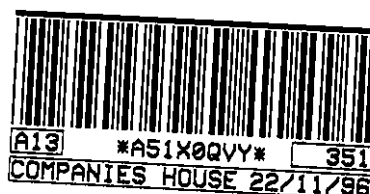


Woodhead Construction Services Limited

Report and Accounts

30 March 1996

Registered No. 452086



Woodhead Construction Services Limited

NOTICE OF MEETING

Notice is hereby given that the annual general meeting of Woodhead Construction Services Limited will be held at Carclo House, Sheffield on 1996 at to transact the following business:

- 1 To receive and adopt the directors' report and the audited accounts for the 53 weeks ended 30 March 1996.
- 2 To reappoint the auditors.
- 3 To authorise the directors to fix the remuneration of the auditors.

By order of the board

A Cuerden
Secretary

Carclo House
PO Box 224
Fife Street
Sheffield
S9 1YX

27 June 1996

NOTE

Any member of the company entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member of the company.

Woodhead Construction Services Limited

DIRECTORS' REPORT

Directors: D W Adam (Chairman)
A Cuerden

Secretary: A Cuerden

Registered office: Carclo House, PO Box 224, Fife Street, Sheffield S9 1YX.

The directors present their report and accounts for the 53 weeks ended 30 March 1996.

ACCOUNTS

The directors submit the audited accounts of the company for the 53 weeks ended 30 March 1996. The company did not trade during the period under review and accordingly the accounts consist of a balance sheet only.

DIRECTORS

The directors of the company during the 53 weeks ended 30 March 1996 were those listed above together with Mr G R Logan Brown who resigned on 30 June 1995. Mr A Cuerden was appointed on 30 June 1995.

INTERESTS OF DIRECTORS

There were no directors' interests notifiable under the terms of the Companies Act 1985.

AUDITORS

Ernst & Young have expressed their willingness to continue in office as auditors and a resolution proposing their reappointment will be submitted at the annual general meeting.

By order of the board

A Cuerden
Secretary



27 June 1996

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; 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 to 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.

REPORT OF THE AUDITORS

to the members of Woodhead Construction Services Limited

We have audited the accounts on pages 5 to 6 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 3 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.

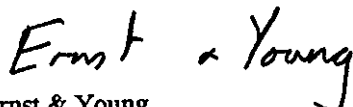
Basis of opinion

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 at 30 March 1996 and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young
Chartered Accountants
Registered Auditor
Leeds

6 November 1996

Woodhead Construction Services Limited

BALANCE SHEET

at 30 March 1996

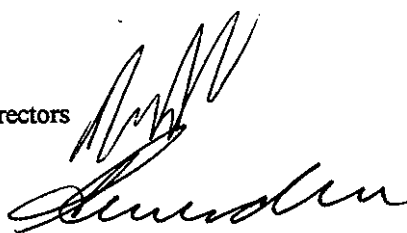
	Note	1996 £	1995 £
CREDITORS: amounts falling due after more than one year			
Medium term loan from parent company		(195,810)	(195,810)
		<u>(195,810)</u>	<u>(195,810)</u>
CAPITAL AND RESERVES			
Called up share capital	4	5,000	5,000
Profit and loss account		(200,810)	(200,810)
		<u>(195,810)</u>	<u>(195,810)</u>

D W Adam)

) Directors

A Cuerden)

27 June 1996



Woodhead Construction Services Limited

NOTES TO THE ACCOUNTS

at 30 March 1996

1. PROFIT AND LOSS ACCOUNT

The company did not trade during the 53 weeks ended 30 March 1996 and therefore made neither a profit nor a loss. Accordingly, no profit and loss account has been prepared.

2. ACCOUNTING CONVENTION

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

3. GOING CONCERN

The accounts have been prepared on a going concern basis because the immediate parent undertaking has agreed to provide continuing support to the company to enable it to meet its debts as they fall due.

4. CALLED-UP SHARE CAPITAL

At 30 March 1996 and 25 March 1995 the share capital of the company was:

	<i>Authorised £</i>	<i>Allotted, called-up and fully paid £</i>
Ordinary shares of £1 each	900	900
5% cumulative preference shares	4,100	4,100
	<u>5,000</u>	<u>5,000</u>

5. ULTIMATE PARENT COMPANY

The parent company of the group of undertakings for which group accounts are drawn up and of which the company is a member is Carclo Engineering Group PLC. Copies of Carclo Engineering Group PLC's accounts can be obtained from Carclo House, PO Box 224, Fife Street, Sheffield S9 1YX.