

T C L CONSTRUCTION LIMITED
FINANCIAL STATEMENTS
31ST OCTOBER 1997

Company Registration Number 975607



HOPPER WILLIAMS & BELL
Chartered Accountants & Registered Auditor
Abacus House
1 Spring Crescent
Portwood
Southampton

T C L CONSTRUCTION LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31ST OCTOBER 1997

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T C L CONSTRUCTION LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

THE DIRECTOR

J.A.C. Leach

COMPANY SECRETARY

Miss P.A. Leach

REGISTERED OFFICE

Abacus House
1 Spring Crescent
Portswood
Southampton

AUDITORS

Hopper Williams & Bell
Chartered Accountants & Registered Auditor
Abacus House
1 Spring Crescent
Portswood
Southampton

BANKERS

TSB Bank Plc
Area Business Services Unit
PO Box 1
31-33 High Street
Southampton

T C L CONSTRUCTION LIMITED**THE DIRECTOR'S REPORT****YEAR ENDED 31ST OCTOBER 1997**

The director has pleasure in presenting his report and the financial statements of the company for the year ended 31st October 1997.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company in the year under review was that of civil engineering contractors.

The company commenced a new contract towards the end of the year. It is intended to complete this project in the coming year.

In the opinion of the director the company was in a satisfactory position at year end.

RESULTS AND DIVIDENDS

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The director has not recommended a dividend.

THE DIRECTOR AND HIS INTERESTS IN SHARES OF THE COMPANY

The director who served the company during the year together with his beneficial interests in the shares of the company was as follows:

	Ordinary Shares of £1 each	
	At 31 Oct 97	At 1 Nov 96
J.A.C. Leach	<u>1</u>	<u>1</u>

The interests of the director in the ordinary shares of the holding company, including family interests were as follows:

	1997		1996	
	Beneficial Interest	As Trustee	Beneficial Interest	As Trustee
J.A.C. Leach	268,022	100,098	268,022	100,098
	=====		=====	

DIRECTOR'S RESPONSIBILITIES

Company law requires the director to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the profit or loss for the year then ended.

T C L CONSTRUCTION LIMITED**THE DIRECTOR'S REPORT** *(continued)***YEAR ENDED 31ST OCTOBER 1997**

DIRECTOR'S RESPONSIBILITIES *(continued)*

In preparing those financial statements, the director is required to select suitable accounting policies, as described on page 7, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The director must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. The director is 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 re-appoint Hopper Williams & Bell as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:

Abacus House
1 Spring Crescent
Portswood
Southampton

Signed by



J.A.C LEACH
Director

Approved by the director on 30th April 1998

T C L CONSTRUCTION LIMITED
AUDITORS' REPORT TO THE SHAREHOLDERS
YEAR ENDED 31ST OCTOBER 1997

We have audited the financial statements on pages 5 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTOR AND THE AUDITORS

As described on pages 2 to 3, the company's director is responsible for the preparation of the 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 director 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 company's state of affairs as at 31st October 1997 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.



Abacus House
1 Spring Crescent
Portswood
Southampton

HOPPER WILLIAMS & BELL
Chartered Accountants
& Registered Auditor

30th April 1998

T C L CONSTRUCTION LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31ST OCTOBER 1997

	Note	1997 £	1996 £
TURNOVER:		-	-
Cost of sales		4,579	-
GROSS PROFIT		4,579	-
Administrative expenses		(785)	-
OPERATING PROFIT	2	3,794	-
Tax on profit on ordinary activities	3	-	-
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		3,794	-
Balance brought forward		46,078	46,078
Balance carried forward		49,872	46,078

The company has no recognised gains or losses other than the results for the year as set out above.

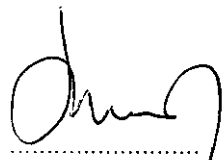
All of the activities of the company are classed as continuing.

T C L CONSTRUCTION LIMITED**BALANCE SHEET****31ST OCTOBER 1997**

		1997		1996
	Note	£	£	£
CURRENT ASSETS				
Stocks and long-term contracts	4	27,473		-
Debtors	5	43,893		67,902
Cash at bank and in hand		714		-
		<u>72,080</u>		<u>67,902</u>
CREDITORS: Amounts falling due within one year	6	<u>(13,308)</u>		<u>(12,924)</u>
NET CURRENT ASSETS			<u>58,772</u>	<u>54,978</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>58,772</u>	<u>54,978</u>
CAPITAL AND RESERVES				
Called-up equity share capital	8		8,900	8,900
Profit and loss account			<u>49,872</u>	<u>46,078</u>
SHAREHOLDERS' FUNDS	9		<u>58,772</u>	<u>54,978</u>

These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved and signed by the director on 30th April 1998.



.....
J.A.C. LEACH

T C L CONSTRUCTION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST OCTOBER 1997

1. ACCOUNTING POLICIES

Basis of accounting

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

Cash flow statement

The director has taken advantage of the exemption in Financial Reporting Standard No 1 from including a cash flow statement in the financial statements on the grounds that the company is small.

Stock and long-term contracts

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Long-term contracts are assessed on a contract-by-contract basis and reflected in the profit and loss account by recording turnover and related costs as contract activity progresses. Turnover is ascertained in a manner appropriate to the stage of completion of the contract, the business and the industry in which it operates. Where it is considered that the outcome of a long-term contract can be assessed with reasonable certainty before its conclusion, the prudently calculated attributable profit is recognised in the profit and loss account.

2. OPERATING PROFIT

Operating profit is stated after charging:

	1997 £	1996 £
Director's emoluments	-	-
Auditors' fees	650	-
	<u> </u>	<u> </u>

3. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1997 £	1996 £
Corporation tax	-	-
	<u> </u>	<u> </u>

4. STOCKS AND LONG-TERM CONTRACTS

	1997 £	1996 £
Stocks and long-term contracts	27,473	-
	<u> </u>	<u> </u>

5. DEBTORS

	1997 £	1996 £
Amounts owed by group undertakings	43,892	67,902
VAT recoverable	1	-
	<u>43,893</u>	<u>67,902</u>

T C L CONSTRUCTION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST OCTOBER 1997

6. CREDITORS: Amounts falling due within one year

	1997 £	1996 £
Bank loans and overdrafts	-	115
Other creditors	13,308	12,809
	<u>13,308</u>	<u>12,924</u>

7. RELATED PARTY TRANSACTIONS

The company was under the ultimate control of Mr. J.A.C. Leach and Ms. P.A. Leach, the directors of Greenclose Limited, the holding company. Their interests in Greenclose Limited are disclosed in the parent company accounts.

The company has taken advantage of the exemptions available to wholly-owned subsidiary undertakings to not disclose transactions with group companies.

There were no transactions during the year between the company and the ultimate controlling parties.

8. SHARE CAPITAL

Authorised share capital:

	1997 £	1996 £
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

Allotted, called up and fully paid:

	1997 £	1996 £
Ordinary share capital	<u>8,900</u>	<u>8,900</u>

9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1997 £	1996 £
Profit for the financial year	3,794	-
Opening shareholders' equity funds	<u>54,978</u>	<u>54,978</u>
Closing shareholders' equity funds	<u>58,772</u>	<u>54,978</u>

T C L CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST OCTOBER 1997

10. ULTIMATE PARENT COMPANY

The ultimate holding company is Greenclose Limited, a company incorporated in the United Kingdom.