

**GREAT MARSH LIMITED**

**Report and Financial Statements**

**31 March 2000**

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



**REPORT AND FINANCIAL STATEMENTS 2000**

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**REPORT AND FINANCIAL STATEMENTS 2000**

**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

**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 2000.

### **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 turnover of the company reduced due, primarily, to a fall in income from the toll blending of bitumen products. This combined with increased works and power costs led to a significant operating loss in the year.

No significant change in the company's activities is anticipated in 2000/2001 with difficult trading conditions expected to continue.

### **RESULTS AND DIVIDENDS**

The results of the company for the year are set out on page 5. An interim dividend of £nil (1999 - £3,500,000) has been paid. The directors do not propose a final dividend.

### **DIRECTORS**

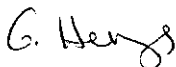
The current directors are listed on page 1. All directors served throughout the year except J R Coninx who was appointed as a director on 10 January 2000.

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**

A resolution for the reappointment of Deloitte & Touche as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

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



G Hemmings

29th August 2000

## **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;
- 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. 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 14, 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 2000 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



DELOITTE & TOUCHE  
Chartered Accountants and Registered Auditors  
5 September 2000

**PROFIT AND LOSS ACCOUNT**  
**Year ended 31 March 2000**

	Note	£	2000 £	£	1999 £
<b>TURNOVER</b>					
Continuing operations		1,762,563		2,532,687	
Discontinued operations		-		-	
Cost of sales	3		1,762,563 (2,077,325)		2,532,687 (2,028,772)
<b>GROSS (LOSS)/ PROFIT</b>			(314,762)		503,915
Distribution costs	3		(23,428)		(23,783)
Administration expenses	3		(298,464)		(290,408)
<b>OPERATING (LOSS)/PROFIT</b>					
Continuing operations	3	(636,654)		141,499	
Discontinued operations	3	-		48,225	
<b>TOTAL OPERATING (LOSS)/PROFIT</b>			(636,654)		189,724
Profit on sale of discontinued operations	2		100,000		200,000
			(536,654)		389,724
Interest payable	5		(2,215)		(2,705)
Interest receivable	6		60,580		377,623
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>			(478,289)		764,642
Tax on (loss)/profit on ordinary activities	7		(163,271)		176,395
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>			(315,018)		588,247
Dividend paid	8		-		(3,500,000)
<b>(LOSS) FOR THE FINANCIAL YEAR</b>	15		(315,018)		(2,911,753)

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 2000**

	Note	£	2000 £	£	1999 £
<b>FIXED ASSETS</b>					
Tangible fixed assets	9		502,570		562,746
<b>CURRENT ASSETS</b>					
Stocks	10	38,671		70,192	
Debtors	11	657,560		762,733	
Cash at bank and in hand		864,896		1,110,408	
		<u>1,561,127</u>		<u>1,943,333</u>	
<b>CREDITORS: amounts falling due within one year</b>	12	<u>(1,000,301)</u>		<u>(1,119,665)</u>	
<b>NET CURRENT ASSETS</b>			<u>560,826</u>		<u>823,668</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			1,063,396		1,386,414
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	13		<u>-</u>		<u>(8,000)</u>
<b>NET ASSETS</b>			<u>1,063,396</u>		<u>1,378,414</u>
<b>CAPITAL RESERVES</b>					
Called up share capital	14		250,000		250,000
Profit and loss account	15		813,396		1,128,414
<b>EQUITY SHAREHOLDERS' FUNDS</b>	16		<u>1,063,396</u>		<u>1,378,414</u>

These financial statements were approved by the Board of Directors on 29 August 2000.  
Signed on behalf of the Board of Directors

Directors

James Roberts  
Thomas



## NOTES TO THE ACCOUNTS

### Year ended 31 March 2000

#### 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 2000**

**2. DISPOSAL OF BUSINESS**

On 21 February 1997 the Group entered into an unconditional contract for the disposal of part of the tangible fixed assets and business of South Western Tar Distilleries Limited. Completion of the sale was on 1 April 1997, but the effective date of disposal was deemed to be 31 March 1997. The final proceeds of £100,000 were received in the year to 31 March 2000.

**3. OPERATING PROFIT**

	2000 £	1999 £
Operating profit is arrived at after charging:		
Depreciation of tangible fixed assets	150,333	164,762
Auditors' remuneration	8,500	10,500
Operating leases:		
Hire of plant and machinery	34,252	34,252
Other operating leases	25,369	25,369
	<u>          </u>	<u>          </u>

	2000			1999		
	Continuing £	Discontinued £	Total £	Continuing £	Discontinued £	Total £
Cost of sales	2,077,325	-	2,077,325	2,076,997	(48,225)	2,028,772
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Distribution costs	23,428	-	23,428	23,783	-	23,783
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Administrative expenses	298,464	-	298,464	290,408	-	290,408
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**NOTES TO THE ACCOUNTS**  
**Year ended 31 March 2000**

**4. INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
<b>Directors' emoluments (including pension contributions)</b>		
Emoluments	84,503	81,270
	<u>          </u>	<u>          </u>
	<b>No.</b>	<b>No.</b>
Number of directors with benefits accruing under defined benefit schemes	1	1
	<u>          </u>	<u>          </u>
	<b>£</b>	<b>£</b>
<b>Staff costs during the year (including directors)</b>		
Wages and salaries	660,833	811,660
Social security costs	57,956	74,386
	<u>          </u>	<u>          </u>
	718,789	886,046
	<u>          </u>	<u>          </u>
	<b>No.</b>	<b>No.</b>
<b>Average number of persons employed</b>		
Production staff	18	23
Sales staff	1	1
Administration staff	12	17
	<u>          </u>	<u>          </u>
	31	41
	<u>          </u>	<u>          </u>

**5. INTEREST PAYABLE**

	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Interest payable in respect of finance leases repayable within 5 years	2,215	2,705
	<u>          </u>	<u>          </u>

**6. INTEREST RECEIVABLE**

	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Interest receivable from connected company	2,550	376,102
Other interest receivable	58,030	1,521
	<u>          </u>	<u>          </u>
	60,580	377,623
	<u>          </u>	<u>          </u>

**NOTES TO THE ACCOUNTS**  
**Year ended 31 March 2000**

**7. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	2000 £	1999 £
Taxation charge is based on the result for the year and comprises:		
Corporation tax at 30% (1999 – 31%)	(153,454)	193,395
Deferred taxation	(8,000)	(16,398)
	<u>(161,454)</u>	<u>176,997</u>
Adjustments in respect of previous years:		
Corporation tax	(1,817)	-
Deferred taxation	-	(602)
	<u>(163,271)</u>	<u>176,395</u>

**8. DIVIDEND PAID**

	2000 £	1999 £
Interim dividend at £nil per share (1999 – £14 per share)	-	3,500,000
	<u>-</u>	<u>3,500,000</u>

**9. TANGIBLE FIXED ASSETS**

	Short leasehold land and buildings £	Plant equipment and vehicles £	Total £
<b>Cost</b>			
At 1 April 1999	160,015	2,169,700	2,329,715
Additions	-	90,157	90,157
	<u>160,015</u>	<u>2,259,857</u>	<u>2,419,872</u>
At 31 March 2000			
<b>Accumulated depreciation</b>			
At 1 April 1999	114,518	1,652,451	1,766,969
Charge for the year	9,055	141,278	150,333
	<u>123,573</u>	<u>1,793,729</u>	<u>1,917,302</u>
At 31 March 2000			
<b>Net book value</b>			
At 31 March 2000	<u>36,442</u>	<u>466,128</u>	<u>502,570</u>
At 31 March 1999	<u>45,497</u>	<u>517,249</u>	<u>562,746</u>

The net book value of the company's fixed assets includes £4,904 (1999 £13,310) in respect of assets held under hire purchase contracts.

**NOTES TO THE ACCOUNTS**  
**Year ended 31 March 2000**

**10. STOCKS**

	2000 £	1999 £
Raw materials and consumables stores	3,176	3,630
Saleable products	35,495	66,562
	<u>38,671</u>	<u>70,192</u>

**11. DEBTORS**

	2000 £	1999 £
Trade debtors	333,154	479,868
Other debtors	63,415	180,059
Corporation tax recoverable	153,454	-
Prepayments and accrued income	107,537	102,806
	<u>657,560</u>	<u>762,733</u>

All amounts are due within one year.

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

	2000 £	1999 £
Trade creditors	183,663	186,466
Other creditors	5,001	204,885
Corporation tax	-	193,159
Other taxes and social security	50,312	68,404
Accruals and deferred income	744,191	445,127
Obligations under hire purchase contracts	17,134	21,624
	<u>1,000,301</u>	<u>1,119,665</u>

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

**NOTES TO THE ACCOUNTS**  
**Year ended 31 March 2000**

**13. PROVISIONS FOR LIABILITIES AND CHARGES**

	2000 £	1999 £
Deferred taxation	-	8,000
	<u>          </u>	<u>          </u>
<b>Deferred taxation</b>		<b>£</b>
Movement in year:		
At 1 April 1999		8,000
Credit for the year		(8,000)
		<u>          </u>
At 31 March 2000		-
		<u>          </u>

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

	<b>Amounts Provided</b>		<b>Amounts Unprovided</b>	
	2000 £	1999 £	2000 £	1999 £
Capital allowances in excess of depreciation	70,010	100,037	-	-
Other timing differences	(70,010)	(92,037)	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	-	8,000	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**14. CALLED UP SHARE CAPITAL**

	2000 £	1999 £
Authorised, allotted and fully paid: 250,000 shares of £1 each	<u>250,000</u>	<u>250,000</u>

**NOTES TO THE ACCOUNTS****Year ended 31 March 2000****15. PROFIT AND LOSS ACCOUNT**

	£
At 1 April 1999	1,128,414
Retained loss for the year	(315,018)
	<hr/>
At 31 March 2000	813,396
	<hr/>

**16. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	2000 £	1999 £
Opening shareholders' funds	1,378,414	4,290,167
(Loss)/Profit for the year	(315,018)	(2,911,753)
	<hr/>	<hr/>
Closing shareholders' funds	1,063,396	1,378,414
	<hr/>	<hr/>

**17. OPERATING LEASES**

At 31 March 2000 the company was committed to making the following payments during the next year in respect of operating leases on plant and machinery:

	2000 £	1999 £
Leases which expire:		
Within one year	6,896	-
Within two to five years	8,685	59,621
	<hr/>	<hr/>
	15,581	59,621
	<hr/>	<hr/>

**18. CONTINGENT LIABILITIES**

Under a group registration the company is jointly and severally liable for value added tax due by other companies. At 31 March 2000 this contingent liability amounted to £242,559 (1999: £235,044).

**19. 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 £262,500 (1999: £266,000).

The company received interest from Thomas Roberts (Westminster) Limited amounting to £2,550 (1999: £376,102).

The company paid rent to Burt Boulton Holdings Limited amounting to £194,400 (1999: £194,400).

As at 31 March 2000 the company had balances of £46,931 (1999: £46,896) and £40,039 (1999: £21,206) owing to Burt Boulton Holdings Limited and Thomas Roberts (Westminster) Limited respectively.

The company has taken advantage of the exception contained within FRS8 as is a 100% subsidiary of Thomas Roberts Industries Limited, whose consolidated financial statements are publicly available.

**NOTES TO THE ACCOUNTS**

**Year ended 31 March 2000**

**20. 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.