

**E&E Limited**

**Directors' report and financial  
statements**

**Registered number 139876  
8 months ended 31 December 2000**



## Contents

|  |   |
|--|---|
| Directors' report                                    | 1 |
| Statement of directors' responsibilities             | 4 |
| Report of the auditors to the members of E&E Limited | 5 |
| Profit and loss account                              | 6 |
| Balance sheet  | 7 |
| Notes  | 8 |

## Directors' report

The directors present their report and the audited financial statements for the 8 months ended 31 December 2000.

### Principal activity

The principal activity of the company is the sale, marketing and distribution of chemicals.

### Results and dividends

The results of the company for the 8 months ended 31 December 2000 are shown in the profit and loss account on page 6.

The company has paid an interim dividend of £Nil (30 April 2000: £2,500,000) and the directors propose a final dividend of £Nil (30 April 2000: £5,350,000).

### Tangible fixed assets

In the opinion of the directors the market value of the company's properties is not materially different from the value included in the company's financial statements.

### Directors and directors' interests

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

|             |                             |
|-------------|-----------------------------|
| MI Latham   |                             |
| JJ McKenzie |                             |
| KA Morrison |                             |
| MR Pugh     |                             |
| MD Reid     | (resigned 31 December 2000) |
| PT Symmons  | (appointed 1 November 2000) |



## Directors' report *(continued)*

### Directors and directors' interests *(continued)*

The directors who held office at the end of the financial period had the following interests in the shares of the ultimate parent company, Ellis & Everard Limited, as recorded in the register of directors' share and debenture interests:

|   | 30 April<br>2000 | 31 December<br>2000 |
|---|------------------|---------------------|
| <b>MI Latham</b>                        |                  |                     |
| Ordinary share options                  | 5,000            | 5,000               |
| <b>JJ McKenzie</b>                      |                  |                     |
| Ordinary shares                         | 7,393            | 7,564               |
| Contingent interests in ordinary shares | 4,268            | 4,268               |
| Ordinary share options                  | 60,000           | 60,000              |
| Savings related share options           | 10,481           | 10,481              |
| <b>KA Morrison</b>                      |                  |                     |
| Ordinary share options                  | 23,000           | 23,000              |
| Savings related share options           | 13,957           | 13,957              |
| <b>MR Pugh</b>                          |                  |                     |
| Ordinary shares                         | 25               | 25                  |
| Ordinary share options                  | 21,000           | 21,000              |
| Savings related share options           | 9,993            | 9,993               |

Contingent interests in shares represent those interests in shares and matched shares under a group incentive plan, whereby a part of any incentive bonus may be deferred and denominated in Ellis & Everard Limited shares. Details of the incentive plan are included in the financial statements of Ellis & Everard Limited.

### Employee involvement and employment policies

Information concerning employees and their remuneration is given in the notes to the financial statements.

The company is committed to the principle of equal opportunity in employment. It seeks to ensure that no applicant or employee receives less favourable treatment on the grounds of gender, marital status, race, colour, ethnic origin, disability or religious beliefs or is disadvantaged by conditions which cannot be objectively justified. Furthermore, the harassment of one employee by another is strictly forbidden and a matter for disciplinary action. It is also the company's policy to comply with best practice on employment of disabled people. Full and fair consideration is given for employment, training and career development. Wherever possible this includes the retraining and retention of staff who become disabled during their employment.



## **Directors' report** *(continued)*

### **Employee involvement and employment policies (continued)**

Management of the company is decentralised and this is supported by a framework of human resource policies and an extensive communications network. There is regular communication and consultation with employees on matters of concern to them and participation and involvement in the development of the business is encouraged. We recognise the importance of a well educated and highly trained workforce and employees are encouraged and assisted in undertaking continuous personal development. The group supports and invests in training programmes aimed at achieving the highest standards of personal performance, safe working practises and customer service.

The pension funds within the company are administered by independent trustees including employee and pensioner representatives. In the UK, contact with and between retired employees is maintained through a Pensioners' Consultative Committee which also administers a hardship relief fund.

### **Payment of suppliers**

The company agrees terms and conditions for its business transactions with suppliers. Payment is then made in accordance with these terms, subject to the other terms and conditions being met by the supplier.

Trade creditors shown in the balance sheet at 31 December 2000 represent 49 days of average purchases during the period (30 April 2000: 52 days ).

### **Auditors**

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG Audit Plc as auditors of the company will be proposed at the forthcoming Annual General Meeting.

By order of the board



**Stephen Brian Smith**  
*Secretary*

46 Peckover Street  
Bradford  
West Yorkshire  
BD1 5BD

17 August 2001





## Statement of directors' responsibilities

Company law requires the directors to prepare accounts for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss 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;
- 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 are responsible for maintaining 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 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 Audit Plc

1 The Embankment  
Neville Street  
Leeds  
LS1 4DW

## Report of the auditors to the members of E&E Limited

We have audited the financial statements on pages 6 to 18.

### Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 4, 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. 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 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 of the state of the company's affairs as at 31 December 2000 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc  
Chartered Accountants  
Registered Auditor

17 August 2001



## Profit and loss account

for the 8 months ended 31 December 2000

|   | Note | 8 months ended<br>31 December<br>2000<br>£000 | Year ended<br>30 April<br>2000<br>£000 |
|---|------|---|--|
| Turnover - continuing operations                            | 2    | 131,094                                       | 190,350                                |
| Cost of sales   |      | (104,322)                                     | (150,126)                              |
|   |      | <hr/>   | <hr/>                                  |
| Gross profit  |      | 26,772  | 40,224                                 |
| Distribution costs  |      | (7,987)                                       | (11,286)                               |
| Administrative expenses                                     |      | (14,839)                                      | (21,595)                               |
| Exceptional item  | 3    | (3,432)                                       | -                                      |
|   |      | <hr/>   | <hr/>                                  |
| Total administrative expenses                               |      | (18,271)                                      | (21,595)                               |
|   |      | <hr/>   | <hr/>                                  |
| Operating profit - continuing operations                    |      | 514   | 7,323                                  |
| Interest receivable and similar income                      |      | 25  | 12                                     |
|   |      | <hr/>   | <hr/>                                  |
| Profit on ordinary activities before taxation               | 4    | 539   | 7,355                                  |
| Tax on profit on ordinary activities                        | 7    | (325)   | (2,221)                                |
|   |      | <hr/>   | <hr/>                                  |
| Profit on ordinary activities after taxation                |      | 214   | 5,134                                  |
| Dividends   | 8    | -   | (7,850)                                |
|   |      | <hr/>   | <hr/>                                  |
| Retained profit/(unrecovered loss) for the financial period | 16   | 214   | (2,716)                                |
|   |      | <hr/>   | <hr/>                                  |

There were no recognised gains or losses in either the current period or preceding year other than those reflected in the profit and loss account.

There is no material difference between the reported profits and the historical cost profits for either period.

A statement of movements on reserves can be found at note 16 and a reconciliation of movements in shareholders' funds at note 17.



## Balance sheet

at 31 December 2000

|  | Note | 31 December 2000 |                | 30 April 2000   |                |
|--|------|------------------|----------------|-----------------|----------------|
|  |      | £000             | £000           | £000            | £000           |
| <b>Fixed assets</b>  |      |                  |                |                 |                |
| Tangible assets  | 9    |                  | 16,283         |                 | 18,057         |
| <b>Current assets</b>  |      |                  |                |                 |                |
| Stocks   | 10   | 18,220           |                | 17,331          |                |
| Debtors  | 11   | 41,747           |                | 48,207          |                |
| Cash at banks and in hand                                      |      | 1,280            |                | 1,610           |                |
|  |      | <u>61,247</u>    |                | <u>67,148</u>   |                |
| <b>Creditors: amounts falling due within one year</b>          | 12   | <u>(48,119)</u>  |                | <u>(58,942)</u> |                |
| <b>Net current assets</b>                                      |      |                  | <b>13,128</b>  |                 | <b>8,206</b>   |
| <b>Total assets less current liabilities</b>                   |      |                  | <b>29,411</b>  |                 | <b>26,263</b>  |
| <b>Creditors: amounts falling due after more than one year</b> | 13   |                  | <b>(5,662)</b> |                 | <b>(3,728)</b> |
| <b>Provisions for liabilities and charges</b>                  | 14   |                  | <b>(3,407)</b> |                 | <b>(2,407)</b> |
| <b>Net assets</b>  |      |                  | <b>20,342</b>  |                 | <b>20,128</b>  |
| <b>Capital and reserves</b>                                    |      |                  |                |                 |                |
| Called up share capital  | 15   |                  | 800            |                 | 800            |
| Share premium account  |      |                  | 826            |                 | 826            |
| Profit and loss account  | 16   |                  | 18,716         |                 | 18,502         |
| <b>Shareholders' funds - equity</b>                            | 17   |                  | <b>20,342</b>  |                 | <b>20,128</b>  |

These financial statements were approved by the board of directors on 17 August 2001 and are signed on its behalf by:



**Mike Latham**  
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 using the historical cost convention, modified by the revaluation of certain freehold and leasehold properties, and in accordance with applicable UK accounting standards.

#### *Cash flow statement*

Under Financial Reporting Standard No. 1 (Revised 1996), the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking of a company registered in England and Wales.

#### *Goodwill*

Goodwill arising on the acquisition of businesses prior to 30 April 1998 is written off against reserves as incurred. If such a business is sold or closed, the associated goodwill is reinstated in the balance sheet and is written off in the profit and loss account. Goodwill arising on the acquisition of businesses completed after 30 April 1998 is capitalised as an intangible asset and written off over its economic useful life, normally 20 years.

#### *Depreciation*

Depreciation is provided on tangible fixed assets, other than freehold land and assets in the course of construction, at rates calculated to write off their cost or valuation, less their estimated residual value, on a straight line basis over the following estimated useful lives:

|                                     |   |   |
|-------------------------------------|---|---|
| Freehold buildings                  | - | 50 years maximum.   |
| Leasehold properties                | - | the unexpired period of the lease or such shorter period as is considered appropriate. Where a property is leased from a fellow group company the depreciation charge is determined by reference to the state of ownership of the particular property to the group. |
| Ancillary building work             | - | 10 to 25 years.   |
| Storage tanks and other fixed plant | - | 7 to 15 years.  |
| Fixtures and fittings               | - | 5 years.  |
| Vehicles                            | - | 4 to 6 years.   |

#### *Foreign currencies*

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.



## Notes (continued)

### 1 Accounting policies (continued)

#### *Deferred taxation*

Provision is made in respect of capital allowances and other timing differences to the extent that it is reasonably probable that such liabilities will crystallise in the foreseeable future.

#### *Leased assets*

Assets acquired by means of finance leases are included in the balance sheet at cost and depreciated at rates appropriate for the category of asset concerned. The finance element of rentals is charged to the profit and loss account. Operating lease rental payments are expensed as incurred.

#### *Retirement benefits*

Retirement benefits are funded by contributions made by the company and its employees to trustee administered funds. For defined benefit schemes, contribution rates are calculated periodically by independent actuaries and the cost charged against profits over the estimated working lives of the employees. For defined contribution schemes, contributions are charged to the profit and loss account in the year in which they are payable.

#### *Stocks*

Stocks are stated at the lower of cost and net realisable value.

#### *Returnable containers*

Where customers have been charged for returnable containers, a provision is deducted from debtors for the amount by which the estimated amount of credits to be granted exceeds the stock value of the containers to be returned.

### 2 Turnover

Turnover relates to the sale and distribution of chemicals, excluding value added tax.

| Geographical analysis of turnover | 8 months ended | Year ended |
|-----------------------------------|----------------|------------|
|                                   | 31 December    | 30 April   |
|                                   | 2000           | 2000       |
|                                   | £000           | £000       |
| United Kingdom                    | 124,937        | 179,758    |
| Rest of Europe                    | 2,964          | 5,226      |
| Rest of World                     | 3,193          | 5,366      |
|                                   | <hr/>          | <hr/>      |
|                                   | 131,094        | 190,350    |
|                                   | <hr/>          | <hr/>      |



## Notes (continued)

### 3 Exceptional item

|                     | 8 months ended<br>31 December<br>2000<br>£000 | Year ended<br>30 April<br>2000<br>£000 |
|---------------------|---|--|
| Restructuring costs | 3,432   | -                                      |

Restructuring costs principally comprise those costs incurred in the restructuring and rationalisation of the business.

### 4 Profit on ordinary activities before taxation

|   | 8 months ended<br>31 December<br>2000<br>£000 | Year ended<br>30 April<br>2000<br>£000 |
|---|---|--|
| <i>Profit on ordinary activities before taxation is stated</i>  |   |  |
| <i>after charging:</i>  |   |  |
| Auditors' remuneration:   |   |  |
| - audit fees  | 55  | 58                                     |
| - other fees  | -   | -                                      |
| Directors' emoluments, including pension contributions (note 6) | 342   | 525                                    |
| Depreciation:   |   |  |
| - owned assets  | 3,161   | 4,345                                  |
| - leased assets   | 46  | 92                                     |
| Hire and rental charges:  |   |  |
| - plant and vehicles  | 491   | 505                                    |
| - property  | 1,099   | 1,587                                  |
| Foreign exchange losses   | 15  | 52                                     |
| Loss on disposal of tangible fixed assets                       | 681   | 15                                     |



## Notes (continued)

### 5 Employees

The average number of employees, including directors, during the period, analysed by category, was as follows:

|                        | Number of employees                   |                                |
|------------------------|---------------------------------------|--------------------------------|
|                        | 8 months ended<br>31 December<br>2000 | Year ended<br>30 April<br>2000 |
| Administrative         | 320                                   | 309                            |
| Sales and distribution | 424                                   | 415                            |
|                        | <hr/> 744                             | <hr/> 724                      |

Employee costs during the period amounted to:

|                         | 8 months ended<br>31 December<br>2000<br>£000 | Year ended<br>30 April<br>2000<br>£000 |
|-------------------------|---|--|
| Wages and salaries      | 10,126  | 14,128                                 |
| Social security costs   | 782   | 1,037                                  |
| Pension costs (note 19) | 870   | 1,167                                  |
|                         | <hr/> 11,778                                  | <hr/> 16,332                           |

### 6 Directors' emoluments

|                       | 8 months ended<br>31 December<br>2000<br>£000 | Year ended<br>30 April<br>2000<br>£000 |
|-----------------------|---|--|
| <i>Emoluments:</i>    |   |  |
| Management services   | 361   | 494                                    |
| Pension contributions | 66  | 100                                    |
|                       | <hr/> 427                                     | <hr/> 594                              |

The aggregate emoluments of the highest paid director were £70,295 (30 April 2000: £103,035). None of the directors made gains on the exercise of share options during the period (30 April 2000: Two).

Five of the directors are remunerated by the company and all participate in defined benefit pension schemes. One director is remunerated by the ultimate parent company.

**Notes (continued)**

**7 Tax on profit on ordinary activities**

|  | 8 months ended<br>31 December<br>2000<br>£000 | Year ended<br>30 April<br>2000<br>£000 |
|--|---|--|
| Corporation tax at 30% (30 April 2000: 30%)<br>on the profit for the period on ordinary activities | 1,414   | 2,473                                  |
| Deferred taxation (note 14)  | (1,089)                                       | (252)                                  |
|  | <hr/> 325                                     | <hr/> 2,221                            |
| Adjustments in respect of prior years  |   |  |
| - current taxation   | 91  | -                                      |
| - deferred taxation  | (91)  | -                                      |
|  | <hr/> 325                                     | <hr/> 2,221                            |
|  | <hr/> <hr/>                                   | <hr/> <hr/>                            |

**8 Dividends**

|                | 8 months ended<br>31 December<br>2000<br>£000 | Year ended<br>30 April<br>2000<br>£000 |
|----------------|---|--|
| Interim paid   | -   | 2,500                                  |
| Final proposed | -   | 5,350                                  |
|                | <hr/> -                                       | <hr/> 7,850                            |
|                | <hr/> <hr/>                                   | <hr/> <hr/>                            |





## Notes (continued)

### 9 Tangible fixed assets

|                               | Land and<br>Buildings | Plant and<br>Machinery | Total   |
|-------------------------------|-----------------------|------------------------|---------|
|                               | £000                  | £000                   | £000    |
| <b>Cost or valuation</b>      |                       |                        |         |
| 30 April 2000                 | 6,879                 | 31,463                 | 38,342  |
| Additions                     | 1,034                 | 1,354                  | 2,388   |
| Disposals                     | (1,011)               | (1,125)                | (2,136) |
|                               | <hr/>                 | <hr/>                  | <hr/>   |
| 31 December 2000              | 6,902                 | 31,692                 | 38,594  |
|                               | <hr/>                 | <hr/>                  | <hr/>   |
| Cost                          | 6,842                 | 31,692                 | 38,534  |
| Professional valuation - 1987 | 60                    | -                      | 60      |
|                               | <hr/>                 | <hr/>                  | <hr/>   |
|                               | 6,902                 | 31,692                 | 38,594  |
|                               | <hr/>                 | <hr/>                  | <hr/>   |
| <b>Depreciation</b>           |                       |                        |         |
| 30 April 2000                 | 2,340                 | 17,945                 | 20,285  |
| Charge for period             | 378                   | 2,829                  | 3,207   |
| Disposals                     | (343)                 | (838)                  | (1,181) |
|                               | <hr/>                 | <hr/>                  | <hr/>   |
| 31 December 2000              | 2,375                 | 19,936                 | 22,311  |
|                               | <hr/>                 | <hr/>                  | <hr/>   |
| <b>Net book value</b>         |                       |                        |         |
| 31 December 2000              | 4,527                 | 11,756                 | 16,283  |
|                               | <hr/>                 | <hr/>                  | <hr/>   |
| 30 April 2000                 | 4,539                 | 13,518                 | 18,057  |
|                               | <hr/>                 | <hr/>                  | <hr/>   |

## Notes (continued)

### 9 Tangible fixed assets (continued)

The net book amount of land and buildings comprises:

|                 | 31 December<br>2000<br>£000 | 30 April<br>2000<br>£000 |
|-----------------|-----------------------------|--------------------------|
| Freehold        | 14                          | 15                       |
| Long leasehold  | 430                         | 448                      |
| Short leasehold | 4,083                       | 4,076                    |
|                 | <hr/> 4,527 <hr/>           | <hr/> 4,539 <hr/>        |

Valuations of land and buildings are on an existing use basis. There is no material difference between the reported net book value and the historical cost net book value of land and buildings.

Non depreciated land amounted to £72,000 (30 April 2000: £72,000).

### 10 Stocks

|                            | 31 December<br>2000<br>£000 | 30 April<br>2000<br>£000 |
|----------------------------|-----------------------------|--------------------------|
| Inventory held for resale  | 16,829                      | 15,259                   |
| Containers and consumables | 1,391                       | 2,072                    |
|                            | <hr/> 18,220 <hr/>          | <hr/> 17,331 <hr/>       |

### 11 Debtors

|   | 31 December<br>2000<br>£000 | 30 April<br>2000<br>£000 |
|---|-----------------------------|--------------------------|
| <b>Amounts due within one year:</b>       |                             |                          |
| Trade debtors                             | 35,889                      | 37,355                   |
| Amounts owed by ultimate parent company   | -                           | 4,000                    |
| Amounts owed by fellow group undertakings | 1,518                       | 2,580                    |
| Other debtors                             | 616                         | 548                      |
| Prepayments and accrued income            | 531                         | 531                      |
|   | <hr/> 38,554 <hr/>          | <hr/> 45,014 <hr/>       |
| <b>Amounts due after one year:</b>        |                             |                          |
| Amounts owed by fellow group undertakings | 3,193                       | 3,193                    |
|   | <hr/> 41,747 <hr/>          | <hr/> 48,207 <hr/>       |

## Notes (continued)

### 12 Creditors: amounts falling due within one year

|   | 31 December 2000 |        | 30 April 2000 |        |
|---|------------------|--------|---------------|--------|
|   | £000             | £000   | £000          | £000   |
| Trade creditors   |                  | 24,487 |               | 25,239 |
| Amounts owed to ultimate parent company                 |                  | 14,458 |               | 18,071 |
| Amounts owed to fellow group undertakings               |                  | 1,513  |               | 6,742  |
| Other creditors including taxation and social security: |                  |        |               |        |
| Corporation tax   | 4,112            |        | 3,087         |        |
| Other taxes and social security                         | 865              |        | 1,970         |        |
|   |                  |        |               |        |
| Taxation and social security                            | 4,977            |        | 5,057         |        |
| Other creditors   | 308              |        | 556           |        |
|   |                  |        |               |        |
|   |                  | 5,285  |               | 5,613  |
| Accruals and deferred income                            |                  | 2,376  |               | 3,277  |
|   |                  |        |               |        |
|   |                  | 48,119 |               | 58,942 |

### 13 Creditors: amounts falling due after more than one year

|   | 31 December | 30 April |
|---|-------------|----------|
|   | 2000        | 2000     |
|   | £000        | £000     |
| Bank loans and overdrafts                 | 1,934       | -        |
| Amounts owed to fellow group undertakings | 3,728       | 3,728    |
|   |             |          |
|   | 5,662       | 3,728    |

Bank loans and overdrafts are repayable within two to five years.



## Notes (continued)

### 14 Provisions for liabilities and charges

|  | Reorganisation<br>costs<br>£000 | Environmental<br>costs<br>£000 | Deferred<br>taxation<br>£000 | Total<br>£000 |
|--|---------------------------------|--------------------------------|------------------------------|---------------|
| 30 April 2000  | -                               | 865                            | 1,542                        | 2,407         |
| Charged/(credited) to profit and loss account<br>(note 3/note 7) | 3,432                           | -                              | (1,089)                      | 2,343         |
| Expenditure during period (note 3)                               | (1,252)                         | -                              | -                            | (1,252)       |
| Adjustment in respect of prior years (note 7)                    | -                               | -                              | (91)                         | (91)          |
|  | <hr/>                           | <hr/>                          | <hr/>                        | <hr/>         |
| 31 December 2000   | 2,180                           | 865                            | 362                          | 3,407         |
|  | <hr/>                           | <hr/>                          | <hr/>                        | <hr/>         |

### 15 Share capital

|   | 31 December<br>2000<br>£000 | 30 April<br>2000<br>£000 |
|---|-----------------------------|--------------------------|
| <i>Authorised, allotted, called up and fully paid</i><br>800,000 ordinary shares of £1 each | 800                         | 800                      |
|   | <hr/>                       | <hr/>                    |

### 16 Profit and loss account

|  | 2000<br>£000 |
|--|--------------|
| 30 April 2000                            | 18,502       |
| Retained profit for the financial period | 214          |
|  | <hr/>        |
| 31 December 2000                         | 18,716       |
|  | <hr/>        |

The cumulative amount of goodwill arising on acquisitions and written off directly to profit and loss account reserves is £900,000 (30 April 2000: £900,000).

## Notes (continued)

### 17 Reconciliation of movements in shareholders' funds

|  | 8 months ended<br>31 December<br>2000<br>£000 | Year ended<br>30 April<br>2000<br>£000 |
|--|---|--|
| Profit for the financial period                | 214   | 5,134                                  |
| Dividends                                      | -   | (7,850)                                |
|  | <hr/>   | <hr/>                                  |
| Net increase/(decrease) in shareholders' funds | 214   | (2,716)                                |
| Opening shareholders' funds                    | 20,128  | 22,844                                 |
|  | <hr/>   | <hr/>                                  |
| Closing shareholders' funds                    | 20,342  | 20,128                                 |
|  | <hr/>   | <hr/>                                  |

### 18 Commitments

- (i) Capital commitments at the end of the financial period for which no provision has been made:

|            | 31 December<br>2000<br>£000 | 30 April<br>2000<br>£000 |
|------------|-----------------------------|--------------------------|
| Contracted | 2,933                       | 147                      |
|            | <hr/>                       | <hr/>                    |

- (ii) Annual commitments under non-cancellable operating leases are as follows:

|  | 31 December 2000              |               | 30 April 2000                 |
|--|-------------------------------|---------------|-------------------------------|
|  | Land and<br>buildings<br>£000 | Other<br>£000 | Land and<br>buildings<br>£000 |
|  |                               |               | Other<br>£000                 |
| Operating leases which expire:           |                               |               |                               |
| - within one year                        | -                             | 36            | -                             |
| - in the second to fifth years inclusive | 199                           | 716           | 151                           |
| - after five years                       | 1,548                         | -             | 1,586                         |
|  | <hr/>                         | <hr/>         | <hr/>                         |
|  | 1,747                         | 752           | 1,737                         |
|  | <hr/>                         | <hr/>         | <hr/>                         |
|  |                               |               | 505                           |

Of the land and buildings commitment, £380,000 (30 April 2000: £385,000) is payable to a fellow group undertaking.

## Notes (continued)

### 19 Pension scheme

The company is a member of the Ellis & Everard group which operates a number of pension schemes worldwide. The main United Kingdom scheme, the Ellis & Everard company Pension Scheme (1978) is of the defined benefit type and covers the majority of the employees of the company. The total pension cost for the company in the period, and the preceding year, is shown in note 5. The pension costs are assessed in accordance with the advice of independent qualified actuaries. The scheme was the subject of a full actuarial valuation at 30 June 2000 and particulars of this valuation are included in the financial statements of Ellis & Everard Limited.

There were no outstanding or prepaid contributions at 31 December 2000 and 30 April 2000.

### 20 Ultimate parent company and parent undertaking of larger group of which the company is a member

The ultimate parent company is Ellis & Everard Limited, a company registered in England and Wales. Ellis & Everard Limited is the only company which prepares group financial statements incorporating the financial statements of this company. These group financial statements are available to the public and may be obtained from Companies House, Crown Way, Maindy, Cardiff CF4 3UZ.

The immediate parent undertaking is Ellis & Everard (UK Holdings) Limited, which is registered in England and Wales.

On 17 January 2001 the Ellis & Everard Limited group was acquired by Royal Vopak N.V.

### 21 Post balance sheet event

On 2 July 2001 the company acquired the trade and assets of Univar Limited for a total consideration of £3.8 million.