

Van Ommeren Tank Terminal Ipswich Limited

Registered No. 184232

DIRECTOR

D A van Slooten

SECRETARY

D Weston

AUDITORS

Ernst & Young
Becket House
1 Lambeth Palace Road
London SE1 7EU

BANKERS

Royal Bank of Scotland plc
Shipping Business Centre
5-10 Great Tower Street
London EC3P 3HX

SOLICITORS

Lovells
65 Holborn Viaduct
London EC1A 2DY

REGISTERED OFFICE

Oliver Road
West Thurrock
Grays
Essex RM20 3EY

 **ERNST & YOUNG**



Van Ommeren Tank Terminal Ipswich Limited

DIRECTOR'S REPORT

The director presents his report and accounts for the year ended 31 December 1999.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £248,000 (1998 – £348,000)

The director recommended the payment of a dividend of £672,000 (1998: £nil).

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the company is the provision of storage and distribution facilities for petroleum and chemical products.

FIXED ASSETS

The movement in fixed assets during the year is set out in notes 9 and 10.

DIRECTORS AND THEIR INTERESTS

The sole director who served during the year was D A van Slooten.

The director had no interest, as defined by the Companies Act 1985, in the share capital of the company or any other undertaking in the group during the year.

CHANGE OF NAME

Van Ommeren Tank Terminal Ipswich Ltd is now incorporated under the name of Vopak Terminal Ipswich Ltd, having changed its name under special resolution on 17 March 2000.

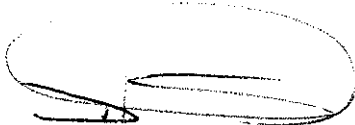
MERGER

The merger between Royal Van Ommeren N.V. and Royal Pakhoed N.V. was effective from 4 November 1999.

AUDITORS

A resolution to reappoint Ernst & Young as auditors will be put to the members at the Annual General Meeting.

By order of the board



D Weston 21.09.2000

Secretary

STATEMENT OF DIRECTOR'S RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the director 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 director is 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.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the accounts comply with the Companies Act 1985. He is 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.

REPORT OF THE AUDITORS

to the members of Van Ommeren Tank Terminal Ipswich Limited

We have audited the accounts on pages 5 to 12, which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 7.

Respective responsibilities of the director and auditors

As described on page 3 the company's director is responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards. 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

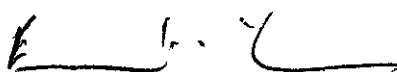
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the director 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 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young
Registered Auditor
London

A handwritten signature in black ink, appearing to be 'F. L. Y.', written over a horizontal line.

27 September 2000

Van Ommeren Tank Terminal Ipswich Limited

PROFIT AND LOSS ACCOUNT for the year ended 31 December 1999

	Notes	1999 £000	1998 £000
TURNOVER	2	2,394	2,379
Administrative expenses		(1,999)	(1,872)
OPERATING PROFIT	3	395	507
Interest payable	6	(80)	(46)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		315	461
Tax on profit on ordinary activities	7	(67)	(113)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		248	348
Equity dividend paid	8	(672)	—
Retained (loss)/profit for the year		(424)	348
Retained profit brought forward		831	483
RETAINED PROFIT CARRIED FORWARD		407	831

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

There are no recognised gains or losses other than the profit attributable to shareholders of the company of £248,000 the year ended 31 December 1999 and the profit of £348,000 in the year ended 31 December 1998.

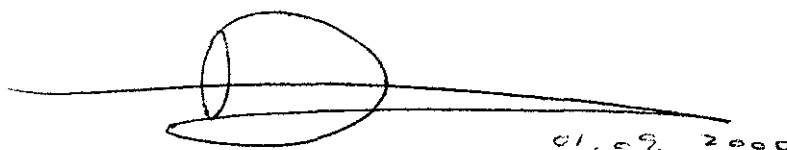
Van Ommeren Tank Terminal Ipswich Limited

BALANCE SHEET

at 31 December 1999

	Notes	1999 £000	1998 £000
FIXED ASSETS			
Intangible assets	9	30	34
Tangible assets	10	1,875	1,546
		<u>1,905</u>	<u>1,580</u>
CURRENT ASSETS			
Debtors	11	846	1,032
CREDITORS: amounts falling due within one year	12	(1,994)	(1,431)
NET CURRENT LIABILITIES		<u>(1,148)</u>	<u>(399)</u>
Provisions for deferred tax	13	-	-
		<u>(1,148)</u>	<u>(399)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>757</u>	<u>1,181</u>
CAPITAL AND RESERVES			
Called up share capital	14	350	350
Profit and loss account	15	407	831
EQUITY SHAREHOLDERS' FUNDS		<u>757</u>	<u>1,181</u>

Director



01.09.2000

Van Ommeren Tank Terminal Ipswich Limited

NOTES TO THE ACCOUNTS

at 31 December 1999

1. ACCOUNTING POLICIES

Accounting convention

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

Cash flow statement

No cash flow statement has been prepared as the company is a wholly owned subsidiary of a parent undertaking established in the European Community. The consolidated accounts of the group include a consolidated cash flow statement in a form similar to that required by FRS1 (Revised).

Depreciation

Depreciation is provided on all tangible fixed assets to write off the cost of each asset evenly over its expected useful life at the following rates:

Land and buildings	-	3% - 10%
Plant and machinery	-	2½% - 25%
Fixtures and fittings, tools and equipment	-	20% - 25%

Deferred taxation

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

Foreign currencies

Monetary 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 translated at the rate ruling at the date of the transactions. All differences are taken to the profit and loss account.

Goodwill

Goodwill is the difference between the amount paid on the acquisition of a business and the aggregate fair value of its separable net assets. It has been capitalised and is being written off in equal annual instalments over its estimated economic life of 10 years.

Pensions

The company operates a defined benefit scheme which requires contributions to be made to a separately administered trust fund. Contributions to this fund are charged in the profit and loss account so as to spread the cost of pensions over the employees' working lives within the company. The regular cost is attributable to individual years using the projected unit credit method. Variations in pension cost, which are identified as a result of actuarial valuations are amortised over the average expected remaining working lives of employees in proportion to their pensionable salaries. Differences between the amounts funded and the amounts charged in the profit and loss account are treated as either provisions or prepayments in the balance sheet.

Leasing Commitments

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

2. TURNOVER

Turnover represents the amounts derived from the provision of services and is stated net of value added tax.

Van Ommeren Tank Terminal Ipswich Limited

NOTES TO THE ACCOUNTS

at 31 December 1999

3. OPERATING LOSS/PROFIT

Operating loss/profit is stated after charging:

	1999 £000	1998 £000
Amortisation of intangible fixed assets	4	4
Auditors' remuneration	7	7
Depreciation of tangible fixed assets	188	139
Operating lease rental	293	293
	<u> </u>	<u> </u>

4. DIRECTORS' REMUNERATION

The director received no remuneration from the company during the year (1998 – £nil).

5. STAFF COSTS

	1999 £000	1998 £000
Wages and salaries	457	442
Social security costs	44	43
Other pension costs	47	43
	<u> </u>	<u> </u>
	548	528
	<u> </u>	<u> </u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	1999 £000	1998 £000
Bank loans and overdrafts wholly repayable within five years	80	46
	<u> </u>	<u> </u>

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1999 £000	1998 £000
Corporation tax payable in respect of current year	80	129
Adjustments in respect of prior year	(13)	(3)
Deferred tax	–	13
	<u> </u>	<u> </u>
	67	113
	<u> </u>	<u> </u>

8. DIVIDENDS

	1999 £000	1998 £000
Equity dividend paid on ordinary shares	672	–
	<u> </u>	<u> </u>

Van Ommeren Tank Terminal Ipswich Limited

NOTES TO THE ACCOUNTS

at 31 December 1999

9. INTANGIBLE FIXED ASSETS

	<i>Goodwill £000</i>
Cost:	
At 1 January 1999	42
Additions	—
At 31 December 1999	42
Amortisation:	
At 1 January 1999	8
Provided during the year	4
At 31 December 1999	12
Net book value:	
At 31 December 1999	30
At 1 January 1999	34

10. TANGIBLE FIXED ASSETS

	<i>Plant and machinery £000</i>	<i>Fixtures, fittings, tools and equipment £000</i>	<i>Total £000</i>
Cost:			
At 1 January 1999	1,694	29	1,723
Additions and transfers	509	8	517
At 31 December 1999	2,203	37	2,240
Depreciation:			
At 1 January 1999	173	4	177
Provided during the year	180	8	188
At 31 December 1999	353	12	365
Net book value:			
At 31 December 1999	1,850	25	1,875
At 1 January 1999	1,521	25	1,546

Assets in the course of construction of £8,000 are included in plant and machinery and are not depreciated.

Van Ommeren Tank Terminal Ipswich Limited

NOTES TO THE ACCOUNTS

at 31 December 1999

11. DEBTORS

	1999 £000	1998 £000
Trade debtors	535	483
Amounts owed by parent undertaking	—	437
Prepayments and accrued income	131	112
Sundry debtors	12	—
ACT recoverable	168	—
	<u>846</u>	<u>1,032</u>

12. CREDITORS: amounts falling due within one year

	1999 £000	1998 £000
Bank loans and overdraft	1,343	933
Trade creditors	108	68
Other tax and social security	31	—
Accruals and deferred income	358	305
Corporation tax payable	154	125
	<u>1,994</u>	<u>1,431</u>

13. PROVISION FOR DEFERRED TAX

Deferred taxation provided in the accounts and the potential amounts are as follows:

	Provided 1999 £000	Provided 1998 £000	Potential 1999 £000	Potential 1998 £000
Accelerated capital allowances	—	—	126	90
Other timing differences	—	—	(8)	(4)
	<u>—</u>	<u>—</u>	<u>118</u>	<u>86</u>

14. SHARE CAPITAL

	1999 £000	1998 £000
Authorised: 500,000 ordinary shares of £1 each	500	500
Allotted, called up and fully paid: 350,000 ordinary shares of £1 each	<u>350</u>	<u>350</u>

NOTES TO THE ACCOUNTS

at 31 December 1999

15. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	Share capital £000	Profit and loss account £000	Total £000
At 1 January 1998	350	483	833
Profit for the year	–	348	348
At 1 January 1999	350	831	1,181
Profit for the year	–	(424)	(424)
At 31 December 1999	350	407	757

16. PENSION COMMITMENTS

The company operates a defined benefit scheme with two fellow subsidiary undertakings, which is funded by the payment of contributions to a separately administered trust fund. The contributions to the scheme are determined with the advice of independent qualified actuaries on the basis of a triennial valuation using the defined accrued benefits method.

The most recent valuation for which results are available was conducted as at 1 January 1999. The assumptions which have the most significant effect on the results of the valuation are:

- investment returns would be 8.5% per annum
- salary increases would average 6.5% per annum
- future pension would increase at the rate of 4% per annum

The pension charge for the period was £47,480 (1998 – £42,971). The pension liability at 31 December 1999 was £13,036 (1998 – £nil) and is included in accruals and deferred income.

The most recent actuarial valuation showed that the market value of the scheme's assets was £3,343,600 and the actuarial value of those assets represented 91% of the benefit that had accrued to members after allowing for expected future increases in earnings. The company has commenced making contributions equivalent to 12.8% of pensionable salaries of the members to the scheme in order to absorb the actuarial deficiency.

17. COMMITMENTS UNDER OPERATING LEASES

The company has annual commitments of £293,000 (1998 – £293,000) under operating leases on land which expire in more than five years. The lease may be cancelled, provided two years written notice is given.

18. CAPITAL COMMITMENTS

	1999 £000	1998 £000
Commitments contracted for	17	235

NOTES TO THE ACCOUNTS

at 31 December 1999

19. ULTIMATE PARENT UNDERTAKING

In the opinion of the director the ultimate parent undertaking is Koninklijke Vopak NV., formerly Koninklijke Van Ommeren NV., incorporated in The Netherlands.

The accounts of the ultimate parent undertaking can be obtained from Blaak 333, 3011 GB Rotterdam, The Netherlands.

20. RELATED PARTIES

The company is the wholly owned subsidiary undertaking of Koninklijke Vopak NV., and is therefore exempt from making additional disclosure of related party transactions under the provisions of Financial Reporting Standard No. 8 "Related Party Disclosures".