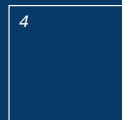
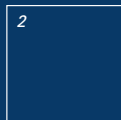


**Norwest Holst Group PLC**  
*Report and Accounts 2000*





Cover Pictures - 1 Vasco da Gama Bridge, Lisbon. 2 Cambridge Business Park.  
3 Bute Avenue, Cardiff. 4 ProLogis Park, Hounslow.

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Cambridge Business Park



Cambridge Business Park  
Six contracts have been successfully negotiated to build office accommodation at Cambridge Business Park.



ProLogis Park, Hounslow  
A high specification warehouse and office development in Hounslow forms part of an ongoing construction programme across the country for ProLogis Developments Limited.

## Company Information

<b>DIRECTORS</b>	J O M Stanion	(Chairman & Chief Executive)
	A M Comba	
	E M M Zeller	
	J C Banon	(Non-executive)
	P J G Billon	(Non-executive)
	X M P Huillard	(Non-executive)
	A Zacharias	(Non-executive)

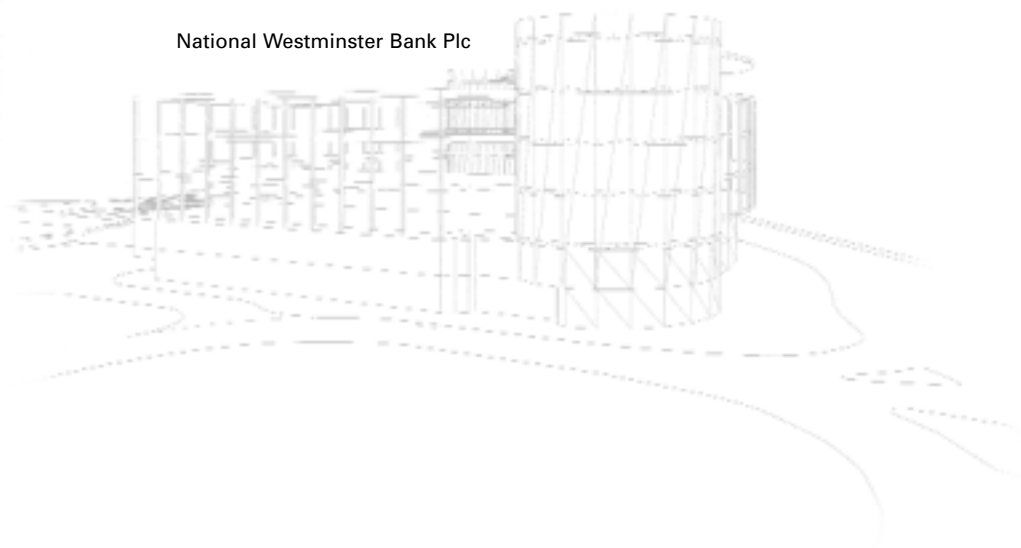
**SECRETARY** D W Bowler

**REGISTERED OFFICE** Astral House  
Imperial Way  
Watford  
Hertfordshire  
WD24 4WW

**REGISTERED NUMBER** 737204

**AUDITORS** RSM Robson Rhodes  
Colwyn Chambers  
19 York Street  
Manchester  
M2 3BA

**BANKERS** National Westminster Bank Plc

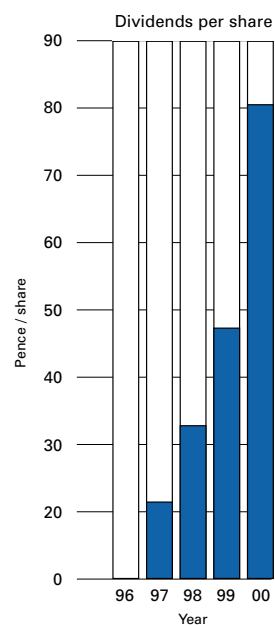
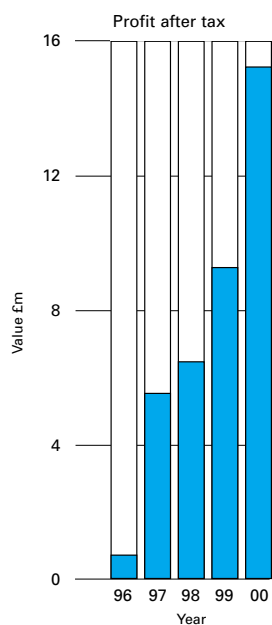
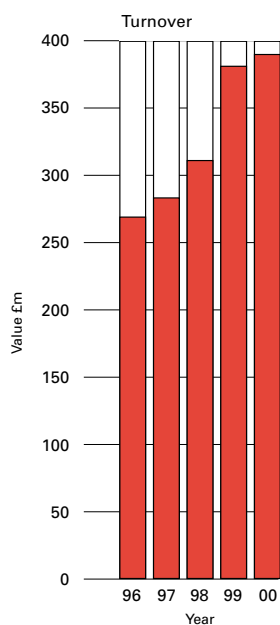


Bute Avenue, Cardiff - A £120 million privately financed boulevard scheme including a new business quarter and some 300 new homes which links Cardiff City Centre with its waterfront.



## Financial Highlights

	<b>2000</b>	<b>1999</b>
Turnover	£381.8m	£376.1m
Gross Profit	£34.9m	£32.6m
Profit after tax	£15.2m	£9.2m
Shareholders' funds	£47.6m	£47.6m
Dividends per share	80.2p	48.3p



## Chief Executive's Report

### Norwest Holst Group PLC

The last year has been one of exceptional importance in the evolution of the Norwest Holst Group. The financial performance of the business exceeded expectations with record overall results and a strong performance in all sectors. A matter of equal significance was the rapid development within the parent group, VINCI (formerly SGE).

#### *Parent Group Changes*

The last year witnessed a period of unprecedented development and change. In February 2000 the ultimate parent company, Vivendi, reduced its shareholding in SGE from approximately 50% to 17% through a private placement of shares with institutional investors. Vivendi subsequently further reduced its holding and SGE became a wholly independent company during the year.

On 25th May 2000, to reinforce its vision and ambition as an independent international construction and associated services group, SGE adopted the new name VINCI.

On 5th October 2000, VINCI successfully completed a friendly all share take-over bid for its rival GTM, creating the world's leading company in concessions, construction and associated services.

Operating through its 2,500 local business units, VINCI has a workforce of 115,000. Sales in 2000 were £11 billion.

VINCI is organised into four business lines:

**VINCI Concessions** - As the world's leading concessions company, VINCI has interests in 1,200 km of toll roads, bridges, tunnels, the Stade de France, 25 airports servicing 40 million passengers a year and is Europe's leading car park operator with over 750,000 spaces under management.

**VINCI Energy and Information** - The foremost contractor in electrical engineering in the French market and one of Europe's leaders in information, communication technology and support services.

**VINCI Routes** - European market leader in roadwork and urban redevelopment and the largest producer of road construction materials.

**VINCI Construction** - Europe's leading construction company, operating in the fields of building, civil engineering, hydraulic works, specialised civil engineering, services, maintenance and facilities management with sales in excess of £4 billion per year.

Norwest Holst, with a number of other group subsidiaries in Germany and the USA, forms one of the two international divisions of VINCI Construction.





Vasco da Gama Bridge, Lisbon.



Stade de France, Paris.

## Chief Executive's Report (continued)

### Financial Performance

Following the Norwest Holst Group's ("the Group") record performance in 1999, profit before tax increased by over 50% to £15.9 million (1999 £10.5 million). Due to a favourable tax charge the profit after tax increased to £15.2 million (1999 - £9.2 million).

Operating profit from continuing operations more than doubled to £10.7 million (1999 - £4.7 million). Interest received increased to £4.6 million (1999 - £3.8 million).

Cash flow remained strongly positive at the operating level but cash in hand decreased to £98 million (1999 - £109 million) following increased investment in acquisitions and PFI projects.

Underlying this excellent performance, the balance sheet strengthened with WIP balances falling to their lowest levels in more than a decade.

Shareholders' funds of over £47 million are already more than adequate for the size of the business and, accordingly, a dividend of £15.2 million is proposed.

Turnover increased marginally to £382 million (1999 - £376 million). As I have stated in the past, we are not volume driven and maintain a policy of strict selectivity in terms of the type and quantity of work we undertake.

Our principal objective is to employ our resources efficiently and effectively to provide our clients with the best possible service. This was achieved with a further increase in the amount of repeat and negotiated business undertaken.



Guinness Headquarters, part of the FIRSTCENTRAL business park at Park Royal in West London.

## Chief Executive's Report (continued)

### Market Conditions

Whilst the private commercial sector remained buoyant during the year and was the principal business generator, the industrial market slipped further with a distinct lack of new investment in capital works and a further reduction in long term maintenance expenditure.

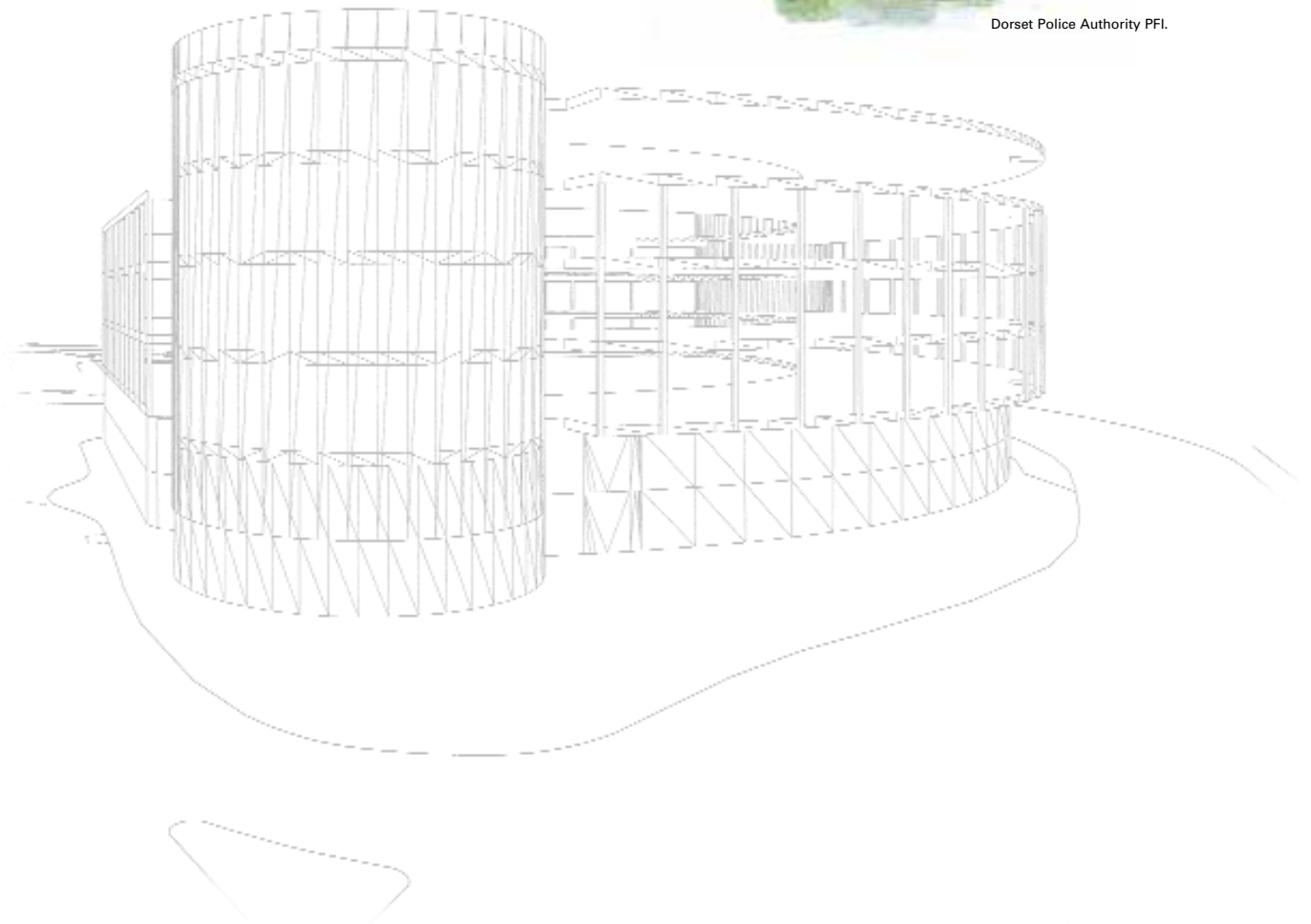
The public sector building market benefited from the development of the PFI but it remains the case that project lead times are extended and the costs of involvement are stubbornly resistant to economies of scale. Our experience of PFI projects under construction clearly demonstrates that there are real improvements in efficiency to be gained in the design and construction process but that these are offset at least in part by the high up-front costs involved in achieving financial closure.

The infrastructure market remained flat and investment by the utility companies appeared to decline. Rail activity was surprisingly low given the level of investment promulgated.

Given the experience of the UK construction industry in the recent past, it is disappointing to note that the level of competition remains extreme and that predatory pricing is still evident in some areas.



Dorset Police Authority PFI.



## Chief Executive's Report (continued)

### Review of Operations

#### Construction

Turnover in the combined construction subsidiaries increased to just over £300 million in the year (1999 - £294 million) on which a profit before tax of £11.8 million was achieved (1999 - £5.9 million). This was an exceptionally good performance with the pre-tax margin exceeding 3%. However Norwest Holst Construction's performance was boosted by the settlement of certain long-term contracts which tend to make year on year comparisons difficult.

*The Building Division* turnover fell slightly to £135 million following the completion of a number of projects including the new Ondaatje Wing of the National Portrait Gallery, which was opened on time and to widespread acclaim. The division continued to develop the amount of repeat and negotiated business, which now exceeds 60% of the total. Almost all work is now of a design and construction format. The division entered 2001 with an increased order book. It subsequently secured a major contract for the construction of the new Guinness Headquarters as part of the FIRSTCENTRAL business park at Park Royal in West London.

*The Civil Engineering Division* turnover increased significantly and exceeded £100 million for the first time. This reflected the high volume of output achieved on the CTRL Mid Kent Contract 420 and the fact that the construction of Bute Avenue under the PFI contract went exceptionally well. A major new civil engineering contract was commenced on the A40 in West London to provide access to the FIRSTCENTRAL development of Park Royal. The contract to construct new pedestrian footbridges over the Thames in joint venture with Costain was delayed for technical reasons but is now progressing well.

The volume of work completed by the *Utilities Division* fell slightly to £24 million as a result of the completion of certain term contracts. Notwithstanding this, the division achieved a very respectable result.

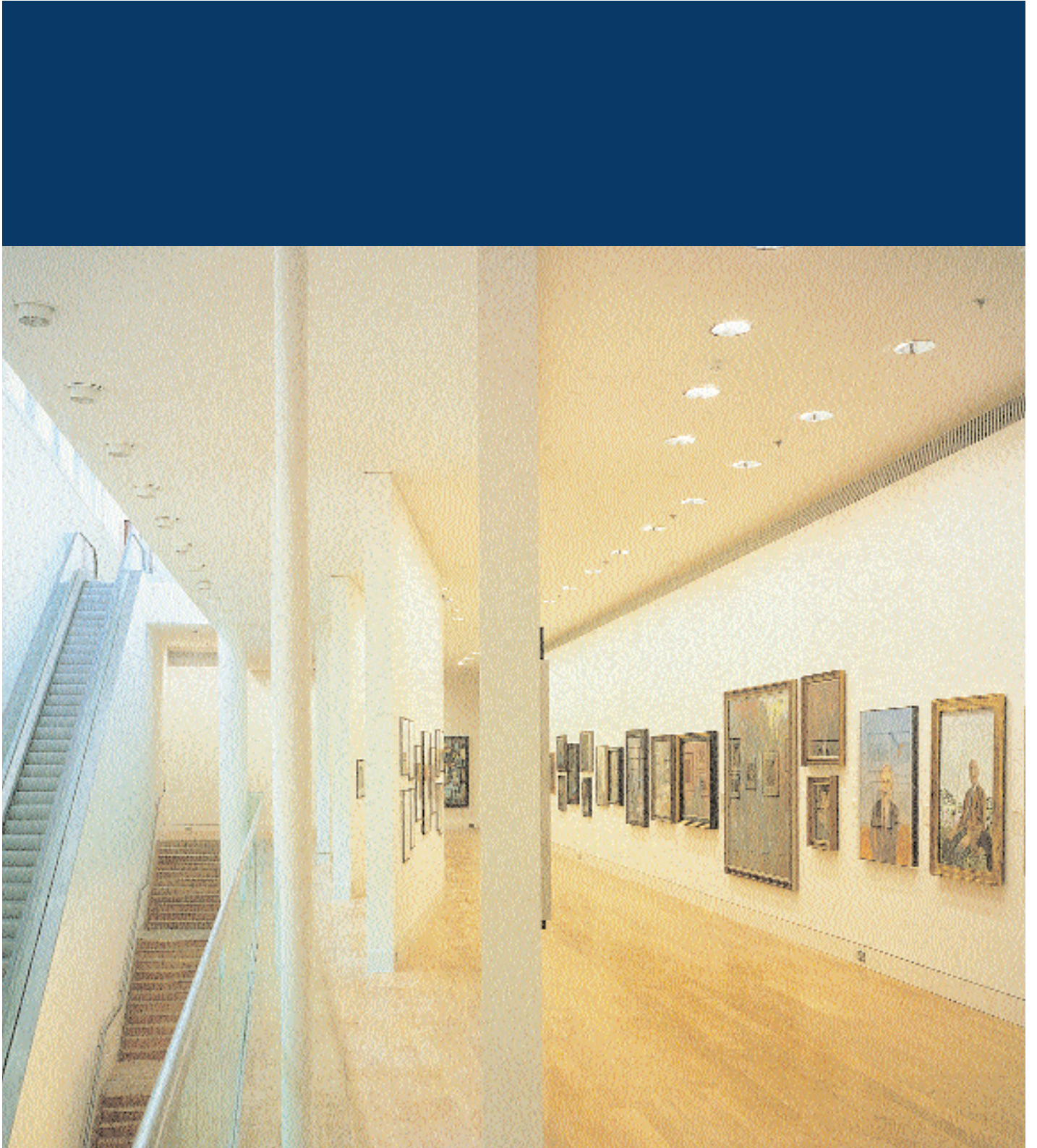
*Norwest Holst Soil Engineering Limited (NHSEL)* had another exceptionally strong year with growth in soil investigation, testing, grouting, piling and compaction. The company was particularly active in the Irish Republic, benefiting from the major investment in that country's infrastructure programme. Turnover increased by over 50% to £22 million.

During the year a piling business, Simplex, was acquired from Britannia Group PLC. This new acquisition significantly increases the range, type and coverage of our piling activities and it is now established, together with our existing piling and compaction business, in a new trading division entitled Simplex Foundations.

Since the year-end *NHSEL* completed the acquisition of a second chemical and environmental testing business based in the south-east (Environmental Analysis Limited). It will be grouped with the existing northern-based operations in an expanded geo-environmental division.



*John Jones (Excavation) Limited* increased its turnover and recorded excellent profits once again. Its major contracts on CTRL progressed well despite extremely inclement weather conditions that seriously impacted production outputs in the spring and autumn.



The National Portrait Gallery's new Ondaatje Wing.

## Chief Executive's Report (continued)

### Engineering

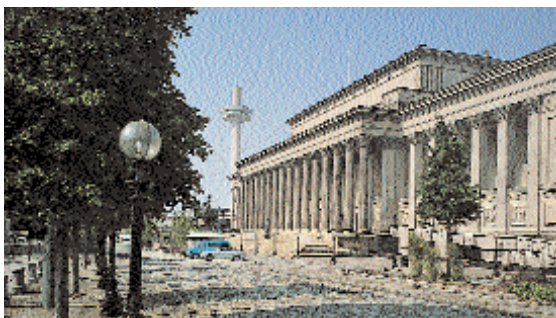
*Rosser & Russell Building Services Limited* increased turnover to £45 million but profits fell slightly to £1.1 million as a result of restructuring charges. Underlying performance picked up in the second half and the company has increased its order book entering 2001.

Turnover in *Norwest Holst Engineering Limited* increased to £41 million with a small loss. However, underlying performance was encouraging with strong profit performances in Offshore and Marine, Insulation and Services, Water and the fast growing Telecommunications Division. Final restructuring costs and settlements associated with old contracts accounted for the overall loss but 2001 should see the benefits of the measures taken showing through to the bottom line.

### Facilities Management

As part of the development strategy in support services activities a new facilities management (FM) subsidiary, *Holst Facilities Management Limited*, has been established in the UK. In joint venture with Lorne Stewart, a term contract was secured for the management of the City of Liverpool's entire portfolio of public buildings under the Local Authority Best Value Initiative. The contract has a duration of seven years and encompasses the management and maintenance of up to 2,500 buildings. Further FM contracts are in the process of negotiation.

Norwest Holst now forms part of a division of VINCI Construction, together with two large FM businesses; the SKE Group in Germany and Baker Support Services Inc of the USA. Both are major service providers to the US Defense Department, local authorities and commercial clients in Europe, the USA and internationally. The consolidated annual sales of these two FM businesses and Holst Facilities Management alone exceed £100 million and it is intended that further development of their services will be achieved in the UK and internationally.



### Manufacturing

*Conren Limited* lifted turnover to £3.5 million with a break-even result. The company continues to re-establish its export sales in a market that is showing signs of improvement.

### PFI

The Group's PFI business enjoyed an excellent year. The Special Purpose Vehicle (SPV), *City Link (Cardiff) Limited*, was able to hand over the Bute Avenue boulevard and new town square ahead of programme and this infrastructure opened for traffic earlier than planned. The associated commercial and housing development is now under construction, providing a further boost to the already rapid development of Cardiff.

In separate developments SPVs were awarded contracts by Dorset Police Authority for new police facilities in the county and by Stafford Schools for two new school buildings. Both projects involve the provision of finance as well as the design, construction and maintenance of the new facilities for twenty-five years. The Group holds 100% and 50% respectively of the project equity involved. Contracts for construction were awarded to *Norwest Holst Construction Limited* by the relevant SPVs.



## Chief Executive's Report (continued)

### Human Resources

There were no changes in the executive management of the Group during the year. The average number of employees during the year was 2,626 (1999: 2,511).

The results that have been achieved by the Group in recent years stand testament to the loyalty and dedication of our employees who have worked diligently in support of the objectives we set for ourselves as a business. Through their efforts they have enabled us to discharge our primary obligations to our clients and partners in the construction process whilst delivering year on year increases in shareholder value. The Board has asked me to record their thanks to all our staff for their commitment.

Training remains a priority and the number of courses and training days increased again in the year. We will continue to invest in training and career development for our staff to enable them to meet their individual objectives.

### Health & Safety

The Group has a strong commitment to health, safety and protection of the environment. The safety of all personnel on our sites and the public is of paramount importance. We have striven to reduce the incidence of site accidents through:

- providing high quality health and safety training to employees;
- rigorous internal and external auditing of our construction activities;
- working with BSI to achieve ISO 14001 and OHSAS 18001 accreditation.

The Group's Reportable Accident Frequency Rate is 0.67.

We seek to achieve best practice through benchmarking, the exchange of information with our peer group, co-operation with the Health and Safety Executive and participation in public initiatives on environmental matters. The Group continues to make an active contribution to the industry at national level through its membership of the Major Contractors' Group (MCG). The MCG is engaged in determining an industry-wide health, safety and protection of the environment strategy.



## Chief Executive's Report (continued)

### *Outlook*

Norwest Holst Group PLC, after several successive years of improvement, is today in a strong position to move forward based upon the most robust financial results and balance sheet in its history.

The development of our specialised activities remains a priority and we expect to engage in further acquisitions of appropriate businesses as opportunities arise. Particular emphasis will remain on the growth of our support services and facilities management capabilities, both in the UK and with our partners internationally. Further expansion of our geo-technical and geo-environmental business is both feasible and desirable and we intend to broaden the range of specialised civil engineering activities. Further development of our engineering services will also be given attention.

In the building and civil engineering market we will remain focused on those areas and types of work that we are best resourced to perform and where we have proven capability. We will remain highly selective with the emphasis remaining on delivering ever-improved levels of customer service and strengthening client relationships based on performance.

VINCI is committed to further developing its portfolio of concessions and services businesses internationally whilst continuing to support the growth of its range of specialised high added value activities in the construction market. For Norwest Holst, this presents opportunities for further development of our chosen range of activities particularly in the creation of an integrated range of construction and support services to international clients both in the UK and in concert with other VINCI subsidiaries throughout the world.

The market in the UK is not expected to change significantly overall but there will be some movement between sectors with the prospect of a welcome return to investment in the nation's infrastructure providing a boost to civil engineering.

I look to 2001 with confidence and anticipate reporting another successful year. It is our objective to sustain margins at the top end of industry performance at around 3% pre-tax. This we should be capable of achieving particularly as the high added value activities expand.

J O M Stanion  
Chief Executive





Vasco da Gama Bridge, Lisbon.

## Directors' Report

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The Directors submit their annual report to the members, together with the audited accounts for the year ended 31st December 2000.

### Principal activities

The principal activities of the Group during the year were building, civil, mechanical and electrical engineering. A full review of the Group's performance and prospects is set out in the Chief Executive's report on pages 4 to 13.

### Results and dividends

The profit for the financial year as shown in the Consolidated Profit and Loss Account on page 19 amounted to £15,203,000 (1999: £9,162,000). The Directors propose a final dividend of £15,203,000 (1999: £9,162,000) reducing the retained profit for the year to £nil.

### Exceptional items

Exceptional income of £285,000 arose from deferred consideration on the sale of investments.

### Value of land and buildings

At 31st March 1989 the majority of the land and buildings owned by the Group was valued by independent chartered surveyors and the valuation was incorporated in the accounts. Changes in value were taken directly to the revaluation reserve. The Directors do not consider that there is a significant difference between the net book value of the land and buildings and their open market values.

### Directors

The Directors of the Company who served during the year were:

- \* J C Banon
- \* P J G Billon  
A M Comba
- \* X M P Huillard  
J O M Stanion (Chairman & Chief Executive)
- \* A Zacharias  
E M M Zeller
  
- \* Non-executive

## Directors' Report (continued)

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### Directors (continued)

The Directors have no interest in the shares of the Company or any other company in the UK Group.

### Employees

The Group has continued its policy regarding the employment of disabled persons. Full and fair consideration is given to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities.

#### *Communication and involvement*

The Directors recognise the importance of good communications with the Group's employees and informing them on a regular basis of the performance of the Group.

#### *Health and safety*

Health and safety issues figure prominently at Board level to ensure, as far as possible, the prevention of health risks or accidents to employees, contractors, sub-contractors, members of the public or any other persons who may come into contact with the Group's activities. Health and safety consultative committees operate at all levels and an annual report is produced highlighting trends and statistics in this vital area. The Group is proud of, but not complacent about, its safety record.

### Donations

Charitable donations by the Group amounted to £6,737 during the year. No political donations were made.

### Payment policy

Whilst the Group does not follow any external code or standard payment practice, the Group's policy with regard to the payment of suppliers is for each business to agree terms and conditions with its suppliers, ensure that suppliers are aware of those terms and, providing the suppliers meet their obligations, abide by the agreed terms of payment. The average creditor days for the Company was nil (1999: nil) and for the Group was 45 (1999: 43).

### Auditors

RSM Robson Rhodes are willing to continue in office and the Directors propose that they are reappointed in accordance with the elective resolution currently in force.

### Statement of directors' responsibilities for the Annual Report

Company law in the United Kingdom 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 and of the profit or loss of the Group for that period. In preparing these accounts the Directors have:

- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- followed applicable United Kingdom accounting standards; and
- prepared the financial statements on the going concern basis.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and 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 and detection of fraud and other irregularities.

Norwest Holst Group PLC

## Directors' Report (continued)

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The Directors are responsible for ensuring that the Directors' Report and other information included in the Annual Report is prepared in accordance with company law in the United Kingdom.

The Annual Report is available on the company's web site. The maintenance and integrity of Norwest Holst Group PLC's web site is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the information contained in the financial statements since they were initially presented on the web site.

Legislation in the United Kingdom governing the presentation and dissemination of the financial statements and other information included in the annual reports may differ from legislation in other jurisdictions.

By order of the Board

J O M Stanion  
Director

6th March 2001

Astral House  
Imperial Way  
Watford  
Hertfordshire  
WD24 4WW

Norwest Holst Group PLC

## Auditors' Report to the Shareholders of Norwest Holst Group PLC

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We have audited the accounts on pages 19 to 44.

### **Respective responsibilities of directors and auditors**

The Directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the Company and other members of the Group is not disclosed.

We read the information contained in the Annual Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any information outside the Annual Report.

### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom 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 financial statements and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or by 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 31st 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.

RSM Robson Rhodes  
Chartered Accountants and Registered Auditors

Manchester

6th March 2001



The Civil Engineering Division of Norwest Holst Construction is currently undertaking a joint venture contract to build the mid-Kent section of the Channel Tunnel Rail Link. Specialist subsidiary, John Jones (Excavation) Limited, is undertaking two contracts for bulk earthworks on two sections of the high speed rail link.

## Consolidated Profit and Loss Account for the year ended 31st December 2000

	Notes	Continuing operations 2000	Discontinued operations 2000	Total 2000	Continuing operations 1999	Discontinued operations 1999	Total 1999
		£000	£000	£000	£000	£000	£000
<b>Turnover</b>	1	381,201	566	381,767	366,851	9,213	376,064
Cost of sales		(346,796)	(117)	(346,913)	(335,697)	(7,810)	(343,507)
<b>Gross profit</b>		34,405	449	34,854	31,154	1,403	32,557
Administrative expenses		(23,739)	(95)	(23,834)	(26,418)	(511)	(26,929)
<b>Operating profit</b>	2	10,666	354	11,020	4,736	892	5,628
Exceptional items	4						
Profit on sale of investments				285			1,250
Cost of reorganisation				-			(208)
<b>Profit before interest</b>				11,305			6,670
Net interest receivable	5			4,565			3,833
<b>Profit on ordinary activities before taxation</b>				15,870			10,503
Tax on profit on ordinary activities	6			(667)			(1,341)
<b>Profit for the financial year</b>				15,203			9,162
Dividends				(15,203)			(9,162)
<b>Reserve transfer for the year</b>	17			-			-

Norwest Holst Group PLC

## Consolidated Statement of Total Recognised Gains and Losses for the year ended 31st December 2000

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A Statement of Total Recognised Gains and Losses has not been prepared as the Group has no recognised gains or losses other than those reported in the Consolidated Profit and Loss Account.

A note of Historical Cost Profits and Losses for the year has not been prepared on the basis that the difference between the result as disclosed in the Profit and Loss Account and the result on an unmodified historical cost basis is not material.



## Consolidated Balance Sheet at 31st December 2000

		2000	2000	1999	1999
	Notes	£000	£000	£000	£000
<b>Fixed assets</b>					
Tangible assets	7		27,946		19,279
Investments in joint ventures:	9				
Share of gross assets		27,706		14,604	
Share of gross liabilities		(24,856)	2,850	(13,193)	1,411
			<u>30,796</u>		<u>20,690</u>
<b>Current assets</b>					
Stocks and work in progress	10		3,324		2,705
Debtors: due within one year	11		77,845		91,527
Debtors: due after more than one year	12		11,566		10,575
Cash at bank and in hand			122,240		120,774
			<u>214,975</u>		<u>225,581</u>
<b>Creditors:</b> amounts falling due within one year	13		<u>(190,486)</u>		<u>(196,926)</u>
<b>Net current assets</b>			<u>24,489</u>		<u>28,655</u>
<b>Total assets less current liabilities</b>			<u>55,285</u>		<u>49,345</u>
<b>Creditors:</b> amounts falling due after more than one year	14		<u>(7,641)</u>		<u>(1,701)</u>
<b>Net assets</b>			<u>47,644</u>		<u>47,644</u>
<b>Capital and reserves</b>					
Called up share capital	16		18,956		18,956
Revaluation reserve	17		311		311
Capital redemption reserve	17		300		300
Profit and loss account	17		28,077		28,077
<b>Total equity shareholders' funds</b>	18		<u>47,644</u>		<u>47,644</u>

A M Comba

J O M Stanion

Directors  
6 March 2001

## Company Balance Sheet at 31st December 2000

		2000	1999
	Notes	£000	£000
<b>Fixed assets</b>			
Tangible assets	7	809	1,347
Investments	9	45,469	40,237
		<u>46,278</u>	<u>41,584</u>
<b>Current assets</b>			
Debtors: due within one year	11	23,689	30,208
Debtors: due after more than one year	12	7,652	7,571
Cash at bank and in hand		23,762	23,423
		<u>55,103</u>	<u>61,202</u>
<b>Creditors:</b> amounts falling due within one year	13	(47,915)	(49,235)
<b>Net current assets</b>		<u>7,188</u>	<u>11,967</u>
<b>Total assets less current liabilities</b>		<u>53,466</u>	<u>53,551</u>
<b>Provisions for liabilities and charges</b>	15	(2,314)	(2,297)
<b>Net assets</b>		<u>51,152</u>	<u>51,254</u>
<b>Capital and reserves</b>			
Called up share capital	16	18,956	18,956
Capital redemption reserve	17	300	300
Other reserve	17	10,657	10,657
Special reserve	17	-	21,219
Profit and loss account	17	21,239	122
<b>Total equity shareholders' funds</b>	18	<u>51,152</u>	<u>51,254</u>

A M Comba

J O M Stanion

Directors  
6th March 2001

## Consolidated Cash Flow Statement for the year ended 31st December 2000

		2000		1999	
	Notes	£000	£000	£000	£000
<b>Net cash inflow from operating activities</b>	(a)		4,483		31,862
<b>Returns on investment and servicing of finance</b>					
Interest received		5,736		4,777	
Interest paid		(1,122)		(875)	
Interest element of finance lease rental payments		(49)		(69)	
Net cash inflow from returns on investments and servicing of finance			4,565		3,833
<b>Taxation</b>					
UK corporation tax and group relief received		1,605		919	
Net cash inflow from taxation			1,605		919
<b>Capital expenditure</b>					
Purchase of tangible assets		(10,972)		(4,064)	
Proceeds on sale of tangible assets		1,430		429	
Loans to joint ventures		(1,427)		(1,361)	
Net cash outflow from capital expenditure			(10,969)		(4,996)
<b>Acquisitions</b>					
Investment in joint venture		(12)		(50)	
Acquisition of business		(1,006)		-	
Net cash outflow from acquisitions			(1,018)		(50)
<b>Equity dividends paid</b>					
Ordinary dividends paid		(9,162)		(6,276)	
Net cash outflow from dividends			(9,162)		(6,276)
Net cash (outflow)/inflow before financing			(10,496)		25,292
<b>Financing</b>					
Capital element of finance lease rental payments	(b)		(385)		(432)
Bank loan			5,758		-
<b>(Decrease)/increase in cash</b>			(5,123)		24,860

## Notes to the Cash Flow Statement for the year ended 31st December 2000

### Reconciliation of net cash flow to changes in net funds (note c)

	2000	1999
	£000	£000
(Decrease)/increase in cash in the period	(5,123)	24,860
Cash flow from lease financing	385	432
Cash flow from loan financing	(5,758)	-
Movement in net cash in the year	(10,496)	25,292
New finance leases acquired	(318)	(443)
Net funds at 1st January 2000	109,084	84,235
Net funds at 31st December 2000	98,270	109,084

### (a) Reconciliation of operating profit to net cash inflow from operating activities

	Continuing 2000	Discontinued 2000	Total 2000	1999
	£000	£000	£000	£000
Operating profit	10,666	354	11,020	5,628
Profit on sale of tangible assets	(490)	-	(490)	(4)
Depreciation	2,927	1	2,928	2,625
Net goodwill on acquisition	(559)	-	(559)	-
(Increase)/decrease in stocks and work in progress	(586)	408	(178)	3,382
Decrease in debtors	12,679	297	12,976	3,417
(Decrease)/increase in creditors	(19,930)	(1,284)	(21,214)	16,814
Net cash inflow from operating activities	4,707	(224)	4,483	31,862

## Notes to the Cash Flow Statement for the year ended 31st December 2000

**(b) Analysis of changes in financing during the period**

	Finance lease obligations	Bank loans
	£000	£000
At 1st January 1999	894	-
New leases acquired	443	-
Capital element of finance lease rental payments	(432)	-
	<hr/>	<hr/>
At 31st December 1999	905	-
New Bank loan	-	5,758
New leases acquired	318	-
Capital element of finance lease rental payments	(385)	-
	<hr/>	<hr/>
At 31st December 2000	<b>838</b>	<b>5,758</b>

**(c) Analysis of change in net funds**

	Cash	Overdrafts	Finance leases	Bank loans	Total
	£000	£000	£000	£000	£000
At 1st January 1999	102,850	(17,721)	(894)	-	84,235
Net cash flow	17,924	6,936	432	-	25,292
New leases acquired	-	-	(443)	-	(443)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31st December 1999	120,774	(10,785)	(905)	-	109,084
Net cash flow	1,466	(6,589)	385	(5,758)	(10,496)
New leases acquired	-	-	(318)	-	(318)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31st December 2000	<b>122,240</b>	<b>(17,374)</b>	<b>(838)</b>	<b>(5,758)</b>	<b>98,270</b>

## Accounting Policies

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### Accounting convention

The accounts are prepared under the historical cost convention as modified by the revaluation of certain land and buildings. The accounting policies adopted comply with UK Financial Reporting Standards and Statements of Standard Accounting Practice and are consistent with those of the previous period.

As permitted by section 230 of the Companies Act 1985, the profit and loss account of the parent company has not been separately presented in the accounts.

### Basis of consolidation

The accounts of all subsidiary undertakings are consolidated from the date on which they are acquired until the date of their sale.

### Turnover

Turnover is the total amount receivable by the Group in the ordinary course of business with outside customers for goods supplied and services provided excluding VAT and trade discounts. On long term contracts the estimated sales value of work performed in the year is included.

### Long term contracts

Long term contracts are those extending in excess of 12 months and of any shorter duration which are material to the activity of the period.

Amounts recoverable on contracts are included in debtors and are valued, inclusive of profit, at work executed at contract prices plus variations less payments on account. Profit on long term contracts is recognised once the outcome can be assessed with reasonable certainty. The margin on each contract is the lower of the margin earned to date and forecast at completion. Full provision is made for anticipated future losses and such losses are included in creditors. Where contract payments received exceed amounts recoverable these amounts are included in creditors.

Amounts recoverable normally include claims only when there is a firm agreement with the client, but when assessing anticipated losses on major contracts a prudent and reasonable estimate of claims is taken into account.

### Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and estimated net realisable value.

### Pension contributions

The Company and its subsidiaries are members of a Group Pension Scheme which is externally managed.

This scheme includes both defined benefit and defined contribution plans. Under the defined benefit plan, employees are eligible for pension and related benefits, the costs of which are calculated in accordance with actuarial advice. These costs are charged to the profit and loss account over the anticipated service life of the employees concerned.

The amount charged to the profit and loss account in respect of the defined contribution pension plan is the cost relating to the accounting period.

In accordance with Group policy, subsidiary undertakings continue to bear the relevant cost in respect of the employer's contributions.

## Accounting Policies (continued)

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### Investments

Investments held as fixed assets are stated at cost less write downs to recoverable amounts where impairments are identified.

### Intangible assets - goodwill

Positive goodwill is the excess of the cost of an acquired entity over the aggregate of the fair values of that entity's identifiable assets and liabilities. Future positive goodwill relating to acquisitions will now be shown in the balance sheet as an asset. Positive goodwill, where treated as an asset, is amortised evenly over its estimated useful economic life of 20 years. In addition to systematic amortisation, the book value is written down to recoverable amount when any impairment is identified. Goodwill relating to earlier acquisitions continues to be eliminated against reserves and will be expensed in the profit and loss account on any future disposal or closure of the acquired businesses.

### Joint ventures

The Group's share of joint ventures is included in the consolidated profit and loss account from operating profit onwards. In the consolidated balance sheet the interest in joint ventures is included in the Group's share of the net assets of the joint ventures plus goodwill on acquisition less related amortisation and impairment write downs.

### Joint arrangements

Two of the Group's subsidiary undertakings, Norwest Holst Construction Limited and Holst Facilities Management Limited are participants in joint arrangements. These are accounted for under Financial Reporting Standard 9 as Joint Arrangements Not Entities ("JANEs") and accordingly the Group accounts for its own assets, liabilities and cashflows measured according to contractual terms.

### Leased assets

Where assets are financed by leasing agreements which give risk and rewards approximating to ownership ('finance lease') the assets are included in the balance sheet at cost less depreciation in accordance with the normal accounting policy. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the profit and loss account over the period of the lease in proportion to the balance of capital repayments outstanding.

All other leases are regarded as operating leases and the total payments made under them are charged to the profit and loss account on a straight line basis over the lease terms.

### Tangible fixed assets and depreciation

The Group does not follow a policy of revaluation. However, certain land and buildings are carried at values that reflect previous revaluations. The transitional provisions of FRS 15 are being followed and the book amount of the values will be retained. The valuation has not been updated since 31st March 1989.

## Accounting Policies (continued)

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### Tangible fixed assets and depreciation (continued)

Depreciation is provided evenly on the cost (or valuation where appropriate) of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. Where there is evidence of impairment, fixed assets are written down to recoverable amount. Any such write down would be charged to operating profit unless it was a reversal of a past revaluation surplus in which case it would be taken to the statement of total recognised gains and losses. No depreciation is provided on freehold land. The principal anticipated useful lives on a straight line basis are:

Freehold buildings	- twenty five years
Leasehold buildings	- the shorter of twenty five years or remaining life of lease
Plant and machinery	- from two to fifteen years
Motor vehicles	- from three to five years
Fixtures and fittings	- from three to ten years

### Taxation

The charge or credit for taxation is based on the result for the year and takes into account taxation deferred or accelerated due to timing differences between the treatment of certain items for accounting and taxation purposes.

Deferred taxation is the taxation attributable to timing differences between profits computed for taxation purposes and profits as stated in the accounts. Provision is made for deferred taxation, under the liability method, except to the extent that there is a reasonable probability of the tax not falling due for payment in the foreseeable future.



## Notes to the Accounts at 31st December 2000

### 1. Turnover

The activities of the Group were all within the construction, civil, mechanical and electrical engineering and housing industries and are regarded by the Directors as a single class of business. Substantially all of the turnover arose in the United Kingdom.

### 2. Operating profit

This is stated after charging:	2000	1999
	£000	£000
Operating leases - plant and machinery	16,684	14,106
Operating leases - other	5,839	6,008
Depreciation of tangible assets	2,928	2,625
Auditors' remuneration - audit	193	187
- non audit	70	57

### 3. Employees

(i) Staff costs during the year amounted to:	2000	1999
	£000	£000
Wages and salaries	70,224	65,503
Social security costs	5,836	5,534
Pension costs - defined contribution scheme	128	101
- defined benefit scheme	(80)	-
	76,108	71,138

The average monthly number of employees during the year was as follows:

	2000	1999
	No.	No.
Management	108	131
Supervision	581	474
Administration	464	378
Operations	1,473	1,528
	2,626	2,511

The majority of employees were engaged in the UK construction, civil, mechanical and electrical engineering industries.

## Notes to the Accounts at 31st December 2000

(ii) Pensions

Most pensions and related benefits for monthly paid staff of the Company are provided through the Norwest Holst Group Staff Pension Scheme, which is externally managed. Members of the scheme are contracted out of the State Earnings Related Pension Scheme.

Members joining before 1 April 2000 did so on a 'defined benefit' basis. Members entering the scheme from this date join on a 'money purchase' basis whereby contributions are invested on behalf of the member and an annuity is purchased from an insurance company on retirement.

An independent professional actuarial valuation of the defined benefit scheme was carried out as at 30th September 1999. In accordance with Group policy, subsidiary undertakings continue to bear the relevant cost in respect of employer's contributions.

The valuation was carried out using the projected unit method and showed that the market value of the scheme's assets was £127,414,000 and that the actuarial value of these assets represented a level of funding of 112%.

The main actuarial assumptions used in the valuation were:

Investment returns	7.0% p.a.
Salary increases	3.75% p.a.
Future pension increases	3% p.a.

Due to the surplus disclosed by the valuation, there were no company contributions to the defined benefits plan during 2000. Total employer contributions for the new money purchase plan were £67,498 in 2000.

(iii) Directors' remuneration	2000	1999
	£000	£000
Emoluments	589	531
Pension costs	67	74
	<u>656</u>	<u>605</u>

Two of the directors are accruing benefits under both the Group defined benefit and defined contribution plans.

Directors' emoluments disclosed above include the following:

Highest paid Director	<u>332</u>	<u>266</u>
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The money purchase pension scheme costs relating to the highest paid Director were £45,000 (1999 - £48,000).

## Notes to the Accounts at 31st December 2000

### 4. Exceptional items

The exceptional income of £285,000 has arisen from deferred consideration on the sale of investments.

5. Net interest receivable	2000		1999	
	£000	£000	£000	£000
Interest payable				
Bank loans and overdrafts		(1,119)		(874)
Finance leases		(49)		(69)
Other		(3)		(1)
		(1,171)		(944)
Interest receivable				
Bank interest	5,694		4,666	
Other	42		111	
		5,736		4,777
		4,565		3,833

### 6. Tax on profit on ordinary activities

The taxation charge for the year comprised:	2000	1999
	£000	£000
UK corporation tax at 30%/30.25% - current year	2,700	1,341
- prior year adjustment	(670)	-
Prior year group relief	(1,363)	-
	667	1,341

## Notes to the Accounts at 31st December 2000

### 7. Tangible assets

Group	Land and buildings	Plant and machinery	Motor vehicles	Fixtures and fittings	Assets in course of construction	Total
Cost or valuation:	£000	£000	£000	£000	£000	£000
At 1st January 2000	13,020	15,305	2,993	6,436	557	38,311
Additions	505	3,562	901	830	6,737	12,535
Disposals	(533)	(3,908)	(563)	(250)	-	(5,254)
Group transfers in	9,670	-	-	31	-	9,701
Group transfers out	(9,113)	-	-	(31)	(557)	(9,701)
At 31st December 2000	<u>13,549</u>	<u>14,959</u>	<u>3,331</u>	<u>7,016</u>	<u>6,737</u>	<u>45,592</u>
Depreciation:						
At 1st January 2000	1,722	10,288	1,622	5,400	-	19,032
Provided	329	1,518	541	540	-	2,928
Disposals	(12)	(3,639)	(428)	(235)	-	(4,314)
Group transfers in	512	-	-	28	-	540
Group transfers out	(512)	-	-	(28)	-	(540)
At 31st December 2000	<u>2,039</u>	<u>8,167</u>	<u>1,735</u>	<u>5,705</u>	<u>-</u>	<u>17,646</u>
Net book value:						
At 31st December 2000	<u>11,510</u>	<u>6,792</u>	<u>1,596</u>	<u>1,311</u>	<u>6,737</u>	<u>27,946</u>
At 31st December 1999	<u>11,298</u>	<u>5,017</u>	<u>1,371</u>	<u>1,036</u>	<u>557</u>	<u>19,279</u>

The fixed assets owned by the Group include the following amounts in respect of assets held under finance lease and hire purchase contracts:

	2000	1999
	£000	£000
Net book values:		
Plant and machinery	<u>1,054</u>	<u>924</u>
Depreciation provided in year:		
Plant and machinery	227	370
Motor vehicles	-	77
Total	<u>227</u>	<u>447</u>

## Notes to the Accounts at 31st December 2000

### Tangible assets (continued) - Land and buildings

Group	Freehold	Long leasehold	Short leasehold	Properties total
	£000	£000	£000	£000
Cost or valuation:				
At 1st January 2000	12,578	61	381	13,020
Additions	505	-	-	505
Disposals	(533)	-	-	(533)
Transfers in	9,670	-	-	9,670
Transfers out	(9,113)	-	-	(9,113)
At 31st December 2000	<b>13,107</b>	<b>61</b>	<b>381</b>	<b>13,549</b>
Depreciation:				
At 1st January 2000	1,413	30	279	1,722
Provided	307	2	20	329
Disposals	(12)	-	-	(12)
Transfers in	512	-	-	512
Transfers out	(512)	-	-	(512)
At 31st December 2000	<b>1,708</b>	<b>32</b>	<b>299</b>	<b>2,039</b>
Net book value:				
At 31st December 2000	<b>11,399</b>	<b>29</b>	<b>82</b>	<b>11,510</b>
At 31st December 1999	11,165	31	102	11,298

The comparable amounts of land and buildings included above according to historical cost accounting rules are as follows:

	Freehold	Long leasehold	Short leasehold	Properties total
	£000	£000	£000	£000
Cost	12,811	46	381	13,238
Accumulated depreciation	(1,611)	(26)	(299)	(1,936)
Net book value				
At 31st December 2000	<b>11,200</b>	<b>20</b>	<b>82</b>	<b>11,302</b>
At 31st December 1999	10,959	21	102	11,082

The revaluation of land and buildings was undertaken on 31st March 1989 by Grimley J R Eve, Chartered Surveyors, on the basis of open market value for existing use. The resulting surplus is included in revaluation reserves.

## Notes to the Accounts at 31st December 2000

### Tangible assets (continued)

Company	Freehold properties	Plant and machinery	Fixtures and fittings	Assets in course of construction	Total
Cost:	£000	£000	£000	£000	£000
At 1st January 2000	53	2,140	929	557	3,679
Additions	-	317	-	-	317
Disposals	-	(656)	-	-	(656)
Group transfers out	-	-	-	(557)	(557)
At 31st December 2000	<b>53</b>	<b>1,801</b>	<b>929</b>	-	<b>2,783</b>
Depreciation:					
At 1st January 2000	53	1,388	891	-	2,332
Provided	-	264	18	-	282
Disposals	-	(640)	-	-	(640)
At 31st December 2000	<b>53</b>	<b>1,012</b>	<b>909</b>	-	<b>1,974</b>
Net book value:					
At 31st December 2000	-	<b>789</b>	<b>20</b>	-	<b>809</b>
At 31st December 1999	-	752	38	557	1,347

## Notes to the Accounts at 31st December 2000

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### 8. Acquisition

On 3rd March 2000 the Group acquired the business and the following assets and liabilities of Simplex Piling Limited:

	Acquisition cost	Fair value Adjustment	Fair Value
	£'000	£'000	£'000
Goodwill	25	-	25
Fixed assets	662	583	1,245
Lease obligations	(122)	-	(122)
Stocks	441	-	441
	<u>1,006</u>	<u>583</u>	<u>1,589</u>
Negative goodwill			<u>(583)</u>
Cash consideration			<u>1,006</u>

The goodwill arising on the acquisition was amortised in the year through cost of sales.

Since the Group acquired the business, not the company, it does not have information on the pre-acquisition performance of Simplex Piling Limited.

The business acquired is now combined with the existing piling activities of the Group's subsidiary company Norwest Holst Soil Engineering Limited. Therefore, it is not possible to separate the post-acquisition activities of the Simplex business.

## Notes to the Accounts at 31st December 2000

### 9. Investments

#### Group

One of the Company's wholly owned subsidiary undertakings, Vinci Investments Limited, owns 50% of the ordinary share capital of City Link (Cardiff) Limited. The other 50% of the ordinary share capital is owned by MEPC Cardiff Limited. Another group company, SGE (Holst) Schools Limited owns 50% of the ordinary share capital of Total School Solutions Limited, the other 50% is owned by P. F. Schools Limited (a subsidiary of Pell Frischmann Group Limited). In the Group, these have been accounted for under Financial Reporting Standard 9 using the equity method.

Movements in the investments in these joint ventures are as follows:

	Shares in joint venture undertakings	Loans to joint venture undertakings	Total
	£'000	£'000	£'000
Share of net assets			
At 1st January 2000	50	1,361	1,411
Additions	12	1,427	1,439
At 31st December 2000	62	2,788	2,850
Provisions and amortisation			
At 1st January 2000 and 31st December 2000	-	-	-
Net asset			
At 31st December 2000	62	2,788	2,850
At 31st December 1999	50	1,361	1,411



## Notes to the Accounts at 31st December 2000

### 9. Investments (continued)

Company

This consisted of shares in group undertakings:

Cost:	£000
At 1st January 2000	107,687
Additions	2,000
Transfer of investments from subsidiaries	4,463
	<u>114,150</u>
At 31st December 2000	
Amounts written off:	
At 1st January 2000	67,450
Provided	1,231
	<u>68,681</u>
At 31st December 2000	
Net book value:	
At 31st December 2000	<u>45,469</u>
At 31st December 1999	<u>40,237</u>

The additions relate to share capital increases in subsidiary undertakings as follows:

	£,000
Holst Facilities Management Limited	<u>2,000</u>

Details of the principal subsidiary undertakings appear on page 44.

### 10. Stocks and work in progress

	2000	1999
Group	£000	£000
Development land and properties	900	-
Raw materials and consumables	2,336	2,187
Work in progress	-	408
Items for resale	88	110
	<u>3,324</u>	<u>2,705</u>

There were no significant differences between the replacement cost and the value disclosed for the above categories of stock.

## Notes to the Accounts at 31st December 2000

### 11. Debtors: due within one year

	2000	1999
Group	£000	£000
Trade debtors	32,691	32,754
Amounts recoverable on contracts	36,296	34,424
Due from group undertakings	5,333	4,997
Due from related undertakings	90	299
Other debtors	1,772	832
Prepayments and accrued income	1,294	18,029
Tax recoverable	369	192
	<u>77,845</u>	<u>91,527</u>
Company		
Trade debtors	140	378
Due from group undertakings	22,377	28,659
Due from related undertakings	-	39
Other debtors	888	227
Prepayments and accrued income	210	851
Tax recoverable	74	54
	<u>23,689</u>	<u>30,208</u>

### 12. Debtors: due after more than one year

	2000	1999
Group	£000	£000
Trade debtors - contract retentions	3,901	2,854
Due from related undertakings	-	150
Other debtors	13	-
Pension surplus	7,652	7,571
	<u>11,566</u>	<u>10,575</u>
Company		
Pension surplus	<u>7,652</u>	<u>7,571</u>

## Notes to the Accounts at 31st December 1999

### 13. Creditors: amounts falling due within one year

	2000	1999
Group	£000	£000
Bank overdrafts (note 21)	17,374	10,785
Payments on account	16,142	21,328
Trade creditors	31,693	31,001
Due to group undertakings	1,007	124
Due to related undertakings	1,420	1,100
Taxation and social security	10,409	9,069
Other creditors	1,004	1,294
Obligations under finance leases	393	374
Accruals and deferred income	95,841	112,689
Dividends proposed	15,203	9,162
	<u>190,486</u>	<u>196,926</u>
Company		
Trade creditors	480	456
Due to group undertakings	18,282	24,985
Due to related undertakings	22	22
Taxation and social security	8,974	5,531
Other creditors	867	1,145
Accruals and deferred income	4,087	7,934
Dividends proposed	15,203	9,162
	<u>47,915</u>	<u>49,235</u>

## Notes to the Accounts at 31st December 2000

### 14. Creditors: amounts falling due after more than one year

	2000	1999
Group	£000	£000
Bank loans	5,758	-
Trade creditors - subcontract retentions	1,298	1,170
Obligations under finance leases	445	531
Accruals and deferred income	140	-
	<u>7,641</u>	<u>1,701</u>

The bank loan is drawn down under a non-recourse finance agreement. It is repayable within twenty-five years and four months in six-monthly instalments commencing 31 May 2002. It may be analysed by maturity as follows:

Repayable:	£000	£000
In more than five years	3,766	-
Between two and five years	1,592	-
Between one and two years	400	-
	<u>5,758</u>	<u>-</u>

Finance lease obligations are repayable as follows:

Group	£000	£000
Due within one year	393	374
Between one and two years	180	333
Between two and five years	265	198
	<u>838</u>	<u>905</u>

### 15. Provisions for liabilities and charges

Company	Provision for losses of subsidiary undertakings
	£000
At 1st January 2000	2,297
Provided	<u>17</u>
At 31st December 2000	<u>2,314</u>

## Notes to the Accounts at 31st December 2000

### 16. Share capital

Group and Company	Authorised, allotted and fully paid			
	2000	1999	2000	1999
	No. 000's	No. 000's	£000	£000
Ordinary shares of £1 each	18,956	18,956	18,956	18,956

### 17. Reserves

Group	Revaluation reserve	Capital redemption reserve	Profit and Loss Account
	£000	£000	£000
At 1st January 2000	311	300	28,077
Retained profit for the year	-	-	-
At 31st December 2000	311	300	28,077

The cumulative amount of positive goodwill written off against consolidated reserves at 31st December 2000 was £3,227,351 (1999 - £3,227,351). The cumulative amount of negative goodwill written off amounted to £1,400,420 (1999: £1,400,420). A total of £543,777 of the goodwill written off related to investments held at the year end.

Company	Capital redemption reserve	Other reserve	Special reserve	Profit and loss account
	£000	£000	£000	£000
At 1st January 2000	300	10,657	21,219	122
Loss transfer for the year	-	-	-	(102)
Transfer to distributable reserves	-	-	(21,219)	21,219
At 31st December 2000	300	10,657	-	21,239

Conditions made by Court Order at the time of the 1993 Capital Reduction have been met which allows the special reserve of £21,219,000 to be moved from non-distributable to distributable reserves.

The other reserve is not distributable.

## Notes to the Accounts at 31st December 2000

### 18. Reconciliation of movement in shareholders' funds

	2000	1999
Group	£000	£000
Profit for the financial year	15,203	9,162
Dividends	(15,203)	(9,162)
Net movement in shareholders' funds	-	-
Opening shareholders' funds	47,644	47,644
Closing shareholders' funds	47,644	47,644
Company		
Total recognised profits	15,101	9,284
Dividends	(15,203)	(9,162)
Group transfer of investments - non distributable reserve	-	10,657
Net (decrease)/increase in shareholders' funds	(102)	10,779
Opening shareholders' funds	51,254	40,475
Closing shareholders' funds	51,152	51,254

### 19. Capital commitments

	2000	1999
Capital expenditure	£000	£000
Contracted for but not provided in the accounts	1,474	1,189

## Notes to the Accounts at 31st December 2000

### 20. Other financial commitments

#### Operating lease commitments

The Group has agreed to make payments in the year ending 31st December 2001 under operating leases expiring within the following periods of 31st December:

	2000	1999
	£000	£000
Land and buildings - between 2 and 5 years	93	54
- over 5 years	22	36
Other assets - within 1 year	792	200
- between 2 and 5 years	1,192	1,912
	2,099	2,202

### 21. Contingent liabilities

The Company and certain Group undertakings have entered into guarantees relating to bonds, in the normal course of business, from which no losses are expected to arise.

Joint banking facilities available to the Company, its parent undertaking and certain fellow subsidiary undertakings are secured by cross guarantee. At 31st December 2000, the net Group borrowings were £nil (1999: £nil).

### 22. Related party transactions

The Group has taken advantage of the exemption in Financial Reporting Standard 8 from disclosing related party transactions on the grounds that the consolidated accounts of the ultimate parent undertaking are publicly available.

### 23. Ultimate parent undertaking

At 31st December 2000 the ultimate parent undertaking was Vinci (formerly Société Générale d'Entreprises) a company incorporated in France. Copies of the accounts of the above company can be obtained from the Company Secretary, Vinci, 1 cours Ferdinand-de-Lesseps, 92851 Rueil-Malmaison, Cedex, France. This is the parent undertaking of the smallest group of which the Company is a member and for which group accounts are prepared.

Norwest Holst Group PLC

## Principal Subsidiary Undertakings at 31st December 2000

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### Construction

Norwest Holst Construction Limited

\* John Jones (Excavation) Limited

\* Norwest Holst Soil Engineering Limited

### Engineering Services

Rosser & Russell Building Services Limited

Norwest Holst Engineering Limited

### Manufacturing

Conren Limited

### PFI

Vinci Investments Limited

\* SGE (Holst) Schools Limited

### Facilities Management

Holst Facilities Management Limited

### Group Administration and Services

\* Haldan Indemnity Limited (Incorporated in Guernsey)

N H Fleet Services Limited

Norwest Holst Group Property Limited

Norwest Holst Insurance Services Limited

Norwest Holst Group PLC holds 100% of the ordinary share capital and voting rights of the above companies (unless otherwise stated).

\* 100% of the ordinary share capital and voting rights held by a subsidiary undertaking

Unless otherwise stated, the above companies are incorporated in Great Britain.



## Principal Offices

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### HEAD OFFICE

**Norwest Holst Group PLC**

Astral House, Imperial Way,  
Watford, Hertfordshire  
WD24 4WW  
Tel: 01923 233433  
Fax: 01923 256481

### CONSTRUCTION

**Building Division**

Astral House, Imperial Way,  
Watford, Hertfordshire  
WD24 4WW  
Tel: 01923 470459  
Fax: 01923 212607

**Civil Engineering Division**

Astral House, Imperial Way,  
Watford, Hertfordshire  
WD24 4WW  
Tel: 01923 470321  
Fax: 01923 470297

**Rail Division**

Astral House, Imperial Way,  
Watford, Hertfordshire  
WD24 4WW  
Tel: 01923 470232  
Fax: 01923 470334

**Utilities Division**

Norwest House, Ditton Road,  
Widnes, Cheshire WA8 0WE  
Tel: 0151 422 3800  
Fax: 0151 424 5593

### GEOTECHNICAL ENGINEERING

**Norwest Holst Soil  
Engineering Ltd**

Parkside Lane, Dewsbury Road,  
Leeds  
LS11 5SX  
Tel: 0113 271 1111  
Fax: 0113 276 0472

**ECoS Environmental**

ECoS House, Low Moor Business  
Park, Common Road,  
Bradford BD12 0NB  
Tel: 01274 691122  
Fax: 01274 608100

**Environmental Analysis**

15 Burgess Road,  
Ivyhouse Lane Industrial Estate,  
Hastings, East Sussex TN35 4NR  
Tel: 01424 444433  
Fax: 01424 442299

**Simplex Foundations**

**Northern Region**  
Birchwood Way,  
Cotes Park Industrial Estate,  
Somercotes,  
Alfreton,  
Derbyshire  
Tel: 01773 606006  
Fax: 01773 606106

**Southern Region**

Astral House, Imperial Way,  
Watford, Hertfordshire  
WD24 4WW  
Tel: 01923 470180  
Fax: 01923 254849

### EARTHWORKS

**John Jones (Excavation) Ltd**

Norjon House, Newby Road,  
Hazel Grove, Stockport,  
Cheshire SK7 5DU  
Tel: 0161 483 9316  
Fax: 0161 483 8006

### MANUFACTURING

**Conren Ltd**

Redwither Works,  
Wrexham Industrial Estate,  
Wrexham, Clwyd LL13 9RD  
Tel: 01978 661991  
Fax: 01978 661120

### PFI

**Vinci Investments Limited**

Astral House, Imperial Way,  
Watford, Hertfordshire  
WD24 4WW  
Tel: 01923 233433  
Fax: 01923 256481

### FACILITIES MANAGEMENT

**Holst Facilities**

**Management Limited**  
Norwest House, Ditton Road,  
Widnes, Cheshire WA8 0WE  
Tel: 0151 422 3800  
Fax: 0151 257 9437

### ENGINEERING

**Rosser & Russell Building  
Services Ltd**

Orbit House, 1-6 Ritz Parade,  
London W5 3RD  
Tel: 0208 982 2222  
Fax: 0208 982 2210

**Norwest Holst****Engineering Ltd**

Norwest House, Ditton Road,  
Widnes, Cheshire WA8 0WE  
Tel: 0151 424 3800  
Fax: 0151 257 9437

## Norwest Holst Group PLC

*With a turnover approaching £400 million and with over 2,500 employees, Norwest Holst is one of the UK's leading companies in construction and related services.*

*A unique range of services  
delivered by a skilled workforce.*



**Construction:** 1. Building 2. Civil Engineering 3. Utilities 4. Rail 5. Geotechnical and Environmental Engineering 6. Excavation and Earthworks

**Manufacturing:** 7. Surface Coatings

**Engineering:** 8.9.10. Engineering Services and Facilities Management

*The world leader in construction  
and associated services*

## Vinci

*The Norwest Holst Group forms part of Vinci, the world leader in construction and associated services with a turnover of over £10 billion and 115,000 employees.*

