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**REPORTS AND FINANCIAL STATEMENTS
EVERMORE INVESTMENT TRUST PLC
FOR THE YEAR ENDED 5 APRIL 2004**



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REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2004

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EVERMORE INVESTMENT TRUST PLC
DIRECTORS AND OTHER INFORMATION

DIRECTORS

Patrick Richard Evershed
Sheena Anne Evershed
Howard Boardman Knott
Jonathan Paul Kingsland Tillett

**SECRETARY AND
REGISTERED OFFICE**

Sheena Anne Evershed
29 Earlsfort Terrace
Dublin 2.

AUDITORS

Deloitte & Touche
Chartered Accountants
Deloitte & Touche House
Earlsfort Terrace
Dublin 2.

BANKERS

Brown, Shipley & Co. Limited
Founders Court
Lothbury
London EC2R 7HE.

FUND MANAGERS

New Star Asset Management
1 Knightsbridge Green
London SW1X 7NE

EVERMORE INVESTMENT TRUST PLC

DIRECTORS' REPORT

The Directors present herewith their report and the audited financial statements of the company for the year ended 5 April 2004.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The company is an investment holding company which, during the year concerned continued to invest in quoted and unquoted securities.

RESULTS AND DIVIDENDS

The profit for the year is disclosed in the detailed Profit and Loss Account attached.

A dividend of £0.02 per share was paid on 24 October 2003.

DIRECTORS

The persons listed below acted as Directors of the company during the entire year covered by the financial statements and this report:

Patrick Richard Evershed
Sheena Anne Evershed
Howard Boardman Knott
Jonathan Paul Kingsland Tillett

Roger Hamilton More Nisbett resigned as a director on 1 December 2003.

In accordance with the Articles of Association, Howard Boardman Knott and Sheena Anne Evershed retire by rotation and, being eligible, offer themselves for re-election.

DIRECTORS' SHAREHOLDINGS

Shares

Patrick Richard Evershed	15,000
Mrs. Sheena Anne Evershed	10,000
Howard Boardman Knott	500
Jonathan Paul Kingsland Tillett	7,000

EVERMORE INVESTMENT TRUST PLC

DIRECTORS' REPORT (CONTINUED)

BOOKS OF ACCOUNT

To ensure that proper books and accounting records are kept in accordance with Section 202 Companies Act, 1990, the directors have employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The books of account are located at the company's registered office.

TAXATION STATUS

In the opinion of the Directors, the company is a close company within the provisions of the Income and Corporation Taxes Act, 1988.

AUDITORS

In accordance with Section 160(2) of the Companies Act, 1963, Deloitte & Touche, Chartered Accountants, have signified their willingness, to continue in office.

Signed on behalf of the Board:

Patrick Richard Evershed)	
)	DIRECTORS
Jonathan Paul Kingsland Tillett)	

Date: 10 October 2004

EVERMORE INVESTMENT TRUST PLC

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Irish 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 of the company 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;
- 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 books of account which disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and comply with Irish Statute comprising the Companies Acts, 1963 to 2003. 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EVERMORE INVESTMENT TRUST PLC

We have audited the financial statements of Evermore Investment Trust Plc. for the year ended 5 April 2004 which comprise of the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement, the Statement of Total Recognised Gains and Losses and the related notes 1 to 5. 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 193 of the Companies Act 1990. 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 Annual Report, including as set out in the Statement of Directors' Responsibilities, the preparation of the financial statements in accordance with applicable Irish law and accounting standards. Our responsibilities, as independent auditors, are established in Ireland by statute, auditing standards as promulgated by the Auditing Practices Board in Ireland 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 Irish statute comprising the Companies Acts, 1963 to 2003. We also report to you whether in our opinion: proper books of account have been kept by the company; whether, at the balance sheet date, there exists a financial situation requiring the convening of an extraordinary general meeting of the company; and whether the information given in the directors' report is consistent with the financial statements. In addition, we state whether we have obtained all information and explanations necessary for the purposes of our audit and whether the company's balance sheet and profit and loss account are in agreement with the books of account.

We also report to you if, in our opinion, any information specified by law regarding directors' remuneration and directors' transactions is not given and, where practicable, include such information in our report.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatement within it. Our responsibilities do not extend to other information.

Basis of audit opinion

We conducted our audit in accordance with the auditing standards issued by the Auditing Practices Board and generally accepted in Ireland. 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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EVERMORE INVESTMENT TRUST PLC

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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 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 affairs of the company as at 5 April 2004 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Acts, 1963 to 2003.

We have obtained all the information and explanations we considered necessary for the purpose of our audit. In our opinion proper books of account have been kept by the company. The company's balance sheet and its profit and loss account are in agreement with the books of account.

In our opinion the information given in the directors' report is consistent with the financial statements. The net assets of the company, as stated in the balance sheet are more than half the amount of its called-up share capital and, in our opinion, on that basis there did not exist at 5 April 2004 a financial situation which, under Section 40(1) of the Companies (Amendment) Act, 1983, would require the convening of an extraordinary general meeting of the company.

DELOITTE & TOUCHE

Chartered Accountants and Registered Auditors

Dublin

10 October 2004

EVERMORE INVESTMENT TRUST PLC

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 5 APRIL 2004**

	Notes	2004 £	2003 £
INCOME			
Income from investments	1(b)	24,380	20,324
Deposit interest received		38	78
		<u>24,418</u>	<u>20,402</u>
EXPENSES			
Accounting and secretarial charges		4,318	6,075
Auditors' remuneration		1,500	1,500
Bank interest		7,038	6,931
Miscellaneous		3,358	3,472
		<u>16,214</u>	<u>17,978</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		8,204	2,424
Taxation: (Credit)/Charge	2	<u>(1,370)</u>	<u>1,418</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		9,574	1,006
Dividends	3	<u>(2,930)</u>	<u>(2,197)</u>
		6,644	(1,191)
Balance forward 6 April 2003		11,911	13,102
Balance forward 5 April 2004		<u>18,555</u>	<u>11,911</u>

The company's activities during 2004 and 2003 consisted solely of continuing operations. The result for the year (and for the previous year) represents all of the gains and losses recognised by the company, other than realised gains/losses on sale of investments which are dealt with in the Statement of Recognised Gains and Losses.

The financial statements were approved by the Board of Directors on 10 October 2004 and signed on its behalf by:

Patrick Richard Evershed)	
)	DIRECTORS
Jonathan Paul Kingsland Tillett)	

EVERMORE INVESTMENT TRUST PLC

**STATEMENT OF RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 5 APRIL 2004**

	2004 £	2003 £
Capital profit/(loss) on sale of investments	38,766	(2,660)
Provision for corporation taxation	(6,230)	-
CAPITAL SURPLUS/(DEFICIT) FOR THE YEAR	<u>32,536</u>	<u>(2,660)</u>
Revenue profits available for distribution	9,574	1,006
TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR	<u><u>42,110</u></u>	<u><u>(1,654)</u></u>

**RECONCILIATION OF MOVEMENTS IN
SHAREHOLDERS FUNDS**

	2004 £	2003 £
Profit for the financial year	9,574	1,006
Realised gain on sale of investments (net of taxation)	32,536	6,039
Provision for reduction in value of investments	-	(8,699)
Dividend paid	(2,930)	(2,197)
	<u>39,180</u>	<u>(3,851)</u>
Opening shareholders funds	333,183	337,034
Closing shareholders funds	<u><u>372,363</u></u>	<u><u>333,183</u></u>

EVERMORE INVESTMENT TRUST PLC

BALANCE SHEET AS AT 5 APRIL 2004

	Notes	2004 £	2003 £
FIXED ASSETS			
Financial assets	4	510,698	443,875
CURRENT ASSETS			
National Irish Bank Limited: Current account		12	12
Rathbone Investment Management		2,287	222
Corporation tax recoverable		614	386
		<u>2,913</u>	<u>620</u>
CREDITORS: (Amounts falling due within one year)			
Current instalments due on bank loans and overdrafts	5	(132,920)	(101,994)
Sundry creditors and accrued expenses		(8,328)	(9,318)
		<u>(141,248)</u>	<u>(111,312)</u>
NET CURRENT LIABILITIES		<u>(138,335)</u>	<u>(110,692)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>372,363</u>	<u>333,183</u>
CAPITAL AND RESERVES			
Called-up share capital	6	144,452	146,500
Capital conversion reserve fund		2,048	-
Share premium account		15,041	15,041
Capital reserve	7	192,267	159,731
Profit and loss account		18,555	11,911
SHAREHOLDERS' FUNDS		<u>372,363</u>	<u>333,183</u>

The financial statements were approved by the Board of Directors on 10 October 2004 and signed on its behalf by:

Patrick Richard Evershed)	
)	DIRECTORS
Jonathan Paul Kingsland Tillett)	

EVERMORE INVESTMENT TRUST PLC

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 5 APRIL 2004**

	2004 £	2003 £
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	(2,115)	29,232
TAXATION AND DIVIDENDS PAID		
Corporation tax refunded/ (paid)	-	332
Tax credits applicable to dividends received	(2,054)	(1,804)
Dividends paid in year	(2,930)	(2,197)
	<u>(4,984)</u>	<u>(3,669)</u>
INVESTING ACTIVITIES		
Purchase of quoted investments	(246,901)	(95,290)
Receipts from sales of quoted investments	218,844	66,498
	<u>(28,057)</u>	<u>(28,792)</u>
(Increase) in bank loan and overdraft	<u>(30,926)</u>	<u>(3,229)</u>

**RECONCILIATION OF OPERATING PROFIT
TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES**

Operating profit	8,204	2,424
(Increase)/decrease in fund manager's balance	(2,065)	22,078
(Decrease)/increase in creditors	(4,024)	4,730
	<u>2,115</u>	<u>29,232</u>

ANALYSIS OF CHANGES IN CASH AND BANK DURING THE YEAR

Balance 6 April 2003 (overdrawn)	(101,994)	(98,765)
Net cash (outflow) (see above)	(30,926)	(3,229)
Balance 5 April 2004 (overdrawn)	<u>(132,920)</u>	<u>(101,994)</u>

EVERMORE INVESTMENT TRUST PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2004**

1. ACCOUNTING POLICIES

- (a) The financial statements are prepared under the historical cost convention.
- (b) Income from U.K. investments include all dividends and interest on securities, the dates of payment of which fell within the year. It includes the imputed tax credit relating to the dividends and this tax is written off within the taxation charge to the extent that it is not recoverable.
- (c) While the company was incorporated in Ireland, the financial statements have been expressed in sterling as almost all assets and liabilities are denominated in that currency.

2. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2004 £	2003 £
(a). Analysis of the tax (credit)/charge for the year		
The taxation (credit)/charge on the profit on ordinary activities for the year was as follows	(1,370)	1,418
	<u> </u>	<u> </u>

(b). Factors affecting the tax change for the year

The tax assessed for the year is lower than the standard rate of corporation tax in the United Kingdom (30%)

The differences are explained below:

	2004 £	2003 £
Profit on ordinary activities before taxation	<u>8,204</u>	<u>2,424</u>
Profit on ordinary activities multiplied by standard rate	2,461	727
Effects of:		
Franked Investment Income	(3,612)	(2,145)
Other timing differences	(219)	2,836
	<u> </u>	<u> </u>
	<u>(1,370)</u>	<u>1,418</u>

3. DIVIDENDS

	2004 £	2003 £
Ordinary Shares: £0.02 per share (paid) (2003: £0.015)	<u>2,930</u>	<u>2,197</u>

EVERMORE INVESTMENT TRUST PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2004

4. FINANCIAL ASSETS	2004 £	2003 £
Cost:		
At 6 April 2003	443,880	417,748
Additions	245,596	95,290
Disposals	(178,778)	(69,158)
At 5 April 2004	<u>510,698</u>	<u>443,880</u>
Aggregate Market Value of quoted investments	<u>857,505</u>	<u>511,526</u>

The quoted investments are dealt on a recognised stock exchange.

5. BANK LOANS AND OVERDRAFTS	2004 £	2003 £
Bank loans and overdrafts	<u>132,920</u>	<u>101,994</u>

Bank loans and overdrafts are repayable on demand.

The bank overdraft is secured by a guarantee from P.R. Evershed and supported by legal charge over a portfolio of stocks and shares.

The loan is secured by the company's portfolio of stocks and shares.

6. SHARE CAPITAL	2004 £	2003 £
Authorised:		
Ordinary shares of €1.25 each	<u>200,000</u>	<u>200,000</u>
Allotted, called-up and fully paid:		
Ordinary shares of €1.25 each	<u>144,452</u>	<u>146,500</u>

On the 9 June 2003 the authorised and issued shares of €1.269738 each were re-nominalised into ordinary shares of €1.25 each.

A capital conversion of €2,048 was created on the re-nominalisation of the issued ordinary shares.

EVERMORE INVESTMENT TRUST PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2004

7. CAPITAL RESERVE	2004 £	2003 £
Balance 6.4.2003	159,731	162,391
Surplus/(deficit) on disposal of investments	38,766	(2,660)
Provision for corporation tax	(6,230)	-
Balance 5.4.2004	<u>192,267</u>	<u>159,731</u>

The Capital Reserve is available for distribution.