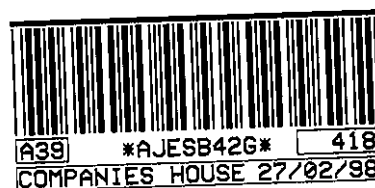


MAUNSELL STRUCTURAL PLASTICS LIMITED

STATEMENT OF ACCOUNTS

FOR THE YEAR ENDED 30TH JUNE 1997

Company No. 1703433



MAUNSELL STRUCTURAL PLASTICS LIMITED

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MAUNSELL STRUCTURAL PLASTICS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30TH JUNE 1997

The directors present their report together with the audited accounts for the year ended 30th June 1997.

Principal Activities and Review of Business

The company's principal activity continued to be that of the development of patents relating to their application in the construction and civil engineering industries.

The directors consider the performance to be satisfactory under the current trading circumstances.

Results and Dividends

The results for the year are set out in the profit and loss account on page 4.

The directors do not recommend a dividend .

Directors

The directors who served during the year and their beneficial interests in the company's issued share capital were:

	Ordinary shares of £1 each	
	30th June 1997	1st July 1996
A E Churchman	-	-
P R Head	-	-
P J Jarvis (resigned 23.6.97)	-	-
L M Elliss	-	-

There were no directors' interest in any contract of the Company, except in a professional capacity, nor were directors party to any arrangement concerning shares in any other relevant Company.

MAUNSELL STRUCTURAL PLASTICS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30TH JUNE 1997

Directors' Responsibilities

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of the company's affairs and of the profit or loss for that year. In preparing these accounts 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 accounts;

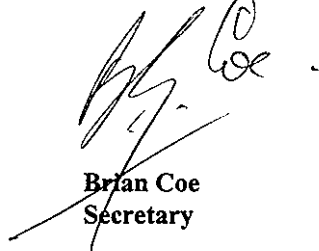
Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and 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.

Auditors

A resolution to reappoint Shaw Walker & Co as auditors will be put to the members at the Annual General Meeting.

BY ORDER OF THE BOARD



Brian Coe
Secretary

Maunsell House
160 Croydon Road
BECKENHAM
Kent
BR3 4DE

Date: 19th February 1998.

AUDITORS' REPORT TO THE
SHAREHOLDERS OF MAUNSELL STRUCTURAL PLASTICS LIMITED

We have audited the accounts on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective Responsibilities of Directors and Auditors

As described on page 1 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 report our opinion to you.

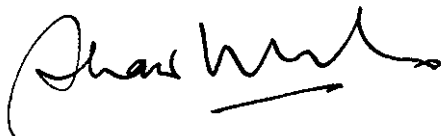
Basis of Opinion

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 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 the information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 30th June 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Shaw Walker & Co
Registered Auditors
Chartered Certified Accountants
31 Great Queen Street
London
WC2B 5AA

Date: 20th February 1998

MAUNSELL STRUCTURAL PLASTICS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30TH JUNE 1997

	Notes	1997	1996
		£	£
Turnover	2	306,163	271,359
Cost of Sales		153,942	154,037
Gross Profit		<u>152,221</u>	<u>117,322</u>
Administrative Expenses		127,246	177,878
		<u>24,975</u>	<u>(60,556)</u>
Other operating income		-	599
Operating Profit/Loss	3	<u>24,975</u>	<u>(59,957)</u>
Interest Payable and Similar Charges	4	(762)	(68)
Profit/Loss on Ordinary Activities before Taxation		<u>24,213</u>	<u>(60,025)</u>
Tax on profit/loss on ordinary activities	5	7,600	(20,000)
Profit/Loss for the Financial Year	10	<u>16,613</u>	<u>(40,025)</u>
Retained Loss/Profit Brought Forward		<u>(16,666)</u>	<u>23,359</u>
Retained Loss Carried Forward		<u>(53)</u>	<u>(16,666)</u>

All amounts relate to continuing activities.

STATEMENT OF RECOGNISED GAINS AND LOSSES

There were no other recognised gains and losses for 1997 or 1996 other than those included in the profit and loss account.

MAUNSELL STRUCTURAL PLASTICS LIMITED

BALANCE SHEET

AS AT 30TH JUNE 1997

	Notes	1997	1996
		£	£
Current Assets			
Debtors	6	147,929	202,760
Cash at bank and in hand		-	69,933
		<u>147,929</u>	<u>272,693</u>
Creditors: Amounts Falling Due Within One Year	7	147,882	289,259
Net Current Assets/Liabilities		<u>47</u>	<u>(16,566)</u>
Total Assets Less Current Liabilities		<u>47</u>	<u>(16,566)</u>
Capital and Reserves			
Share Capital - Equity	9	100	100
Profit and loss account	10	(53)	(16,666)
Shareholders' Funds	11	<u>47</u>	<u>(16,566)</u>

APPROVED BY THE BOARD OF DIRECTORS
and signed on its behalf by:

Director


L. M. ELLIS

Date: 19th February 1998.

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30TH JUNE 1997

1 **Accounting Policies**

Basis of Accounting

The Accounts have been prepared under the historical cost convention.

The company has taken advantage of the exemptions in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Depreciation

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets other than freehold land by equal annual instalments over their expected useful lives. The rates and periods generally applicable are:

Leasehold properties	Over the life of the lease
Laboratory equipment	25% Straight Line
Motor vehicles	25% Straight Line
Furniture and equipment	20% Straight Line
Technical equipment	25% Straight Line
Computer equipment	33% Straight Line
Refurbishment cost	Over the life of the lease

Long Term Contracts

Turnover on long-term contracts is determined contract-by-contract on the basis of that proportion of the total expected fee which the cost of sales incurred to the date of the balance sheet bears to the total expected cost.

Operating profit includes attributable profit on long-term contracts completed and amounts recoverable on contracts uncompleted, the latter also being included in debtors due within one year.

Deferred Taxation

Deferred tax is provided for under the liability method using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

Debit balances arising in respect of advanced corporation tax on dividends payable or proposed are carried forward to the extent that they are expected to be recoverable.

Foreign Currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Where exchange differences result from the translation of foreign currency borrowings raised to acquire foreign assets they are taken to reserves and offset against the differences arising from the translation of those assets. All other exchange differences are dealt with through the profit and loss account.

MAUNSELL STRUCTURAL PLASTICS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30TH JUNE 1997

Leased Assets

Assets held under finance leases and hire purchase contracts are capitalised in the Balance Sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the Profit and Loss Account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the Profit and Loss Account on a straight line basis over the lease term.

2 Turnover

	1997
	£
Geographical Area	
Europe	240,687
Middle East	37,739
South East Asia	27,737

3 Operating Profit

The operating profit is arrived at after charging or crediting:

	1997	1996
	£	£
Auditors' remuneration	1,600	2,950

4 Interest Payable and Similar Charges

	1997	1996
	£	£
Bank overdrafts and loans	762	68

5 Taxation

	1997	1996
	£	£
Based on the results for the year		
UK corporation tax at 24% (1996 25%)	7,600	(20,000)
	7,600	(20,000)

6 Debtors

	1997	1996
	£	£
Amounts owed by group undertakings	-	124,720
Amounts Recoverable on Contracts	128,809	58,040
Other Debtors	19,120	20,000
	147,929	202,760

MAUNSELL STRUCTURAL PLASTICS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30TH JUNE 1997

7	Creditors: Amounts Falling Due Within One Year	1997	1996
		£	£
	Bank overdrafts	105,005	-
	Applicable payments on account	16,333	-
	Trade creditors	6,246	7,689
	Amounts owed to group undertakings	-	252,438
	Corporation tax	7,600	-
	Other taxes and social security	4,394	10,917
	Other creditors	8,304	-
	Accruals and deferred income	-	18,215
		147,882	289,259

8 Deferred Taxation

No provision for deferred taxation has been made during the year. There are no amounts provided or unprovided that require to be disclosed.

9	Share Capital	1997	1996
		£	£
	Authorised		
	Equity Shares		
	100 Ordinary shares of £1.00 each	100	100
		100	100
	Allotted		
	Equity Shares		
	100 Allotted, called up and fully paid ordinary shares of £1.00 each	100	100

10 Reserves

	Profit and Loss Account
	£
At 1st July 1995	23,359
Profit/Loss for the year	(40,025)
At 1st July 1996	(16,666)
Profit/Loss for the year	16,613
At 30th June 1997	(53)

MAUNSELL STRUCTURAL PLASTICS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30TH JUNE 1997

11	Reconciliation of Shareholders' Funds	1997 £	1996 £
	Profit/Loss for the financial year	16,613	(40,025)
	Increase/Decrease in the shareholders' funds	16,613	(40,025)
	Opening shareholders' funds	(16,566)	23,459
	Closing shareholders' funds	47	(16,566)

12 Parent Undertaking and Related Parties

The company's immediate parent undertaking is Maunsell Holdings Limited. It has included the company in its group accounts, copies of which are available from its registered office: Maunsell House, 160 Croydon Road, BECKENHAM, Kent, BR3 4DE.

In the directors' opinion the company's ultimate parent company and controlling party is Guy Maunsell International Limited which is incorporated in Jersey.

13	Related Party Transactions	1997 £	1996 £
	Related Party Transaction for the year are:		
	a) The following sales were made to the related parties in the normal course of business.		
	Maunsell Consultancy Services Ltd	-	5,000
	Maunsell PTY Ltd	-	15,000
	b) Balances outstanding at the balance sheet date:		
	Due from: Maunsell Consultancy Services Ltd (London)	-	5,000
	Maunsell PTY Ltd	-	15,000