company.

(c) Depreciation

Depreciation is provided so as to write off the cost or, in the case of plant, to write down the cost to an estimated residual value, on a straight line basis over the estimated useful lives of the tangible fixed assets.

The annual rates used for this purpose are as follows:

Plant, machinery and equipment - between 10% and 50% per annum

(d) Research and development

All research and development costs are written off as incurred.

(e) Result before taxation

The result before taxation includes residual profits and losses on contracts completed prior to 31 December 1988 and an appropriate proportion of the estimated results of current contracts based on valuations by officials of the company. No credit is taken in respect of contract claims until legal entitlement has been established and agreed. Provision is made in full for any anticipated losses on current contracts.

(f) Stocks and work in progress

Stocks are valued at the lower of cost and net realisable value. Contract work in progress is valued at cost plus attributable profit less any provisions and progress payments received and receivable.

The investment in joint ventures represents the company's share of the net assets of the joint ventures together with estimates made by officials of the company of the realisable value of work carried out but not yet certified or charged to the client as well as provisions for foreseeable losses and claims arising on such contracts.

1 ACCOUNTING POLICIES (continued)

(g) Leased assets

Assets acquired under finance leases are capitalised at their cash price and are subject to depreciation in accordance with normal company policy. The interest included in rentals is written off over the primary period of each lease. The balance of rentals payable, net of deferred interest expense, is included under creditors.

The rental costs arising from operating leases are charged against operating profit as they arise.

(h) Deferred taxation

Full provision is made representing corporation tax on all timing differences between the date at which items are reflected in the accounts and the date at which they have effect for tax after taking account of losses and accrued charges on income carried forward, except where it can be reasonably foreseen that such deferred taxation will not be payable in the foreseeable future.

(i) Foreign currency translation

Transactions denominated in foreign currencies are translated into sterling and recorded at the rate of exchange ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates ruling at the balance sheet date. Any resulting difference is dealt with in the profit and loss account.

(j) Pension costs

Contributions are paid to company pension schemes in accordance with the recommendations of independent actuaries and are charged against profit in the year in which they are made.

2 TURNOVER

	1988 £000	1987 £000
Geographical area:		
United Kingdom	158,927	92,565
Rest of Europe	209	19
Outside Europe	2,302	8,109
	<hr/>	<hr/>
	161,438	100,693
	<hr/>	<hr/>

3 COSTS AND EXPENSES

	<u>1988</u>	<u>1987</u>
	£000	£000
Staff costs	23,714	15,547
Raw materials and consumables	38,160	24,887
Other external charges	95,083	57,797
Depreciation of tangible fixed assets including adjustments on disposal:		
Owned assets	1,111	255
Leased assets	533	552
	<hr/>	<hr/>
	158,601	99,038
	<hr/>	<hr/>

Other external charges include £9,584,000 (1987: £7,934,000) for joint venture costs.

Staff numbers and costs

- (a) The average number of persons employed by the company during the year, including directors and excluding those employed by joint ventures, was as follows:

	<u>1988</u>	<u>1987</u>
Monthly paid staff	603	483
Weekly paid staff	904	676
	<hr/>	<hr/>
	1,507	1,159
	<hr/>	<hr/>

- (b) The aggregate payroll costs of these persons were as follows:

	<u>1988</u>	<u>1987</u>
	£000	£000
Wages and salaries	21,689	14,067
Social security costs	1,939	1,208
Other pension costs	86	272
	<hr/>	<hr/>
	23,714	15,547
	<hr/>	<hr/>

4 OPERATING PROFIT

1988	1987
£000	£000

Operating profit is stated after charging:

Hire of plant and machinery	11,757	8,439
Operating lease rentals	1,532	873
Auditors' remuneration and expenses	46	70
Directors' emoluments (note 5)	275	347
	<hr/>	<hr/>

On actuarial advice, company pension scheme contributions were suspended from 1 April 1987. Consequently a benefit of £570,000 (1987 £420,000) has arisen in the year ended 31 December 1988 from the reduction in contributions.

5 DIRECTORS AND EMPLOYEES EMOLUMENTS

(a) Directors

Remuneration as executives	275	243
Pension contributions	-	4
	<hr/>	<hr/>
	275	247
	<hr/>	<hr/>

Excluding pension contributions, the emoluments of directors were as follows:

Chairman's emoluments	Nil	Nil
Highest paid director	59	89
	<hr/>	<hr/>

The emoluments of other directors were within the following range:

	<u>Number of Directors</u>	
	1988	1987
£ 0 - £ 5,000	-	1
£ 5,000 - £10,000	-	2
£10,000 - £15,000	2	1
£15,000 - £20,000	1	-
£20,000 - £25,000	1	-
£40,000 - £45,000	-	2
£45,000 - £50,000	1	1
£50,000 - £55,000	1	-
£55,000 - £60,000	1	-
	<hr/>	<hr/>

(b) Employees

The emoluments of higher paid employees were within the following range:

£30,000 - £35,000	2	3
	<hr/>	<hr/>

6 INTEREST PAYABLE

	<u>1988</u>	<u>1987</u>
	£000	£000
Bank overdraft wholly repayable within five years	1	37
Finance leases	130	195
	<u>131</u>	<u>232</u>

7 TAXATION

Corporation tax on investment income at 35%	35	55
	<u>35</u>	<u>55</u>

The availability of taxation losses brought forward has eliminated any liability for corporation tax on trading profits.

At 31 December 1988 there were estimated to be further losses available in excess of £13 million (1987: £14.5 million) for future relief.

As these losses exceed all timing differences, no provision is required for deferred taxation.

8 TANGIBLE FIXED ASSETS

	Assets in course of construction £000	Plant and machinery £000	Fixtures, fittings, tools and equipment £000	Total £000
<u>Cost</u>				
At 1 January 1988	652	9,199	1,035	10,886
Transfer between categories	(652)	652	-	-
Additions	-	2,958	444	3,403
Disposals	-	(500)	(67)	(567)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 1988	-	12,309	1,412	13,721
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Depreciation</u>				
At 1 January 1988	-	6,454	597	7,051
Profit and loss charge	-	1,573	189	1,762
Disposals	-	(424)	(55)	(479)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 1988	-	7,603	731	8,334
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Net book value</u>				
At 31 December 1988	-	4,706	681	5,387
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 1987	652	2,745	438	3,835
	<hr/>	<hr/>	<hr/>	<hr/>

Included above are assets held under finance leases as follows:

<u>Net book value</u>			
At 31 December 1988	1,486	64	1,550
	<hr/>	<hr/>	<hr/>
At 31 December 1987	2,008	93	2,101
	<hr/>	<hr/>	<hr/>

9 INVESTMENTS

Shares in Group Companies
1988 1987
 £000 £000

Cost at 31 December 1988

171

171

As the company is itself a wholly owned subsidiary of another company incorporated in the United Kingdom, no consolidated accounts have been prepared for Edmund Nuttall Limited.

At 31 December 1988 the company owned the entire allotted share capital, representing Ordinary £1 shares, of the following subsidiary companies:

<u>Name of Company</u>	<u>Country of Registration</u>
Mears Contractors Limited	England
Ritchies Estates Limited	Scotland
Ritchies Equipment Limited	Scotland
Williamson Engineering Limited	Scotland

These companies have not traded during the year.

The aggregate value of shares held in the subsidiaries is not less than that shown in the balance sheet.

10 STOCKS AND WORK IN PROGRESS

	<u>1988</u> £000	<u>1987</u> £000
Work in progress	123,780	71,445
Less: Progress payments received and receivable	<u>123,771</u>	<u>67,206</u>
	9	4,239
Property development	3,974	2,869
Investment in joint ventures	774	284
Raw materials and consumables	<u>861</u>	<u>903</u>
	<u>5,618</u>	<u>8,295</u>

10 STOCKS AND WORK IN PROGRESS (continue.)

An overriding requirement for the accounts to give a true and fair view is contained in S228(3) of the Companies Act 1985. For this reason, the attributable profit on long term contract work in progress has been included in accordance with SSAP 9 although it constitutes a departure from the statutory valuation rules. Since progress payments cannot be allocated between cost and profit, it is not possible to determine the effect of this departure on the amount at which long term contract work in progress is stated in the balance sheet.

11 DEBTORS	1988 £000	1987 £000
Amounts falling due within one year:		
Trade debtors	21,555	15,646
Amounts owed by group companies	5,567	2,820
Other debtors	970	1,670
Prepayments and accrued income	38	418
	<hr/>	<hr/>
	28,130	20,265
	<hr/>	<hr/>

There are no amounts owed to the company by its subsidiaries at the end of 1988 or 1987.

12 CREDITORS
 Amounts falling due within one year:

Bank overdraft	1,228	-
Trade creditors	4,337	3,456
Amounts owed to joint ventures	522	514
Amounts owed to group companies	370	233
Accruals and deferred income	18,773	16,694
Instalments under finance leases	632	817
Proposed dividend	-	1,500
Corporation tax	90	55
Other taxation and social security	759	475
Bills of exchange	537	-
Other creditors	599	409
	<hr/>	<hr/>
	27,847	24,153
	<hr/>	<hr/>

There are no amounts falling due within one year owed by the company to its subsidiaries at the end of 1988 or 1987.

13 CREDITORS
 Amounts falling due after more than one year:

Amounts owed to:		
Subsidiary companies	171	171
Instalments under finance leases repayable between two and five years	<hr/> 451	<hr/> 1,061
	622	1,232
	<hr/>	<hr/>

14 CALLED UP SHARE CAPITAL

	<u>Authorised</u> £000	<u>Alotted and fully paid</u> £000
There was no change in share capital during the year.		
150,000 3.85% redeemable cumulative preference shares of £1 each	150	150
850,000 ordinary shares of £1 each	850	850
	<hr/>	<hr/>
	1,000	1,000
	<hr/>	<hr/>
	<u>1988</u> £000	<u>1987</u> £000

15 PROFIT AND LOSS ACCOUNT

At 1 January	7,166	6,673
Profit for the year	2,839	493
	<hr/>	<hr/>
At 31 December	10,005	7,166
	<hr/>	<hr/>

16 COMMITMENTS

(i) Capital commitments contracted for	704	1
	<hr/>	<hr/>

(ii) Annual commitments under operating leases comprise:

	<u>1988</u>			<u>1987</u>		
	<u>Land and buildings</u> £000	<u>Other</u> £000	<u>Total</u> £000	<u>Land and buildings</u> £000	<u>Other</u> £000	<u>Total</u> £000
Lease terminating:						
Within one year	7	35	42	37	87	124
Two to five years	67	1,094	1,161	215	741	956
Over five years	259	3	262	24	-	24
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	333	1,132	1,465	276	828	1,104
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

17 PENSIONS

The company operates contributory pension schemes for all eligible employees. The schemes' funds are administered by trustees and are independent of the company's finances. The most recent independent actuarial valuation of the company pension schemes was carried out as at 1 April 1987. It indicated that there were substantial actuarial surpluses in the funds and on actuarial recommendation company contributions to the scheme were suspended with effect from April 1987.

18 CONTINGENT LIABILITIES

- (a) The company has contingent liabilities in respect of performance bonds and supplier guarantees given in the normal course of business.
- (b) The company, together with certain fellow subsidiaries, has entered into an unlimited guarantee with respect to borrowings from the group's bankers. This guarantee is supported by a counter indemnity provided by the ultimate holding company. At 31 December 1988 (1987:Nil) no such group borrowings existed.
- (c) The company is party to various litigation claims arising in the ordinary course of business. The directors are of the view that these claims will not have significant impact on the results of the company.

19 HOLDING COMPANY

The company is a wholly owned subsidiary of Hollandsche Beton Groep (UK) Limited. The ultimate holding company is Hollandsche Beton Groep NV, a company incorporated in The Netherlands.