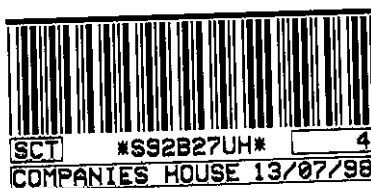


A Farquhar (Builders) Limited
(Company Number 34647)
Registered in Scotland

Directors' Report and Accounts

18 Month Period Ended 31 December 1997

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A Farquhar (Builders) Limited

Directors' Report

The directors present their annual report and the accounts for the 18 month period ended 31 December 1997.

Principal Activities

The company did not trade during the period and has not incurred any expenditure.

Change in Ultimate Parent Undertaking

On 13 June 1997, Raine plc was acquired by Alfred McAlpine plc. Therefore, the ultimate parent undertaking of the company changed from Raine plc to Alfred McAlpine plc.

Dividends

The directors do not recommend the payment of a dividend (1996 -£Nil).

Directors and Their Interests

The directors of the company who served during the period were:

Raine Financial Services Limited
Raine Management Services Limited

The company is a wholly owned subsidiary undertaking of Raine Financial Services Limited. Neither corporate director had any beneficial interests in the shares of the ultimate parent undertaking, Alfred McAlpine plc.

The "Elective Regime"

At the Annual General Meeting held on 15 November 1990, the company adopted a resolution under the terms of Section 379A, Companies Act 1985 (as amended), to take advantage of the full range of procedural relaxations permitted by that provision. Accordingly, no Annual General Meeting is to be held and the accounts will not be laid before the members.

Auditors

The members of the company have previously adopted a resolution within the terms of the Companies Act 1985 under which auditors need not be appointed.

These financial statements are therefore unaudited.

This report was approved by the directors on 26 June 1998

By Order of the Board



For and on behalf of
Raine Management Services Limited

A Farquhar (Builders) Limited

Balance Sheet At 31 December 1997

	Note	31 December 1997 £	30 June 1996 £
Current assets			
Debtors	3	10,335	10,335
Capital and reserves			
Called up share capital	4	600,000	600,000
Share premium account		52,490	52,490
Profit and loss account		(642,155)	(642,155)
		10,335	10,335

The directors confirm that the company was dormant, within the meaning of Section 250 of the Companies Act 1985 (as amended), throughout the period ended 31 December 1997.

These accounts were approved by the board by the directors on *26 June 1998*
and signed on its behalf by:

for and behalf of
Raine Financial Services Limited



Director

A Farquhar (Builders) Limited

Notes To The Accounts For The 18 Month Period Ended 31 December 1997

1 Basis of Preparation

The accounts have been prepared using the historical cost convention and in accordance with applicable Accounting Standards.

The year end for the company has changed to 31 December to conform with the year end of Alfred McAlpine plc.

2 Profit and Loss Account

During the financial period and the preceding financial year the company did not trade and received no income and incurred no expenditure. Consequently, during these periods, the company made neither a profit nor a loss.

3 Debtors

	31 December 1997 £	30 June 1996 £
Amounts owed by group undertakings	10,335	10,335

4 Share Capital

	£	£
Authorised, allotted, called up and fully paid:		
1% Preference shares of £1 each	100,000	100,000
0.5% Preference shares of £1 each	250,005	250,005
Ordinary shares of £1 each	249,995	249,995
	600,000	600,000

5 Ultimate Parent Undertaking

The ultimate parent undertaking is Alfred McAlpine plc a company registered in England. Copies of the accounts of Alfred McAlpine plc are available from 8 Suffolk Street, London SW1Y 4HG.