

# Norsk Hydro Overseas Limited

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Registered No. 2665899

## DIRECTORS

J G Speirs  
B J Adkins

## SECRETARY

B J Adkins

## AUDITORS

Ernst & Young  
Becket House  
1 Lambeth Palace Road  
London SE1 7EU

## BANKERS

National Westminster Bank PLC  
48 The Centre  
Feltham  
Middlesex TW14 0BD

## SOLICITORS

Norton Rose  
Kempson House  
Camomile Street  
London EC3A 7AN

## REGISTERED OFFICE

Bridge House  
69 London Road  
Twickenham

COMPANIES

ASS  
COMPANIES HOUSE

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0619  
05/09/00

**DIRECTORS' REPORT**

The directors present their report and accounts for the year ended 31 December 1999.

**RESULTS AND DIVIDENDS**

The profit for the year amounted to £351,988 (1998 - £173,891). The directors recommend a final dividend of £351,988 (1998 - £173,891).

**PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS**

The company's principal activity is to act as a holding company for certain interests of the Norsk Hydro (UK) Limited group of undertakings which are based outside of the UK. The company will continue to act as the holding company in the future.

**FIXED ASSETS**

Changes in fixed assets are shown in note 5.

**DIRECTORS AND THEIR INTERESTS**

The directors who served during the year were as follows:

J G Speirs  
B J Adkins

According to the register maintained as required under Schedule 7, Companies Act 1985 the directors held no declarable shares or other interests in the company or any other group undertaking.

**YEAR 2000 COMPLIANCE**

As is well known, many computer and digital storage systems expressed dates using only the last two digits of the year and thus required modification or replacement to accommodate the year 2000 and beyond in order to avoid malfunctions and resulting widespread commercial disruption. This was a complex and pervasive issue. The operation of our business depends not only on our own computer systems, but also to some degree on those of our suppliers and customers. This could expose us to further risk in the event that there is a failure by other parties to remedy their own year 2000 issues.

The company addressed the risks to our business resulting from the date change to year 2000, assessed the likely impact on activities and developed and implemented prioritised action plans to deal with the key risks before the date change. Some residual risks and uncertainties may exist and the company will continue to monitor and address these although no significant year 2000 problems have arisen to date.

**AUDITORS**

A resolution in accordance with section 386 of the Companies Act 1985 to dispense with the obligations to appoint auditors annually was passed on 4 January 1994 and accordingly Ernst & Young shall be deemed reappointed as auditors.

By order of the board

*Benjamin Adkins*

Secretary

5 June 2000

## Norsk Hydro Overseas Limited

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### STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

*Company law requires the directors to prepare accounts 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 of the company for that period. In preparing those accounts, 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 accounts 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 accounts 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.

**REPORT OF THE AUDITORS**

to the members of Norsk Hydro Overseas Limited

We have audited the accounts on pages 5 to 9, which have been prepared under the historical cost convention and on the basis of 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 the accounts 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 accounts and to report our opinion to you. Our responsibilities, as independent auditors, are established in the United Kingdom by Statute, the Auditing Practices Board and by our profession's ethical guidance.

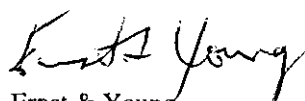
**Basis of opinion**

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

**Opinion**

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 31 December 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young  
Registered Auditor  
London

5 June 2000

# Norsk Hydro Overseas Limited

## PROFIT AND LOSS ACCOUNT

for the year ended 31 December 1999

	Notes	1999 £	1998 £
Administrative expenses		(94)	(82)
Dividends from subsidiary undertakings		370,613 ✓	183,129
<b>OPERATING PROFIT</b>	2	370,519	183,047
Interest receivable from parent undertaking		-	-
Interest payable to parent undertaking and similar charges		-	-
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		370,519 !!	183,047
Tax on profit on ordinary activities	3	(18,531)	(9,156)
<b>PROFIT FOR THE FINANCIAL YEAR</b>		351,988	173,891
Dividends proposed		(351,988)	(173,891)
<b>EARNINGS RETAINED FOR THE FINANCIAL YEAR</b>	9	-	-

There are no recognised gains or losses other than the profit for the year of £351,988 (1998 – £173,891).

# Norsk Hydro Overseas Limited

## BALANCE SHEET

at 31 December 1999

	Notes	1999 £	1998 £
<b>FIXED ASSETS</b>			
Investments	5	1,148,141	994,175
<b>CURRENT ASSETS</b>			
Debtors	6	-	-
<b>CREDITORS: amounts falling due within one year</b>	7	(939,733)	(785,767)
<b>NET CURRENT LIABILITIES</b>		(939,733)	(785,767)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		208,408	208,408
<b>CAPITAL RESERVES</b>			
Called up share capital	8	208,408	208,408
Retained earnings	9	-	-
<b>SHAREHOLDERS' FUNDS</b>		208,408	208,408

 Director

5 June 2000

# Norsk Hydro Overseas Limited

## NOTES TO THE ACCOUNTS

at 31 December 1999

### 1. ACCOUNTING POLICIES

#### *Accounting convention*

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

#### *Investments*

Investments are stated at cost, although provision is made where, in the opinion of the directors, a permanent impairment in value has occurred.

As 100% of the company's voting rights are controlled within the group headed by Norsk Hydro ASA, inco in Norway, the company has taken advantage of the exemption contained within Financial Reporting Stan and has therefore not disclosed transactions or balances with entities which form part of the group. The co-financial statements of Norsk Hydro ASA, within which the company is included, can be obtained from the given in note 12.

### 2. OPERATING PROFIT

This is stated after charging:

	1999 £	1998 £
Exchange loss	-	-
Auditors' remuneration	-	-
Debtor balance written off	-	-
	<u>-</u>	<u>-</u>

The auditors' remuneration was borne by the parent undertaking in 1999 and 1998.

### 3. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1999 £	1998 £
Tax credits attributable to dividends received	18,531	9,156
Group relief payable	-	-
	<u>18,531</u>	<u>9,156</u>

### 4. DIRECTORS' EMOLUMENTS AND STAFF COSTS

None of the directors received remuneration in respect of services as a director of the company or its subsidiary undertakings. The company has no employees.

# Norsk Hydro Overseas Limited

## NOTES TO THE ACCOUNTS

at 31 December 1999

### 5. FIXED ASSET INVESTMENTS

	1999 £	1998 £
Subsidiary undertakings at 1 January	994,175	994,175
Additions	153,966	-
Disposals	-	-
	<u>1,148,141</u>	<u>994,175</u>

Details of the investments in which the company holds more than 10% of the nominal value of any class of share capital are as follows:

<i>Name of company</i>	<i>Country of registration and operation</i>
Norsk Hydro Zimbabwe (Private) Limited	Zimbabwe
Norsk Hydro RSA (Pty) Limited	South Africa
Norsk Hydro Malawi (Private) Limited (99%)	Malawi
Norsk Hydro East Africa Limited (99.99%)	Kenya
Norsk Hydro Egypt Limited	Egypt
Dan Hydro Co. Ltd (50%)	Nigeria

Investments held by Norsk Hydro Zimbabwe (Private) Limited, all incorporated in Zimbabwe:

AFF Holdings Limited	(55.18%) ✓
Windmill (Private) Limited	(20.07%) ✓
Fertilizer Holdings Limited	(27.59%) ✓
ZFC Limited	(27.59%) ✓
Technical & Industrial Investment PVT Limited	(27.59%) ✓
Chemical & Gas Holdings Limited	(20.42%) ✓
Sable Chemicals	(11.62%) ✓

Investment held by Norsk Hydro Egypt Limited, incorporated in Egypt:

Hydro Agri Trade Egypt Limited	(51%)
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All of the above investments represent 100% interests in the ordinary share capital, unless otherwise stated. In the opinion of the directors the value of the company's investments in its subsidiary undertakings is not less than the amount stated above.

### 6. DEBTORS

	1999 £	1998 £
Amounts due from parent undertaking	-	-
	<u>-</u>	<u>-</u>



# Norsk Hydro Overseas Limited

## NOTES TO THE ACCOUNTS at 31 December 1999

### 7. CREDITORS: amounts falling due within one year

	1999 £	1998 £
Amounts due to parent undertaking	587,745	611,876
Group relief	—	—
Proposed final dividend	351,988	173,891
	<u>939,733</u>	<u>785,767</u>

### 8. SHARE CAPITAL

	1999 £	1998 £
Authorised, allotted, called up and fully paid: 208,408 ordinary shares of £1 each	<u>208,408</u>	<u>208,408</u>

### 9. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	Share capital £	Profit and loss account £	Total £
At 1 January 1998	208,408	—	208,408
Profit for the year	—	173,891	173,891
Dividend	—	(173,891)	(173,891)
	<u>208,408</u>	<u>—</u>	<u>208,408</u>
At 31 December 1998	208,408	—	208,408
Profit for the year	—	351,988	351,988
Dividend	—	(351,988)	(351,988)
	<u>208,408</u>	<u>—</u>	<u>208,408</u>
At 31 December 1999	<u>208,408</u>	<u>—</u>	<u>208,408</u>

### 10. GROUP ACCOUNTS

Groups accounts have not been prepared as permitted by section 228 of the Companies Act 1985 since the company is a wholly owned subsidiary of a company registered in Great Britain.

### 11. CASH FLOW STATEMENT

The company is a small company under the provisions of sections 246 to 247 of the Companies Act 1985 and accordingly, under the provisions of FRS1 (Revised) is exempt from preparing a cash flow statement.

### 12. PARENT UNDERTAKING

The parent undertaking of the largest group of undertakings for which group accounts are drawn up and of which the company is a member is Norsk Hydro ASA, incorporated in Norway and the parent undertaking of the smallest group is Norsk Hydro (UK) Limited, registered in England. Copies of the Norsk Hydro ASA and Norsk Hydro (UK) Limited accounts can be obtained from the registered office.