CARLISLE SCAFFOLDING LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2002

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COMPANY INFORMATION

COMPANY NUMBER	3682021
REGISTERED OFFICE	5 Cecil Street, Carlisle
DIRECTORS	K.D. Dobinson, J.J. Hayhow
SECRETARY	Mrs. J.A. Dobinson
BANKERS	H.S.B.C. PLC. 29 English Street, Carlisle
AUDITORS	N.B. Lancaster and Co., Chartered Accountants, and Registered Auditor, 5 Cecil Street, Carlisle.

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CARLISLE SCAFFOLDING LIMITED

DIRECTORS REPORT

The Directors present their third Annual Report for the year ended 31st March, 2002.

TRADING RESULTS	Y.E. 31.3.2002	Y.E. 31.3.2001
Profit on Ordinary Activities Before Tax	72,337	4,052
Taxation	13,995	(127)
Profit on Ordinary Activities After Tax	58,342	4,179
Dividends	27,000	16,000
Retained Profit/Loss for the Year	31,342	(11,821)

The Directors consider that the Company has traded satisfactorily during the period. Dividends of £27.000 were paid to preference Shareholders during the year.

PRINCIPAL ACTIVITIES

The Company's Principal Activity is the provision of Scaffolding Services to the Construction and Allied Trades.

FIXED ASSETS

The company's movements in Fixed Assets during the year is set out in Note 11 to the Accounts.

DIRECTORS AND THEIR SHAREHOLDINGS

The Directors serving during the period were as follows:-

	As At 31.3.2002		As At 31.3.2001	
	Ord. Shares	Redeemable Preference Shares	Ord. Shares	Redeemable Preference Shares
K.D. Dobinson	510 (51%)	39,000	510 (51%)	39,000
J.J. Hayhow	100 (10%)	-	100 (10%)	-

CARLISLE SCAFFOLDING LIMITED

DIRECTORS REPORT (CONTD.)

OTHER SUBSTANTIAL SHAREHOLDINGS

(In Excess of 3% of Issued Share of Capital)

	Ord. Shares As At 31.3.2002	Ord. Shares As At 31.3.2001
Mrs. J. A. Dobinson	390 (39%)	390 (39%)

AUDITORS

Although the Company is now entitled to exemption from the requirements to have an Audit under the provisions of Section 249 A (2) and no Audit has been undertaken the Company's Auditors, Messrs. N.B. Lancaster and Co., Chartered Accountants, continue to hold office as Auditors.

BY ORDER OF THE BOARD

J. Dobinson

Mrs. J.A. Dobinson

31ST MAY, 2002

SECRETARY

CARLISLE SCAFFOLDING LIMITED

STATEMENT OF DIRECTORS RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

Directors are required by the Companies Act 1985 to prepare financial statements which give a true and fair view of the state of the Company's affairs at the end of the financial year and of the profit and loss for that period.

It is also the Directors responsibility to maintain adequate accounting records, safeguard the assets of the company and prevent and detect fraud and other irregularities.

The Directors confirm that suitable Accounting Policies, consistently applied and supported by responsible and prudent judgement and estimates, have been used in the preparation of the Financial Statements and that applicable Accounting Standards have been followed.

BY ORDER OF THE BOARD

K.D. DOBINSON

DIRECTOR

31ST MAY, 2002

CARLISLE SCAFFOLDING LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2002

AS AT 31.3.2001				
		ASSETS EMPLOYED		
		FIXED ASSETS		
	156387	Tangible Assets (Note 11)		146952
		CURRENT ASSETS		
95875		Debtors (Note 6)	102122	
-		Cash at Bank and In Hand	-	
95875			102122	
159440		Creditors Falling Due Within One Year (Note 7)	129263	
	(63565)	**NET CURRENT ASSETS**		(27141)
	92822	**TOTAL ASSETS LESS CURRENT LIABILITIES**		119811
	41272	**LESS CREDITORS FALLING DUE AFTER ONE YEAR** (Note 8)		36919
	51550	**NET ASSETS**		82892
		REPRESENTED BY:-		
		CAPITAL AND RESERVES		
	40000	Called Up Share Capital (Note 9)		40000
		RESERVES:-		
	11550	Profit and Loss Account		42892
	51550	**CAPITAL EMPLOYED**		82892

The Directors consider that the Company is entitled to exemption from the requirement to have an Audit under the provisions of Section 249 A (1) of the Companies Act 1985. Shareholders holding 10% or more of the Company's Share Capital have not issued a notice requiring an Audit. The Directors acknowledge their responsibilities for ensuring that the Company keeps Accounting Records which comply with Section 221 of the Companies Act 1985, and for preparing Accounts which give a true and fair view of the state of affairs of the Company as at the end of the Financial Year and of its Profit for the year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Act relating to the Accounts so far as applicable to the Company.

THE ACCOUNTS WERE APPROVED BY THE BOARD OF DIRECTORS ON 31ST MAY, 2002 AND SIGNED ON THEIR BEHALF BY:-

K.D. Dobinson .....Director

CARLISLE SCAFFOLDING LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2002

AS AT 31.3.2001			
421327	**TURNOVER** (Note 1(b))		536727
276022	Less Cost of Sales (Note 2)		331554
145305	**GROSS PROFIT**		205173
130561	Less Administrative Expenses (Note 3)		122196
14744	**OPERATING PROFIT**		82977
10692	Less Interest Payable (Note 4)		10640
4052	**PROFIT ON ORDINARY ACTIVITIES BEFORE TAX**		72337
(127)	**TAXATION** (Note 5)		13995
4179	**PROFIT ON ORDINARY ACTIVITIES AFTER TAX**		58342
	APPROPRIATIONS		
16000	Dividend Paid		27000
(11821)	**RETAINED (LOSS)/PROFIT FOR THE FINANCIAL YEAR**		31342
23371	Add Retained Earnings B/Fwd.		11550
11550	**RETAINED EARNINGS**		42892

NOTES:-

1. Continuing Operations

   None of the Company's activities were acquired or discontinue during the above two financial years.

2. Total Recognised Gains and Losses

   The Company has no rcognised Gains or Losses other than the Profit and Loss for the above financial perid.

CARLISLE SCAFFOLDING LIMITED

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

(a) Basis of Preparation

The Accounts have been prepared under the Historical Cost Convention and comply except where otherwise stated with applicable Statements of Standard Accounting Practice.

(b) Turnover

Comprises the value of Invoiced Sales, Exclusive of Value Added Tax after provision for bad and doubtful debts.

(b) Depreciation

Depreciation is provided on Tangible Assets at the following rates computed by the Reducing Balance method for Plant and Motor Vehicles and the Straight Line Method for Freehold Premises in order that the cost of assets may be reduced to their estimated residual value over their estimated useful lives:-

Plant and Equipment	-	20% per Annum on Reducing Balance
Computer Equipment	-	50% per Annum on Reducing Balance
Motor Vehicles	-	25% per Annum on Reducing Balance

2. COST OF SALES

	2002	2001
Purchases of Materials, Services and Plant Hire	47,772	28,255
Staff Costs	235,499	178,469
Other Direct Costs	48,283	69,298
	331,554	276,022

3. ADMINISTRATIVE EXPENSES

Depreciation	39,475	44,047
Directors Remuneration	25,815	33,995
Other Costs	56,906	52,519
	122,196	130,561

4. INTEREST PAYABLE

Short Term Bank Overdraft Interest	6,169	7,358
Bank Loan Interest (Under 5 Years)	4,019	2,765
Hire Purchase Interest	452	569
	10,640	10,692

CARLISLE SCAFFOLDING LIMITED

NOTES TO THE ACCOUNT

5. TAXATION	2002	2001
U.K. Corporation Tax on Profits at 20%	13,989	-
Interest on Late Payment	6	20
Loss Relief	-	(147)
	13,995	(127)

6. DEBTORS		
Trade Debtors	102,122	95,728
Corporation Tax Repayment	-	147
	102,122	95,875

7. CREDITORS FALLING DUE WITHIN ONE YEAR		
Trade Creditors	22,130	32,981
Other Creditors (Including Taxation and Social Security)	28,133	18,276
Accruals	1,800	1,800
Hire Purchase (Under 12 Months)	5,594	4,925
Bank Overdraft	57,617	101,458
Provision for Corporation Tax	13,989	-
	129,263	159,440

8. CREDITORS FALLING DUE AFTER ONE YEAR		
Hire Purchase Creditors (Due Over 12 Months and Under 5 Years)	1,916	2,719
Directors Loan Account (K.D. Dobinson)	4,695	25
Bank Loan (Under 5 Years)	30,308	38,528
	36,919	41,272

A Loan of £50,000 was advanced during the Year ended 31st March, 1999 by HSBC PLC repayable over a 5 year term and secured by a Fixed and Floating Debenture over the Company's Assets.

9. CALLED UP SHARE CAPITAL		
Authorised -	1,000 Ordinary Shares of £1 each	1,000
	39,000 Redeemable Preference Shares of £1 each	39,000
		40,000
Issued	1.000 Ordinary Shares of £1 each, Fully Paid	1,000
	39,000 Redeemable Preference Shares of £1 each Fully Paid	39,000
		40,000

10. RELATED PARTY TRANSACTIONS

During the period the Company paid rent of £8,000 p.a. to Mr. K.D. Dobinson, a Director and Shareholder in the Company for the use of the Company's premises.

CARLISLE SCAFFOLDING LIMITED

NOTES TO THE ACCOUNTS

11. **TANGIBLE ASSETS**

	PLANT EQUIPMENT	COMPUTER EQUIPMENT	MOTOR VEHICLES	TOTAL
Cost As At 1st April, 2001	209,708	1,045	24,688	235,441
Additions	18,000	-	17,450	35,450
Disposals	-	-	(8,053)	(8,053)
Cost As At 31st March, 2002	227,708	1,045	34,085	262,838
Depreciation As At 1st April, 2001	71,180	522	7,352	79,054
Elimination re Disposals	-	-	(1,892)	(1,892)
Provision for Year	31,306	261	7,157	38,724
Depreciation As At 31st March, 2002	102,486	783	12,617	115,886
Net Book Value As At 31st March, 2001	138,528	523	17,336	156,387
Net Book Value As At 31st March, 2002	125,222	262	21,468	146,952