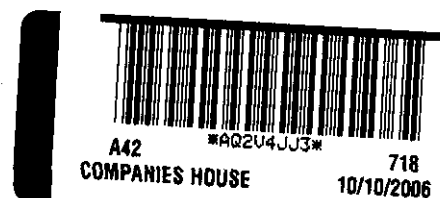


C & G Construction Solutions Limited

**Directors' report and financial
statements**

Registered number 00373599

31 December 2005



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Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2005.

Principal activities

The company did not trade during the year.

Dividend

The directors do not recommend the payment of a dividend for the year.

Directors and directors' interests

The directors who held office during the year were as follows:

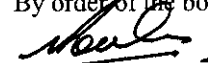
Mr N Poole
Mr FE Gilman

The directors who held office at the end of the financial year had no interests in the shares of the company. The interests of the directors in the shares of the ultimate holding company are disclosed in the accounts of that company.

Auditors

A resolution for the re-appointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



N Poole
Secretary

Registered Office
Uffington Road
Stamford
Lincolnshire PE9 2HA

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards.

The financial statements are required by law to 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its 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 LLP

1 Waterloo Way
Leicester
LE1 6LP
United Kingdom

Independent auditors' report to the members of C & G Construction Solutions Limited

We have audited the financial statements of C & G Construction Solutions Limited for the year ended 31 December 2005 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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 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

As described in the Statement of Directors' Responsibilities on page 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 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 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.

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and of its result for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP
Chartered Accountants
Registered Auditor

29 June 2006

Profit and loss account
for the year ended 31 December 2005

During the financial year the company did not trade and received no trading income and incurred no expenditure. Consequently, during the year the company made neither a profit nor a loss and had no other recognised gains or losses.

Balance sheet
at 31 December 2005

	Note	2005 £	2004 £
Current assets			
Debtors	2	23,356	23,356
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	3	1,984	1,984
Profit and loss account	4	21,372	21,372
		<hr/>	<hr/>
Shareholders' funds	5	23,356	23,356
		<hr/>	<hr/>

These financial statements were approved by the board of directors on *26th June 2006*
 and were signed on its behalf by:

FE Gilman
 Director



Notes

(forming part of the financial statements)

1 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 preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

As the company is a wholly owned subsidiary of C & G Concrete Limited and 100% of all the voting rights within the group are controlled by C & G Concrete Limited, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group.

2 Debtors

	2005 £	2004 £
Amounts owed by group undertakings	23,356	23,356

3 Called up share capital

	2005 £	2004 £
<i>Authorised</i>		
1,256 ordinary shares of £1 each	1,256	1,256
744 4% non-cumulative preference shares of £1 each	744	744
	2,000	2,000
<i>Allotted, called up and fully paid</i>		
1,240 ordinary shares of £1 each	1,240	1,240
744 4% non-cumulative preference shares of £1 each	744	744
	1,984	1,984

The preference shareholders are entitled, on a winding up, to a repayment of the capital paid up on their shares which shall rank in priority to any payment to ordinary shareholders, but are not entitled to any further participation in the profits or assets of the company. They are not entitled to receive notice of or attend or vote at any general meeting unless their preferential dividend shall be twelve months in arrears or unless a resolution is proposed affecting the rights or privileges of the holders of preference shares. At 31 December 2005 both classes of share were owned 100% by C & G Concrete Limited.

Notes (continued)

4 Reserves

	Profit and loss account £
At 31 December 2004 and at 31 December 2005	21,372

5 Reconciliation of movements in shareholders' funds

	2005 £	2004 £
Opening and closing shareholders' funds	23,356	23,356

6 Contingent liabilities

The company has guaranteed the bank loans and overdrafts of its parent and fellow subsidiary companies. The amount outstanding at the year end was £6,651,523.

7 Holding company

The company's ultimate holding company is C & G Concrete Limited, which is incorporated in the United Kingdom. Copies of that company's accounts can be obtained from the registered office which is at Uffington Road, Stamford, Lincolnshire PE9 2HA.