

**THOMAS ROBERTS (WESTMINSTER) LIMITED**

**Report and Financial Statements**

**31 March 2003**



**Deloitte & Touche LLP  
Southampton**

# **THOMAS ROBERTS (WESTMINSTER) LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2003**

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**REPORT AND FINANCIAL STATEMENTS 2003**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

J R Coninx  
J Roberts  
P M Roberts  
P R Sirs  
A R Tomkins

**SECRETARY**

G Hemmings

**REGISTERED OFFICE**

5-6 The Square  
Winchester  
Hampshire  
SO23 9WE

**BANKERS**

Bank of Scotland  
38 Threadneedle Street  
London  
EC2P 2EH

**AUDITORS**

Deloitte & Touche LLP  
Chartered Accountants and Registered Auditors  
Southampton

## **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 31 March 2003.

### **PRINCIPAL ACTIVITIES AND FUTURE DEVELOPMENTS**

The principal activity of the company is the provision of management services to connected companies.

No significant change is expected in the company's activities in the year ahead.

### **RESULTS AND DIVIDENDS**

The results for the year are shown in the profit and loss account on page 5. No interim dividends (2002 - £9,000,000) were paid in the year. The directors do not recommend the payment of a final dividend.

### **DIRECTORS AND THEIR INTERESTS**

The directors of the company at 31 March 2003, all of whom served throughout the year, are set out on page 1.

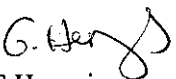
The company is a wholly owned subsidiary of Thomas Roberts Limited. Under SI 1985 Number 802 declarations by J Roberts, who is the ultimate controlling party, J R Coninx, P M Roberts, P R Sirs and A R Tomkins of interests in the share capital of Thomas Roberts Limited are made in the accounts of that company.

### **AUDITORS**

On 1 August 2003 Deloitte & Touche transferred their business to Deloitte & Touche LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. The Company's consent has been given to treating the appointment of Deloitte & Touche as extending to Deloitte & Touche LLP with effect from 1 August 2003 under the provisions of section 26(5) of the Companies Act 1989.

Elective resolutions to dispense with holding annual general meetings, the laying of accounts before the company in general meeting and the appointment of auditors annually are currently in force. The auditors, Deloitte & Touche LLP, will therefore be deemed to have been reappointed at the end of the period of 28 days beginning with the day on which copies of this report and accounts are sent to members unless a resolution is passed under Section 393 of the Companies Act 1985 to the effect that their appointment be brought to an end.

Approved by the Board of Directors and signed on behalf of the Board

  
G Hemmings  
Company Secretary  
13th August 2003

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

United Kingdom company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. In preparing those financial statements, 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; and
- prepare the financial statements on a 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 which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements 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.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THOMAS ROBERTS (WESTMINSTER) LIMITED**

We have audited the financial statements of Thomas Roberts (Westminster) Limited for the year ended 31 March 2003 which comprise the profit and loss account, the balance sheet and the related notes 1 to 20. 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 auditors' 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, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

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 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.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom 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 at 31 March 2003 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Deloitte & Touche LLP*

**Deloitte & Touche LLP**

Chartered Accountants and Registered Auditors  
Southampton

15<sup>th</sup> August 2003

# THOMAS ROBERTS (WESTMINSTER) LIMITED

## PROFIT AND LOSS ACCOUNT Year ended 31 March 2003

	Note	2003 £	2002 £
<b>TURNOVER – continuing operations</b>		1,065,254	864,319
Operating expenses		(1,575,740)	(1,195,751)
<b>OPERATING LOSS – continuing operations</b>		(510,486)	(331,432)
Interest receivable	2	221,886	496,540
Interest payable	2	-	(37,543)
Investment income	2	334	1,461
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(288,266)	129,026
Tax on (loss)/profit on ordinary activities	5	82,389	(47,569)
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		(205,877)	81,457
Dividends	6	-	(9,000,000)
<b>RETAINED LOSS FOR THE YEAR</b>	14, 15	(205,877)	(8,918,543)

There are no recognised gains or losses for the current financial year and preceding financial year other than as stated in the profit and loss account. Accordingly a statement of total recognised gains and losses has not been prepared.

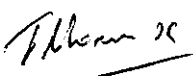
# THOMAS ROBERTS (WESTMINSTER) LIMITED

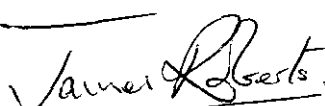
## BALANCE SHEET 31 March 2003

	Note	2003 £	2002 £
<b>FIXED ASSETS</b>			
Tangible assets	7	142,262	140,400
Investments:			
Shares in subsidiary undertakings	8	13,940	13,940
Other investments	9	<u>79,816</u>	<u>79,816</u>
		93,756	93,756
<b>CURRENT ASSETS</b>			
Debtors	10	451,427	169,988
Investments	11	3,000,000	4,000,000
Cash at bank and in hand		<u>2,446,294</u>	<u>1,934,670</u>
		5,897,721	6,104,658
<b>CREDITORS: amounts falling due within one year</b>	12	<u>(216,451)</u>	<u>(215,649)</u>
<b>NET CURRENT ASSETS</b>		<u>5,681,270</u>	<u>5,889,009</u>
<b>NET ASSETS</b>		<u>5,917,288</u>	<u>6,123,165</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	13	168,594	168,594
Share premium account	15	4,313,908	4,313,908
Capital redemption reserve	15	1,200,000	1,200,000
Profit and loss account	15	<u>234,786</u>	<u>440,663</u>
<b>TOTAL EQUITY SHAREHOLDERS' FUNDS</b>		<u>5,917,288</u>	<u>6,123,165</u>

The financial statements were approved by the Board of Directors on 13<sup>th</sup> August 2003.

Signed on behalf of the Board of Directors

  
Director

  
Director



**NOTES TO THE ACCOUNTS**  
**Year ended 31 March 2003**

**1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

**Accounting convention**

The financial statements are prepared under the historical cost convention.

**Tangible assets and depreciation**

Tangible assets are stated at cost less depreciation and provision for any impairment.

Depreciation is provided on all tangible assets except freehold land. Freehold buildings and plant and equipment are depreciated on a straight line basis over their estimated useful lives. The principal rates of depreciation are:

Freehold buildings	2%
Motor vehicles	25%
Other plant and equipment	20 - 25%

**Investments**

Investments held as fixed assets are stated at cost less any provision for impairment in value.

**Deferred taxation**

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no binding commitment to remit those earnings.

Deferred tax assets and liabilities are not discounted.

**Leases**

Assets held under finance leases and hire purchase contracts are capitalised at their fair value on the inception of the leases and depreciated over their estimated useful lives. The finance charges are allocated over the period of the lease in proportion to the capital amount outstanding.

Rentals under operating leases are charged to profit and loss account in equal annual amounts over the lease term.

**Pension costs**

Pension contributions are charged to the profit and loss account as incurred. These contributions are invested separately from the company's assets. See note 4.

# THOMAS ROBERTS (WESTMINSTER) LIMITED

## NOTES TO THE ACCOUNTS Year ended 31 March 2003

### 2. (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2003 £	2002 £
<b>Operating loss is stated after charging/(crediting):</b>		
Depreciation on tangible fixed assets	33,637	24,689
Auditors' remuneration for audit services	9,500	10,000
Auditors' remuneration for non-audit services	9,770	7,030
Loss/(profit) on disposal of fixed assets	168	(5,750)
	<u>          </u>	<u>          </u>
<b>Interest receivable</b>		
Interest receivable on short term deposits	(221,886)	(496,540)
	<u>          </u>	<u>          </u>
<b>Interest payable</b>		
Interest payable to connected companies	-	36,186
Short term bank and loan interest	-	1,357
	<u>          </u>	<u>          </u>
	-	37,543
	<u>          </u>	<u>          </u>
<b>Investment income</b>		
Other dividends receivable	(334)	(1,461)
	<u>          </u>	<u>          </u>

### 3. EMPLOYEES' AND DIRECTORS' REMUNERATION

	2003 No.	2002 No.
The average number of persons employed by the company during the year was as follows:		
Group activities and administration	14	15
	<u>          </u>	<u>          </u>
	£	£
<b>Staff costs</b>		
Wages and salaries	706,251	734,255
Social security costs	66,873	71,716
Pension costs	490,065	3,020
	<u>          </u>	<u>          </u>
	1,263,189	808,991
	<u>          </u>	<u>          </u>
<b>Staff costs include the following remuneration in respect of directors:</b>	£	£
Emoluments	346,730	361,145
	<u>          </u>	<u>          </u>
	No.	No.
Number of directors with benefits accruing under defined benefit schemes	3	3
	<u>          </u>	<u>          </u>
	£	£
Highest paid director – emoluments	123,433	119,243
	<u>          </u>	<u>          </u>

**NOTES TO THE ACCOUNTS**  
**Year ended 31 March 2003**

**4. PENSION COSTS**

The company participates in the Thomas Roberts Group Pension Fund, which is a defined benefit scheme with the assets of the scheme held separately from those of the company in an independently administered fund. The scheme closed to new members with effect from 6 August 2001. This is a multi-employer scheme and the company is unable to identify its share of the underlying assets and liabilities on a consistent and reasonable basis. Accordingly, the profit and loss account is charged with the contributions made to the scheme as if it was a defined contribution scheme. Contributions payable by the company amount to £490,000 (2002: £nil).

The pension costs are based on the most recent actuarial valuation, which was completed with an effective date of 31 March 2001. The total market value of the scheme's assets as at the review date was £47.1 million and the actuarial value of those assets represented 104% of the liability for benefits accrued for service to the review date. Since 31 March 2001 the market value of the scheme's assets has declined. Any further impact will be reflected in the next SSAP 24 triennial valuation as at 31 March 2004 based upon which subsequent pension costs will be determined until the adoption of FRS17. For this year the actuary has recommended that additional contributions be made to the scheme. Additional contributions of £890,000 were paid in the year to 31 March 2003, with a £490,000 payment made from this company.

**5. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES**

	2003 £	2002 £
<b>Taxation credit/(charge) for the year:</b>		
United Kingdom corporation tax credit/(charge) at 30% based on the (loss)/profit for the year	46,274	(47,569)
Adjustment in respect of prior years	1,295	-
Group relief	34,820	-
	<u>82,389</u>	<u>(47,569)</u>

The tax assessed for the period is lower (2002: higher) than that resulting from applying the standard 30% rate of corporation tax in the UK (2002: 30%). The differences are explained below:

	2003 %	2002 %
Standard tax rate for period as a percentage of (losses)/profits	30	30
Effects of:		
Expenses not deductible for tax purposes	(2)	10
Capital allowances in excess of depreciation	1	(3)
	<u>29</u>	<u>37</u>

**6. DIVIDENDS**

	2003 £	2002 £
Interim paid - £nil per ordinary share (2002 - £53.38)	<u>-</u>	<u>9,000,000</u>

# THOMAS ROBERTS (WESTMINSTER) LIMITED

## NOTES TO THE ACCOUNTS Year ended 31 March 2003

### 7. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Office equipment and vehicles £	Total £
<b>Cost</b>			
At 1 April 2002	76,302	205,473	281,775
Additions	-	35,667	35,667
Disposals	-	(23,197)	(23,197)
	<hr/>	<hr/>	<hr/>
At 31 March 2003	76,302	217,943	294,245
<b>Accumulated depreciation</b>			
At 1 April 2002	31,090	110,285	141,375
Charge for the year	1,426	32,211	33,637
Disposals	-	(23,029)	(23,029)
	<hr/>	<hr/>	<hr/>
At 31 March 2003	32,516	119,467	151,983
<b>Net book value</b>			
At 31 March 2003	<hr/> 43,786	<hr/> 98,476	<hr/> 142,262
At 31 March 2002	<hr/> 45,212	<hr/> 95,188	<hr/> 140,400

### 8. FIXED ASSET INVESTMENTS - SHARES IN SUBSIDIARY UNDERTAKINGS

	£
<b>Cost</b>	
At 1 April 2002 and 31 March 2003	<hr/> 13,940

The following were the subsidiaries at the balance sheet date:

Subsidiary Undertaking	Description and proportion of share capital owned	Country of incorporation	Nature of Business
Morgan Giles Limited	Ordinary 100%	England	Dormant
Thomas Roberts Pension Fund Trustees Limited	Ordinary 100%	England	Dormant

The company is exempt from the obligation to prepare group financial statements due to the size of the group. The financial statements therefore present information as a single entity.

**NOTES TO THE ACCOUNTS**  
**Year ended 31 March 2003**

**8. FIXED ASSET INVESTMENTS - SHARES IN SUBSIDIARY COMPANIES (Continued)**

Financial information summary – subsidiary undertakings:

	Aggregate capital and reserves at 31 March 2003 £	Results for the year ended 31 March 2003 £
Morgan Giles Limited	13,938	-
Thomas Roberts Pension Fund Trustees Limited	2	-
	<u>13,940</u>	<u>-</u>

**9. FIXED ASSET INVESTMENTS - OTHER INVESTMENTS**

<b>Cost</b>		<b>£</b>
At 1 April 2002 and 31 March 2003		<u>79,816</u>
	<b>2003 £</b>	<b>2002 £</b>
At net book value:		
Listed overseas investments	25,129	25,129
Unlisted investments	54,687	54,687
	<u>79,816</u>	<u>79,816</u>
At market value:		
Listed overseas investments	50,234	34,773

**10. DEBTORS**

	<b>2003 £</b>	<b>2002 £</b>
Amounts falling due within one year:		
Trade debtors	170,071	140,718
Other debtors	3,221	8,513
Prepayments and accrued income	184,501	20,757
Corporation tax recoverable	58,814	-
Group relief receivable	34,820	-
	<u>451,427</u>	<u>169,988</u>

**11. INVESTMENTS HELD AS CURRENT ASSETS**

	<b>2003 £</b>	<b>2002 £</b>
Money market deposit	<u>3,000,000</u>	<u>4,000,000</u>

# THOMAS ROBERTS (WESTMINSTER) LIMITED

## NOTES TO THE ACCOUNTS Year ended 31 March 2003

### 12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2003 £	2002 £
Trade creditors	23,492	8,155
Amounts owed to subsidiary companies	13,940	13,940
Corporation tax payable	-	24,545
Other taxes and social security costs	33,128	47,173
Other creditors	112,178	96,362
Accruals and deferred income	33,713	25,474
	<u>216,451</u>	<u>215,649</u>

### 13. CALLED UP SHARE CAPITAL

	2003 £	2002 £
<b>Authorised</b>		
1,500,000 8% cumulative preference shares of £1 each	1,500,000	1,500,000
300,000 ordinary shares of £1 each	300,000	300,000
	<u>1,800,000</u>	<u>1,800,000</u>
<b>Allotted, called up and fully paid</b>		
168,594 ordinary shares of £1 each	<u>168,594</u>	<u>168,594</u>

### 14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2003 £	2002 £
(Loss)/profit for the financial year	(205,877)	81,457
Dividends	-	(9,000,000)
Net reduction in shareholders' funds	(205,877)	(8,918,543)
Opening shareholders' funds	<u>6,123,165</u>	<u>15,041,708</u>
Closing shareholders' funds	<u>5,917,288</u>	<u>6,123,165</u>

### 15. RESERVES

	Share premium account £	Capital redemption reserve £	Profit and loss account £	Total £
At 1 April 2002	4,313,908	1,200,000	440,663	5,954,571
Retained loss for the year	-	-	(205,877)	(205,877)
At 31 March 2003	<u>4,313,908</u>	<u>1,200,000</u>	<u>234,786</u>	<u>5,748,694</u>

The capital redemption reserve represents the nominal value of 1,200,000 8% cumulative preference shares purchased by the company on 7 June 1999. This amount has been transferred from the company's distributable reserves.

**NOTES TO THE ACCOUNTS**  
**Year ended 31 March 2003**

**16. CAPITAL COMMITMENTS**

There were no capital commitments for the company as at 31 March 2003 (2002 - £nil).

**17. CONTINGENT LIABILITIES**

Guarantees by the company in respect of bank borrowings and other liabilities relating to subsidiary companies totalled £147,000 (2002 - £127,000).

**18. RELATED PARTY TRANSACTIONS**

During the year, the following transactions took place with connected companies under common control:

The company charged management fees to Burt Boulton Holdings Limited amounting to £475,000 (2002: £300,000).

The company charged management fees to Excel Industries Limited amounting to £125,004 (2002: £127,240).

The company charged management fees to Fillcrete Limited amounting to £113,566 (2002: £115,500).

The company charged management fees to Great Marsh Limited amounting to £236,004 (2002: £188,700).

The company charged management fees to Thomas Roberts Industries Limited amounting to £ 24,996 (2002: £nil).

The company charged management fees to Kempston Components Limited amounting to £nil (2002: £52,875).

The company paid interest to Burt Boulton Holdings Limited amounting to £nil (2002: £35,523).

The company paid interest to Fillcrete Limited amounting to £nil (2002: £617).

The company paid interest to Kempston Components Limited amounting to £nil (2002: £46).

The company was owed the following amounts as at 31 March 2003: £122,203, £nil, £2,097 and £35,802 by Burt Boulton Holdings Limited, Fillcrete Limited, Excel Industries Limited and Great Marsh Limited respectively.

**19. ULTIMATE PARENT COMPANY**

The immediate and ultimate parent company is Thomas Roberts Limited which is incorporated in the United Kingdom. Copies of the financial statements of the ultimate parent company can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.

**20. ULTIMATE CONTROLLING PARTY**

The company's ultimate controlling party is Mr J Roberts.