

**Redland Minerals Limited**  
**Registration Number: 34597**

**Directors' Report And Accounts**

**For The Year Ended 31 December 1998**



# **Redland Minerals Limited**

## **Report of The Directors For the year ended 31 December 1998**

The Directors submit their report and the audited accounts of the Company for the year ended 31 December 1998.

### **Activity, Results, Dividends And Future Prospects**

The Company did not trade throughout the financial year or the previous financial year and does not anticipate to start trading in the foreseeable future. The directors do not recommend the payment of a final dividend (1997: £Nil) and the preference shareholder has waived its right to dividends for 1998.

### **Directors**

The directors who held office during the year are as follows:

I M Reid	
J C B Houlton	(Resigned 31 May 1998)
R A Elliott	(Appointed 31 May 1998)

### **Directors' interests**

The directors who served during the year had no beneficial interest in either the shares of the Company or any related company at either the beginning or end of the year.

According to the Register of Directors' Interests, none of the directors in office at the end of the year had any interest in the share capital of Lafarge SA, the company's ultimate parent company.

### **Directors' Statement of 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 as at the end of the financial year 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;
- 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.

## **Redland Minerals Limited**

### **Report of The Directors** *(Continued)* **For the year ended 31 December 1998**

#### **Auditors**

PricewaterhouseCoopers resigned during the period and Deloitte & Touche were appointed in their place.

A resolution regarding the reappointment of Auditors will be proposed at the next Annual General Meeting.

By Order of the Board  
For Redland Secretaries Limited

*R. A. Elliott*

R A Elliott  
**Secretary**

*13 July*

1999

Regent House  
Dorking  
Surrey  
RH4 1TH

## **Auditors' Report To The Members Of Redland Minerals Limited**

We have audited the financial statements on pages 4 to 6 which have been prepared under the accounting policies set out on page 5.

### **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 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 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 affairs of the company as at 31 December 1998 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Deloitte & Touche*

**Deloitte & Touche**  
63 High Street  
Crawley  
West Sussex RH10 1BQ

Chartered Accountants  
and registered Auditors

*7 September* 1999

# Redland Minerals Limited

## Balance Sheet At 31 December 1998

	Note	1998 £'000	1997 £'000
<b>Current Assets</b>			
Debtors: amounts owed by group undertakings		9,639	9,639
<b>Total Assets Less Current Liabilities</b>		<b>9,639</b>	<b>9,639</b>
<b>Capital And Reserves</b>			
Called up Share Capital	5	3,640	3,640
Share premium account		194	194
Profit and loss account		5,805	5,805
<b>Shareholders' Funds</b>		<b>9,639</b>	<b>9,639</b>
Analysed as:			
Equity interests		9,439	9,439
Non-equity interests	5	200	200
		<b>9,639</b>	<b>9,639</b>

Approved By The Board  
On 13 July 1999

I M Reid  
Director

The notes on pages 5 to 6 form part of these accounts.

# Redland Minerals Limited

## Notes To The Accounts For The Year Ended 31 December 1998

### 1 Accounting Policies

#### (1) Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

#### (2) Deferred taxation

Provision for deferred taxation is made only when there is a reasonable probability that a liability will crystallise. Any provision required will be dealt with in the accounts of Redland Finance PLC.

### 2 Profit And Loss Account

The company has not traded and thus has no recognised gains or losses in the current or previous financial year, accordingly no profit and loss account or statement of total recognised gains or losses or statement of movements in shareholders' funds is presented.

### 3 Directors' Emoluments

No director received any remuneration in respect of services to the company (1997 - £nil).

### 4 Auditors' Remuneration

The Auditors' remuneration, including expenses, for the years ended 31 December 1997 and 1998 is borne by the parent company

### 5 Called Up Share Capital

	1998 £'000	1997 £'000
<b>Authorised:</b>		
15,200,000 ordinary shares of 25p each	3,800	3,800
200,000 4½% cumulative preference shares of £1 each	200	200
	<b>4,000</b>	<b>4,000</b>
<b>Allotted and fully paid:</b>		
13,758,765 ordinary shares of 25p each	3,440	3,440
200,000 4½% cumulative preference shares of £1 each	200	200
	<b>3,640</b>	<b>3,640</b>

The holders of the 4.5% cumulative preference shares are entitled to an annual fixed dividend at the rate of 4.5% on the capital paid up in priority to any payment to the holders of the ordinary shares. The preference shareholders have waived their right to receive cumulative dividends payable at 31 December 1998. Both classes of shares have no redemption rights. On a winding-up the preference shareholders are to be paid in priority to any payment to the ordinary shareholders. The ordinary shareholders have one vote per share. The preference shareholders have no voting rights, except on a resolution to alter or abrogate the rights attached to the preference shares.

Since the year end the preference shareholders have waived their rights in respect of dividends relating to the 4½% cumulative preference shares of £1 each.

## **Redland Minerals Limited**

### **Notes To The Accounts For The Year Ended 31 December 1998**

#### **6 Ultimate Parent Company And Controlling Entity**

On 5 December 1997, Lafarge SA, a company registered in France, acquired over 50% of the issued share capital of Redland PLC, the Company's previous ultimate parent company, and then held over 90% of Redland's share capital. As a result, the directors now regard Lafarge SA as being the Company's ultimate parent company. Subsequently, Lafarge SA has acquired the remaining shares and holds 100% of the share capital.

Lafarge SA, a company registered in France, is the largest parent undertaking to consolidate the accounts of the Company. Lafarge SA is regarded by the directors as being the Company's ultimate parent company and controlling entity.

Copies of the Group accounts of Lafarge SA may be obtained from the Stockholder Relations Department, 61, rue des Belles Feuilles, 75116 Paris, France.

Redland PLC, a company registered in England and Wales, and incorporated in Great Britain, is the smallest parent undertaking to consolidate the accounts of the Company.

Copies of the Group accounts of Redland PLC may be obtained from the Company Secretary, Redland PLC, Regent House, Dorking, Surrey, RH4 1TH.

#### **7 Contingent liability**

The company has received a substantial claim regarding a previous subsidiary in the United States covering a period up to 1956. The directors consider the potential liability to be difficult to assess and the likelihood of any eventual material payment to be remote.