

Registered in England
Registered Number 3141784

LODELANE INVESTMENTS
REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 1999



LODELANE INVESTMENTS

DIRECTORS' REPORT

The directors present their report and the accounts of the company for the year ended incorporation to 31 December 1999.

Review of the business

The company is an investment company. No income was received during the year.

Results and Dividends

The results for the year are shown in the profit and loss account on page 4. No dividend is proposed for payment.

Directors and their interests

The directors who served during the period were as follows:

- T N Grimes
- P W G Tom
- G Thompson

The directors have no interests in the share capital of the company.

The interests of the directors in the share capital of the ultimate holding company Aggregate Industries plc were as follows:

	Ordinary 25p Shares		11.25p Preference Shares		Options to subscribe to ordinary shares 25p shares	
	31.12.99	31.12.98	31.12.99	31.12.98	31.12.99	31.12.98
T N Grimes	37,045	42,953	62,836	62,836	273,150	267,741
G Thompson	21,230	-	-	-	220,332	319,803

The interests of other directors in the share capital of Aggregate Industries plc do not require to be disclosed in these accounts.

By order of the Board,

T N Grimes
Director
5 March 2000

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STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF ACCOUNTS

Company law requires the directors to prepare accounts for each financial year which 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 those accounts, the directors confirm that they have:

- i) Selected accounting policies which they consider to be suitable and have applied them consistently;
- ii) Made judgements and estimates that are reasonable and prudent;
- iii) Followed applicable accounting standards; and
- iv) Prepared the accounts on the going concern basis.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 1985. They have general responsibility for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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Auditors report to the members of Lodelane Investments

We have audited the accounts on pages 4 to 6.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if 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 transactions with the company is not disclosed.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards 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 of the state of the company's affairs as at 31 December 1999 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc.

KPMG Audit Plc
Chartered Accountants
Registered Auditor
BIRMINGHAM
5 March 2000

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PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1999

	Notes	Year ended 31/12/99 £ 000	Year ended 31/12/98 £ 000
Investment income		-	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	-
Taxation		-	1
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		-	1
DIVIDEND		-	-
RETAINED PROFIT		-	1

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

There were no recognised gains or losses for the year ended 31 December 1999 (1998: £1,000).

NOTE OF HISTORICAL COST PROFITS AND LOSSES

There is no difference between the results as disclosed and the results calculated on an unmodified historical cost basis.

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BALANCE SHEET AS AT 31 DECEMBER 1999

	Notes	1999 £ 000	1998 £ 000
CURRENT ASSETS			
Cash at bank		<u>934</u>	<u>934</u>
CAPITAL AND RESERVES			
Called up share capital - equity	3	900	900
Profit and loss account		<u>34</u>	<u>34</u>
		<u>934</u>	<u>934</u>

Approved by the Board of Directors
on 5 March 2000



G Thompson
Director

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

1. ACCOUNTING CONVENTION

The accounts have been prepared under the historical cost convention and in accordance with all applicable accounting standards.

2. DIRECTORS AND STAFF

The directors have received no emoluments from the company during the year, and no staff were employed.

3. SHARE CAPITAL

	<i>Authorised</i> £
Shares of £1 each	100,000,000
	<u>100,000,000</u>
	<i>Allotted, called up & fully paid</i> £
Shares of £1 each	900,000
	<u>900,000</u>

4. CONTINGENT LIABILITY

There is a contingent liability for the overdrafts of certain fellow subsidiary companies to the extent of the company's bank balance.

5. ULTIMATE PARENT COMPANY

The ultimate parent company of Lodelane Investments is Aggregate Industries plc, incorporated in Great Britain. Copies of Aggregate Industries plc's accounts can be obtained from Aggregate Industries plc, Bardon Hall, Copt Oak Road, Markfield, Leicestershire LE67 9PJ.