

GREAT MARSH LIMITED

Report and Financial Statements

31 March 2001



**Deloitte & Touche
Chartered Accountants
Mountbatten House
1 Grosvenor Square
Southampton
SO15 2BZ**

REPORT AND FINANCIAL STATEMENTS 2001

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REPORT AND FINANCIAL STATEMENTS 2001

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

J R Coninx
Dr H A Pearce
J Roberts
A R Tomkins

SECRETARY

G Hemmings

REGISTERED OFFICE

5 - 6 The Square
Winchester
Hampshire
SO23 9WE

BANKERS

Lloyds Bank PLC
Gracechurch House
23/35 Castle Way
Southampton
SO14 2BW

AUDITORS

Deloitte & Touche
Chartered Accountants
Mountbatten House
1 Grosvenor Square
Southampton
SO15 2BZ

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 March 2001.

ACTIVITIES

The principal activities of the company are the provision of services for the chemical and oil industries including storage, blending, toll manufacture and waste handling.

REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS

The results for the year were much improved following an increase in toll manufacturing turnover and a reduction in work costs.

No significant change in the company's activities is anticipated in 2001/2002.

RESULTS AND DIVIDENDS

The results of the company for the year are set out on page 5. The director's do not recommend payment of a dividend. (2000: £nil)

DIRECTORS

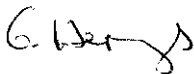
The directors who served throughout the year are listed on page 1.

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

AUDITORS

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 and Touche, 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
17 August 2001

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 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; 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.

AUDITORS' REPORT TO THE MEMBERS OF GREAT MARSH LIMITED

We have audited the financial statements on pages 5 to 12, which have been prepared under the accounting policies, set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of financial statements which are required to be prepared 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 statements and to report our opinion to you.

Basis of 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 as at 31 March 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche

DELOITTE & TOUCHE

Chartered Accountants and Registered Auditors

31 August 2001

PROFIT AND LOSS ACCOUNT
Year ended 31 March 2001

	Note	2001 £	2000 £
TURNOVER - continuing operations		2,038,814	1,762,563
Cost of sales		(1,851,066)	(2,077,325)
GROSS PROFIT/(LOSS)		187,748	(314,762)
Distribution costs		(7,326)	(23,428)
Administrative expenses		(257,638)	(298,464)
OPERATING LOSS	3	(77,216)	(636,654)
Profit on sale of discontinued operations	2	-	100,000
		(77,216)	(536,654)
Interest payable	5	(2,073)	(2,215)
Interest receivable	6	50,621	60,580
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(28,668)	(478,289)
Tax on loss on ordinary activities	7	(8,655)	163,271
RETAINED LOSS FOR THE FINANCIAL YEAR	15	(37,323)	(315,018)

There have been no gains or losses that have not been recognised in the profit and loss account for the current year or the prior year. Accordingly, a statement of total recognised gains and losses has not been prepared.

BALANCE SHEET
31 March 2001

	Note	£	2001 £	£	2000 £
FIXED ASSETS					
Tangible fixed assets	8		443,888		502,570
CURRENT ASSETS					
Stocks	9	9,119		38,671	
Debtors	10	652,552		657,560	
Cash at bank and in hand		762,350		864,896	
		1,424,021		1,561,127	
CREDITORS: amounts falling due within one year	11	(841,836)		(1,000,301)	
NET CURRENT ASSETS			582,185		560,826
TOTAL ASSETS LESS CURRENT LIABILITIES			1,026,073		1,063,396
CAPITAL RESERVES					
Called up share capital	13		250,000		250,000
Profit and loss account	14		776,073		813,396
EQUITY SHAREHOLDERS' FUNDS	15		1,026,073		1,063,396

These financial statements were approved by the Board of Directors on 17 August 2001.
Signed on behalf of the Board of Directors



Director



Director

NOTES TO THE ACCOUNTS**Year ended 31 March 2001****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.

Turnover

Turnover comprises sales to external customers, excluding value added tax.

Tangible fixed assets

Tangible fixed assets are stated at cost.

Depreciation is provided on assets at cost in equal annual instalments over the estimated lives of the assets.

The principal asset lives are as follows:

Short leasehold land and buildings	4 - 20 years
Commercial vehicles	7 years
Plant, equipment and fittings	5 - 15 years

Stocks

Finished goods are stated at the lower of cost and net realisable value. Cost represents invoice price plus carriage costs.

Deferred taxation

Deferred taxation is provided at the anticipated tax rates on differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements to the extent that it is probable that a liability or asset will crystallise in the future.

Pension costs

The company is a member of the group pension scheme of Thomas Roberts (Westminster) Limited. Contribution rates are based on periodic recommendations by the Actuary to the scheme. The company has been advised that no contribution needs to be made for the current year.

Particulars of the scheme, including the latest actuarial assessment which was made on 31 March 1998, are given in the financial statements of Thomas Roberts (Westminster) Limited.

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.

Cash flow statement

The company has not prepared a cash flow statement as it is a wholly owned subsidiary undertaking and its ultimate parent company has prepared a cash flow statement.

NOTES TO THE ACCOUNTS
Year ended 31 March 2001

2. DISPOSAL OF BUSINESS

On 21 February 1997 the company entered into an unconditional contract for the disposal of part of its tangible fixed assets and business. The final proceeds of £100,000 were received in the year to 31 March 2000.

3. OPERATING LOSS

	2001 £	2000 £
Operating loss is arrived at after charging:		
Depreciation of tangible fixed assets	175,135	150,333
Auditors' remuneration	8,500	8,500
Operating leases:		
Hire of plant and machinery	32,219	34,252
Other operating leases	18,867	25,369
	<u> </u>	<u> </u>

4. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	2001 £	2000 £
Directors' emoluments (including pension contributions)		
Emoluments	85,502	84,503
	<u> </u>	<u> </u>

	No.	No.
Number of directors with benefits accruing under defined benefit schemes	1	1
	<u> </u>	<u> </u>

	£	£
Staff costs during the year (including directors)		
Wages and salaries	631,345	660,833
Social security costs	56,991	57,956
	<u> </u>	<u> </u>
	688,336	718,789
	<u> </u>	<u> </u>

	No.	No.
Average number of persons employed		
Production staff	17	18
Sales staff	-	1
Administration staff	11	12
	<u> </u>	<u> </u>
	28	31
	<u> </u>	<u> </u>

NOTES TO THE ACCOUNTS**Year ended 31 March 2001****5. INTEREST PAYABLE**

	2001	2000
	£	£
Interest payable in respect of finance leases repayable within 5 years	1,323	2,215
Bank interest payable	750	-
	<u>2,073</u>	<u>2,215</u>

6. INTEREST RECEIVABLE

	2001	2000
	£	£
Interest receivable from connected company	-	2,550
Other interest receivable	50,621	58,030
	<u>50,621</u>	<u>60,580</u>

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2001	2000
	£	£
Taxation charge is based on the result for the year and comprises:		
Corporation tax at 30% (2000 – 30%)	11,312	(153,454)
Deferred taxation	-	(8,000)
	<u>11,312</u>	<u>(161,454)</u>
Adjustments in respect of previous years:		
Corporation tax	(2,657)	(1,817)
	<u>8,655</u>	<u>(163,271)</u>

NOTES TO THE ACCOUNTS
Year ended 31 March 2001

8. TANGIBLE FIXED ASSETS

	Short leasehold land and buildings £	Plant equipment and vehicles £	Total £
Cost			
At 1 April 2000	160,015	2,259,857	2,419,872
Additions	-	116,456	116,456
Disposals	-	(452,908)	(452,908)
At 31 March 2001	160,015	1,923,405	2,083,420
Accumulated depreciation			
At 1 April 2000	123,573	1,793,729	1,917,302
Charge for the year	9,249	165,886	175,135
Disposals	-	(452,905)	(452,905)
At 31 March 2001	132,822	1,506,710	1,639,532
Net book value			
At 31 March 2001	27,193	416,695	443,888
At 31 March 2000	36,442	466,128	502,570

The net book value of the company's fixed assets includes £nil (2000: £4,904) in respect of assets held under hire purchase contracts.

9. STOCKS

	2001 £	2000 £
Raw materials and consumables stores	1,163	3,176
Saleable products	7,956	35,495
	9,119	38,671

10. DEBTORS

	2001 £	2000 £
Trade debtors	462,929	333,154
Other debtors	160	63,415
Corporation tax recoverable	72,470	153,454
Prepayments and accrued income	116,993	107,537
	652,552	657,560

All amounts are due within one year.

NOTES TO THE ACCOUNTS
Year ended 31 March 2001

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2001 £	2000 £
Trade creditors	223,939	183,663
Other creditors	6,048	5,001
Other taxes and social security	59,890	50,312
Accruals and deferred income	551,959	744,191
Obligations under hire purchase contracts	-	17,134
	<u>841,836</u>	<u>1,000,301</u>

Hire purchase obligations are secured by the assets to which they relate.

12. DEFERRED TAXATION

The amounts provided and the full potential liabilities for deferred taxation comprises:

	Amounts Provided		Amounts Unprovided	
	2001 £	2000 £	2001 £	2000 £
Capital allowances in excess of depreciation	38,134	70,010	-	-
Other timing differences	(38,134)	(70,010)	(28,399)	(9,964)
	<u>-</u>	<u>-</u>	<u>(28,399)</u>	<u>(9,964)</u>

No provision has been made for deferred tax assets, the realisation of which is not reasonably certain.

13. CALLED UP SHARE CAPITAL

	2001 £	2000 £
Authorised, allotted and fully paid: 250,000 shares of £1 each	<u>250,000</u>	<u>250,000</u>

14. PROFIT AND LOSS ACCOUNT

	£
At 1 April 2000	813,396
Retained loss for the year	(37,323)
At 31 March 2001	<u>776,073</u>

NOTES TO THE ACCOUNTS
Year ended 31 March 2001

15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2001 £	2000 £
Opening shareholders' funds	1,063,396	1,378,414
Loss for the year	(37,323)	(315,018)
Closing shareholders' funds	<u>1,026,073</u>	<u>1,063,396</u>

16. OPERATING LEASES

At 31 March 2001 the company was committed to making the following payments during the next year in respect of operating leases on plant and machinery:

	2001 £	2000 £
Leases which expire:		
Within one year	8,373	20,706
Within two to five years	20,872	8,685
	<u>29,245</u>	<u>29,391</u>

17. CONTINGENT LIABILITIES

Under a group registration the company is jointly and severally liable for value added tax due by other companies. At 31 March 2001 this contingent liability amounted to £136,128 (2000: £242,559).

18. RELATED PARTY TRANSACTIONS

The following transactions took place with connected companies under common control:

The company paid management fees to Thomas Roberts (Westminster) limited amounting to £268,000 (2000: £262,500).

The company received interest from Thomas Roberts (Westminster) Limited amounting to £nil (2000: £2,550).

The company paid rent to Burt Boulton Holdings Limited amounting to £194,400 (2000: £194,400).

As at 31 March 2001 the company had balances of £46,678 (2000: £46,931) and £41,169 (2000: £40,039) owing to Burt Boulton Holdings Limited and Thomas Roberts (Westminster) Limited respectively.

The company has taken advantage of the exemption contained within FRS8 not to disclose transactions with group companies, as it is a 100% subsidiary of Thomas Roberts Industries Limited, whose consolidated financial statements are publicly available.

19. ULTIMATE PARENT COMPANY

The company's ultimate parent company is Thomas Roberts Industries Limited which is incorporated in Great Britain. Copies of the financial statements of this company can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.

20. ULTIMATE CONTROLLING PARTY

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