

BIERRUM HOLDINGS LIMITED

REPORT AND FINANCIAL STATEMENTS

30 APRIL 1997



BIERRUM HOLDINGS LIMITED

REPORT AND FINANCIAL STATEMENTS

President

N. R. Bierrum, MA

Directors

**A. M. Bierrum, MA FCA CEng MBCS
W. J. Nye, Bsc (Managing)
B. Petersen, MSc CEng MICE
D. J. Taylor, FCA (Chairman)**

Secretary

P. C. Kendrew, BA FCIS FICM

Registered Office

Barwythe Hall, Studham, Bedfordshire

BIERRUM HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 1997

The Directors present their Report together with the Financial Statements for the year ended 30 April 1997.

Results and Dividends

The group loss for the year after taxation was £1,067,244.

In view of the amount of the loss for the year the Directors are unable to propose a dividend.

Review of the business

The company is a holding company providing management, financial and administrative services to its three subsidiary companies, who are engaged in civil engineering and contracting, specialising in reinforced concrete and steeplejacking.

A serious set-back was suffered in the year by Bierrum Structural Services Limited in relation to a contract for the slipform of a dock caisson. The dispute has been settled in full, subsequent to the year end, and all costs in connection with this contract are fully provided for in these accounts.

Bierrum and Partners Limited's performance in the year was disappointing, failing to generate sufficient gross margins (on reduced turnover) to avoid incurring a substantial loss.

The steeplejacking subsidiary, Pendrich (Steeplejacks) Limited, returned a modest profit, though at a lower level than in 1996.

This is a period of momentous change in the senior management of the group, and since the end of the year the board welcomes Mr D J Taylor as Chairman and Mr W Nye as Managing Director, appointed 15 May 1997 and 1 September 1997 respectively. Mr N R Bierrum, Mr J A Harrison and Mr D P Shead have retired. The board thanks them all for their long and loyal service and wishes them a long and happy retirement.

The board is pleased to report that Mr N R Bierrum has accepted the post of President in recognition of his services to the Company and to the esteem with which he is held in the industry.

Mr A M Bierrum resigned his executive directorships on 30 November 1997, but remains on the board of the Company in a non-executive and consultative capacity.

Subsequent to the year end, in order to repair the damage to the balance sheet and restore liquidity, the Company has realised the investment property for £700,000 and contracts for the sale of Barwythe Hall for £1,000,000 are due for completion on 1 March 1998.

The new management team has undertaken a comprehensive business review and produced a three year Business Plan. This Plan has been used as the basis on which new banking facilities for the Group's ongoing requirements have been agreed with Barclays Bank plc.

BIERRUM HOLDINGS LIMITED
DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 30 APRIL 1997

Directors

The constitution of the Board during the year and their interests in the capital of the Company at both 30 April 1996 and 30 April 1997 were as follows:

	<u>Beneficial interest</u>				<u>As Trustees</u>			
	<u>Ord. Shares</u>		<u>'A' Ord. Shares</u>		<u>Ord. Shares</u>		<u>'A' Ord. Shares</u>	
	<u>of £1 each</u>		<u>of £1 each</u>		<u>of £1 each</u>		<u>of £1 each</u>	
	1997	1996	1997	1996	1997	1996	1997	1996
N R Bierrum (Retired 15 May 1997)	8 795	8 795	16 751	16 751	-	-	9 000	9 000
A M Bierrum	8 895	8 895	22 450	22 450	-	-	-	-
J A Harrison (Retired 31 March 1997)	-	-	-	-	-	-	-	-
B Petersen	8 980	8 980	24 300	24 300	5 000	5 000	11 850	11 850
D P Shead (Retired 31 January 1998)	-	-	2 000	2 000	-	-	-	-

Auditors

After the year end the auditors changed their name to Horwath Clark Whitehill and have signed their audit report in their new name.

The Auditors will retire and offer themselves for re-appointment at the Annual General Meeting.

By Order of the Board


P C KENDREW

Secretary

Barwythe Hall
Studham
Bedfordshire

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 6 to 17 which have been prepared under the accounting policies set out on page 10.

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.

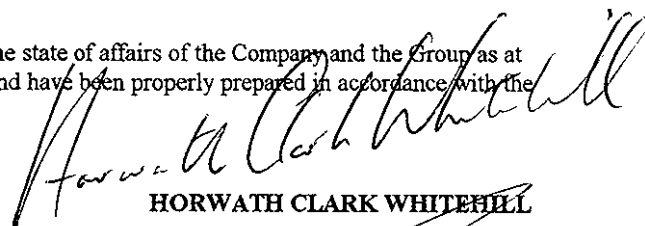
Basis of opinion

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 1997 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

Chartered Accountants
and Registered Auditors

London

18th February 1998

BIERRUM HOLDINGS LIMITED
GROUP PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 APRIL 1997

	<u>Notes</u>	<u>1997</u> £	<u>1996</u> £
Turnover	2	8,069,243	9,442,842
Cost of sales		7,425,262	7,716,915
Gross profit		<u>643,981</u>	<u>1,725,927</u>
Administrative Expenses		1,769,210	1,694,060
		<u>(1,125,229)</u>	<u>31,867</u>
Other operating income		110,026	110,013
Operating (Loss)/Profit	3	<u>(1,015,203)</u>	<u>141,880</u>
Interest receivable		2,179	4,649
Interest payable	6	(54,220)	(78,128)
(Loss)/Profit on ordinary activities before taxation		<u>(1,067,244)</u>	<u>68,401</u>
Taxation	7	-	4,698
(Loss)/Profit on ordinary activities after taxation	8	<u>(1,067,244)</u>	<u>63,703</u>
Dividends	9	-	24,300
Retained (loss)/profit for the year		<u>(1,067,244)</u>	<u>39,403</u>
Retained profit brought forward		290,597	251,194
Transfer from general reserve		1,100,000	-
Transfer from revaluation reserve		58,230	-
Retained profit carried forward		<u>381,583</u>	<u>290,597</u>

STATEMENT OF RECOGNISED GAINS AND LOSSES

(Loss)/Profit for the year		(1,067,244)	39,403
Revaluation (loss) on investment properties	20	(160,591)	(150,000)
Revaluation gain on freehold properties	20	139,309	-
Total loss for the year		<u>(1,088,526)</u>	<u>(110,597)</u>

The notes on pages 9 to 17 form an integral part of these Financial Statements.

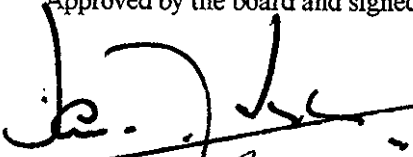

BIERRUM HOLDINGS LIMITED

GROUP BALANCE SHEET

30 APRIL 1997

	<u>Notes</u>	<u>£</u>	<u>1997</u> <u>£</u>	<u>1996</u> <u>£</u>
Assets employed:				
Fixed Assets				
Tangible Assets	11		753,027	1,692,459
Investment property			-	850,000
			<u>753,027</u>	<u>2,542,459</u>
Current Assets				
Properties for sale	14	1,663,409		-
Stock and work in progress	15	199,096		312,780
Debtors	16	1,886,686		2,083,626
		<u>3,749,191</u>		<u>2,396,406</u>
Creditors:				
Amounts falling due within one year	17	<u>2,517,231</u>		<u>1,865,352</u>
Net current assets			<u>1,231,960</u>	<u>531,054</u>
Net Assets			<u><u>1,984,987</u></u>	<u><u>3,073,513</u></u>
Financed by:				
Capital and reserves				
Called up share capital	18		243,000	243,000
General reserve	20		-	1,100,000
Revaluation reserve	20		1,360,404	1,439,916
Profit and loss account	20		381,583	290,597
Shareholders' funds			<u><u>1,984,987</u></u>	<u><u>3,073,513</u></u>

Approved by the board and signed on its behalf on 17 February 1998:


 DJ TAYLOR)
)

 A M BIERRUM)
) DIRECTORS

The attached notes on pages 9 to 17 form an integral part of these Financial Statements.

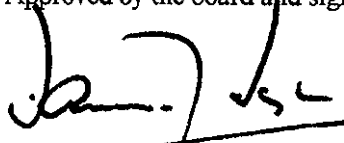
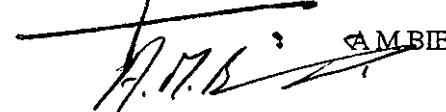
BIERRUM HOLDINGS LIMITED

BALANCE SHEET

30 APRIL 1997

	<u>Notes</u>	<u>£</u>	<u>1997</u> <u>£</u>	<u>1996</u> <u>£</u>
Assets employed:				
Fixed Assets				
Tangible Assets	11		346,365	1,214,086
Investment property			-	850,000
Investment in subsidiaries	19		-	277,900
			<u>346,365</u>	<u>2,341,986</u>
Current assets				
Properties for sale	14	1,663,409		-
Debtors	16	908,587		1,235,736
		<u>2,571,996</u>		
Creditors:				
Amounts falling due within one year	17	935,616		643,452
Net current assets			<u>1,636,380</u>	<u>592,284</u>
Net assets			<u>1,982,745</u>	<u>2,934,270</u>
 Financed by:				
Capital and reserves				
Called up share capital	18		243,000	243,000
General reserve	20		-	1,100,000
Revaluation reserve	20		1,360,404	1,439,916
Profit and Loss account	20		379,341	151,354
Shareholders' funds			<u>1,982,745</u>	<u>2,934,270</u>

Approved by the board and signed on its behalf on 17 February 1998:


D J TAYLOR)
)

A M BIERRUM)
) DIRECTORS

The attached notes on pages 9 to 17 form an integral part of these Financial Statements

BIERRUM HOLDINGS LIMITED**GROUP CASH FLOW STATEMENT FOR THE YEAR ENDED 30 APRIL 1997**

	<u>Note</u>	<u>1997</u>	<u>1996</u>
		<u>£</u>	<u>£</u>
Net cash flow from operating activities	10	501,785	(256,037)
Returns on investments and servicing of finance			
Interest received	2,179		4,649
Interest paid	(54,220)		(78,128)
		(52,041)	(73,479)
Taxation		(6,075)	42,865
Capital expenditure			
(Payments) to acquire tangible fixed assets	(78,824)		(300,895)
Receipts from sales of tangible fixed assets	36,696		57,338
		(42,128)	(243,557)
		401,541	(530,208)
Dividends paid		(24,300)	(24,300)
Increase/(decrease) in cash	13	377,241	(554,508)

The attached notes on pages 9 to 17 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 Financial Statements include those of the company and its three operating subsidiaries, Bierrum and Partners Limited, Bierrum Structural Services Limited, and Pendrich (Steeplejacks) Limited.

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

(c) **Properties for Sale**

Properties for sale represent those properties which the group was marketing for sale at the year end and have been sold subsequently and are carried at their net realisable value at the date of transfer to current assets. Where the total value of these properties is in excess of original cost, the excess is included in the revaluation reserve. This treatment is not in accordance with the Companies Act 1985 but is required to enable the financial statements to give a true and fair view.

(d) **Long term contracts**

All the contracts of Bierrum and Partners Limited and Bierrum Structural Services Limited are accounted for under the provisions of SSAP 9 as long term contracts irrespective of the length of the contract.

The sales value of 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.

Profit is attributed to contracts on a prudent basis when it is considered that the outcome can be assessed with reasonable certainty. Provisions are made for foreseeable losses.

(e) **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.

(f) **Research and development**

Expenditure on research and development is written off as incurred.

(g) **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.

(h) **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.

2. TURNOVER

Turnover comprises value of work carried out in the year and adjustments for claim settlements together with amounts invoiced on certain short term contracts.

BIERRUM HOLDINGS LIMITED**NOTES TO THE GROUP FINANCIAL STATEMENTS (continued)****3. OPERATING (LOSS)/PROFIT**

is stated after charging:	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
(a) Cost of sales		
Directors remuneration	7,428	11,727
(Profit) on sale of fixed assets	(1,928)	(20,638)
Depreciation	136,662	100,597
Hire of plant and machinery	<u>527,425</u>	<u>692,226</u>
(b) Administrative expenses		
Auditors remuneration for current year	24,500	29,000
Depreciation	5,146	65,371
Loss/(Profit) on sale of fixed assets	6,989	(3,394)
Directors remuneration	<u>243,360</u>	<u>256,085</u>
(c) and after crediting:		
Rental income	<u>110,026</u>	<u>110,013</u>

4. DIRECTORS AND STAFF COSTS

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
Directors remuneration in respect of:		
Qualifying services	<u>250,788</u>	<u>267,812</u>
Number of Directors:	<u>No.</u>	<u>No.</u>
to whom pension benefits are accruing under defined benefit schemes	<u>3</u>	<u>4</u>
	<u>£</u>	<u>£</u>
Highest-paid Director:		
Emoluments	74,294	72,553
Amount of accrued pension at 30 April 1997	<u>35,437</u>	<u>n/a</u>

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

Staff costs (including Directors):

	<u>1997</u>	<u>1996</u>
	£	£
Wages and salaries	3,001,368	2,902,513
Social security costs	273,342	297,343
Other pension costs	95,552	82,519
Other costs	70,901	86,347
	<u>3,441,163</u>	<u>3,368,722</u>

The average number of employees during the year was:

	<u>No.</u>	<u>No.</u>
Management, office and selling	43	43
Contracting sites	101	113
	<u>144</u>	<u>156</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 1996 using the Projected Unit Method and showed the scheme to be able to meet its liabilities. The market value of the scheme's assets at that date was £ 2,979,000 and the actuarial valuation of these assets represented 129% 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 9% and projected salary increases of 8%. It is intended that the surplus arising will be used to fund additional benefits for members and pensioners.

6. INTEREST PAYABLE

	<u>1997</u>	<u>1996</u>
	£	£
Payable on bank overdraft	<u>54,220</u>	<u>78,128</u>

BIERRUM HOLDINGS LIMITED**NOTES TO THE GROUP FINANCIAL STATEMENTS (continued)**7. **TAXATION**

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
Deferred Tax	-	18,225
Adjustment for previous years	-	(13,527)
	<u>-</u>	<u>4,698</u>

The Group has tax losses of £ 1,181,000 available to off set against future trading profits.

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

Dealt with in the accounts of Bierrum Holdings Limited	(930,243)	166,861
Dealt with in the accounts of subsidiaries	(137,001)	(103,158)
	<u>(1,067,244)</u>	<u>63,703</u>

9. **DIVIDENDS**

Dividends on ordinary and 'A' ordinary shares:

Final dividend of nil (1996 - 10%)	-	24,300
	<u>-</u>	<u>24,300</u>

10. **RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
Operating (loss)/profit	(1,015,203)	141,880
Depreciation charges	141,808	165,968
Loss/(profit) on sale of tangible fixed assets	5,061	(24,032)
Decrease in stocks	113,684	43,965
Decrease/(Increase) in debtors	196,940	154,270
Increase/(decrease) in creditors	1,059,495	(738,088)
Net cash inflow from operating activities	<u>501,785</u>	<u>(256,037)</u>

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

11. <u>Tangible Fixed Assets</u>	Freehold properties	Plant equipment & vehicles	Total
The Company	£	£	£
Cost or valuation at 1 May 1996	1,221,344	68,471	1,289,815
Revaluations	77,656	-	77,656
	1,299,000	68,471	1,367,471
Transfer to current assets	974,000	-	974,000
Cost of disposals	-	25,486	25,486
At 30 April 1997	325,000	42,985	367,985
Depreciation at 1 May 1996	61,653	14,076	75,729
Amount provided for year	2,926	8,109	11,035
	64,579	22,185	86,764
Transfer to revaluation reserve	61,653	-	61,653
Eliminated on disposals	-	3,491	3,491
At 30 April 1997	2,926	18,694	21,620
Net Book Values at 30 April 1996	1,159,691	54,395	1,214,086
Net Book Values at 30 April 1997	322,074	24,291	346,365
The Group			
Cost or valuation at 1 May 1996	1,221,344	2,269,109	3,490,453
Revaluations	77,656	-	77,656
Additions	-	78,824	78,824
	1,299,000	2,347,933	3,646,933
Transfer to current assets	974,000	-	974,000
Cost of disposals	-	145,262	145,262
At 30 April 1997	325,000	2,202,671	2,527,671
Depreciation at 1 May 1996	61,653	1,736,341	1,797,994
Amount provided for year	2,926	138,882	141,808
	64,579	1,875,223	1,939,802
Transfer to revaluation reserve	61,653	-	61,653
Eliminated on disposals	-	103,505	103,505
At 30 April 1997	2,926	1,771,718	1,774,644
Net Book Values at 30 April 1996	1,159,691	532,768	1,692,459
Net Book Values at 30 April 1997	322,074	430,953	753,027

The freehold properties were 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 £325,000. The valuation was prepared by Messrs Lambert Smith Hampton, Chartered Surveyors of Stuart Street, Luton who acted as independent valuers. The original cost of the properties was £257,769 and accumulated depreciation based on cost was £24,535 (1996: £21,609).

On 25 March 1997, Mr N R Bierrum purchased a BMW 320i saloon car from the Company for £15,000 representing the value midway between the purchase and sale prices as quoted in Glass's Guide.

BIERRUM HOLDINGS LIMITED**NOTES TO THE GROUP FINANCIAL STATEMENTS (continued)****12. LEASE COMMITMENTS**

At 30 April 1997 the Group had the following annual commitments under non-cancellable operating leases expiring within:

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
1 year	20,892	5,570
2 - 5 years	51,666	90,413
	<u>72,558</u>	<u>95,983</u>

13. ANALYSIS OF CHANGES IN NET DEBT

	At 1 May 1996	Cash flows	At 30 April 1997
	<u>£</u>	<u>£</u>	<u>£</u>
Bank overdraft	(933,004)	377,241	(555,763)

14. PROPERTIES FOR SALE

Properties for sale comprise the freehold properties 167 Imperial Drive, Harrow and Barwythe Hall, Studham. 167 Imperial Drive had formerly been included in the accounts as an Investment Property and was sold for £700,000 with completion on 13 June 1997. Contracts were exchanged on Barwythe Hall, formerly included in tangible fixed assets, on 4 November 1997 for a sale at £1,000,000 with completion on 1 March 1998.

	<u>1997</u>	<u>Original</u>
	<u>Net Realisable</u>	<u>cost</u>
	<u>Value</u>	<u>£</u>
	<u>£</u>	<u>£</u>
167 Imperial Drive, Harrow	689,409	97,502
Barwythe Hall, Studham	974,000	334,387
	<u>1,663,409</u>	<u>431,889</u>

BIERRUM HOLDINGS LIMITED**NOTES TO THE GROUP FINANCIAL STATEMENTS (continued)****15. STOCK AND WORK IN PROGRESS**

	<u>The Group</u>	
	<u>1997</u>	<u>1996</u>
	£	£
Work in progress	538	98,030
Stock and tackle	198,558	214,750
	<u>199,096</u>	<u>312,780</u>

16. DEBTORS

	<u>The Group</u>		<u>The Company</u>	
	<u>1997</u>	<u>1996</u>	<u>1997</u>	<u>1996</u>
	£	£	£	£
Trade debtors	1,395,584	1,411,380	6,791	5,257
Retentions	212,881	150,430	-	-
Amounts recoverable on contracts	271,251	472,062	-	-
Amount due from Subsidiary Companies	-	-	900,985	1,191,694
Other debtors	6,970	35,923	811	26,620
Prepayments	-	13,831	-	12,165
	<u>1,886,686</u>	<u>2,083,626</u>	<u>908,587</u>	<u>1,235,736</u>

17. CREDITORS

Bank overdraft	555,763	933,004	507,973	318,033
Trade Creditors	1,012,542	410,546	13,886	108
Payments on account	344,616	-	-	-
Amounts due to Group Companies	-	-	2,250	-
Corporation Tax	-	6,075	-	6,075
Other taxes and social security	302,133	204,609	300,823	201,682
Dividends	-	24,300	-	24,300
Other creditors	56,125	44,289	4,821	7,055
Accruals	246,052	242,529	105,863	86,199
	<u>2,517,231</u>	<u>1,865,352</u>	<u>935,616</u>	<u>643,452</u>

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.

18. SHARE CAPITAL

	<u>1997</u>	<u>1997</u>	<u>1996</u>	<u>1996</u>
	<u>Authorised</u>	<u>Issued and</u>	<u>Authorised</u>	<u>Issued and</u>
		<u>fully paid</u>		<u>fully paid</u>
Ordinary shares of £1 each	56,500	54,000	56,500	54,000
A' Ordinary shares of £1 each	193,500	189,000	193,500	189,000
	<u>250,000</u>	<u>243,000</u>	<u>250,000</u>	<u>243,000</u>

BIERRUM HOLDINGS LIMITED**NOTES TO THE GROUP FINANCIAL STATEMENTS (continued)****19. INVESTMENT IN SUBSIDIARIES**

The Company owns the whole of the issued share capital of Bierrum & Partners Limited, Bierrum Structural Services Limited and of Bierrum Overseas Limited incorporated in the Republic of Ireland. The Company owns 79% of the issued share capital of Pendrich (Steeplejacks) Limited. The cost of these investments were:

	£
Bierrum and Partners Limited	250,000
Bierrum Structural Services Limited	20,000
Pendrich (Steeplejacks) Limited	7,900
Balance at 30 April 1996	<u>277,900</u>
Less: amounts written off	277,900
Balance at 30 April 1997	<u>-</u>

20. MOVEMENTS IN RESERVES

	Profit and Loss Account £	Revaluation Reserve £	General Reserve £
The Group			
Balance at 1 May 1996	290,597	1,439,916	1,100,000
(Loss) for the year	(1,067,244)	-	-
Revaluation (loss) on Investment Property	-	(160,591)	-
Revaluation gain on Freehold Properties	-	139,309	-
Transfer from Revaluation Reserve	58,230	(58,230)	-
Transfer from General Reserve	1,100,000	-	(1,100,000)
Balance at 30 April 1997	<u>381,583</u>	<u>1,360,404</u>	<u>-</u>
The Company			
Balance at 1 May 1996	151,354	1,439,916	1,100,000
(Loss) for the year	(930,243)	-	-
Revaluation (loss) on Investment Property	-	(160,591)	-
Revaluation gain on Freehold Properties	-	139,309	-
Transfer from Revaluation Reserve	58,230	(58,230)	-
Transfer from General Reserve	1,100,000	-	(1,100,000)
Balance at 30 April 1997	<u>379,341</u>	<u>1,360,404</u>	<u>-</u>

21. 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 subsidiaries.