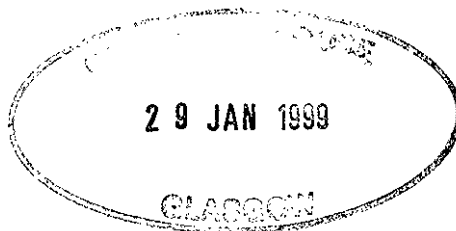


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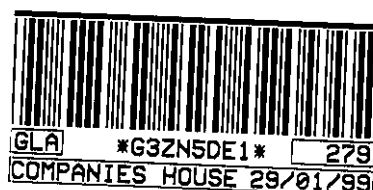


GEORGE RAEBURN (MINERALS) LIMITED

ABBREVIATED REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 MARCH 1998**

REGISTERED NUMBER: SC098000



**BANNERMAN
JOHNSTONE
MACLAY**

CHARTERED ACCOUNTANTS

GEORGE RAEBURN (MINERALS) LIMITED

**ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1998**

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GEORGE RAE BURN (MINERALS) LIMITED

COMPANY INFORMATION
AS AT 31 MARCH 1998

DIRECTORS

J M Raeburn
D G Raeburn

SECRETARY

J M Raeburn

REGISTERED OFFICE

East Avenue
Priestfield Industrial Estate
Blantyre
G72 0JB

BUSINESS ADDRESS

East Avenue
Priestfield Industrial Estate
Blantyre
G72 0JB

AUDITORS

Bannerman Johnstone MacLay
Chartered Accountants
Tara House
46 Bath Street
Glasgow G2 1HG

SOLICITORS

Bird Semple
249 West George Street
Glasgow
G2 4RB

PRINCIPAL BANKERS

Bank of Scotland
41 Princes Mall
East Kilbride
G74 1LA

Tara House
46 Bath Street
Glasgow G2 1HG
Tel: 0141 332 2999
Fax: 0141 333 0171

GEORGE RAE BURN (MINERALS) LIMITED

**AUDITORS' REPORT TO THE COMPANY
PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985**



**B A N N E R M A N
J O H N S T O N E
M A C L A Y**

CHARTERED ACCOUNTANTS

We have examined the abbreviated accounts on pages 3 to 5 together with the full financial statements of the company prepared under section 226 of the Companies Act 1985 for the year ended 31 March 1998.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8A to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated accounts prepared in accordance with section 246(5) and (6) of the Companies Act 1985 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

BASIS OF OPINION

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to deliver abbreviated accounts prepared in accordance with section 246(5) and (6) of the Companies Act 1985 and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

OPINION

In our opinion, the company is entitled to deliver abbreviated accounts prepared in accordance with section 246(5) and (6) of the Companies Act 1985 and the abbreviated accounts on pages 3 to 5 have been properly prepared in accordance with Schedule 8A.

**Chartered Accountants
and Registered Auditor**

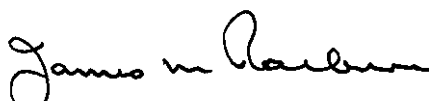
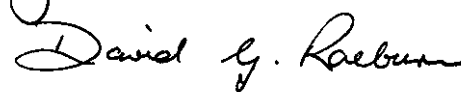
Date signed: 28 January 1999

GEORGE RAE BURN (MINERALS) LIMITED
ABBREVIATED BALANCE SHEET
AT 31 MARCH 1998

	Notes	£	1998 £	£	1997 £
FIXED ASSETS	2				
Tangible assets			799,887		438,019
CURRENT ASSETS					
Stocks		10,205		6,825	
Debtors		84,874		176,126	
Investments		80,000		307,123	
Cash at bank and in hand		1,243,008		1,569,193	
		1,418,087		2,059,267	
CREDITORS: amounts falling due within one year		(104,303)		(376,654)	
NET CURRENT ASSETS			1,313,784		1,682,613
TOTAL ASSETS LESS CURRENT LIABILITIES			2,113,671		2,120,632
CAPITAL AND RESERVES					
Called up share capital	3		100,000		100,000
Profit and loss account			2,013,671		2,020,632
TOTAL SHAREHOLDERS' FUNDS			2,113,671		2,120,632

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

The financial statements were approved by the board of directors on 21 January 1999 and signed on its behalf by:

)
) Directors

The notes on pages 4 to 5 form part of these financial statements.

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1998**

1. STATEMENT OF ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

Depreciation of tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its useful life:

Plant and machinery	15% on cost
---------------------	-------------

Where zero depreciation of freehold buildings is appropriate

Freehold buildings are depreciated to write down the cost less estimated residual value over their remaining useful life by equal annual instalments. Where buildings are maintained to such a standard that their residual value is not less than their cost or valuation, no depreciation is charged as it is not material.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Net realisable value is based on estimated selling price less further costs to completion and disposal.

Deferred taxation

Deferred taxation is provided using the liability method on all timing differences to the extent that they are expected to reverse in the future without being replaced, calculated at the rate at which it is anticipated the timing differences will reverse.

Pension costs

The company operates a defined contribution pension scheme. Contributions payable to this scheme are charged to the profit and loss account in the period to which they relate. These contributions are invested separately from the company's assets.

GEORGE RAEURN (MINERALS) LIMITED

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1998**

2. FIXED ASSETS

	Tangible assets £
Cost:	
At 1 April 1997	742,387
Additions	429,575
At 31 March 1998	1,171,962
Depreciation:	
At 1 April 1997	304,368
Charge for year	67,707
At 31 March 1998	372,075
Net book value:	
At 31 March 1998	799,887
At 31 March 1997	438,019

3. SHARE CAPITAL

	1998 £	1997 £
Authorised:		
Equity interests:		
100,000 Ordinary shares of £1 each	100,000	100,000
Allotted, called up and fully paid:		
Equity interests:		
100,000 Ordinary shares of £1 each	100,000	100,000

4. RELATED PARTY DISCLOSURES

<u>Related party</u>	<u>Relationship</u>	<u>Transaction</u>	<u>Amount £</u>
Raeburn Brick Limited	Common control	Sales	339,400
Raeburn Brickworks Limited	Common control	Purchases	68,370
Messrs George Raeburn Partnership	Common control	Purchases	203,640

The company is controlled by the directors, J M Raeburn and D G Raeburn.