

Company No: 1234803

P.F. PROJECT CO-ORDINATORS LIMITED

FINANCIAL STATEMENTS

- for the year ended -

31 MARCH 1997

BERG KAPROW LEWIS
Chartered Accountants
35 Ballards Lane
London N3 1XW

Reference AR/P167/BJW



P.F. PROJECT CO-ORDINATORS LIMITED

DIRECTORS

W W Frischmann CBE (Chairman)
S S Prabhu

SECRETARY

N W Carmichael

REGISTERED OFFICE

5 Manchester Square
London
W1A 1AU

AUDITORS

Berg Kaprow Lewis
Chartered Accountants
35 Ballards Lane
London
N3 1XW

PRINCIPAL BANKERS

Barclays Bank plc
London

P.F. PROJECT CO-ORDINATORS LIMITED

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P.F. PROJECT CO-ORDINATORS LIMITED

REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements for the year ended 31 March 1997.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was that of engineering project management.

The directors report a small loss for the year under review and intend to face the future with management policies which will improve productivity and profitability. When the economy does start to expand the company will be ready to meet the challenge of new opportunities and further improve its financial position.

All members of staff employed by the group as a whole were available to any company within the group dependent upon the demand or resources of the constituent company.

DIVIDEND AND TRANSFER TO RESERVES

The trading loss for the year before and after taxation was £4,050 and £4,050 respectively (1996 : £2,294 and £2,530). The directors do not recommend payment of a dividend.

It is proposed that the loss of £4,050 is transferred to reserves.

DIRECTORS AND THEIR INTERESTS

The directors at the balance sheet date and their interests in the company (including those of their families) at that date and at the beginning of the year, were as follows:

	<u>Class of share</u>	<u>Number of shares</u>	
		<u>1997</u>	<u>1996</u>
W W Frischmann CBE	Ordinary shares	-	-
S S Prabhu	Ordinary shares	-	-

Directors interests in ultimate parent undertaking are given in note 11 to the financial statements.

P.F. PROJECT CO-ORDINATORS LIMITED

REPORT OF THE DIRECTORS (Continued)

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company 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;
- 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.

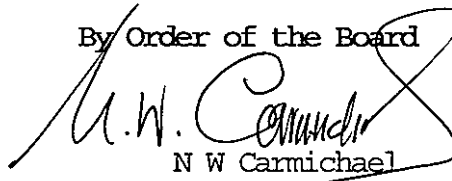
DIRECTORS AND OFFICERS INSURANCE

Directors' and officers' liability insurance has been maintained by the company during the year.

AUDITORS

The auditors, Berg Kaprow Lewis, are willing to be reappointed in accordance with section 385 of the Companies Act 1985.

Date: ..28.4.98.....

By Order of the Board

N W Carmichael
Secretary

P.F. PROJECT CO-ORDINATORS LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS OF P.F. PROJECT CO-ORDINATORS LIMITED

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out in note 1 to the financial statements.

Respective responsibilities of the directors and auditors

As described in the Directors' Report 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 affairs of the company as at 31 March 1997 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Berg Kaprow Lewis

BERG KAPROW LEWIS
Registered Auditors
Chartered Accountants

35 Ballards Lane
London
N3 1XW

Date: 30th April 1998....

P.F. PROJECT CO-ORDINATORS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 1997

	Notes	1997 £	1996 £
TURNOVER		41,700	97,679
Cost of sales		(40,200)	(94,972)
GROSS PROFIT		1,500	2,707
Administrative expenses		(5,550)	(5,001)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(4,050)	(2,294)
Tax on loss on ordinary activities	4	-	(236)
LOSS FOR THE YEAR	8	(4,050)	(2,530)

None of the company's activities were acquired or discontinued during the above two financial years.

The company has no recognised gains or losses other than those dealt with in the profit and loss account.

The notes on pages 6 to 9 form part of these financial statements.

P.F. PROJECT CO-ORDINATORS LIMITED

BALANCE SHEET AT 31 MARCH 1997

	Notes	£	1997 £	£	1996 £
CURRENT ASSETS					
Debtors	5	101,137		106,483	
Cash at bank and in hand		40		133	
			<u>101,177</u>	<u>106,616</u>	
CREDITORS: Amounts falling due within one year					
	6	(6,995)		(8,384)	
NET CURRENT ASSETS			<u>94,182</u>		<u>98,232</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>94,182</u>		<u>98,232</u>
CAPITAL AND RESERVES					
Called up share capital	7		100		100
Profit and loss account	8		94,082		98,132
			<u>94,182</u>		<u>98,232</u>

The financial statements were approved
by the board on28.4.98.... and
signed on its behalf by

W W Frischmann

W W Frischmann
Director

The notes on pages 6 to 9 form part of these financial statements.

P.F. PROJECT CO-ORDINATORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1997

1. ACCOUNTING POLICIES

1.1 BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention.

1.2 TURNOVER

Turnover represents fees receivable and reimbursables for services rendered exclusive of Value Added Tax.

1.3 DEFERRED TAXATION

Deferred taxation is provided at appropriate rate on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

2. OPERATING LOSS

The operating loss is stated after charging:-

Auditors' remuneration

1997
£

1996
£

1,400

1,400

3. DIRECTORS AND EMPLOYEES

Staff costs:-

1997
£

1996
£

-

-

The average weekly number of employees during the year was as follows:

Administration
Engineering

Number

Number

1

1

2

2

3

3

P.F. PROJECT CO-ORDINATORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1997

4. TAX ON LOSS ON ORDINARY ACTIVITIES

	1997 £	1996 £
The taxation charge based on the loss before tax comprises:-		
U.K. corporation tax at 24% (1996 - 25%)	-	236
	<u>-</u>	<u>236</u>

5. DEBTORS

	1997 £	1996 £
Amounts owed by group undertakings	99,208	102,255
Amounts owed by participating interests	-	1,645
Other debtors	1,929	2,583
	<u>101,137</u>	<u>106,483</u>

Amounts owed by group undertakings are in respect of fellow subsidiary undertakings.

6. CREDITORS: AMOUNTS FALLING DUE
WITHIN ONE YEAR

	1997 £	1996 £
Amounts owed to group undertakings	5,593	5,357
Corporation tax	-	236
Accruals and deferred income	1,402	2,791
	<u>6,995</u>	<u>8,384</u>

Amounts owed to group undertakings are in respect of the parent undertaking and fellow subsidiary undertakings.

7. SHARE CAPITAL

	1997 £	1996 £
<u>Authorised</u>		
Equity interests:		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
<u>Allotted, called up and fully paid</u>		
Equity interests:		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

P.F. PROJECT CO-ORDINATORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1997

8. PROFIT AND LOSS ACCOUNT

	1997 £	1996 £
Retained profits at 1 April 1996	98,132	100,662
Loss for the financial year	(4,050)	(2,530)
	<hr/>	<hr/>
Retained profits at 31 March 1997	94,082	98,132
	<hr/>	<hr/>

9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1997 £	1996 £
Loss for the financial year	(4,050)	(2,530)
Shareholders' funds at 1 April 1996	98,232	100,762
	<hr/>	<hr/>
Shareholders' funds at 31 March 1997	94,182	98,232
	<hr/>	<hr/>
Represented by:-		
Equity interests	94,182	98,232
	<hr/>	<hr/>
	94,182	98,232
	<hr/>	<hr/>

10. CONTINGENT LIABILITIES

- (a) The company's bankers have the right to set off cash at bank against the borrowings of certain group undertakings.
- (b) The company is a member of a group for Value Added Tax (VAT) purposes and is accordingly jointly and severally liable for VAT due and unpaid. The amount outstanding for the group at 31 March 1997 was £584,994 in respect of the quarter ended 31 March 1997 (1996: £623,261).

11. DIRECTORS' INTERESTS IN ULTIMATE PARENT UNDERTAKING

W W Frischmann and S S Prabhu were directors of Pell Frischmann Group Ltd, and details of their interests in shares of that company are disclosed in its report and financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1997

12. ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking is Pell Frischmann Group Ltd, a company incorporated in England and Wales, which is the only company within the group which prepares group financial statements.

Copies of the group financial statements of Pell Frischmann Group Ltd may be obtained from Mr N W Carmichael, the company secretary, at the following address:

5 Manchester Square
London W1A 1AU
Tel: 0171-486-3661

13. RELATED PARTY TRANSACTION

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8 in respect of disclosure of transactions with other group undertakings.