

ANGLO-SWEDISH ENGINEERING & WELDING LIMITED

Directors' Report & Financial Statements

For the year ended 30th September 1997

Registered Number: 122194



Anglo-Swedish Engineering & Welding Limited
**Directors' Report and Consolidated
Financial Statements**

CONTENTS

	PAGE
DIRECTORS' REPORT	1
STATEMENT OF DIRECTORS' RESPONSIBILITIES	2
REPORT OF THE AUDITORS	3
FINANCIAL STATEMENTS	
Profit and Loss Account for the year ended 30 September 1997	4
Balance sheet as at 30 September 1997	5
Notes to the 1997 Financial Statements	6

DIRECTORS' REPORT

Directors: G M Hemsley (Resigned 30 June 1997)
A B McKay
J B Hay (Appointed 30 June 1997)

Secretary: A B McKay

Registered Office: One St Paul's Churchyard, London EC4M 8AJ

The directors present their report and the audited financial statements for the year ended 30 September 1997.

RESULTS AND DIVIDENDS

The company did not trade during the period.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS OPPORTUNITIES

The company is in the process of winding up its affairs.

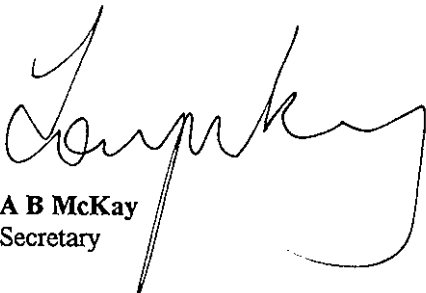
DIRECTORS' INTERESTS

According to the register maintained for the purposes of Sections 324 to 328 of the Companies Act 1985, none of the directors had any interest requiring disclosure.

AUDITORS

The company has resolved in accordance with Section 386 Companies Act 1985 to dispense with the obligation to appoint auditors annually and accordingly KPMG will continue in office.

By order of the board



A B McKay
Secretary

31 MAR
1998

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

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 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; and
- 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.

**AUDITORS' REPORT TO THE MEMBERS
OF ANGLO-SWEDISH ENGINEERING & WELDING LIMITED**

We have audited the financial statements on Pages 4 to 6.

Respective responsibilities of directors and auditors

As described on Page 2 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. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of 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 statements 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 the company's affairs as at 30th September 1997 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

6 PMG-

KPMG
Chartered Accountants
Registered Auditors
London

Date: 2 APR 1998

PROFIT AND LOSS ACCOUNT
for the year ended 30 September 1997

	Year ended 30 September 1997 £	Year ended 30 September 1996 £
Balance brought forward	NIL	NIL
	-----	-----
Balance carried forward	<u>NIL</u>	<u>NIL</u>

There were no newly acquired or discontinued operations during the period.

A statement of recognised gains and losses is not shown separately as the company has no recognised gains and losses other than those passing through the profit and loss account.

RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

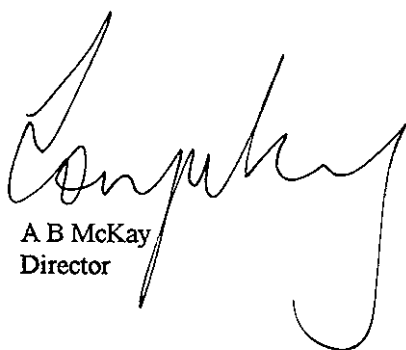
	Year ended 30 September 1997 £	Year ended 30 September 1996 £
Opening shareholders' funds	500,000	500,000
	-----	-----
CLOSING SHAREHOLDERS' FUNDS	<u>500,000</u>	<u>500,000</u>


BALANCE SHEET
as at 30 September 1997

	30 September 1997 £	30 September 1996 £
CURRENT ASSETS		
Debtors: Amounts owed by parent undertaking	500,000	500,000
	<hr/>	<hr/>
FINANCED BY:		
CAPITAL AND RESERVES		
Called up share capital		
Authorised, allotted, issued and fully paid: 500,000 ordinary shares of £1 each	500,000	500,000
	<hr/>	<hr/>
SHAREHOLDERS' FUNDS	500,000	500,000
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Approved by the board on

31 MAR 1998


A B McKay
Director


J B Hay
Director

NOTES TO THE FINANCIAL STATEMENTS

as at 30 September 1997

1 ACCOUNTING POLICIES

Accounting basis

The company prepares its financial statements under the historical cost convention and in accordance with applicable accounting standards.

The company is exempt from the requirement of Financial Reporting Standard Number One to prepare a cash flow statement as it is a wholly owned subsidiary of Securum UK Holdings Limited and its cash flows are included within the consolidated cash flow statement of that company.

2 TAX ON PROFIT ON ORDINARY ACTIVITIES

Capital losses estimated at £263,000 (1996: £263,000) are available for set off against future capital gains.

3 DIRECTORS' EMOLUMENTS

The directors of the company received no emoluments during 1997 or 1996.

4 EMPLOYEES

The company did not employ any staff during 1997 or 1996.

5 TRANSACTIONS WITH RELATED PARTIES

As a greater than 90% subsidiary of Venantius AB, the company has taken advantage of the exemption, not to provide information on related party transactions with other group undertakings. Note 6 gives details of how to obtain a copy of the financial statements of Venantius AB.

6 ULTIMATE PARENT AND CONTROLLING COMPANY

The company is a subsidiary undertaking of and is controlled by Venantius AB, which is the ultimate parent company incorporated in Sweden. Up until 1st October 1997, the ultimate parent company was VF Holding AB (formerly Securum AB), also incorporated in Sweden. On that date the shares in VF Holding AB were acquired by Venantius AB.

The largest group in which the results of the company are consolidated is that headed by Venantius AB. The smallest group in which they are consolidated is that headed by Securum UK Holdings Limited.

Group accounts for Venantius AB and VF Holding AB are available to the public and may be obtained from the registered office:

Venantius AB
Jakobsgatan 6
Stockholm, Sweden

Group accounts for Securum UK Holdings Limited are available to the public and may be obtained from:

Securum UK Holdings Limited
One St Paul's Churchyard
London EC4M 8AJ