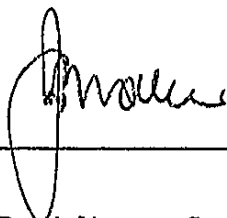


114
114
Certified a true copy of an original signed copy
held at Hooton Office.



J. D. P. Walker - Company Secretary

ALFRED McALPINE FINANCE LIMITED

ACCOUNTS

YEAR ENDED 31ST OCTOBER 1985



ALFRED McALPINE FINANCE LIMITED

CONTENTS

Page

Notice of annual general meeting

1

Report of the directors

2 - 3

Report of the auditors

4

Profit and loss account

5

Balance sheet

6

Notes to the accounts

7 - 10

Hooton
South Wirral
Cheshire
L66 7ND

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the sixty-fifth annual general meeting will be held at Hooton, South Wirral, Cheshire, on 26th March 1986.

1. To receive and consider the directors' report and the statement of accounts for the year ended 31st October 1985.
2. To appoint Touche Ross & Co as auditors of the company and to authorise the directors to fix their remuneration.
3. To transact any other ordinary business.

BY ORDER OF THE BOARD

J D P WALKER
SECRETARY

25th February 1986

ALFRED McALPINE FINANCE LIMITED

REPORT OF THE DIRECTORS

The directors have pleasure in submitting their report and the audited accounts for the year ended 31st October 1985.

1. PRINCIPAL ACTIVITIES

The principal activity of the company is to act as an investment company.

2. REVIEW OF OPERATIONS

Dividends

The directors recommend the payment of a dividend of £825,000.

Financial review

The results for the year are set out on page 5.

3. DIRECTORS

(a) Members of the Board

R J McAlpine

C J Edwards

O J Rich

J D P Walker

(b) Interests in Contracts

None of the directors had a beneficial interest in any contract or arrangement of significance to which the company was a party during the year.

4. CHARITABLE AND POLITICAL CONTRIBUTIONS

Charitable	£Nil
Political	£Nil

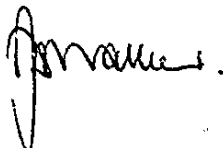
ALFRED McALPINE FINANCE LIMITED

REPORT OF THE DIRECTORS (CONTINUED)

5. AUDITORS

Touche Ross & Co. have confirmed their willingness to accept re-appointment for a further term in accordance with the provisions of the Companies Act 1985.

BY ORDER OF THE BOARD



J D P WALKER
SECRETARY

24th February 1986

REPORT OF THE AUDITORS TO THE MEMBERS OF

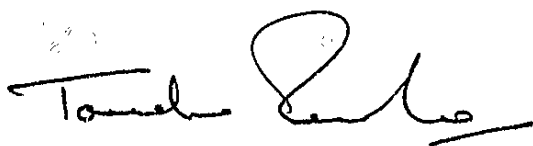
ALFRED McALPINE FINANCE LIMITED

Touche Ross & Co

Chartered Accountants
P.O. Box 500 Abbey House
74 Mosley Street
Manchester M60 2AT

We have audited the accounts and notes on pages 5 to 10 in accordance with approved Auditing Standards.

In our opinion the accounts and notes give a true and fair view of the state of affairs of the company at 31st October 1985 and of the profit for the year then ended and comply with the Companies Act 1985.



TOUCHE ROSS & CO
Chartered Accountants
Abbey House
74 Mosley Street
Manchester M60 2AT

24th February 1986

ALFRED MCALPINE FINANCE LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST OCTOBER 1985

		<u>1985</u>	<u>1984</u>
	<u>Note</u>	£	£
TURNOVER			
Income from investments	3	560,946	-
Interest receivable		<u>1,083,516</u>	<u>11,007</u>
		1,644,462	11,007
Operating costs - administration	2	(261,286)	180
		<u>1,905,748</u>	<u>10,827</u>
OPERATING PROFIT/(LOSS)			
Interest payable	4	(280,392)	-
		<u>1,625,356</u>	<u>10,827</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			
Taxation on ordinary activities	5	775,000	4,600
		<u>850,356</u>	<u>6,227</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE FINANCIAL YEAR			
Dividends	6	825,000	-
		<u>25,356</u>	<u>6,227</u>
PROFIT TRANSFERRED TO PROFIT AND LOSS ACCOUNT		<u>25,356</u>	<u>6,227</u>

ALFRED McALPINE FINANCE LIMITED

BALANCE SHEET

31ST OCTOBER 1985

		<u>1985</u>		<u>1984</u>	
	<u>Note</u>	£	£	£	£
FIXED ASSETS					
Investments	8		222,514		229,652
CURRENT ASSETS					
Debtors	9	67,954		2,146	
Investments	10	2,061,403		1,000,000	
Cash at bank and in hand		<u>2,235,557</u>		<u>18,861</u>	
		4,364,914		1,021,007	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	11	<u>4,549,845</u>		<u>1,242,832</u>	
NET CURRENT LIABILITIES			(184,931)		(221,825)
TOTAL ASSETS LESS CURRENT LIABILITIES			37,583		7,827
PROVISIONS FOR LIABILITIES AND CHARGES	12		<u>5,000</u>		<u>600</u>
			32,583		7,227
CAPITAL AND RESERVES					
Called up share capital	13		1,000		1,000
Profit and loss account	14		<u>31,583</u>		<u>6,227</u>
			32,583		7,227

These accounts were approved by the Board of Directors on 24th February 1986.

C J Edwards
C J EDWARDS)

J D P Walker
J D P WALKER)

) Directors

ALFRED McALPINE FINANCE LIMITED

NOTES TO THE ACCOUNTS

1. ACCOUNTING CONVENTION

The accounts have been prepared under the historical cost convention.

2. OPERATING COSTS

	<u>1985</u>	<u>1984</u>
	£	£
Administration costs	142,667	180
Other operating income	(403,953)	-
	<u>(261,286)</u>	<u>(180)</u>

3. INTEREST RECEIVABLE

Interest from banks	1,013,282	11,007
Group companies	<u>70,234</u>	<u>-</u>
	<u>1,083,516</u>	<u>11,007</u>

4. INTEREST PAYABLE

Bank loans and overdrafts repayable within five years	<u>280,392</u>	<u>-</u>
---	----------------	----------

5. TAXATION ON ORDINARY ACTIVITIES

Corporation tax at 42%	770,000	4,000
Deferred taxation	<u>5,000</u>	<u>600</u>
	<u>775,000</u>	<u>4,600</u>

6. DIVIDENDS

Inter-group dividend proposed	<u>825,000</u>	<u>-</u>
-------------------------------	----------------	----------

ALFRED McALPINE FINANCE LIMITED

NOTES TO THE ACCOUNTS (Continued)

7. DIRECTORS

(a) Directors

None of the directors received any emoluments from the company during the year (1984 £Nil).

(b) Directors' interests in share capital

The shareholdings of R J McAlpine, O J Rich and C J Edwards in Alfred McAlpine PLC are shown in the notes to the accounts of that company. Other directors' interests in the shares of Alfred McAlpine PLC at the 31st October were as follows:-

	<u>1985</u>	<u>1984</u>
J D P Walker	1,000	1,000

8. FIXED ASSETS - INVESTMENTS

	<u>1985</u>	<u>1984</u>
	£	£
Unlisted investment		
Shares in subsidiaries at cost less amounts written off	222,014	229,652
Shares in related companies at cost	<u>500</u>	<u>-</u>
	<u>222,514</u>	<u>229,652</u>

The subsidiaries are:

	<u>Country of incorporation</u>	<u>Shareholding %</u>
Alcinous Limited	Isle of Man	100
Marchwiell Estates Limited	Great Britain	100
Wirral Equipment Limited	Great Britain	100
Alfred McAlpine Developments Limited	Great Britain	100
Overseas Leisure Properties Limited	Great Britain	100

The related company is:

Greenpine Properties Limited	Great Britain	50
------------------------------	---------------	----

During the year certain subsidiaries were sold to and acquired from other group companies at cost.

ALFRED McALPINE FINANCE LIMITED

NOTES TO THE ACCOUNTS (Continued)

9. DEBTORS

	<u>1985</u>	<u>1984</u>
	£	£
Prepayments	67,954	2,146
	<u> </u>	<u> </u>

10. INVESTMENTS

Short term investments	2,061,403	1,000,000
	<u> </u>	<u> </u>

11. CREDITORS

Amounts falling due within one year		
Bank loans and overdrafts	1,422,177	-
Amounts owed to group companies	1,637,209	1,236,662
Accruals and deferred income	17,809	-
Taxation and social security	647,650	4,000
Other creditors	-	170
Proposed dividends	825,000	-
	<u> </u>	<u> </u>
	4,549,845	1,242,832
	<u> </u>	<u> </u>

12. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred taxation	5,000	600
	<u> </u>	<u> </u>

The potential amounts of deferred taxation and the portions thereof provided in the accounts are :-

	<u>1985</u>		<u>1984</u>	
	<u>Amount provided</u>	<u>Total potential tax</u>	<u>Amount provided</u>	<u>Total potential tax</u>
	£	£	£	£
Capital gain	5,000	5,000	600	600
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

ALFRED McALPINE FINANCE LIMITED

NOTES TO THE ACCOUNTS (Continued)

13. CALLED UP SHARE CAPITAL

	<u>1985</u>	<u>1984</u>
	£	£
Authorised, allotted and fully paid	1,000	1,000
	<u> </u>	<u> </u>

14. RESERVES

Profit and loss account

At 1st November 1984	6,227	-
Profit retained for year	<u>25,356</u>	<u>6,227</u>
	<u>31,583</u>	<u>6,227</u>

15. ULTIMATE HOLDING COMPANY

The ultimate holding company is Alfred McAlpine PLC which is incorporated in Great Britain.