

Ibstock Leasing Limited

Financial Statements

31 December 2007



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Registered Number 05378321

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Company information

Registered Number 05378321

Directors

G R Bull
K F R Morton

Secretary

S P Hardy

Auditors

Ernst & Young LLP
No 1 Colmore Square
Birmingham
B4 6HQ

Bankers

HSBC PLC
High Street
Coalville
Leicestershire
LE67 3EN

Registered Office

Russett Farm, Redlands Lane
Robertsbridge
East Sussex
TN32 5NG

Directors' Report for the Year Ended 31 December 2007

The directors present their report and the company financial statements for the year ended 31 December 2007

Results and dividends

The loss for the year, after taxation amounted to £1 362 707 (2006 Profit £559,265) The directors do not recommend the payment of a dividend (2006 £nil)

Principal activities

The company is engaged in leasing operations

Review of business and future developments

The results for the year were in line with expectations and similar results can be expected for the coming year

Directors

The directors who served the company during the year were as follows

G R Bull
K F R Morton

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting in accordance with the provisions of Section 234ZA of the Companies Act 1985

Directors' statement as to disclosure of information to auditors

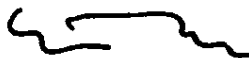
The directors who were members of the board at the time of approving the directors' report are listed above. Having made enquiries of fellow directors and of the company's auditors, each of these directors confirms that

- to the best of each director's knowledge and belief, there is no information relevant to the preparation of their report of which the company's auditors are unaware, and
- each director has taken all the steps that a director might reasonably be expected to have taken to be aware of any relevant audit information and to establish that the company's auditors are aware of that information

Directors' qualifying third party indemnity provisions

A third party indemnity provision (as defined in section 309B(1) of the Companies act 1985) is in force for the benefit of directors

By order of the Board



S P Hardy

Secretary

1 May 2008

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. 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 period. In preparing those financial statements, the director is required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- 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. The directors 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.

Independent auditors' report

To the members of Ibstock Leasing Limited

We have audited the company's financial statements for the year ended 31 December 2007 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 13. These financial statements have been prepared under the accounting policies set out therein.

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 auditors' 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' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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.

Independent auditors' report

to the members of Ibstock Leasing Limited (continued)

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its loss for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements

Ernst & Young LLP

Ernst & Young LLP
Registered Auditor
Birmingham

1/5/ 2008

Profit and Loss Account

For the year ended 31 December 2007

	Note	2007 £	2006 £
Turnover	2	586,948	1,050,174
Administrative expenses		(9 750)	-
Operating profit	3	<u>577,198</u>	<u>1,050,174</u>
Interest receivable and similar income	5	172	749
Interest payable and similar charges	6	(21,567)	(52,125)
Profit on ordinary activities before taxation		<u>555,803</u>	<u>998,798</u>
Tax charge on profit on ordinary activities	7	(1,918,510)	(439,533)
Retained (loss)/ profit for the period	12	<u><u>(1,362,707)</u></u>	<u><u>559,265</u></u>

Statement of total recognised gains and losses

There are no recognised gains and losses in 2006 or 2007 other than the result for the period

Balance Sheet

As at 31 December 2007

	Note	2007 £	2006 £
Current assets			
Debtors amounts due within one year	8	27,039,135	23,470,848
Debtors amounts due after more than one year	8	1,000	4,049,179
Cash at bank and in hand		7,476	2,328
		<u>27,047,611</u>	<u>27,522,355</u>
Creditors amounts falling due within one year	10	(2,609,938)	(1,721,975)
Net current assets and Net Assets		<u>24,437,673</u>	<u>25,800,380</u>
Capital and reserves			
Called up share capital	11	100,999	100,999
Share premium account	12	24,552,361	24,552,361
Profit and loss account	12	(215,687)	1,147,020
Shareholder's funds	12	<u>24,437,673</u>	<u>25,800,380</u>


G R Bull
Director

1 May 2008

Notes to the Financial Statements

For the period ended 31 December 2007

1 Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

Related parties transactions

The company has taken advantage of the exemption in paragraph 3 (c) of FRS 8 from disclosing transactions with related parties of the CRH plc group of companies. There were no other related party transactions.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes consolidated financial statements.

Net investments in finance leases and hire purchase contracts

Net investments in finance leases and hire purchase contracts comprise the total of the minimum lease payments or hire purchase instalments receivable less finance charges allocated to future periods and is stated net of provisions for doubtful rental collections.

2 Turnover

Turnover is attributed to the operating activities of the business, leasing operations all within the United Kingdom.

3. Operating Profit

Auditors' remuneration costs are borne by Ibstock Brick Limited.

Notes to the Financial Statements

For the period ended 31 December 2007

4 Staff costs

The directors' services to the company do not occupy a significant amount of their time. As such the directors do not consider that they have received any remuneration for their incidental services to the company for the year ended 31 December 2006 and the year ended 31 December 2007.

The average monthly number of employees, including directors, during the year was as follows

	2007 Number	2006 Number
Directors	2	2

5. Interest receivable

	2007 £	2006 £
Bank interest	172	749
	172	749

6. Interest payable and similar charges

	2007 £	2006 £
Coupon due on preference shares	21,553	52,112
Bank charges	14	13
	21,567	52,125

Notes to the Financial Statements

For the period ended 31 December 2007

7. Taxation on ordinary activities

	2007 £	2006 £
Tax on profit on ordinary activities		
UK corporation tax on the profit for the year	1,032,179	439,533
Under provision in prior periods	886,331	-
Tax on profit on ordinary activities	1,918,510	439,533
Factors affecting the tax charge for the year		
Profit on ordinary activities before tax	555,803	998,798
Standard rate of corporation tax in the UK	30%	30%
Profit on ordinary activities multiplied by the standard rate of corporation tax	166,741	299,639
Effects of		
Expenses not deductible for tax purposes	(2,052,544)	-
Transfer pricing adjustments	325,382	139,894
Deferred tax movement not recognised	2,592,600	-
Adjustments in respect of prior periods	886,331	-
	1,918,510	439,533

Factors that may affect the future tax charges

No recognition has been made in these accounts for the deferred tax asset arising in respect of the net investment in finance leases as follows

	2007 £	2006 £
Deferred tax asset – full potential	5,973,951	3,808,062

8. Debtors

	2007 £	2006 £
Amounts falling due within one year		
Net investment in finance leases (Note 9)	4,120,995	8,855,811
Intercompany debtor	22,918,140	14,615,037
	27,039,135	23,470,848
Amounts falling due after more than one year		
Net investment in finance leases (Note 9)	-	4,048,179
Other group debtors	1,000	1,000
	1,000	4,049,179

Notes to the Financial Statements

For the period ended 31 December 2007

9 Net investments in finance leases

	2007 £	2006 £
Finance leases		
Total minimum lease payments receivable	4,193,764	13,546,411
Less finance charges allocated to future periods	(72,769)	(642,375)
	<u>4,120,995</u>	<u>12,904,036</u>

	2007 £	2006 £
The total net investment in finance leases contracts falls due as follows		
Due within one year		
Finance leases	4,120,995	8,855,811
Due after more than one year		
Finance leases	-	4,048,225
	<u>4,120,995</u>	<u>12,904,036</u>

The net investments in finance leases and hire purchase contracts at 31 December 2007 were in respect of assets leased to fellow subsidiary Ibstock Brick Limited

The cost of assets acquired during the year for the purpose of letting under finance leases amounted to £nil, (2006 £nil)

10. Creditors' amounts falling due within one year

	2007 £	2006 £
Coupon on preference shares	-	30,547
Corporation Tax	1,964,811	691,428
Preference Shares	-	1,000,000
Group relief payable	645,127	-
	<u>2,609,938</u>	<u>1,721,975</u>

On 10 May 2005 1,000,000 cumulative redeemable at 5.21 % preference shares of £1 each were issued at par. These shares carry no voting rights and were redeemed in the year

Notes to the Financial Statements

For the period ended 31 December 2007

11. Called up share capital

	2007 £	2006 £
Authorised		
100,999 ordinary shares of £1 each	100,999	100,999
Called up, allotted and fully paid		
100,999 ordinary shares of £1 each	100,999	100,999

12. Reconciliation of movements in shareholder's funds and reserves

	Share capital £	Share premium £	Profit and loss account £	Total share- holder's funds £
At 1 January 2007	100,999	24,552,361	1,147,020	25,800,380
Loss for the financial period	-	-	(1,362,707)	(1,362,707)
At 31 December 2007	100,999	24,552,361	(215,687)	24 437 673

13 Ultimate parent company

The company is a subsidiary undertaking of Ibstock Group Limited incorporated in the UK and is itself a subsidiary undertaking of CRH plc, the ultimate parent company and controlling party, incorporated in the Republic of Ireland. CRH Nederland B V is the smallest group preparing consolidated accounts which include Ibstock Group Limited. CRH plc is the largest group which include Ibstock Group Limited and their accounts are available from that company's registered office at 42 Fitzwilliam Square, Dublin 2, Republic of Ireland.