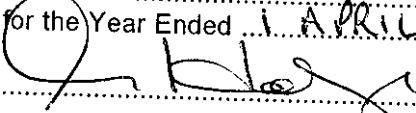


Certified that this and the following9..... pages
are a true copy of the Directors Report and
audited Accounts of AIRDRIEHILL
QUARRIES Limited
for the Year Ended 1 APRIL 1995
 Secretary

AIRDRIEHILL QUARRIES LIMITED
(Registered Number 23357)

REPORT AND ACCOUNTS

YEAR ENDED 1 APRIL 1995



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 1 April 1995.

PRINCIPAL ACTIVITY, BUSINESS REVIEW AND FUTURE PROSPECTS

The principal activity of the Company was providing construction services and materials.

The Company ceased to trade at 26 March 1994.

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 1 April 1995</u>		<u>As at 26 March 1994</u>	
	<u>Ordinary Shares of 10p</u>	<u>Options</u>	<u>Ordinary Shares of 10p</u>	<u>Options</u>
K R Morin	58,955	109,583	65,039	38,618

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

FIXED ASSETS

The movements in fixed assets are shown in Note 5 to the financial statements.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

Insurance cover for the Directors' and officers' liability is maintained under a policy effected by the ultimate parent Company, Shanks & McEwan Group PLC.

AIRDRIEHILL QUARRIES LIMITED

DIRECTORS' REPORT (CONTINUED)

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:

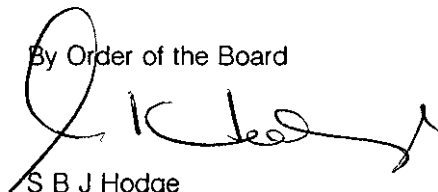
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare 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.

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 B J Hodge
Secretary
31 October 1995

Registered Office:
22 Woodside Place
Glasgow
G3 7QY

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 2 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 1 April 1995 and of the result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Price Waterhouse
PRICE WATERHOUSE
Chartered Accountants
and Registered Auditors

31 October 1995

AIRDRIEHILL QUARRIES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 1 APRIL 1995

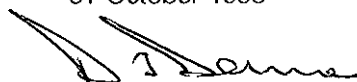
	<u>1995</u> £	<u>1994</u> £
TURNOVER (Note 1)	-	750
Administrative expenses	-	<u>1,756</u>
TRADING PROFIT	-	<u>(1,006)</u>
Other operating income (Note 2)	-	<u>110,000</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION (Note 3)	-	108,994
Tax on profit/(loss) on ordinary activities (Note 4)	<u>(14,000)</u>	<u>19,000</u>
TRANSFERRED TO RESERVES (Note 10)	<u>14,000</u>	<u>89,994</u>

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

AIRDRIEHILL QUARRIES LIMITED**BALANCE SHEET - 1 APRIL 1995**

	<u>1995</u> £	<u>1994</u> £
FIXED ASSETS		
Tangible assets (Note 5)	<u>2,000</u>	<u>2,000</u>
CURRENT ASSETS		
Debtors (Note 6)	<u>130,858</u>	<u>136,708</u>
CREDITORS - Amounts falling due within one year (Note 7)	<u>150</u>	<u>20,000</u>
NET CURRENT ASSETS	<u>130,708</u>	<u>116,708</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>132,708</u>	<u>118,708</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>94,008</u>
	<u>132,708</u>	<u>118,708</u>

APPROVED BY THE BOARD ON
31 October 1995



D J Downes
DIRECTOR

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

AIRDRIEHILL QUARRIES LIMITED

NOTES TO THE ACCOUNTS - 1 APRIL 1995

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) Turnover

Turnover represents the invoice value of work executed and services provided during the year.

(3) Tangible fixed assets

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

2 SEGMENT INFORMATION

The turnover and operating profit are wholly attributable to the Company's business of providing construction services and materials in the United Kingdom. All of the Company's turnover and operating profit relate to continuing operations.

3 PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

The profit/(loss) is stated after charging/(crediting)	<u>1995</u>	<u>1994</u>
	£	£
Auditors remuneration	-	1,200
Gain on disposal of fixed assets	-	(110,000)
	<u> </u>	<u> </u>

No amounts were paid to auditors in respect of non-audit services.

4 TAXATION

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

	<u>1995</u>	<u>1994</u>
	£	£
Corporation tax at 33% (1994: 33%)	(14,000)	19,000
	<u> </u>	<u> </u>

AIRDRIEHILL QUARRIES LIMITED

NOTES TO THE ACCOUNTS - 1 APRIL 1995 (CONTINUED)

5 TANGIBLE FIXED ASSETS

	<u>Heritable land and buildings</u> £
Cost or valuation	
At 26 March 1994 and 1 April 1995	10,668
Depreciation	
At 26 March 1994	8,668
charge for year	-
At 1 April 1995	8,668
Net book amount	
At 1 April 1995	2,000
At 26 March 1994	2,000

6 DEBTORS

	<u>1995</u> £	<u>1994</u> £
Amounts owed by parent undertaking	118,968	136,658
Corporation tax	<u>11,890</u>	<u>50</u>
	130,858	136,708

The amounts owed by parent undertaking are not repayable within one year.

7 CREDITORS: Amounts falling due within one year

	<u>1995</u> £	<u>1994</u> £
Corporation tax payable	-	19,000
Accruals	<u>150</u>	<u>1,000</u>
	150	20,000

AIRDRIEHILL QUARRIES LIMITED

NOTES TO THE ACCOUNTS - 1 APRIL 1995 (CONTINUED)

8 CALLED UP SHARE CAPITAL

	<u>1995</u> £	<u>1994</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>

9 RESERVES

	Profit and loss £
At 26 March 1994	94,008
Profit for the year	<u>14,000</u>
At 1 April 1995	<u>108,008</u>

10 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>1995</u> £	<u>1994</u> £
Total recognised gains and losses for the year	14,000	89,994
Dividends	<u>-</u>	<u>-</u>
Net addition to shareholders' funds	14,000	89,994
Opening shareholders' funds	<u>118,708</u>	<u>28,714</u>
Closing shareholders' funds	<u>132,708</u>	<u>118,708</u>

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, 22 Woodside Place, Glasgow, G3 7QY.