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REPORT AND ACCOUNTS

Edmund Nuttall Limited

31 DECEMBER 1992

COMPANIES  
PR7  
29 SEP 1993

 ERNST & YOUNG

# Edmund Nuttall Limited

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Registered No. 305189

## DIRECTORS

N de Ronde Bresser	Chairman
J R Grice	Managing Director
P B Brooks	
D A York	
Rt Hon Dr J Gilbert	
J J M Veraart	

## SECRETARY

D G Trimby

## AUDITORS

Ernst & Young  
Becket House  
1 Lambeth Palace Road  
London SE1 7EU

## BANKERS

National Westminster Bank PLC  
15 Bishopsgate  
London EC2P 2AP

## SOLICITORS

McKenna & Co  
Inveresk House  
1 Aldwych  
London WC2 0HF

## REGISTERED OFFICE

St James House  
Knoll Road  
Camberley  
Surrey GU15 3XW

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CHAIRMAN'S STATEMENT

In continuing difficult market conditions, the company's profits were lower on a reduced turnover.

The result for the year was £4,794,000 before tax (1991 - £6,938,000). Turnover decreased to £136 million (1991 - £176 million).

Price levels for road building are under great pressure. Nevertheless, the company has succeeded in completing several road projects and has won a number of significant new contracts. The A5 Shrewsbury Bypass, the M74 in Scotland, and the A420 Kingston Bagpuize Bypass were all completed on programme, whilst work has commenced on one of the latest contracts, the Chatham Primary Highway Network Road in Kent.

Structural bridge repair, together with motorway maintenance schemes have continued to play a significant part in the workload and the company looks for further growth in this sector.

Maritime engineering, including sea defence and coastal protection, has again proved a strong sector. The company has had contracts for ferry and cargo berth developments in Dover, Portsmouth and Stranraer. Coastal defence works have been undertaken at many locations in Britain.

The last phase of the major Cairo Wastewater Project was completed. With its joint venture partners the company is currently tendering for a further development of this scheme. A joint venture, between Tarmac and HBM Civil Engineering, has been awarded the £70 million Medway Tunnel contract which involves significant Nuttall participation.

Good progress has been made in water industry projects and in the reclamation of contaminated land. Several contracts for water treatment works were undertaken. Land reclamation is becoming a more significant area of the company's work, with two recent awards reaffirming its position in this market.

Ritchies, the specialist geotechnical division, maintained their level of turnover, albeit with reduced margins.

The recession in the United Kingdom continues and the hoped for upturn in 1993 still shows little signs of materialising, with construction particularly affected. In order to acquire work this year, tender margins will have to continue to be keen.

The work in hand for 1993 equates to the level of that in the previous year. The company anticipates a similar turnover for 1993, with the profitability also being maintained close to 1992 levels.

On behalf of the board, I would like to thank all employees for their hard work, dedication and contribution to the continued success for the company.

N de Ronde Bresser  
Chairman

12 May 1993

**DIRECTORS' REPORT**

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The directors present their report and accounts for the year ended 31 December 1992.

**RESULTS AND DIVIDENDS**

The results of the company are set out on page 7. The directors recommend the payment of a dividend of £2.588 per share.

**ACTIVITIES AND BUSINESS REVIEW**

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

With effect from 1 January 1992, the building business of the Mears division has been transferred to Kyle Stewart Limited, a fellow subsidiary of Hollandsche Beton Groep (UK) Limited.

**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 are shown in note 9 to the accounts.

**EMPLOYEES**

The directors attach great importance to the maintenance of good communications with employees. The Nuttall News, published twice a year, and The Messenger, published six times a year, are 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 £10,043.

**DIRECTORS' REPORT**

**DIRECTORS AND THEIR INTERESTS**

The directors during the year were as follows:

N de Ronde Bresser	Chairman	
J R Grice	Managing Director	
J J Endiz		(resigned 8 May 1992)
R W Bale		(resigned 8 May 1992)
P B Brooks		
D A York		
R F W Budden		(resigned 30 November 1992)
Rt Hon Dr J Gilbert		
B Brook-Partridge		(resigned 2 July 1992)
J J M Veraart		(appointed 8 May 1992)

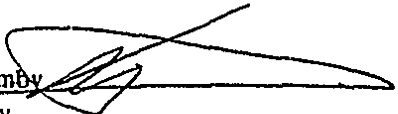
None of the directors has any personal or beneficial interest in the shares of the company.

**AUDITORS**

A resolution to reappoint Ernst & Young as auditors will be put to the members at the Annual General Meeting.

By order of the board

D G Trimby  
Secretary

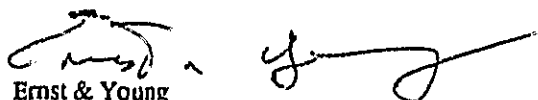


12 May 1993

**REPORT OF THE AUDITORS**  
to the members of Edmund Nuttall Limited

We have audited the accounts on pages 7 to 20 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of affairs of the company at 31 December 1992 and of its profit and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
Ernst & Young  
Chartered Accountants  
Registered Auditor  
London

12 May 1993

# Edmund Nuttall Limited

## PROFIT AND LOSS ACCOUNT

for the year ended 31 December 1992

	Notes	1992 £000	1991 £000
<b>TURNOVER</b>	2	136,277	176,408
Other operating income		189	590
		<u>136,466</u>	<u>176,998</u>
Costs and expenses	3	<u>(132,763)</u>	<u>(170,687)</u>
<b>OPERATING PROFIT</b>	4(a)	3,703	6,311
Interest receivable		1,093	653
Interest payable	7	(2)	(26)
		<u>4,794</u>	<u>6,938</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>			
Tax on profit on ordinary activities	8	<u>(2,572)</u>	<u>(824)</u>
		<u>2,222</u>	<u>6,114</u>
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>			
Dividend paid		—	(147)
Dividend proposed		<u>(2,200)</u>	<u>(5,900)</u>
<b>RETAINED PROFIT</b>	18	<u>22</u>	<u>67</u>

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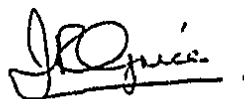
The movement on reserves is stated in note 18 to these accounts.

# Edmund Nuttall Limited

## BALANCE SHEET

at 31 December 1992

	Notes	1992 £000	1991 £000
<b>FIXED ASSETS</b>			
Tangible assets	9	4,472	5,068
Investments	10	171	371
		<u>4,643</u>	<u>5,234</u>
<b>CURRENT ASSETS</b>			
Stocks and work in progress	11	4,040	4,179
Debtors	12	43,941	44,574
Cash at bank and in hand	13	26,949	37,266
		<u>74,930</u>	<u>86,019</u>
<b>CREDITORS: amounts falling due within one year</b>	14	<u>(63,593)</u>	<u>(75,371)</u>
<b>NET CURRENT ASSETS</b>		<u>11,337</u>	<u>10,648</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>15,980</u>	<u>15,882</u>
<b>CREDITORS: amounts falling due after more than one year</b>	15	(171)	(171)
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	16	(2,062)	(1,986)
		<u>13,747</u>	<u>13,725</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	17	850	850
Profit and loss account	18	12,897	12,875
		<u>13,747</u>	<u>13,725</u>



J R Grice

Director

12 May 1993



# Edmund Nuttall Limited

## STATEMENT OF CASH FLOWS

for the year ended 31 December 1992

	Notes	1992 £000	1991 £000
<b>NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES</b>	4(b)	<u>(858)</u>	<u>39,856</u>
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			
Interest element of finance lease paid		(2)	(2)
Interest element of finance lease received		120	130
Bank interest paid		-	(23)
Bank interest received		1,078	299
Other interest paid		-	(1)
Other interest received		56	-
Dividends paid		<u>(5,900)</u>	<u>(1,110)</u>
<b>NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		<u>(4,648)</u>	<u>(707)</u>
<b>TAXATION</b>			
Corporation tax paid		<u>(552)</u>	<u>(123)</u>
<b>TAX PAID</b>		<u>(552)</u>	<u>(123)</u>
<b>INVESTING ACTIVITIES</b>			
Payments to acquire fixed assets		(1,419)	(1,524)
Receipts from sales of fixed assets		<u>282</u>	<u>175</u>
<b>NET CASH OUTFLOW FROM INVESTING ACTIVITIES</b>		<u>(1,137)</u>	<u>(1,349)</u>
<b>NET CASH (OUTFLOW)/INFLOW BEFORE FINANCING</b>		<u>(7,195)</u>	<u>37,677</u>
<b>FINANCING</b>			
Treasury account - group companies	19	(3,295)	9,385
Other group financing transactions	19	6,496	(1,293)
Payment of capital element of finance lease	19	2	66
Repayments of capital element of finance lease rentals	19	<u>(81)</u>	<u>(70)</u>
<b>NET CASH INFLOW FROM FINANCING</b>		<u>3,122</u>	<u>8,088</u>
<b>(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	13	<u>(10,317)</u>	<u>29,589</u>
		<u>(7,195)</u>	<u>37,677</u>

NOTES TO THE ACCOUNTS

at 31 December 1992

1. ACCOUNTING POLICIES

*Basis of preparation*

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

*Turnover*

Turnover, which is stated net of VAT, represents the sales value of work done in the year including estimates of amounts not invoiced and adjustments relating to prior years which have been agreed during the year. It includes the proportion of joint venture turnover attributable to the company.

*Depreciation*

Depreciation is provided on all tangible fixed assets other than assets in the course of construction at rates calculated to write off the cost or valuation, less estimated residual value of each asset evenly over its expected useful life as follows:

Plant, machinery and equipment      –      over 2 to 10 years

*Research and development*

All research and development costs are written off as incurred.

*Stocks and work in progress*

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

Contract work in progress is valued at total costs incurred, net of amounts transferred to the profit and loss account in respect of work carried out to date, less foreseeable losses and applicable payments on account. The resultant balance is either included in debtors as 'amounts recoverable on contracts' or in creditors as 'payments on account on long term contracts'. Turnover includes residual profits and losses on contracts completed prior to 31 December 1992 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.

*Joint ventures*

In the normal course of business the company invests in joint ventures. These investments are stated at the company's share of the net assets of the joint ventures adjusted where necessary to bring the value of the underlying contracts in-line with company policy. The resultant balances are included in the balance sheet as amounts recoverable on contracts or as amounts due to joint ventures.

*Leasing*

Assets held under finance leases are capitalised in the balance sheet at their cost price and are subject to depreciation in accordance with normal company policy. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

*Deferred taxation*

Deferred taxation is provided using the liability method on all timing differences which are expected to reverse in the future without being replaced, calculated at the rate at which it is anticipated the timing differences will reverse.

NOTES TO THE ACCOUNTS

at 31 December 1992

1. ACCOUNTING POLICIES (continued)

*Foreign currency translation*

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

*Pension costs*

Contributions to the contributory pension schemes are charged to the profit and loss account so as to spread the costs of pensions over employees' working lives with the company. Variations from the regular cost are spread over the average remaining service lives of current employees.

2. TURNOVER

Turnover is attributable to one activity, civil engineering and related operations.

An analysis of turnover by geographical market is given below:

	1992 £000	1991 £000
Geographical area:		
United Kingdom	134,984	173,127
Rest of Europe	21	96
Outside Europe	1,272	3,185
	<u>136,277</u>	<u>176,408</u>

3. COSTS AND EXPENSES

	1992 £000	1991 £000
Staff costs	22,024	25,377
Raw materials and consumables	18,600	34,246
Other external charges	90,357	109,516
Depreciation - Owned assets	1,644	1,342
- Leased assets	138	205
	<u>132,763</u>	<u>170,687</u>

Other external charges include £4,043,000 (1991 - £8,784,000) for joint venture costs.

4. OPERATING PROFIT

(a) This is stated after charging:

	1992 £000	1991 £000
Hire of plant and machinery	11,018	12,494
Operating lease rentals	2,037	2,260
Auditors' remuneration	60	60
Directors' emoluments (note 5)	439	445
	<u></u>	<u></u>

## NOTES TO THE ACCOUNTS

at 31 December 1992

## 4. OPERATING PROFIT (continued)

(b) Reconciliation of operating profit to net cash inflow from operating activities:

	1992 £000	1991 £000
Operating profit		
Depreciation	3,703	6,311
Bad debt provision	1,782	1,630
Profit on sale of fixed assets	190	(182)
Decrease in stocks and work in progress	(54)	(82)
Decrease in debtors	139	1,783
(Decrease)/increase in creditors	3,532	8,453
Pension provision not paid	(10,609)	21,264
	459	673
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	(858)	39,856

## 5. DIRECTORS' REMUNERATION

	1992 £000	1991 £000
Remuneration as executives	385	445
Compensation for loss of office	54	-
	439	445

The emoluments of directors, excluding pension contributions, were as follows:

	1992 £000	1991 £000
Chairman's emoluments	-	-
Highest paid director	122	119

The emoluments of all directors fell within the following ranges:

	1992 No.	1991 No.
£nil - £5,000	3	2
£5,001 - £10,000	1	2
£10,001 - £15,000	1	-
£15,001 - £20,000	-	1
£20,001 - £30,000	1	-
£30,001 - £35,000	-	1
£35,001 - £45,000	-	1
£45,001 - £50,000	1	1
£50,001 - £65,000	1	1
£65,001 - £70,000	1	1
£70,001 - £75,000	1	1
£75,001 - £80,000	1	1
£80,001 - £85,000	1	1
£85,001 - £115,000	-	1
£115,001 - £120,000	1	-
£120,001 - £125,000	-	-

NOTES TO THE ACCOUNTS  
at 31 December 1992

6. STAFF COSTS

	1992 £000	1991 £000
Wages and salaries	19,784	22,650
Social security costs	1,653	1,899
Other pension costs	587	828
	<u>22,024</u>	<u>25,377</u>

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

	1992 No.	1991 No.
Monthly paid staff	551	638
Weekly paid staff	447	598
	<u>998</u>	<u>1,236</u>

7. INTEREST PAYABLE

	1992 £000	1991 £000
Bank overdraft wholly repayable within five years	-	23
Finance leases	-	2
Other interest	2	1
	<u>2</u>	<u>26</u>

8. TAX ON PROFIT ON ORDINARY ACTIVITIES  
Based on the profit for the year:

	1992 £000	1991 £000
Corporation tax at 33%	2,200	75
Payment for group relief	571	266
Deferred taxation	(383)	383
	<u>2,388</u>	<u>724</u>
Corporation tax underprovided in previous years	184	100
	<u>2,572</u>	<u>824</u>

## NOTES TO THE ACCOUNTS

at 31 December 1992

## 9. TANGIBLE FIXED ASSETS

	<i>Assets in course of construction £000</i>	<i>Plant and machinery £000</i>	<i>Fixtures, fittings, tools and equipment £000</i>	<i>Total £000</i>
Cost:				
At 1 January 1992	101	14,144	2,541	16,786
Additions	-	694	725	1,419
Disposals	-	(1,511)	(180)	(1,691)
Transfer between categories	(101)	101	-	-
At 31 December 1992	-	13,428	3,086	16,514
Depreciation:				
At 1 January 1992	-	10,469	1,254	11,723
Provided during the year	-	1,180	602	1,782
Disposals	-	(1,344)	(119)	(1,463)
At 31 December 1992	-	10,305	1,737	12,042
Net book value:				
At 31 December 1992	-	3,123	1,349	4,472
At 31 December 1991	101	3,675	1,287	5,063

Included above are assets held under finance leases as follows:

	<i>Plant and machinery £000</i>	<i>Fixtures, fittings, tools and equipment £000</i>	<i>Total £000</i>
Cost	2,696	95	2,791
Depreciation	2,365	90	2,455
Net book value	331	5	336

NOTES TO THE ACCOUNTS

at 31 December 1992

10. INVESTMENTS

Shares in group companies

	1992	1991
	£000	£000
Cost at 31 December	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 1992 the company owned the whole of the issued share capital, of the following subsidiary undertakings, all of which are dormant.

Name of undertaking:	Country of Registration	% Holding of Ordinary shares
Mears Contractors Limited	England	100
Ritchies Estates Limited	Scotland	100
Ritchies Equipment Limited	Scotland	100
Williamson Engineering Limited	Scotland	100

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

11. STOCKS AND WORK IN PROGRESS

	1992	1991
	£000	£000
Completed properties	3,245	3,431
Raw materials and consumables	795	748
	<u>4,040</u>	<u>4,179</u>

12. DEBTORS

	1992	1991
	£000	£000
Amounts recoverable on contracts	5,395	5,461
Trade debtors	16,829	19,335
Amounts owed by group undertakings	19,523	16,192
Other debtors	1,478	2,789
Finance lease receivables	716	797
	<u>43,941</u>	<u>44,574</u>

Included in finance lease receivables is an amount of £622,577 which is due after more than one year (1991 - £716,000).

There are no amounts owed to the company by its subsidiaries at the end of 1992 or 1991.

## NOTES TO THE ACCOUNTS

at 31 December 1992

## 13. CASH AND CASH EQUIVALENTS

Cash at bank and in hand and short term bank deposits:

	1992	1991
	£000	£000
At 1 January	37,266	7,677
Net cash (outflow)/inflow	(10,317)	29,589
	<u>26,949</u>	<u>37,266</u>

## 14. CREDITORS: amounts falling due within one year

	1992	1991
	£000	£000
Payments on account on long term contracts	20,112	28,279
Contract provisions	7,128	7,904
Amounts owed to joint ventures	4,092	1,694
Amounts owed to group undertakings	825	695
Trade creditors	6,572	4,716
Instalments under finance leases	-	2
Current corporation tax	2,761	358
Other taxes and social security costs	1,723	2,940
Other creditors	661	882
Proposed dividend	2,200	5,900
Accruals and deferred income	17,519	22,001
	<u>63,593</u>	<u>75,371</u>

There are no amounts falling due within one year owed by the company to its subsidiaries at the end of 1992 or 1991.

## 15. CREDITORS: amounts falling due after more than one year

	1992	1991
	£000	£000
Amounts owed to subsidiary undertakings	<u>171</u>	<u>171</u>



NOTES TO THE ACCOUNTS

at 31 December 1992

16. PROVISIONS FOR LIABILITIES AND CHARGES

	1992 £000	1991 £000
Pension provision		
At 1 January 1992	1,603	924
Charge for year	459	679
At 31 December 1992	2,062	1,603
Deferred taxation		
Capital allowances in advance of depreciation	-	314
Other timing differences	-	69
	-	383
	2,062	1,986

17. SHARE CAPITAL

There was no change in share capital during the year.

	Authorised £000	Allotted called up and fully paid £000
150,000 3.85% redeemable cumulative preference shares of £1 each	150	-
850,000 ordinary shares of £1 each	850	850
	1,000	850

18. PROFIT AND LOSS ACCOUNT

	1992 £000	1991 £000
At 1 January 1992	12,875	12,808
Retained profit for the year	22	67
At 31 December 1992	12,897	12,875

NOTES TO THE ACCOUNTS

at 31 December 1992

19. FINANCING - CASH FLOW

Analysis of changes in financing during current and previous years:

	Group undertakings £000	Treasury account £000	Finance leases £000
Balance at 1 January 1992	4,122	11,375	795
Cash inflow/(outflow)	6,496	(3,295)	-
Capital element of finance lease paid	-	-	2
Capital element of finance lease received	-	-	(81)
Balance at 31 December 1992	10,618	8,080	716
Balance at 1 January 1991	5,415	1,990	799
Cash (outflow)/inflow	(1,293)	9,385	-
Capital element of finance lease paid	-	-	66
Capital element of finance lease received	-	-	(70)
Balance at 31 December 1991	4,122	11,375	795

20. CAPITAL COMMITMENTS

	1992 £000	1991 £000
Contracted	-	154
Authorised by the directors but not contracted	-	-

21. OTHER FINANCIAL COMMITMENTS

At 31 December 1992, the company had annual commitments under non-cancellable operating leases as set out below:

	1992			1991		
	Land and buildings £000	Other £000	Total £000	Land and buildings £000	Other £000	Total £000
Operating leases which expire:						
within one year	1	209	210	3	304	307
within two to five years	91	939	1,030	102	1,109	1,211
in over five years	519	-	519	363	-	363
	611	1,148	1,759	468	1,413	1,881

NOTES TO THE ACCOUNTS

at 31 December 1992

22. PENSIONS

The company operates two contributory pension schemes for all eligible employees.

(a) *Staff pension scheme*

The contributory defined pension benefit scheme for staff employees is a managed fund. Contributions to the scheme are charged to the profit and loss account so as to spread the costs of pensions over employees' working lives with the company.

Contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit credit funding method. The most recent valuation was at 1 April 1992. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions. It was assumed that the investment returns would be 9% per annum, that salary increases would average 7% per annum and that present and future pensions would increase at the rate of 5% per annum. The valuation at 1 April 1992 revealed that the scheme was over-funded on an on-going basis and as a result the company is continuing to take a pension contributions holiday.

Pension costs are accounted for in accordance with SSAP 24 "Accounting for pension costs" and accordingly the scheme surplus identified will be recognised over the expected service lives of existing scheme members. The benefit for the year ended 31 December 1992 is £518,000 (1991 - £358,000).

The most recent actuarial valuation showed that the market value of the scheme's assets was £23,575,000 and that the actuarial value of those assets represented 129% of the benefit that had accrued to members, after allowing for expected future increases in earnings. The contribution of the company and employees will be 12.0% and 5% respectively.

(b) *Works pension scheme*

The company operates a contributory defined contribution scheme. The assets of the scheme are held separately from those of the company, being invested with insurance companies. The pension costs charge represents contributions payable by the company to the fund and amounted to £24,390 (1991 - £25,715).

23. 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 UK group's bankers. This guarantee is supported by a counter indemnity provided by the ultimate holding company. At 31 December 1992 borrowings amounted to £nil (1991 - £nil).
- (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.

NOTES TO THE ACCOUNTS

at 31 December 1992

24. PARENT UNDERTAKINGS

The company is a wholly-owned subsidiary of Hollandsche Beton Groep (UK) Limited, a company incorporated in England. The ultimate parent undertaking is Hollandsche Beton Groep nv, a company incorporated in The Netherlands.

A copy of the group accounts of Hollandsche Beton Groep nv is available from the Company Secretary, Edmund Nuttall Limited, St James House, Knoll Road, Camberley, Surrey GU15 3XW.