

London Brick Company Limited

Report and Accounts

31 December 1999

Registered No. 735868



London Brick Company Limited

Registered No. 735868

DIRECTORS

R C Manning

D T Walters

M P Lean

D J Szymanski (appointed 4 January 1999)

SECRETARY

W Trott

AUDITORS

Ernst & Young

PO Box 3

Lowgate House

Lowgate

Hull

HU1 1JJ

REGISTERED OFFICE

Stewartby

Bedford

MK43 9LZ

London Brick Company Limited

Registered No. 735868

The directors present their report and the audited accounts for the year ended 31 December 1999.

RESULTS AND DIVIDENDS

The company did not trade throughout the year and the accounts consist of a balance sheet only.

DIRECTORS AND THEIR INTERESTS

The current directors of the company are those listed on page 2.

The only declarable interests were in the ordinary share capital of Hanson PLC, the ultimate holding company, as follows:

The conditional interest in ordinary shares is in respect of the award made under the long term incentive plan.

	<i>Ordinary shares</i>		<i>Options</i>		<i>Conditional interest in ordinary shares</i>	
	<i>At 1 January 1999</i>	<i>At 31 December 1999</i>	<i>at 1 January 1999</i>	<i>At 31 December 1999</i>	<i>at 1 January 1999</i>	<i>At 31 December 1999</i>
	<i>(or date of appointment)</i>		<i>(or date of appointment)</i>		<i>(or date of appointment)</i>	
R C Manning	5,358	15,000	97,774	0	53,252	77,188
D T Walters	11,450	11,450	41,840	41,840	31,391	43,279
M P Lean	-	-	37,793	38,248	28,082	40,847
D J Szymanski	62	62	48,522	1,645	39,664	55,142

<i>Market</i>	<i>Options</i>		<i>Market</i>	<i>price at date of exercise</i>		<i>Dates exercised</i>
<i>Option</i>	<i>exercised during year</i>		<i>Exercise price</i>			
D J Szymanski	13,858	412.3	526.0	3 March 1999		
	18,607	356.4	526.0	3 March 1999		
	3,880	424.9	631.0	27 April 1999		
	10,532	482.6	631.0	27 April 1999		
R C Manning	26,054	412.3	621.0	29 April 1999		
	20,511	482.6	621.0	29 April 1999		
	17,185	424.9	621.0	29 April 1999		
	24,382	356.4	621.0	29 April 1999		
	9,642	356.4	621.0	29 April 1999		

There were no other notifiable interests.

Options include options under Hanson's executive share option scheme and Sharesave Plan.

The range of the middle market quotations for Hanson ordinary share during period was 392.25 pence to 632.0 pence. The middle market quotation for Hanson ordinary shares at 31 December 1999 was 519.0 pence.

ANNUAL GENERAL MEETINGS

Pursuant to the Elective Resolution of the company passed on 16 May 1994 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 Section 253 of the Companies Act 1985.

AUDITORS

Ernst & Young, having consented to act, will continue in office.

By order of the Board

W Trott
Secretary



23 OCT 2000

London Brick Company Limited

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;
- 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.

REPORT OF THE AUDITORS

to the members of London Brick Company Limited

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

Respective responsibilities of directors and auditors

As described on page 4 the company's directors are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you. Our responsibilities, as independent auditors, are established in the United Kingdom by Statute, the Auditing Practices Board and by our profession's ethical guidance.

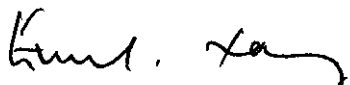
Basis of opinion

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 December 1999 and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young
Registered Auditor
Hull

23 October 2000

London Brick Company Limited

BALANCE SHEET

at 31 December 1999

	<i>Notes</i>	<i>1999 £000</i>	<i>1998 £000</i>
CURRENT ASSETS			
Debtors	2	43,419	43,419
CREDITORS: amounts falling due within one year	3	21,320	21,320
TOTAL ASSETS LESS LIABILITIES		<u>22,099</u>	<u>22,099</u>
CAPITAL AND RESERVES			
Equity share capital	4	57,004	57,004
Profit and loss account		(34,905)	(34,905)
EQUITY SHAREHOLDERS' FUNDS		<u>22,099</u>	<u>22,099</u>

Approved by the Board on



M P Lean - Director

23 OCT 2000

London Brick Company Limited

NOTES TO THE ACCOUNTS

at 31 December 1999

1. ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

The company has taken advantage of the exemption in FRS8 from disclosing transactions with related parties that are part of the Hanson plc group.

2. DEBTORS

	1999 £000	1998 £000
Amounts owed by parent and fellow subsidiary undertakings	43,419	43,419

3. CREDITORS: amounts falling due within one year

	1999 £000	1998 £000
Amounts owed to parent and fellow subsidiary undertakings	21,320	21,320

4. EQUITY SHARE CAPITAL

	1999 No.	Authorised 1998 No.	Allotted, called up and fully paid 1999 £	1998 £
Ordinary shares of £1 each	60,000	60,000	57,004	57,004

5. GROUP ACCOUNTS

The parent undertaking of the group of undertakings for which group accounts are drawn up, and of which the company is a member, is Hanson PLC, registered in England and Wales. Hanson PLC is also the ultimate parent company. Copies of Hanson PLC's accounts can be obtained from 1 Grosvenor Place, London, SW1X 7JH.