

McLean Homes North East Limited

Directors' report and financial statements

For the year ended 31 December 1995

Registered number 2786677



McLean Homes North East Limited

Directors' report and financial statements

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McLean Homes North East Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 1995.

Review of the business

During the year, the company has not traded. It has received no income and incurred no expenditure and consequently has made neither a profit nor a loss.

Subsequent events

On 15 November 1995 Tarmac PLC announced that it had reached agreement in principle with George Wimpey plc to exchange certain businesses of that company for the private sector housing business of Tarmac PLC, including this company. A contract to that effect was signed on 9 February 1996. Completion is subject to shareholders' consents and certain regulatory clearances.

Directors and directors' interests

The directors who served during the year were as follows:

RJ Harrison
B Fellows (appointed 28 March 1995)
B Waite
C Sayers
DM Price

The notifiable interests of the directors in the share capital of the ultimate parent undertaking at 31 December were as follows:

| | Ordinary shares of 50p each | |
|----------|-----------------------------|-------|
| | 1995 | 1994 |
| B Waite | 1,093 | 892 |
| C Sayers | 3,000 | 3,000 |

| | Ordinary shares of 50p each under option | | | |
|----------|--|-----------------------------------|-------------------------------------|---------|
| | 1995 | Options granted during year | Options exercised during year | 1994 |
| DM Price | 175,158 | 49,583 | - | 131,870 |
| B Waite | 24,454 | 9,583 | - | 21,166 |
| C Sayers | 14,871 | - | - | 14,871 |

McLean Homes North East Limited

Directors' report *(continued)*

Directors and directors' interests *(continued)*

All the options were granted under the terms of the ultimate parent company's savings related and executive share option schemes.

RJ Harrison's interests in the share capital of group companies is disclosed in the financial statements of the ultimate holding company.

Directors' and officers' liability insurance

Insurance cover has been arranged in respect of the personal liabilities which may be incurred by directors and officers of the company in the course of their employment.

Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution of the re-appointment of KPMG as auditors of the company is to be proposed at the forthcoming annual general meeting.

By order of the board


J Phillips
Secretary

11 FEB 1991

Crestwood House
Birches Rise
Willenhall
West Midlands
WV13 2DD



Quayside House
110 The Quayside
Newcastle Upon Tyne
NE1 3DX

Auditors' report to the members of McLean Homes North East Limited

We have audited the financial statements on pages 4 and 5.

Respective responsibilities of directors and auditors

The company's directors are responsible for the preparation of financial statements which meet the requirements of company law and accounting standards. 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 reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. 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 as at 31 December 1995 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

11 FEB 1996

KPMG
Chartered Accountants
Registered Auditors

McLean Homes North East Limited

Balance sheet at 31 December 1995

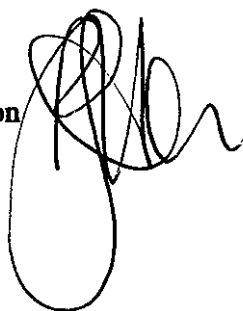
| | <i>Note</i> | 1995 £ | 1994 £ |
|---|-------------|-----------|-----------|
| Current assets | | | |
| Debtors: Amounts falling due after more than one year | 3 | <u>2</u> | <u>2</u> |
| Capital and reserves | | | |
| Called up share capital | 4 | <u>2</u> | <u>2</u> |

These financial statements were approved by the board of directors on
were signed on its behalf by:

and

111 FEB 1996

RJ Harrison
Director



McLean Homes North East Limited

Notes

(forming part of the financial statements)

1 Profit and loss account

During the financial year and the preceding financial year the company did not trade and received no income and incurred no expenditure. Consequently during those periods the company made neither a profit or a loss.

2 Accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards and under the historical cost accounting rules.

3 Debtors: Amounts falling due after more than one year

| | 1995 | 1994 |
|---|------|------|
| | £ | £ |
| Amounts owed by group undertakings: | | |
| Loan account - immediate parent undertaking | 2 | 2 |

4 Share capital

| | 1995 | 1994 |
|---------------------------------|------|------|
| | £ | £ |
| Authorised: | | |
| Ordinary shares of £1 each | 100 | 100 |
| Allotted and fully paid: | | |
| Ordinary shares of £1 each | 2 | 2 |

5 Parent undertaking

The company's ultimate parent undertaking is Tarmac PLC and the immediate parent undertaking is John McLean & Sons Limited. Both companies are registered in England and Wales.

Both Tarmac PLC (the largest) and John McLean & Sons Limited (the smallest) have prepared consolidated financial statements which include the financial statements of the company.

Copies of the financial statements of Tarmac PLC may be obtained from the Company Secretary, Tarmac PLC, Hilton Hall, Essington, Wolverhampton, WV11 2BQ.

Copies of the financial statements of John McLean & Sons Limited may be obtained from the Company Secretary, John McLean & Sons Limited, Crestwood House, Birches Rise, Willenhall, West Midlands, WV13 2DD.