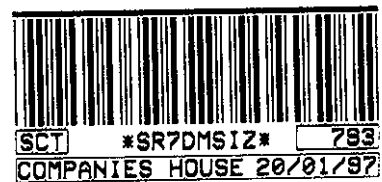


AIRDRIEHILL QUARRIES LIMITED
(Registered Number 23357)

REPORT AND ACCOUNTS

YEAR ENDED 30 MARCH 1996

12



AIRDRIEHILL QUARRIES LIMITED

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AIRDRIEHILL QUARRIES LIMITED

DIRECTORS' REPORT

The Directors present their annual report and statement of accounts for the year ended 30 March 1996.

PRINCIPAL ACTIVITY, BUSINESS REVIEW AND FUTURE PROSPECTS

The Company did not trade during the year.

DIRECTORS

The Directors who held office during the year were as follows:

D J Downes
K R Morin

DIRECTORS' INTERESTS

None of the Directors had a direct interest in the share capital of the Company.

Those Directors who were not also Directors of Shanks & McEwan Group PLC had interests in that Company's share capital as follows:

	<u>As at 30 March 1996</u>		<u>As at 1 April 1995</u>	
	<u>Ordinary Shares of 10p</u>	<u>Options</u>	<u>Ordinary Shares of 10p</u>	<u>Options</u>
K R Morin	48,000	188,363	58,955	109,583

The other Directors were also Directors of Shanks & McEwan Group PLC. Their interests in the share capital are shown in that Company's financial statements.

The Directors had no interests in the shares of any other Company in the group.

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 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 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 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.

AIRDRIEHILL QUARRIES LIMITED

DIRECTORS' REPORT (CONTINUED)

AUDITORS

Price Waterhouse have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

By Order of the Board



S Muir
Secretary
22 November 1996

Registered Office:
A8 Edinburgh Road
Coatbridge
Lanarkshire
ML5 4UG

Price Waterhouse



AUDITORS' REPORT TO THE MEMBERS OF AIRDRIEHILL QUARRIES LIMITED

We have audited the financial statements on pages 4 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of Directors and auditors

As described on page 1 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 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 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 as at 30 March 1996 and have been properly prepared in accordance with the Companies Act 1985.

Price Waterhouse

PRICE WATERHOUSE
Chartered Accountants
and Registered Auditors

22 November 1996

Offices at Aberdeen, Birmingham, Bristol, Cardiff, Edinburgh, Glasgow, Hull, Leeds, Leicester, London, Manchester, Middlesbrough, Newcastle, Nottingham, St Albans, Southampton and Windsor

The partnership's principal place of business is at Southwark Towers, 32 London Bridge Street, London SE1 9SY where a list of the partners' names is available for inspection.

The firm is authorised by the Institute of Chartered Accountants in England and Wales to carry on investment business.

AIRDRIEHILL QUARRIES LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 MARCH 1996**

	<u>1996</u> £	<u>1995</u> £
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	-	-
Tax on profit/(loss) on ordinary activities (Note 4)	<u>-</u>	<u>(14,000)</u>
TRANSFERRED TO RESERVES (Note 9)	<u>-</u>	<u>14,000</u>

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 30 MARCH 1996**

The Company has no recognised gains or losses other than the result for the year.

**NOTE OF HISTORICAL COST PROFITS AND LOSSES
FOR THE YEAR ENDED 30 MARCH 1996**

There is no material difference between the reported result for the year and those that would be reported under the historical cost convention.

The notes on pages 6 to 8 form part of these financial statements.

AIRDRIEHILL QUARRIES LIMITED
BALANCE SHEET - 30 MARCH 1996

	<u>1996</u> £	<u>1995</u> £
FIXED ASSETS		
Tangible assets (Note 5)	<u>2,000</u>	<u>2,000</u>
CURRENT ASSETS		
Debtors (Note 6)	130,858	130,858
CREDITORS - Amounts falling due within one year (Note 7)	<u>150</u>	<u>150</u>
NET CURRENT ASSETS	<u>130,708</u>	<u>130,708</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u><u>132,708</u></u>	<u><u>132,708</u></u>
CAPITAL AND RESERVES		
Called up share capital (Note 8)	24,700	24,700
Profit and loss account (Note 9)	<u>108,008</u>	<u>108,008</u>
	<u><u>132,708</u></u>	<u><u>132,708</u></u>

APPROVED BY THE BOARD ON
22 November 1996



D J Downes
DIRECTOR

The notes on pages 6 to 8 form part of these financial statements.

AIRDRIEHILL QUARRIES LIMITED

NOTES TO THE ACCOUNTS - 30 MARCH 1996

1 ACCOUNTING POLICIES

(1) Basis of presentation

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

(2) Tangible fixed assets

Tangible fixed assets other than land have been fully written off by providing depreciation in prior years.

2 SEGMENT INFORMATION

The Company did not trade during the year, and therefore has no turnover or operating profit.

3 EMOLUMENTS OF DIRECTORS

The salaries of the Directors were paid by other Shanks & McEwan Group undertakings and no remuneration was paid or is payable by Airdriehill Quarries Limited.

The Directors estimate that no emoluments paid by other Shanks & McEwan Group undertakings relate to services provided to the Company

4 TAXATION

Taxation (credit)/charge based on the profits of the year is made up as follows:

	<u>1996</u> £	<u>1995</u> £
Corporation tax at 33% (1995: 33%)	-	(14,000)
	<u> </u>	<u> </u>

5 TANGIBLE FIXED ASSETS

	<u>Heritable land and buildings</u> £
Cost	
At 1 April 1995 and 30 March 1996	10,668
	<u> </u>
Depreciation	
At 1st April 1995 and 30 March 1996	8,668
	<u> </u>
Net book amount	
At 30 March 1996	2,000
	<u> </u>
At 1 April 1995	2,000
	<u> </u>

AIRDRIEHILL QUARRIES LIMITED

NOTES TO THE ACCOUNTS - 30 MARCH 1996 (CONTINUED)

6 DEBTORS

	<u>1996</u> £	<u>1995</u> £
Amounts owed by parent undertaking	130,858	118,968
Corporation tax	<u>-</u>	<u>11,890</u>
	<u>130,858</u>	<u>130,858</u>

The amounts owed by parent undertaking are due after one year.

7 CREDITORS: Amounts falling due within one year

	<u>1996</u> £	<u>1995</u> £
Accruals	<u>150</u>	<u>150</u>

8 CALLED UP SHARE CAPITAL

	<u>1996</u> £	<u>1995</u> £
Authorised 25,000 ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>
Allotted, issued and fully paid 24,700 ordinary shares of £1 each	<u>24,700</u>	<u>24,700</u>

AIRDRIEHILL QUARRIES LIMITED

NOTES TO THE ACCOUNTS - 30 MARCH 1996 (CONTINUED)

9 RESERVES

Profit
and loss
£

At 1 April 1995 and 30 March 1996

108,008

10 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

1996
£

1995
£

Total recognised gains and losses for the year

-

14,000

Net addition to shareholders' funds

-

14,000

Opening shareholders' funds

132,708

118,708

Closing shareholders' funds

132,708

132,708

11 CONTINGENT LIABILITIES

The Company has granted to its bankers an unlimited guarantee and a right of set off against amounts outstanding on advances to its parent and fellow subsidiary undertakings. The Company has in the normal course of business given guarantees and performance bonds relating to the Company's own contracts.

12 ULTIMATE PARENT COMPANY

The Company's ultimate parent Company is Shanks & McEwan Group PLC, a Company registered in Scotland. Copies of the group accounts may be obtained from the Company Secretary, Shanks & McEwan Group PLC, Astor House, Station Road, Bourne End, Buckinghamshire, SL8 5YP.