

FIRST CORPORATE CONSULTANTS LIMITED

Report and Consolidated Financial Statements

30 June 2003

**Deloitte & Touche LLP
Bristol**



REPORT AND CONSOLIDATED FINANCIAL STATEMENTS 2003

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OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

T C Mordaunt
D C Ord
M A Skelton

SECRETARY

M A Skelton

REGISTERED OFFICE

Alder Castle
10 Noble Street
London
EC2V 7TL

SOLICITORS

Tite & Lewis
Alder Castle
10 Noble Street
London
EC2V 7TL

PRINCIPAL BANKERS

Bank of Ireland plc
La Touche House
PO Box 3267
IFSC
Custom House Docks
Dublin 1
Republic of Ireland

HSBC Bank plc
31 Hill Street
London
W1X 7FD

AUDITORS

Deloitte & Touche LLP
Bristol

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 30 June 2003.

PRINCIPAL ACTIVITIES, REVIEW OF THE BUSINESS

The company's principal activity is the holding of investments. The group's principal activities during the year were the provision of port facilities, cargo handling and storage services.

Two major new facilities were opened during the year.

In January 2003 the company opened an 8,000 pallet Fresh Produce Terminal at the Avonmouth facility. The temperature controlled store has nine chambers, each capable of being independently temperature controlled, with eight dispatch bays.

In May 2003 the first petrochemical berth (Berth 7) in Royal Portbury Dock was opened. Berth 7 has been specifically designed for the importation of aviation grade kerosene in vessels of up to 120,000 dwt.

The directors are pleased to report a satisfactory year's trading.

RESULTS AND DIVIDENDS

The profit for the year after taxation and before minority interests amounted to £9,483,000 (2002: £14,481,000).

Dividends on equity shares of £2,880,000 (2002: £3,429,000) accrue leaving a profit of £1,200,000 (2002: £2,919,000) to be transferred to reserves.

FUTURE DEVELOPMENTS

The group remains confident of the future.

MARKET VALUE OF LAND AND BUILDINGS

A valuation of the investment properties was performed at 30 June 2002 by Hartnell Taylor Cook, Chartered Surveyors. Further details are given in note 12.

EMPLOYEE INVOLVEMENT

The group maintains communications with employees via the Works Council and a weekly newsletter. The group operates a Profit Related Pay Scheme for all employees.

DISABLED PERSONS

The group gives sympathetic consideration to suitable applications for employment by disabled persons. Where staff become disabled during employment, opportunities are given wherever possible to continue employment in positions compatible with their disability. It is the policy of the group that disabled employees are given equal opportunities in respect of training, career development and promotion, as far as possible, as those who do not suffer from any disability.

DIRECTORS' REPORT (continued)**DIRECTORS AND THEIR INTERESTS**

The current membership of the board is set out on page 1. All current directors were directors throughout the year. The directors and their interests in the share capital of the company at the beginning and end of the year were as follows:

	£1 Ordinary shares	
	2003	2002
T C Mordaunt	147	147
D C Ord	-	-
M A Skelton	-	-

The directors' interests in other UK group companies are disclosed in the accounts of those companies.

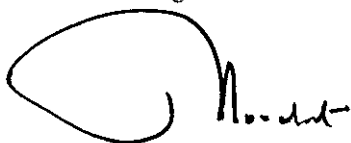
CHARITABLE DONATIONS

During the year the group made charitable contributions of £286,764 (2002: £306,029).

AUDITORS

On 1 August 2003, Deloitte & Touche, the company's auditors transferred their business to Deloitte & Touche LLP, a limited liability partnership incorporated under the Limited Liability Partnership 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. A resolution to reappoint Deloitte & Touche LLP as the company's auditors will be proposed at the forthcoming Annual General Meeting.

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



T C Mordaunt
Director

5 March 2004

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 and the group as at the end of the financial year and of the profit or loss of the group 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 group 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 group and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
FIRST CORPORATE CONSULTANTS LIMITED**

We have audited the financial statements of First Corporate Consultants Limited for the year ended 30 June 2003 which comprise the consolidated profit and loss account, the balance sheets, the consolidated cash flow statement, the reconciliation of movements in shareholders' funds, the statement of total recognised gains and losses, and related notes 1 to 26. *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 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 and other members of the group is not disclosed.

We read the directors' report and the other information contained in the annual report for the above year as described in the contents section and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

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 circumstances of the company and the group, 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 affairs of the company and the group as at 30 June 2003 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche

DELOITTE & TOUCHE LLP
Chartered Accountants and Registered Auditors
Bristol

5 March 2004

CONSOLIDATED PROFIT AND LOSS ACCOUNT
Year ended 30 June 2003

	Note	2003 £'000	2002 £'000
TURNOVER	2	62,210	60,401
Cost of sales		(32,811)	(32,513)
GROSS PROFIT		29,399	27,888
Administrative expenses		(11,998)	(11,220)
		17,401	16,668
Other operating income	3	78	390
Exceptional item	4	-	7,500
OPERATING PROFIT	5	17,479	24,558
Investment income		14	-
Interest receivable		164	280
Interest payable and similar charges	8	(4,110)	(4,145)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		13,547	20,693
Tax on profit on ordinary activities	9	(4,064)	(6,212)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		9,483	14,481
Minority interest:			
- equity		(4,889)	(7,619)
- non equity		(514)	(514)
Dividends on equity shares	10	(2,880)	(3,429)
RETAINED PROFIT FOR THE FINANCIAL YEAR TRANSFERRED TO RESERVES	21	1,200	2,919

All activities arise from continuing operations.

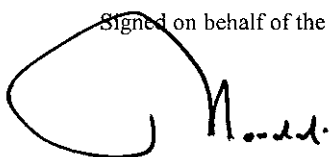
There is no difference between the results as disclosed in the profit and loss account and the results on an unmodified historic cost basis. Accordingly, a note of the historical cost profits and losses is not given.

CONSOLIDATED BALANCE SHEET
As at 30 June 2003

	Note	2003		2002	
		£'000	£'000	£'000	£'000
FIXED ASSETS					
Intangible assets	11		(589)		(629)
Tangible assets	12		265,744		248,575
Investments	13		543		241
			<u>265,698</u>		<u>248,187</u>
CURRENT ASSETS					
Debtors	14	5,522		6,135	
Cash at bank and in hand		4,453		12,097	
		<u>9,975</u>		<u>18,232</u>	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	15	(34,244)		(40,121)	
NET CURRENT LIABILITIES			<u>(24,269)</u>		<u>(21,889)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			241,429		226,298
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	16		(67,400)		(55,306)
PROVISIONS FOR LIABILITIES AND CHARGES					
Deferred taxation	19		(7,914)		(7,594)
NET ASSETS			<u>166,115</u>		<u>163,398</u>
CAPITAL AND RESERVES					
Called up share capital	20		-		-
Revaluation reserve	21		45,731		45,731
Capital reserve	21		14,315		14,712
Other reserve	21		1,157		1,157
Profit and loss account	21		21,807		20,210
Total equity shareholders' funds			<u>83,010</u>		<u>81,810</u>
Minority interest			83,105		81,588
			<u>166,115</u>		<u>163,398</u>
Minority interest - equity			74,605		73,088
- non-equity			8,500		8,500
			<u>83,105</u>		<u>81,588</u>

These financial statements were approved by the Board of Directors on 5 March 2004.

Signed on behalf of the Board of Directors



T C Mordaunt
 Director

FIRST CORPORATE CONSULTANTS LIMITED

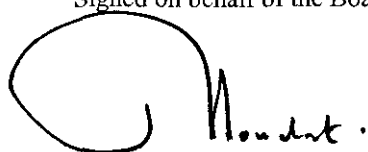
COMPANY BALANCE SHEET

As at 30 June 2003

	Note	2003 £'000	2002 £'000
FIXED ASSETS			
Tangible assets	12	14	115
Investments	13	50,608	305
		<u>50,622</u>	<u>420</u>
CURRENT ASSETS			
Debtors	14	31,876	83,011
Cash at bank and in hand		306	336
		<u>32,182</u>	<u>83,347</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	15	<u>(1,446)</u>	<u>(1,896)</u>
NET CURRENT ASSETS		<u>30,736</u>	<u>81,451</u>
NET ASSETS		<u>81,358</u>	<u>81,871</u>
CAPITAL AND RESERVES			
Called up share capital	20	-	-
Profit and loss account	21	81,358	81,871
TOTAL EQUITY SHAREHOLDERS' FUNDS		<u>81,358</u>	<u>81,871</u>

These financial statements were approved by the Board of Directors on 5 March 2004.

Signed on behalf of the Board of Directors



T C Mordaunt
Director

CONSOLIDATED CASH FLOW STATEMENT
Year ended 30 June 2003

	Note	2003 £'000	2002 £'000
Net cash inflow from operating activities	5	25,413	39,796
Return on investments and servicing of finance			
Investment income		14	-
Interest received		164	280
Interest paid		(4,025)	(4,022)
Interest elements of finance lease rental payments		(125)	(69)
Subsidiary dividends paid to minority interest		(5,512)	(3,948)
Net cash outflow from return on investments and servicing of finance		(9,484)	(7,759)
Taxation			
UK corporation tax paid		(5,943)	(5,279)
Capital expenditure and financial investments			
Payments to acquire tangible fixed assets		(26,088)	(17,266)
Receipts from sales of tangible fixed assets		192	74
Net cash outflow from capital expenditure and financial investments		(25,896)	(17,192)
Equity dividends paid		(3,464)	(1,574)
Management of liquid resources			
Purchase of equities		(302)	(236)
Cash (outflow)/inflow before financing		(19,676)	7,756
Financing			
Debt due within one year - repayment of secured loan		(825)	(825)
Debt due within one year - draw-down of loan		13,000	-
Capital element of finance lease rental payments		(143)	(127)
Net cash inflow/(outflow) from financing		12,032	(952)
(Decrease)/increase in cash in the year	25	(7,644)	6,804