

Bison Holdings Limited

Financial Statements

31 December 2003

Registered in Scotland - number 134993



SCT SYMM8W7T
COMPANIES HOUSE

0288
23/06/04

Bison Holdings Limited

Contents

	Page
Report of the directors	1
Profit and loss account	3
Statement of retained profits	3
Balance sheet	4
Notes	5
Report of the independent auditors	13

Bison Holdings Limited

Report of the directors

The directors present the annual report of the company together with the audited financial statements for the year ended 31 December 2003.

Principal activities

The principal activities of the company are to act as the holding company to the trading companies of the Bison group and to provide management services to them.

Business review

The results for the year are set out on page 3. The results for the year and the year end financial position are considered satisfactory.

Proposed dividend and transfer to reserves

The directors have proposed a dividend in respect of the year ended 31 December 2003 amounting to £12,700,000 (2002: £3,100,000). The retained profit of £250,000 (2002: £228,000) has been transferred to reserves.

Directors

The directors of the company at 31 December 2003 were:

Mr GN Wright
Mrs LA Pairman

Mr TM Treanor, who was a director of the company and group chief executive, died suddenly on 28 November 2003. Mr AD Clucas was appointed a director of the company and group managing director on 3 March 2004.

Directors' interests

None of the directors had any interests in the shares of the company during the year. The interests of the directors, including their families, in the shares of the ultimate parent company, Bison Limited, at 31 December 2003 are shown in that company's financial statements.

Fixed assets

The movements in fixed assets during the year are set out in the notes to the financial statements.

Disabled persons

It is the company's policy to make no differentiation between the disabled and the able-bodied in recruitment, career development and promotion except in occupations where this policy conflicts with the Health and Safety at Work Regulations applicable to the construction industry.

Bison Holdings Limited

Report of the directors (*continued*)

Employee involvement

Arrangements exist to keep all employees informed on matters of concern to them and, following publication of the company's results, information is disseminated widely. Information is also given on the performance of the pension fund.

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 period. In preparing those financial statements, the directors are required to:

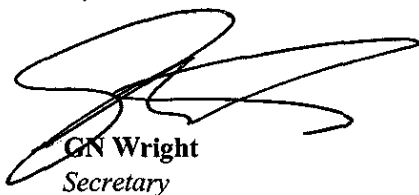
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare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

Auditors

A resolution is to be proposed at the annual general meeting for the appointment of KPMG LLP as auditors of the company.

By order of the board



GN Wright
Secretary

6 May 2004

Thorney Lane
Iver
Buckinghamshire
SL0 9HQ

Bison Holdings Limited

Profit and loss account

for the year ended 31 December 2003

	<i>Note</i>	2003 £000	2002 £000
Turnover	3	1,482	1,558
Net operating expenses	4	(1,239)	(1,342)
Operating profit	5	243	216
Dividends receivable		12,700	3,100
Interest payable	8	(47)	(30)
Interest receivable	9	18	176
Profit on ordinary activities before taxation		12,914	3,462
Taxation	10	36	(134)
Profit on ordinary activities after taxation		12,950	3,328
Dividend	11	(12,700)	(3,100)
Retained profit for the year		250	228

Statement of retained profits

for the year ended 31 December 2003

	2003 £000	2002 £000
At 1 January	2,620	2,392
Retained profit for the year	250	228
At 31 December	2,870	2,620

In both the current and preceding year the results relate solely to the continuing operations of the company. The profit for the year is the same as the historical cost profit for the year.

Bison Holdings Limited

Balance sheet

as at 31 December 2003

	Note	2003	2002
		£000	£000
Fixed assets			
Tangible assets	12	519	456
Investments	13	14,495	14,495
		<u>15,014</u>	<u>14,951</u>
Current assets			
Debtors	14	16,238	6,395
Creditors: amounts falling due within one year	15	<u>(28,381)</u>	<u>(18,725)</u>
Net current liabilities		<u>(12,143)</u>	<u>(12,330)</u>
Total assets less current liabilities		<u>2,871</u>	<u>2,621</u>
Capital and reserves			
Called up share capital	16	1	1
Profit and loss account		2,870	2,620
Shareholders' funds	17	<u>2,871</u>	<u>2,621</u>

These financial statements were approved by the board of directors on 6 May 2004 and were signed on its behalf by:



AD Clucas
Directors



GN Wright

Bison Holdings Limited

Notes

(forming part of the financial statements)

1 Cash flow statement

Under Financial Reporting Standard 1, the company is exempt from preparing a cash flow statement as it is a wholly owned subsidiary undertaking of Bison Limited which publishes consolidated financial statements that include Bison Holdings Limited.

2 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:

These financial statements have been prepared in accordance with applicable accounting standards which were in operation during the year.

Turnover:

Turnover, which excludes value added tax, represents the management services charged to its subsidiary undertakings.

Fixed assets:

Depreciation is calculated so as to write off the cost of fixed assets on a straight line basis over the expected useful lives of the assets concerned. The principal annual rates used for this purpose are:

%

Plant, equipment and vehicles 10 - 25

Pension costs:

In accordance with Statement of Standard Accounting Practice 24, pension costs are charged to the profit and loss account systematically over the periods benefiting from the employees services. Differences, if any, between the amounts so charged and the pension scheme contributions actually paid are included in the balance sheet.

In accordance with Financial Reporting Standard 17, the financial position of the group's pension schemes is disclosed in the financial statements of the parent companies.

Foreign exchange:

Assets and liabilities expressed in foreign currencies are converted at year end exchange rates. Profit and loss account items are converted at the actual exchange rate at the transaction date. Foreign exchange gains or losses arising on such conversions are included in the profit and loss account.

Bison Holdings Limited

Notes (continued)

2 Principal accounting policies (continued)

Taxation:

The charge or credit for taxation is based on the results for the year and takes into account both disallowed items and taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. In accordance with Financial Reporting Standard 19, full provision is made for deferred taxation in respect of all those timing differences which have arisen but not reversed by the balance sheet date. Provision is made at the rates of taxation anticipated to be applicable when the differences are expected to reverse. Deferred taxation assets are only recognised to the extent that they are regarded to be recoverable.

Finance and operating leases:

Assets held under finance leases are recorded in the balance sheet as tangible fixed assets and are depreciated as above. The obligation to pay future instalments or rentals is recorded under creditors.

Costs in respect of operating leases are charged to the profit and loss account as they are incurred.

3 Turnover

Turnover relates solely to the provision of management services in the UK.

4 Net operating expenses

	2003 £000	2002 £000
<i>Net operating expenses are made up as follows:</i>		
Administrative expenses	1,321	1,416
Foreign exchange gains realised	(82)	(74)
	<u>1,239</u>	<u>1,342</u>

5 Operating profit

	2003 £000	2002 £000
<i>Operating profit is stated after charging:</i>		
Depreciation	271	263

6 Directors' emoluments

The emoluments of the directors, who are also directors of Bison Limited and Bison Group Limited, are disclosed in the financial statements of those companies.

Bison Holdings Limited

Notes (continued)

7 Employee information

	2003 £000	2002 £000
<i>Group employment costs, including executive directors, were:</i>		
Gross wages and salaries	423	412
Employers' national insurance contributions	39	46
Employers' pension contributions	62	231
	<u>524</u>	<u>689</u>

In 2002 the £231,000 pension contributions included additional contributions of £177,000 paid by the company on behalf of its subsidiary undertakings. This cost was recharged to the subsidiaries by increased management fees.

	Number	Number
<i>The average number of employees employed by the company, including executive directors, during the year was as follows:</i>		
Administration	<u>7</u>	<u>7</u>

8 Interest payable

	2003 £000	2002 £000
General	<u>47</u>	<u>30</u>

9 Interest receivable

	2003 £000	2002 £000
Bank balances	18	175
Others	-	1
	<u>18</u>	<u>176</u>

Bison Holdings Limited

Notes (continued)

10 Taxation

Analysis of tax (credit)/charge in the year

	2003 £000	2002 £000
UK Corporation tax		
Current tax charge for the year	81	134
Deferred tax	(117)	-
	<u>(36)</u>	<u>134</u>

Factors affecting the tax charge for the current year

The current tax charge for the year is lower (2002: lower) than the standard rate of corporation tax in the UK of 30% (2002: 30%). The differences are explained below:

	2003 £000	2002 £000
Current tax reconciliation:		
Profit on ordinary activities before taxation	12,914	3,462
Current tax at 30% (2002: 30%)	3,874	1,039
Effects of:		
Intra-group dividend receivable	(3,810)	(930)
Expenses not deductible for tax purposes	11	7
Depreciation for the year in excess of capital allowances	9	9
Other short term timing differences	3	15
Effect of small companies rate	(6)	(6)
Current tax charge	<u>81</u>	<u>134</u>
Deferred taxation		
	2003 £000	2002 £000
At 1 January	-	-
Transfer to profit and loss account	117	-
At 31 December	<u>117</u>	<u>-</u>
Capital allowances in excess of depreciation	61	-
Other timing differences	56	-
Deferred tax (included in other debtors)	<u>117</u>	<u>-</u>

Bison Holdings Limited

Notes (continued)

11 Dividend

	2003 £000	2002 £000
Ordinary shares - proposed	12,700	3,100

12 Tangible fixed assets

	Plant, equipment and vehicles £000	Capital work in progress £000	Total £000
<i>Cost or valuation:</i>			
At 1 January 2003	1,807	65	1,872
Additions	156	178	334
Disposals	(697)	-	(697)
At 31 December 2003	1,266	243	1,509
<i>Accumulated depreciation:</i>			
At 1 January 2003	1,416	-	1,416
Charge for the year	271	-	271
Disposals	(697)	-	(697)
At 31 December 2003	990	-	990
<i>Net book value:</i>			
At 31 December 2003	276	243	519
At 31 December 2002	391	65	456

13 Investments

The company's investments relate to the cost of the ordinary shares in the subsidiary and associate undertakings and the expenses of acquisition. The investments are made up as follows:

	2003 £000	2002 £000
Investments at cost	14,554	14,554
Less: Provision for losses	(59)	(59)
	14,495	14,495

Bison Holdings Limited

Notes (continued)

13 Investments (continued)

Details of the principal subsidiary undertakings, all of which are included in the consolidated financial statements, are as follows:

Name of company	Class of shares	% held by Bison Holdings Limited
Bison Concrete Products Limited *	Ordinary	100
Bison Structures Limited *	Ordinary	100
Bison Properties Limited	Ordinary	100

All of the subsidiary undertakings are incorporated in the United Kingdom. The companies marked thus (*) are registered in England and Wales. The other company is registered in Scotland.

14 Debtors

	2003 £000	2002 £000
Amounts owed by group undertakings:		
Fellow subsidiaries	15,911	6,210
Prepayments and accrued income	50	44
Other debtors	277	141
	<hr/>	<hr/>
	16,238	6,395
	<hr/>	<hr/>

15 Creditors: amounts falling due within one year

	2003 £000	2002 £000
Bank overdraft	13,234	13,268
Amounts owed to group undertakings:		
Parent company	44	113
Fellow subsidiaries	215	215
Other creditors including tax and social security (a)	641	588
Accruals and deferred income	1,547	1,441
Proposed dividend	12,700	3,100
	<hr/>	<hr/>
	28,381	18,725
	<hr/>	<hr/>

(a) 'Other creditors including tax and social security' is made up as follows:

	11	12
Corporation tax	11	12
Social security	253	302
Other creditors	377	274
	<hr/>	<hr/>
	641	588
	<hr/>	<hr/>

Bison Holdings Limited

Notes (continued)

16 Called up share capital

	2003 £000	2002 £000
<i>Authorised, issued and fully paid:</i>		
1,000 Ordinary shares of £1 each	1	1

17 Reconciliation of shareholders' funds

	2003 £000	2002 £000
Profit for the year	12,950	3,328
Dividend	(12,700)	(3,100)
	250	228
Opening shareholders' funds	2,621	2,393
Closing shareholders' funds	2,871	2,621

18 Pensions

The company participates in the Bison Group Pension Scheme which comprises a defined benefit scheme, which is funded on a group basis, and a money purchase scheme. Full details are provided in the financial statements of the parent company.

The pension charge for the period amounted to £62,000 (2002: £231,000). At 31 December 2003, in accordance with Financial Reporting Standard 17, the defined benefit scheme disclosed a scheme shortfall of £7,528,000 (2002: £6,675,000). As the defined benefit scheme is funded on a group basis, it is not possible for the company to identify its share of the scheme's assets and liabilities nor its share of this shortfall.

19 Contingent liabilities

The company has given guarantees and charged its assets to the UK bankers of the group to secure facilities for the group.

20 Operating leases

At 31 December 2003 the company had the following annual commitments to pay rentals under non-cancellable operating leases:

	2003 £000	2002 £000
<i>Motor vehicles:</i>		
Commitments which expire - within one year	-	8
- in two to five years	7	-
	7	8

Bison Holdings Limited

Notes *(continued)*

21 Ultimate parent company and related party disclosures

The company's ultimate parent company is Bison Limited, which is incorporated in the United Kingdom. Copies of the consolidated financial statements of Bison Limited are available from the following address:

Bison Limited
Thorney Lane
Iver
Buckinghamshire
SL0 9HQ

As the company is a wholly owned subsidiary undertaking of Bison Limited, the company has taken advantage of the exemption contained within Financial Reporting Standard 8 and has therefore not disclosed transactions with entities which form part of the group other than as normally disclosed in the notes to the financial statements.

Report of the independent auditors

KPMG LLP, to the members of Bison Holdings Limited

We have audited the financial statements on pages 3 to 12.

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 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 directors' 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 directors' 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 group'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 profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Chartered Accountants
Registered Auditor

6 May 2004

Nottingham