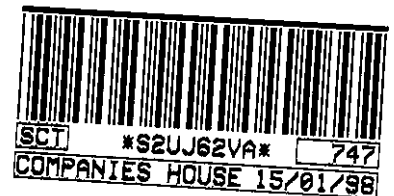
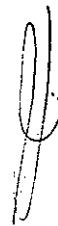


DUNCAN - PRYDE (CONTRACTORS) LIMITED
ABBREVIATED FINANCIAL STATEMENTS
31st JULY 1997

CONDIE & CO
Chartered Accountants & Registered Auditors
10 Abbey Park Place
Dunfermline
Fife
KY12 7NZ



Duncan - Pryde (Contractors) Limited

Abbreviated Financial Statements
For the year ended 31st July 1997

CONTENTS

PAGE

Auditors' report to the company

1

Auditors' report to the shareholders

2

Abbreviated balance sheet

3

Notes to the abbreviated financial statements

4

Auditors' Report to the company
Pursuant to Section 247B of the Companies Act 1985

We have examined the abbreviated accounts on pages 3 to 6, together with the financial statements of the company prepared under Section 226 of the Companies Act 1985 for the year ended 31st July 1997.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing abbreviated accounts in accordance with Schedule 8A to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to prepare accounts under the special provisions of section 246 of the Act referred to in the directors' statement on page 3 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 prepare accounts under the provisions referred to above 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 the Companies Act 1985 to deliver abbreviated accounts prepared in accordance with sections 246 and 247 of the Act, in respect of the year ended 31st July 1997, and the abbreviated accounts on pages 3 to 6 have been properly prepared in accordance with Schedule 8A of the Act.

OTHER INFORMATION

On 16th January 1998 we reported, as auditors of the company, to the shareholders on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31st July 1997, and the full text of our audit report is reproduced on page 2 of these financial statements.

CONDIE & CO

Registered Auditors
& Chartered Accountants
10 Abbey Park Place
Dunfermline
Fife
KY12 7NZ

16th January 1998

Auditors' Report to the shareholders of

Duncan - Pryde (Contractors) Limited

We have audited the financial statements on pages 5 to 13 which have been prepared under the historical cost convention and the accounting policies set out on pages 7 to 8.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

As described on page 2, the company's directors are 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.

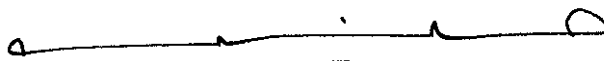
BASIS OF OPINION

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 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 company's state of affairs as at 31st July 1997 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.



CONDIE & CO

Registered Auditors
& Chartered Accountants
10 Abbey Park Place
Dunfermline
Fife
KY12 7NZ

16th January 1998

Duncan - Pryde (Contractors) Limited

Abbreviated Balance Sheet As at 31st July 1997

	Note	1997 £	1996 £
FIXED ASSETS	2		
Tangible assets		55,969	62,306
CURRENT ASSETS			
Stocks		765	5,700
Debtors		162,069	90,898
Cash at bank and in hand		18,380	29,029
		<u>181,214</u>	<u>125,627</u>
CREDITORS: Amounts falling due within one year	3	<u>(211,565)</u>	<u>(165,219)</u>
NET CURRENT LIABILITIES		<u>(30,351)</u>	<u>(39,592)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>25,618</u>	<u>22,714</u>
CREDITORS: Amounts falling due after more than one year		-	(2,245)
PROVISIONS FOR LIABILITIES AND CHARGES		<u>(4,454)</u>	<u>(4,926)</u>
NET ASSETS		<u>21,164</u>	<u>15,543</u>
CAPITAL AND RESERVES			
Called-up share capital	4	10,000	10,000
Other reserves		10,000	10,000
Profit and loss account		1,164	(4,457)
SHAREHOLDERS' FUNDS		<u>21,164</u>	<u>15,543</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 by the directors on the 12th January 1998 and are signed on their behalf by:



Ian H Pryde
Director

The notes on pages 4 to 6 form part of these financial statements.

Notes to the Abbreviated Financial Statements
For the year ended 31st July 1997

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

Cash flow statement

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard 1 on the grounds that it qualifies as a small company.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax, enhanced by the value of completed but uninvoiced work at the year end.

Goodwill

Purchased goodwill is incorporated as an intangible fixed asset.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill	25% p.a. Straight Line
----------	------------------------

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery	15% p.a. Reducing Balance
Motor Vehicles	25% p.a. Reducing Balance

Work in progress

The value of work in progress is estimated by the directors and represents a proportion of the completed contract value, excluding Value Added Tax, depending on its degree of completion at the balance sheet date. By using the completed contract value as the basis of valuation the work in progress figure used in the financial statements includes an element of profit.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account.

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account, and the capital element which reduces the outstanding obligation for future instalments.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits as incurred.

Notes to the Abbreviated Financial Statements
For the year ended 31st July 1997

1. ACCOUNTING POLICIES *(continued)*

Pension costs

The company operates defined contribution pension schemes for its employees. Contributions are charged to the profit and loss account as they are paid in accordance with the rules of the scheme.

Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

2. FIXED ASSETS

	Intangible Assets £	Tangible Fixed Assets £	Total £
COST			
At 1st August 1996	13,596	224,203	237,799
Additions	-	6,041	6,041
Disposals	-	(5,367)	(5,367)
At 31st July 1997	<u>13,596</u>	<u>224,877</u>	<u>238,473</u>
DEPRECIATION			
At 1st August 1996	13,596	161,897	175,493
Charge for year	-	11,985	11,985
On disposals	-	(4,974)	(4,974)
At 31st July 1997	<u>13,596</u>	<u>168,908</u>	<u>182,504</u>
NET BOOK VALUE			
At 31st July 1997	-	55,969	55,969
At 31st July 1996	-	62,306	62,306

3. CREDITORS: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	1997 £	1996 £
Bank loans and overdrafts	<u>49,317</u>	<u>20,737</u>

Notes to the Abbreviated Financial Statements
For the year ended 31st July 1997

4. SHARE CAPITAL

Authorised share capital:

	1997	1996
	£	£
50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>

Allotted, called up and fully paid:

	1997	1996
	£	£
Ordinary share capital	<u>10,000</u>	<u>10,000</u>