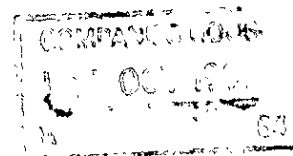


TARMAC ROADSTONE LIMITED
DIRECTORS' REPORT AND ACCOUNTS 1991
FOR THE YEAR ENDED 31st DECEMBER 1990 64

(Registered in England, Number 368254)



TARMAC ROADSTONE LIMITED**DIRECTORS' REPORT**

The directors submit herewith their annual report to the members, together with the accounts, for the year ended 31st December 1990.

Business review

The company acts as a manager in respect of certain of the activities of its parent company, Tarmac Quarry Products Limited. The company has neither received income nor incurred expenditure in respect of its management activities during the year ended 31st December 1990.

In addition the company is the United Kingdom holding company of Tarmac Roadstone Australia (Pty.) Limited.

Directors

The directors serving during the year were:

J. Mawdsley
B.D. Andrews
C. Novotny
P.B. Rothwell
J. Cook
L.C. Faulkner
G.F. Cliffe
M. Whittle
J.J.T.H. Glaves
P.F. Davenport

Directors' interests

The directors, (other than those whose interests are disclosed in the accounts of the parent or holding companies), had the following interests in the share and loan capital, including share options, of Tarmac PLC:

	Ordinary shares of 50p each			
	31st December 1990		31st December 1989	
	Interest	Share options	Interest	Share options
J. Cook	27,256	62,098	31,656	62,098
L.C. Faulkner	-	38,051	-	38,051
G.F. Cliffe	976	125,480	-	86,053
M. Whittle	11,952	139,809	6,000	98,550
J.J.T.H. Glaves	9,136	148,723	2,648	123,680
P.F. Davenport	7,724	112,658	10,224	76,455

No director has any beneficial interest in the share or loan capital of any subsidiary of Tarmac PLC.

TARMAC ROADSTONE LIMITEDDIRECTORS' REPORT
(continued)**Auditors**

In accordance with Section 385 of the Companies Act 1985, a resolution concerning the re-appointment of KPMG Peat Marwick McLintock as auditors of the company will be proposed at the forthcoming annual general meeting.

By Order of the Board



Secretary



REPORT OF THE AUDITORS. KPMG PEAT MARWICK McLINTOCK. TO THE MEMBERS OF
TARMAC ROADSTONE LIMITED

We have audited the accounts on pages 4 to 6 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of the company's affairs at 31st December 1990 and of its result for the year then ended have been properly prepared in accordance with the Companies Act 1985.

KPMG Peat Marwick McLintock
Chartered Accountants

Birmingham

28th June 1991

TARMAC ROADSTONE LIMITEDBALANCE SHEETAT 31st DECEMBER 1990

	Note	1990 £	1989 £
Fixed assets			
Investments	3	61,047	61,047
Creditors: Amounts falling due after more than one year	4	(23,051)	(23,051)
Net assets		<u>37,996</u>	<u>37,996</u>
Capital and reserves			
Called up share capital	5	2,002	2,002
Profit and loss account		35,994	35,994
		<u>37,996</u>	<u>37,996</u>

These accounts were approved by the board of directors on 28th June 1991 and signed on its behalf by:

) Directors

Profit and loss account

During the financial year and the preceding financial year the company did not trade and received no income and incurred no expenditure. Consequently during those years the company made neither a profit nor a loss.

TARMAC ROADSTONE LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31st DECEMBER 1990****1. Accounting policies**

These accounts have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

2. Profit on ordinary activities before taxation

The company has neither received income nor incurred expenditure in respect of its management activities during the year ended 31st December 1990.

No director received remuneration from the company during the year (1989: £Nil).

3. Investments

	1990 £	1989 £
Shares at cost in subsidiary undertaking	61,047	61,047

The company owns the whole of the allotted ordinary share capital of Tarmac Roadstone Australia (Pty.) Limited, a company incorporated in Australia.

In the opinion of the directors the value of the investment in the subsidiary undertaking at 31st December 1990 is not less than the amount at which it is stated in the balance sheet.

Tarmac Roadstone Limited is a wholly owned subsidiary of Tarmac Quarry Products Limited, a company incorporated in Great Britain and registered in England, and accordingly consolidated accounts have not been prepared.

4. Creditors: Amounts falling due after more than one year

	1990 £	1989 £
Amount due to parent	23,051	23,051

There are no agreed repayment terms for the above balance which is unsecured.

TARMAC ROADSTONE LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31st DECEMBER 1990****(continued)****5. Share capital**

	1990 £	1989 £
Authorised: 5,000 ordinary shares of £1 each	<u>5,000</u>	<u>5,000</u>
Allotted, called up and fully paid: 2,002 ordinary shares of £1 each	<u>2,002</u>	<u>2,002</u>

6. Holding companies

The company's immediate parent company is Tarmac Quarry Products Limited and its ultimate holding company is Tarmac PLC, both companies being incorporated in the United Kingdom and registered in England.