

Makers Holdings Limited

**Directors' report and financial
statements**

Registered number 031588⁶~~5~~0

For the year ended 31 December 2003



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Directors' report

The directors present their annual report and audited financial statements for the year ended 31 December 2003.

Principal activities

Makers Holdings Limited is a wholly owned subsidiary of Keller Group plc. The company is the holding company of Makers UK Limited.

Results

The company did not trade and made no operating profit or loss during the year.

Directors and their interests

The directors who served throughout the year are as follows:

Mr T Dobson

Mr K Whitehouse

As at 31 December 2003, no director had any beneficial interests in the company.

At 31 December 2003, the interests of Mr K Whitehouse in the ultimate holding company, Keller Group plc, were as follows:

	Ordinary shares		Share options	
	31 December 2003	1 January 2003	1994 scheme	Unapproved plan
K Whitehouse	98,328	149,483	5,000	7,500

Options under both plans are normally exercisable within three to ten years of the date of grant.

Deferred Annual Bonus ("DAB") Scheme

The DAB scheme was a bonus-related long-term incentive scheme which the ultimate parent company, Keller Group plc, operated for the last time in respect of the 1998 annual bonus. Kevan Whitehouse had an interest in 2,409 Deferred Shares at 1 January 2003 and was awarded 2,409 Matched Shares on 9 March 2003. Both the Deferred Shares and Matched Shares vested on 9 March 2003.

Mr T Dobson is a director of the ultimate parent undertaking, Keller Group plc, and his interests in that company are disclosed in its financial statements.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG Audit Plc as auditors of the company is to be proposed at the forthcoming annual general meeting.

By order of the board



K Whitehouse
Secretary

Birmingham Road
Coventry
CV5 9AB

9 July 2004

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements 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 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, subject to any material departures disclosed and explained in the financial statements;
- 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 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 financial statements comply with the Companies Act 1985. 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.



KPMG Audit Plc

2 Cornwall Street
Birmingham
B3 2DL

Independent auditors' report to the members of Makers Holdings Limited

We have audited the financial statements on pages 4 to 8.

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 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 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom 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 Act 1985. We also report to you if, in our opinion, the director's 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 director's 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 the company's affairs as at 31 December 2003 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor

9 July 2004

Profit and loss account
for the year ended 31 December 2003

	<i>Note</i>	2003 £'000	2002 £'000
Income from shares in group undertakings	3	-	1,248
Profit on ordinary activities before taxation		-	1,248
Taxation on profit on ordinary activities	4	-	-
Profit after tax on ordinary activities		-	1,248
Dividends		-	(1,248)
Retained profit for the financial year		-	-

No operations were acquired or discontinued during the year. The company has no recognised gains or losses other than those disclosed in the profit and loss account.

The notes on pages 6 to 8 form part of these financial statements.

Balance sheet
at 31 December 2003

	<i>Note</i>	2003 £'000	2002 £'000
Fixed assets			
Investment in subsidiary undertakings	5	244	244
		<hr/>	<hr/>
Capital and reserves			
Called up share capital, being equity shareholders' funds	6	244	244
		<hr/>	<hr/>

These financial statements were approved by the Board of directors on 9 July 2004 and signed on its behalf by:



K Whitehouse
Director

The notes on pages 6 to 8 form part of these financial statements.

Notes

(forming part of the financial statements)

1 Principal accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of accounting

The financial statements of the company have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

The company is exempt by virtue of S228 of the Companies group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

Under Financial Reporting Standard No. 1, the company is exempt from the requirement to prepare a cashflow statement on the grounds that it is a wholly owned subsidiary undertaking.

Under Financial Reporting Standard No 8, the company is exempt from the requirement to disclose transactions with entities that are part of the Keller group on the grounds that it is wholly owned by a parent undertaking which includes the company in its own published consolidated financial statements.

2 Directors' emoluments

There were no directors' emoluments during the year (2002: £Nil).

3 Income from shares in group undertakings

	2003 £'000	2002 £'000
Dividend receivable from subsidiary undertaking	-	1,248

4 Taxation on profit on ordinary activities

The charge for taxation is as follows:

	2003 £'000	2002 £'000
UK corporation tax	-	-

All income relates to the inter-company dividend, which is received under the group election.

5 Fixed assets

	2003 £'000	2002 £'000
Investment in subsidiary undertakings	244	244
At beginning of year	244	244
Additions	-	-
At end of year	244	244

Notes (continued)

5 Fixed assets (continued)

The company's subsidiary undertakings are:

	Principal activity	% of issued share capital owned
Makers UK Limited	Preservation and structural refurbishment	100
Martech Technical Services Limited	Technical and consultancy services	100

The subsidiary undertakings are registered in England and Wales.

6 Called up share capital

	2003 £'000	2002 £'000
<i>Authorised:</i>		
3,000,000 ordinary shares of £1 each	3,000	3,000
2,000,000 "A" management shares of £1 each	2,000	2,000
100,000 Makers UK Ltd Management shares of 1p each	1	1
100,000 Martech Technical Services Ltd Management shares of 1p each	1	1
	<u>5,002</u>	<u>5,002</u>
<i>Allotted, called up and fully paid:</i>		
171,000 ordinary shares of £1 each	171	171
72,675 "A" management shares of £1 each	73	73
275 Makers UK Ltd Management shares of 1p each	-	-
275 Martech Technical Services Ltd Management shares of 1p each	-	-
	<u>244</u>	<u>244</u>

The "A" management shares rank *pari passu* with the ordinary shares except that they carry no right to vote at any general meeting.

The Makers UK Limited Management shares and Martech Technical Services Limited Management shares rank *pari passu* with the ordinary shares except that they:

- carry no entitlement to a dividend;
- rank after ordinary and "A" management shares regarding return of assets on liquidation;
- carry no right to receive notice of, attend or vote at any general meeting.

7 Reconciliation of movements in shareholders' funds

	2003 £'000	2002 £'000
Opening equity shareholders' funds	244	244
Retained profit for the financial year	-	-
	<u>244</u>	<u>244</u>
Closing equity shareholders' funds	244	244

Notes *(continued)*

8 Ultimate parent company

The ultimate parent undertaking is Keller Group plc, a company registered in England and Wales. Keller Group plc prepares group financial statements which include this company's financial statements. There are no other group financial statements which include the financial statements of this company. Copies of the financial statements of Keller Group plc may be obtained from:

The Secretary
Keller Group plc
Aztec House
397-405 Archway Road
London
N6 4EY