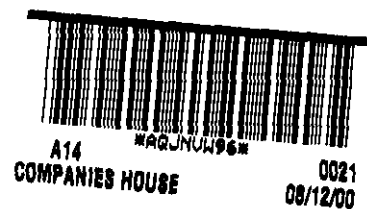
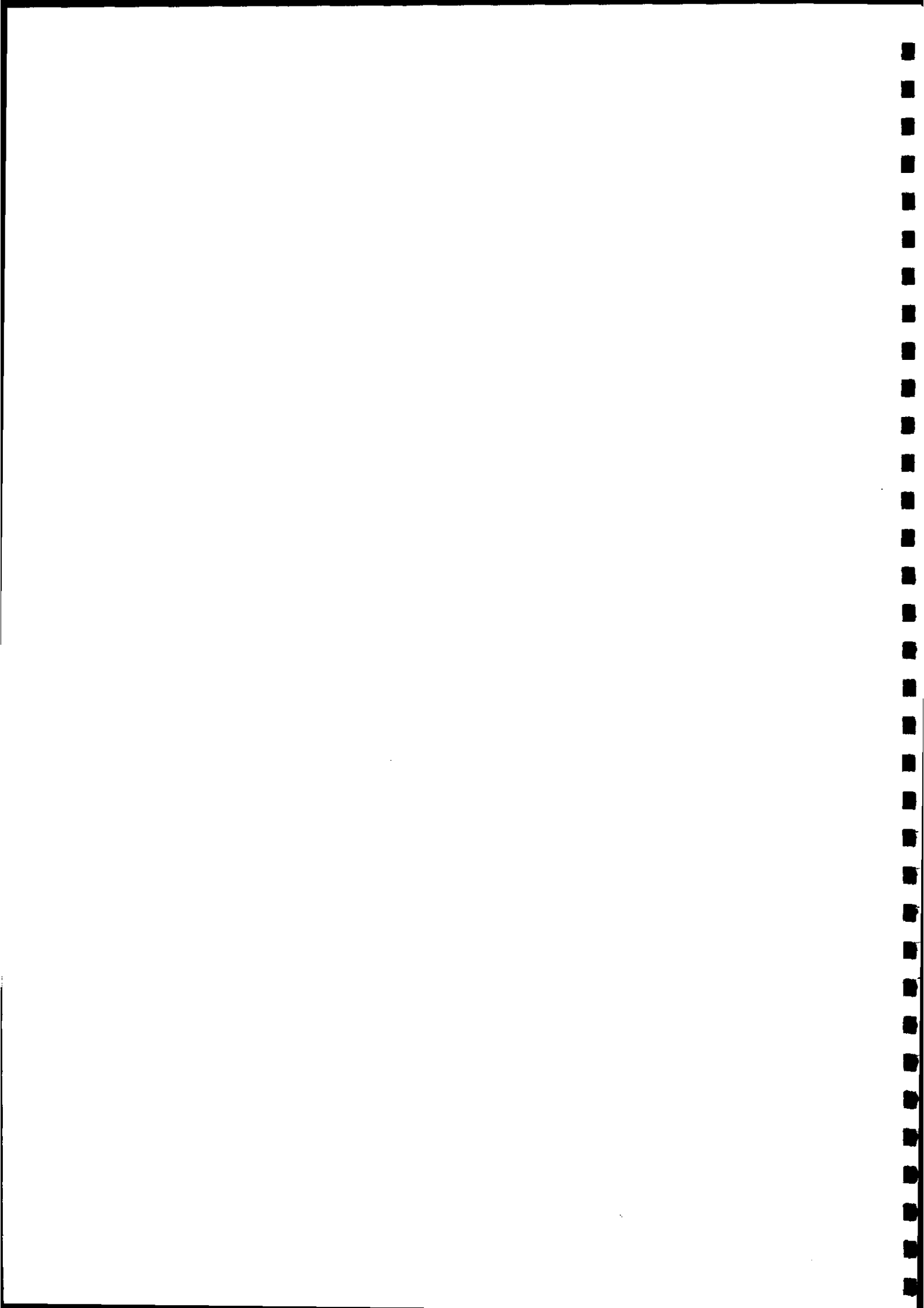


BIERRUM HOLDINGS LIMITED
REPORT AND FINANCIAL STATEMENTS
30 APRIL 2000





BIERRUM HOLDINGS LIMITED

REPORT AND FINANCIAL STATEMENTS

President

N. R. Bierrum, MA

Directors

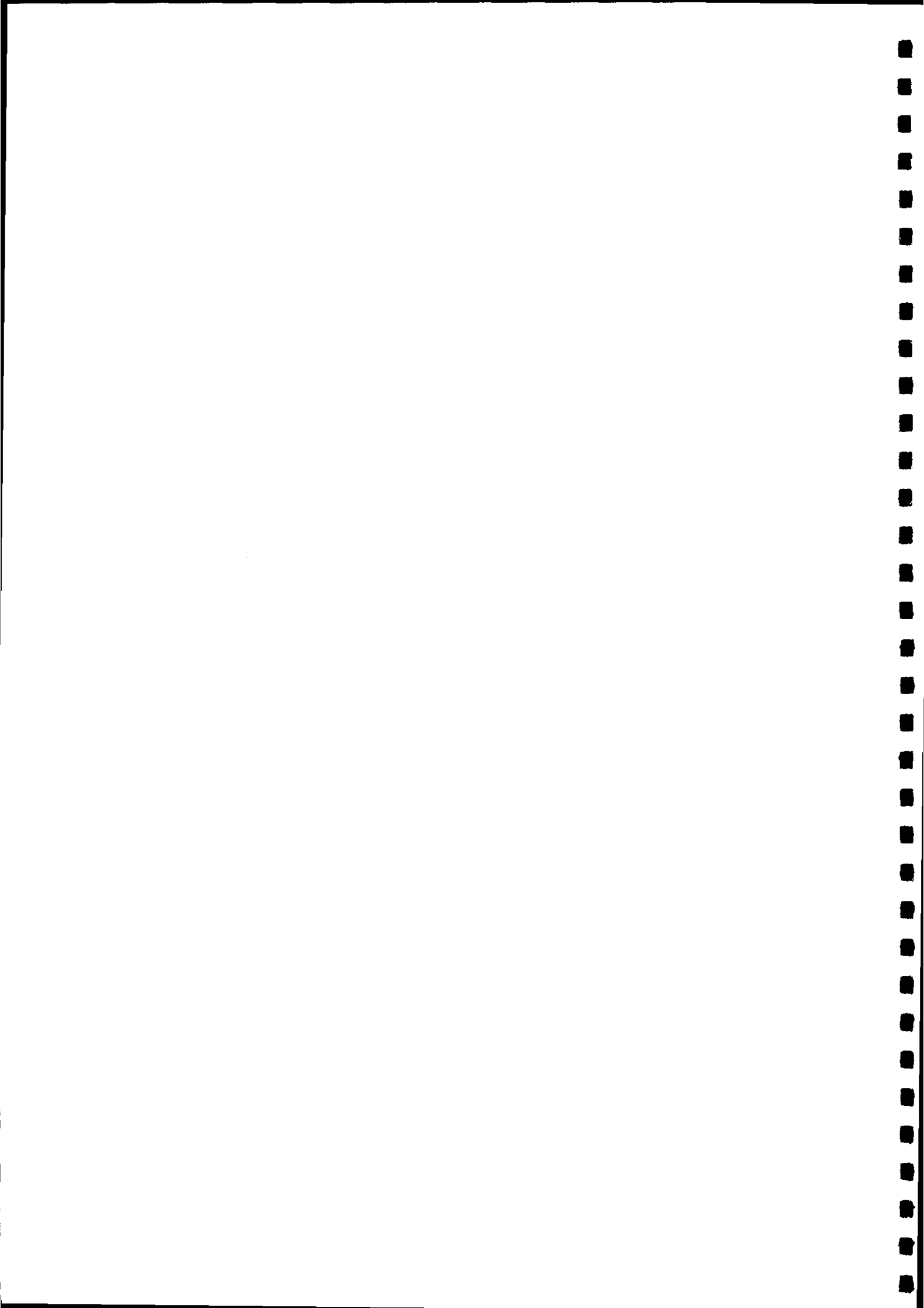
**D. J. Taylor, FCA (Chairman)
W. J. Nye, BSc (Managing)
F. J. Dalton, ACMA (Finance)
A.M. Bierrum, MA CEng FCA MBCS
B. Petersen, MSc CEng MICE**

Secretary

F. J. Dalton, ACMA

Registered Office

**Bierrum House, High Street, Houghton Regis, LU5 5BJ
Bedfordshire**



BIERRUM HOLDINGS LIMITED
CHAIRMAN'S STATEMENT
FOR THE YEAR 30 ENDED APRIL 2000

Operating Review

The year to April 2000 was satisfactory and included several more significant steps forward, although disappointing in the profit terms, in the Group's development.

UK Market

The year was characterised by an unusually high level of activity in our U.K. markets enabling the Company to pursue its strategy of improving domestic market share. 51 contracts were profitably completed. A number of major projects, such as the reconstruction of the South Ferriby Chimney for Rugby Cement and the construction of a new 135 metre Chimney and modification and strengthening of a Cooling Tower for Corus at Port Talbot, emphasise Bierrum's growing strength in our core domestic market. The majority of our projects were designed and engineered in-house.

Overseas Activity

Overseas the Group was successful with contracts in Australia, Turkey and Bahrain. The design and construction of the 230 metre Chimney in Queensland, undertaken in joint venture with McConnell Dowell, Australia, has proved to be a first class example of how careful joint venture collaboration can minimise the risk usually associated with operating in overseas environments. The project was completed on time and to the satisfaction of all parties. We are now searching for further similar projects with McConnell Dowell.

Pendrich

Our steeplejack subsidiary in Scotland, Pendrich Height Services produced a satisfactory years performance. A higher than usual proportioning of works were undertaken on Bierrum projects, providing evidence of the opportunities for Group-wide services to be uniquely applied as solutions to clients problems.

Financial Performance

Our gross margins continued to give cause for satisfaction, illustrating again and again the true added value of Bierrum's technical engineering skills, both in Design and Construction, in our specialist fields.

The overall Group profit for the year was satisfactory under the circumstances, although at a lower level than forecast, owing to several significant projects producing orders later than anticipated. This was particularly acute during the second and third quarters of the year.

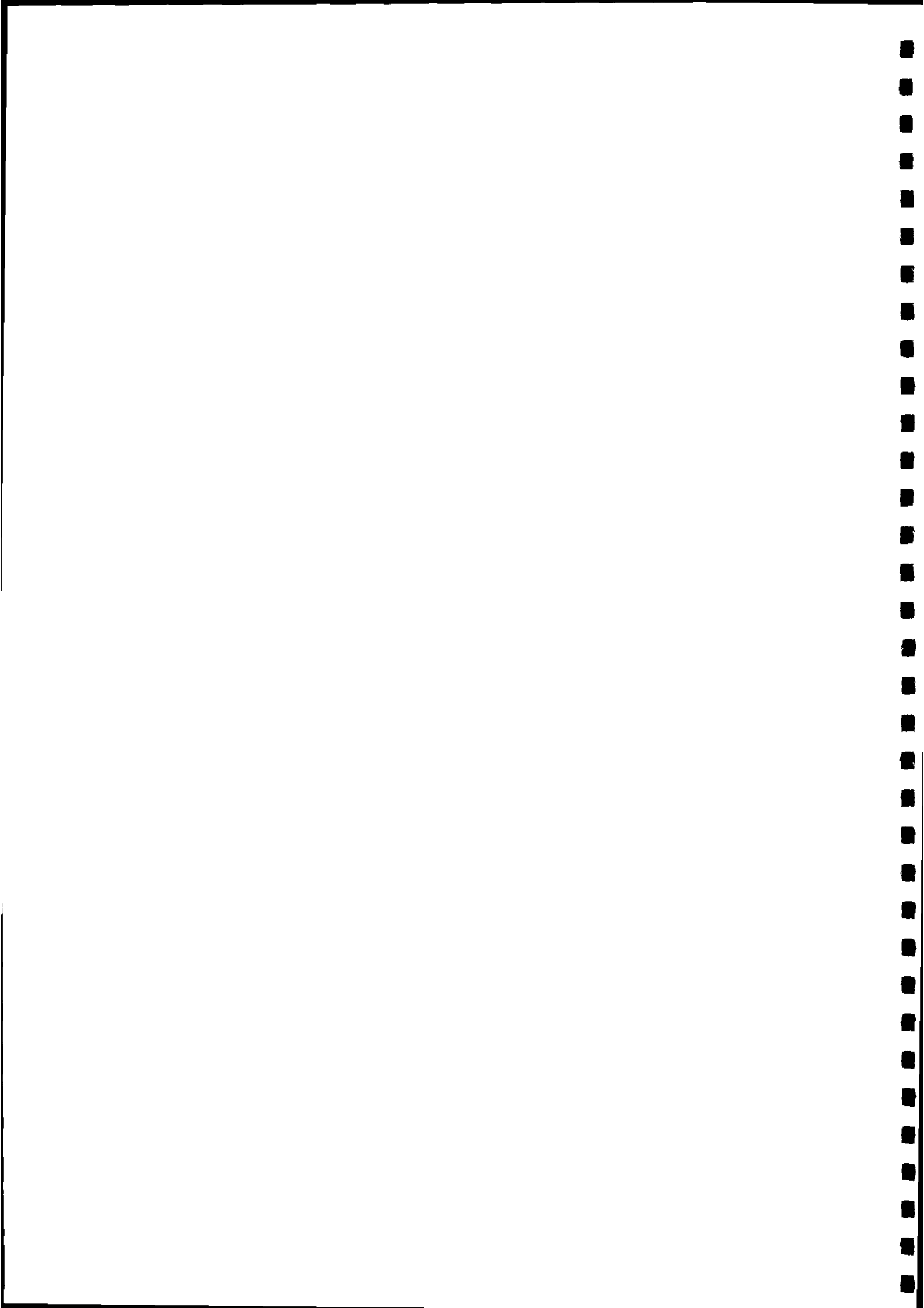
Order Book

Without doubt, the highlight of this year, and the reason for considerable confidence in our future, is our success in building the best order book in the Group's history. Starting the year with orders worth £3.5M, we took a further 36 orders by end April worth £10.3M.

In the first half of the current financial year we won a further twelve orders to the value of £12M. The most significant of these to July, are projects to build two new Chimneys for F.L. Schmidt at West Burton Power Station worth £7.9M and the contract to slipform Building DS1 for Canary Wharf Contractors in Docklands – the first City Centre building development to specify a slipformed core in recent years.

These contract awards reflect not only Bierrum's sheer technical abilities and professional engineering skills, but vitally also, the Group's success in promoting a real understanding and awareness of its skills and capabilities into the market place.

At the beginning of the current financial year therefore, our order book stood at £7.6M which we have increased to £13.3 by the half way stage. We are therefore well placed to deliver our budgeted turnover of £14M, and to have ongoing orders worth over £7.5M to carry over into the next financial year – and we still have 6 months of the year yet to go!



BIERRUM HOLDINGS LIMITED
CHAIRMAN'S STATEMENT
FOR THE YEAR 30 ENDED APRIL 2000 continued

Concrete Society judges citation noted that "...The judges were particularly impressed with the quality of surface finish achieved on this industrial structure. The continuity of a multi-skilled, experienced and directly employed workforce clearly contributed to this achievement": this explicit recognition was particularly satisfying, being such a clear acknowledgement of management's determination to retain, value and promote the particular skills and experience of its people in the construction side of the business.

The development of the demolition spider (enabling much safer, quicker, cleaner demolition of tall structures) and the hot camera (enabling internal inspection of Chimneys and Cooling Towers without interference with their activity) - have both generated considerable industry and media interest and provide yet further evidence of the Group's unique abilities to engineer and deliver practical solutions to needs in its specialist field.

Housekeeping

Further progress was achieved in organising the Group's resources, particularly its people, to place the Group in position to consistently deliver a truly world-class service.

The formation of the Senior Management Team (SMT) of directors and senior managers was completed. This team now functions effectively in managing the day to day business, and at the same time in the development of our ongoing strategies.

The accounting and IT systems were completely overhauled and replaced, with considerable emphasis placed on new cost measurement and control systems.

Progress towards Investors In People certification continues, and the Industrial Society communication methodology 'Team Briefing' has now successfully been introduced. Both of these initiatives have been enthusiastically received and are delivering very positive results. As a further initiative to improve communications generally, both internally and externally, a specialist public relations service has been retained.

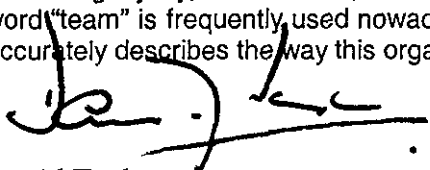
The Future

The Group's recent success in securing orders for major workload enables us to look with much greater confidence at the immediate future. We shall continue on course to build a world-class, niche, professional engineering business returning attractive margins. We shall continue to pursue our strategy to maintain and improve our share of the domestic market whilst at the same time growing and developing our work overseas by means of low-risk collaborations with local contractors.

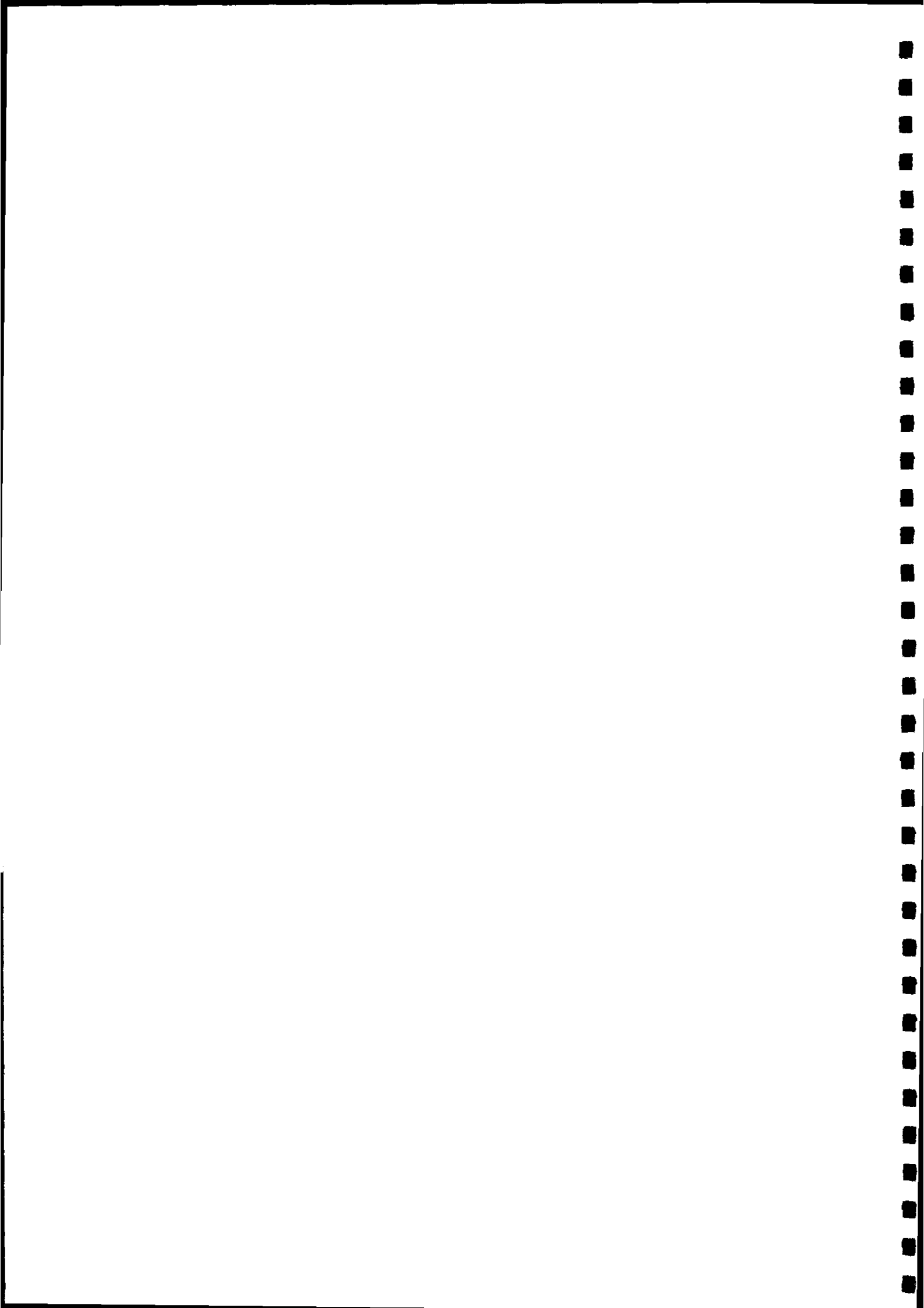
Recent efforts have necessarily concentrated on taking advantage of an unexpectedly buoyant domestic market, and we shall continue to exploit those opportunities while they last. Each of our overseas projects have been particularly successful and profitable, and we shall continue to seek ways to exploit such opportunities and develop the proportion of overseas business without major investments, and with minimal risk.

Thanks

As ever, I must close by expressing my sincere gratitude and appreciation to the entire team for their continuing loyalty, commitment, skills and sheer hard work, all of which richly deserve to succeed. The word "team" is frequently used nowadays, but rarely have I been able to use it in a context where it so accurately describes the way this organisation now works together.


David Taylor

Chairman



BIERRUM HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2000

The Directors present their Report together with the Financial Statements for the year ended 30 April 2000.

Results and dividends

The Group loss for the year after taxation was £1,325

In view of the need to conserve all available funds within the business for development purposes and to make good the effects of the substantial losses of recent years the Directors are unable to recommend the payment of a dividend.

Review of the business

The Company is a holding company providing management, financial and administrative services to its four subsidiary companies, which are engaged in engineering and contracting, specialising in reinforced concrete, tall structures and steeplejack work.

The year under review was a successful one in which the group completed over 50 contracts profitably. The overseas contracts in Australia, Turkey and Bahrain were all completed to schedule and this will enhance our reputation in these countries as we continue to seek overseas orders.

In the year the group received just under £13M of new orders, albeit some of these orders were received later than budgeted and this had a knock on effect on the actual sales and profit taken on these contracts in the year.

The group closed the year with a very healthy order of £7.4M compared to the same period last year when it stood at £3.6M.

In the 1st half of 2000, the group has secured £12.2M of new orders, compared to budget for the year of £14M. The largest of these orders was for £7.9M, to design and build two new 200 metre chimney stacks at the West Burton power station.

At the end of the 1st half of 2000/01 the group's order backlog was £20M which, is the highest in the group's history.

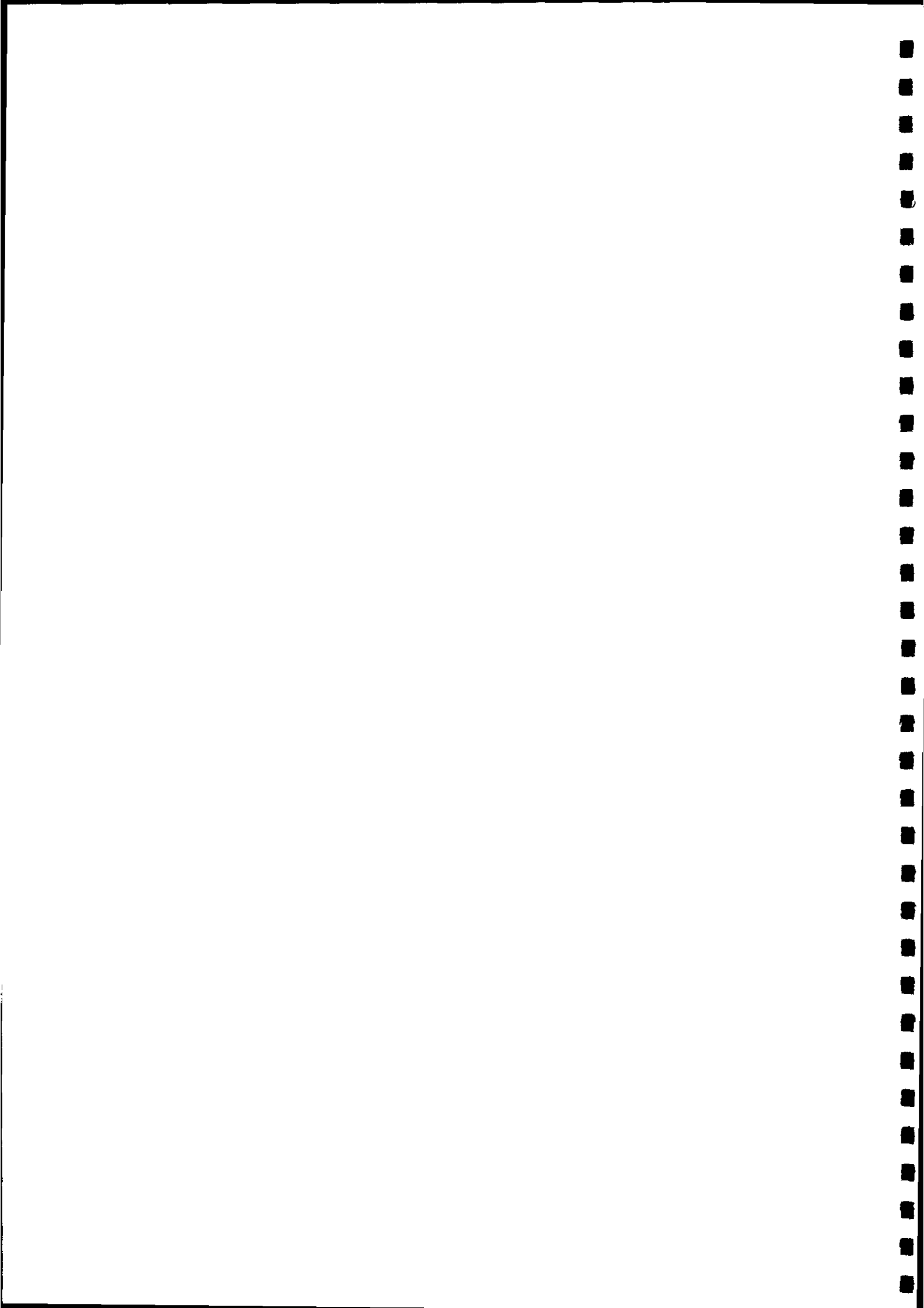
This order position is further confirmation that the group's strategy and management team are working and delivering value to the shareholders.

Whilst it is disappointing to report sales and profits which are lower than budgeted, the primary cause of this was the fact that major contracts which had been budgeted to start in 99/2000 were not let until very late in 99/2000.

The group's management team continues to pursue the strategic development of the business as laid out in the three-year business plan which involves:-

- energetic and committed pursuit of all opportunities in the group's core business within the UK;
- pursuit of core business opportunities in carefully selected overseas power generation markets, via carefully executed strategic alliances;
- continuing development of new products and services.

In the year the company completed the update of its computer systems and is now well placed to face the challenges of the future.



BIERRUM HOLDINGS LIMITED
DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 30 APRIL 2000

Directors

The constitution of the Board during the year and their interests in the capital of the Company at both 30 April 1998 and 30 April 1999 (or date of retirement if earlier) were as follows:

	Beneficial interest				As Trustees			
	Ord. Shares of £1 each		'A' Ord. Shares of £1 each		Ord. Shares of £1 each		'A' Ord. Shares of £1 each	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
*A M Bierrum	8,895	8,895	22,450	22,450	-	-	-	-
*B Petersen	8,980	8,980	22,300	22,300	5,000	5,000	11,850	11,850
D J Taylor	7,400	-	-	-	-	-	-	-
W J Nye	5,550	-	-	-	-	-	-	-
F J Dalton	-	-	-	-	-	-	-	-

* indicates non-executive

Auditors

The Group's auditors, Horwath Clark Whitehill, will retire and offer themselves for re-appointment at the Annual General Meeting.

By Order of the Board

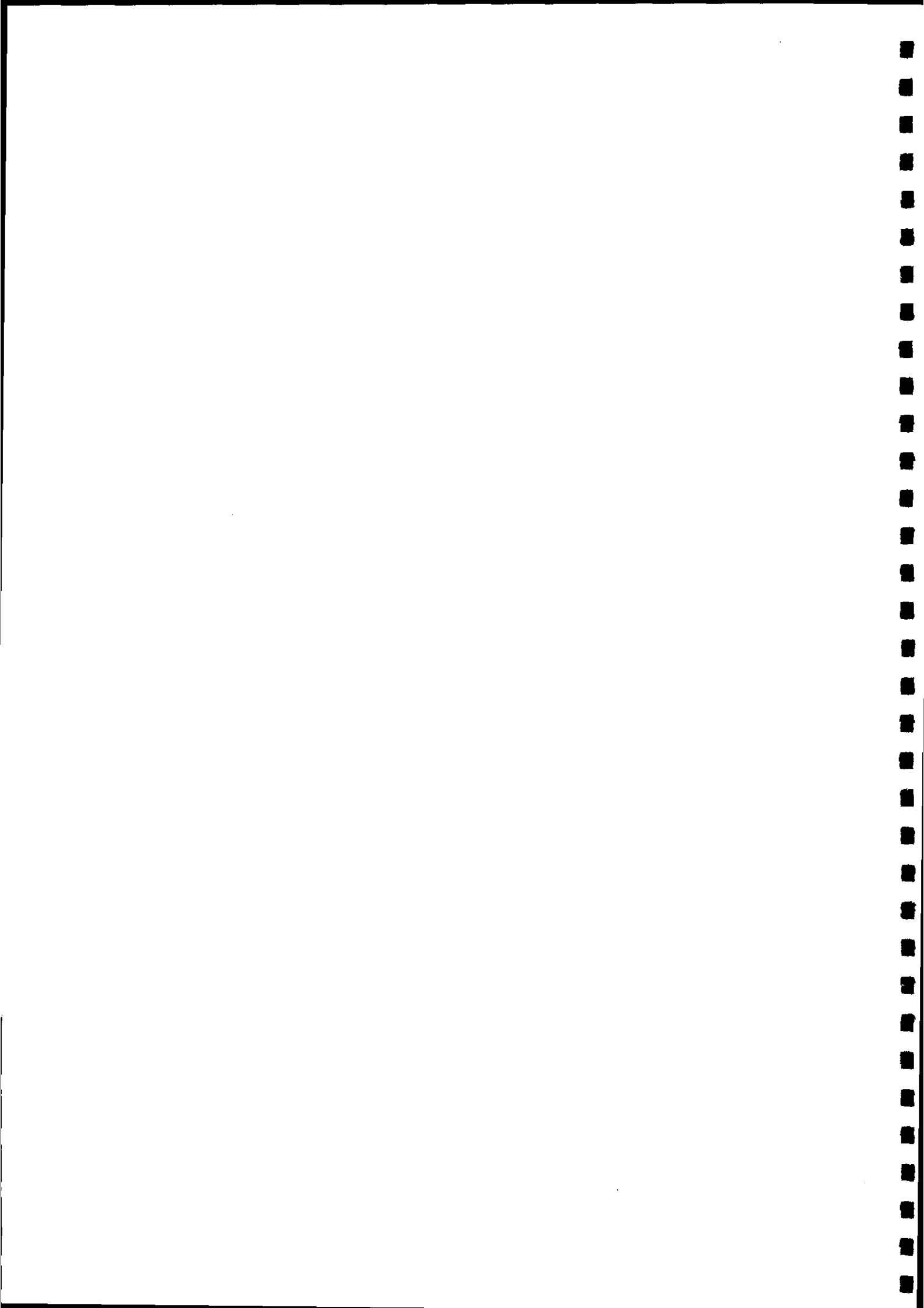
F J DALTON

Secretary



Bierrum House
 High Street
 Houghton Regis
 Bedfordshire

6 Nov. 2000



BIERRUM HOLDINGS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company Law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and the Group at the end of the year, and of the profit or loss of the Group for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and 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 financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume 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 to enable them to ensure that the financial statements 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 of fraud and other irregularities.

AUDITORS' REPORT TO THE MEMBERS OF BIERRUM HOLDINGS LIMITED

We have audited the financial statements on pages 8 to 19, which have been prepared under the accounting policies, set out on page 12.

Respective responsibilities of directors and auditors

As described above, 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 financial 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 circumstances of the Company and the Group 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 affairs of the Company and the Group as at 30 April 2000 and of the loss of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985

Horwath Clark Whitehill
HORWATH CLARK WHITEHILL
Chartered Accountants
and Registered Auditors

London

9 November 2000

BIERRUM HOLDINGS LIMITED
GROUP PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 APRIL 2000

	Notes	2000 £	1999 £
<i>Turnover: group and share of joint venture</i>	2	9,064,359	9,971,890
<i>Less: share of joint ventures' turnover</i>		1,957,481	-
Group Turnover		7,106,878	9,971,890
Cost of sales		(4,978,130)	(7,763,723)
Gross Profit		2,128,748	2,208,167
Other Income		4,032	-
Administrative Expenses		(2,398,674)	(1,975,111)
Group Operating (Loss) \ Profit	3	(265,894)	233,056
Share of operating profit in Joint Venture		349,225	-
		83,331	233,056
Interest receivable		13,396	811
Interest payable	6	(47,455)	(14,456)
Profit before taxation		49,272	219,411
Taxation	7	(50,600)	-
Retained (Loss) \ Profit on ordinary activities after taxation	8	(1,328)	219,411
Statement of Recognised Gains and (Losses)			
(Loss) \ Profit for Financial Year		(1,328)	219,411
Currency Translation differences on investments		(19,182)	-
Total Profit \ (Loss) recognised since last financial statements		(20,510)	219,411

The notes on pages 12 to 19 form an integral part of these Financial Statements.

BIERRUM HOLDINGS LIMITED**GROUP BALANCE SHEET****30 APRIL 2000 as at 30th April 2000**

	Notes	2000 £ Group	2000 £ Interest in JV	2000 £ Total	1999 £ Total
Assets employed					
Tangible Assets	12	751,421		751,421	699,160
Own Shares	23	7,050		7,050	20,000
Investment in Joint Venture		181,836	(181,836)	-	-
		<u>940,307</u>	<u>(181,836)</u>	<u>758,471</u>	<u>719,160</u>
Current Assets					
Stock and work in progress	14	305,406	-	305,406	288,845
Cash		-	190,271	190,271	-
Debtors	15	2,537,119	171,183	2,708,302	2,526,388
		<u>2,842,525</u>	<u>361,454</u>	<u>3,203,979</u>	<u>2,815,233</u>
Creditors					
Amount falling due within one year	16	(2,071,585)	(179,618)	(2,251,203)	(1,806,643)
Net Current Assets					
		<u>770,940</u>	<u>181,836</u>	<u>952,776</u>	<u>1,008,590</u>
Total Assets less Current Liabilities		1,711,247	-	1,711,247	1,727,750
Amount falling due after one year		(37,688)	-	(37,688)	(33,681)
Net Assets					
		<u>1,673,559</u>	<u>-</u>	<u>1,673,559</u>	<u>1,694,069</u>
Financed by:					
Capital and Reserves	9	263,000		263,000	263,000
Revaluation Reserve		111,883		111,883	111,883
Profit and Loss account	18	1,298,676		1,298,676	1,319,186
Shareholders' funds					
	22	<u>1,673,559</u>		<u>1,673,559</u>	<u>1,694,069</u>

Approved by the board and signed on its behalf on

6 November 2000

D J TAYLOR
F J DALTON

The attached notes on pages 12 to 19 form an integral part of these Financial Statements.

BIERRUM HOLDINGS LIMITED**BALANCE SHEET as at 30th. April 2000**

	Notes	<u>2000</u>	<u>1999</u>
		£	£
Assets employed			
Tangible Assets	12	423,360	376,940
Investment in Subsidiaries	17	627,941	627,901
Own Shares	23	7,050	20,000
		<u>1,058,351</u>	<u>1,024,841</u>
Current Assets			
Debtors	15	2,289,087	1,340,257
		<u>2,289,087</u>	<u>1,340,257</u>
Creditors			
Amount falling due within one year	16	(1,595,896)	(416,112)
Net Current Assets		<u>693,191</u>	<u>924,145</u>
Total Assets less Current Liabilities		1,751,542	1,948,986
Amount falling due after one year		(25,269)	-
Net Assets		<u>1,726,273</u>	<u>1,948,986</u>
Financed by:			
Capital and Reserves	9	263,000	263,000
Revaluation Reserve		111,883	111,883
Profit and Loss account	18	1,351,390	1,574,103
Shareholders' funds	22	<u>1,726,273</u>	<u>1,948,986</u>

Approved by the board and signed on its behalf on

6 November 2000

D J TAYLOR

F J DALTON

The attached notes on pages 12 to 19 form an integral part of these Financial Statements

BIERRUM HOLDINGS LIMITED
GROUP CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 APRIL 2000

	<u>Notes</u>	<u>2000</u>	<u>1999</u>
		<u>£</u>	<u>£</u>
Net cash (outflow) from operating activities	10	(759,323)	(618,364)
Returns on investments and servicing of finance			
Distribution from Joint Venture		152,314	-
Interest received		209	811
Interest Paid		(38,375)	(14,456)
Taxation		-	-
Capital expenditure			
Payments to acquire tangible fixed assets		(105,439)	(120,311)
Receipts from sales of tangible fixed assets		-	5,887
Net Cash outflow before financing		(750,614)	(746,433)
Financing			
Capital Element of Hire Purchase and Finance Lease Agreements		(57,158)	-
(Decrease) in cash	11	(807,772)	(746,433)

The attached notes on pages 12 to 19 form an integral part of these Financial Statements

BIERRUM HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

(a) Basis of Accounting

These Financial Statements have been drawn up under the historical cost convention, as modified by the revaluation of certain assets and in accordance with applicable accounting standards. The Group Financial Statements consolidate, using the acquisition method of accounting, the accounts of the company and its subsidiaries.

Investments in Joint Ventures are accounted for using the gross equity method.

(b) Tangible fixed assets

Tangible fixed assets other than land are depreciated over their estimated useful lives by annual instalments at the following rates:

Freehold buildings:	2% on valuation
Plant, equipment & vehicles:	10% - 33.3% on reducing value basis
Computer & office equipment:	20% on original cost.

Freehold buildings are included at valuation and are professionally valued at intervals of 5 years.

(c) Trading Policy

Long term contracts

All contracts of a substantial nature are accounted for under the provisions of SSAP 9. Provisions are made for foreseeable losses.

Turnover is calculated based on the value of measured work completed in the year. Profit is realised on each contract as work progresses provided that the profit does not exceed the total forecast profit for the contract

The sales value of long term contracts in progress less amounts received on account are included in debtors, and progress payments received in excess of contract value are included in creditors.

Short term contracts

Turnover and profit on short term contracts are realised when the contract is completed.

(d) Stock and Work in Progress

Work in progress is valued at the lower of cost and net realisable value. Cost includes labour, materials and applicable overheads. Stock and tackle are written off over their estimated useful lives.

(e) Research and development

Expenditure on research and development is written off as incurred.

(f) Deferred taxation

Provision is made for taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes to the extent that it is probable that liabilities or assets will crystallise.

(g) Pension costs

Costs of providing pensions for employees are charged to the profit and loss account on a basis that spreads the expected costs over the employees' working lives with the group.

(h) Equipment Leasing

Rentals under operating leases are charged on an actual basis.

Finance leases are recorded as both assets and liabilities initially at the fair asset. Finance charges are allocated to accounting periods over the period of the lease to produce a constant rate of return on the outstanding balance.

(i) Foreign Currency Accounting Policy

All foreign transactions have been translated at the rate appertaining at the date of the transaction. Foreign currency balances have been translation at the closing rate on the Balance Sheet date.

BIERRUM HOLDINGS LIMITED**NOTES TO THE GROUP FINANCIAL STATEMENTS (continued)****2. TURNOVER**

Turnover comprises value of work carried out in the year and adjustments for claim settlements together with accrued income.

The geographical split of Turnover is detailed below :

	<u>2000</u>	<u>1999</u>
	£	£
UK	6,402,906	8,205,648
Europe	90,295	838,863
Bahrain	432,271	-
Turkey	177,560	846,379
Others	3,846	81,000
	<hr/>	<hr/>
	7,106,878	9,971,890
Share of Turnover in Australian Joint Venture	1,957,481	-
Total	<hr/>	<hr/>
	9,064,359	9,971,890

3. OPERATING (LOSS) \ PROFIT

is stated after charging:

(a) Cost of sales		
Loss on sale of fixed assets	-	21,845
Depreciation	82,120	76,258
Hire of plant and machinery	446,453	589,439
	<hr/>	<hr/>
(b) Administrative expenses		
Auditors remuneration for current year	17,000	30,000
- remuneration for other services	5,700	5,000
Depreciation	51,369	24,792
Rental of accommodation	42,500	42,500
Directors remuneration (including pension costs)	219,990	167,982
	<hr/>	<hr/>

4. DIRECTORS AND STAFF COSTS

Directors remuneration in respect of:

Qualifying services	<hr/>	<hr/>
	197,535	160,175

Number of Directors:

	<u>No.</u>	<u>No.</u>
to whom pension benefits are accruing under defined benefit schemes	<hr/>	<hr/>
	2	2

Number of Directors:

Receiving shares under long-term incentive scheme	<hr/>	<hr/>
	2	-

BIERRUM HOLDINGS LIMITED**NOTES TO THE GROUP FINANCIAL STATEMENTS (continued)****4. DIRECTORS AND STAFF COSTS continued**

	<u>2000</u>	<u>1999</u>
	£	£
Wages and salaries	3,054,076	2,580,696
Social security costs	250,973	233,485
Other pension costs	112,850	66,278
Other costs	35,777	27,354
	<u>3,453,676</u>	<u>2,907,813</u>

The average number of employees during the year was:

	<u>No.</u>	<u>No.</u>
Management, office and selling	37	37
Contracting sites	70	73
	<u>107</u>	<u>110</u>

5. PENSION COSTS

The Trustees of the Bierrum Group Pension Scheme operate a defined benefit scheme funded by contributions from the Group and employees. The adequacy of the funds to meet the arranged benefits is assessed by three year valuations carried out by independent qualified actuaries. The aim is for the benefits to be fully funded during the scheme members' working lives. The most recent of these valuations was at 1 March 1999 using the Projected Unit Method. The actuarial valuation showed a deficit of £ 275,000 under the current MFR funding rules.

During the year the company and the Trustees of the scheme have taken steps to eliminate this deficit.

The market value of the scheme's assets at that date was £ 3,155,000 and the actuarial valuation of these assets represented 91% of the benefits that had accrued to the members allowing for future increases in salaries. The most significant assumptions made by the Actuaries were an investment return of 8% and projected salary increases of 6%.

The next valuation will have an effective date of 1 March 2002.

6. INTEREST PAYABLE

	<u>2000</u>	<u>1999</u>
	£	£
Payable on bank overdraft	34,478	10,226
Payable on other financing	8,977	4,230
	<u>47,455</u>	<u>14,456</u>

7. TAXATION

The Group has tax losses of £ 1,732,000 (1999: £1,860,000): available to set off against future trading profits.

	<u>2000</u>	<u>1999</u>
	£	£
Irrecoverable ACT	9,600	-
Overseas Taxation	41,000	-
	<u>50,600</u>	<u>-</u>

BIERRUM HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (continued)

8. **(LOSS) / PROFIT AFTER TAXATION**

	<u>2000</u>	<u>1999</u>
	£	£
Dealt with in the accounts of Bierrum Holdings Limited	(222,716)	434,603
Dealt with in the accounts of subsidiaries	221,388	(215,192)
	<u>(1,328)</u>	<u>219,411</u>

The company has taken advantage of the exceptions provided by Section 230 of the Companies Act 1985 not to present its own Profit and Loss Account.

9. **SHARE CAPITAL**

	<u>The Group</u>		<u>The Company</u>	
	2000	2000	1999	1999
	<u>Authorised</u>	Issued and fully paid	<u>Authorised</u>	Issued and fully paid
	£	£	£	£
Ordinary shares of £1 each	110,000	74,000	110,000	74,000
A' Ordinary shares of £1 each	193,500	189,000	193,500	189,000
	<u>303,500</u>	<u>263,000</u>	<u>303,500</u>	<u>263,000</u>

10. **RECONCILIATION OF OPERATING (LOSS) \ PROFIT TO NET CASH (OUTFLOW) FROM OPERATING ACTIVIES**

	<u>The Group</u>	
	<u>2000</u>	<u>1999</u>
	£	£
Operating (loss) \ profit	(265,894)	233,056
Depreciation Charges	133,489	101,050
Loss on sale of tangible fixed assets	-	21,844
Distribution of own shares	12,950	-
(Increase) in Stocks	(16,561)	(10,953)
(Increase) in Debtors	(20,331)	(985,925)
(Decrease) \ Increase in Creditors	(602,976)	22,564
	<u>(759,323)</u>	<u>(618,364)</u>

11. **RECONCILIATION OF NET DEBT**

	<u>1st May 1999</u>	<u>Cashflow</u>	<u>Non - Cashflow</u>	<u>30th April 00</u>
	£	£	£	£
Bank Overdraft	11,428	807,772	-	819,200
Hire Purchase and Finance Leases less than 1 year	32,990	(57,158)	76,304	52,136
Hire Purchase and Finance Leases greater than 1 year	33,681	-	4,007	37,688
	<u>78,099</u>	<u>750,614</u>	<u>80,311</u>	<u>909,024</u>

12. **TANGIBLE FIXED ASSETS**

	Freehold properties	Plant Equipment & vehicles	Total
	£	£	£
The Company			
Cost or valuation at 1 May 1999	365,000	25,211	390,211
Additions	12,739	55,561	68,300
At 30 April 2000	<u>377,739</u>	<u>80,772</u>	<u>458,511</u>
Depreciation at 1 May 1999	4,126	9,145	13,271
Amount provided for year	7,555	14,325	21,880
At 30 April 2000	<u>11,681</u>	<u>23,470</u>	<u>35,151</u>
Net Book Values at 30 April 1999	<u>360,874</u>	<u>16,066</u>	<u>376,940</u>
Net Book Values at 30 April 2000	<u>366,058</u>	<u>57,302</u>	<u>423,360</u>
The Group			
Cost or valuation at 1 May 1999	365,000	1,976,293	2,341,293
Additions	12,739	173,011	185,750
At 30 April 2000	<u>377,739</u>	<u>2,149,304</u>	<u>2,527,043</u>
Depreciation at 1 May 1999	4,126	1,638,007	1,642,133
Amount provided for year	7,555	125,934	133,489
At 30 April 2000	<u>11,681</u>	<u>1,763,941</u>	<u>1,775,622</u>
Net Book Values at 30 April 1999	<u>360,874</u>	<u>338,286</u>	<u>699,160</u>
Net Book Values at 30 April 2000	<u>366,058</u>	<u>385,363</u>	<u>751,421</u>

One freehold property was valued at September 1996 on the basis of Open Market Value as defined in the Royal Institution of Chartered Surveyors, Appraisal and Valuation Manual, at the sum of £40,000. The valuation was prepared by Messrs Lambert Smith Hampton, Chartered Surveyors of Stuart Street, Luton who acted as independent valuers. The other was valued at April 1998 on a similar basis at the sum of £325,000 by Messrs Lambert Smith Hampton who acted as independent valuers. The original cost of the properties was £257,769 and accumulated depreciation based on cost was £32,606 (1998: £27,451).

13. **LEASE COMMITMENTS**

At 30 April 2000 the Group had the following annual commitments for leases expiring within:

	<u>Land and buildings</u>		<u>Other non-cancellable operating leases</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	£	£	£	£
1 year	-	-	128,181	638
2 - 5 years	42,500	42,500	110,048	60,180
	<u>42,500</u>	<u>42,500</u>	<u>238,229</u>	<u>60,818</u>

BIERRUM HOLDINGS LIMITED**NOTES TO THE GROUP FINANCIAL STATEMENTS (continued)****14. STOCK AND WORK IN PROGRESS**

	<u>The Group</u>	
	<u>2000</u>	<u>1999</u>
	£	£
Long term contract balances	29,604	39,668
Stock & tackle	275,802	249,177
	<u>305,406</u>	<u>288,845</u>

15. DEBTORS

	<u>The Group</u>		<u>The Company</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	£	£	£	£
Trade Debtors	1,709,159	1,044,595	-	5,911
Retention	247,756	380,872	-	-
Amount recoverable on contracts	350,504	1,047,721	-	-
Amount due from Subsidiary Companies	-	-	2,282,793	1,333,838
Other Debtors	229,700	53,200	6,294	508
	<u>2,537,119</u>	<u>2,526,388</u>	<u>2,289,087</u>	<u>1,340,257</u>

16. CREDITORS**Amounts falling due within one year:**

Bank Overdraft	819,200	11,428	936,885	220,679
Trade Creditors	411,936	883,455	3,359	11,809
Payments on Account	24,364	72,000	-	-
Other Taxes and social security	272,872	200,576	97,793	156,878
Corporation Tax	41,000	-	-	-
Hire Purchase	52,136	32,990	22,812	-
Amount due to subsidiary companies	-	-	491,330	-
Other Creditors	112,071	55,749	36,367	14,868
Accruals	338,006	550,445	7,350	11,878
	<u>2,071,585</u>	<u>1,806,643</u>	<u>1,595,896</u>	<u>416,112</u>

Amount due after more than one year

Hire purchase	37,688	33,681	25,269	-
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The bank overdraft is secured on the assets of the Company by a fixed charge on certain properties and a debenture secured on all the assets of the Group.

17. INVESTMENT IN SUBSIDIARIES

The Company owns the whole of the issued share capital of Bierrum & Partners Limited, Bierrum Structural Services Limited, Bierrum Trustees Ltd. and Bierrum Holdings Pty incorporated in Australia.

The Company owns 79% of the issued ordinary share capital and 100% of the preference share capital of Pendrich (Steeplejacks) Limited. The cost of these investments were:

	£
Bierrum and Partners Limited	1,000,000
Bierrum Structural Services Limited	120,000
Bierrum Holdings Pty.	40
Bierrum Trustees Limited	1
Pendrich (Steeplejacks) Limited	<u>507,900</u>
	1,627,941
Less: provisions	<u>(1,000,000)</u>
Balance at 30 April 2000	<u>627,941</u>

BIERRUM HOLDINGS LIMITED**NOTES TO THE GROUP FINANCIAL STATEMENTS (continued)****18. MOVEMENTS IN RESERVES**

	Profit and Loss Account £	Revaluation Reserve £
The Group		
Balance at 1 May 1999	1,319,186	111,883
(Loss) for the year	(1,328)	-
Currency Translation differences on investments	(19,182)	-
Balance at 30 April 2000	<u>1,298,676</u>	<u>111,883</u>
The Company		
Balance at 1 May 1999	1,574,103	111,883
(Loss) for the year	(222,713)	-
Balance at 30 April 2000	<u>1,351,390</u>	<u>111,883</u>

19. CONTINGENT LIABILITIES

At the date of the balance sheet the Holding Company has given indemnities for contracts by subsidiary companies. It is not anticipated that any liabilities will crystallise. The Company has also guaranteed bank overdrafts of its subsidiaries.

20. RELATED PARTY TRANSACTIONS

The group owns 79% of Pendrich (Steeplejacks) Ltd. and in the normal course of its trade transacts business with this company and fellow subsidiaries. Pendrich (Steeplejacks) Ltd was charged a management fee of £100,000 and at the year end £244,865 (1999: £277,784) was owed to that company.

Additionally Bierrum Holdings Ltd. has a 50% unincorporated joint venture with McConnell Dowell, who are registered in Australia, for the construction of a 230 metre chimney stack in Queensland Australia. In the year the group sold services valued at £198,921 to the joint venture and at the year end £22,987 was owed to the group for these services.

21. HIRE PURCHASE COMMITMENTS

The Group had the following commitments for hire purchase contracts

	The Group		The Company	
	2000 £	1999 £	2000 £	1999 £
Payments within one year	52,136	32,990	22,812	-
Payments in 2 - 5 years	37,686	33,681	25,269	-
	<u>89,822</u>	<u>66,671</u>	<u>48,081</u>	
Net book value of hired assets at 30 th April	123,480	90,476	55,623	-
Depreciation charge in the year	36,525	23,663	13,906	-

22. RECONCILIATION OF SHAREHOLDERS FUNDS

Brought forward	1,694,069	1,454,658	1,948,986	1,494,383
Issue of Ordinary Shares	-	20,000	-	20,000
(Loss) \ Profit for the year	(1,328)	219,411	(222,713)	434,603
Currency Translation differences on investments	(19,182)	-	-	-
	<u>1,673,559</u>	<u>1,694,069</u>	<u>1,726,273</u>	<u>1,948,986</u>

BIERRUM HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (continued)

23. EMPLOYEE SHARE OPTION TRUST

On 29 April 1999 following an Extraordinary General Meeting of the Company, an Employee Share Option Trust (ESOT) was set up in order to benefit, encourage and motivate employees in the Group by encouraging and facilitating the long-term holding of interests in the Company's shares.

1. The trustee company, Bierrum Trustees Limited, is a wholly-owned subsidiary of Bierrum Holdings Limited. This Company was funded by a payment of £20,000 by Bierrum Holdings Limited on 29 April 1999. On the same day it applied for and was allotted 20,000 £1 Ordinary Shares at par.
2. The trustee directors of Bierrum Trustees Limited from the inception of the ESOT and at the end of the period under review were:
D. J. Taylor (Chairman)
N. R. Bierrum
3. Interests in the shares will be allocated to employee directors and employees of the Group on a basis of achievement of targets. Unless and until specifically transferred, the shares will at all times remain in the legal ownership of Bierrum Trustees Limited. Persons leaving employment are required to sell the equitable interest in their allocation back to the Trustees at a price determined by a formula relating recent Company and Stock Market performance.

Funding payments to and costs arising from the operation of the ESOT are charged to the Profit and Loss Account of Bierrum Holdings Limited as they occur.

The number and value of the shares held are:

	<u>2000</u>
	£
Balance as at 1st. May 1999, 20,000 ordinary shares of £1 each	20,000
Allocated in the year 12,950 ordinary shares of £1 each	12,950
Balance at 30th. April 2000, 7,050 ordinary shares of £1 each	<u>7,050</u>

No dividends were paid during the period under review.

6. During the year 12,950 shares were granted to employees, the value of those shares were charged to the Profit and Loss Account as an operating cost in the period ending 30th. April 2000.