

REPORT AND ACCOUNTS
HANSON AGGREGATES (NORTH) LIMITED

31 DECEMBER 2001



HANSON AGGREGATES (NORTH) LIMITED

DIRECTORS

S N Vivian (appointed 4 September 2001)
I A D Peters (appointed 4 September 2001)
G Dransfield (resigned 4 September 2001)
J R Read (resigned 4 September 2001)
K J Ludlam (resigned 4 September 2001)

SECRETARY

I A D Peters

AUDITORS

Ernst & Young LLP
One Bridewell Street
Bristol
BS1 2AA

REGISTERED OFFICE

The Ridge
Chipping Sodbury
Bistol BS37 6AY

COMPANY NUMBER

3430418

HANSON AGGREGATES (NORTH) LIMITED

DIRECTORS' REPORT

The directors present their report and the audited accounts for the year ended 31 December 2001

PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS DEVELOPMENTS

The company's principal activity was the supply of materials to the construction industry. The company commenced trading on 1 October 2000. On 31 December 2000 the company's business and assets were transferred to its parent undertaking Hanson Quarry Products Europe Limited. The company is no longer active.

FINANCIAL RESULTS

The result for the year, after taxation amounted to £nil (2000 - loss of £69,000). The directors do not propose payment of a dividend in the year (2000 - £nil).

DIRECTORS AND THEIR INTERESTS

The directors who served during the year are set out on page 1.

There are no declarable interests in the ordinary share capital of Hanson PLC, the ultimate parent undertaking.

AUDITORS

On 28 June 2001, Ernst & Young, the Company's auditor, transferred its entire business to Ernst & Young LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. The Directors consented to treating the appointment of Ernst & Young as extending to Ernst & Young LLP with effect from 28 June 2001. Ernst & Young LLP will be re-appointed as the Company's auditor in accordance with the elective resolution passed by the Company under section 386 Companies Act 1985.

By Order of the Board



Secretary

Date 4 November 2002

HANSON AGGREGATES (NORTH) LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare financial statements for each financial period 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 financial statements, the directors are required to:

- ~ select suitable accounting policies and then apply them consistently;
- ~ make judgements 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act. 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.

HANSON AGGREGATES (NORTH) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF HANSON AGGREGATES (NORTH) LIMITED

We have audited the company's financial statements for the year ended 31 December 2001 which comprise the Profit and Loss Account, Balance Sheet, Statement of Total Recognised Gains and Losses, Reconciliation of Shareholder's Funds and the related notes 1 to 7. These financial statements have been prepared on the basis of the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 1985. 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.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

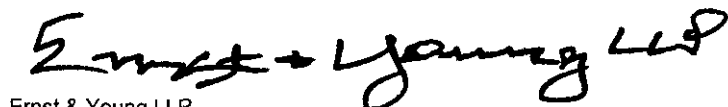
Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 affairs of the company as at 31 December 2001 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young LLP
Registered Auditor
Bristol

Date *5 Nov 2002*

HANSON AGGREGATES (NORTH) LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2001

	Notes	Year Ended 31 December 2001 Discontinued Operations £'000	Three Months Ended 31 December 2000 Discontinued Operations £'000
TURNOVER	2	-	3,744
Cost of sales		<u>-</u>	<u>(3,116)</u>
GROSS PROFIT		-	628
Administration costs		<u>-</u>	<u>(697)</u>
OPERATING LOSS BEFORE TAXATION	3	-	(69)
Taxation		<u>-</u>	<u>-</u>
RETAINED LOSS FOR THE PERIOD		<u><u>-</u></u>	<u><u>(69)</u></u>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

There were no recognised gains and losses other than the result for the year (2000 - loss of £69,000).


HANSON AGGREGATES (NORTH) LIMITED**BALANCE SHEET**

at 31 December 2001

	Notes	2001 £'000	2000 £'000
CURRENT ASSETS			
Amounts due from parent undertaking		<u>40,336</u>	<u>40,336</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>40,336</u>	<u>40,336</u>
CAPITAL AND RESERVES			
Called up share capital	6	-	-
Share premium account		40,405	40,405
Profit and loss account		<u>(69)</u>	<u>(69)</u>
		<u>40,336</u>	<u>40,336</u>
Equity Shareholder's Funds			

RECONCILIATION OF MOVEMENT IN SHAREHOLDER'S FUNDS

	Profit and Loss Account £000	Share Premium Account £000	Total Shareholder's Funds £000
At 1 October 2000	-	-	-
Loss for the period	(69)		(69)
Issue of shares	-	40,405	40,405
	<u>-</u>	<u>-</u>	<u>-</u>
As at 31 December 2000 and 31 December 2001	<u>(69)</u>	<u>40,405</u>	<u>40,336</u>


 Approved by the Board
 Director

Date : 4 November 2002

HANSON AGGREGATES (NORTH) LIMITED

NOTES TO THE ACCOUNTS

at 31 December, 2001

1 ACCOUNTING POLICIES

a) Accounting convention

The accounts have been prepared in accordance with applicable accounting standards using the historical cost convention

b) Cash flow statement

In accordance with FRS1 (revised), the Company has not prepared a cash flow statement as it is a wholly owned subsidiary undertaking within the Hanson PLC group.

2 TURNOVER

Turnover represented the value of goods and services supplied to customers excluding value added tax.

Turnover related mainly to the discontinued principal activity, being the supply of building materials to the construction industry, within the United Kingdom.

3 OPERATING LOSS

	2001 £'000	2000 £'000
Operating loss is shown after charging:		
Hire of plant and machinery	-	54
Amortisation of goodwill	-	199
Depreciation of owned tangible fixed assets	-	730

4 EMPLOYEE COSTS AND INFORMATION

	2001 £'000	2000 £'000
Wages and salaries	-	596
Social security	-	52
	-	648

	2001 Number	2000 Number
The average number of employees of the company during the year was:	-	27

5 EMOLUMENTS OF DIRECTORS

No remuneration was paid to any director in the year.

6 CALLED UP SHARE CAPITAL

	2001		2000	
Authorised:	Number	£	Number	£
Ordinary shares of 0.002475p. each	40,405	100	40,405	100
Allotted and fully paid:				
Ordinary shares of 0.002475p. each	40,405	100	40,405	100

7 ULTIMATE PARENT UNDERTAKING

The company's ultimate parent undertaking is Hanson PLC, which is registered in England and Wales. The largest and smallest group in which the results of the company are consolidated is that headed by Hanson PLC. Copies of Hanson PLC accounts can be obtained from 1 Grosvenor Place, London, SW1X 7JH.