



Trans European Holdings Limited

Directors' report
and financial statements

31 March 2005

Company registration number 968911



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Directors' report

The Directors present their report and the audited financial statements of the Company for the year ended 31 March 2005.

Principal activities

The principal activity was of an intermediate holding company.

Results and dividends

The Company did not trade during the year and has made neither a profit nor a loss (2004 : *loss £15,596k*). Dividends of £5,222,000 (2004 £3,886,000) were received from subsidiary undertakings during the year and the Directors have approved and paid a dividend of £5,222,000 (2004: *£Nil*) for the year.

Directors and Directors' interests

The persons serving as Directors during the year are shown below:

G D Connell
P Bateman
G McFaul

The beneficial and non-beneficial interests of the Directors in the shares of Wincanton plc are shown in the Directors' remuneration report which forms part of the published consolidated financial statements of that Company.

Auditors

Pursuant to a shareholders' resolution, the Company is not obliged to reappoint its Auditors annually and KPMG Audit Plc will therefore continue in office.

By order of the Board



C F Phillips
Secretary

8 August 2005

Registered office:

Methuen Park
Chippenham
Wiltshire
SN14 0WT

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 and of the profit or loss for that year. 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, subject to any material departures disclosed and explained in the financial statements;
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.



KPMG Audit Plc
100 Temple Street
Bristol
BS1 6AG
United Kingdom

Independent Auditors' report to the Members of Trans European Holdings Limited

We have audited the financial statements on pages 4 to 10.

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 auditor's 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

The Directors are responsible for preparing the Directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent Auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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 to you, 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.

Basis of Audit 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 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 2005 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



KPMG Audit Plc
Chartered Accountants
Registered Auditor
Bristol

9 Feb 2005

Profit and loss account
for the year ended 31 March 2005

	<i>Note</i>	31 March 2005 £000	31 March 2004 £000
Turnover		-	-
Administrative expenses		-	(7,098)
Operating (loss)		-	(7,098)
Other income		-	1
Interest receivable and similar income	5	-	18
Dividends receivable from group undertakings		5,222	3,886
Profit/(loss) on ordinary activities before taxation and exceptional items	2	5,222	(3,193)
Operating exceptional items	3	-	(330)
Profit/(loss) on ordinary activities before taxation		5,222	(3,523)
Tax on (loss) from ordinary activities	6	-	1,014
Profit/(loss) on ordinary activities after taxation		5,222	(2,509)
Distributions		-	(13,087)
Dividends		(5,222)	-
Retained (loss) for the financial year		-	(15,596)

The notes on pages 6 to 10 form part of these financial statements.

Statement of total recognised gains and losses
for the year ended 31 March 2005

	31 March 2005 £000	31 March 2004 £000
Profit/(loss) for the financial year	5,222	(2,509)
Exchange movements on foreign currency loans	-	53
Total recognised gains and losses for the financial year	5,222	(2,456)

Balance sheet
at 31 March 2005

	<i>Note</i>	31 March 2005 £000	31 March 2004 £000
Fixed assets			
Investments	7	23,530	23,530
Current assets			
Debtors – amounts owed by group undertakings		5,670	5,670
Net assets		<u>29,200</u>	<u>29,200</u>
Capital and reserves			
Called up share capital	8	29,200	29,200
Profit and loss account	9	-	-
Equity shareholders' funds		<u>29,200</u>	<u>29,200</u>

These financial statements were approved by the Board of Directors on 8 August 2005 and were signed on its behalf by:


G D Connell
 Director

Notes to the accounts

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The Company is exempt by virtue of s228 of the Companies Act 1985 from the requirement to prepare group accounts. These financial statements present information about the Company as an individual undertaking and not about its group.

Under FRS1, the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

The Company is a wholly owned subsidiary of Wincanton plc, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of Wincanton plc, within which this Company is included, can be obtained from the address given in note 10.

Fixed asset investments

Fixed asset investments are stated at cost less, where appropriate, provision for impairment in value.

Foreign currencies

Transactions in foreign currencies are translated at the rate of exchange ruling at the date of the transaction, or where applicable, the contracted rate.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates ruling at the end of the financial year.

Taxation

The charge for taxation is based on the profit for the year and takes into account deferred taxation. Deferred taxation is recognised without discounting, in respect of all timing differences between the treatment of certain items for taxation and for accounting purposes which have occurred but not reversed by the balance sheet date, except as otherwise required by FRS19 'Deferred Tax'.

Notes to the accounts (*continued*)

2 Profit/(loss) on ordinary activities before taxation

	2005 £000	2004 £000
<i>Profit/(loss) on ordinary activities before taxation is stated after charging:</i>		
(Profit) on sale of other fixed assets	-	(1)
Investment impairment	-	6,969
	<u> </u>	<u> </u>

3 Operating Exceptional Items

	2005 £000	2004 £000
Reorganisation of operating structure	-	330
	<u> </u>	<u> </u>

Notes to the accounts *(continued)*

4 Staff numbers and costs

The average number of persons employed by the Company (including Directors) during the year, analysed by category, was as follows:

	2005 Number	2004 Number
Administration	3	6

The aggregate payroll costs of these persons were as follows:

	2005 £000	2004 £000
Wages and salaries	-	99
Other pension costs	-	3
	-	102

The current Directors receive emoluments in respect of their services as Directors of Wincanton plc and their emoluments are disclosed in the consolidated financial statements of Wincanton plc. No emoluments are paid in respect of their roles as Directors of the Company in the current and prior year.

5 Interest receivable and similar income

	2005 £000	2004 £000
Group undertakings	-	18

6 Taxation

	2005 £000	2004 £000
UK Corporation tax		
Current year	-	(132)
Prior year	-	(846)
Deferred taxation		
Prior year	-	(36)
Tax on loss from ordinary activities	-	(1,014)

Notes to the accounts *(continued)*

6 Taxation (continued)

The following table reconciles the tax charge at the UK standard rate to the actual tax charge :

	2005 £000	2004 £000
Profit/(loss) on ordinary activities before tax:	5,222	(3,523)
Tax charge at UK standard rate (30%)	1,567	(1,057)
Permanent differences - disallowable expenditure	-	2,091
- intra group dividends	(1,567)	(1,166)
Current (tax credits) for the year	-	(132)

7 Fixed asset investments

	Shares in subsidiary undertakings £000
Cost at 1 April 2004 and 31 March 2005	30,499
Provisions at 1 April 2004 and 31 March 2005	(6,969)
Net book value at 31 March 2004 and 31 March 2005	23,530

Principal subsidiary undertakings	Country of registration	Principal activity
Wincanton Trans European Limited	England & Wales	Intermediate holding company
Tea Blending Limited	England & Wales	Dormant
Butlers (Grinders and Operators) Limited	England & Wales	Dormant
Roadtanks Limited	England & Wales	Dormant

All of the subsidiaries are wholly owned and all of the interests represent holdings in the ordinary shares of the Companies.

The provision at the beginning and the end of the year was held against the investment in Roadtanks Limited.

Notes to the accounts (*continued*)

8 Called up share capital

	31 March 2005 £000	31 March 2004 £000
<i>Authorised</i>		
30,000,000 ordinary shares of £1 each	30,000	30,000
<i>Allotted, called up and fully paid</i>		
29,200,000 ordinary shares of £1 each	29,200	29,200

9 Profit and Loss Account

	2005 £000	2004 £000
At beginning of the year	-	9,219
Retained loss for the year	-	(15,596)
Contributions by parent undertaking	-	6,324
Net exchange adjustments arising on foreign currency investments and related borrowings	-	53
At end of year	-	-

10 Ultimate Holding Company

The ultimate holding and controlling company is Wincanton plc, a company incorporated in Great Britain and registered in England and Wales. The immediate controlling company is Wincanton International Limited which is also registered in England and Wales.

The largest and smallest group in which the results of Trans European Holdings Limited are consolidated is that headed by Wincanton plc. Copies of the report and accounts of Wincanton plc can be obtained from the Company Secretary, Methuen Park, Chippenham, Wiltshire SN14 0WT.