

**FOSECO (GB) LIMITED**  
**REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2000**  
**REGISTERED NO: 11222**



## **FOSECO ( GB ) LIMITED**

### **DIRECTORS' REPORT**

The directors present their report and accounts for the year ended 31 December 2000.

#### **Results and dividends**

The loss for the year is £ 1,554,000 (1999 -Profit £1,530,000). The directors recommend payment of a dividend of £11,500,000 (1999 Nil) and the resultant loss will be transferred to reserves.

#### **Principle Activities and Review of the Business**

The Company ceased trading on 1 January 2000 when the business was transferred to Burmah Castrol Trading Limited.

#### **Fixed Assets**

Changes in the Company's fixed assets during the period are described in note 8 to the accounts.

#### **Donations**

During the year the Company made donations to UK charities amounting to £Nil (1999 - £Nil). No donations were made for political purposes.

#### **Supplier Payment Policy**

The Company seeks to agree payment terms with each of its suppliers, ensuring they are aware of those terms, when it enters into binding purchase transactions. Terms of payment are adhered to, subject to the Company being satisfied that the supplier has provided the goods or services in accordance with the agreed terms and conditions in the relevant purchase contract.

At 31 December 2000 the company had no trade creditors.

#### **Holding company**

A cash offer was made on 8 June 2000 by BP p.l.c. (formerly BP Amoco p.l.c.) for all of the issued and to be issued ordinary share capital of Burmah Castrol plc. The offer went unconditional on 7 July 2000. Consequently, the company is a wholly owned subsidiary of BP p.l.c.

# FOSECO ( GB ) LIMITED

## DIRECTORS' REPORT (continued)

### Directors and their interests

The directors of the Company during 2000 were as follows:

R W Barwick	Resigned 31 March 2001
A Busson	
J R L Dee	Resigned 30 April 2000
P H Foster	Appointed 31 October 2000
J P Turner	Resigned 31 October 2000

D G Hussey and G Millar were appointed directors on 31 March 2001.

No director had any interest in the shares of the company.

The directors beneficial shareholdings and interests in options to subscribe for ordinary shares of 42 pence in Burmah Castrol plc were affected by the cash offer made by BP p.l.c. for all of the issued and to be issued ordinary share capital of Burmah Castrol plc.

The interests of the directors in the shares of Burmah Castrol plc at 1 January 2000 and closing balance in the shares of BP p.l.c at 31 December 2000 were as follows:

	Interests in Burmah Castrol plc Ordinary Shares of 42 pence each at 1.1.2000*				Interests in BP PLC Ordinary Shares of 25 cents at 31.12.00		
	As at 1.1.2000*	Options Granted	Options Exercised/ Lapsed		Options Granted	Options Exercised/ Lapsed	As at 31.12.2000
R Barwick	1,530				0		
A Busson	192				0		
P H Foster	0				0		
	Options to subscribe for Burmah Castrol plc Ordinary Shares of 42 pence each			Burmah Castrol plc options rolled over into BP PLC options	Options to subscribe for BP PLC Ordinary Shares of 25 cents each		
	As at 1.1.2000*	Options Granted	Options Exercised/ Lapsed		Options Granted	Options Exercised/ Lapsed	As at 31.12.2000
R Barwick	9,777	0	9,777	6,321	6,720	0	13,041
A Busson	3,247	93	3,340	4,046	2,190	0	6,236
P H Foster	0	0	2,038	5,550	3,430	0	8,980

\* or date of appointment, if later.

No director was interested during or at the end of the year in any contract which was significant in relation to the Company's business.

**FOSECO ( GB ) LIMITED**

**DIRECTORS' REPORT (continued)**

**Auditors**

In accordance with s386 of the Companies Act 1985, a resolution to dispense with the obligation to appoint auditors annually was passed on 18 November 1994. Accordingly Ernst & Young shall be deemed to be re-appointed as auditors 28 days after the accounts are sent to the members.

By order of the board



A P Busson  
Secretary  
Burmah Castrol House  
Pipers Way  
Swindon  
Wiltshire SN3 1RE

.....27 June.....2001

**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 of the Company for that period. 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; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business; and
- state whether applicable accounting standards have been followed, subject to any material departures being disclosed and explained in the accounts.

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.

## **FOSECO ( GB ) LIMITED**

### **REPORT OF THE AUDITORS TO THE MEMBERS OF FOSECO (GB) LIMITED**

We have audited the accounts on pages 7 to 17 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on pages 10 to 11.

#### **Respective Responsibilities of Directors and Auditors**

As described on page 5 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. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

#### **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 31 December 2000 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Ernst & J*

ERNST & YOUNG  
REGISTERED AUDITOR  
BIRMINGHAM

*27 June 2001*

**FOSECO ( GB ) LIMITED**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2000**

Notes	Continuing Operations	
	2000 £'000	1999 £'000
4	Turnover	37,957
	Cost of Sales	(26,708)
	Gross profit	11,249
	Distribution and marketing costs	(1,637)
	Administration costs	(7,261)
5	Operating (loss)/profit	2,351
	Dividends received	-
	Profit on disposal of fixed assets	7
	(Loss)/profit on ordinary activities before interest and tax	2,358
6	Interest	(2)
	(Loss)/profit on ordinary activities before tax	2,356
7	Tax on profit on ordinary activities	(826)
	(Loss)/profit on ordinary activities after tax	1,530
	Dividends proposed	-
16	Retained (loss)/profit for the year	1,530

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

	2000 £'000	1999 £'000
Loss/profit for the financial year	(13,054)	1,530
Exchange adjustments	19	4
Transfer from property revaluation reserve	2,861	80
Unrealised gain on property revaluation	-	370
Total recognised (losses)/gains relating to the year.	(10,174)	1,984

**FOSECO ( GB ) LIMITED**

**BALANCE SHEET AT 31 DECEMBER 2000**

<b>Notes</b>		<b>2000</b>	<b>1999</b>
		<b>£'000</b>	<b>£'000</b>
Fixed assets:			
<b>8</b>	Tangible assets	-	11,394
<b>9</b>	Investments	31,468	20,978
		<u>31,468</u>	<u>32,372</u>
Current assets:			
<b>10</b>	Stocks	-	3,368
<b>11</b>	Debtors	11	8,793
	Cash at bank and in hand	22	67
		<u>33</u>	<u>12,228</u>
Creditors : amounts falling due within one year:			
<b>12</b>	Other creditors	<u>1</u>	<u>7,263</u>
		<u>1</u>	<u>7,263</u>
Net current assets		<u>32</u>	<u>4,965</u>
Total assets less current liabilities		<u>31,500</u>	<u>37,337</u>
Creditors: amounts falling due after more than one year:			
	Amounts owed to group undertakings	14,360	6,923
	Provision for liabilities and charges		
<b>13</b>	Deferred taxation	-	-
<b>14</b>	Pension liabilities	-	239
		<u>-</u>	<u>239</u>
		<u>14,360</u>	<u>7,162</u>
		<u>17,140</u>	<u>30,175</u>



**FOSECO ( GB ) LIMITED**

**BALANCE SHEET AT 31 DECEMBER 2000 (continued)**

Notes		2000 £'000	1999 £'000
	Capital and reserves:		
15	Called-up equity share capital	900	900
16	Share premium account	15,874	15,874
16	Revaluation reserve	-	2,861
16	Profit and loss account	366	10,540
	Equity shareholders' funds	<u>17,140</u>	<u>30,175</u>

Approved by the board of directors on.....27 June.....2001 and signed  
on their behalf by:



.....  
Director

**NOTES TO THE ACCOUNTS**

**1 Parent undertaking**

These accounts present information about the Company as an individual undertaking and not about its group.

The Company's ultimate parent undertaking is BP p.l.c. A company registered in England and Wales. The Company's accounts are incorporated into the consolidated accounts of BP p.l.c which are prepared in accordance with UK legislation and include a consolidated cash flow statement.

Group accounts are, therefore, not required by reason of Section 228 (1) of the Companies Act 1985 and the Company is also exempt from the requirements of Financial Reporting Standard No 1 (Revised)- 'Cash Flow Statements'.

The report and accounts of BP plc may be obtained from Britannic House, 1 Finsbury Circus, London EC2M 8BA.

The immediate parent undertaking is Burmah Castrol plc which does not prepare group accounts. Copies of its company accounts may be obtained from the Registrar of Companies, Companies House, 37 Castle Street, Edinburgh, EH11 2EB.

**2 Related Party Transactions**

The company is a subsidiary undertaking and 90% or more of its voting rights are controlled within the group. The group Financial Statements are publicly available. The Company is therefore exempted from the requirements of FRS8 to disclose material related party transactions insofar as the transactions occur within the group. There were no material transactions with related parties outside of the group during the year.

**3 Accounting policies**

**Accounting convention**

The accounts are prepared in accordance with applicable accounting standards under the historical cost convention, modified to include the revaluation of certain tangible fixed assets and investments.

**NOTES TO THE ACCOUNTS (continued)**

**Depreciation**

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life.

The following minimum depreciation rates are in use:

Freehold buildings	- over 50 years
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**Investments in subsidiary undertakings**

Investments in subsidiary undertakings are stated at cost, less amounts written off.

**Research and development**

Research and development expenditure is written off as incurred. Research laboratories' equipment is written off over its expected life.

**Deferred taxation**

Deferred taxation is provided using the liability method on timing differences to the extent that they are expected to reverse in the foreseeable future, calculated at the rate at which tax will be payable.

**Foreign currencies**

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transactions. All differences are taken to the profit and loss account.

**Leasing commitments**

Rentals paid under operating leases are charged to the profit and loss account as incurred.

# FOSECO ( GB ) LIMITED

## NOTES TO THE ACCOUNTS (continued)

### 4 Turnover

The company ceased trading in 2000 following the transfer of assets and trade to Burmah Castrol Trading Limited.

5	Operating loss	2000 £'000	1999 £'000
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#### (a) This is stated after charging/(crediting)

Exceptional administration and general costs:

Representing redundancy/rationalisation costs.

- 251

Auditors' remuneration

- 20

Depreciation

- 1,600

Operating lease rentals:

plant and machinery

- 439

#### (b) Directors' remuneration

None of the directors received remuneration from the Company in either year.

# FOSECO ( GB ) LIMITED

## NOTES TO THE ACCOUNTS (continued)

<b>6</b>	<b>Interest</b>	<b>2000</b>	<b>1999</b>
		<b>£'000</b>	<b>£'000</b>
	Interest payable:		
	To other external undertakings	-	2
		<u>-</u>	<u>2</u>

<b>7</b>	<b>Taxation</b>	<b>2000</b>	<b>1999</b>
		<b>£'000</b>	<b>£'000</b>
	The tax charge in the profit and loss account is made up as follows:		
	UK Corporation tax	-	1,146
	Advance Corporation Tax surrendered by Foseco plc for which no payment was made for utilisation against corporation tax liabilities	-	19
	Deferred taxation	-	140
	Prior year adjustment	-	(479)
		<u>-</u>	<u>826</u>

The company is a member of a group for the purposes of relief under Section 402 of the Income and Corporation Taxes Act 1988. No corporation tax liability arises.

<b>8</b>	<b>Tangible fixed assets</b>	<b>Land &amp; Buildings £'000</b>	<b>Plant &amp; Machinery £'000</b>	<b>Total £'000</b>
	Cost or valuation:			
	At 1 January 2000	6,179	18,980	25,159
	Assets transferred to Burmah Castrol group companies	<u>(6,179)</u>	<u>(18,980)</u>	<u>(25,159)</u>
	At 31 December 2000	<u>-</u>	<u>-</u>	<u>-</u>
	Depreciation:			
	At 1 January 2000	-	13,765	13,765
	Assets transferred to Burmah group companies	-	<u>(13,765)</u>	<u>(13,765)</u>
	At 31 December 2000	<u>-</u>	<u>-</u>	<u>-</u>
	Net book value			
	At 31 December 2000	<u>-</u>	<u>-</u>	<u>-</u>
	At 31 December 1999	<u>6,179</u>	<u>5,215</u>	<u>11,394</u>

	<b>2000</b>	<b>1999</b>
	<b>£'000</b>	<b>£'000</b>
The net book value of land and building comprises:		
Freehold	-	6,179

# FOSECO ( GB ) LIMITED

## NOTES TO THE ACCOUNTS (continued)

### 9 Investments

	Subsidiary undertakings £'000	Fellow group undertakings £'000	Total £'000
Shares			
At cost less amounts written off			
At 1 January 2000	3,755	-	3,755
Write down in value of investment	(208)	-	(208)
Transfer to other group undertakings	(2,669)	-	(2,669)
31 December 2000	878	-	878
Loans			
At 1 January 2000	222	17,001	17,223
Increase in the year	19	13,348	13,367
At 31 December 2000	241	30,349	30,590
Net book value			
At 31 December 2000	1,119	30,349	31,468
At 31 December 1999	3,977	17,001	20,978

The historical cost of shares in subsidiary undertakings is £770,000 ( 1999 £9,150,800 ).

Loans to fellow group undertakings includes an amount of £5,907,000 (1999 £9,287,000) to the company's immediate parent company.

Details of the subsidiary undertakings are set out in Note 20.

In the opinion of the directors, the aggregate value of the investments in the subsidiary undertakings is not less than the net book value at 31 December 2000.

### 10 Stocks

	2000 £'000	1999 £'000
Raw materials and consumables	-	900
Work-in-progress	-	373
Finished goods and goods for sale	-	2,095
	-	3,368

# FOSECO ( GB ) LIMITED

## NOTES TO THE ACCOUNTS (continued)

11	Debtors	2000 £'000	1999 £'000
	Trade debtors	11	5,738
	Amounts due from group undertakings	-	2,047
	Other debtors	-	-
	Prepayments and accrued income	-	438
		<u>11</u>	<u>8,223</u>
	Debtors due after 1 year:		
	Deferred Tax (Note 13)	-	570
		<u>-</u>	<u>570</u>
	Total Debtors	<u>11</u>	<u>8,793</u>

12	Other creditors	2000 £'000	1999 £'000
	Due within one year		
	Trade creditors	-	4,425
	Amounts due to group undertakings	-	1,513
	Taxation and social security	-	1,234
	Accruals and deferred income	1	91
		<u>1</u>	<u>7,263</u>

The company is a member of a group for the purposes of relief under Section 402 of the Income and Corporation Taxes Act 1988. No corporation tax liability arises.

13	Deferred taxation	2000 £'000	1999 £'000
	Accelerated capital allowances	-	(726)
	Short term timing differences	-	156
		<u>-</u>	<u>(570)</u>

Provision for deferred taxation has been made in the accounts of BP International Limited, a fellow subsidiary undertaking having regard to the group deferred taxation provision. Provision for deferred taxation is not required

	£'000
Balance at 1 January 2000	(570)
Transfer of Business	570
Balance at 31 December 2000	<u>-</u>

The deferred tax asset at 31 December 1999 is shown under debtors (Note 11)

# FOSECO ( GB ) LIMITED

## NOTES TO THE ACCOUNTS (continued)

<b>14</b>	<b>Pension liabilities</b>	<b>2000</b>	<b>1999</b>
		<b>£'000</b>	<b>£'000</b>
	Balance at 1 January	239	263
	Profit and loss account	-	(24)
	Transfer of Business	(239)	-
	Balance at 31 December	<u>-</u>	<u>239</u>
<b>15</b>	<b>Called-up share capital</b>	<b>2000</b>	<b>1999</b>
		<b>£'000</b>	<b>£'000</b>
	Authorised:		
	Ordinary shares of £1 each	<u>960</u>	<u>960</u>
	Allotted, issued and fully paid:		
	Ordinary shares of £1 each	<u>900</u>	<u>900</u>
<b>16</b>	<b>Reserves</b>		<b>£'000</b>
	Revaluation reserve		
	At 1 January 2000		2,861
	Transfer to Profit and Loss account on realisation		<u>(2,861)</u>
	At 31 December 2000		<u>-</u>
	Profit and loss account		
	At 1 January 2000		10,540
	Loss for the year		(13,054)
	Exchange adjustments		19
	Transfers from property revaluation reserve		<u>2,861</u>
	At 31 December 2000		<u>366</u>
	Share premium account		
	At 1 January 2000 and 31 December 2000		<u>15,874</u>
<b>17</b>	<b>Reconciliation of movement in shareholders' Funds</b>	<b>2000</b>	<b>1999</b>
		<b>£'000</b>	<b>£'000</b>
	At 1 January	30,175	28,271
	Profit for the year	(13,054)	1,530
	Exchange adjustments	19	4
	Revaluation of Freehold Properties	-	370
	At 31 December	<u>17,140</u>	<u>30,175</u>



# FOSECO ( GB ) LIMITED

## NOTES TO THE ACCOUNTS (continued)

### 18 Capital commitments

Amounts contracted for but not provided in the accounts amounted to £Nil (1999 £Nil).

### 19 Operating leases

	Other operating assets	
	2000	1999
	£'000	£'000
Annual rents payable on non-cancellable leases expiring:		
Within one year	-	211
Second to fifth years inclusive	-	294
After five years	-	6
	<hr/>	<hr/>
	-	511

### 20 Principal subsidiary undertakings

The Company's subsidiary undertakings are in the business of speciality chemicals and other interests. The principal subsidiary undertakings are:

Subsidiary	Shareholding
Foseco Holding International Limited	100%
Fosbel International Limited	51%