

MALLINSON-DENNY (TRUSTEES) LIMITED

DIRECTORS' REPORT

AND

FINANCIAL STATEMENTS

31 DECEMBER 1988



MALLINSON-DENNY (HUNTER) LIMITED

REPORT OF THE DIRECTORS

The Directors have pleasure in submitting their report and financial statements for the year ended 31 December 1988.

ACTIVITIES

During the year the Company continued to act as trustee of the pension funds for the employees of Mallinson-Denny Group Limited and that company's subsidiaries.

The Directors do not envisage initiating any material departure from these activities for the foreseeable future.

FINANCIAL

The Directors do not recommend payment of a dividend on the ordinary share capital. The preference dividend for the year has been waived.

DIRECTORS

The Directors of the Company during the year were:

D H Allen (resigned 8.4.1988)
C V Hoodless
J G Dyke
D Taylor
G G Williams

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The Directors' interests, if any, in the share capital and debentures of Group companies, to be stated in accordance with S.235(3) of the Companies Act 1985, were as follows:

		Wickes plc Ordinary Shares	Hunter Limited Ordinary Shares	Hillsdown Holdings plc Ordinary Shares
C V Hoodless	1.1.1988	—	628	800 - options
	31.12.1988	9545 - options		
D Taylor	1.1.1988			1,300 - options
	31.12.1988			
G G Williams	1.1.1988		7,548	800 - options
	31.12.1988	32,496		
J G Dyke	1.1.1988		100,001	800 - options
	31.12.1988	182,203		

APPROVED

The Company's auditors, Peat Marwick McLintock, resigned during the year and the Directors filled the casual vacancy by appointing Arthur Andersen & Co to serve in such capacity.

A resolution concerning the reappointment of Arthur Andersen & Co as auditors and their remuneration will be submitted to the annual general meeting.

By Order of the Board

J G Dyke
Secretary

30 March 1989

AUDITORS' REPORT TO THE MEMBERS OF
MALLIN & GUNNY (TRUSTEES) LIMITED

We have audited the accounts on pages 3 to 4 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of affairs of the company at 31st December 1988 and have been properly prepared in accordance with the Companies Act 1985.

Arthur Andersen & Co.

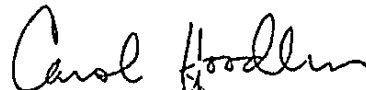
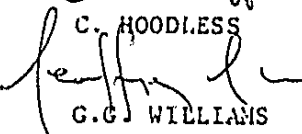
ARTHUR ANDERSEN & CO
Chartered Accountants
London
30 March 1989

THE COMPANY'S FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 1988

STATEMENT OF FINANCIAL POSITION

As at 31 December 1988

	<u>Notes</u>	<u>1988</u> £	<u>1987</u> £
DEBTORS			
Amounts owed by holding company		3,263	3,263
		=====	=====
RESERVES			
Called up share capital	2	4	4
Profit and loss account		<u>3,259</u>	<u>3,259</u>
		3,263	3,263
		=====	=====


 C. HOODLESS Director

 G.G. WILLIAMS Director

STATEMENT OF FINANCIAL POSITION (continued)

31 December 1988

1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention.

2. PROFIT AND LOSS ACCOUNT

The Company did not trade during the year ended 31 December 1988 and therefore no profit and loss account has been prepared.

3. CALLED UP SHARE CAPITAL

	Authorised		Allotted, called up and fully paid			
	1988	1987	1988		1987	
	£	£	No.	£	No.	£
Ordinary shares of £1 each	98	98	2	2	2	2
5% non Cumulative Preference Shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
	100	100	4	4	4	4
	=====	=====	===	===	===	===

4. ULTIMATE HOLDING COMPANY

At the year end the Company's ultimate holding company was Wickes plc, which is incorporated in Great Britain.

5. APPROVAL OF FINANCIAL STATEMENTS

The Board of Directors approved the financial statements on 30 March 1989