

Registered number
SC003848

LINDUSTRIES LIMITED
DIRECTORS' REPORT AND ACCOUNTS

in respect of the year ended

31 December 2005



LINDUSTRIES LIMITED

Directors' Report

Directors	G Dransfield R Coulson N Swift
Secretary	P D Tunnacliffe
Registered office	4th Floor Saltire Court, 20 Castle Terrace, Edinburgh, EH1 2EN

The Directors present their report and accounts for the year ended 31 December 2005

Principal activities and review of the business

The principal activity of the Company is that of an investment holding company

Results and dividends

The loss for the year amounted to £7,810 and is dealt with as shown in the profit and loss account
The Directors do not recommend the payment of a dividend for the year

Directors

The Directors shown at the head of this report are currently in office R Coulson was appointed as a Director on 1 December 2005 and A C Bolter resigned on the same day G Dransfield and N Swift served throughout the year

Directors' Interests

The Directors have no declarable interest in the share capital of the Company during the year under review

The shareholding and related interest in Hanson PLC of G Dransfield is disclosed in the Hanson PLC accounts for the year ended 31 December 2005

Those of R Coulson and N Swift are disclosed in the accounts of Hanson Holdings (1) Limited for the year ended 31 December 2005

Annual General Meeting

Pursuant to an Elective Resolution of the Company passed on 7 July 1998 the Company has dispensed with the need to hold Annual General Meetings

Any member of the Company is entitled to require the laying of the accounts before a general meeting on giving due notice to that effect in accordance with S253 of the Companies Act 1985

Auditors

Ernst & Young LLP will be re appointed as the Company's auditor in accordance with the elective resolution passed by the Company under S386 of the Companies Act 1985

LINDUSTRIES LIMITED

Directors' Report

Directors' responsibilities

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 for that year. In preparing those accounts, 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 accounts, and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Company will continue in business

The Directors confirm that the accounts comply with the above requirements

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 accounts 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

By order of the Board

P D Tunnacliffe
Secretary
26 July 2006

A handwritten signature in black ink, appearing to be 'P D Tunnacliffe', written over a light blue horizontal line.

LINDUSTRIES LIMITED

Independent auditors' report

to the members of LINDUSTRIES LIMITED

We have audited the Company's accounts for the year ended 31 December 2005 which comprise the profit and loss account, statement of total recognised gains and losses, balance sheet and the related notes 1 to 12

These accounts have been prepared on the basis of 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 are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards (United Kingdom Generally Accepted Accounting Practice) as set out in the Statement of Directors' responsibilities.

Our responsibility is to audit the accounts 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 accounts 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 accounts, 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 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 accounts. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the Company as at 31 December 2005 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young LLP
Registered Auditor
London
26 July 2006

LINDUSTRIES LIMITED
Profit and Loss Account
for the year ended 31 December 2005

	Notes	2005 £	2004 £
Operating profit	2	<u>-----</u> -	-
Release of provision against amounts due from group undertakings		3,331,045	46,129
Dividends from group undertakings		-	1,424,981
Debt forgiven to group undertakings		(3,331,045)	(46,129)
Debt forgiven by group undertakings		-	18,140
Provision of diminution in value of fixed assets investments		-	(1,043,554)
Loss on dissolution of fixed asset investment		(7,810)	-
(Loss)/profit on ordinary activities before taxation		<u>-----</u> (7,810)	<u>-----</u> 399,567
Taxation	3	-	-
Retained (loss)/profit for the financial year		<u>-----</u> (7,810)	<u>-----</u> 399,567

Movements in reserves are set out in note 9

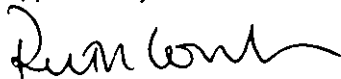
Statement of total recognised gains and losses

There are no recognised gains or losses other than the loss of £7,810 for the year ended 31 December 2005 (profit of £399 567 for the year ended 31 December 2004)

LINDUSTRIES LIMITED
Balance Sheet
at 31 December 2005

	Notes	2005 £	2004 £
Fixed assets			
Investments	4	745,739	753,549
Current assets			
Debtors	5	197,392,663	197,392,663
Creditors: amounts falling due within one year	6	(174,345,921)	(174,345,921)
Net current assets		<u>23,046,742</u>	<u>23,046,742</u>
Net assets		<u>23,792,481</u>	<u>23,800,291</u>
Capital and reserves			
Called up share capital	7	6,951,758	6,951,758
Share premium	8	4,673,640	4,673,640
Profit and loss account	9	12,167,083	12,174,893
Shareholders' funds	10	<u>23,792,481</u>	<u>23,800,291</u>
Disclosed as			
Equity shareholders' funds		21,592,481	21,600,291
Non-equity shareholders' funds	7	<u>2,200,000</u>	<u>2,200,000</u>
		<u>23,792,481</u>	<u>23,800,291</u>

Approved by the Board of Directors



R Coulson
Director
26 July 2006

LINDUSTRIES LIMITED
Notes to the Accounts
for the year ended 31 December 2005

1 Accounting policies

Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with applicable UK Accounting Standards

The Company has taken advantage of the exemption available to it under FRS 1 "Cash Flow Statements" not to prepare a statement of cash flows

Fixed asset investments

Fixed asset investments are stated at cost except where it is required to reflect a provision for a permanent diminution in value

2 Operating profit

2005
£

2004
£

This is stated after charging

Auditors' remuneration

-

-

Directors' remuneration

-

-

- -

Fees for audit and non-audit services provided by Ernst and Young LLP to the Company have been borne by a group undertaking. It is not practicable to ascertain what proportion of such fees relates to the Company

The Directors are also directors of, and were paid by, the ultimate parent undertaking and/or other group undertakings. The Directors do not believe that it is practicable to apportion these emoluments between their services as Directors of the Company and their services as directors of the ultimate parent undertaking and/or other group undertakings

LINDUSTRIES LIMITED
Notes to the Accounts
for the year ended 31 December 2005

3 Taxation

The tax assessed for the year is lower than the standard rate of corporation tax in the UK (30%)
The differences are explained below

	2005 £	2004 £
(Loss)/profit on ordinary activities before taxation	(7,810)	399,567
Standard rate of corporation tax in the UK	30%	30%
	£	£
(Loss)/profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2004 30%)	(2,343)	119,870
Effects of		
Income from UK dividends not taxable	-	(427,494)
Release of provision against amount due from group undertakings not taxable	(999,314)	(13,839)
Provision for diminution in value of subsidiary undertaking not deductible	-	313,066
Group relief surrendered for nil charge	(2,093,964)	(269,901)
Imputed interest and other permanent differences	2,093,964	269,901
Debt forgiven by group undertaking not taxable	-	(5,442)
Loss on dissolution of fixed asset investment not deductible	2,343	-
Debt forgiven to group undertakings not deductible	999,314	13,839
Current tax charge for the year	-	-

LINDUSTRIES LIMITED
Notes to the Accounts
for the year ended 31 December 2005

4 Investments

	Cost £	Provision £	Net Book Value £
Investments in subsidiary undertakings			
At 1 January 2005	3,088,956	(2,335,407)	753,549
Dissolution of fixed asset investment	(7,810)	-	(7,810)
At 31 December 2005	<u>3,081,146</u>	<u>(2,335,407)</u>	<u>745,739</u>

In the opinion of the Directors, the value of the Company's investments in its subsidiary undertakings is not less than the amount at which they are stated in the balance sheet

The principal subsidiary undertakings as at 31 December 2005 are as follows

Company	Country of registration and operation	Shares held Class	Principal activity	Proportion of voting rights and shares held %
Delmorgal Limited	England and Wales	Ordinary	Non-trading company	100%
Traveller International Limited	England and Wales	Ordinary	Non-trading company	100%
Imperial Seafoods Limited	England and Wales	Ordinary	Dormant	100%
Ainsworth & Sons Limited	England and Wales	Ordinary	Dormant	100%
Imperial Foods Holdings Limited	England and Wales	Ordinary	Non-trading company	100%
Lindustries (D) Limited	England and Wales	Ordinary	Dormant	100%
Teddington Refrigeration Controls Limited	England and Wales	Ordinary	Dormant	99.98%
Lindustries Exports Limited	England and Wales	Ordinary	Dormant	100%

The Company is a wholly-owned subsidiary undertaking of a body incorporated in the European Union and advantage has been taken of S228 of the Companies Act 1985 in that consolidated accounts have not been prepared. The accounts present information about the Company as an individual undertaking.

LINDUSTRIES LIMITED
Notes to the Accounts
for the year ended 31 December 2005

5 Debtors	2005 £	2004 £
Amounts owed by group undertakings	<u>197,392,663</u>	<u>197,392,663</u>

There are no formal agreements for the repayment of amounts due to or from group undertakings

6 Creditors: amounts falling due within one year	2005 £	2004 £
Amounts owed to group undertakings	<u>174,345,921</u>	<u>174,345,921</u>

7 Share capital	2005 No	2004 No	2005 £	2004 £
Authorised				
Ordinary shares of 25p each	19,007,032	19,007,032	4,751,758	4,751,758
5% cumulative preference shares of £1 each	1,100,000	1,100,000	1,100,000	1,100,000
6% preferred ordinary shares of £1 each	1,100,000	1,100,000	<u>1,100,000</u>	<u>1,100,000</u>
			<u>6,951,758</u>	<u>6,951,758</u>
	2005 No	2004 No	2005 £	2004 £
Allotted, called up and fully paid				
Ordinary shares of 25p each	19,007,032	19,007,032	4,751,758	4,751,758
5% cumulative preference shares of £1 each	1,100,000	1,100,000	1,100,000	1,100,000
6% preferred ordinary shares of £1 each	1,100,000	1,100,000	<u>1,100,000</u>	<u>1,100,000</u>
Total			<u><u>6,951,758</u></u>	<u><u>6,951,758</u></u>

The cumulative preference shares carry a dividend of 5% per annum payable out of the profits of the Company available for dividends each year. The dividend rights are cumulative. All dividends for current and prior years have been paid or waived.

The preferred ordinary shares carry a dividend of 6% per annum payable out of the profits of the Company available for dividends each year after payment of the cumulative preference shareholders dividend. The dividend rights are non cumulative. All dividends for current and prior years have been paid or waived.

The cumulative preference shares and preferred ordinary shares carry no votes at meetings unless the audited accounts show that the dividend has not been earned or the meeting includes any resolutions for the sale, reconstruction, reduction in capital or winding up of the Company. In such an event each holder will be entitled to four votes per share.

On winding up of the Company the cumulative preference shareholders have a right to receive, in preference to the preferred ordinary shareholders and the ordinary shareholders, £1 per share plus all arrears of dividends and accrued dividends. The preferred ordinary shareholders have a right to receive, in preference to the ordinary shareholders, £1 per share.

LINDUSTRIES LIMITED
Notes to the Accounts
for the year ended 31 December 2005

8 Share premium	2005	2004
	£	£
At 1 January	4,673,640	4,673,640
At 31 December	<u>4,673,640</u>	<u>4,673,640</u>
9 Profit and loss account	2005	2004
	£	£
At 1 January	12,174,893	11,775,326
(Loss)/profit for the financial year	(7,810)	399,567
At 31 December	<u>12,167,083</u>	<u>12,174,893</u>
10 Reconciliation of movement in shareholders' funds	2005	2004
	£	£
At 1 January	23,800,291	23,400,724
(Loss)/profit for the financial year	(7,810)	399,567
At 31 December	<u>23,792,481</u>	<u>23,800,291</u>

11 Post balance sheet events

On 16 May 2006, Teddington Refrigeration Controls Limited was dissolved

12 Group accounts

The immediate parent undertaking of Lindustries Limited is Hanson Overseas Holdings Limited, a company registered in England and Wales and the ultimate parent undertaking is Hanson PLC a company registered in England and Wales. The largest and smallest group preparing consolidated group accounts which include Lindustries Limited is Hanson PLC for the year ended 31 December 2005.

Copies of the accounts of Hanson PLC can be obtained from 1 Grosvenor Place London, SW1X 7JH

The Company has taken advantage of the exemption available to it in FRS 8 "Related Party Disclosures" from disclosing transactions with related parties that are part of the Hanson PLC group