

REGISTRAR

NO:3094141

HOUSEPRICE LIMITED

DIRECTORS' REPORT AND ACCOUNTS

IN RESPECT OF THE PERIOD OF 13 MONTHS ENDED

30 SEPTEMBER 1996



HOUSEPRICE LIMITED

DIRECTORS' REPORT

Directors: G Dransfield
S J Hurrell
K J Ludlam

Secretary: P D Tunnacliffe

Registered Office: 1 Grosvenor Place, London SW1X 7JH

The directors present their report and the audited accounts of the company for the 13 months ended 30 September 1996.

INCORPORATION

The company was incorporated on 23 August, 1995 as Houseprice Limited.

PRINCIPAL ACTIVITY AND ACCOUNTS

The company has not traded during the period, and consequently the accounts consist of a balance sheet only.

SHARE CAPITAL

On incorporation the authorised capital was £1,000 divided into 1,000 shares of £1 each, which was increased to £5,000,000 divided into 3,750,000 'A' ordinary and 1,250,000 'B' ordinary shares of £1 each on 14 June, 1996. The 2 subscriber shares were paid up and a further 1,754,998 'A' shares and 584,373 'B' shares were issued for cash on 14 June, 1996. Rights to dividends, voting and on a return of capital are all in the proportion of 1:1,000 for each "A" and "B" share respectively.

DIRECTORS

The directors shown at the head of this report are currently in office. Changes during the period under review were:-

	<u>Appointed</u>	<u>Resigned</u>
Instant Companies Limited	23.08.95	14.09.95
G Dransfield	14.09.95	-
S J Hurrell	14.09.95	-
K J Ludlam	12.06.96	-

There were no other directors during the period under review.

DIRECTORS' INTERESTS

None of the directors had any declarable interest in the share or loan capital of the company or any associated company during the period under review.

HOUSEPRICE LIMITED

DIRECTORS' REPORT

ANNUAL GENERAL MEETING

Pursuant to the Elective Resolution passed on 12 June, 1996 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 were appointed as auditors during the period and, having consented to act, will continue in office as auditors.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

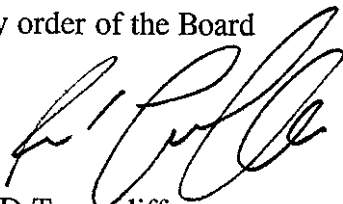
Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that year. In preparing those accounts, the directors are required to:

- 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;
- 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.

By order of the Board



P D Tunnacliffe
Secretary
June 20, 1997

REPORT OF THE AUDITORS TO THE MEMBERS OF HOUSEPRICE LIMITED

We have audited the accounts on pages 5 and 6 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 3, the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

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 30 September 1996 and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young
Chartered Accountants
Registered Auditor

Hull

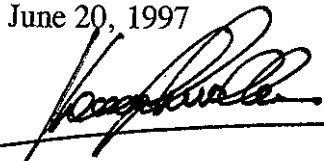
June 20, 1997

HOUSEPRICE LIMITED

BALANCE SHEET - 30 SEPTEMBER 1996

	<u>Note</u>	<u>1996</u> £
CURRENT ASSETS		
Amount due from fellow subsidiary undertakings		<u>586,128,351</u>
CAPITAL AND RESERVES		
Called up share capital	2	2,339,373
Share Premium	3	<u>583,788,978</u>
Equity shareholders' funds	4	<u>586,128,351</u>

Approved by the Board of Directors
June 20, 1997



K J Ludlam
Director

HOUSEPRICE LIMITED

NOTES ON THE ACCOUNTS - 30 SEPTEMBER 1996

1 ACCOUNTING POLICY

Accounting Convention

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

2 SHARE CAPITAL

	<u>September 30, 1996</u>	
	<u>Authorised</u>	<u>Allotted</u>
		<u>called up</u>
		<u>and fully</u>
		<u>paid</u>
	£	£
'A' Ordinary shares of £1 each	3,750,000	1,755,000
'B' Ordinary shares of £1 each	<u>1,250,000</u>	<u>584,373</u>
	<u>5,000,000</u>	<u>2,339,373</u>

On incorporation the authorised capital was £1,000 divided into 1,000 shares of £1 each, which was increased to £5,000,000 divided into 3,750,000 'A' ordinary and 1,250,000 'B' ordinary shares of £1 each on 14 June, 1996. The 2 subscriber shares were paid up and a further 1,754,998 'A' shares and 584,373 'B' shares were issued for total cash on 14 June, 1996. The 'A' shares were issued at par and the 'B' shares at a nominal value of £1,000 each. Rights to dividends, voting and on a return of capital are all in the proportion of 1:1,000 for each "A" and "B" share respectively.

3 SHARE PREMIUM

Premium on shares issued in period £583,788,978

4 RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	<u>1996</u>
	£
Share Capital subscribed	<u>586,128,351</u>
Closing shareholders' funds	<u>£586,128,351</u>

5 PROFIT AND LOSS ACCOUNT

The company has not traded during the period and, consequently, the accounts consist of a balance sheet only.

6 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 undertaking. Copies of Hanson PLC's accounts can be obtained from 1 Grosvenor Place, London, SW1X 7JH.

The company has taken advantage of the exemption in FRS 8 from disclosing transactions with related parties that are part of the Hanson PLC group.