

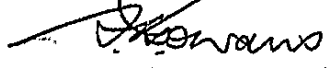
167370
/157

ARCON LIMITED
FORMERLY A.R.C. CONCRETE LIMITED

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Arcon Limited will be held at The Ridge, Chipping Sodbury, Bristol on Thursday 25th November, 1982 at 10.15 a.m. for the following purposes:-

1. To receive the Accounts for the year ended 30th June, 1982 and the reports of the Directors and Auditors thereon.
2. To declare a final dividend on the ordinary shares.
3. To re-appoint Ernst & Whinney, Chartered Accountants, as auditors for the ensuing year and to authorise the Directors to determine their remuneration.

By Order of the Board



S.B.F. Gowans

Secretary

28th October, 1982.

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.



ARCON LIMITED
Formerly 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. 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, 1982

1. CHANGE OF NAME

By Special Resolution dated 29th July, 1982, the Company changed its name to Arcon Limited.

2. DIRECTORS

Mr. D.G.W. Hurst resigned as Director on 30th July 1981, and, on the same date Mr. R.W.P. Vernon, Mr. T.A.F. Frost and Mr. D.P. Wynne-Griffiths were appointed Directors and Mr. R.W.P. Vernon was elected Chairman in place of Mr. P.L. Reeves.

3. DIRECTORS INTERESTS

No Directors held any shares in the Company during the year.

The Register of 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:-

	<u>Consolidated Gold Fields PLC</u> <u>: Ordinary Share of 25p each</u>					
	<u>As at 30.6.82</u>			<u>As at 1.7.81</u>		
	Fully Paid	Partly Paid	Option	Fully Paid	Partly Paid	Option
P.L. Reeves	6000	2091	-	4900	5091	-
R.M. Farahar	4413	-	-	-	-	4413
T.A.F. Frost	1000	-	-	-	-	-
J.H. Spearing	-	-	-	2396	-	-

Under the terms of the Consolidated Gold Fields PLC Share Option Scheme, certain Directors and senior employees were granted options to subscribe for Ordinary Shares of that Company at a subscription price of £1.96 per share. These options lapsed on 28th October, 1981.

ARCON LIMITED
Formerly A.R.C. CONCRETE LIMITED

REPORT OF THE DIRECTORS

4. 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 the manufacture of proprietary concrete products.

On 1st July, 1982, in accordance with the Resolution passed at the Extraordinary General Meeting of the Company held on 30th June, 1982, the assets, liabilities and business of the Company were transferred to a fellow subsidiary A.R.C. Concrete (Northern) Limited (which changed its name to A.R.C. Concrete Limited on 29th July, 1982), and the Company ceased trading.

On 22nd February 1982, the Company acquired 51% of the issued share capital of Wardfree Limited, a Company engaged in research and development. Group accounts have not been prepared by virtue of the provisions of Section 150(2)(a) of the Companies Act 1948.

5. FIXED ASSETS

Details of the movements in fixed assets during the year are set out in note 7 on page 11. 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 14.

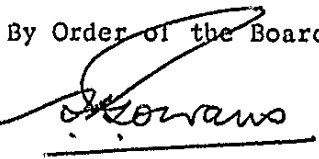
The Company made a net profit after tax of £1,727,057 (1981 - £1,146,591).

The Directors recommend the payment of a Dividend of £3,000,000 (1981 - £4,500,000).

7. AUDITORS

A Resolution proposing the re-appointment of Messrs. Ernst and Whinney as Auditors of the Company will be put to the Annual General Meeting.

By Order of the Board


S.B.F. Gowans
Secretary

28th October, 1982

Ernst & Whinney

Chartered Accountants

REPORT OF THE AUDITORS TO THE MEMBERS

We have examined the accounts of Arcon Limited set out on pages 5 to 14. 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 1982 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 1981.

Ernst & Whinney

BRISTOL

28 October 1982

ARCON LIMITED
formerly A.R.C. CONCRETE LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30TH JUNE, 1982

		1982	1981
	Note	£	£
TURNOVER	2	<u>£26,167,474</u>	<u>£19,241,300</u>
PROFIT BEFORE TAXATION	3	1,486,326	1,242,659
Taxation	5	<u>240,731</u>	<u>(96,068)</u>
PROFIT ATTRIBUTABLE TO MEMBERS		1,727,057	1,146,591
Dividend		<u>(3,000,000)</u>	<u>(4,500,000)</u>
MOVEMENT FOR THE YEAR		<u>£(1,272,943)</u>	<u>£(3,353,409)</u>
STATEMENT OF RETAINED PROFITS			
Balance at 1st July, 1981			
As previously reported		3,728,046	7,188,144
Prior year adjustment	6	<u>-</u>	<u>(106,689)</u>
Movement for the year		<u>3,728,046</u>	<u>7,081,455</u>
		<u>(1,272,943)</u>	<u>(3,353,409)</u>
Balance at 30th June, 1982		<u>£ 2,455,103</u>	<u>£ 3,728,046</u>

ARCON LIMITED
formerly A.R.C. CONCRETE LIMITED

BALANCE SHEET - 30TH JUNE, 1982

		1982	1981
ASSETS EMPLOYED	Note	£	£
FIXED ASSETS	7	12,446,498	6,010,974
SUBSIDIARY COMPANIES	8	4,594,299	4,352,529
LOAN to fellow subsidiary		2,627,582	2,627,582
CURRENT ASSETS			
Stocks and work in progress	9	4,225,212	3,561,706
Debtors		8,084,393	5,086,972
Taxation		38,653	-
Bank balances and cash		3,565	66,827
Amounts due from fellow subsidiaries		45,563	13,026
		<u>12,397,386</u>	<u>8,728,531</u>
CURRENT LIABILITIES			
Creditors		5,768,734	3,279,070
Bank Overdrafts		3,187,175	1,712,080
Taxation		-	351,945
Amounts due to fellow subsidiaries		3,226,773	2,928,892
Proposed dividend		3,000,000	4,500,000
		<u>15,182,682</u>	<u>12,771,987</u>
NET CURRENT LIABILITIES		<u>(2,785,296)</u>	<u>(4,043,456)</u>
		<u>£16,883,083</u>	<u>£ 8,947,629</u>
FUNDS EMPLOYED			
ORDINARY SHAREHOLDERS FUNDS			
Ordinary share capital	10	5	5
Capital reserve	11	655	12,971
Retained profit		2,455,103	3,728,046
		<u>2,455,763</u>	<u>3,741,022</u>
LOAN - from parent company		14,427,320	5,206,607


P. P. Reed


DIRECTORS
28 October 1982

£16,883,083

£ 8,947,629

ARCON LIMITED
formerly A.R.C. CONCRETE LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE YEAR ENDED 30TH JUNE, 1982

	1982	1981
	£	£
SOURCE OF FUNDS		
FROM OPERATIONS		
Profit before taxation	1,486,326	1,242,659
Depreciation	930,244	724,994
Provision against investment in subsidiary	104,825	-
	<u>2,521,395</u>	<u>1,967,653</u>
Total generated from operations		
OTHER SOURCES		
Disposal of fixed assets	218,726	143,212
Loan from parent company	9,220,713	-
	<u>11,960,834</u>	<u>2,110,865</u>
FUNDS APPLIED		
Dividend paid	4,500,000	-
Taxation paid	149,867	370,004
Purchase of fixed assets (including transfers)	7,584,494	892,284
Purchase of shares in subsidiary companies	40,338	1,158,357
Loan to subsidiary company	94,000	3,341,017
Loan from parent company	-	1,023,474
Transfer of goodwill	12,316	-
	<u>12,381,015</u>	<u>6,785,136</u>
DECREASE IN WORKING CAPITAL	<u>£ (420,181)</u>	<u>£(4,674,271)</u>
Arising from movements in :-		
Stocks and work in progress	663,506	(874,924)
Debtors	2,997,421	345,652
Creditors excluding taxation	(2,489,664)	(19,243)
Fellow subsidiaries	(265,344)	(745,950)
Subsidiary companies	212,257	(146,845)
Liquid funds	(1,538,357)	(3,232,961)
	<u>£ (420,181)</u>	<u>£(4,674,271)</u>

ARCON LIMITED
formerly A.R.C. CONCRETE LIMITED

NOTES ON THE ACCOUNTS - 30TH JUNE, 1982

1. ACCOUNTING POLICIES

a) Accounting convention

The accounts are prepared under the historical cost convention and in compliance with Section 149A of the Companies Act 1948 and Schedule 8A to that Act.

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	up to 50 years
Short leasehold property	Over period of lease

Plant and equipment	5 - 12 years
Motor Vehicles	4 - 7 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 (1981 - Nil). 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) Goodwill

Goodwill is written off against capital reserve as it arises. In the current year, assets were acquired from a fellow subsidiary together with goodwill arising on the original acquisition of those assets by the Group. This was written off in the current year (note 11).

f) Deferred taxation

As long as the company remains a member of the ARC Group it is anticipated that any reversal of significant timing differences between accounting and taxable profits will be covered by Group relief, surrendered without payment, by other group companies. Thus no deferred tax is provided in these accounts (note 12)

ARCON LIMITED
formerly A.R.C. CONCRETE LIMITED

NOTES ON THE ACCOUNTS - 30TH JUNE, 1982

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 is stated after charging:-

	1982	1981
	£	£
Depreciation (note 7)	930,244	724,994
Hire of plant and equipment	39,509	47,300
Auditors remuneration	19,000	13,700
Emoluments of directors, including pension contributions (note 4)	113,183	97,417
Pensions to former directors	3,876	3,411
Bank interest paid	-	33,314
Amount provided against investment in subsidiary (note 8)	104,825	-
and after crediting:-		
Interest relief grant received	11,100	11,100
Interest received	19,862	-

4. EMOLUMENTS OF DIRECTORS

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

	1982	1981
	£	£
Chairman (1981 - and highest paid director)	NIL	22,780
Highest paid director	26,170	-
Other directors, in scale	Number of directors	
Not more than £5,000	3	3
£ 5,001 to £10,000	-	-
£10,001 to £15,000	-	1
£15,001 to £20,000	3	3
£20,001 to £25,000	1	-

ARGON LIMITED
formerly A.R.C. CONCRETE LIMITED

NOTES ON THE ACCOUNTS - 30TH JUNE, 1982

5. TAXATION

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

	1982	1981
	£	£
U.K. Corporation tax payable 1st April, 1983	-	369,000
Adjustment relating to prior years	(240,731)	(272,932)
	<u>£(240,731)</u>	<u>£ 96,068</u>

U.K. Corporation tax has been calculated at 52% (1981 - 52%). The charge for taxation for the year has been reduced by approximately £2,006,000 (1981 - £41,000), in respect of accelerated capital allowances and capital gains roll-over relief for which no provision for deferred taxation is considered necessary (note 12.), and by £126,000 (1981 - £224,000) in respect of stock appreciation relief.

6. PRIOR YEAR ADJUSTMENT

The prior year adjustment in the year ended 30th June 1981 relates to a mis-allocation of results between Arcon Limited and A.R.C. Concrete Limited in the year to 30th June, 1980.

ARCON LIMITED
formerly A.R.C. CONCRETE LIMITED

NOTES ON THE ACCOUNTS - 30TH JUNE, 1982

7. FIXED ASSETS

	Freehold land and buildings	Short leasehold property	Plant equipment and vehicles	Total
	£	£	£	£
Cost				
At 30th June, 1981	2,517,467	102,337	7,191,115	9,810,919
Inter-group transfers	237,616	9,522	446,450	693,588
Additions during year	2,791,263	16,000	4,269,304	7,076,567
Disposals	(67,073)	-	(624,113)	(691,186)
At 30th June, 1982	<u>5,479,273</u>	<u>127,859</u>	<u>11,282,756</u>	<u>16,889,888</u>
Depreciation				
At 30th June, 1981	331,980	57,686	3,410,279	3,799,945
Inter-group transfers	25,326	6,602	153,733	185,661
Charge for year	87,534	3,058	839,652	930,244
Relating to disposals	(14,264)	-	(458,196)	(472,460)
At 30th June, 1982	<u>430,576</u>	<u>67,346</u>	<u>3,945,468</u>	<u>4,443,390</u>
Net book amounts at 30th June, 1982	<u>5,048,697</u>	<u>60,513</u>	<u>7,337,288</u>	<u>12,446,498</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>

ARCON LIMITED
formerly A.R.C. CONCRETE LIMITED

NOTES ON THE ACCOUNTS - 30TH JUNE, 1982

8. SUBSIDIARY COMPANIES

	1982	1981
	£	£
Shares at cost	1,198,696	1,158,358
Loan to subsidiaries	3,435,016	3,341,016
Amounts due from (to) subsidiaries	65,412	(146,845)
Provision against investment	4,699,124 (104,825)	4,352,529 -
	<u>£4,594,299</u>	<u>£4,352,529</u>

On 22nd February 1982 the company acquired 51% of the issued share capital of Wardfree Limited, a company engaged in research and development. In the period from acquisition to 30th June 1982, the company received no income but expenditure was fully written off, resulting in a substantial deficiency in net assets below the cost of the investment. Full provision has therefore been made against the cost of the investment.

The company also owns the whole of the issued share capital of A.R.C. Concrete (Anglia) Limited which has six subsidiary companies.

9. STOCKS AND WORK IN PROGRESS

	1982	1981
	£	£
Raw materials	647,610	389,630
Work in progress	15,300	122,128
Finished goods	2,854,075	2,356,387
Consumables	708,227	693,561
	<u>£4,225,212</u>	<u>£3,561,706</u>

ARCON LIMITED
formerly A.R.C. CONCRETE LIMITED

NOTES ON THE ACCOUNTS - 30TH JUNE, 1982

10. SHARE CAPITAL

	1982	1981
	£	£
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>

11. CAPITAL RESERVE

	1982	1981
	£	£
Capital Reserve as at 1st July 1981	12,971	12,971
Goodwill transferred from fellow subsidiary	<u>12,316</u>	<u>-</u>
Capital Reserve as at 30th June 1982	<u>£ 655</u>	<u>£ 12,971</u>

12. 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:-

	1982	1981
	£	£
Accelerated capital allowances	4,220,000	2,214,000
Capital gains roll-over relief	<u>26,000</u>	<u>26,000</u>
	<u>£4,246,000</u>	<u>£2,240,000</u>

ARCON LIMITED
formerly A.R.C. CONCRETE LIMITED

NOTES ON THE ACCOUNTS - 30TH JUNE, 1982

13. CAPITAL COMMITMENTS

At 30th June, 1982 the directors have authorised future capital expenditure which, without taking account of Government grants, amounts to:-

	1982	1981
	£	£
Contracted	143,950	53,785
Not contracted	<u>267,565</u>	<u>-</u>

14. CONTINGENT LIABILITIES

	1982	1981
	£	£
a) The company is jointly and severally liable, together with other group companies, for sums advanced by the Group's banker. These amounted to:-	NIL	336,690.
b) Government grants subject to possible repayment within four years of claim.	<u>259,131</u>	<u>295,750</u>

15. HOLDING COMPANY

The ultimate holding company is Consolidated Gold Fields PLC which is incorporated in England.