



Chartered Accountants



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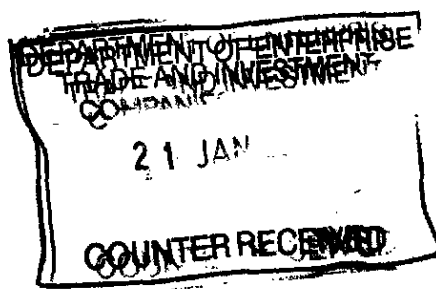
Bank House  
George Sq. East  
Belfast BT1 6DH  
Northern Ireland

## Charles Brand Limited

Financial statements

Year ended 31 March 2003

Company registration number: NI 13689



# Charles Brand Limited

## Directors' report and financial statements

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# Charles Brand Limited

## Directors and other information

### Directors

K Lagan  
M Lagan  
C G Jenkins  
N Fletcher  
A Mullan  
P Evans  
F Gleeson

### Secretary

C G Jenkins

### Auditors

KPMG  
Stokes House  
17/25 College Square East  
Belfast

### Bankers

Ulster Bank Limited  
Waring Street  
Belfast

Ulster Bank Limited  
Letterkenny  
Donegal

### Solicitors

McGrigor Donald  
Pacific House  
70 Wellington Street  
Glasgow  
G26 SB

### Registered office

Lagan House  
19 Clarendon Road  
Clarendon Dock  
Belfast  
BT1 3BG

### Companies office file number

NI 13689

### Subsidiary undertaking

Charles Brand (IOM) Limited  
F.K. Piling Limited

# Charles Brand Limited

## Directors' report

The directors herewith submit their Annual Report to the shareholders together with the audited financial statements for the year ended 31 March 2003.

### Principal activity and Business Review

The company did not trade to its own account during the financial year, instead all trading activity was carried out as an agent of Whitemountain Construction Limited. The directors do not expect that this position will change in the foreseeable future.

### Charitable and political donations

The company made no charitable or political donations during the year (2002: £Nil).

### Directors

The members of the board during the year were:-

K Lagan  
M Lagan  
C G Jenkins  
R G Sleator (resigned 1 September 2003)  
N Fletcher  
A Mullan  
P Evans  
F Gleeson

### *Directors' interests*

No director had any share interest recorded in the register. However several directors have an indirect interest in the company by virtue of their holdings in Lagan Holdings Limited, the ultimate parent undertaking. These shareholdings are disclosed in the relevant financial statements.


### *Interests in contracts*

No director had at any time during the year a material interest in any contract that was significant in relation to the company's business, other than that disclosed in note 18 to the accounts.

### Auditors

KPMG have expressed their willingness to continue in office as auditors and a resolution for their re-appointment will be proposed at the Annual General Meeting.

By order of the board and signed on its behalf by

  
C G Jenkins  
Secretary

30 October 2003

## Charles Brand Limited

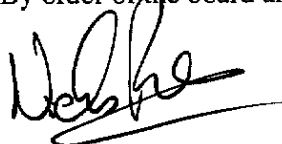
### Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give, in accordance with applicable Northern Ireland law and accounting standards, a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. 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;
- 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 maintaining 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 (Northern Ireland) Order 1986. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

By order of the board and signed on its behalf by



N Fletcher  
Director

30 October 2003



**Chartered Accountants**

Stokes House  
College Sq. East  
Belfast BT1 6DH  
Northern Ireland

**Independent auditors' report to the members of Charles Brand Limited**

We have audited the financial statements on pages 5 to 7.

This report is made solely to the company's members as a body in accordance with article 243 of the Companies (Northern Ireland) Order 1986. 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 auditor's 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 preparing the directors' report and, as described on page 3, the financial statements in accordance with applicable Northern Ireland law and accounting standards. Our responsibilities, as independent auditors, are established in Northern Ireland 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 (Northern Ireland) Order 1986. 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 affairs of company as at 31 March 2003 and of its result for the year then ended and have been properly prepared in accordance with the Companies (Northern Ireland) Order 1986.

**KPMG**  
*Chartered Accountants*  
*Registered Auditors*

30 October 2003



# Charles Brand Limited

## Balance sheet At 31 March 2003

	Note	2003		2002	
		£	£	£	£
<b>Fixed assets</b>					
Investments	2		2		2
<b>Current assets</b>					
Debtors	3		969,155		969,155
<b>Net assets</b>			<u>969,157</u>		<u>969,157</u>
<b>Capital and reserves</b>					
Called up share capital (including non equity interests)	4		2,623,045		2,623,045
Profit and loss account			<u>(1,653,888)</u>		<u>(1,653,888)</u>
<b>Shareholders' funds</b>					
- equity		(1,130,842)		(1,130,842)	
- non equity		<u>2,099,999</u>		<u>2,099,999</u>	
			<u>969,157</u>		<u>969,157</u>

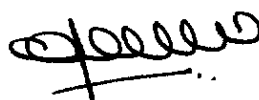
## Profit and loss account Year ended 31 March 2003

During the financial year and the preceding financial year, the company has not traded and has received no income and incurred no expenditure. Consequently, during these periods the company has made neither a profit nor a loss. The opening and closing balances on the cumulative profit and loss account, accordingly, remain at accumulated losses of £1,653,888. Additionally, the company had no other gains and losses nor any cash flows during these periods, and accordingly no statement of total recognised gains and losses, reconciliation of movements in shareholders' funds or cash flow statement is presented.

On behalf of the board



N Fletcher  
Director



C Jenkins  
Director

30 October 2003

The notes on pages 6 and 7 form part of these financial statements.

# Charles Brand Limited

## Notes

(forming part of the financial statements)

### 1 Accounting policies

Accounting policies are consistent with those of the previous year.

#### *Basis of accounting*

These financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

The company has availed of the exemption of the Companies (Northern Ireland) Order 1986 not to prepare consolidated accounts as it is a wholly owned subsidiary undertaking of Charles Brand Group Limited. Charles Brand Group Limited is in turn a wholly owned subsidiary undertaking of Whitemountain Construction Limited. Group accounts have been prepared for Whitemountain Construction Limited.

### 2 Investments (held as fixed assets)

	2003 £	2002 £
Shares in group undertakings	2	2
	<u>2</u>	<u>2</u>

The company's investment of £2 comprises the entire issued share capital of Charles Brand (IOM) Limited, a company incorporated in the Isle of Man. The company also owns the entire issued share capital of F.K. Piling Limited, no value has been attributed to this investment.

### 3 Debtors: Amounts falling due within one year

	2003 £	2002 £
Amounts due from group undertakings	969,155	969,155
	<u>969,155</u>	<u>969,155</u>



# Charles Brand Limited

## Notes (continued)

### 4 Share capital

	2003 £	2002 £
Authorised:		
2,100,000 redeemable non-cumulative preference shares of £1 per share	2,100,000	2,100,000
One million ordinary shares of £1 per share	1,000,000	1,000,000
	<hr/>	<hr/>
	3,100,000	3,100,000
	<hr/>	<hr/>
	2003 £	2002 £
Share capital allotted, called up and fully paid:		
Ordinary shares	523,046	523,046
Preference shares	2,099,999	2,099,999
	<hr/>	<hr/>
	2,623,045	2,623,045
	<hr/>	<hr/>

### 5 Ultimate parent undertaking and parent undertakings of larger groups

The company's immediate parent undertaking is Charles Brand Group Limited. The ultimate parent undertaking is Lagan Holdings Limited, a private company incorporated and operating in Northern Ireland.

The smallest group in which the financial statements of the company are consolidated is Whitemountain Quarries Limited (incorporated in Northern Ireland). The largest group in which the financial statements of the company are consolidated is Lagan Holdings Limited. The consolidated financial statements of these groups are available to the public and may be obtained from:

Northern Ireland Registrar of Companies  
IDB House  
64 Chichester Street  
Belfast  
BT1 4JX