

# **L B (Stewartby) Limited**

## **Report and Accounts**

31 December 1998

*Registered No. 66045*



# L B (Stewartby) Limited

Registered No. 66045

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## **DIRECTORS**

D T Walters  
M P Lean

## **SECRETARY**

W Trott

## **AUDITORS**

Ernst & Young  
Lowgate House  
Lowgate  
Hull HU1 1JJ

## **REGISTERED OFFICE**

Stewartby  
Bedford  
MK43 9LZ

The directors present their report and the audited accounts for the year ended 31 December 1998.

### PRINCIPAL ACTIVITIES

The company acts as an investment holding company within the Hanson PLC group.

### RESULTS AND DIVIDENDS

The company did not trade during the year and the accounts consist of a balance sheet only. The directors do not recommend the payment of a dividend.

### DIRECTORS AND THEIR INTEREST

The current directors of the company are those listed on page 1. L T Scales resigned as a director on 4 January 1999.

The only declarable interests were in the ordinary share capital of Hanson PLC, the ultimate parent undertaking, as follows:

The conditional interest in ordinary shares is in respect of the award made under the long term incentive plan.

	<i>Ordinary shares</i>		<i>Options</i>		<i>Conditional interest</i>	
	<i>At 1 January</i>	<i>At 31</i>	<i>at 1 January</i>	<i>At 31</i>	<i>in ordinary shares</i>	
	<i>1998</i>	<i>December</i>	<i>1998</i>	<i>December</i>	<i>at 1 January 1998</i>	<i>At 31</i>
	<i>(or date of</i>	<i>1998</i>	<i>(or date of</i>	<i>1998</i>	<i>(or date of</i>	<i>December</i>
	<i>appointment)</i>		<i>appointment)</i>		<i>appointment)</i>	<i>1998</i>
L T Scales	3,747	3,747	74,568	19,690	17,107	35,130
D T Walters	11,450	11,450	80,643	41,840	15,396	31,391
M P Lean	-	-	37,793	37,793	11,861	28,082

<i>Option</i>	<i>Options exercised during year</i>	<i>Exercise price</i>	<i>Market price at date of exercise</i>	<i>Dates exercised</i>
R C Manning	2,084	279.7	372.0	5 October 1998
	687	279.7	372.0	5 October 1998
	897	391.6	471.0	25 November 1998
	7,972	391.6	471.0	25 November 1998
	2,362	325.6	471.0	25 November 1998
	10,388	325.6	471.0	25 November 1998
	1,200	381.6	471.0	25 November 1998
	9,332	381.6	471.0	25 November 1998
L T Scales	5,543	279.7	382.0	23 June 1998
	8,957	391.6	460.5	24 November 1998
	1,575	391.6	460.5	24 November 1998
	14,413	325.6	382.0	23 June 1998
	4,309	397.8	460.5	24 November 1998
	679	397.8	460.6	24 November 1998
	6,138	424.9	460.5	24 November 1998
	514	424.9	460.5	24 November 1998
	11,416	412.3	460.5	24 November 1998
	1,334	412.3	460.5	24 November 1998

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DIRECTORS' REPORT

**DIRECTORS AND THEIR INTERESTS** (continued)

There were no other notifiable interests.

Options include options under Hanson's executive share option scheme and Sharesave Plan.

The range of the middle market quotations for Hanson ordinary share during period was 250.0 pence to 490.5 pence. The middle market quotation for Hanson ordinary shares at 31 December 1998 was 477.25 pence.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS**

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 of the company for that period. In preparing those accounts, 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that the accounts comply with the above requirements.

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 accounts 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.

**ANNUAL GENERAL MEETINGS**


Pursuant to the Elective Resolution of the company passed on 16 May 1994 the company has dispensed with the need to hold Annual General Meetings. Any member of the company is entitled to require the laying of the accounts before a general meeting on giving due notice to that effect on accordance with Section 253 of the Companies Act 1985.

**AUDITORS**

Ernst & Young, having consented to act, will continue in office.

By order of the Board

W Trott  
Secretary

 31.8.99

1999

REPORT OF THE AUDITORS  
to the members of L B (Stewartby) Limited

We have audited the accounts on pages 5 to 7 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 6.

**Respective responsibilities of directors and auditors**

As described on page 3 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

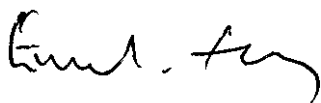
**Basis of opinion**

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 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 affairs of the company as at 31 December 1998 and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young  
Registered Auditor  
Hull

6 September 1999

# L B (Stewartby) Limited

## BALANCE SHEET

at 31 December 1998

	Notes	1998 £	1997 £
<b>CURRENT ASSETS</b>			
Debtors	2	76,661,795	76,661,795
<b>CREDITORS</b>			
Trade and other creditors	3	1,183,100	1,183,100
<b>NET CURRENT ASSETS</b>		<u>75,478,695</u>	<u>75,478,695</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>75,478,695</u>	<u>75,478,695</u>
 <b>CAPITAL AND RESERVES</b>			
Equity and non-equity share capital	4	38,224,290	38,224,290
Share premium account		1,935,833	1,935,833
Other reserves		320,219	320,219
Profit and loss account	5	34,998,353	34,998,353
<b>EQUITY AND NON-EQUITY SHAREHOLDERS' FUNDS</b>	6	<u>75,478,695</u>	<u>75,478,695</u>

Approved by the Board on

6/9/1999



M P Lean - Director

# L B (Stewartby) Limited

## NOTES TO THE ACCOUNTS

at 31 December 1998

### 1. ACCOUNTING POLICIES

#### *Accounting convention*

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

The company has taken advantage of the exemption in FRS8 from disclosing transactions with related parties that are part of the Hanson plc group.

### 2. DEBTORS

	1998 £	1997 £
Amounts owed by parent and fellow subsidiary undertakings	76,661,795	76,661,795

### 3. CREDITORS

	1998 £	1997 £
Amounts owed to parent and fellow subsidiary undertakings	1,163,368	1,163,368
Other creditors	19,732	19,732
	1,183,100	1,183,100

### 4. EQUITY AND NON-EQUITY SHARE CAPITAL

At 31 December 1998 and 31 December 1997 the company's share capital comprised:

	Authorised £	Allotted, called up and fully paid £
Non-equity:		
8% cumulative preference stock	400,000	400,000
Equity:		
New ordinary shares of 1p each	2,205,491	1,454,781
Deferred shares of 25p each	36,394,509	36,369,509
	39,000,000	38,224,290

The 8% cumulative preference stock is irredeemable and has no voting rights. Distribution on liquidation is limited to nominal value plus any arrears of dividend. The deferred shares of 25p each have no preferential rights to dividend and no voting rights. In the event of liquidation they receive no distribution until holders of ordinary shares of 1p each have received £1,000. The holders of the 8% cumulative preference stock have waived the right to dividends.

# L B (Stewartby) Limited

## NOTES TO THE ACCOUNTS

at 31 December 1998

### 5. PROFIT AND LOSS ACCOUNT

£

At 31 December 1998 and 31 December 1997

34,998,353

No profit and loss account has been prepared as the company has not traded during the year.

### 6. EQUITY AND NON-EQUITY SHAREHOLDERS' FUNDS

	1998 £	1997 £
Non-equity	400,000	400,000
Equity	75,078,695	75,078,695
Total shareholders' funds	75,478,695	75,478,695

### 7. GROUP ACCOUNTS

The parent undertaking of the group of undertakings for which group accounts are drawn up, and of which the company is a member, is Hanson PLC, registered in England and Wales. Hanson PLC is also the ultimate parent undertaking. Copies of Hanson PLC's accounts can be obtained from 1 Grosvenor Place, London, SW1X 7JH.