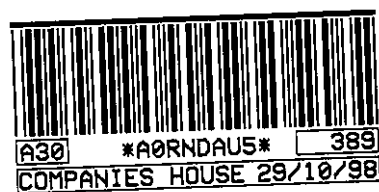


VIEWTON PROPERTIES LIMITED
ANNUAL REPORT AND ACCOUNTS 1997

2436950



VIEWTON PROPERTIES LIMITED
ANNUAL REPORT AND ACCOUNTS 1997

DIRECTORS

M J COX
S R JACKSON

SECRETARY

C FELLOWES

REGISTERED OFFICE

SANDIWAY HOUSE
HARTFORD
NORTHWICH
CHESHIRE CW8 2YA

REGISTERED AUDITOR

KPMG Audit Plc
CHARTERED ACCOUNTANTS

**COMPANY REGISTRATION
NUMBER**

2436950

**VIEWTON PROPERTIES LIMITED
REPORT OF THE DIRECTORS**

BUSINESS REVIEW AND PRINCIPAL ACTIVITY

The principal activity of the business is house building.

During the year the company traded entirely for the benefit of its fellow subsidiary undertaking Fairclough Homes Group Limited, under the provisions of an Agency Agreement in this regard.

RESULT AND DIVIDEND

The profit for the year after tax amounted to £ nil.

The directors do not recommend the payment of a dividend.

DIRECTORS AND DIRECTORS INTERESTS

The following were directors during the year:-

Messrs M J Cox and S R Jackson.

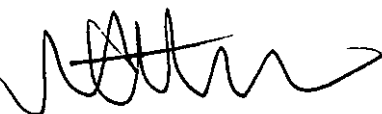
The interests in the ordinary share capital and loan stock of AMEC plc., the ultimate holding company, of the directors holding office at 31 December 1997 were as follows :-

	<u>Ordinary shares of 50p each</u>					
	<u>Executive Option</u>		<u>SAYE Option</u>		<u>Beneficial</u>	
	1.1.97	31.12.97	1.1.97	31.12.97	1.1.97	31.12.97
S R Jackson	-	-	8,401	8,401	-	-
M J Cox	75,000	75,000	13,796	13,796	-	-

Pursuant to section 386 of the Companies Act 1985 the company is not required to reappoint its auditors annually. KPMG Audit Plc will therefore continue as the company's auditor.

No options were exercised during the year.

By Order of the Board



C FELLOWES
Secretary
20 October 1998

AMEC plc
Sandiway House
Hartford
Northwich
Cheshire CW8 2YA

VIEWTON PROPERTIES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1997

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

BALANCE SHEET AS AT 31 DECEMBER 1997

NOTE	1997	1996
	£000	£000
CURRENT ASSETS		
3 Debtors	<u>1</u>	<u>1</u>
CAPITAL AND RESERVES		
4,5 Called up share capital	1	1
5 Profit & loss account	<u>-</u>	<u>-</u>
	<u>1</u>	<u>1</u>
SHAREHOLDERS' FUNDS		
Equity	0.1	0.1
Non-equity	<u>0.9</u>	<u>0.9</u>
	<u>1</u>	<u>1</u>

These financial statements were approved by the Board of Directors on 20 October 1998 and signed on its behalf by:

DIRECTOR


M J COX

DIRECTOR


S R JACKSON

VIEWTON PROPERTIES LIMITED

NOTES ON THE ACCOUNTS

1. Accounting Policies

The company has adopted the following principal accounting policies.

a) Basis of the preparation of the accounts

The directors have taken advantage of the exemption in FRS8, paragraph 3(c) and have not disclosed related party transactions with parent and fellow subsidiary undertakings.

b) Accounting Convention

The accounts have been prepared under the historical cost convention.

c) Cash flow statement

The company is exempt from the requirement of Financial Reporting Standard No 1 to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of AMEC plc, and its cash flows are included within the consolidated cash flow of that company.

2. Directors remuneration

Apart from the directors, no other persons were employed by the company. None of the directors were paid any remuneration during the year or during last year.

3. Debtors

	1997	1996
	£000	£000
Due within one year:		
Other Debtors	<u>1</u>	<u>1</u>

4. Share capital

	Authorised		Allotted called up and fully paid	
	<u>1997</u>	<u>1996</u>	<u>1997</u>	<u>1996</u>
	number	number	£	£
"A" Ordinary shares of £1 each	50	50	50	50
"B" Ordinary shares of £1 each	50	50	50	50
Preference shares of £1 each	900	900	900	900

5. Reconciliation of movement in shareholder's funds

	<u>1997</u>		<u>1996</u>	
	Share Capital	P & L Account	Total	Total
	£000	£000	£000	£000
Balance at 1 January	1	0	1	1
Retained profit for the year	-	0	0	0
Transferred from parent company	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Balance at 31 December	<u>1</u>	<u>0</u>	<u>1</u>	<u>1</u>

6. Ultimate Parent Company

The company regarded by the directors as the ultimate parent company is AMEC plc., which is incorporated in England.

The largest group in which the results of the company are consolidated is that headed by AMEC plc. Copies of the group accounts of AMEC plc., can be obtained from AMEC plc., Sandiway House, Northwich, Cheshire CW8 2YA.

VIEWTON PROPERTIES LIMITED
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 or loss 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.
- 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 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 ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

**REPORT OF THE AUDITORS
TO THE MEMBERS OF
VIEWTON PROPERTIES LIMITED**

We have audited the financial statements on pages 3 and 4.

Respective responsibilities of directors and auditors

As described on page 5 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on 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 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 affairs of the company as at 31 December 1997 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit PL

KPMG Audit Plc
Chartered Accountants
Registered Auditor
PRESTON

2) October 1998