

Registered Company Number 74643

TILBURY SECURITIES PLC

31 December 2000



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REPORT OF THE DIRECTORS

The directors present their report and the audited accounts for the year ended 31 December 2000.

ACTIVITIES

The principal activity of the company is that of a holding company. This activity is expected to continue for the foreseeable future

RESULTS

The results of the company are as set out in the accounts on pages 5 to 9. No interim dividend was paid during the year (1999 - £nil) but the directors recommend a final dividend of £246,000 (1999 - £1,553,000). A profit of £nil (1999 - £nil) has been transferred to reserves.

DIRECTORS

The directors who served during the year and who remain directors at the date of this report are set out below:-

Mr M C Bottjer
Mr M S Lee
Mr T Bradbury
Mr G Wentzell

In accordance with the Articles of Association Mr Lee retires by rotation at the next Annual General Meeting and, being eligible, offers himself for re-election.

The directors who held office at the end of the financial year had the following beneficial interests in the shares of the ultimate parent company Interserve Plc (formerly Tilbury Douglas Plc).

Director	Ordinary Shares of 10p each		Options over Ordinary Shares of 10p each		Exercise Price	Period of Exercise
	1.01.00	31.12.00	1.01.00	31.12.00		
T Bradbury	2,980	2,980	850	850	212p	07.10.01 & 06.10.05
	-	-	14,150	14,150	212p	07.10.01 & 06.10.08
	-	-	-	25,000	346p	14.06.03 & 13.06.07

Mr Bottjer, Mr Lee and Mr Wentzell are also directors of the ultimate parent undertaking and their interests are disclosed in the accounts of that company.

The mid-market share price of Interserve Plc (formerly Tilbury Douglas Plc) shares fluctuated between 252p and 510p per share. The mid-market price on 31 December 2000 was 495p.

No directors had any interest beneficial or non-beneficial in the share capital of the company or had a material interest during the year in any significant contract with the company or any subsidiary.

REPORT OF THE DIRECTORS (continued)

AUDITORS

A resolution will be proposed at the Annual General Meeting to reappoint Deloitte & Touche as auditors to the company and to authorise the directors to fix their remuneration.

Interserve House
Ruscombe Park
Twyford
Reading
Berkshire
RG10 9JU

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



T Bradbury
Secretary

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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 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 the 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 to 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 TILBURY SECURITIES PLC

We have audited the financial statements on pages 5 to 9 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 2 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 circumstances of the company 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 year then ended and have been properly prepared in accordance with the Companies Act 1985.

Hill House
1 Little New Street
London EC4A 3TR

6 June 2001

Deloitte & Touche
DELOITTE & TOUCHE
Chartered Accountants and
Registered Auditors

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2000

	Note	2000 £000	1999 £000
Income from other fixed asset investments			
Dividends receivable from subsidiary undertaking		<u>246</u>	<u>1,553</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		246	1,553
Dividends	2	<u>(246)</u>	<u>(1,553)</u>
RETAINED PROFIT FOR THE FINANCIAL YEAR	6	<u>-</u>	<u>-</u>

All activities are continuing as defined under FRS3 : Reporting Financial Performance.

A statement of Total Recognised Gains and Losses is not presented as there have been no recognised gains or losses other than the profit for the financial year and the preceding financial year set out above.

BALANCE SHEET AT 31 DECEMBER 2000

	Note	31 December 2000		31 December 1999	
		£000	£000	£000	£000
FIXED ASSETS					
Investment in subsidiary undertakings	3		9.289		9.289
CURRENT ASSETS					
Dividend receivable		246		1.553	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR					
	4	<u>9.409</u>		<u>10.716</u>	
NET CURRENT LIABILITIES			(9.163)		(9.163)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>126</u>		<u>126</u>
CAPITAL AND RESERVES					
Called up share capital	5		125		125
Profit and loss account	6		<u>1</u>		<u>1</u>
SHAREHOLDERS' FUNDS			<u>126</u>		<u>126</u>

These financial statements were approved by the Board of Directors on 5 June 2001.

Signed on behalf of the Board of Directors.



M S Lee
Director

5 June 2001

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000

1. ACCOUNTING POLICIES

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

a. CONVENTION

These financial statements have been prepared in accordance with the historical cost convention.

b. FIXED ASSET INVESTMENTS

Investments in subsidiary undertakings are stated at cost less provision for any material impairment in value.

2000	1999
£000	£000

2. DIVIDENDS

Proposed final dividend

On 125,000 ordinary shares of £1 each at
£1.968 per share (1999 - £12.424)

<u>246</u>	<u>1,553</u>
<u>246</u>	<u>1,553</u>

3. INVESTMENT IN SUBSIDIARY UNDERTAKINGS

Shares at cost

<u>9,289</u>	<u>9,289</u>
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The principal subsidiary undertakings are set out below. None of the shares relate to a listed investment. Unless otherwise indicated the subsidiary undertakings are wholly owned and incorporated in Great Britain. Shareholdings in companies marked * are indirectly held.

West's Group International Plc - holding company

Westpile Ltd* - piling and foundations

Interserve Industrial Services Ltd - access scaffolding, industrial cleaning, painting, thermal installation,
(formerly United Kingdom cladding services and engineering design and construction
Construction & Engineering
Company Ltd)*

Tilbury Overseas Holdings Ltd* - holding company

Tilbury Iberica S.A.* (14.3%) - property development and housebuilding
(Incorporated in Spain)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000 (continued)

3. INVESTMENT IN SUBSIDIARY UNDERTAKINGS (continued)

In accordance with the provisions of Section 228 of The Companies Act 1985 the company is exempt from the obligation to prepare and deliver group accounts as the company is included in the audited consolidated accounts of its parent undertaking, Interserve Plc (formerly Tilbury Douglas Plc), which is registered in England and Wales. Accordingly these financial statements present information about the company as an individual undertaking and not as a group.

In the opinion of the directors the aggregate value of the shares in subsidiary undertakings is not less than the aggregate of the amounts at which they are stated in the balance sheet.

	2000 £000	1999 £000
4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Amounts owed to ultimate parent undertaking	9,163	9,163
Dividend proposed	<u>246</u>	<u>1,553</u>
	<u>9,409</u>	<u>10,716</u>
5. CALLED UP SHARE CAPITAL		
Authorised		
200,000 ordinary shares of £1 each	<u>200</u>	<u>200</u>
Allotted and fully paid		
125,000 ordinary shares of £1 each	<u>125</u>	<u>125</u>
6. PROFIT AND LOSS ACCOUNT		
1 January	1	1
Retained profit for the year	<u>-</u>	<u>-</u>
31 December	<u>1</u>	<u>1</u>

The company had no employees other than the directors. The directors of the company did not receive any remuneration from the company during the year (1999 - £nil).

The audit fee for the company is borne by the ultimate parent company.

	2000 £000	1999 £000
7. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS		
Profit attributable to shareholders	246	1,553
Dividends	<u>(246)</u>	<u>(1,553)</u>
Net addition to shareholders' funds	-	-
Opening shareholders' funds	<u>126</u>	<u>126</u>
Closing shareholders' funds	<u>126</u>	<u>126</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000 (continued)

8. CONTINGENT LIABILITIES

At 31 December 2000 there were contingent liabilities in respect of guarantees given in the ordinary course of business.

The company has given guarantees covering banking facilities made available to the ultimate parent and fellow subsidiary undertakings. At 31 December 2000 these amounted to £75,587,000 (1999 : £85,131,000).

9. ULTIMATE PARENT UNDERTAKING AND RELATED PARTY TRANSACTIONS

The company's immediate and ultimate parent undertaking and ultimate controlling party is Interserve Plc (formerly Tilbury Douglas Plc), which is registered in England and Wales. The group accounts of Interserve Plc (formerly Tilbury Douglas Plc) are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.

The company has taken advantage of the exemption contained in Financial Reporting Standard 8 - Related Party Transactions not to report transactions with Interserve Group related parties, which are disclosed in the consolidated financial statements of Interserve Plc (formerly Tilbury Douglas Plc).