

Symonds Group Limited

Report and Accounts

31 December 2000



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**Rothman
Pantall**
CHARTERED ACCOUNTANTS

Symonds Group Limited

Registered No. 2752154

DIRECTORS

C A Booy
T J Piper
T Ferrett
P Mynors
C Marshall
C Wood
M Whife
D Robertson
J Goring
J Moffett

SECRETARY

I Parmar

AUDITORS

Rothman Pantall
Clareville House
26-27 Oxendon Street
London
SW1Y 4EP

BANKERS

Bank of Scotland
110 St Vincent Street
Glasgow
G2 5EJ

SOLICITORS

Morgan Cole
Bradley Court
Park Place
Cardiff
CF1 3DP

REGISTERED OFFICE

24-30 Holborn
London
EC1N 2LX

CHAIRMAN'S STATEMENT

INTRODUCTION

2000 represented the company's first full year's trading, following the MBO of Symonds Group Limited. It was an extremely successful year in that our planned targets and principal objectives were all met.

Symonds Group is now an independent consultancy, owned and managed by its senior management and staff (some 115 are shareholders) and has the financial backing of the Bank of Scotland. Our core services are project, cost, construction and property management; civil, environment, building, mechanical and electrical services engineering; and transport; supported by specialist services in communications and control, acoustics, health and safety, and contracts dispute resolution. Services are provided from a network of offices throughout the UK, Asia, the Middle East and project offices across the world.

Following the MBO, we set ourselves the following five-year headline strategy:

- To substantially grow our core business lines whilst capitalising on industry, Government and client initiatives and business opportunities.
- To build on our current strengths, offering top-level services, founded on creativity, imagination, innovation and value.
- To maintain excellence in our staff by continuing to recruit outstanding people and to invest more in training and skills development
- To maintain and build further long-term client relationships to the benefit of our customers.

This strategy has proved very successful during 2000 and we continue to build upon it.

YEAR 2000

The Group's overall turnover was £48m, of which £36m was fee income, resulting in an operating profit of £1.5M. Twenty-five per cent of turnover was earned overseas.

The principal highlights for the year were as follows:

- Increasing the percentage of repeat business with major clients
- Continuous improvement in sales and long-term opportunities, including a significant number of major project wins.
- Achieving peer group recognition for example, our civil engineering department won the British Construction Industry Award for "Best International Project" and the British Consultants Bureau Award following the completion of the Oresund Tunnel.
- Creating focussed client and sector delivery teams
- Re-enforcing the role of our regional offices
- Maintaining our innovative edge in areas such as Speed Check and Resolex
- Maintaining investment in people, systems and premises
- Instituting a graduate recruitment policy
- Investing in internal/external communications

CHAIRMAN'S STATEMENT

- Achieving and surpassing all the financial targets set at the time of the MBO

Year 2000 saw us exit our areas of non-core activities, namely the closure of our Lincoln operation and the sale of our Power and Energy business. The resolution of these non-profitable activities will help us to improve profits in the future.

All of our principal business activities did exceptionally well and we have seen significant growth with major commissions won from: Bank of America; Bristol University; Deloitte Consulting; Environment Agency; Exxon; Rialto; Grosvenor; Great Ormond Street Hospital; Guinness Trust; Hammerson; Highways Agency; Legoland in Germany; London and Paris; Ministry of Defence; National Assembly for Wales; Nomura; PA Consulting; Pfizer; Prison Service; South Gloucestershire Council; Transport for London; and Vivendi.

Our partnering contract with the Ministry of Defence and our term commission with the United States Air Force have both been extended by a further two years. We secured the MoD advisory term commission at Portsmouth, which runs for three to five years and we are acting as Principal Support Provider (PSP) to Defence Estates on two Prime Contracts.

Overseas, we have extended our Asian operations into South Korea and China and we have agreed a further two-year extension to our contract with the Ministry of Finance in Saudi Arabia.

Innovation is seen as our unique selling point, not only in our approach to all our projects, but also in some specific initiatives:

- Speed Check Services: We have a 50% holding in this company which has developed the first digital average speed detection cameras. Speed Check continues to go from strength to strength. Results from Nottingham which uses our technology indicate that road accidents have been reduced by 52%. We have recently won a major commission as part of Gloucester's Safer City project, as well as looking at the next generation of speed detection, which will keep us ahead of the market.
- ResoLex: In October 2000, the Group launched a project mediation business, ResoLex. This is the first ever joint venture between our sector and a chamber of barristers and gives clients direct access to the best commercial and legal advice, when addressing disputes. ResoLex won its first commission a week after the launch and has been widely heralded by insurers, funders and the construction industry.

THE FUTURE

The first year has been a great success and we are now well placed to execute our long-term strategy of profitable growth based on customer focus, value delivery and commitment. We hope to do all that and continue to enjoy ourselves.

CHRIS BOOY OBE
EXECUTIVE CHAIRMAN

Symonds Group Limited

DIRECTORS' REPORT

The directors present their annual report and the audited accounts for the year ended 31 December 2000.

ACTIVITIES

The group's principal activities during the year were project, cost, and construction management, civil, building and environmental engineering, transport control and communication.

REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS

The results for the year and the position at the year end are shown in the profit and loss account and balance sheet on pages 7 to 9.

Symonds Group Limited has branch operations in Saudi Arabia and South Korea.

DIVIDENDS

Dividends of £759,000 were paid in 2000 (1999 - £3,328,000).

DISPOSALS

No significant disposals were made during the year.

INVESTMENT DURING THE YEAR

No significant Investments were made during the year..

EMPLOYEES

It is the group's policy to ensure that equal opportunities are available to all, regardless of gender, marital status, ethnic origin or nationality. Full and fair consideration is given to applications for employment from disabled persons having regard to their particular aptitudes and abilities. Consideration will be given to employees of the group who become disabled, to continue in their employment or to be trained for other positions in the group. It is also the group's policy to consult with employees and their representatives in order to achieve the efficient execution and development of the group's business.

DIRECTORS AND THEIR INTERESTS

The directors of the company during the year or appointed subsequently, none of whom had any interests in the share capital of the company are set out below, together with their shareholdings in the parent company:

		<i>Shares held in Symonds Group (Holdings) Limited</i>
C A Booy		432,000
T J Piper		180,000
T Ferrett		60,000
P Mynors		48,000
C Marshall		36,000
C Wood		48,000
M White		36,000
D Robertson		48,000
J Goring	(appointed 16 March 2000)	12,000
J Moffett	(appointed 11 May 2000)	12,000

AUDITORS

Rothman Pantall & Co were appointed as auditors during the year.

On behalf of the Board of Directors



TJ Piper, Director
25th July 2001

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE
ACCOUNTS

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the group 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 group and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS' REPORT

TO THE SHAREHOLDERS OF SYMONDS GROUP LIMITED

We have audited the accounts on pages 7 to 24 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on pages 12 and 13.

Respective responsibilities of directors and auditors

As described on page 5 the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

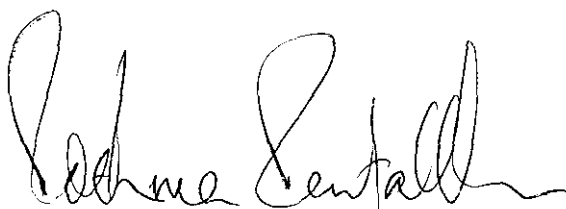
Basis of opinion

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the group'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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company and the group at 31 December 2000 and of the group's profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



ROTHMAN PANTALL & CO

CHARTERED ACCOUNTANTS & REGISTERED AUDITORS

Clareville House
26/27 Oxendon Street
London
SW1Y 4EP



Symonds Group Limited

CONSOLIDATED PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2000

		<i>Total</i> 2000 £'000	<i>Continuing</i> 1999 £'000	<i>Total</i> 1999 £'000
	<i>Notes</i>			
TURNOVER		47,944	47,180	63,029
Change in work in progress		1,486	814	814
Staff costs	2	(23,654)	(26,879)	(30,132)
Depreciation		(670)	(1,554)	(1,683)
Amortisation of Goodwill		(59)	(54)	(54)
Other operating charges		(23,444)	(20,233)	(34,026)
OPERATING PROFIT/(LOSS)	3	1,603	(726)	(2,052)
Share of profit of associated undertakings		(59)	(79)	642
TOTAL OPERATING PROFIT/(LOSS)		1,544	(805)	(1,410)
Profit/(loss) on disposal of operations	4			11,173
Profit/(loss) before interest and taxation		1,544		9,763
Interest receivable and similar income	5	64		28
Interest payable and similar charges	6	(4)		(821)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		1,604		8,970
Taxation	7	(99)		(240)
PROFIT/(LOSS) AFTER TAXATION		1,505		8,730
Equity minority interests		(18)		-
Profit/(loss) for the year		1,487		8,730
Dividends paid	8	(759)		(3,328)
RETAINED PROFIT/(LOSS) FOR THE YEAR	18	728		5,402

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

for the year ended 31 December 2000

	2000 £'000	1999 £'000
Profit/(loss) for the financial year	728	5,402
Foreign exchange translation differences	30	(72)
Total recognised gains and losses relating to the year	758	5,330

Symonds Group Limited

CONSOLIDATED BALANCE SHEET at 31 December 2000

	Notes	2000 £'000	1999 £'000
FIXED ASSETS			
Goodwill	10	474	483
Tangible assets	11	1,026	1,478
Investments	12	(33)	98
		<u>1,467</u>	<u>2,059</u>
CURRENT ASSETS			
Work in progress	13	3,579	2,754
Debtors: amounts due within one year	14	11,247	12,974
Cash at bank and in hand		2,285	1,304
		<u>17,111</u>	<u>17,032</u>
CREDITORS: amounts falling due within one year	15	<u>(6,320)</u>	<u>(7,609)</u>
NET CURRENT ASSETS		<u>10,791</u>	<u>9,423</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>12,258</u>	<u>11,482</u>
CREDITORS: amounts falling due after more than one year	16	-	-
Equity minority interests		(52)	(34)
		<u>12,206</u>	<u>11,448</u>
CAPITAL AND RESERVES			
Called up share capital	17	10,000	10,000
Profit and loss account	18	2,206	1,448
TOTAL EQUITY SHAREHOLDERS' FUNDS		<u>12,206</u>	<u>11,448</u>

These accounts were approved by the Board of Directors on 25th July 2001



TJ Piper
Director

Symonds Group Limited

BALANCE SHEET at 31 December 2000

	Notes	2000 £'000	1999 £'000
FIXED ASSETS			
Tangible assets	11	769	1,169
Investments	12	6,060	6,059
		<u>6,829</u>	<u>7,228</u>
CURRENT ASSETS			
Work in progress	13	1,779	2,161
Debtors: amounts due within one year	14	11,495	12,637
Cash at bank and in hand		1,471	410
		<u>14,745</u>	<u>15,208</u>
CREDITORS: amounts falling due within one year	15	<u>(5,150)</u>	<u>(6,427)</u>
NET CURRENT ASSETS		<u>9,595</u>	<u>8,781</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>16,424</u>	<u>16,009</u>
CREDITORS: amounts falling due after more than one year	16	<u>(3,847)</u>	<u>(3,847)</u>
		<u>12,577</u>	<u>12,162</u>
CAPITAL AND RESERVES			
Called up share capital	17	10,000	10,000
Profit and loss account	18	2,577	2,162
TOTAL EQUITY SHAREHOLDERS' FUNDS		<u>12,577</u>	<u>12,162</u>

These accounts were approved by the Board of Directors on 25th July 2001



TJ Piper
Director

Symonds Group Limited

CONSOLIDATED STATEMENT OF CASH FLOWS for the year ended 31 December 2000

	Notes	2000 £'000	1999 £'000
NET CASH INFLOW FROM OPERATING ACTIVITIES	19	1,631	1,078
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Bank interest paid		(4)	(821)
Interest received		64	28
NET CASH INFLOW/(OUTFLOW) FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		60	(793)
TAXATION			
Corporation tax received			668
Overseas tax paid		(7)	(59)
TAX RECEIVED/(PAID)		(7)	609
CAPITAL EXPENDITURE			
Payments to acquire tangible fixed assets		(241)	(1,069)
Proceeds from sale of tangible fixed assets		84	75
Loan to Investment		(25)	
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE		(182)	(994)
ACQUISITIONS AND DISPOSALS			
Purchase of subsidiary undertakings and joint ventures		-	(1,101)
Sale of business and trade investments		-	20,338
Receipt from Investment		21	
NET CASH INFLOW/(OUTFLOW) FROM ACQUISITIONS AND DISPOSALS		21	19,237
EQUITY DIVIDENDS PAID		-	(3,328)
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING		1,523	15,809
FINANCING			
Loan repayments		-	(11,917)
NET CASH (OUTFLOW)/INFLOW FROM FINANCING		1,523	(11,917)
INCREASE IN CASH		1,523	3,892

Symonds Group Limited

CONSOLIDATED STATEMENT OF CASH FLOWS for the year ended 31 December 2000

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/(DEBT)

	2000 £'000	1999 £'000
INCREASE IN CASH	1,523	3,892
Loan repayments	-	11,917
Loan to parent company	(542)	-
Change in net funds/(debt) resulting from cash flows	981	15,809
MOVEMENT IN NET FUNDS/(DEBT) IN THE YEAR	981	15,809
NET FUNDS/ (DEBT) AT 1 JANUARY	1,304	(14,505)
NET FUNDS/(DEBT) AT 31 DECEMBER (NOTE 22)	2,285	1,304

NOTES TO THE ACCOUNTS

at 31 December 2000

1. ACCOUNTING POLICIES

The accounts have been prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

Accounting convention

These accounts have been prepared under the historical cost convention.

Basis of consolidation

The group accounts consolidate the accounts of the company and all subsidiaries for the financial year ended 31 December 2000.

Investments

Investments in subsidiaries are stated at cost less provision for any impairment in value.

The carrying values of investments in subsidiaries are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Acquisitions and goodwill

Purchased goodwill arising on consolidation in respect of acquisitions before 1 January 1998, when FRS 10, "Goodwill and Intangible Assets" was adopted, was written off to reserves in the year of acquisition. When a subsequent disposal occurs, any related goodwill previously written off to reserves is written back through the profit and loss account as part of the profit and loss on disposal.

Purchased goodwill arising on consolidation in respect of acquisitions since 1 January 1998 is capitalised. Positive goodwill is amortised to nil by equal instalments over its estimated useful life.

The carrying values of intangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Fixed assets and depreciation

Depreciation is provided in equal annual instalments, in order to write off the cost less the estimated residual value of tangible fixed assets over their estimated useful economic lives at the following rates:

Freehold buildings	-	2% per annum straight line
Motor vehicles	-	25% per annum straight line
Plant and equipment	-	33% per annum straight line
Fixtures and fittings	-	10% - 15% per annum straight line

Freehold land is not depreciated.

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Consultancy contracts

Profit on consultancy activities is taken as work progresses. The percentage margin on each individual contract is the lower of the margin earned to date, and that forecast at completion taking account of agreed claims. Full provision is made for all known or expected losses at completion, immediately such losses are forecast on each contract. Profit for the year may include settlement of claims arising on contracts completed in prior years.

Payments received on account of contracts are deducted from amounts recoverable on contracts. Such amounts which have been received and which exceed amounts recoverable are included in creditors. Contract provisions in excess of amounts recoverable are included in provisions for liabilities and charges.

NOTES TO THE ACCOUNTS

at 31 December 2000

1. ACCOUNTING POLICIES (continued)

Long-term contracts

Profit on long term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Where the final outcome can be assessed, turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Full provision is made for losses on all contracts in the year in which they are first foreseen.

Work in progress

Long-term contract work-in-progress is stated at cost plus, where the outcome can be assessed with reasonable certainty, estimated profits attributable to the state of completion, less provision for any known or anticipated losses and progress payments receivable on account. Advance payments and deposits are included in creditors.

Deferred taxation

Deferred taxation is provided at the anticipated tax rates on differences arising from the inclusion of items of income and expenditure in taxation computations in years different from those in which they are included in the accounts to the extent that it is probable that a liability or asset will crystallise in the future.

Leases

Rentals payable under operating leases are charged to the profit and loss account as incurred.

Turnover

Turnover is the amount derived from the provision of services during the accounting year, net of value added tax, representing the net amount invoiced as adjusted for accrued and deferred income.

Foreign currency transactions

Transactions of UK companies denominated in foreign currencies are translated into sterling at the rate ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. These translation differences are dealt with in the profit and loss account.

The accounts of overseas subsidiaries are translated at the rate of exchange ruling at the balance sheet date. The exchange difference arising on the retranslation of opening net assets is taken directly to reserves.

Pension costs

The expected costs of providing pensions under defined benefit schemes, as calculated periodically by professionally qualified actuaries, is charged to the profit and loss account so as to spread the costs over the service lives of employees in the schemes operated within the group in such a way that the pension cost is a substantially level percentage of current and expected future pensionable payroll. Contributions to defined contribution schemes are charged to the profit and loss account on a payment basis.

Symonds Group Limited

NOTES TO THE ACCOUNTS at 31 December 2000

2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	2000 £'000	1999 £'000
Directors' emoluments		
Total directors' emoluments (excluding pension contributions)	654	931
	<u> </u>	<u> </u>
Contributions to money purchase pension scheme	15	93
	<u> </u>	<u> </u>
	2000 No.	1999 No.
Number of directors who are members of the money purchase pension scheme	7	11
	<u> </u>	<u> </u>
	2000 £'000	1999 £'000
Emoluments of highest paid director (excluding pension contributions)	99	124
	<u> </u>	<u> </u>
Average number of persons employed		
	2000 No.	1999 No.
Technical	679	704
Administration	113	152
	<u> </u>	<u> </u>
	792	856
	<u> </u>	<u> </u>
Staff costs		
	2000 £'000	1999 £'000
Wages and salaries	21,028	27,398
Social security costs	2,118	2,067
Pension costs	508	668
	<u> </u>	<u> </u>
	23,654	30,133
	<u> </u>	<u> </u>

Symonds Group Limited

NOTES TO THE ACCOUNTS

at 31 December 2000

3. OPERATING PROFIT

This is stated after charging:

	2000	1999
	£'000	£'000
Auditors' remuneration:		
Audit fees	40	40
Non-audit fees	34	23
Depreciation of tangible fixed assets:		
Owned	670	1,675
Hire purchase contracts	-	-
Amortisation of goodwill	59	54
Rentals under operating leases:		
Other operating leases	1,512	1,683
Land and buildings	1,389	1,223
	<u> </u>	<u> </u>

4. PROFIT/(LOSS) ON DISPOSAL OF DISCONTINUED OPERATIONS

	2000	1999
	£'000	£'000
Profit on sale of Symonds Group Pty Limited	-	1,040
Profit on the sale of Trillium Facilities Management Limited	-	11,110
Profit on the sale of Novo Architects Limited	-	322
Loss on sale of the Facilities Management operations	-	(1,229)
Loss on Associated undertakings	-	(70)
	<u> </u>	<u> </u>
	-	11,173
	<u> </u>	<u> </u>

49% of the ordinary shares of Trillium Facilities Management Limited were disposed of on 30 September 1999 for cash consideration of £17,260,000.

100% of the ordinary shares of Symonds Group Pty Limited were disposed of on 30 October 1999 for cash consideration of £1.

On 2 December 1999 the business and assets of the group's Facilities Management operations were disposed of for cash consideration of £3,078,000.

75% of the ordinary shares of Novo Architects Limited were disposed of on 28 February 1999 for £1.

On 17 December 1999 Bizmatic Sdn. Bhd. an associate company was liquidated.

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2000	1999
	£'000	£'000
Bank interest receivable	60	28
Share of associate interest received	4	-
	<u> </u>	<u> </u>
	64	28
	<u> </u>	<u> </u>

Symonds Group Limited

NOTES TO THE ACCOUNTS

at 31 December 2000

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2000 £'000	1999 £'000
Bank loans and overdrafts	4	107
Intra group interest		714
	<u>4</u>	<u>821</u>

7. TAXATION

	2000 £'000	1999 £'000
United Kingdom corporation tax	(165)	(216)
Tax on overseas subsidiaries	(11)	(24)
Adjustment in respect of prior years	77	-
	<u>(99)</u>	<u>(240)</u>

8. DIVIDENDS

	2000 £'000	1999 £'000
Dividend paid: 75.9p per share (1999 – 332.8p per share)	759	3,328

9. PROFIT OF THE COMPANY

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the company is not presented as part of these accounts.

10. INTANGIBLE FIXED ASSETS

<i>Group</i>	<i>Goodwill £'000</i>
Cost:	
As at 1 st January 2000	537
Arising on the acquisition of EDM Limited	50
At 31 December 2000	<u>587</u>
Amortisation:	
As at 1 st January 2000	54
Provided during the year	59
At 31 December 2000	<u>113</u>
Net book value:	
At 31 December 2000	<u>474</u>

Symonds Group Limited

NOTES TO THE ACCOUNTS

at 31 December 2000

10. INTANGIBLE FIXED ASSETS (continued)

Goodwill is being amortised as follows:

Goodwill arising on the acquisition of EDM limited share capital is being amortised evenly over the directors' estimate of its useful economic life of 10 years.

Goodwill arising on the acquisition of Woolf limited share capital is being amortised evenly over the directors' estimate of its useful economic life of 10 years.

Goodwill arising on the acquisition of EDCOP share capital is being amortised evenly over the directors' estimate of its useful economic life of 10 years.

11. TANGIBLE FIXED ASSETS

<i>Group</i>	<i>Freehold property £'000</i>	<i>Motor Vehicles £'000</i>	<i>Plant & Equipment £'000</i>	<i>Fixtures & Fittings £'000</i>	<i>Total £'000</i>
Cost:					
At 1 January 2000	130	429	2,276	943	3,778
Additions	-	8	164	69	241
Disposals	-	(160)	(43)	(79)	(282)
Exchange difference	-	25	20	(10)	35
At 31 December 2000	130	302	2,417	923	3,772
Depreciation:					
At 1 January 2000	13	301	1,405	580	2,299
Charge for the year	3	58	449	162	671
Disposals	-	(150)	(21)	(77)	(249)
Exchange difference	-	17	14	(6)	25
At 31 December 2000	16	226	1,847	659	2,746
Net book value:					
At 1 January 2000	117	128	871	363	1,479
At 31 December 2000	114	76	570	264	1,026

Symonds Group Limited

NOTES TO THE ACCOUNTS at 31 December 2000

11. TANGIBLE FIXED ASSETS (continued)

<i>Company</i>	<i>Motor vehicles £'000</i>	<i>Plant and equipment £'000</i>	<i>Fixtures and fittings £'000</i>	<i>Total £'000</i>
Cost:				
At 1 January 2000	270	2,126	782	3,178
Additions	-	140	36	176
Disposals	(107)	(20)	(69)	(196)
Exchange difference	10	10	3	23
At 31 December 2000	173	2,256	752	3,181
Depreciation:				
At 1 January 2000	206	1,324	479	2,009
Charge for year	28	397	138	563
Disposals	(108)	(1)	(69)	(178)
Exchange difference	8	8	2	18
At 31 December 2000	134	1,728	550	2,412
Net book value:				
At 1 January 2000	64	802	303	1,169
At 31 December 2000	39	528	202	769

12. INVESTMENTS HELD AS FIXED ASSETS

<i>Group</i>	<i>£'000</i>
Investments in associated undertakings	
Cost:	
At 1 January 2000	151
Transfer EDM to Subsidiary	(73)
Disposal of Abros enterprise	(23)
At 31 December 2000	54
Share of reserves in associated undertakings:	
At 1 January 2000	(53)
Share of retained profits	(59)
Transfer EDM to Subsidiary	51
Disposal of Abros enterprise	(26)
At 31 December 2000	(87)
Total investments:	
At 1 January 2000	98
At 31 December 2000	(33)

Symonds Group Limited

NOTES TO THE ACCOUNTS

at 31 December 2000

12. INVESTMENTS HELD AS FIXED ASSETS (continued)

<i>Company</i>	<i>£'000</i>
Investments in subsidiary undertakings:	
At 1 January 2000	5,908
Transfer of EDM from associate undertakings	98
Impairment provision	
At 31 December 2000	6,006
Investments in associated undertakings:	
At 1 January 2000	151
Additional Investment of EDM Limited	25
Transfer of EDM to subsidiary undertakings	(98)
Disposal of Abros Enterprise	(24)
At 31 December 2000	54
Total investments:	
At 1 January 2000	6,059
At 31 December 2000	6,060

Share of balance sheets of associates (after adjustments)

	<i>Speed Check Services £'000</i>
Assets:	
At 1 January 2000	247
Fixed assets	17
Current assets	350
At 31 December 2000	367
Liabilities:	
At 1 January 2000	(74)
Due within one year	(272)
Due after one year	-
Share of net assets at 31 December 2000	95

Symonds Group Limited

NOTES TO THE ACCOUNTS

at 31 December 2000

12. INVESTMENTS HELD AS FIXED ASSETS (continued)

Share of profit and loss accounts of associates (after adjustments)

	<i>Speed Check Services £'000</i>
Turnover	-
Profit/(loss) before tax	(59)
Taxation	-
Profit after tax	(59)

The Group's associated undertakings as at 31 December 2000 were as follows:

	<i>Principal activity</i>	<i>Percentage held of share capital and voting rights</i>	<i>Details of holding of share capital</i>	<i>Country of incorporation if not Great Britain</i>
* Speed Check Services Limited	Transport consultants	50%		
* ResoLex Limited	Project Mediation	50%		

The company owns the following subsidiaries:

* Symonds Limited	Project and cost management	100%	164,127 10p ordinary shares	Jersey
* Symonds Group Inc.	Project and cost management	100%	100 US\$0.1 ordinary shares	USA
* Symonds Travers Morgan Limited	Engineering consultancy	100%	2,000 £1 ordinary shares	
* Symonds International Limited	Engineering consultancy	100%	2 £1 ordinary shares	
Symonds Travers Morgan (Malaysia) Sdh Bhd	Engineering consultancy	100%	250,000 RM1 ordinary shares	Malaysia
Symonds Travers Morgan (Hong Kong) Ltd	Engineering consultancy	100%	1,000 HK\$10.00 ordinary shares	Hong Kong

Symonds Group Limited

NOTES TO THE ACCOUNTS

at 31 December 2000

12. INVESTMENTS HELD AS FIXED ASSETS (continued)

The company owns the following subsidiaries:

* Test Cell Limited	Project and cost management	100%	400,000 £1 ordinary shares	
* Woolf Ltd	Construction management	100%	1,000 £1 ordinary shares	
EDCOP	Engineering consultancy	70%	1,000 £1 ordinary shares	Philippines
* Electronic Data Management Limited	Software development	100%		

On 4 January 2001 the group acquired an additional 50% share capital of Electronic Data Management Limited for nil cost. The investments have been included in the company's balance sheet at their fair value at the date of acquisition.

Net assets at the date of acquisition:

	EDM Limited £'000
Creditors	(2)
Goodwill arising on acquisition	50
	48
Cost 4 th January 2001	nil
Transfer from Associate	48

13. WORK IN PROGRESS

	<i>Group</i>		<i>Company</i>	
	2000	1999	2000	1999
	£'000	£'000	£'000	£'000
Long term and consultancy contract balances	3,579	2,754	1,779	2,161

Symonds Group Limited

NOTES TO THE ACCOUNTS at 31 December 2000

14. DEBTORS: amounts falling due within one year

	<i>Group</i>		<i>Company</i>	
	2000	1999	2000	1999
	£'000	£'000	£'000	£'000
Trade debtors	9,245	10,268	6,971	8,049
Amounts owed by other group companies	566	832	453	295
Amounts owed by subsidiaries	-	-	3,510	3,620
Other debtors and prepayments	1,436	1,874	561	673
	<u>11,247</u>	<u>12,974</u>	<u>11,495</u>	<u>12,637</u>

15. CREDITORS: amounts falling due within one year

	<i>Group</i>		<i>Company</i>	
	2000	1999	2000	1999
	£'000	£'000	£'000	£'000
Trade creditors	838	764	501	389
Amounts owed to subsidiaries	16	-	477	1,578
Other creditors and accruals	4,549	6,029	3,465	4,322
Corporation tax	134	578	99	8
Other taxation and social security	783	238	608	130
	<u>6,320</u>	<u>7,609</u>	<u>5,150</u>	<u>6,427</u>

16. CREDITORS: amounts falling due after more than one year

	<i>Group</i>		<i>Company</i>	
	2000	1999	2000	1999
	£'000	£'000	£'000	£'000
Obligations under hire purchase contracts between one and two years	-	-	-	-
Amounts owed to parent company	-	-	-	-
Amounts owed to subsidiaries	-	-	3,847	3,847
	<u>-</u>	<u>-</u>	<u>3,847</u>	<u>3,847</u>

17. CALLED UP SHARE CAPITAL

	2000	1999
	£'000	£'000
Authorised:		
Ordinary shares of £1 each	10,000	10,000
Called up, allotted and fully paid:		
Ordinary shares of £1 each	10,000	10,000

Symonds Group Limited

NOTES TO THE ACCOUNTS at 31 December 2000

18. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS IN RESERVES

<i>Group</i>	<i>Share capital £'000</i>	<i>Profit and loss account £'000</i>	<i>2000 Total £'000</i>	<i>1999 Total £'000</i>
At the beginning of the year	10,000	1,448	11,448	6,118
Profit/(loss) for the financial year		1,487	1,487	8,730
Dividends paid		(759)	(759)	(3,328)
Share issue				
Exchange differences on retranslation		30	30	(72)
At the end of the year	10,000	2,206	12,206	11,448
<i>Company</i>	<i>Share capital £'000</i>	<i>Profit and loss account £'000</i>	<i>2000 Total £'000</i>	<i>1999 Total £'000</i>
At the beginning of the year	10,000	2,162	12,162	15,418
(Loss)/profit for the financial year		1,095	1,095	72
Dividends paid		(759)	(759)	(3,328)
Share issue				
Exchange differences on retranslation		79	79	
At the end of the year	10,000	2,577	12,577	12,162

19. NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of operating profit/(loss) to net cash inflow from operating activities:

	<i>2000 £'000</i>	<i>1999 £'000</i>
Operating profit/(loss)	1,544	9,763
Amortisation	59	54
Depreciation	670	1,675
Profit on sale of investments	-	(11,173)
Profit on the sale of fixed assets	(50)	(51)
Decrease/(increase) in work in progress	(825)	393
Decrease/(increase) in operating debtors and prepayments	1,511	2,465
(Decrease)/increase in operating creditors and accruals	(1,349)	(1,406)
Share of (profit)/loss from associates	59	(642)
Foreign Exchange Profit/(loss) on retranslation	31	
Movement in Minority Interests	(18)	
	1,631	1,078

Symonds Group Limited

NOTES TO THE ACCOUNTS at 31 December 2000

20. ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS

	<i>Cash flow</i> <i>£'000</i>	<i>1999</i> <i>£'000</i>
Cash in hand, at bank	2,285	1,304
Overdrafts	-	-
	<u>2,285</u>	<u>1,304</u>
Debt due within one year		
Debt due after one year		-
	<u></u>	<u></u>
Total	<u>2,285</u>	<u>1,304</u>

21. LEASE COMMITMENTS

At 31 December 2000 the group was committed to making the following payments during the next year in respect of operating leases:

	<i>Land and</i> <i>buildings</i> <i>2000</i> <i>£'000</i>	<i>Other</i> <i>2000</i> <i>£'000</i>	<i>Land and</i> <i>buildings</i> <i>1999</i> <i>£'000</i>	<i>Other</i> <i>1999</i> <i>£'000</i>
Leases which expire:				
Within one year	18	175	3	157
Within two to five years	386	616	463	1,081
After more than five years	409	10	530	-
	<u>814</u>	<u>801</u>	<u>996</u>	<u>1,238</u>

22. PENSION COMMITMENTS

The company participates in the Symonds Group Ltd money purchase pension scheme. The company also participated in both the Dalkia plc (only till 31 March 2000) defined benefit pension scheme and money purchase scheme. Contributions to the defined benefit scheme are based on group pension costs. Payments of £508,000 were made into group schemes and £nil was outstanding at the year end.

23. RELATED PARTY TRANSACTIONS

The Group has taken advantage of the exemption available under Financial Reporting Standard 8 not to disclose related party transactions with other 100% group undertakings.

24. ULTIMATE PARENT COMPANY

The ultimate parent company and controlling related party is Symonds Group (Holdings) Limited. It has included the company in its group accounts.

25. CONTINGENT LIABILITIES

At the year end the company had given a guarantee in respect of the bank borrowings of its parent undertaking. At 31 December 2000 these borrowings amounted to £6,000,000 (1999 £6,000,000).