
If you are in any doubt about the contents of this document you should consult a person authorised under the Financial Services Act 1986 who specialises in advising on the acquisition of shares and other securities.

Application has been made for the whole of the issued ordinary share capital of Amco Corporation Plc to be admitted to trading on the Alternative Investment Market of the London Stock Exchange ("AIM") under the transitional arrangements applying to companies whose shares are already traded under Rule 4.2 of the Rules of the London Stock Exchange. It is emphasised that no application is being made for admission of these securities to the Official List.

AIM is a market designed primarily for emerging or smaller companies. The rules of this market are less demanding than those of the Official List. The London Stock Exchange has not itself examined this document.

None of the ordinary share capital of the Company has been offered to the public for subscription or purchase in conjunction with the application for such share capital to be admitted to trading on AIM.

AMCO CORPORATION Plc

Incorporated and registered in England and Wales under the Companies Act 1985 No 2402219

Admission to the Alternative Investment Market of the whole of the issued ordinary share capital

Share Capital

<i>Authorised</i>			<i>Issued and fully paid</i>	
<i>Number</i>	<i>Amount</i>		<i>Number</i>	<i>Amount</i>
27,500,000	£2,750,000	Ordinary Shares of 10p each	14,254,327	£1,425,433

The securities which are traded on AIM are likely to involve greater levels of risk and display higher levels of volatility than securities that have been admitted to the Official List. Investors should note that AIM has been designed for professional investors and may therefore be unsuitable for less sophisticated investors.

Copies of this document are available for collection, free of charge, from the Company's registered office, Amco House, 25 Moorgate Road, Rotherham, South Yorkshire, S60 2AD from 29 September 1995 (the date of admission to trading on AIM) until 13 October 1995.

Contents

	<i>Page</i>
<i>Directors, Secretary and Advisers</i>	3
<i>Definitions</i>	4
<i>The Company and its Directors</i>	5 - 6
<i>Principal activities of the Group</i>	7
<i>Current trading and future prospects</i>	8
<i>Share Capital</i>	9 - 12
<i>General information</i>	13 - 14
<i>Appendix I</i>	
<i>Directors' details</i>	<i>Appendix I . 1</i>
<i>Appendix II</i>	
<i>The Subsidiary Companies</i>	<i>Appendix II . 1</i>
<i>Appendix III</i>	
<i>Statutory accounts for the year ended</i> <i>31 December 1994</i>	<i>Appendix III . 1 - 20</i>
<i>Appendix IV</i>	
<i>Half yearly financial statements for the</i> <i>year ended 31 December 1995</i>	<i>Appendix IV . 1 - 3</i>
<i>Appendix V</i>	
<i>Pro forma balance sheet</i>	<i>Appendix V . 1</i>

Directors, Secretary and Advisers

Directors, Secretary and Advisers

Directors	Stuart Nicholson Gordon	Chairman
	Otto Hinrich Schmill	Managing Director
	Ralph Harold Knight	Executive Director
	John Gibbon Wood	Executive Director
	Fred Brian Harrison CBE	Non-executive Director

Registered Office	Amco House 25 Moorgate Road Rotherham South Yorkshire S60 2AD
--------------------------	---

Secretary and Company Registrar	David Lloyd Fildes
--	--------------------

Nominated Adviser and Nominated Broker	Collins Stewart & Co 21 New Street Bishopsgate London EC2M 4HR
---	--

Registered Auditors	Grant Thornton 8 West Walk Leicester LE1 7NH
----------------------------	---

Solicitors to the Company	Eversheds 10 Newhall Street Birmingham B3 3LX
----------------------------------	--

Definitions

Definitions

"the Act"	<i>the Companies Act 1985 as amended by the Companies Act 1989</i>
"AIM"	<i>the Alternative Investment Market of the London Stock Exchange</i>
"Amco" or "the Company"	<i>Amco Corporation Plc</i>
"the Amco Group"	<i>the Group excluding the Dosco Group and the Tolent Group</i>
"the Articles"	<i>the Articles of Association of the Company</i>
"the Directors"	<i>the directors of Amco</i>
"Dosco"	<i>Dosco Overseas Engineering Limited</i>
"the Dosco Group"	<i>Dosco Holdings Limited and its subsidiaries</i>
"the Group"	<i>the Company and its subsidiaries</i>
"Hollybank"	<i>Hollybank Engineering Co Limited</i>
"the London Stock Exchange"	<i>The International Stock Exchange of the United Kingdom and the Republic of Ireland Limited</i>
"the Official List"	<i>the Daily Official List of the London Stock Exchange</i>
"Ordinary Shares"	<i>ordinary shares of 10p each in the capital of the Company</i>
"Tolent"	<i>Tolent Holdings Limited</i>
"the Tolent Group"	<i>Tolent Corporation Limited and its subsidiaries</i>

The Company and its Directors

Incorporation, registration and objects

The Company was incorporated and registered in England and Wales on 10 July 1989 under the name of Basecircle Limited, with registered number 2402219, as a private company limited by shares under the Act. On 8 August 1989 the Company's name was changed to Amco Corporation Limited and it was re-registered as a public limited company under the Act on 12 September 1989 with its present name. It currently operates under the Act.

The Company's registered office and its principal place of business is Amco House, 25 Moorgate Road, Rotherham, South Yorkshire, S60 2AD.

The Company's principal objects are to carry on business as a holding company and a building and civil engineering contractor. The objects of the Company are set out in full in Clause 4 of its Memorandum of Association.

The facility for trading Ordinary Shares under Rule 4.2 of the Rules of the London Stock Exchange has been available to the Company since 10 May 1994.

Directors

The Board of Amco comprises:-

Stuart Nicholson Gordon, age 58, Chairman

Stuart Gordon, a chartered accountant, has been Chairman of Amco since the Company's incorporation in 1989 and was Chairman of its predecessor company International Amco Corporation from 1983 to 1989. Formerly a partner with Chartered Accountants, Grant Thornton, between 1965 and 1983, he became involved in a managerial capacity with Amco in 1984. His main responsibilities within the Group include the formulation of the overall strategy, banking, bonding, insurance and taxation matters, the identification and negotiation of acquisitions and the development overseas of the Group's glass reinforced plastics business. He is currently a director of Gordon Securities Limited which provides his services to a number of companies, including Amco.

Otto Hinrich Schmill, age 70, Managing Director

"Henry" Schmill, a chartered mining engineer, founded the Amco Group in 1970 having previously been managing director of a major mining contracting company in the UK. His responsibilities within the Group include the formulation of the overall Amco strategy and the day-to-day running of the Group, with particular emphasis on its mining and civil engineering division.

Ralph Harold Knight, age 60, Director

Ralph Knight joined the Dosco Group in 1964 as a sales and field engineer having studied mining at the National Coal Board. He became an executive director at Hollybank in 1975 and Dosco in 1991. He has been the managing director of both companies since June 1994. He became a director of Amco upon the completion of the acquisition of Dosco in August 1995.

John Gibbon Wood, age 51, Director

John Wood left Balfour Beatty in 1983 to establish Tolent Construction Limited as a first class commercial building business based in the North East of England. Over subsequent years as Chairman of Tolent, he expanded the Tolent Group by the establishment and development of additional companies associated with the building and civil engineering industry. He became a director of Amco in September 1995 following the completion of the acquisition of Tolent, of which John Wood and his family interests were the principal vendors.

Fred Brian Harrison CBE, age 68, Non-executive Director

Brian Harrison was appointed a director within the Amco Group in June 1987, becoming a director of Amco upon its formation in September 1989. He is a former Finance Director of the National Coal Board.

***The Company and its Directors
(continued)***

A list of the companies of which the Directors also hold office as director, or held office during the five years preceding the date of this document, is set out in Appendix I.

Subsidiaries

The Company is a holding company, the principal trading subsidiaries of which are listed in Appendix II. Apart from Amco Property Investments Plc, each is a private company limited by shares and each was incorporated in England and Wales except for Amco Insurance Company Limited and The Dosco Corporation, which were incorporated in Guernsey and in Delaware, USA respectively.

Principal activities of the Group

The Group consists of three distinct sub-groups - the Amco Group, the Dosco Group and the Tolent Group

The Amco Group

The principal activities of the Amco Group are mining contracting, ground engineering, structural and general engineering.

The companies in the Amco Group are located primarily in the Yorkshire area, except Modern Engineering (Bristol) Limited, Fibaflo Reinforced Plastics Limited and PA Wilkinson (Holton Heath) Limited which are located in the South West of England.

The Dosco Group

The principal activities of the Dosco Group in the UK comprise the design, manufacture and servicing of tunnelling machines and material handling equipment and the manufacture of underground roadway supports and general fabrications together with an underground mining contracting service. The companies in the UK are based at Tuxford in Nottinghamshire.

The US operation, based in Abingdon, Virginia, is developing the Bendicar underground haulage vehicle, an innovative coal mining industry product.

The Tolent Group

The principal activities of the Tolent Group comprise the construction of specialised office, retail and student accommodation; commercial and industrial building operations; mechanical, electrical and security building services; property development; property investment and plant hire.

The trading companies in the Tolent Group are all based in the North East of England.

Current trading and future prospects

The Company's audited annual accounts for the financial year ended 31 December 1994 and the unaudited financial statements for the period ended 30 June 1995 form Appendix III and Appendix IV respectively of this document.

As expected, following the privatisation of the British Coal mining activities, the first half of 1995 was particularly difficult for the mining contracting and engineering activities of the Group. Although the Amco Group's turnover for the six months ended 30 June 1995 of £30.2 million showed an increase of approximately £4.5 million over the same period in 1994, margins were exceptionally tight in mining activities. Nevertheless, good performances were achieved in structural engineering, ground consolidation and plastic manufacturing operations.

Dosco and its subsidiary, Hollybank, both based at Tuxford in Nottinghamshire and The Dosco Corporation based in Abingdon, Virginia, USA were acquired by Amco in August 1995 for an initial purchase price of £4.6 million. A further payment of £0.7 million is likely to be due within 12 months. Deferred consideration will be payable up to a maximum of US\$9.5 million as a percentage of future sales from Dosco's patented Bendicar underground haulage vehicle, provided that the product becomes commercially viable following further development work. Net assets of these companies at completion were approximately £13 million. For the year ended 31 December 1994, losses before taxation of £3.5 million were incurred by Dosco and Hollybank in the UK on turnover of £43.6 million after taking account of non-recurring losses of £5.2 million. The UK operations traded at a profit in the first half of 1995 and are expected to trade profitably post acquisition.

The Dosco Group's US operation, which is developing the Bendicar underground haulage vehicle, incurred losses of US\$2.3 million in 1994 mainly due to research and development costs. The development of the Bendicar continues in 1995 and further research and development costs will be incurred within a limited budget.

Amco acquired Tolent for a nominal amount in September 1995, but Amco is committed to inject a minimum of £750,000 into the Tolent Group. In the year ended 31 December 1994, Tolent incurred group losses of £4.3 million comprising losses related to German building operations (including bank interest) of £4 million and losses of £0.3 million in the UK on turnover in the UK of £66 million. The German operations ceased in November 1994.

Despite interest charges incurred on borrowings to fund the discontinued German operations, the continuing Tolent UK operations are expected to trade at break even from the date of acquisition to 31 December 1995 and trade profitably in 1996.

A pro forma consolidated balance sheet for the Group after the acquisitions of Dosco and Tolent forms Appendix V of this document.

The Directors view the future prospects for the Company with confidence.

Share Capital

Share Capital

The Company's share capital is divided into ordinary shares of 10p each. On 17 May 1995, by special resolution of the Company, the Directors were given authority pursuant to the provisions of section 80 of the Act to allot equity securities up to a maximum nominal amount of £300,000, such authority to expire on 31 December 1996. On 24 May 1995, 3,000,000 Ordinary Shares were allotted at 70p per share.

The following table sets out the authorised and issued share capital of Amco as at 22 September 1995 (the latest practicable date prior to the publication of this document):

Authorised		Issued and fully paid	
Number	£	Number	Amount
27,500,000	2,750,000	14,254,327	£1,425,433
		Ordinary Shares of 10p each	

Substantial shareholdings

As at 22 September 1995 (the latest practicable date prior to the publication of this document) the Company was aware of the following persons who were interested in 3 per cent or more of the issued ordinary share capital of Amco:-

Name	Number of Ordinary Shares	Percentage of issued share capital (%)
Amco Investments Limited	6,581,318	46.2
Bedell & Cristin Trustees Limited	1,462,999	10.3
Franklyn Finance Limited	970,000	6.8
Crusoe Holdings Limited	800,000	5.6

In addition the Company is also aware of a further holding in excess of 3% but below 10%, which is exempt from disclosure under the Act.

Except as disclosed above, the Company is not aware of any person who, as at 22 September 1995, was directly or indirectly interested in 3 per cent or more of the issued share capital of the Company or of any other person or persons who, as at that date, could, directly or indirectly, jointly or severally, exercise control over the Company.

Interests of the Directors

The interests (all of which are beneficial) of the Directors (including any persons connected with them within the meaning of Section 346 of the Act) in the share capital of Amco as notified under Section 324 or Section 328 of the Act are as follows:-

Name	Number of Ordinary Shares	Percentage of issued share capital (%)
S N Gordon	150,000	1.1
O H Schmill	6,581,318	46.2
R H Knight	nil	nil
J G Wood	nil	nil
F B Harrison	2,500	-

On 18 September 1995 Stuart Gordon exercised his option to subscribe for 125,000 new Ordinary Shares and sold 50,000 Ordinary Shares, leaving him with a holding of 150,000 Ordinary Shares.

Share Capital (continued)

As part of their terms of employment, Ralph Knight and John Wood have arrangements with the Company under which they may be entitled to be granted options to acquire Ordinary Shares. The options would be satisfied by the transfer of existing Ordinary Shares from employee benefit trusts established for this purpose without the need for a further share issue.

Ralph Knight is entitled to be granted options in respect of each of the three years ending on 31 December 1997 to acquire without payment such number of Ordinary Shares as at the prevailing market price at the date of grant are equal to the sum of £62,500 provided that Dosco and Hollybank achieve the required target pre-tax profit in the relevant year. The target profits for each of the relevant years are as follows: 1995, £1,000,000; 1996, £1,250,000; and 1997, £1,500,000. Accordingly, the maximum market value of Ordinary Shares which could be acquired pursuant to these options is £187,500.

John Wood is entitled to be granted options in respect of each of the five years ending on 31 December 2000 to acquire without payment such number of Ordinary Shares as at the prevailing market price at the date of grant are equal to the sum of £250,000 provided that the Tolent Group achieves the required target pre-tax profit in the relevant year. The target profits for each of the relevant years are as follows: 1996, £1,000,000; 1997, £1,000,000; 1998, £1,100,000; 1999, £1,200,000; and 2000, £1,300,000. Accordingly, the maximum market value of Ordinary Shares which could be acquired pursuant to these options is £1,250,000. If the pre-tax profits of the Tolent Group in any relevant year are less than the target figure, the market value of the Ordinary Shares which may be acquired by John Wood pursuant to these option arrangements will be reduced by £1 for every £2 of such profit shortfall.

Summary of rights attaching to the Ordinary Shares

The Articles contain, *inter alia*, provisions to the following effect:

1. Voting

- 1.1 Subject to any special terms as to voting upon which any Ordinary Shares may for the time being be held, upon a show of hands every member present in person shall have one vote, and upon a poll every member present in person or by proxy shall have one vote for every Ordinary Share held by him.
- 1.2 No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of the Ordinary Shares held by him have been paid.
- 1.3 No member shall, unless the Directors otherwise determine, be entitled in respect of Ordinary Shares held by him to vote at a general meeting either personally or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company if he or any person appearing to be interested in such shares has been duly served with a notice under section 212 of the Act and is in default in supplying to the Company the information thereby required within the period of 28 days from the date of such notice. For these purposes a person shall be treated as appearing to be interested in any shares if the member holding such shares has given to the Company a notification under the said section 212 which fails to establish the identities of those interested in the shares and if (after taking into account the said notification and any other relevant section 212 notification) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares.

2. Changes in Capital

- 2.1 Without prejudice to any special rights or privileges or restrictions previously conferred on the holders of any existing shares or class of shares, any shares in the capital of the Company may be issued with or have attached thereto such preferred, deferred or other special rights, or privileges, or such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company may from time to time determine.

- 2.2 Subject to the provisions of the Act, the Company may purchase its own shares (including any redeemable shares) provided that if there are in existence shares which can be converted into ordinary share capital no purchase by the Company of its own shares shall take place without the consent in writing of the holders of three-fourths of such convertible shares or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of such convertible shares.
- 2.3 The Company may from time to time by ordinary resolution increase its capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe.
- 2.4 The Company may by ordinary resolution:-
- 2.4.1 sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association, provided that in the sub-division of an existing share the proportion between the amount paid and the amount (if any) unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
 - 2.4.2 consolidate and divide its capital or any part thereof into shares of larger amount than its existing shares; and
 - 2.4.3 cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its capital by the amount of the shares so cancelled.
- 2.5 The Company may by special resolution reduce its share capital, any capital redemption reserve fund, and any share premium account in any manner authorised by law.

3. Variation of Class Rights

If at any time the capital is divided into different classes of shares, the rights attached to any class or any of such rights (unless otherwise provided by the terms of issue of the shares of that class) may be modified, abrogated or varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of the class, but not otherwise. To every such separate general meeting the provisions of the Articles relating to general meetings shall, *mutatis mutandis*, apply, but so that at every such separate general meeting the quorum shall be two persons at least holding or representing by proxy one third of the issued shares of the class, and that any holder of shares of the class present in person or by proxy may demand a poll. If at any adjourned meeting of the holders of any class a quorum as above defined is not present those holders who are present in person or by proxy shall form a quorum.

4. Dividends

- 4.1 Subject to the rights of the holders of any shares entitled to any priority, preference or special privileges, all dividends shall be declared and paid to the members in proportion to the amounts paid up on the shares held by them respectively. No amount paid on a share in advance of calls shall be treated for these purposes as paid on the share. All dividends shall, subject as aforesaid, be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. If any share is issued on terms providing that it shall rank for dividends from a particular date or *pari passu* as regards dividends with a share already issued it shall rank accordingly.
- 4.2 The Directors shall lay before the Company in general meeting a recommendation as to the amount (if any) which they consider should be paid by way of dividend, and the Company shall declare the dividend to be paid, but such dividend shall not exceed the amount recommended by the Directors.

Share Capital (continued)

-
- 4.3 *The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.*
- 4.4 *If any member fails to comply with a notice duly served in accordance with the Articles requiring him to pay any call on shares which remains unpaid, any shares in respect of which such notice has been given may, at any time thereafter before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect, and any such forfeiture shall extend to all dividends declared in respect of the shares so forfeited but not actually paid before such forfeiture.*
- 4.5 *Any dividend unclaimed after a period of 12 years from the date of declaration of such dividend shall be forfeited and shall revert to the Company.*

5. Distribution of Assets on a Winding Up

Subject to the rights of the holders of shares (if any) issued upon special conditions, if the Company shall be wound up the assets remaining after payment of the debts and liabilities of the Company and the costs of the liquidation shall be applied first, in repaying to the members the amounts paid up on the shares held by them respectively, and the balance (if any) shall be distributed among the members in proportion to the number of shares held by them respectively.

General information

Responsibility

The Directors, whose names appear on page 3, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Directors' service agreements

Henry Schmill is employed by Amco Corporation Plc on a fixed term contract which expires on 15 September 1997.

Ralph Knight's employment contract with Dosco and Hollybank may be terminated by three months' notice expiring on 15 June in any year and on termination he is generally entitled to a lump sum payment equal to two years' salary.

John Wood has an employment contract with Tolent Construction Limited for a fixed period expiring on 31 December 1999.

Working capital

The Directors, having made due and careful enquiry, are of the opinion that, taking into account existing cash balances and bank facilities, the Group has sufficient working capital available to it for its present requirements.

Litigation

There are no legal or arbitration proceedings active, pending or threatened against, or being brought by, any company within the Group which are having or may have a significant effect on the financial position of the Group except for claims under guarantees given by Tolent which, in the opinion of the Directors, will be settled within the provision already included in the pro forma balance sheet (Appendix V).

Adoption of the Model Code

The Directors have adopted the Model Code for AIM companies relating to dealings in securities published by the London Stock Exchange and intend to take reasonable steps to ensure compliance by the Directors and relevant employees with the Model Code.

Nominated Adviser and Nominated Broker

Collins Stewart & Co, a member of the Securities and Futures Authority, has been appointed as the Company's Nominated Adviser and Nominated Broker. Under the terms of the appointment, either party may terminate the appointment by giving not less than six months' written notice to the other to expire on or at any time after the first anniversary of the commencement date of the appointment.

In relation to the admission of the ordinary shares of Amco to AIM and the information provided in this document, Collins Stewart & Co is acting as Nominated Adviser and Broker to Amco and is not acting for anyone else and will not be responsible to anyone else for providing the protections afforded to clients of Collins Stewart & Co nor for advising any other person.

General Information (continued)

The role of Collins Stewart & Co is confined to that of Nominated Adviser and Broker and Collins Stewart & Co has not been instructed by Amco to act as sponsor or to undertake the usual duties associated with the sponsor of a company whose securities have been admitted to the Official List of the London Stock Exchange. As Nominated Adviser, Collins Stewart & Co does not regard itself as a "responsible person", nor does it accept any duty of care to investors of Amco, or any responsibility or liability in relation to the document (other than with regard to information relating to Collins Stewart & Co) and owes its responsibilities solely to the London Stock Exchange.

Promoters

During the two years immediately preceding the Company's application to AIM, the Directors and Collins Stewart & Co have been, or may be deemed to have been promoters of Amco.

Collins Stewart & Co will receive a corporate advisory fee of £15,000 plus VAT in connection with the Company's application to AIM and an annual fee of £15,000 plus VAT payable annually in advance for their services as Nominated Adviser and Nominated Broker.

If you are in any doubt regarding the merits of an investment in the Company, you are recommended to seek appropriate financial advice from an independent investment adviser authorised under the Financial Services Act 1986.

Dated 25 September 1995

Appendix I
Directors' details

Directors' details

Stuart Gordon (Chairman)

Stuart Gordon is currently a director of the following companies:

Amco Corporation Plc; Amco Insurance Company Limited; Amco Property Investments Plc; Amco Rail Engineering Plc (dormant); Dosco Holdings Corporation (USA); Dosco Holdings Limited; Enyap Endustri Ve Yapi Elemanlari AS (Turkey); Fibaflo International Limited (dormant); Gordon Securities Limited; Yorkshire Coal Plc (dormant).

During the last five years Stuart Gordon was also a director of Bidewise Limited.

Henry Schmill (Managing Director)

Henry Schmill is currently a director of the following companies:

Amalgamated Construction Company Limited; Amco Corporation Plc; Amco Engineering Limited; Amco Insurance Company Limited; Amco Property Investments Plc; Amco Rail Engineering Plc (dormant); Road Transport Services Limited; Yorkshire Coal Plc (dormant).

Ralph Knight

Ralph Knight is currently a director of the following companies:

Amco Corporation Plc; The Dosco Corporation (USA); Dosco Holdings Corporation (USA); Dosco Holdings Limited; Dosco Mining Services Limited (dormant); Dosco Overseas Engineering Limited; Hollybank Engineering Co Limited.

John Wood

John Wood is currently a director of the following companies:

Amco Corporation Plc; Checkhire Limited; Glendale Project Management Limited (dormant); Gordon Plant Hire & Earth Moving Limited; Man Access (UK) Limited (dormant); Northern Land Properties Limited; Ravensworth Properties Limited; Sunderland Association Football Club Limited; Tolent Construction Limited; Tolent Corporation Limited; Tolent Holdings Limited; Tolent Homes Limited (dormant); Tolent Sea Defences Limited (dormant); Tolent (Yorkshire) Developments Limited; Ventrace Builders Limited (dormant); Wares Building Services Limited; Wares Security Systems Limited.

Brian Harrison CBE

Brian Harrison is currently a director of the following companies:

Amco Corporation Plc; R C Edmondson Limited; Republic (Guernsey) Dollar Income Fund Limited; Republic (Guernsey) Europe Income Fund Limited; Hillcrest Management (St Albans) Limited.

During the last five years he was also a director of HMC Group Plc.

Appendix II
The Subsidiary Companies

The Subsidiary Companies

The companies listed in this Appendix are the principal trading subsidiaries of the Group.

Amco Engineering Limited
Amco Insurance Company Limited
Amco Property Investments Plc
A. M. Mining Services Limited
Amploy Bureau Limited
AMTEC Services Limited
Road Transport Services Limited

The following companies are wholly owned subsidiaries of Amco Property Investments Plc (an intermediate holding company):

Amalgamated Construction Company Limited
Amco Drilling Limited
Amco Plastics Limited
Amco Technical Services Limited
Anglopile Limited
Billington Structures Limited
Fibaflo Reinforced Plastics Limited
Modern Engineering (Bristol) Limited
P. A. Wilkinson (Holton Heath) Limited

The following companies are wholly owned subsidiaries of Dosco Holdings Limited (an intermediate holding company):

Dosco Overseas Engineering Limited
Hollybank Engineering Co Limited

The following company is a wholly owned subsidiary of Dosco Holdings Corporation (an intermediate holding company):

The Dosco Corporation

The following companies are wholly owned subsidiaries of Tolent Corporation Limited (an intermediate holding company):

Gordon Plant Hire & Earth Moving Limited
Ravensworth Properties Limited
Tolent Construction Limited
Tolent Holdings Limited
Tolent (Yorkshire) Developments Limited
Wares Building Services Limited
Wares Security Systems Limited

Appendix III
Report and Financial Statements for the year ended 31 December 1994

	<i>Page</i>
<i>Directors, Secretary and Registered Office</i>	2
<i>Report of the Directors</i>	3 - 4
<i>Report of the Auditors</i>	5
<i>Consolidated profit and loss account</i>	6
<i>Consolidated balance sheet</i>	7
<i>Balance sheet</i>	8
<i>Consolidated cash flow statement</i>	9
<i>Statement of accounting policies</i>	10 - 11
<i>Notes forming part of the financial statements</i>	12 - 20

Appendix III
Report and Financial Statements for the year ended 31 December 1994
Report of the Directors

The Directors present their report together with the audited financial statements for the year ended 31 December 1994.

1. Principal activities and business review

The Group was principally engaged in construction, and structural and general engineering.

The result for the year was satisfactory and the Directors, whilst anticipating difficult conditions again in 1995, look forward to continued profitability.

2. Results and dividends

The profit and loss account is set out on page 6 (appendix III) and shows the result for the year. An interim dividend of 1.5p per share was paid on 3 October 1994 to shareholders on record on 17 September 1994. The Directors recommend payment of a final dividend of 3p per share. Subject to declaration by the shareholders at the A.G.M. the dividend will be payable on 3 July 1995 to shareholders whose names are on the register on 19 June 1995. The shares will trade on an ex-dividend basis from 11 June 1995. The balance of profits has been transferred to reserves.

3. Fixed assets

The principal changes to the fixed assets of the Group and the investments of the Company are as shown in Notes 7 and 8 to the financial statements.

4. Directors

The Directors in office at the end of the year were Messrs. S. N. Gordon, O. H. Schmill, F. B. Harrison and C. J. B. Ruck.

In accordance with the Articles, which require one third of the Directors to retire each year, Mr S. N. Gordon retires by rotation.

At the year end the interests of the Directors in shares of the Company were as follows:-

	Amco Corporation Plc Ordinary 10p Shares			
	1994		1993	
	Shares	Options	Shares	Options
S. N. Gordon	75,000	125,000	75,000	125,000
O. H. Schmill	0	0	0	0
F. B. Harrison	2,500	0	2,500	0
C. J. B. Ruck	3,000	0	3,000	0

In addition to the above Mr O. H. Schmill has an indirect beneficial interest in 5,261,318 ordinary 10p shares of the company owned by Amco Investments Ltd (1993 - 5,261,318).

During the year the Company paid insurance premiums for the Directors against certain liabilities in relation to the Company.

Details of share option schemes are set out in Note 25 to the financial statements.

5. Disabled persons

The Group's policy is to give sympathetic consideration, in both recruitment and training, to the problems of the disabled, and to assist them in developing their knowledge and skills to undertake greater responsibilities wherever possible.

6. Employee involvement

It is Group policy to disseminate relevant information about Group affairs amongst employees.

7. Charitable donations

During the year the Group made contributions totalling £755 (1993 - £1,341) to United Kingdom charitable organisations.

8. Substantial shareholders

On the 31 December 1994 the following persons held a 3% or greater interest in the fully paid up ordinary shares:-

Amco Investments Limited
Franklyn Finance Limited
Serine Limited
Singer & Friedlander Emerging Leaders Fund

9. Statement of Directors' responsibilities

The Directors are required by U.K. company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and the Company as at the end of the financial year and of the profit and loss for that year. In preparing the financial statements, the Directors are required to select suitable accounting policies and apply them consistently, to make reasonable and prudent judgments and estimates, to follow applicable accounting standards and to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business. The Directors are also responsible for maintaining adequate accounting records, for safeguarding the assets of the Group and the Company, and for preventing and detecting fraud and other irregularities.

10. Auditors

The auditors, Grant Thornton, have expressed their willingness to continue in office.

11. Approval

The Board of Directors of Amco Corporation Plc has approved the contents of this report and financial statements for the year ended 31 December 1994 and the sending of it to shareholders.

By order of the Board



D. L. Fildes
Secretary
1 March 1995

Appendix III
Report and Financial Statements for the year ended 31 December 1994
Report of the Auditors

To the members of Amco Corporation Plc.

We have audited the financial statements on pages 6 to 20 (appendix III).

Respective responsibilities of Directors and Auditors

As described on page 4 (appendix III) the Group's Directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit of those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Group and the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Group and the Company's affairs at 31 December, 1994 and of the Group's profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Grant Thornton
Registered Auditors
Chartered Accountants

8 West Walk
Leicester

1 March 1995

Appendix-III
Report and Financial Statements for the year ended 31 December 1994
Consolidated profit and loss account for the year ended 31 December 1994

	Note	1994		1993	
		£000	£000	£000	£000
Turnover	1		56,811		51,454
<i>Increase in work in progress</i>			<u>31</u>		<u>486</u>
			56,842		51,940
<i>Raw materials and consumables</i>		12,307		9,779	
<i>Other external charges</i>		<u>4,209</u>		<u>3,442</u>	
			16,516		13,221
			<u>40,326</u>		<u>38,719</u>
<i>Staff costs</i>	2	33,616		33,061	
<i>Depreciation</i>		1,343		1,745	
<i>Other operating charges</i>	1	<u>3,335</u>		<u>2,600</u>	
			38,294		37,406
			<u>2,032</u>		<u>1,313</u>
<i>Other operating income</i>			114		158
Operating profit			2,146		1,471
<i>Interest payable</i>	3		<u>(107)</u>		<u>(362)</u>
Profit on ordinary activities before taxation	1		2,039		1,109
<i>Taxation on profit on ordinary activities</i>	4		<u>(1,027)</u>		<u>(515)</u>
Profit on ordinary activities after taxation			1,012		594
<i>Dividends</i>	5		<u>(500)</u>		<u>(279)</u>
Profit for the financial year transferred to reserves			512		315
<i>By the Company</i>		136		(382)	
<i>By subsidiary undertakings</i>		<u>376</u>		<u>697</u>	
			512		315
Earnings per share	6		<u>9.1p</u>		<u>5.3p</u>

All the above transactions relate to continuing activities.

All recognised gains or losses are included in the profit and loss account.

The accounting policies and notes on pages 10 to 20 (appendix III) form part of these financial statements.

Appendix III
Report and Financial Statements, for the year ended 31 December 1994
Amco Corporation Plc and Subsidiary Companies consolidated balance sheet

	Note	1994		1993	
		£000	£000	£000	£000
Fixed Assets					
Tangible assets	7		7,730		7,497
Current Assets					
Stock and work in progress	9	3,278		3,015	
Amounts receivable on contracts		4,083		2,495	
Debtors	10	3,781		2,604	
Cash at bank and in hand		2,070		323	
		<u>13,212</u>		<u>8,437</u>	
Creditors: amounts falling due within one year	11	<u>12,933</u>		<u>8,120</u>	
Net current assets			<u>279</u>		<u>317</u>
Total assets less current liabilities			<u>8,009</u>		<u>7,814</u>
Creditors: amounts falling due after more than one year	12	73		388	
Provisions for liabilities and charges	13	<u>174</u>		<u>176</u>	
			<u>247</u>		<u>564</u>
			<u>7,762</u>		<u>7,250</u>
Capital and reserves					
Called up share capital	14		1,113		1,113
Share premium	15		63		63
Profit and loss account	15		<u>6,586</u>		<u>6,074</u>
Shareholders' funds	16		<u>7,762</u>		<u>7,250</u>

The financial statements were approved by the Board of Directors on 1 March 1995.

S. N. Gordon (Director)



O. H. Schmill (Director)



The accounting policies and notes on pages 10 to 20 (appendix III) form part of these financial statements.

Appendix III
Report and Financial Statements for the year ended 31 December 1994
Amco Corporation Plc balance sheet

		1994		1993	
	Note	£000	£000	£000	£000
Fixed Assets					
Tangible assets	7		147		469
Investments	8		7,245		6,567
			<u>7,392</u>		<u>7,036</u>
Current Assets					
Stock	9	30		0	
Debtors	10	9,305		6,792	
Cash at bank and in hand		1,452		1	
		<u>10,787</u>		<u>6,793</u>	
Creditors: amounts falling due within one year	11	<u>10,388</u>		<u>6,498</u>	
Net current assets			<u>399</u>		<u>295</u>
Total assets less current liabilities			<u>7,791</u>		<u>7,331</u>
Creditors: amounts falling due after more than one year	12	24		58	
Provisions for liabilities and charges	13	<u>5</u>		<u>23</u>	
			<u>29</u>		<u>81</u>
			<u>7,762</u>		<u>7,250</u>
Capital and reserves					
Called up share capital	14		1,113		1,113
Share premium	15		63		63
Profit and loss account	15		782		646
Revaluation reserve	15		5,804		5,428
Shareholders' funds	16		<u>7,762</u>		<u>7,250</u>

The financial statements were approved by the Board of Directors on 1 March 1995.

S. N. Gordon (Director)



O. H. Schmill (Director)



The accounting policies and notes on pages 10 to 20 (appendix III) form part of these financial statements.

Appendix III
Report and Financial Statements for the year ended 31 December 1994
Consolidated cash flow statement

	Note	1994		1993	
		£000	£000	£000	£000
Net cash inflow from operating activities	17		5,203		1,230
Returns on investments and servicing of finance					
Interest paid		(107)		(362)	
Dividends paid		(332)		(113)	
Net cash outflow from returns on investments and servicing of finance			(439)		(475)
Taxation					
U.K. corporation tax paid		(303)		(284)	
Tax paid			(303)		(284)
Investing Activities					
Purchase of tangible fixed assets					
- acquiring businesses		(549)		0	
- continuing businesses		(964)		(333)	
Purchase of minority interest		0		(93)	
Sale of tangible fixed assets		94		884	
Net cash (outflow)/inflow from investing activities			(1,419)		458
Net cash inflow before financing			3,042		929
Financing					
Repayment of loans	18	(900)		(1,025)	
Capital element of finance lease rental payments	18	(188)		(359)	
Net cash outflow from financing			(1,088)		(1,384)
Increase/(decrease) in cash and cash equivalents	19		1,954		(455)

The accounting policies and notes on pages 10 to 20 (appendix III) form part of these financial statements.

Appendix III
Report and Financial Statements for the year ended 31 December 1994
Statement of accounting policies

These financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention as modified by the revaluation of fixed asset investments.

The principal accounting policies of the Group have remained unchanged from the previous year and are set out below.

(a) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Parent Company and all of its subsidiary undertakings for the year ended 31 December 1994. Either the acquisition or the merger method of accounting is used to consolidate the results of subsidiaries in the Group accounts. As permitted by section 230, Companies Act 1985 the Parent Company's profit and loss account is not included.

(b) Turnover

Turnover is the total amount receivable in respect of work done and services provided, excluding value added tax.

(c) Depreciation

Depreciation is normally calculated to write off the cost of fixed assets by equal annual instalments over their expected useful lives.

The rates applicable are:

Plant and equipment	5% to 33.3%
Motor vehicles	25%

No depreciation is provided on land and buildings since the Directors do not consider this to be material. It is the Group's policy to maintain its properties to a high standard and to continue to use them for the Group's business purposes. Provision will be made should any permanent diminution in value of these properties occur, such provision being based on the prices prevailing at the time of their acquisition or subsequent valuation.

(d) Stock and work in progress

Stock and work in progress are valued at the lower of cost, including applicable overheads, and net realisable value.

Long-term contracts

Long-term contracts are included in turnover on the basis of independent certification of value of work done. Unpaid certified work is classified as amounts receivable on contracts.

Costs incurred to carry out work on long-term contracts are matched with turnover.

Provision is made for foreseeable losses on all contracts based on the loss which is currently estimated to arise over the duration of any contract, irrespective of the amount of work carried out at the balance sheet date.

(e) Deferred taxation

Provision is made using the liability method for material timing differences between the treatment of certain items for taxation and accounting purposes except that no provision is made where it can be reasonably foreseen that such deferred taxation will not be payable in the future.

(f) Pensions

The cost of providing retirement pensions and related benefits is charged to the profit and loss account over the periods benefiting from the employee's service. The difference between the charge to the profit and loss account and the contributions paid to the scheme is shown as an asset or liability in the balance sheet.

Appendix III
Report and Financial Statements for the year ended 31 December 1994
Statement of accounting policies (continued)

(g) Goodwill

It is the Group's policy to write off significant purchased goodwill immediately against reserves in the year in which it arises.

(h) Leased assets

Assets acquired under finance leases that give rights approximating to ownership are treated as if they had been purchased and an amount equivalent to their cost is included under tangible fixed assets. Depreciation is provided in accordance with the Group's normal depreciation policy. Leasing payments are treated as consisting of capital and finance charge elements and the finance charge is charged to the profit and loss account. All other leases are operating leases and the annual rentals are charged wholly to the profit and loss account.

(i) Fixed asset investments

Fixed asset investments in subsidiary undertakings are included in the accounts of the Parent Company at a valuation equal to the shareholders' funds of the Companies at the balance sheet date.

Appendix III
Report and Financial Statements for the year ended 31 December 1994
Notes forming part of the financial statements

1994

1993

1. Turnover and profit on ordinary activities before taxation

The whole of the turnover derives from U.K. operations.

Included in the profit and loss account is turnover of £1,264,000 and an operating loss before taxation of £47,000 relating to operations acquired during the year.

	£000	£000
Profit on ordinary activities is stated after:		
Auditors' remuneration	42	58
Other non audit services	19	11
Operating lease charges:		
Hire of plant and machinery	786	695
Other operating leases	<u>165</u>	<u>285</u>

Included in other operating charges is an amount of £444,000 relating to a provision made against the cost of a participating interest in a Turkish company.

2. Directors and employees

	£000	£000
Staff costs during the year including Directors:		
Wages and salaries	30,612	30,157
Social security	2,594	2,608
Pension costs	410	296
	<u>33,616</u>	<u>33,061</u>

The average number of employees of the Group during the year was 1,433 (1993 - 1,508)

	£000	£000
Directors' emoluments were as follows:		
Fees - 1994 2 Directors (1993 2 Directors)	17	17
Management remuneration - 1994 1 Director (1993 1 Director)	103	96
Pension costs	0	0
	<u>120</u>	<u>113</u>

Included within management remuneration above are non cash benefits amounting to £7,000 (1993 - £5,000).

Emoluments of the Directors, excluding pension contributions, were as follows:-

	£000	£000
The Chairman	0	0
The highest paid Director	<u>103</u>	<u>96</u>
Other Directors	Number	Number
£5,001 to £10,000	<u>2</u>	<u>2</u>

3. Interest payable

	£000	£000
Payable on bank loans and overdrafts wholly repayable within 5 years, not by instalments	93	336
Finance charges payable on finance leases	<u>14</u>	<u>26</u>
	<u>107</u>	<u>362</u>

Appendix III
Report and Financial Statements for the year ended 31 December 1994
Notes forming part of the financial statements (continued)

1994

1993

4. Taxation on profit on ordinary activities

The taxation charge is based on the profit for the year and is made up as follows:-

	£000	£000
United Kingdom corporation tax at 33% (1993 - 33%)	1,036	631
Deferred tax (see note 13)	40	(83)
	<u>1,076</u>	<u>548</u>
Over provision for previous year		
Corporation tax	(49)	(33)
	<u>1,027</u>	<u>515</u>

The tax charge has been increased above the normal rate of corporation tax due to a timing difference caused by a provision for reorganisation costs in a subsidiary undertaking and due to a provision made against the cost of a participating interest in a Turkish company.

5. Dividends

	£000	£000
Interim of 1.5p (1993 - 1p) per share	166	113
Final of 3p (1993 - 1.5p) per share	334	166
	<u>500</u>	<u>279</u>

6. Earnings per share

Earnings per share are calculated by dividing the result on ordinary activities after taxation by 11,129,327 fully paid ordinary shares.

7. Tangible fixed assets

Group:	Total	Freehold property	Long leasehold property	Plant, equipment & vehicles
Cost	£000	£000	£000	£000
At 1 January 1994	27,375	5,505	337	21,533
Additions	1,592	109	0	1,483
Disposals	(3,794)	0	0	(3,794)
At 31 December 1994	<u>25,173</u>	<u>5,614</u>	<u>337</u>	<u>19,222</u>
Depreciation				
At 1 January 1994	19,878	552	19	19,307
Provided in year	1,343	0	0	1,343
Disposals	(3,778)	0	0	(3,778)
At 31 December 1994	<u>17,443</u>	<u>552</u>	<u>19</u>	<u>16,872</u>
Net book value at 31 December 1994	<u>7,730</u>	<u>5,062</u>	<u>318</u>	<u>2,350</u>
Net book value at 31 December 1993	7,497	4,953	318	2,226

Included within plant and equipment and motor vehicles are items subject to finance leases and hire purchase with a book value of £159,000 (1993 - £467,000). The depreciation charge for the year on these assets was £44,000 (1993 - £117,000).

Appendix III
Report and Financial Statements for the year ended 31 December 1994
Notes forming part of the financial statements (continued)

	1994	
7. Tangible fixed assets (continued)		
		Plant, equipment & vehicles
Company:		
Cost		£000
At 1 January 1994	865	
Additions	69	
Transfers from Group undertakings	2	
Disposals	(41)	
Transfers to Group undertakings	(563)	
At 31 December 1994	332	
Depreciation		
At 1 January 1994	396	
Provided in year	119	
Transfers from Group undertakings	1	
Disposals	(41)	
Transfers to Group undertakings	(290)	
At 31 December 1994	185	
Net book value at 31 December 1994	147	
Net book value at 31 December 1993	469	

Included within plant, equipment and motor vehicles are items subject to finance leases with a total book value of £68,000 (1993 - £426,000). The depreciation charge for the year on these assets was £24,000 (1993 - £96,000).

8. Investments

	1994	1993
		£000
Group:		
Cost of shares in a participating interest	444	0
Provision against cost of shares in participating interest	(444)	0
	0	0
Company:		
Shares in subsidiary undertakings and participating interest		
At valuation at 1 January 1994	6,567	5,938
Cost of shares acquired in subsidiaries	302	25
Cost of shares in a participating interest	444	0
Provision against cost of shares in participating interest	(444)	0
Revaluation adjustment for year	376	604
At valuation at 31 December 1994	7,245	6,567

The cost of shares in a participating interest relates to Enyap Endustri Ve Yapi Elemanlari Sanayii A.S., a company registered in Istanbul, Turkey.

The investment in the participating interest has not been included in the Group accounts using the equity method of accounting due to difficult trading conditions, high inflation and volatile exchange rates in Turkey. The participation is being accounted for on a dividends received basis.

At 31 December 1994, shares held in subsidiary undertakings have been valued at a figure equal to the shareholders' funds of those companies at that date.

Appendix III
Report and Financial Statements for the year ended 31 December 1994
Notes forming part of the financial statements (continued)

8. Investments (continued)

Amco Property Investments Plc, A. M. Mining Services Limited, AMTEC Services Limited, Amplay Bureau Limited, Amco Engineering Limited, Road Transport Services Limited, Amco Insurance Company Limited and Fibaflo International Limited are wholly owned by the Company. All other subsidiary undertakings are wholly owned by Amco Property Investments Plc. All Group Companies have only ordinary shares in issue and are registered in England unless otherwise stated.

The principal subsidiary undertakings are as follows:

Amco Property Investments Plc	Anglopile Limited
Amalgamated Construction Co Limited	Billington Structures Limited
A. M. Mining Services Limited	Modern Engineering (Bristol) Limited
AMTEC Services Limited	Amco Plastics Limited
Amplay Bureau Limited	Fibaflo Reinforced Plastics Limited
Amco Engineering Limited	P. A. Wilkinson (Holton Heath) Limited
Road Transport Services Limited	Amco Technical Services Limited
Amco Drilling Limited	

Registered in Guernsey:

Amco Insurance Company Limited	Fibaflo International Limited
--------------------------------	-------------------------------

9. Stock and work in progress

	1994	1993
	£000	£000
Group:		
Work in progress	2,181	2,150
Finished products	76	34
Raw materials	343	304
Consumables and plant spares	678	527
	<u>3,278</u>	<u>3,015</u>
Company:		
Raw materials	<u>30</u>	<u>0</u>

10. Debtors

Group:		
Amounts falling due within one year	£000	£000
Trade debtors	3,158	1,682
Other debtors	93	101
Advance corporation tax recoverable	41	32
Prepayments and accrued income	431	741
	<u>3,723</u>	<u>2,556</u>
Amounts falling due after more than one year		
Trade debtors	<u>58</u>	<u>48</u>
	<u>3,781</u>	<u>2,604</u>

Appendix III
Report and Financial Statements for the year ended 31 December 1994
Notes forming part of the financial statements (continued)

	1994	1993
10. Debtors (continued)		
Company:		
<i>Amounts falling due within one year</i>	£000	£000
<i>Trade debtors</i>	4	0
<i>Amounts owed by Group undertakings</i>	8,934	6,727
<i>Other debtors</i>	26	28
<i>Advance corporation tax recoverable</i>	41	32
<i>Prepayments and accrued income</i>	0	5
<i>Dividends</i>	300	0
	9,305	6,792

11. Creditors: amounts falling due within one year

Group:		
<i>Bank loans and overdrafts (secured)</i>	£000	£000
<i>Trade creditors</i>	574	1,356
<i>Social security and other taxes</i>	5,031	3,192
<i>Other creditors</i>	2,942	1,527
<i>Accruals and deferred income</i>	1,770	481
<i>Current taxation</i>	1,138	870
<i>Hire purchase and other finance leases</i>	1,080	345
<i>Proposed dividend</i>	64	183
	334	166
	12,933	8,120
Company:		
<i>Bank loans and overdrafts (secured)</i>	107	4,204
<i>Amounts owing to Group undertakings</i>	9,390	1,803
<i>Social security and other taxes</i>	20	20
<i>Accruals and deferred income</i>	160	74
<i>Current taxation</i>	343	74
<i>Hire purchase and other finance leases</i>	34	157
<i>Proposed dividend</i>	334	166
	10,388	6,498

The Group and Company have charged certain properties to secure bank borrowings.

12. Creditors: amounts falling due after more than one year

Group:		
<i>Bank loans repayable between one and two years</i>	£000	£000
<i>Hire purchase and other finance leases</i>	0	325
	73	63
	73	388
Company:		
<i>Hire purchase and other finance leases</i>	24	58

Appendix III
Report and Financial Statements for the year ended 31 December 1994
Notes forming part of the financial statements (continued)

	1994	1993
13. Provisions for liabilities and charges		
<i>Deferred taxation provided for in the financial statements is set out below and is calculated using tax rates of 33% for the Group and 33% for the Company.</i>		
Group:		
Deferred tax	£000	£000
At 1 January 1994	176	301
Transfer from profit and loss account	40	(83)
Advance corporation tax	(42)	(42)
At 31 December 1994	174	176
Company:		
Deferred tax		
At 1 January 1994	23	64
Transfer from profit and loss account	24	1
Advance corporation tax	(42)	(42)
At 31 December 1994	5	23

The provision relates primarily to accelerated capital allowances on capital expenditure. There are no material timing differences unprovided.

14. Called up share capital

	1994	1994	1993	1993
<i>Equity</i>	<i>No of shares</i>	<i>£000</i>	<i>No of shares</i>	<i>£000</i>
Authorised				
Ordinary shares of 10p each	25,000,000	2,500	25,000,000	2,500
Undesignated shares of £1 each	250,000	250	250,000	250
	25,250,000	2,750	25,250,000	2,750
Allotted, fully paid and issued				
Ordinary shares of 10p each	11,045,888	1,105	11,045,585	1,105
Allotted, fully paid not yet issued				
Ordinary shares of 10p each	83,439	8	83,742	8
	11,129,327	1,113	11,129,327	1,113

The unissued shares relate to former shareholders in International Amco Corporation who at 31 December 1994 had not completed the forms transferring their holding to the Company.

Appendix III
Report and Financial Statements for the year ended 31 December 1994
Notes forming part of the financial statements (continued)

	1994	1993
15. Reserves		
	£000	£000
Share premium	<u>63</u>	<u>63</u>
Group:		
Profit and loss account		
At 1 January 1994	6,074	5,759
Profit for year	<u>512</u>	<u>315</u>
At 31 December 1994	<u>6,586</u>	<u>6,074</u>

At the balance sheet date cumulative goodwill written off amounted to £148,000 (1993 - £118,000).

	1994	1994	1993	1993
Company:				
	Profit & loss account £000	Revaluation reserve £000	Profit & loss account £000	Revaluation reserve £000
At 1 January 1994	646	5,428	1,028	4,824
Unrealised appreciation in investment in subsidiary undertakings		376		604
Profit/(loss) for the year	<u>136</u>		<u>(382)</u>	
At 31 December 1994	<u>782</u>	<u>5,804</u>	<u>646</u>	<u>5,428</u>

16. Reconciliation of movements in shareholders' funds

	1994	1993
	£000	£000
Group:		
Profit for year	1,012	594
Dividends	<u>(500)</u>	<u>(279)</u>
Net increase in Shareholders' funds	512	315
Shareholders' funds at 1 January 1994	<u>7,250</u>	<u>6,935</u>
Shareholders' funds at 31 December 1994	<u>7,762</u>	<u>7,250</u>
Company:		
Profit/(loss) for year	636	(103)
Dividends	<u>(500)</u>	<u>(279)</u>
Net increase/(decrease) in Shareholders' funds	136	(382)
Shareholders' funds at 1 January 1994	7,250	7,028
Other recognised gains and losses relating to the year	<u>376</u>	<u>604</u>
Shareholders' funds at 31 December 1994	<u>7,762</u>	<u>7,250</u>

Appendix III
Report and Financial Statements for the year ended 31 December 1994
Notes forming part of the financial statements (continued)

	1994	1993
17. Reconciliation of operating profit to net cash inflow from operating activities		
	£000	£000
Operating profit	2,146	1,471
Depreciation on tangible fixed assets	1,343	1,745
Profit on sale of fixed assets	(78)	(78)
Increase in stocks and work in progress	(263)	(114)
Increase in debtors and amounts receivable on contracts	(2,756)	(139)
Increase/(decrease) in creditors	<u>4,811</u>	<u>(1,655)</u>
Net cash inflow from operating activities	<u>5,203</u>	<u>1,230</u>

Included in the above are stock and work in progress of £100,000 (1993 - £nil), debtors of £1,251,000 (1993 - £nil) and creditors of £1,768,000 (1993 - £nil) relating to businesses acquired during the year.

18. Analysis of changes in financing

Loans and finance lease obligations	£000	£000
Balance at 1 January 1994	1,471	2,756
Repayments of bank loans	(900)	(1,025)
Inception of finance leases	79	99
Repayments of principal on finance leases	<u>(188)</u>	<u>(359)</u>
Balance at 31 December 1994	<u>462</u>	<u>1,471</u>

19. Cash and cash equivalents

Changes during the year	£000	£000
At 1 January 1994	(133)	322
Net cash inflow/(outflow)	<u>1,954</u>	<u>(455)</u>
At 31 December 1994	<u>1,821</u>	<u>(133)</u>

	Change in year			
	1994	1993	1994	1993
Analysis of balances	£000	£000	£000	£000
Cash at bank and in hand	2,070	323	1,747	(783)
Bank overdrafts	<u>(249)</u>	<u>(456)</u>	<u>207</u>	<u>328</u>
At 31 December 1994	<u>1,821</u>	<u>(133)</u>	<u>1,954</u>	<u>(455)</u>

Included in the above are cash at bank and in hand of £33,000 (1993 - £nil) and bank overdrafts of £18,000 (1993 - £nil) relating to businesses acquired during the year.

Appendix III
Report and Financial Statements for the year ended 31 December 1994
Notes forming part of the financial statements (continued)

1994

1993

20. Related party transactions

Directors' interest in transactions

During the year payments for services in the normal course of business totalling £135,000 (1993 - £130,000) were made to a company in which Mr S. N. Gordon has a material interest.

Insurance premiums and operating lease charges in the normal course of business totalling £218,000 (1993 - £218,000) were paid to an insurance company and a leasing company in both of which Mr O. H. Schmill has an indirect beneficial interest.

21. Capital commitments

Group:	£000	£000
Authorised but not contracted for	320	0

22. Operating lease obligations

	1994	1994	1993	1993
Group:	Land & buildings	Other	Land & buildings	Other
	£000	£000	£000	£000
Commitments to operating lease payments within one year are as follows:				
In respect of leases expiring				
Within one year	0	47	0	145
Between one and five years	0	0	0	1
	0	47	0	146

23. Contingent liabilities

The Company has given an unlimited guarantee in respect of certain Group bank borrowings operated on a pool basis with two subsidiaries. The Company's liability at the year end was £nil (1993 - £nil).

The Company has given a charge over certain monies as a condition for the issuing of a letter of credit covering the liabilities of the Group's insurance company. There was no reported liability at the year end (1993 - £nil).

24. Pension commitments

The Company operates a funded pension scheme for certain employees including a Director. The scheme provides benefits based on final pensionable pay and is operated through a Group trust fund. Contributions are based on pension costs across the whole Group. The pension cost is assessed in accordance with the advice of a qualified actuary. The most recent actuarial valuation of the scheme was on 1 April 1994. The pension charge for the year was £254,000 (1993 - £310,000). A provision of £nil (1993 - £106,000) is included in creditors, this being the excess of the accumulated pension cost over the amount funded. For purposes of assessing pension costs under SSAP24 the principal actuarial assumptions adopted in that valuation were an investment return of 9% per annum, salary increases of 7% per annum, and a dividend growth of 4.5% per annum. The market value of scheme assets at 1 April 1994 was £5,830,000.

25. Share option schemes

A Director was granted options on 125,000 ordinary shares in the Company under an agreement dated 27 September 1989. The options are exercisable at any time up to and including 21 March 1998 at a price of 24.5p per share.

Appendix IV
Half yearly financial statements for the year ended 31 December 1995

To the Shareholders

As expected, following the privatisation of British Coal mining activities, the first half of 1995 has been particularly difficult. Although turnover increased by some £4.5 million, margins were exceptionally tight in mining activities. Nevertheless good performances were achieved in structural engineering, ground consolidation and plastic manufacturing.

Following the acquisition of the Dosco group of companies on 5 August 1995, we look for a considerable improvement in the second half of the year.

Despite the fall in earnings per share from 6.1 pence to 0.1 pence per share for the half year, the Board intends to maintain the interim dividend for 1995 at 1.5 pence per share payable on 2 October 1995 to Shareholders on record at close of business on 18 September 1995.

We intend, before 29 September 1995, to transfer from dealings under Rule 4(2)(a) of the Rules of the International Stock Exchange, London to the Alternative Investment Market.

On behalf of the Board of Directors

Stuart N. Gordon
Chairman

4 September 1995

Appendix IV
Half yearly financial statements for the year ended 31 December 1995
Consolidated profit and loss account for the six months ended 30 June 1995 (unaudited)

	Six months to 30 June 1995	Six months to 30 June 1994
	£000	£000
Turnover	<u>30,186</u>	<u>25,627</u>
Raw materials & consumables	7,760	5,660
Other external charges	1,984	1,783
Staff costs	18,502	14,845
Depreciation	394	860
Other operating charges	<u>1,608</u>	<u>1,301</u>
	<u>30,248</u>	<u>24,449</u>
Operating (loss)/profit	(62)	1,178
Sundry income	<u>117</u>	<u>48</u>
	55	1,226
Net interest payable	<u>34</u>	<u>70</u>
Profit on ordinary activities before taxation	21	1,156
Taxation on profit on ordinary activities	<u>7</u>	<u>481</u>
Profit for the period	<u>14</u>	<u>675</u>
Earnings per share	<u>0.1p</u>	<u>6.1p</u>

Appendix IV
Half yearly financial statements for the year ended 31 December 1995
Consolidated cash flow statement for the six months ended 30 June 1995 (unaudited)

	Six months to 30 June 1995 £000	Six months to 30 June 1994 £000
Net cash (outflow)/inflow from operating activities (Note 1)	<u>(1,970)</u>	<u>658</u>
Returns on investments and servicing of finance		
Interest received	27	2
Interest paid	<u>(61)</u>	<u>(72)</u>
Net cash outflow from returns on investments and servicing of finance	<u>(34)</u>	<u>(70)</u>
Taxation		
Net Corporation tax paid (including advance corporation tax paid)	<u>(25)</u>	<u>262</u>
Tax paid	<u>(25)</u>	<u>262</u>
Investing activities		
Payments to acquire tangible fixed assets	(488)	(385)
Receipts from sales of tangible fixed assets	<u>208</u>	<u>50</u>
Net cash outflow from investing activities	<u>(280)</u>	<u>(335)</u>
Net cash (outflow)/inflow before financing	<u>(2,309)</u>	<u>515</u>
Financing		
Share capital issued	2,082	0
Long term loan repayments	(325)	(450)
Capital element of finance lease rental payments	<u>(73)</u>	<u>(95)</u>
Net cash inflow/(outflow) from financing	<u>1,684</u>	<u>(545)</u>
Decrease in cash and cash equivalents	<u>(625)</u>	<u>(30)</u>

Note 1 - Reconciliation of operating profit to net cash outflow from operating activities

Operating profit	55	1,226
Depreciation Charges	394	860
Profit on sale of tangible fixed assets	(30)	(38)
Increase in stocks and work in progress	(2,595)	(600)
Increase in debtors	(65)	(1,704)
Increase in creditors	<u>271</u>	<u>914</u>
Net cash (outflow)/inflow from operating activities	<u>(1,970)</u>	<u>658</u>

Appendix V
Pro forma balance sheet for Amco Corporation Plc including Dosco and Tolent subsidiaries

The following is an illustrative pro forma balance sheet of the enlarged Group and is based on the unaudited management accounts of the established Group, Dosco and Tolent, as at July 1995, adjusted for the matters referred to in the notes below. It is prepared for illustrative purposes only and because of its nature cannot give a complete picture of the enlarged Group's financial position.

	Amco Corporation	Dosco Holdings	Dosco Overseas	Tolent Corporation	Tolent Holdings	Adjustment One	Adjustment Two	Adjustment Three	Adjustment Four	Consolidated
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Fixed Assets										
Tangible fixed assets	7,985	0	2,778	0	5,290	0	0	0	0	16,053
Investments in Group Companies	2	12,759	0	150	0	(2)	(12,759)	(150)	0	0
	<u>7,987</u>	<u>12,759</u>	<u>2,778</u>	<u>150</u>	<u>5,290</u>	<u>(2)</u>	<u>(12,759)</u>	<u>(150)</u>	<u>0</u>	<u>16,053</u>
Current Assets										
Non cash assets	13,608	0	19,966	0	15,712	0	0	0	0	49,286
Group loans	4,200	0	0	0	0	0	0	0	(4,200)	0
Cash on deposit (insurance & bonds)	1,282	0	658	0	0	0	0	0	0	1,940
Cash at bank	76	1	615	1	0	0	0	0	0	693
	<u>19,166</u>	<u>1</u>	<u>21,239</u>	<u>1</u>	<u>15,712</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(4,200)</u>	<u>51,919</u>
Current liabilities										
Non cash current liabilities	11,354	1,410	11,279	0	18,059	0	0	0	0	42,102
Group loans	0	4,050	0	150	0	0	0	0	(4,200)	0
Net bank overdraft	3,520	0	0	0	2,025	0	0	0	(1,250)	4,295
Bank loans & HP	509	0	0	0	335	0	0	0	600	1,444
	<u>15,383</u>	<u>5,460</u>	<u>11,279</u>	<u>150</u>	<u>20,419</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(4,850)</u>	<u>47,841</u>
Current net assets	<u>3,783</u>	<u>(5,459)</u>	<u>9,960</u>	<u>(149)</u>	<u>(4,707)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>650</u>	<u>4,078</u>
Net Assets	<u>11,770</u>	<u>7,300</u>	<u>12,738</u>	<u>1</u>	<u>583</u>	<u>(2)</u>	<u>(12,759)</u>	<u>(150)</u>	<u>650</u>	<u>20,131</u>
Creditors due after more than one year										
Bank loans & HP	1,623	0	0	0	2,482	0	0	0	650	4,755
Deferred tax	258	0	(21)	0	101	0	0	0	0	338
	<u>1,881</u>	<u>0</u>	<u>(21)</u>	<u>0</u>	<u>2,583</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>650</u>	<u>5,093</u>
	<u>9,889</u>	<u>7,300</u>	<u>12,759</u>	<u>1</u>	<u>(2,000)</u>	<u>(2)</u>	<u>(12,759)</u>	<u>(150)</u>	<u>0</u>	<u>15,038</u>
Capital and reserves										
Ordinary share capital	3,258	1	10	1	151	(2)	(10)	(151)	0	3,258
Revenue reserves	6,631	0	12,749	0	(2,271)	0	(12,749)	2,271	0	6,631
Capital reserves	0	7,299	0	0	120	0	0	(2,270)	0	5,149
	<u>9,889</u>	<u>7,300</u>	<u>12,759</u>	<u>1</u>	<u>(2,000)</u>	<u>(2)</u>	<u>(12,759)</u>	<u>(150)</u>	<u>0</u>	<u>15,038</u>
Gearing	0.93% (before acquisitions)									52.27%

Adjustments

One Consolidation adjustments to remove investment of Amco Corporation in Dosco Holdings and Tolent Corporation.

Two Dosco Holdings consolidation adjustment removing pre-acquisition revenue and capital reserves.

Three Tolent Corporation consolidation adjustment removing pre-acquisition losses and capital reserves, and writing off the goodwill to capital reserve.

Four Adjustment to show £1.25 million bank loan into Amco Corporation and consolidation adjustment to remove intra group loans from Amco Corporation to Dosco Holdings and Tolent Corporation.