

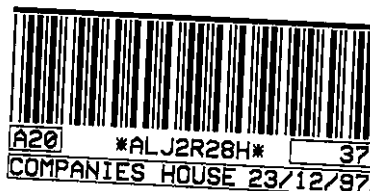
3166092

Central Technology UK Limited

Report and Accounts

13 month period ending 31 March 1997

 ERNST & YOUNG



Central Technology UK Limited

Registered no. 3166092

DIRECTORS

R J Cramp
N E Weedon

SECRETARY

R J Cramp

AUDITORS

Ernst & Young
One Colmore Row
Birmingham
B3 2DB

SOLICITORS

Herbert Smith
Exchange House
Primrose Street
London
EC2A 2HS

BANKERS

Lloyds Bank plc
University of Birmingham
Birmingham

REGISTERED OFFICE

One Colmore Row
Birmingham
B3 2DB

Central Technology UK Limited

DIRECTORS' REPORT

The directors present their report and the audited accounts for the 13 months ended 31 March 1997.

RESULTS AND DIVIDENDS

The profit for the thirteen months after taxation, amounted to £2,226.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The company was incorporated on 29 February 1996. The company carries on the business of the supply of minerals. During the year under review the company has traded at a satisfactory level of profitability.

FUTURE DEVELOPMENTS

The directors consider that sales during the next year are likely to continue at a similar level.

DIRECTORS AND THEIR INTERESTS

The directors at the year end and their interests in the share capital of the company were as follows:

31 March 1997
Ordinary £1 shares

R J Cramp
N E Weedon

-
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STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE 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 are required to:

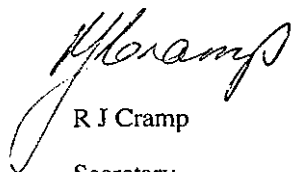
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on a going concern basis unless it is inappropriate to presume that the company will continue in business.

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 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.

AUDITORS

A resolution to re-appoint Ernst & Young as auditors will be put to the members at the Annual General Meeting.

By order of the board,


R J Cramp
Secretary

Dated 15-12-97

REPORT OF THE AUDITORS
to the members of Central Technology UK Limited

We have audited the accounts on pages 4 to 7, which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

Basis of 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 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 March 1997 and of the profit for the 13 months then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young

Ernst & Young
Chartered Accountants
Registered Auditor
Birmingham

Dated

15 December 1997

Central Technology UK Limited

PROFIT AND LOSS ACCOUNT for the 13 months ended 31 March 1997

	<i>Notes</i>	<i>13 months to 31 March 1997 £</i>
TURNOVER	2	85,408
OPERATING COSTS	3	82,490
OPERATING PROFIT		2,918
Interest received		23
Interest payable		15
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,926
Tax on profit on ordinary activities		(700)
PROFIT RETAINED FOR THE FINANCIAL YEAR	8	2,226

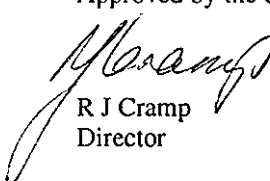
There are no recognised gains or losses other than the profit attributable to shareholders of the company of £2,226 for the thirteen months ended 31 March 1997.

Central Technology UK Limited

BALANCE SHEET at 31 March 1997

	Notes	At 31 March 1997 £
CURRENT ASSETS		
Stocks	4	11,981
Debtors	5	15,071
Cash at bank and in hand		4,309
		<hr/> 31,361
CREDITORS: amounts falling due within one year	6	(29,133)
		<hr/> 2,228
CAPITAL AND RESERVES		
Called up share capital	7	2
Profit and loss account	8	2,226
		<hr/> 2,228

Approved by the directors on 15-12-97


R J Cramp
Director

Central Technology UK Limited

NOTES TO THE ACCOUNTS at 31 March 1997

1. ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention.

Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for any obsolete or slow moving items. In the case of finished goods, cost comprises direct materials and an appropriate proportion of quarry fixed and variable overheads based on normal level of activity.

2. TURNOVER

Turnover comprises the invoice value of goods and services exclusive of VAT and is derived wholly within the United Kingdom and Europe from the continuing principal activity of the company.

3. OPERATING COSTS

	<i>13 months ended 31 March 1997 £</i>
Increase/(decrease) in stocks of finished goods	11,981
Other external charges	48,509
Management charges	22,000
	<u>82,490</u>

4. STOCKS

	<i>At 31 March 1997 £</i>
Finished goods	<u>11,981</u>

5. DEBTORS

	<i>At 31 March 1997 £</i>
Trade debtors	8,284
Prepayments and accrued income	212
VAT recoverable	6,575
	<u>15,071</u>

Central Technology UK Limited

NOTES TO THE ACCOUNTS at 31 March 1997

6. TRADE AND OTHER CREDITORS

	<i>At 31 March 1997 £</i>
Trade creditors	6,433
Corporation tax	700
Amounts payable to parent undertaking	22,000
	<u>29,133</u>

7. CALLED UP SHARE CAPITAL

	<i>Ordinary shares of £1 each at 31 March 1997 £</i>
Authorised	1,000
Allotted, called-up and fully paid	<u>2</u>

8. MOVEMENT ON RESERVES AND RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	<i>Share capital £</i>	<i>Profit and loss account £</i>	<i>Total £</i>
At 1 March 1996	-	-	-
Issue of new shares	2	-	2
Profit attributable to members of the company	-	2,226	2,226
At 31 March 1997	<u>2</u>	<u>2,226</u>	<u>2,228</u>

9. ULTIMATE PARENT UNDERTAKINGS

The immediate parent undertaking of the group of undertakings of which the company is a member is Longcliffe Quarries Limited registered in England and Wales. Group accounts are not prepared however, as Longcliffe Quarries Limited has taken the exemption as laid out under S248 of the Companies Act 1985 not to prepare group accounts. The financial statements of Longcliffe Quarries Limited present information about the company as an individual company and not about its group.

The ultimate parent undertaking is Longcliffe Property Holdings Limited a company also registered in England and Wales.