

CANBERRA PROPERTY GROUP LIMITED
REGISTERED NUMBER 1001855

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 1999



CANBERRA PROPERTY GROUP LIMITED
DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 1999

The directors have pleasure in submitting their report and audited financial statements for the year ended 31 December 1999.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

With effect from 3 July 1999 the company transferred its business and assets to Alfred McAlpine Homes Holdings. The company did not trade during the year.

DIVIDENDS

During the year dividends of £4,860,000 were paid (1998 : £nil). It is proposed to transfer the loss of £4,860,000 (1998 : £nil) from reserves.

DIRECTORS

The following directors served during the year:

S G Mills (appointed 2 July 1999)
I M White (appointed 2 July 1999)
S I Roden

None of the directors had a beneficial interest in any contract or arrangement of significance to which the company was a party during the year.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to

CANBERRA PROPERTY GROUP LIMITED
DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 1999
(CONTINUED)

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.

AUDITORS

PricewaterhouseCoopers have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment and authorising the directors to fix their remuneration was passed by the directors.

By Order of the Board

A handwritten signature in black ink, appearing to read 'R D Ansell', written in a cursive style.

R D Ansell
COMPANY SECRETARY
16 March 2000

AUDITORS' REPORT TO THE MEMBERS OF CANBERRA PROPERTY GROUP LIMITED

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Directors' Report and Financial Statements. As described on pages 1 and 2, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

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 United Kingdom Companies Act. We also report to you if, in our opinion, the director's 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 is not disclosed.

We read the other information contained in the Directors' Report and Financial Statements and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the 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 company's affairs at 31 December 1999 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants
and Registered Auditors

16 March 2000

CANBERRA PROPERTY GROUP LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 1999

	Notes	1999 £	1998 £
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	-
Taxation		-	-
		-----	-----
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		-	-
Dividends Payable		(4,860,000)	-
		-----	-----
RETAINED LOSS FOR THE FINANCIAL YEAR		(4,860,000)	-
Retained Profit brought forward		4,860,266	4,860,266
		-----	-----
Retained Profit carried forward		266	4,860,266
		=====	=====

The notes on pages 6 to 9 form part of these financial statements.

The result for the year includes all recognised gains and losses in the year.

There is no material difference between the results as disclosed in the profit and loss account and results on an historical basis.

CANBERRA PROPERTY GROUP LIMITED
BALANCE SHEET
31 DECEMBER 1999

	<u>Notes</u>	<u>1999</u> £	<u>1998</u> £
FIXED ASSETS			
Investments	3	-	2,166,079
CURRENT ASSETS			
Debtors	4	250,266	2,944,187
		-----	-----
TOTAL ASSETS LESS			
CURRENT LIABILITIES		250,266	5,110,266
		=====	=====
CAPITAL AND RESERVES			
Called up share capital	5	250,000	250,000
Profit and loss account	6	266	4,860,266
		-----	-----
SHAREHOLDERS' FUNDS	7	250,266	5,110,266
		=====	=====

The notes on pages 6 to 9 form part of these financial statements.

The financial statements and notes were approved by the Board of Directors on 16 March 2000 and signed on their behalf.



I M White
DIRECTOR

CANBERRA PROPERTY GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1999

1 ACCOUNTING POLICIES

(a) Basis of Preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

(b) Basis of consolidation

In accordance with the provisions of Section 228 of the Companies Act 1985, group financial statements are not presented.

(c) Cash Flow Statement

The cash flows for the year are included within the consolidated cash flow statement disclosed in the financial statements of Alfred McAlpine PLC. Therefore in accordance with the provisions of Financial Reporting Standard 1 (Revised 1996), no cash flow statement is required in these financial statements.

(d) Fixed Asset Investments

Investments held as fixed assets are valued at cost unless in the opinion of the Directors, there is a permanent diminution in value.

(e) Related Party Transactions

The company has taken advantage of the exemption not to disclose related party transactions with other members of the group under FRS 8 (Related Party Disclosures) as it is a wholly owned subsidiary.

CANBERRA PROPERTY GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1999

2 DIRECTORS AND EMPLOYEES

No director received any emoluments in the period (1998: Nil). The company had no other employees during the period.

The interests of SI Roden in the shares of Alfred McAlpine PLC are shown in the notes to the financial statements of Alfred McAlpine Homes Midlands Limited. The interests of S G Mills and I M White in the shares of Alfred McAlpine PLC are shown in the notes of Alfred McAlpine Homes Limited.

3 FIXED ASSET INVESTMENTS

	£
Shares in subsidiary undertakings at cost	
At 31st December 1998	2,166,079
Disposal at cost	(2,166,079)

At 31st December 1999	=

Details of subsidiary undertakings, whose principal activities are house building and property development and are all registered in England, are as follows:-

Name	% Holding
Alfred McAlpine Homes Midlands Limited	100
Canberra (Southern) Limited	100
Spinks & Denning Limited	100
L & A Freeman Limited	100
Melbourne Investments Limited	100
Canberra Investment Co Limited	100
Canberra Developments (Southern) Limited	100
Alfred McAlpine Homes South West Limited	100

The investments in all the subsidiary undertakings were transferred to Alfred McAlpine Homes Holdings Limited on 3 July 1999.

4 DEBTORS

	<u>1999</u>	<u>1998</u>
	£	£
Amounts owed by group undertakings	250,266	2,944,187
	=====	=====

CANBERRA PROPERTY GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1999

5 CALLED UP SHARE CAPITAL

	1999 £	1998 £
Authorised:		
300,000 ordinary shares of £1 each	300,000	300,000
	<u> </u>	<u> </u>
Allotted and fully paid:		
250,000 ordinary shares of £1 each	250,000	250,000
	<u> </u>	<u> </u>

6 PROFIT AND LOSS ACCOUNT

	£
At 1 January 1999	4,860,266
Dividend Paid	(4,860,000)
	<u> </u>
At 31 December 1999	266
	<u> </u>

7 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	1999 £	1998 £
Opening shareholders' funds	5,110,266	5,110,266
Dividend Paid	(4,860,000)	-
	<u> </u>	<u> </u>
Closing shareholders' funds	250,266	5,110,266
	<u> </u>	<u> </u>

8 TRANSFER OF THE ASSETS AND TRADE TO ALFRED McALPINE HOMES HOLDINGS LIMITED

With effect from 3 July 1999, the company agreed to transfer its business to Alfred McAlpine Homes Holdings Limited. On this date the company transferred its assets and liabilities for consideration equal to their book value. The consideration has been recorded via an intercompany loan receivable from Alfred McAlpine Homes Holdings Limited.

CANBERRA PROPERTY GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1999

9 ULTIMATE PARENT UNDERTAKING

The immediate parent undertaking is Alfred McAlpine Homes Holdings Limited, a company registered in England.

The ultimate parent undertaking is Alfred McAlpine PLC, a company registered in England.

A copy of the group financial statements of the ultimate parent undertaking may be obtained from the Company Secretary, Alfred McAlpine PLC, 8 Suffolk Street, London, SW1Y 4HG.