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A.R.C. CONCRETE LIMITED

NOTICE IS HEREFY GIVEN that the Annual General Meeting of
A.R.C. Concrete Limited will be held at The Ridge, Chipping Sodbury,
Bristol, BS17 6AY on Tuesday 3rd November, 1981 at 11.00a.m. for
the following purposes:-

1. To receive the Accounts for the year ended 30th June, 1981
and the reports of the Directors and Auditors thereon.
2. To re-appoint Ernst & Whinney, Chartered Accountants, as
auditors for the ensuing year and to authorise the
Directors to determine their remuneration.
3. To declare a final dividend on the ordinary shares.

By Order of the Board

S.B.F.F. Gowans
Secretary
8th October, 1981

A member entitled to attend and vote at the meeting may appoint
a proxy, who need not also be a member, to attend and vote on his behalf.



A.R.C. CONCRETE LIMITED

REPORT OF THE DIRECTORS

Directors:-

R.W.P. Vernon (Chairman)
P.L. Reeves (Managing Director)
P.R. Boon
A.R. Conley
R.M. Farahar
T.A.F. Frost
D.F. Singleton
J.H. Spearing
D.P. Wynne-Griffiths

Secretary and Registered Office:-

S.B.F.F. Gowans, F.C.I.S.
The Ridge
Chipping Sodbury
Bristol
BS17 6AY

The Directors present their report and the audited accounts for the year ended 30th June, 1981.

1. DIRECTORS

Mr. M.O. Pennington and Mr. D.G.W. Hurst resigned as Directors on 30th April, 1981 and 30th July, 1981 respectively. On 30th July, 1981 Mr. R.W.P. Vernon, Mr. T.A.F. Frost and D.P. Wynne-Griffiths were appointed Directors and Mr. R.W.P. Vernon was elected Chairman in place of Mr. P.L. Reeves.

The remaining Directors, as set out above, served throughout the year.

2. DIRECTORS' INTERESTS

The Register of Directors' Share and Debenture Interests, kept in accordance with the provisions of Section 29 of the Companies Act, 1967, in respect of those Directors who are not also Directors of the Holding Company, contains the following entries in respect of shares in the Holding Company:-

Consolidated Gold Fields Limited : Ordinary Shares of 25p each

	<u>As at 30.6.81</u>			<u>As at 1.7.80</u>		
	<u>Fully Paid</u>	<u>Partly Paid</u>	<u>Option</u>	<u>or date of appointment</u>		
	<u>Paid</u>	<u>Paid</u>	<u>Option</u>	<u>Fully Paid</u>	<u>Partly Paid</u>	<u>Option</u>
P.R. Reeves	4,900	5,091	-	1,400	8,091	-
P.R. Boon	-	-	-	-	-	-
A.R. Conley	-	-	-	-	-	-
R.M. Farahar	-	-	4,413	-	-	5,005
T.A.F. Frost	-	-	-	-	-	4,326
D.F. Singleton	-	-	-	-	-	-
J.H. Spearing	2,396	-	-	2,396	-	-
D.P. Wynne-Griffiths	-	-	-	-	-	-

A.R.C. CONCRETE LIMITED

REPORT OF THE DIRECTORS

Under the terms of the Consolidated Gold Fields Limited Share Option Scheme, certain Directors and senior employees have been granted options to subscribe for ordinary shares of that Company. The options are exercisable between 29th October, 1979 and 28th October, 1981, or earlier as provided by the terms of the scheme, at a subscription price of £1.96 per share.

3. PRINCIPAL ACTIVITIES

The principal activities of the Company during the year were the manufacture of concrete pipes, blocks and other precast concrete products and the granting of licences for their manufacture.

On 30th April, 1981, the Company acquired the whole of the issued share capital of Hunnable Products Limited which has six subsidiary companies. Group Accounts have not been prepared by virtue of the provisions of Section 150(2)(a) of the Companies Act, 1948.

4. EXPORTS

Exports during the year amounted to £63,000 (1980 - £62,660). Licencing income received from overseas during the year totalled £225,000 (1980 - Nil)

5. FIXED ASSETS

Details of the movements in Fixed Assets during the year are set out in Note 8 on page 12. The Directors are of the opinion that the freehold property of the Company has a market value in excess of net book value.

6. RESULTS AND DIVIDEND

The results for the year and the state of the Company's affairs are shown in the Accounts on pages 5 to 15.

The Company made a net profit after tax of £1,146,591 (1980 - £1,398,495). The Directors recommend the payment of a dividend of £4,500,000 (1980 - Nil).

7. AUDITORS

A resolution proposing the re-appointment of Messrs. Ernst & Whinney as auditors of the Company and authorising the Directors to fix their remuneration will be put to the Annual General Meeting of the Company, in accordance with the provisions of Section 14 of the Companies Act, 1976.

By order of the Board

S.B.F.F. Gowans
Secretary
1st September, 1981
The Ridge
Chipping Sodbury
Bristol
BS17 6AY

Ernst & Whinney

Chartered Accountants

REPORT OF THE AUDITORS TO THE MEMBERS

We have examined the accounts of ARC Concrete Limited set out on pages 5 to 15. These have been prepared under the historical cost convention as explained in note 1 (a). Our audit has been carried out in accordance with approved auditing standards.

In our opinion the accounts give a true and fair view of the state of affairs at 30 June 1981 and of the profit, change in retained profits and source and application of funds for the year then ended and comply with the Companies Acts 1948 to 1980.

Ernst & Whinney

Ernst & Whinney
Bristol

1st September, 1981.

ARC CONCRETE LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30TH JUNE, 1981

		1981	1980
	Note	£	£
TURNOVER	2	<u>£19,241,300</u>	<u>£21,267,391</u>
PROFIT BEFORE TAXATION AND EXTRAORDINARY ITEMS	3	1,242,659	2,144,378
Taxation	5	<u>(96,068)</u>	<u>(645,883)</u>
PROFIT BEFORE EXTRAORDINARY ITEMS		1,146,591	1,498,495
Extraordinary Items	6	<u>-</u>	<u>100,000</u>
PROFIT ATTRIBUTABLE TO MEMBERS		1,146,591	1,398,495
Dividend		<u>4,500,000</u>	<u>-</u>
MOVEMENT FOR THE YEAR		<u>£(3,353,409)</u>	<u>£1,398,495</u>
STATEMENT OF RETAINED PROFITS			
Balance at 1st July, 1980		7,188,144	5,682,960
As previously reported		(106,689)	-
Prior year adjustment	7	<u>7,081,455</u>	<u>5,682,960</u>
Movement for the year		<u>(3,353,409)</u>	<u>1,398,495</u>
Balance at 30th June, 1981		<u>£3,728,046</u>	<u>£7,081,455</u>
Retained by:-			
The Company		3,728,046	7,193,125
Associated company		<u>-</u>	<u>(111,670)</u>
		<u>£3,728,046</u>	<u>£7,081,455</u>

BALANCE SHEET - 30TH JUNE, 1981

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ARC CONCRETE LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE YEAR ENDED 30TH JUNE, 1981

	1981	1980
	£	£
SOURCE OF FUNDS		
FROM OPERATIONS		
Profit before taxation	1,242,659	2,144,378
Depreciation	724,994	806,871
Total generated from operations	1,967,653	2,951,249
OTHER SOURCES		
Disposal of fixed assets	143,212	35,885
Loan from parent company	-	1,294,260
	2,110,865	4,281,394
FUNDS APPLIED		
Dividend paid	-	1,300,000
Taxation paid	370,004	166,564
Purchase of fixed assets (including transfers)	892,284	1,139,793
Purchase of shares in subsidiary company	1,158,357	-
Loan to subsidiary company	3,341,017	-
Loan from parent company	1,023,474	-
Extraordinary items	-	100,000
	6,785,136	2,706,357
(DECREASE) INCREASE IN WORKING CAPITAL	£(4,674,271)	£1,575,037
Arising from movements in:-		
Stocks and work in progress	(874,924)	701,574
Debtors	345,652	(153,349)
Creditors excluding taxation	(19,243)	133,542
Fellow subsidiaries	(745,950)	138,963
Subsidiary company	(146,845)	-
Liquid funds	(3,232,961)	754,307
	£(4,674,271)	£1,575,037

ARC CONCRETE LIMITED

NOTES ON THE ACCOUNTS - 30TH JUNE, 1981

1. ACCOUNTING POLICIES

a) Accounting convention

The accounts are prepared under the historical cost convention

b) Depreciation

Freehold land is not depreciated. The cost (after deducting investment and other Government grants) of other fixed assets is written off by equal instalments over their expected useful lives as follows:-

Freehold buildings	50 years
Short leasehold property	Over lesser of period of lease or 50 years

Plant and equipment	6 - 12 years
Motor Vehicles	5 years

c) Stocks and work in progress

Stocks are valued at the lower of cost and net realisable value after making due allowance for any obsolete or slow moving items. In the case of finished goods and work in progress, cost comprises direct materials, direct labour and an appropriate proportion of manufacturing fixed and variable overheads. The allocation of manufacturing fixed overheads has regard to budgeted normal production.

d) Research and Development

In the current year no assets have been capitalised (1980 - £49,410). The assets previously capitalised are written off over their estimated useful lives.

All other expenditure on research and development is written off in the year in which it is incurred.

e) Deferred taxation

No provision is made for deferred taxation where, in the opinion of the directors, no liabilities will arise in the foreseeable future.

ARC CONCRETE LIMITED

NOTES ON THE ACCOUNTS - 30TH JUNE, 1981

2. TURNOVER

Turnover comprises the invoice value of goods and services supplied by the company exclusive of VAT but including inter-group transactions.

3. PROFIT BEFORE TAXATION AND EXTRAORDINARY ITEMS is stated after charging:-

	1981	1980
	£	£
Depreciation (note 8)	724,994	806,871
Hire of plant and equipment	47,300	46,800
Auditors remuneration	13,700	12,600
Emoluments of directors (note 4)	97,417	74,683
Pensions to former directors	3,411	2,399
Bank interest paid	33,314	-
and after crediting:-		
Interest relief grant received	11,100	55,500

ARC CONCRETE LIMITED

NOTES ON THE ACCOUNTS - 30TH JUNE, 1981

4. EMOLUMENTS OF DIRECTORS

	1981	1980
	£	£
Directors remuneration, including pension contributions	<u>£97,417</u>	<u>£74,683</u>

The emoluments, excluding pension contributions
of directors of the company are detailed as follows:-

	1981	1980
	£	£
Chairman and highest paid director	<u>22,780</u>	<u>20,130</u>

Number of directors

Other directors, in scale

Not more than £5,000	3	4
£ 5,001 to £10,000	-	-
£10,001 to £15,000	1	1
£15,001 to £20,000	3	2

ARC CONCRETE LIMITED

NOTES ON THE ACCOUNTS - 30TH JUNE, 1981

5. TAXATION

The charge based on the profit for the year comprises:-

	1981	1980
	£	£
U.K. Corporation tax payable 1st April, 1982	(369,000)	(621,750)
Adjustment relating to prior years	272,932	(24,133)
	<u>(£96,068)</u>	<u>(£645,883)</u>

U.K. Corporation tax has been provided at 52% (1980 - 52%). The charge for taxation for the year has been reduced by approximately £41,000 (1980 - £158,000), in respect of accelerated capital allowances and capital gains roll-over relief for which no provision for deferred taxation is considered necessary (note 13), and by £224,000 (1980 - £345,000) in respect of group relief and stock appreciation relief.

	1981	1980
	£	£
6. EXTRAORDINARY ITEMS		
Fine and costs imposed as a result of an action brought by the Office of Fair Trading for contempt of court during the period 1974 to 1978	-	£100,000
	<u>-</u>	<u>£100,000</u>

7. PRIOR YEAR ADJUSTMENT

The prior year adjustment relates to a mis-allocation of results between ARC Concrete Limited and ARC Concrete (Northern) Limited in the year to 30th June, 1980. The comparative figures have been adjusted accordingly.

ARC CONCRETE LIMITED

NOTES ON THE ACCOUNTS - 30TH JUNE, 1981

8. FIXED ASSETS

	Freehold land and buildings	Short leasehold property	Plant equipment and vehicles	Total
	£	£	£	£
Cost				
At 30th June, 1980	2,326,748	102,544	6,937,775	9,367,067
Inter-group transfers	1,935	-	30,211	32,146
Re-classifications	-	-	-	-
Additions during year	221,305	-	662,026	883,331
Cost of disposals	(32,521)	(207)	(438,897)	(471,625)
At 30th June, 1981	<u>2,517,467</u>	<u>102,337</u>	<u>7,191,115</u>	<u>9,810,919</u>
Depreciation				
At 30th June, 1980	271,050	55,301	3,053,820	3,380,171
Inter-group transfers	115	-	23,078	23,193
Re-classifications	-	-	-	-
Charge for year	61,485	2,385	661,124	724,994
Relating to disposals	(670)	-	(327,743)	(328,413)
At 30th June, 1981	<u>331,980</u>	<u>57,686</u>	<u>3,410,279</u>	<u>3,799,945</u>
Net book amounts at 30th June, 1981	<u>2,185,487</u>	<u>44,651</u>	<u>3,780,836</u>	<u>6,010,974</u>
Net book amounts at 30th June, 1980	<u>£2,055,698</u>	<u>£47,243</u>	<u>£3,883,955</u>	<u>£5,986,896</u>

ARC CONCRETE LIMITED

NOTES ON THE ACCOUNTS - 30TH JUNE, 1981

9. SUBSIDIARY COMPANY

	1981	1980
	£	£
Shares at cost	1,158,357	-
Loan to subsidiary	3,341,017	-
	<hr/>	<hr/>
	4,499,374	-
Amounts due to subsidiary	145,845	-
	<hr/>	<hr/>
	£4,352,529	-
	<hr/>	<hr/>

On 30th April, 1981 the company acquired the whole of the issued share capital of Hunnable Products Limited which has six subsidiary companies.

10. ASSOCIATED COMPANY

During the year the company terminated its 45% interest in ARC Contbloc Dubai (Private) Limited.

11. STOCKS AND WORK IN PROGRESS

	1981	1980
	£	£
Raw materials	389,630	510,170
Work in progress	122,128	160,400
Finished goods	2,356,387	2,948,520
Consumables	693,561	817,540
	<hr/>	<hr/>
	£3,561,706	£4,436,630
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ARC CONCRETE LIMITED

NOTES ON THE ACCOUNTS - 30TH JUNE, 1981

12. SHARE CAPITAL

	1981	1980
	£	£
Authorised 2,000 ordinary shares of £1 each	<u>2,000</u>	<u>2,000</u>
Issued and fully paid 5 ordinary shares of £1 each	<u>5</u>	<u>5</u>

13. DEFERRED TAXATION

No provision has been made for deferred taxation.
Potential tax liabilities, which are not expected to crystallise
in the future, exist in respect of:-

	1981	1980
	£	£
Accelerated capital allowances	2,214,000	2,173,000
Capital gains roll-over relief	<u>26,000</u>	<u>26,000</u>
	<u>£2,240,000</u>	<u>£2,199,000</u>

14. CAPITAL COMMITMENTS

At 30th June, 1981 the directors have authorised future capital
expenditure which, without taking account of Government grants,
amounts to:-

	1981	1980
	£	£
Contracted	53,785	20,000
Not contracted	<u>-</u>	<u>320,000</u>

ARC CONCRETE LIMITED

NOTES ON THE ACCOUNTS - 30TH JUNE, 1981

15. CONTINGENT LIABILITIES

	1981	1980
	£	£
a) The company is jointly and severally liable, together with other group companies, for sums advanced by the Group's bankers. These amounted to:-	336,690	18,625,705
b) Mutual trade agreement	Nil	35,000
c) Government grants subject to possible repayment within four years of claim.	<u>295,750</u>	<u>207,942</u>

16. HOLDING COMPANY

The ultimate holding company is Consolidated Gold Fields Limited, which is incorporated in the United Kingdom.