

CRE GROUP LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007**

MONDAY



A8919VRN

A20

24/12/2007

89

COMPANIES HOUSE

CRE GROUP LIMITED

COMPANY INFORMATION

Directors	J B Lott DRT Waring A Riby
Secretary	D Watson
Company number	02924220
Registered office	PO Box 18 Mill Lane Huthwaite Nottinghamshire NG17 2NS
Auditors	PKF (UK) LLP Regent House Clinton Avenue Nottingham NG5 1AZ

CRE GROUP LIMITED

CONTENTS

	Page
Directors' report	1
Statement of directors' responsibilities	2
Independent auditors' report	3 - 4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 9

CRE GROUP LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2007**

The directors present their report and the financial statements for the year ended 31 March 2007

Principal activities

The company acted as a property company, receiving rentals for its leasehold premises at Stoke Orchard until their disposal on 13 December 2006. The company no longer trades.

Directors

The directors who served during the year were

J B Lott
DRT Waring
A Riby

Liability insurance

The company maintains liability insurance for directors and officers, as permitted by section 309A(4) of the Companies Act 1985.

Provision of information to auditors

So far as each of the directors is aware at the time the report is approved

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

The auditors, PKF (UK) LLP, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on *29th August 2007* and signed on its behalf



D Watson
Secretary

CRE GROUP LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2007

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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

CRE GROUP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CRE GROUP LIMITED

We have audited the financial statements of CRE Group Limited for the year ended 31 March 2007 which comprise the profit and loss account, the balance sheet and the related notes. The 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 annual report and 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 have been properly prepared in accordance with the Companies Act 1985. We also 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.

We report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

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 judgments 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.

CRE GROUP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CRE GROUP LIMITED

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 2007 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



PKF (UK) LLP

Registered auditors

Nottingham, UK

Date 13 September 2008

CRE GROUP LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2007**

	Note	2007 £000	2006 £000
TURNOVER	1	80	120
Administrative expenses		<u>(511)</u>	<u>(206)</u>
OPERATING LOSS	2	(431)	(86)
EXCEPTIONAL ITEMS			
Net profit on sale of tangible fixed assets	3	<u>824</u>	<u>-</u>
PROFIT/(LOSS) BEFORE TAXATION		393	(86)
Tax on profit/(loss) on ordinary activities	4	<u>-</u>	<u>29</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION	8	<u>393</u>	<u>(57)</u>

CRE GROUP LIMITED

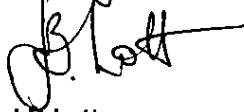
**BALANCE SHEET
AS AT 31 MARCH 2007**

	Note	£000	2007 £000	£000	2006 £000
CURRENT ASSETS					
Debtors	5	-		136	
Cash at bank		6		27	
		<u>6</u>		<u>163</u>	
CREDITORS amounts falling due within one year	6	(5)		(80)	
NET CURRENT ASSETS			<u>1</u>		<u>83</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1</u>		<u>83</u>
CAPITAL AND RESERVES					
Called up share capital	7	-		-	
Capital redemption reserve			399		399
Profit and loss account	8		(398)		(316)
SHAREHOLDERS' FUNDS			<u>1</u>		<u>83</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

29 August 2007



J B Lott
Director

CRE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007

1 ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 228 of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding value added tax.

1.3 Taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred taxation is recognised, without discounting, in respect of all timing differences which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

2 OPERATING LOSS

The operating loss is stated after charging

	2007 £000	2006 £000
Auditors' remuneration	1	1
Amounts due from parent company not recoverable	427	-
	<hr/>	<hr/>

During the year, no director received any emoluments (2006 - £NIL)

3 EXCEPTIONAL ITEM

	2007 £000	2006 £000
Profit on disposal of long leasehold property	824	-
	<hr/>	<hr/>

On 13 December 2006, the company transferred its interest in the Stoke Orchard premises to its parent company for a consideration of £825,000 less costs.

No provision for corporation tax required in the accounts because the property was transferred at no gain or loss for tax purposes.

CRE GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007**

4. TAXATION

	2007 £000	2006 £000
UK corporation tax charge/(credit) on profit/(loss) for the year	-	(29)

There were no factors that may affect future tax charges

5 DEBTORS

	2007 £000	2006 £000
Trade debtors	-	21
Amounts owed by group undertakings (note 10)	-	66
Other debtors	-	21
Tax recoverable	-	28
	<u>-</u>	<u>136</u>

6 CREDITORS

Amounts falling due within one year

	2007 £000	2006 £000
Trade creditors	2	59
Social security and other taxes	1	4
Other creditors	2	17
	<u>5</u>	<u>80</u>

7. SHARE CAPITAL

	2007 £000	2006 £000
Authorised, allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>-</u>	<u>-</u>

8 RESERVES

	Profit and loss account £000
At 1 April 2006	(316)
Profit retained for the year	393
Dividends Equity capital	(475)
	<u>(398)</u>
At 31 March 2007	<u>(398)</u>

CRE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007

9 CONTINGENT LIABILITIES

Under the sale agreement of an associated company, a number of contractual and financial obligations were passed to the succeeding shareholders. Whilst this is considered unlikely, should that party be unable to honour those obligations, then any shortfall to the parties involved as sub-contractors may subsequently fall to the company. The value of any such shortfall is unknown.

10 TRANSACTIONS WITH RELATED PARTIES

Included in turnover is £85,000 (2006 £83,000) relating to rent payable by Gastec at CRE Limited, a joint venture of the parent company. At the year end £Nil (2006 £4,000) was outstanding.

On 13 December 2006, the company disposed of its interest in the Stoke Orchard premises to its parent company for a consideration of £825,001.

During the year an interest free loan of £427,000 due from IMC Group Holdings Limited was written off.

At the year end amounts due from IMC Group Holdings Limited in respect of an interest free loan were £Nil (2006 £62,000).

11 PENSION COSTS

The company has no employees but retains obligations to its former employees who are deferred pensioners in the Industry Wide Coal Staff Superannuation Scheme (IWCSSS).

As at 31 March 2007, there were two defined benefit schemes which were closed to new members.

Rio Tinto Pension Fund

On 31 March 2005 all the company's active members of the scheme transferred to deferred membership of the scheme. The company has no liability in respect of the Rio Tinto Pension Fund and accordingly no disclosures have been made under SSAP 24 or FRS 17.

Industry Wide Coal Staff Superannuation Scheme (IWCSSS)

The IWCSSS is a group scheme. Rio Tinto plc has agreed to indemnify the company against any liabilities arising from the scheme. Accordingly no disclosures have been made under SSAP 24 or FRS 17.

12 CONTROLLING PARTIES

The company is controlled by IMC Group Holdings Limited.

IMC Group Holdings is ultimately controlled by IMC Group Holdings (2006) Limited.