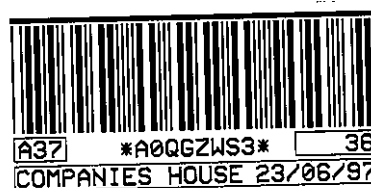


Dutton Moore Atkin Gilbert

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B.C.M. CONTRACTS LIMITEDFINANCIAL STATEMENTS AND REPORTS30th NOVEMBER, 1996

AUDITORS' REPORT TO
B.C.M. CONTRACTS LIMITED
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8
TO THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 1 to 3 together with the financial statements of B.C.M. Contracts Limited prepared under section 226 of the Companies Act 1985 for the year ended 30th November, 1996.

Respective responsibilities of the Directors and Auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors statement on page 1 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

Basis of Opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 30th November, 1996, and the abbreviated accounts on pages 1 to 3 have been properly prepared in accordance with that Schedule.

Other Information

On 3rd June, 1997 we reported, as auditors of B.C.M. Contracts Limited to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 30th November, 1996, and our audit report was as follows:

"We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of the Directors and Auditors

As described on page 4 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.

/continued

AUDITORS' REPORT TO
B.C.M. CONTRACTS LIMITED
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8
TO THE COMPANIES ACT 1985 (CONTINUED)

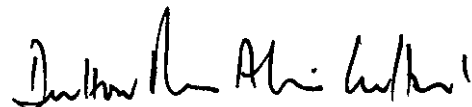
Basis of Opinion

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 November, 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985".



DUTTON MOORE ATKIN GILBERT

CHARTERED ACCOUNTANTS AND

REGISTERED AUDITORS

HULL
3rd JUNE, 1997

B.C.M. CONTRACTS LIMITED

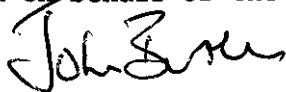
BALANCE SHEET AS AT 30th NOVEMBER, 1996

	<u>Notes</u>	<u>1996</u>	<u>1995</u>
<u>FIXED ASSETS</u>			
Tangible Assets	2	84,480	71,431
<u>CURRENT ASSETS</u>			
Stocks		93,051	63,691
Debtors		337,613	343,826
Cash at Bank and in Hand		106,604	225
		<hr/>	<hr/>
		537,268	407,742
<u>CREDITORS: amounts falling due within one year</u>		<hr/> (289,649) <hr/>	<hr/> (233,939) <hr/>
Net Current Assets		247,619	173,803
		<hr/>	<hr/>
Total Assets less Current Liabilities		<u>£332,099</u>	<u>£245,234</u>
<u>CAPITAL AND RESERVES</u>			
Called Up Share Capital	3	2	2
Profit and Loss Account		332,097	245,232
		<hr/>	<hr/>
		<u>£332,099</u>	<u>£245,234</u>

In preparing these abbreviated accounts:

- The directors have taken advantage of the exemptions conferred on small companies by the Companies Act 1985, Schedule 8, Part III.A.
- In the opinion of the directors the company qualifies as a small company and is entitled to make use of the exemptions.

Approved on behalf of the Board



J.A. BUTLER
Director

DATED: 3rd JUNE, 1997

B.C.M. CONTRACTS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR

ENDED 30th NOVEMBER, 1996

1. Principal Accounting Policies

The accounts have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of Accounting

- a) Accounts have been prepared under the historical cost convention.
- b) Turnover is the amount invoiced by the company, exclusive of VAT, for goods and services to outside customers.
- c) Trading Profit includes all normal operating profits, less losses, for the year.
- d) Stock and Work in Progress is valued by the directors at the lower of cost or estimated net realisable value.
- e) Fixed Assets are included at cost. Depreciation is provided at rates calculated to write off all tangible fixed assets over their estimated useful lives as follows:

Plant and Machinery	15% on WDV
Motor Vehicles	25% on WDV

f) Pension Scheme Arrangements

The company operates defined contribution pension schemes. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the schemes. The company provides no other post retirement benefits to its employees.

- g) Deferred Tax is only provided for, where in the opinion of the directors, the timing differences will crystallise in the foreseeable future.

B.C.M. CONTRACTS LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

2. Tangible Fixed Assets

COST

As at 1st December, 1995	136,494
Additions	31,947
Disposals	(11,028)

As at 30th November, 1996	<u>£157,413</u>
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DEPRECIATION

As at 1st December, 1995	65,063
Charged during the year	14,590
Written back on Disposal	(6,720)

As at 30th November, 1996	<u>£72,933</u>
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NET BOOK VALUE

As at 30th November, 1996	<u>£84,480</u>
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As at 30th November, 1995	<u>£71,431</u>
---------------------------	----------------

3. Share Capital

Authorised:

1,000 Ordinary Shares of £1 each	<u>£1,000</u>	<u>£1,000</u>
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Allotted, Issued and Fully Paid:

2 Ordinary Shares of £1 each	<u>£2</u>	<u>£2</u>
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4. Ultimate Parent Undertaking

The company is a wholly owned subsidiary of Thorngrow Limited, a company registered in England.