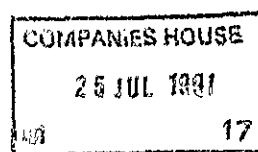


No 2362253

DIRECTORS' REPORT AND ACCOUNTS

UDS HOLDINGS (1) LIMITED

29 SEPTEMBER 1990



UDS HOLDINGS (1) LIMITED
DIRECTORS' REPORT

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Directors: A G L Alexander
D C Bonham
G Dransfield
M C Murray

Secretary: R T V Tyson

Registered office: 1 Grosvenor Place, London SW1X 7JH

The Directors present their report and the audited accounts for the year ended 29 September 1990.

PRINCIPAL ACTIVITIES

The Company is an investment holding company within the Hanson PLC group.

RESULTS AND DIVIDENDS

The loss for the year amounts to £5,980 and is dealt with as shown in the profit and loss account.

The Directors do not recommend the payment of a dividend.

DIRECTORS

The Directors shown at the head of this report are currently in office and were in office throughout the year under review. There were no other Directors during the year.

DIRECTORS' INTERESTS

None of the Directors had any declarable interests in the share and loan capital of the Company or any associated company.

AUDITORS

Ernst & Young have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment will be submitted at the Annual General Meeting.

ANNUAL GENERAL MEETINGS

An Elective Resolution pursuant to Section 379A of the Companies Act 1985 will be proposed at the Annual General Meeting dispensing with the need to hold such meetings in the future.

By order of the Board



R T V Tyson
Secretary

6 December 1990

ERNST & YOUNG

REPORT OF THE AUDITORS TO THE MEMBERS OF
UDS HOLDINGS (1) LIMITED

We have audited the accounts on pages 3 to 6 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 29 September 1990 and of the loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young
Ernst & Young

Chartered Accountants

HULL

6 December 1990

UDS HOLDINGS (1) LIMITED
 PROFIT AND LOSS ACCOUNT
 FOR THE YEAR ENDED 29 SEPTEMBER 1990

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	Note	1990 £	1989 (6 months) £
OPERATING CHARGES		5,980	-
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>5,980</u>	<u>-</u>
Taxation	2	-	-
LOSS FOR THE FINANCIAL YEAR		<u>£5,980</u>	<u>£ -</u>

Movements on reserves are set out in Note 5.

UDS HOLDINGS (1) LIMITED
BALANCE SHEET - 29 SEPTEMBER 1990

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	Note	1990 £	1989 £
FIXED ASSETS			
Investments	3	186,427,000	186,427,000
CURRENT ASSETS			
Amounts due from group company		2,000	2,000
CREDITORS - Amounts falling due within one year			
Amounts owed to group companies		(5,980)	-
NET CURRENT (LIABILITIES)/ASSETS		<u>(3,980)</u>	<u>2,000</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£186,423,020</u>	<u>£186,429,000</u>

CAPITAL AND RESERVES			
Called up share capital	4	102	102
Share premium		186,428,898	186,428,898
Profit and loss account	5	(5,980)	-

D C Bonham)
)
) Directors
)
)
G Dransfield)

D C Bonham

Graham Dransfield

Approved by the
Board of Directors
on 6 December 1990

£186,423,020 £186,429,000

1 ACCOUNTING POLICIES

(a) Accounting convention

The accounts have been prepared under the historical cost convention.

(b) Consolidated accounts

The Company is a wholly owned subsidiary of a body incorporated in Great Britain and advantage has been taken of S229 (2) of the Companies Act 1985 in that consolidated accounts have not been prepared.

(c) Fixed asset investments

Fixed asset investments are at cost except where it is required to make a provision for diminution in value.

2 TAXATION

No taxation arises on the result for the year.

3 FIXED ASSETS

	£
Shares in subsidiary and associated companies at cost At 30 September 1989 and 29 September 1990	186,427,000
Representing:	
Subsidiary companies	185,583,000
Associated company	844,000
	<u>£186,427,000</u>

The following are the Company's directly, wholly owned subsidiaries which, with the exception of McIndor Hills Corp, which is incorporated in Panama, are all registered in England.

Company	Nature of business
Brooks Bros (Tailors) Limited	Property investment
McIndor Hills Corp	Dormant
Peter Pell Limited	Property investment
School Caterers Limited	Dormant
UDS (Head Office) Limited	Holding company
UDS (No 1) Limited	Dormant
UDS Finance Limited	Holding company
UDS Overseas Investments Limited	Holding company

In the opinion of the Directors, the aggregate value of the Company's investments in its subsidiaries is not less than the amounts at which they are stated in the balance sheet.

3 FIXED ASSETS (Continued)

The investment in the associated company represents a 45% holding in Elco Leasing Limited, a company involved in the provision of leasing finance. The most recent accounts of Elco Leasing Limited are for the year ended 31 January 1990 and show a profit of £60,652 and net assets of £2,122,146.

4 CALLED UP SHARE CAPITAL

	Authorised 1990 and 1989	Allotted, called up and fully paid 1990 and 1989
Ordinary shares of £1 each	£1,000,000	£102

5 PROFIT AND LOSS ACCOUNT

	£
At 30 September 1989	-
Loss for the year	(5,980)
At 29 September 1990	£(5,980)

6 CONTINGENT LIABILITIES

The Company owns 900,000 ordinary shares of £1 each in its associated company, of which 25p per share has been called up. The Company thus has a contingent liability of £675,000 in respect of the balance of 75p per share.

7 HOLDING COMPANY

The ultimate holding company is Hanson PLC, which is registered in England.