

**LONGCLIFFE QUARRIES LIMITED**

**Report and Financial Statements**

**31 March 2009**

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COMPANIES HOUSE

# **LONGCLIFFE QUARRIES LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2009**

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# **LONGCLIFFE QUARRIES LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2009**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **DIRECTORS**

|               |                          |
|---------------|--------------------------|
| D A G Shields | (Chairman)               |
| R J G Shields |                          |
| R J Shields   |                          |
| J F G Shields |                          |
| P J Gillatt   | (appointed 15 June 2009) |
| M F Hyde      |                          |
| R J Cramp     | (appointed 1 April 2008) |
| L J A Edwards |                          |
| A V Dearden   |                          |

#### **SECRETARY**

M F Hyde

#### **SOLICITORS**

Herbert Smith  
Exchange House  
Primrose Street  
London  
EC2A 2HS

#### **REGISTERED OFFICE**

Longcliffe  
Brassington  
Matlock  
Derbyshire  
DE4 4BZ

#### **BANKERS**

HSBC Plc  
Matlock  
Derbyshire

#### **AUDITORS**

Deloitte LLP  
Chartered Accountants  
Nottingham, UK

# **LONGCLIFFE QUARRIES LIMITED**

## **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 31 March 2009.

### **PRINCIPAL ACTIVITIES**

The principal activity of the company has continued to be the extraction of minerals, producing high purity calcium carbonate products for a number of industrial applications.

### **REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS**

The company had another successful year, recording profit on ordinary activities before taxation of £661,078 (2008: £2,407,723).

The company's financial position reflects the difficult trading year, due to the economic climate and the exceptionally high energy costs. Despite this the companies financial and cashflow position remain strong and the directors are confident about the future trading prospects and diversification.

The progress of the business has continued to be supported by significant investment in both capital expenditure and research and development.

### **RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £458,763 (2008: £1,851,725).

A dividend of £2.50 per share (2008: £2.50 per share) has been paid during the year in consideration of the preceding year's results.

### **RESEARCH AND DEVELOPMENT**

Research and development expenditure during the year has been concentrated on the development of new processes for value added limestone products.

### **DIRECTORS**

The directors who served during the year and subsequently were as follows:

D A G Shields

R J G Shields

R J Shields

J F G Shields

P J Gillatt (appointed 15 June 2009)

M F Hyde

R J Cramp (appointed 1 April 2008)

L J A Edwards

A V Dearden

# **LONGCLIFFE QUARRIES LIMITED**

## **DIRECTORS' REPORT**

### **PRINCIPAL RISKS AND UNCERTAINTIES**

Owing to the nature of our activities and the transport fleet we operate, the volatility of energy prices are a risk to our business. The company attempts to manage these risks by entering into supply contracts at the most opportune time, although fuel prices are subject to changes in worldwide markets.

The company has some exposure to interest rate fluctuations with bank borrowings being based on variable rates. The directors consider that the company's banking facilities are adequate going forward. Short-term flexibility is achieved by overdraft facilities.

Credit risk arises on financial instruments such as trade receivables. Policies and procedures exist to ensure that the trade debtors have an appropriate credit history. Debtors are stated net of provision.

The company has no overseas transactions and therefore has no currency risk.

From the Balance Sheet date to the date of this report, the directors have considered the trading position of the company from the Balance Sheet date to today, along with future cash flow forecasts, and see no reason why the company will not be able to operate within the existing bank facility. The bank facility is due for renewal in October 2009 and through ongoing discussions with the bank the directors expect this facility to be renewed.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

### **CHARITABLE AND POLITICAL DONATIONS**

The company has made charitable donations of £65,268 (2008: £47,667). Political donations amounting to £750 (2008: £2,250) were made during the year.

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 that disclose with reasonable accuracy at any time the financial position of the company and 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.

# LONGCLIFFE QUARRIES LIMITED

## DIRECTORS' REPORT

### AUDITORS

Each of the persons who is a director at the date of approval of this report confirms that:

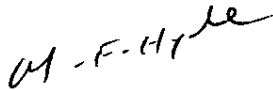
(1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and

(2) the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

Deloitte LLP have indicated their willingness to be reappointed for another terms and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board



M F HYDE

Secretary

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LONGCLIFFE QUARRIES LIMITED**

We have audited the financial statements of Longcliffe Quarries Limited for the year ended 31 March 2009 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes 1 to 24. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2009 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

*Deloitte LLP*

**Deloitte LLP**

Chartered Accountants and Registered Auditors

Nottingham, United Kingdom

*20<sup>th</sup> August 2009*

# LONGCLIFFE QUARRIES LIMITED

## PROFIT AND LOSS ACCOUNT

Year ended 31 March 2009

|   | Note  | 2009<br>£   | 2008<br>£   |
|---|-------|-------------|-------------|
| <b>Turnover</b>   | 2     | 19,482,916  | 19,362,985  |
| Changes in stocks of finished goods                                 |       | 11,581      | 1,744       |
| Other operating income  |       | 188,129     | 303,106     |
| Raw materials and consumables                                       |       | (2,360,379) | (1,840,872) |
| Other external charges  |       | (6,244,825) | (6,042,512) |
| Staff costs   | 4     | (5,542,192) | (5,979,801) |
| Depreciation and other amounts written off<br>tangible fixed assets | 9     | (1,946,525) | (1,663,907) |
| Other operating charges   |       | (2,540,423) | (1,534,754) |
| <b>OPERATING PROFIT</b>   | 3     | 1,048,282   | 2,605,989   |
| Income from shares in group undertakings                            |       | 85,000      | 80,000      |
| Interest receivable and similar income                              | 5     | 18,605      | 14,103      |
| Interest payable and similar charges                                | 6     | (490,809)   | (292,369)   |
| <b>PROFIT ON ORDINARY ACTIVITIES<br/>BEFORE TAXATION</b>            |       | 661,078     | 2,407,723   |
| Tax on profit on ordinary activities                                | 7     | (202,315)   | (555,998)   |
| <b>PROFIT ON ORDINARY ACTIVITIES<br/>AFTER TAXATION</b>             | 18,19 | 458,763     | 1,851,725   |

All activities are derived from continuing operations.

# LONGCLIFFE QUARRIES LIMITED

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES Year ended 31 March 2009

|  | 2009<br>£      | 2008<br>£        |
|--|----------------|------------------|
| Profit attributable to the members for the financial year      | 458,763        | 1,851,725        |
| Actuarial loss on defined benefit pension scheme (note 18)     | (113,000)      | (651,000)        |
| Movement on deferred tax relating to pension scheme (note 18)  | 32,000         | 146,000          |
|  | <hr/>          | <hr/>            |
| Total recognised gains and losses since the last annual report | <u>377,763</u> | <u>1,346,725</u> |

# LONGCLIFFE QUARRIES LIMITED

## BALANCE SHEET 31 March 2009

|  | Note | 2009<br>£          | 2008<br>£          |
|--|------|--------------------|--------------------|
| <b>FIXED ASSETS</b>  |      |                    |                    |
| Tangible fixed assets  | 9    | 13,171,370         | 13,347,952         |
| Investments  | 10   | <u>2,780,961</u>   | <u>2,279,548</u>   |
|  |      | <u>15,952,331</u>  | <u>15,627,500</u>  |
| <b>CURRENT ASSETS</b>  |      |                    |                    |
| Stocks   | 11   | 233,584            | 264,865            |
| Debtors  | 12   | 5,634,556          | 5,795,264          |
| Cash at bank and in hand                                       |      | <u>100</u>         | <u>100</u>         |
|  |      | <u>5,868,240</u>   | <u>6,060,229</u>   |
| <b>CREDITORS: amounts falling due within one year</b>          | 13   | <u>(5,362,205)</u> | <u>(6,247,074)</u> |
| <b>NET CURRENT ASSETS/(LIABILITIES)</b>                        |      | <u>506,035</u>     | <u>(186,845)</u>   |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                   |      | 16,458,366         | 15,440,655         |
| <b>CREDITORS: amounts falling due after more than one year</b> | 14   | (3,818,296)        | (2,699,242)        |
| <b>PROVISIONS FOR LIABILITIES</b>                              | 16   | <u>(1,339,080)</u> | <u>(1,439,502)</u> |
| <b>NET ASSETS EXCLUDING PENSION DEFICIT</b>                    |      | 11,300,990         | 11,301,911         |
| Pension deficit  | 21   | <u>(1,791,000)</u> | <u>(1,806,000)</u> |
| <b>NET ASSETS INCLUDING PENSION DEFICIT</b>                    |      | <u>9,509,990</u>   | <u>9,495,911</u>   |
| <b>CAPITAL AND RESERVES</b>                                    |      |                    |                    |
| Called up share capital  | 17   | 145,474            | 145,474            |
| Share premium account  | 18   | 234,375            | 234,375            |
| Capital redemption reserve                                     | 18   | 16,493             | 16,493             |
| Profit and loss account  | 18   | <u>9,113,648</u>   | <u>9,099,569</u>   |
| <b>SHAREHOLDERS' FUNDS</b>                                     | 19   | <u>9,509,990</u>   | <u>9,495,911</u>   |

These financial statements were approved by the Board of Directors on 11th August 2009

Signed on behalf of the Board of Directors



R J G SHIELDS

Director

## NOTES TO THE ACCOUNTS

Year ended 31 March 2009

### 1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The principal accounting policies adopted are described below and have been applied consistently in both the current year and prior year.

#### Accounting convention

The financial statements are prepared under the historical cost convention and on a going concern basis after due consideration of the principal risks and uncertainties as disclosed in the report to the directors, and in accordance with the Companies Act 1985.

#### Tangible Fixed Assets

Tangible fixed assets are stated at cost net of depreciation and any provision for impairment.

Freehold land is not depreciated except the land which is currently being quarried. The cost of fixed assets is depreciated by equal annual instalments over the expected useful lives of the assets as follows:

|                     |                      |
|---------------------|----------------------|
| Land being quarried | Period of extraction |
| Freehold properties | 20-50 years          |
| Plant and machinery | 3-15 years           |

Assets under the course of construction are not depreciated until they are brought into use.

#### Investments

Investments are stated at cost less provision for any impairment in value.

#### Stocks

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, cost comprises direct materials and an appropriate proportion of quarry fixed and variable overheads based on normal level of activity.

#### Taxation

The tax expense represents the sum of the corporation tax currently payable and the deferred tax.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income and expense that are taxable or deductible in other periods and it further excludes items which are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred taxation is accounted for under Financial Reporting Standard 19 ('FRS 19'), 'Deferred tax'. Full provision is made for deferred tax assets and liabilities arising from timing differences between the recognition of gains and losses in the financial statements and their recognition in a tax computation. Deferred tax assets are only recognised to the extent that it is considered more likely than not that there will be taxable profits against which they will reverse in the reasonably foreseeable future. Deferred tax assets are not discounted.

**NOTES TO THE ACCOUNTS**

**Year ended 31 March 2009**

**1. ACCOUNTING POLICIES (Continued)**

**Leases and hire purchase commitments**

Assets held under finance leases and other similar contracts, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant rate of charge on the balance of capital repayments outstanding. Hire purchase transactions are dealt with similarly, except that assets are depreciated over their useful lives.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term, except where the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used.

**Pension costs**

For defined benefit schemes the amounts charged to operating profit are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the profit and loss account if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in the statement of total recognised gains and losses.

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the group, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability, net of the related deferred tax, is presented separately after other net assets on the face of the balance sheet.

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

**Research and development**

Research and development expenditure is written off as incurred.

**Exemption from the obligation to prepare a cash flow statement and group accounts**

The company has taken advantage of an exemption from the obligation to prepare group accounts and a cash flow statement, on the grounds that the company is a wholly owned subsidiary of Longcliffe Property Holdings Limited and the financial results, position and cash flows are consolidated in the group financial statements of that company.

**2. TURNOVER**

Turnover comprises the invoice value of goods and services exclusive of VAT and is derived wholly within the United Kingdom from the continuing principal activity of the company.

**NOTES TO THE ACCOUNTS**  
**Year ended 31 March 2009**

Operating profit is after charging/(crediting):

Auditors remuneration for audit fees represents fees payable to the company's auditors for the audit of the company's annual accounts.

The non-audit services in the current and prior year are other services relating to taxation.

Fees payable to the company's auditors and their associates in respect of associated pension schemes audited totalled £2,800 (2008: £2,800).

|  | 2009<br>£      | 2008<br>£        |
|--|----------------|------------------|
| <b>Directors' remuneration</b>               |                |                  |
| Fees   | 78,298         | 83,067           |
| Emoluments                                   | 722,116        | 822,491          |
| Pension contributions                        | 192,668        | 217,344          |
|  | <u>993,082</u> | <u>1,122,902</u> |
| <b>Remuneration of highest paid director</b> |                |                  |
| Emoluments                                   | 423,287        | 561,111          |
| Pension contributions                        | -              | 29,496           |
|  | <u>423,287</u> | <u>590,607</u>   |

Within the above remuneration, payments totalling £177,000 (2008: £206,000) were made to the Longcliffe Quarries (Self-Administered) Pension Plan. Two of the directors, including the highest paid director, are two of the beneficiaries of this plan. Since March 2008 no further payments have been made to the defined benefit scheme in respect of R J G Shields.

# LONGCLIFFE QUARRIES LIMITED

## NOTES TO THE ACCOUNTS

Year ended 31 March 2009

### 4. INFORMATION REGARDING DIRECTORS AND EMPLOYEES (continued)

|  | 2009<br>No       | 2008<br>No       |
|--|------------------|------------------|
| <b>The number of directors who are members of:</b> |                  |                  |
| Defined contribution scheme                        | 3                | 2                |
| Defined benefit scheme                             | 1                | 1                |
|  | <u>4</u>         | <u>3</u>         |
| <b>Average number of persons employed</b>          |                  |                  |
| Management and administration                      | 37               | 40               |
| Production, distribution and sales                 | 100              | 103              |
|  | <u>137</u>       | <u>143</u>       |
|  | £                | £                |
| <b>Staff costs during the year</b>                 |                  |                  |
| Wages and salaries                                 | 4,514,654        | 4,798,324        |
| Social security costs                              | 457,335          | 482,789          |
| Other pension costs                                | 570,203          | 698,688          |
|  | <u>5,542,192</u> | <u>5,979,801</u> |

### 5. INTEREST RECEIVABLE

|                                    | 2009<br>£     | 2008<br>£     |
|------------------------------------|---------------|---------------|
| Bank and other interest receivable | <u>18,605</u> | <u>14,103</u> |

### 6. INTEREST PAYABLE

|                                       | 2009<br>£      | 2008<br>£      |
|---------------------------------------|----------------|----------------|
| Loans and bank overdraft              | 149,929        | 172,844        |
| Finance and hire purchase leases      | 191,880        | 149,525        |
| Net charge/(credit) on pension scheme | 149,000        | (30,000)       |
|                                       | <u>490,809</u> | <u>292,369</u> |

**NOTES TO THE ACCOUNTS**

**Year ended 31 March 2009**

**7. TAX ON PROFIT ON ORDINARY ACTIVITIES**

|  | <b>2009</b>     | <b>2008</b>    |
|--|-----------------|----------------|
|  | <b>£</b>        | <b>£</b>       |
| <b>a) Analysis of charge for the year</b>                              |                 |                |
| <b>Current tax</b>   |                 |                |
| UK corporation tax at 28% (2008: 30%) based on the profit for the year | -               | 199,082        |
| Adjustments in respect of previous year                                | 6,816           | 239            |
|  | <u>6,816</u>    | <u>199,321</u> |
| Total current tax (note 7b)  | 6,816           | 199,321        |
| <b>Group relief</b>  |                 |                |
| Charge for the year  | 257,921         | 302,265        |
| Adjustment in respect of previous year                                 | -               | 39,389         |
|  | <u>257,921</u>  | <u>341,654</u> |
| <b>Deferred tax</b>  |                 |                |
| Origination and reversal of timing differences (note 16)               | (192,138)       | 3,943          |
| Adjustments in respect of previous year (note 16)                      | 91,716          | (57,920)       |
| Movement in pension deficit  | 38,000          | 69,000         |
|  | <u>(62,422)</u> | <u>15,023</u>  |
| <b>Total current year tax</b>  | <u>202,315</u>  | <u>555,998</u> |

**b) Factors affecting the tax charge for the year**

The standard rate of tax for the year, based on the UK standard rate of corporation tax, is 28% (2007: 30%). The actual tax charge for the current year and the previous year are lower than the standard rate for the reasons set out in the following reconciliation.

|   | <b>2009</b>      | <b>2008</b>      |
|---|------------------|------------------|
|   | <b>£</b>         | <b>£</b>         |
| Profit on ordinary activities before tax                | 661,078          | 2,407,723        |
|   | <u>661,078</u>   | <u>2,407,723</u> |
| Tax on ordinary activities at the standard rate         | 185,102          | 722,317          |
| <b>Effects of:</b>                                      |                  |                  |
| Expenses not deductible for tax purposes                | 56,764           | 96,138           |
| Differences between depreciation and capital allowances | 181,945          | (105,763)        |
| Other timing differences                                | (38,051)         | (68,134)         |
| Group income not taxable                                | (24,000)         | (24,000)         |
| Research and Development tax credit                     | (103,839)        | (79,822)         |
| Adjustment in respect of prior year                     | 6,816            | 239              |
| Group relief  | (257,921)        | (341,654)        |
|   | <u>(257,921)</u> | <u>(341,654)</u> |
| <b>Total tax for the year (note 7a)</b>                 | <u>6,816</u>     | <u>199,321</u>   |

# LONGCLIFFE QUARRIES LIMITED

## NOTES TO THE ACCOUNTS

Year ended 31 March 2009

### 8. DIVIDENDS

|   | 2009<br>£      | 2008<br>£      |
|---|----------------|----------------|
| Dividend paid of £2.50 (2008: £2.50) per ordinary share | <u>363,684</u> | <u>363,684</u> |

### 9. TANGIBLE FIXED ASSETS

|                                 | Freehold<br>land and<br>buildings<br>£ | Plant and<br>machinery<br>£ | Total<br>£        |
|---------------------------------|--|-----------------------------|-------------------|
| <b>Cost</b>                     |  |                             |                   |
| At 1 April 2008                 | 2,812,587                              | 30,940,131                  | 33,752,718        |
| Additions                       | 6,815                                  | 1,784,691                   | 1,791,506         |
| Disposals                       | -                                      | (102,015)                   | (102,015)         |
|                                 | <u>2,819,402</u>                       | <u>32,622,807</u>           | <u>35,442,209</u> |
| At 31 March 2009                |  |                             |                   |
| <b>Accumulated depreciation</b> |  |                             |                   |
| At 1 April 2008                 | 631,774                                | 19,772,992                  | 20,404,766        |
| Charge for the year             | 37,071                                 | 1,909,454                   | 1,946,525         |
| Disposals                       | -                                      | (80,452)                    | (80,452)          |
|                                 | <u>668,845</u>                         | <u>21,601,994</u>           | <u>22,270,839</u> |
| At 31 March 2009                |  |                             |                   |
| <b>Net book value</b>           |  |                             |                   |
| At 31 March 2009                | <u>2,150,557</u>                       | <u>11,020,813</u>           | <u>13,171,370</u> |
| At 31 March 2008                | <u>2,180,813</u>                       | <u>11,167,139</u>           | <u>13,347,952</u> |

Freehold land and buildings includes land other than that which is currently being quarried amounting to £1,171,409 (2008: £1,171,409).

Plant and machinery includes items held under finance leases and hire purchase contracts at a net book value of £5,300,176 (2008 £3,796,608). The depreciation attributable to these items during the year was £664,884 (2008: £616,949).

Assets under construction that are not yet being depreciated total £98,315 (2008: £1,745,967), of which £91,500 (2008: £1,745,967) relates to plant and machinery and the remaining £6,815 (2008: Nil) being included within land and buildings.

# LONGCLIFFE QUARRIES LIMITED

## NOTES TO THE ACCOUNTS Year ended 31 March 2009

### 10. INVESTMENTS

|                                   | Subsidiary<br>undertaking<br>shares<br>£ | Joint<br>venture<br>£ | Other<br>investments<br>£ | Total<br>£       |
|-----------------------------------|--|-----------------------|---------------------------|------------------|
| <b>Cost:</b>                      |  |                       |                           |                  |
| At 1 April 2008                   | 2,307,052                                | 6                     | 28,490                    | 2,335,548        |
| Additions                         | 501,413                                  | -                     | -                         | 501,413          |
| Reclassifications                 | 490                                      | -                     | (490)                     | -                |
|                                   | <u>2,808,955</u>                         | <u>6</u>              | <u>28,000</u>             | <u>2,836,961</u> |
| At 31 March 2009                  | 2,808,955                                | 6                     | 28,000                    | 2,836,961        |
| <b>Provisions:</b>                |  |                       |                           |                  |
| At 1 April 2008 and 31 March 2009 | 56,000                                   | -                     | -                         | 56,000           |
| <b>Net book amounts:</b>          |  |                       |                           |                  |
| At 31 March 2009                  | <u>2,752,955</u>                         | <u>6</u>              | <u>28,000</u>             | <u>2,780,961</u> |
| At 31 March 2008                  | <u>2,251,052</u>                         | <u>6</u>              | <u>28,490</u>             | <u>2,279,548</u> |

The addition in the year relates to the capitalisation of a loan balance with Vital Earth (Derby) Limited and the purchase of shares in Vital Earth Group Limited. (Vital Earth Group Limited is now 100% owned by Longcliffe Quarries Ltd).

The company is exempt from the requirements to prepare group accounts, due to it being a subsidiary of Longcliffe Property Holdings Limited, a company which prepares consolidated financial statements.

Details of the investments in which the company holds more than 20% of the nominal value of any class of share capital are as follows:

| Name of company   | Country of<br>registration (or<br>incorporation<br>and operation) | Holding         | Proportion<br>of voting<br>rights and<br>share held | Nature of<br>Business    |
|---|---|-----------------|---|--------------------------|
| <b>Subsidiary undertakings</b>                            |   |                 |   |                          |
| Transcycle Limited  | England and Wales   | Ordinary shares | 100%  | Waste<br>recycling       |
| Central Technology UK Limited                             | England and Wales   | Ordinary shares | 100%  | Minerals                 |
| Vital Earth (Derby) Limited                               | England and Wales   | Ordinary shares | 100%  | Recycling/<br>Composting |
| Vital Earth (Sutton) Limited                              | England and Wales   | Ordinary shares | 100%  | Recycling/<br>Composting |
| Vital Earth Limited                                       | England and Wales   | Ordinary shares | 100%  | Dormant                  |
| Avochie Granite Co. Limited                               | England and Wales   | Ordinary shares | 100%  | Dormant                  |
| Longcliffe Lime Company Limited                           | England and Wales   | Ordinary shares | 100%  | Dormant                  |
| Longcliffe Limited  | England and Wales   | Ordinary shares | 100%  | Dormant                  |
| Longcliffe Industrial Minerals Limited                    | England and Wales   | Ordinary shares | 100%  | Dormant                  |
| Derby Paper Salvage (subsidiary of<br>Transcycle Limited) | England and Wales   | Ordinary shares | 100%  | Dormant                  |
| Vital Earth Group Limited                                 | England and Wales   | Ordinary shares | 100%  | Dormant                  |
| Vital Earth Vitalizer Limited                             | England and Wales   | Ordinary shares | 100%  | Dormant                  |
| <b>Joint ventures</b>                                     |   |                 |   |                          |
| Allied Marble and Granite Limited                         | England and Wales   | Ordinary shares | 50%   | Marble                   |
| Hopton Wood Stone Farms Limited                           | England and Wales   | Ordinary shares | 50%   | Dormant                  |

# LONGCLIFFE QUARRIES LIMITED

## NOTES TO THE ACCOUNTS

Year ended 31 March 2009

### 11. STOCKS

|                  | 2009<br>£      | 2008<br>£      |
|------------------|----------------|----------------|
| Finished goods   | 78,783         | 72,437         |
| Consumable goods | 154,801        | 192,428        |
|                  | <u>233,584</u> | <u>264,865</u> |

There is no material difference between the balance sheet value of stocks and their replacement cost.

### 12. DEBTORS

|                                    | 2009<br>£        | 2008<br>£        |
|------------------------------------|------------------|------------------|
| Trade debtors                      | 3,826,772        | 3,872,537        |
| Amounts owed by group undertakings | 1,212,496        | 1,133,192        |
| Prepayments and accrued income     | 327,689          | 348,504          |
| Corporation tax                    | 110,450          | 313,031          |
| Other debtors                      | 157,149          | 128,000          |
|                                    | <u>5,634,556</u> | <u>5,795,264</u> |

All amounts fall due within one year

### 13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|   | 2009<br>£        | 2008<br>£        |
|---|------------------|------------------|
| Bank loans and overdraft                                    | 1,123,992        | 1,666,521        |
| Obligations under finance lease and hire purchase contracts | 1,360,705        | 1,026,782        |
| Other loans   | 133,929          | 133,929          |
| Trade creditors   | 1,178,715        | 2,052,287        |
| Amounts owed to group undertakings                          | 352,063          | 341,654          |
| Other taxation and social security                          | 751,977          | 684,424          |
| Other creditors   | 51,359           | 46,988           |
| Accruals and deferred income                                | 409,465          | 294,489          |
|   | <u>5,362,205</u> | <u>6,247,074</u> |

### 14. CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

|   | 2009<br>£        | 2008<br>£        |
|---|------------------|------------------|
| Bank loan   | 534,375          | 571,875          |
| Obligations under finance lease and hire purchase contracts (see note 15) | 2,850,350        | 1,559,868        |
| Other loans   | 433,571          | 567,499          |
|   | <u>3,818,296</u> | <u>2,699,242</u> |

# LONGCLIFFE QUARRIES LIMITED

## NOTES TO THE ACCOUNTS

Year ended 31 March 2009

### 15. BORROWINGS

|   | 2009<br>£        | 2008<br>£        |
|---|------------------|------------------|
| <b>Analysis of repayments on bank borrowings</b>  |                  |                  |
| In one year or less or on demand  | 1,123,992        | 1,666,521        |
| In more than one year but not more than two   | 37,500           | 37,500           |
| In more than two years but not more than five   | 112,500          | 112,500          |
| In more than five years   | 384,375          | 421,875          |
|   | <u>1,658,367</u> | <u>2,238,396</u> |
| <b>Analysis of repayments of obligations under finance leases and hire purchase contracts</b> |                  |                  |
| In one year or less or on demand  | 1,360,705        | 1,026,782        |
| In more than one year but not more than two   | 986,503          | 742,715          |
| In more than two years but not more than five   | 1,863,847        | 817,153          |
|   | <u>4,211,055</u> | <u>2,586,650</u> |
| <b>Analysis of repayments of other loans</b>  |                  |                  |
| In one year or less or on demand  | 133,929          | 133,929          |
| In more than one year but not more than two   | 133,929          | 133,929          |
| In more than two years but not more than five   | 299,642          | 401,786          |
| In more than five years   | -                | 31,784           |
|   | <u>567,500</u>   | <u>701,428</u>   |
| <b>Total borrowings including finance leases</b>  |                  |                  |
| In one year or less or on demand  | 2,618,626        | 2,827,232        |
| In more than one year but not more than two   | 1,157,932        | 914,144          |
| In more than two years but not more than five   | 2,275,989        | 1,331,439        |
| In more than five years   | 384,375          | 453,659          |
|   | <u>6,436,922</u> | <u>5,526,474</u> |

The bank overdraft is secured by a fixed charge on the company's debts and a floating charge on the undertaking and assets of the company.

The bank loan is repayable in monthly instalments and is due to be repaid in 2024. The loan bears interest at 1.375% over Bank of England base rate.

Obligations under finance leases and hire purchase contracts are secured by related leased assets and bear finance charges at normal commercial rates.

Other loans relates to a loan from The Longcliffe Quarries (Self-Administered) Pension Plan (see note 23).

# LONGCLIFFE QUARRIES LIMITED

## NOTES TO THE ACCOUNTS

Year ended 31 March 2009

### 16. PROVISIONS FOR LIABILITIES

|                              | 2009<br>£        | 2008<br>£        |
|------------------------------|------------------|------------------|
| <b>Deferred taxation</b>     |                  |                  |
| Balance at 1 April           | 1,439,502        | 1,493,439        |
| (Credit)/charge for the year | (192,138)        | 3,943            |
| Prior year adjustment        | 91,716           | (57,920)         |
|                              | <u>1,339,080</u> | <u>1,439,502</u> |
| Balance at 31 March          | <u>1,339,080</u> | <u>1,439,502</u> |

The amounts of deferred taxation provided and unprovided in the accounts are:

|  | <b>Provided</b>  |                  | <b>Not provided</b> |                 |
|--|------------------|------------------|---------------------|-----------------|
|  | 2009<br>£        | 2008<br>£        | 2009<br>£           | 2008<br>£       |
| Capital allowances in excess of depreciation | 1,339,080        | 1,439,502        | -                   | -               |
| Capital losses                               | -                | -                | (18,788)            | (20,233)        |
|  | <u>1,339,080</u> | <u>1,439,502</u> | <u>(18,788)</u>     | <u>(20,233)</u> |

The unprovided deferred tax asset in respect of capital losses will be recoverable against future capital gains. It has not been provided as there are no planned capital gains in the foreseeable future.

### 17. CALLED UP SHARE CAPITAL

|   | 2009<br>£      | 2008<br>£      |
|---|----------------|----------------|
| <b>Authorised</b>                         |                |                |
| 150,000 ordinary shares of £1 each        | <u>150,000</u> | <u>150,000</u> |
| <b>Called up, allotted and fully paid</b> |                |                |
| 145,474 ordinary shares of £1 each        | <u>145,474</u> | <u>145,474</u> |

# LONGCLIFFE QUARRIES LIMITED

## NOTES TO THE ACCOUNTS

Year ended 31 March 2009

### 18. RESERVES

|   | Share<br>premium<br>account<br>£ | Capital<br>redemption<br>reserve<br>£ | Profit and<br>loss<br>account<br>£ | Total<br>£       |
|---|----------------------------------|---------------------------------------|------------------------------------|------------------|
| At beginning of year                          | 234,375                          | 16,493                                | 9,099,569                          | 9,350,437        |
| Profit for the year                           | -                                | -                                     | 458,763                            | 458,763          |
| Dividends paid                                | -                                | -                                     | (363,684)                          | (363,684)        |
| Net actuarial loss relating to pension scheme | -                                | -                                     | (81,000)                           | (81,000)         |
| At 31 March 2009                              | <u>234,375</u>                   | <u>16,493</u>                         | <u>9,113,648</u>                   | <u>9,364,516</u> |

### 19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

|   | 2009<br>£        | 2008<br>£        |
|---|------------------|------------------|
| Profit for the financial year                 | 458,763          | 1,851,725        |
| Dividends paid                                | (363,684)        | (363,684)        |
| Net actuarial loss relating to pension scheme | (81,000)         | (505,000)        |
| Net increase in shareholders' funds           | <u>14,079</u>    | <u>983,041</u>   |
| Opening shareholders' funds                   | <u>9,495,911</u> | <u>8,512,870</u> |
| Closing shareholders' funds                   | <u>9,509,990</u> | <u>9,495,911</u> |

### 20. CAPITAL COMMITMENTS

|                                 | 2009<br>£ | 2008<br>£      |
|---------------------------------|-----------|----------------|
| Contracted but not provided for | <u>-</u>  | <u>278,762</u> |

**NOTES TO THE ACCOUNTS**

**Year ended 31 March 2009**

**21. PENSION COMMITMENTS**

The company operates a defined benefit pension scheme for all qualifying employees which is funded by the payment of contributions to separately administered funds. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit credit method. The most recent valuation was conducted as at 1 April 2007, assuming that the real rate of investment return would be 7.8% per annum and that the real rate of salary increases would average 2% per annum. The pension charge for the year was £556,893 (2008: £649,948). The charge is assessed in accordance with the advice of independent qualified actuaries. The most recent actuarial valuation carried out by Scottish Widows showed that market value of schemes assets amounted to £10,206,000 and the actuarial value of those assets represented 78% of the benefits that had accrued to members, after allowing for future increases in earnings. In addition, the most recent actuarial valuation showed a deficit of £2,943,000 at the valuation date of 1 April 2007.

The company is committed to providing the necessary funding to ensure the deficit is eliminated.

During the year, the contribution rates for employees were 7% of pensionable salary for staff employees and 5.25% of pensionable salary for works employees. The agreed rate of employee contributions from 1 April 2005 is 7% of pensionable salary for staff employees and 5.25% of pensionable salary for works employees.

The total contribution rate during the year was 15.5% of total pensionable earnings.

During the year, the company also made an additional contribution of £386,000 (2008: £386,000).

The agreed contribution to 30 September 2008 was 15.5% of total pensionable salary, increasing to 22.3% with effect from 1 October 2008 and by 0.45% each 1<sup>st</sup> October thereafter. In addition, the company made additional contributions of £386,000 per annum to 30 September 2008 and will make additional contributions of £415,000 per annum from 1 October 2008 to 30 June 2018.

The valuation used for FRS 17 disclosures has been based on the most recent actuarial valuation at 1 April 2007 and updated by Scottish Widows to take account of the requirements of FRS 17 in order to assess the liabilities of the scheme at 31 March 2009. Scheme assets are stated at their market value at 31 March 2009.

The financial assumptions used to calculate scheme liabilities under FRS 17 are:

|                                   | Valuation at |      |
|-----------------------------------|--------------|------|
|                                   | 2009         | 2008 |
| Discount rate                     | 7.5%         | 6.7% |
| Expected rate of salary increases | n/a          | 4.3% |
| Future pension increases          | n/a          | 4.3% |
| Inflation                         | 2.7%         | 3.4% |

**NOTES TO THE ACCOUNTS**

**Year ended 31 March 2009**

**21 PENSION COMMITMENTS (Continued)**

**Mortality assumptions:**

Investigations have been carried out within the past three years into the mortality experience of the Company's defined benefit scheme. These investigations concluded that the current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement at age 65 are:

|                       | <b>Valuation at</b> |              |
|-----------------------|---------------------|--------------|
|                       | <b>2009</b>         | <b>2008</b>  |
|                       | <b>years</b>        | <b>years</b> |
| Retiring today:       |                     |              |
| Males                 | 20.8                | 22.0         |
| Females               | 24.0                | 24.9         |
| Retiring in 20 years: |                     |              |
| Males                 | 22.6                | 23.1         |
| Females               | 26.0                | 25.9         |

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

| <b>Assumption</b> | <b>Change in assumption</b> | <b>Impact on scheme liabilities</b> |
|-------------------|-----------------------------|-------------------------------------|
| Discount rate     | Increase/decrease by 0.5%   | Decrease/increase by 10 %           |
| Rate of inflation | Increase/decrease by 0.5%   | Increase/decrease by 10 %           |
| Rate of mortality | Increase by 1 year          | Increase by 2.77%                   |

Amounts recognised in the profit and loss account in respect of these defined benefit schemes are as follows:

|                                  | <b>2009</b>  | <b>2008</b>  |
|----------------------------------|--------------|--------------|
|                                  | <b>£'000</b> | <b>£'000</b> |
| Current service cost             | 201          | 472          |
| Interest cost                    | 820          | 690          |
| Expected return on scheme assets | (671)        | (720)        |
| Settlements or curtailments      | 65           | -            |
|                                  | <b>415</b>   | <b>442</b>   |

Of the charge for the year, £266,000 (2008: £472,000) has been included in staff costs and £149,000 (2008: credit of £30,000) has been included in interest payable. Actuarial gains and losses have been reported in the statement of total recognised gains and losses.

The cumulative amount of actuarial gains and losses recognised in the statement of total recognised gains and losses since the adoption of FRS 17 is losses of £116,000 (2008: losses of £3,000).

# LONGCLIFFE QUARRIES LIMITED

## NOTES TO THE ACCOUNTS

Year ended 31 March 2009

### 21. PENSION COMMITMENTS (Continued)

The amount included in the balance sheet arising from the Company's obligations in respect of its defined benefit retirement benefit schemes is as follows:

|  | 2009<br>£'000 | 2008<br>£'000 |
|--|---------------|---------------|
| Present value of defined benefit obligations | (10,105)      | (12,244)      |
| Fair value of scheme assets                  | 7,617         | 9,735         |
| Deficit in scheme                            | (2,488)       | (2,509)       |
| Related deferred tax asset                   | 697           | 703           |
| Liability recognised in the balance sheet    | (1,791)       | (1,806)       |

Movements in the present value of defined benefit obligations were as follows:

|                             | 2009<br>£'000 | 2008<br>£'000 |
|-----------------------------|---------------|---------------|
| At 1 April                  | 12,244        | 12,320        |
| Service cost                | 201           | 472           |
| Interest cost               | 820           | 690           |
| Actuarial gains and losses  | (2,967)       | (985)         |
| Benefits paid               | (258)         | (253)         |
| Settlements or curtailments | 65            | -             |
| At 31 March                 | 10,105        | 12,244        |

Movements in the fair value of scheme assets were as follows:

|                                  | 2009<br>£'000 | 2008<br>£'000 |
|----------------------------------|---------------|---------------|
| At 1 April                       | 9,735         | 10,232        |
| Expected return on scheme assets | 671           | 720           |
| Actuarial gains and losses       | (3,080)       | (1,636)       |
| Contributions from the company   | 549           | 672           |
| Benefits paid                    | (258)         | (253)         |
| At 31 March                      | 7,617         | 9,735         |

The analysis of the scheme assets and the expected rate of return at the balance sheet date was as follows:

|                    | Expected return |           | Fair value of assets |               |
|--------------------|-----------------|-----------|----------------------|---------------|
|                    | 2009<br>%       | 2008<br>% | 2009<br>£'000        | 2008<br>£'000 |
| Equity instruments | 7.0             | 7.5       | 5,100                | 6,427         |
| Debt instruments   | 5.6             | 5.5       | 1,828                | 2,393         |
| Property           | 6.8             | -         | 689                  | -             |
| Other assets       | -               | 5.25      | -                    | 915           |
|                    |                 |           | 7,617                | 9,735         |

**NOTES TO THE ACCOUNTS**  
**Year ended 31 March 2009**

**21. PENSION COMMITMENTS (Continued)**

The five-year history of experience adjustments is as follows:

|  | <b>2009</b>  | <b>2008</b>  | <b>2007</b>  | <b>2006</b>  | <b>2005</b>  |
|--|--------------|--------------|--------------|--------------|--------------|
|  | <b>£'000</b> | <b>£'000</b> | <b>£'000</b> | <b>£'000</b> | <b>£'000</b> |
| Present value of defined benefit obligations                   | (10,105)     | (12,244)     | (12,320)     | (12,202)     | (10,554)     |
| Fair value of scheme assets                                    | 7,617        | 9,735        | 10,232       | 8,929        | 7,039        |
| Deficit in the scheme  | (1,791)      | (1,806)      | (1,462)      | (3,273)      | (3,515)      |
| Experience adjustments on scheme liabilities<br>Amount (£'000) | 264          | (59)         | (13)         | (131)        | 268          |
| Percentage of scheme liabilities (%)                           | 3%           | 0%           | 0%           | 1%           | 3%           |
| Experience adjustments on scheme assets<br>Amount (£'000)      | (3,080)      | (1,636)      | 47           | 1,277        | 270          |
| Percentage of scheme liabilities (%)                           | (40%)        | (17%)        | 0%           | 14%          | 4%           |

The most recent triennial valuation of the Company's pension scheme for funding purposes has been performed in 2007. Under the funding schedule agreed with the scheme trustees, the Company aims to eliminate the current deficit over the next 10 years. The company will monitor funding levels annually and the funding schedule will be reviewed between the Company and the trustees every three years, based on actuarial valuations. The next triennial valuation is due to be completed at 31 March 2010. The Company considers that the contribution rates agreed with the trustees are sufficient to eliminate the current deficit over the agreed period.

The directors are of the opinion that the actuarial valuation provides a more accurate reflection of the pension scheme deficit than the valuation performed for FRS 17 purposes. The valuation for FRS 17 purposes uses a more stringent set of assumptions that the directors do not consider to be representative of the actual position.

The company also operates two defined contribution pension schemes, the assets being held separate from the company in independently administered funds. The employer contributions are charged direct to the profit and loss account and amounted to £296,310 (2008: £248,742).

**NOTES TO THE ACCOUNTS**

**Year ended 31 March 2009**

**22. FINANCIAL COMMITMENTS**

The company had annual commitments under non-cancellable operating leases as follows:

|                      | <b>Land and buildings</b> |               | <b>Other</b> |             |
|----------------------|---------------------------|---------------|--------------|-------------|
|                      | <b>2009</b>               | <b>2008</b>   | <b>2009</b>  | <b>2008</b> |
|                      | <b>£</b>                  | <b>£</b>      | <b>£</b>     | <b>£</b>    |
| Leases which expire: |                           |               |              |             |
| Within 2 to 5 years  | <u>100,000</u>            | <u>71,000</u> | <u>-</u>     | <u>-</u>    |

**23. RELATED PARTY TRANSACTIONS**

**Trading transactions**

The company is a wholly owned subsidiary of Longcliffe Property Holdings Limited. Longcliffe Property Holdings Limited has prepared consolidated financial statements for the year ended 31 March 2009 and therefore, the company has relied on the exemptions contained within Financial Reporting Standard 8 in respect of the disclosure of related party transactions.

Costs of £397,947 (2008: £386,207) relating to the development of a quarry occupied by Longcliffe Quarries Limited have been incurred by R J G Shields (trading as Avochie Estate) and recharged to the company. Of this amount, £67,179 (2008: £38,421) is still outstanding at the year end.

Costs of £30,250 (2008: £30,250) were incurred during the year relating to Avochie Quarry leased from JFG Shields. Of this amount, £Nil (2008: £Nil) is still outstanding at the year end.

Sales from Longcliffe Quarries Limited to Allied Marble and Granite Limited during the year ended 31 March 2009 amounted to £14,698 (2008: £15,099).

**Pension plan transactions**

During the year, payments totalling £177,000 (2008: £206,000) were made to The Longcliffe Quarries (Self-Administered) Pension Plan. This is a private pension plan, of which R J G Shields, J F G Shields (both directors), A M L Shields (wife of R J G Shields), E E G Shields, E S G Shields and E A G Shields (daughters of R J G Shields) are the beneficiaries.

Rental charges of £48,000 (2008: £35,000) were paid in the year to The Longcliffe Quarries (Self-Administered) Pension Plan in relation to the rental of land.

The Longcliffe Quarries Limited (Self-Administered) Pension Plan has made two loans to Longcliffe Quarries Limited. The aggregate liability at the year end was £567,500 (2008: £701,428).

Aggregate interest of £42,486 (2008: £65,486) was paid to the plan during the year.

The loans are repayable in equal monthly instalments. The interest charged on the loans is 3% per annum over the base rate, payable annually. The loans are unsecured and are disclosed under 'other loans' within creditors (see notes 13 and 14).

# **LONGCLIFFE QUARRIES LIMITED**

## **NOTES TO THE ACCOUNTS**

**Year ended 31 March 2009**

### **24. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY**

The ultimate parent undertaking of the company is Longcliffe Property Holdings Limited, a company registered in England and Wales. Copies of the accounts of this company can be obtained from Longcliffe Quarries Limited, Brassington, Matlock, Derbyshire, DE4 4BZ.

The largest and smallest group in which Longcliffe Quarries Limited is consolidated is headed by Longcliffe Property Holdings Limited.

Longcliffe Property Holdings Limited is controlled by RJG Shields and members of his immediate family.