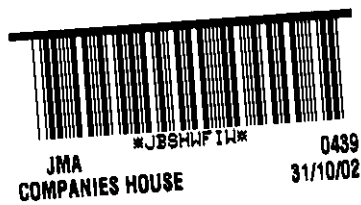


Primequota Limited

Directors' report and accounts

31 December 2001

Registered number 3897071



Primequota Limited

Directors

J D Early
D T O'Brien
P Parry

Secretary

S Taberner
C L Fidler

Registered Office

Sandiway House
Hartford
Northwich
Cheshire
CW8 2YA

Auditors

KPMG Audit Plc
Chartered Accountants
St James' Square
Manchester
M2 6DS

Primequota Limited

Directors' report

Business review

The company is the holding company for Primequota (Bamber Bridge 2000) Limited and Primequota (Dudley) Limited, both of which are property development companies.

On 24 September 2002, AMEC Developments Limited acquired 100% of the B Shares in the company and became the sole parent undertaking on that date. During October the 'A' and 'B' shares were redesignated as 'Ordinary' shares

Directors

The current directors are listed on page 1.

The directors who served during the year were:

DJW Barry (appointed 17 July 2001, resigned 6 September 2002)

JD Early

B Frith (appointed 17 July 2001, resigned 6 September 2002)

DT O'Brien

A Padidar (appointed 17 July 2001, resigned 6 September 2002)

P Parry


O Russo (resigned 17 July 2001)

None of the directors had any interests in the share capital of the company.

Auditors

A resolution is to be proposed at the Annual General Meeting for the re-appointment of KPMG Audit Plc as auditors of the company.

By Order of the Board



C L FIDLER
Secretary

18/10/02

AMEC plc
Sandiway House
Hartford
Northwich
Cheshire
CW8 2YA

Primequota Limited

Consolidated profit and loss account for the year ended 31 December 2001

	2001 £000	2000 £000
Turnover	911	-
Profit on ordinary activities before interest	911	-
Interest payable	(1,143)	-
Retained loss for the year	(232)	-

All turnover and profit on ordinary activities are derived from continuing operations.

There is no difference between the retained loss for the year stated above and its historical cost equivalent.

Consolidated statement of total recognised gains and losses for the year ended 31 December 2001

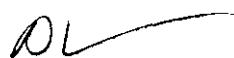
There are no recognised gains or losses during the year and preceding financial period other than the retained loss for the year stated above.

Primequota Limited

Consolidated Balance Sheet as at 31 December 2001

	Note	2001 £000	2001 £000	2000 £000	2000 £000
CURRENT ASSETS					
Stocks	5	29,190		14,723	
Debtors: amounts falling due within one year	6	625		2,235	
Cash in hand and at bank		470		-	
		<u>30,285</u>		<u>16,958</u>	
CREDITORS: amounts falling due within one year	7	<u>(9,416)</u>		<u>(2,425)</u>	
NET CURRENT ASSETS			20,869		14,533
CREDITORS: amounts falling due after more than one year	8		(21,100)		(14,532)
NET (LIABILITIES)/ASSETS			<u>(231)</u>		<u>1</u>
CAPITAL AND RESERVES					
Share capital	9		1		1
Profit and loss account	10		(232)		-
			<u>(231)</u>		<u>1</u>

These accounts were approved by the Board of Directors on 18/10/02
and were signed on its behalf by:



D T O'BRIEN
DIRECTOR

The notes on pages 7 to 11 form part of these accounts.

Primequota Limited

Company Balance Sheet as at 31 December 2001

	Note	2001 £000	2000 £000
FIXED ASSETS			
Investments	3	-	-
CURRENT ASSETS			
Debtors: amounts falling due within one year	6	8,726	1
Debtors: amounts falling due in more than one year	6	<u>1,500</u>	<u>1,500</u>
		10,226	1,501
CREDITORS: amounts falling due within one year	7	<u>(8,725)</u>	<u>-</u>
NET CURRENT ASSETS		1,501	1,501
CREDITORS: amounts falling due after more than one year	8	<u>(1,500)</u>	<u>(1,500)</u>
NET ASSETS		<u><u>1</u></u>	<u><u>1</u></u>
CAPITAL AND RESERVES			
Share capital	9	<u><u>1</u></u>	<u><u>1</u></u>

These accounts were approved by the Board of Directors on 12/10/02
and were signed on its behalf by:



D T O'BRIEN
DIRECTOR

The notes on pages 7 to 11 form part of these accounts.

Primequota Limited

Consolidated Cash Flow Statement for the year ended 31 December 2001

	<i>Note</i>	2001 £000	2000 £000
NET CASH FLOW FROM OPERATING ACTIVITIES	11	(4,955)	(13,039)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest paid		(1,143)	-
NET CASH FLOW BEFORE USE OF LIQUID RESOURCES AND FINANCING		(6,098)	(13,039)
FINANCING			
Ordinary shares issued		-	1
Net movement in loans	12	<u>6,568</u>	<u>13,032</u>
MOVEMENT IN CASH		<u>470</u>	<u>(6)</u>

Primequota Limited

Notes to the Accounts

1 ACCOUNTING POLICIES

Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Companies Act 1985.

Basis of consolidation

The consolidated accounts include the accounts of the company and its subsidiary undertaking made up to 31 December 2001.

Under Section 230 (4) of the Companies Act 1985, the company is exempt from the requirement of presenting its own Profit and Loss Account.

Going Concern

The accounts are prepared on a going concern basis on the grounds that the company's future immediate parent company, AMEC Developments Limited, has confirmed that its present intention is to provide financial support to enable the company to continue its operations and to meet its financial obligations.

Goodwill

Following the introduction of FRS 10 "Goodwill and Intangible Assets", goodwill arising on acquisitions made post 1 January 1998 representing the excess of the fair value of purchase consideration over the fair value of net assets acquired is capitalised and amortised over its estimated useful life.

Turnover

Turnover comprises rental income and other amounts invoiced excluding Value Added Tax.

Stocks and work in progress

Stocks and work in progress, other than long-term contract work in progress, are stated at the lower of cost including attributable overheads and net realisable value.

Long-term contracts

Amounts recoverable on long-term contracts are stated at cost plus attributable profits less provision for any known or anticipated losses, and payments on account and are included in debtors. Payments received on account in excess of amounts recoverable on long-term contracts are included in creditors.

Taxation

The charge for taxation is based on the results for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

2 DIRECTORS' REMUNERATION

None of the directors received remuneration in respect of their services during the period.

Primequota Limited

Notes (continued)

3 PROFITS OF HOLDING COMPANY

The profit dealt with in the accounts of the parent company was £Nil (2000:£nil).

4 INVESTMENTS (held as fixed assets)

	Equity Held %	At 1 January and 31 December 2001 £000
COST		
Subsidiary undertakings		
Primequota (Bamber Bridge 2000) Limited		
100 £1 ordinary shares	100	-
Primequota (Dudley) Limited		
100 £1 ordinary shares	100	-
		<u>-</u>
		<u>-</u>
		<u>-</u>

All the above companies are incorporated in England and have principal activities in property development.

5 STOCKS

	Group		Company	
	2001 £000	2000 £000	2001 £000	2000 £000
Work in progress	29,190	14,723	-	-

6 DEBTORS

	Group		Company	
	2001 £000	2000 £000	2001 £000	2000 £000
Amounts falling due within one year:				
Trade debtors	624	1	1	1
Other debtors	1	2,234	-	-
Amounts owed by group undertakings	-	-	8,725	-
	<u>625</u>	<u>2,235</u>	<u>8,726</u>	<u>1</u>
Amounts falling due after more than one year:				
Amounts owed by group undertakings	-	-	1,500	-

Primequota Limited

Notes (continued)

7 CREDITORS: Amounts falling due within one year

	Group		Company	
	2001	2000	2001	2000
	£000	£000	£000	£000
Bank loans and overdrafts	6	6	-	-
Trade creditors	5	7	-	-
Amounts owed to parent undertakings	8,725	2,400	8,725	-
Other taxation and social security costs	320	-	-	-
Accruals and deferred income	360	12	-	-
	<u>9,416</u>	<u>2,425</u>	<u>8,725</u>	<u>-</u>

8 CREDITORS: Amounts falling due after more than one year

	Group		Company	
	2001	2000	2001	2000
	£000	£000	£000	£000
Bank loans and overdrafts	19,600	13,032	-	-
Amounts owed to parent undertakings	1,500	1,500	1,500	1,500
	<u>21,100</u>	<u>14,532</u>	<u>1,500</u>	<u>1,500</u>

There are two bank loans which are repayable between 1 January 2004 and 31 December 2006, they are secured against certain assets of the group, and subject to interest at rates between 6.75% and 7.2%.

9 SHARE CAPITAL

	Authorised		Allotted, called up and fully paid	
	2001	2000	2001	2000
	number	Number	£	£
Ordinary 'A' shares of £1 each	500	500	500	500
Ordinary 'B' shares of £1 each	500	500	<u>500</u>	<u>500</u>
			<u>1,000</u>	<u>1,000</u>

At 31 December 2001, the issued ordinary 'A' shares were held by AMEC Developments Limited and the issued ordinary 'B' shares were held in equal numbers by Darleen (UK) Limited and Darleen Holdings Company NV registered in Holland.

Primequota Limited

On 24 September 2002 AMEC Developments Limited acquired 100% of the ordinary 'B' shares and transferred them to AMEC Nominees Limited. On 10 October 2002, the 'A' and 'B' shares were redesignated as ordinary shares and on 15 October AMEC Nominees transferred 499 'Ordinary' shares to AMEC Developments Limited.

As at 15 October 2002 AMEC Developments Limited holds 999 ordinary shares and AMEC Nominees Limited holds 1 ordinary share.

10 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

Group	Share capital £000	Profit and loss account £000	Total 2001 £000	Total 2000 £000
Balance at 1 January 2001	1	-	1	-
Ordinary shares issued	-	-	-	1
Retained loss for the year	-	(232)	(232)	-
Balance at 31 December 2001	-	(232)	(231)	-

Company	Share capital £000	Profit and loss account £000	Total 2001 £000	Total 2000 £000
Balance at 1 January 2001	1	-	1	-
Ordinary shares issued	-	-	-	1
Balance at 31 December 2001	-	-	1	-

11 RECONCILIATION OF TOTAL OPERATING PROFIT TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2001 £000	2000 £000
Group operating profit	911	-
Increase in work in progress	(14,467)	(14,723)
Decrease/(increase) in debtors	1,610	(2,235)
Increase in creditors	<u>6,991</u>	<u>3,919</u>
Net cash flow from operating activities	<u>(4,955)</u>	<u>(13,039)</u>

Primequota Limited

Notes (continued)

12 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET CASH

	2001 £000	2000 £000
Movement in cash	470	-
Cash flow from movement in debt	<u>(6,568)</u>	<u>(13,038)</u>
Change in net debt resulting from cash flows	<u>(6,098)</u>	<u>(13,038)</u>

13 ANALYSIS OF NET DEBT

	2001 £000	2000 £000
Cash at bank and in hand	470	-
Debt due within one year	(6)	(6)
Debt due after more than one year	<u>(19,600)</u>	<u>(13,032)</u>
Net debt	<u>(19,136)</u>	<u>(13,038)</u>

14 RELATED PARTY TRANSACTIONS

During the year, AMEC Developments Limited and Darleen (UK) Limited provided finance for the company. At 31 December 2001 the amount due to AMEC Developments Limited was £9,466,000 and the amount due to Darleen (UK) Limited was £779,000.

15 POST BALANCE SHEET EVENT

On 24 September 2002 AMEC Developments Limited, a subsidiary undertaking of AMEC plc, acquired 100% of the 'B' ordinary shares. From that date the directors consider AMEC plc to be the ultimate parent company.

Primequota Limited

Statement of directors' responsibilities

Company law requires the directors to prepare accounts 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 accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgement 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 accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining 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 accounts 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.

Primequota Limited

Independent Auditors' report to the members of Primequota Limited

We have audited the accounts on pages 3 to 11.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 12, the accounts in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the accounts, 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 with the company is not disclosed.

Basis of audit 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion, the accounts give a true and fair view of the state of the affairs of the company and the group as at 31 December 2001 of the loss of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Wm Audit Plc.

KPMG Audit Plc
Chartered Accountants
Registered Auditor
MANCHESTER
Date

30th October 2002.