

**C. H. BAILEY Plc**

**REPORT AND ACCOUNTS 2003**



# C. H. BAILEY Plc

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<b>Directors</b>	CHARLES H. BAILEY chairman and managing director T. C. BISHOP Sir W. H. McALPINE MRS S. A. BAILEY
<b>Local Directors</b>	Professor J. M. GANADO (Malta) Dr. A. GALEA (Malta)
<b>Secretary</b>	B. J. WARREN
<b>Auditors</b>	Walter Hunter & Co., Chartered Accountants, 24 Bridge Street, Newport, South Wales NP20 4SF
<b>Principal Bankers</b>	Barclays Bank Plc, 14 Commercial Street, Newport, South Wales NP20 1YG
<b>Transfer Office</b>	Computershare Investor Services Plc P.O. Box 82, The Pavillions, Bridgewater Road, Bristol BS99 7NH
<b>Registered Office</b>	Alexandra Docks, Newport, South Wales NP20 2NP
<b>Registered Number</b>	190106



## NOTICE OF MEETING

**NOTICE** is hereby given that the eightieth annual general meeting of C. H. Bailey Plc will be held at the Alexandra Docks, Newport, South Wales, NP20 2NP on Thursday the 16th day of October, 2003, at 11.30 a.m for the following purposes:

### As **Ordinary Business**

1. To receive and adopt the report of the directors, the directors' remuneration report, and the audited financial statements for the year ended 31st March 2003.
2. To re-appoint the auditors and authorise the directors to determine their remuneration.
3. To re-elect as a director T. C. Bishop who retires by rotation and being eligible, offers himself for re-election.
4. To elect Mrs S. A. Bailey as director.
5. To transact any other ordinary business of an annual general meeting.

Pursuant to Regulation 34 of the Uncertificated Securities Regulations 1995, only shareholders entered on the register at the close of business on 14th October 2003 will be entitled to attend and vote at the Meeting or any adjournment thereof.

By order of the board,  
B. J. Warren,  
Secretary

Newport, South Wales.  
28th July 2003

### **Notes**

- (a) Any member of the company entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend and, on a poll, vote instead of that member. A proxy need not be a member of the company.
- (b) There will be available for inspection from today until the date of the annual general meeting at the Alexandra Docks, Newport, South Wales, and at the meeting, copies of all service contracts of directors not expiring or determinable within one year.

## CHAIRMAN'S STATEMENT

The results for the period ended 31st March 2003 show a loss of £2,461,788 (2002: loss £3,503,674).

This last financial year has seen many changes following the sudden death of my father in August. The present Board has undertaken a detailed review of each division with management and are in the process of finalising both short and long-term strategies.

### **Shiprepairing and Engineering**

Shiprepairing has had a satisfactory year in terms of increased sales and recoveries. For this coming year a very large increase in our employment insurance costs will have a major impact on recoveries. Due to the strength of the pound coupled with increasing competition, sales have been lost to the old Eastern block countries. The level of sales attained for the period under review will be very hard to achieve in future years.

Sales and margins for the industrial division decreased over the period. We are now operating in an ever diminishing and more competitive market place where at least twelve engineering companies have closed over the period.

Similarly, your electrical division has also seen sales and recoveries decline over the period. After poor trading in the first half of the year, a second half recovery did not occur due to a downturn in the construction industry, project sizes and reviews of planned maintenance programmes by their customers.

### **Travel and Leisure**

Both these sectors have been badly affected by global events and uncertainties over the last twelve months. Your London office experienced a significant downturn in trade however, your Newport office has in its first year reached the sales forecasted. Due to market trends and conditions, the future is uncertain, but business travel appears to have stabilised.

The number of tourists visiting Tanzania has fallen dramatically due to Government terrorist warnings for Zanzibar and neighbouring countries. As reported previously, the insurance dispute was finally settled and proposals with regards to the Hotel and its development are now being considered. The Safari business has also been severely affected, but I can report that this sector is making a quicker than expected recovery.

Your Hotel in Malta has not been as adversely affected by global events due to the niche market in which it operates but sales declined. We are still experiencing difficulties with local government departments, which continues to impair both growth and development in the near future. Due to recent regulations, substantial work needs to be carried out on the "Welsh Liberty". Based upon specialist advice received, the Board believes that it is prudent to sell the yacht and has instructed agents to offer her for sale. Accordingly, provisions have been made in these financial statements to reflect the expected net realisable value.

### **Investments**

Results for the year were as expected. Our investment advisers suggest that market indicators for the current year show potential growth in your investments. We have reached a stalemate in our negotiations with the Welsh Development Agency over the sale of the Bute Dry Dock in Cardiff. Following further marketing activities, our appointed land agents received considerable interest in the property. It appears that the Welsh Development Agency are hindering the possible sale process and the Board is considering its position as it believes that the Agency is acting outside its remit.

### **Directors**

The Director retiring by rotation is Thomas Charles Bishop who, being eligible, offers himself for re-election. Mrs S. A. Bailey has agreed to join the Board. Her knowledge of the company gathered over the years will be of considerable value to the group.

Difficult decisions have been made during the period and more will arise with regards to the future structure and direction your company follows. With a continued positive team effort by all employees and staff it is hoped the problematic times maybe behind us although the markets we are currently operating in are being adversely affected by local, global and general trading conditions. The Board is considering diversifying away from our historical core businesses in order to give the group a wider platform on which it will hopefully consolidate its financially sound position.

On a personal note, I would like to express my gratitude for the support I have received from management, employees, shareholders and my family during these difficult and uncertain times.

Charles H. Bailey  
Chairman

## REPORT OF THE DIRECTORS

The directors submit their report and accounts for the year ended 31st March 2003.

### **Principal activities**

C. H. Bailey Plc has investments and is the holding company of subsidiary undertakings engaged in many different activities including shiprepairing, engineering and leisure pursuits.

The loss on these various activities which is attributable to the shareholders amounted to £2,461,788 (2002: loss £3,503,674).

A review of the group's business, development and prospects can be found in the chairman's statement on page 2.

### **Dividend**

The directors do not recommend the payment of a final dividend in respect of the year ended 31st March 2003 (2002:£Nil).

### **Changes in fixed assets**

#### **(a) Tangible fixed assets**

A summary of the changes in tangible fixed assets is given in note 10 to the accounts. The impairment relates to the group's yacht. Following changes to the regulatory environment in which the yacht operates, the board has taken the decision to put the yacht up for sale. The insurance claim following the fire at the group's hotel has now been settled (notes 2 and 17).

#### **(b) Fixed asset investments**

A summary of the changes in fixed asset investments is given in note 11 to the accounts.

### **Charitable and political contributions**

During the year the group made no contributions of a charitable or political nature (2002 : £Nil).

### **Employment of disabled persons**

The group continues to give full and fair consideration to applications for employment made by disabled persons, having regard to their particular abilities.

Where employees are unfortunate enough to become disabled during the course of their employment every practical effort is made to retain their services.

### **Employee reporting and involvement**

The group uses many means to keep employees informed of matters which are of concern to them. These include a sound working relationship with the trade unions and over the years, effective communication methods have been developed by way of in-house conferences and meetings to consider profit and loss accounts, which ensures that employees have the opportunity to be aware of the needs of their company in which many are shareholders.

### **Directors**

The board of directors on 31st March 2003, consisted of Charles H. Bailey, T. C. Bishop and Sir W. H. McAlpine.

The director retiring by rotation is T. C. Bishop, who, being eligible, offers himself for re-election.

No director had, in the financial year to 31st March 2003, a material interest in any contract to which the company or a subsidiary undertaking was a party.

Brief biographical details of non-executive directors are as follows:

T. C. Bishop is a former managing director of Bristol Channel Ship Repairers Plc.

Sir William H. McAlpine has been a director of Sir Robert McAlpine Limited, Building & Civil Engineering contractors since 1957. He was for several years, until March 1991, a director of T & N Plc. He is a director of The Dart Valley Light Railway Plc and Chairman of Romney Hythe & Dymchurch Railway Plc.

### **Local directors**

Professor Joseph M. Ganado is a leading lawyer and a very well respected and experienced member of the Maltese community.

Dr. Alfred Galea, FHCIMA has been employed for many years in the hotel business in Malta both in general tourism and as advisor to the National Tourist Board of Malta.

## C. H. BAILEY Plc

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### Corporate governance

The directors have applied the principles advocated in the Combined Code, prepared by the Committee on Corporate Governance, and incorporated in the Listing Rules of the Financial Services Authority, as follows:-

- (a) Details of the directors are provided on page 3. Under the company's articles of association, all non-executive directors are required to submit themselves for re-election on rotation and following appointment.
- (b) The directors' remuneration report is set out on page 6.
- (c) Non-executive directors form the audit committee and review the annual and interim reports in order to ensure that they present a balanced assessment of the company's position and prospects.
- (d) After making enquiries, the directors have a reasonable expectation that the company and group has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing these accounts.
- (e) The directors are responsible for the group's system of internal financial control. They recognise that the system can provide only reasonable and not absolute assurance against material misstatement or loss. Control is exercised through an organisational structure with clearly defined levels of responsibility and authority and reporting procedures appropriate to a group with a wide range of activities undertaken in several countries. Meetings are held regularly where the performance of each division and company within the group is officially reviewed and discussed. Budgeting disciplines together with risk assessment are dealt with vigorously and any remedial actions necessitated by any divergence between actual performance and budget are taken promptly. There are ongoing processes and procedures for identifying, evaluating and managing the risks faced by the group. The audit committee periodically reviews the effectiveness of the system of internal financial control on behalf of the directors. Taking into account the reporting procedures in place, the board has concluded that there is no present requirement for an internal audit department.
- (f) The local directors have continued to make a useful contribution.
- (g) The company values its relations with shareholders and always welcomes constructive discussions with them, including after the formal business of the annual general meeting has been concluded.
- (h) The board considers that the company complies with the recommendations of the Combined Code in all respects except as follows:-
  - (i) The role of chairman and chief executive are not separated but the board comprises a majority of non-executive directors of experience who represent a source of independent judgement. The senior independent non-executive director is T. C. Bishop.
  - (ii) The non-executive directors are not appointed for specified terms. The board does not believe that this is relevant given the small number of directors and the fact that they retire by rotation. The directors also keep under review the suitable strengthening of the board composition.
  - (iii) The chairman is not required to submit himself for re-election, however, all other directors submit themselves for re-election on rotation.
  - (iv) The recommendation that the board should have the objective of setting executive directors' notice periods at one year or less. The board considers the existing notice period is appropriate.

# C. H. BAILEY Plc

## Treasury objectives and policies

The group's treasury objectives and policies are as follows:

**Liquidity risk:** The group's policy regarding liquidity risk is to ensure that it has sufficient facilities to meet foreseeable future needs.

**Currency risk:** The group's policy is explained on page 11. There are no foreign exchange contracts entered into to provide hedging against transactional exposure. Foreign investments are financed from the group's reserves.

**Interest rate risk:** The risk to the group is reviewed on a regular basis.

**Credit risk:** The group would like to only enter into arrangements with highly credit rated parties but depending on the business risk benefit ratio, in certain cases, it is the purpose of management to decide what risks should be taken.

## Interests in the capital of the group

### (a) Directors

The directors had the following interests in the share capital of the company:

		28th July 2003	31st March 2003	31st March 2002
Charles H. Bailey	ordinary shares	492,739	492,739	492,739
	'B' ordinary shares	143,500	143,500	143,500
T. C. Bishop	ordinary shares	8,211	8,211	8,211
Sir William H. McAlpine	ordinary shares	10,000	10,000	10,000

### (b) Substantial shareholdings

The directors have been advised of the following shareholdings:

Executors of C. H. Bailey	ordinary shares	18,205,434	18,205,434	18,205,434
	'B' ordinary shares	2,789,500	2,789,500	2,789,500
P. S. Allen	'B' ordinary shares	360,427	360,427	360,427

The directors were advised in July 1987 that Brodian Ltd. (as nominees for Peter Clowes and Guy Von Cramer) held 15,000,000 ordinary shares and 1,495,000 'B' ordinary shares in the company. In December 1987 and April 1988 these holdings were transferred to Sinjul Nominees Ltd. with no change in the beneficial ownership. In July 1991, Sinjul Nominees transferred these holdings to Messrs. Nigel Hamilton, Alan Harlor, Michael Jordan and Robin Addy again with no change in the beneficial ownership.

The directors are unaware of any other holding of 3%, or more, at the date of this report.

## Suppliers

The group endeavours to settle and agree the terms of payment with suppliers prior to placing business. This ensures that suppliers are aware of the terms of payment in advance. It is the group's policy to pay on agreed terms.

## Environmental and social policy

It is the group's policy to comply with relevant legislation in all countries in which it operates and to adopt responsible environmental and social practices.

## Close company

As far as the directors are aware the company was not, at the accounting date or the date of this report, a close company within the terms of the Income and Corporation Taxes Act 1988.

## Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the group 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, subject to any material departures disclosed and explained in the financial statements; 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Auditors

Walter Hunter & Co, are willing to continue in office and a resolution for their re-appointment will be proposed at the annual general meeting.

Newport, South Wales  
28th July 2003

By order of the board  
B. J. Warren  
Secretary

## DIRECTORS' REMUNERATION REPORT

This report complies with the Directors' Remuneration Report Regulations 2002 (the 'Regulations') which apply to the company for the first time this year.

It is the intention of the board to put this report to a vote of shareholders at the forthcoming Annual General Meeting at which the financial statements will be considered.

### The remuneration committee

The committee comprises the following non-executive directors:

T. C. Bishop

Sir W. H. McAlpine

In accordance with the best practice recommendations of the Combined Code, the committee's members are all independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement. The committee determines where applicable the remuneration of the chief executive. In framing remuneration policy, full consideration has been given to all matters set out in the Combined Code.

### Remuneration policy and practice

The committee aims to ensure that the remuneration package offered recognises the individual executive director's contribution to the group. The remuneration of non-executive directors consists of fees for services in connection with the board. The level of these fees is governed by the company's articles of association. The group does not operate any bonus or share option schemes, however, the remuneration of executive directors is reviewed annually by the remuneration committee, who consider individual experience, responsibilities and performance.

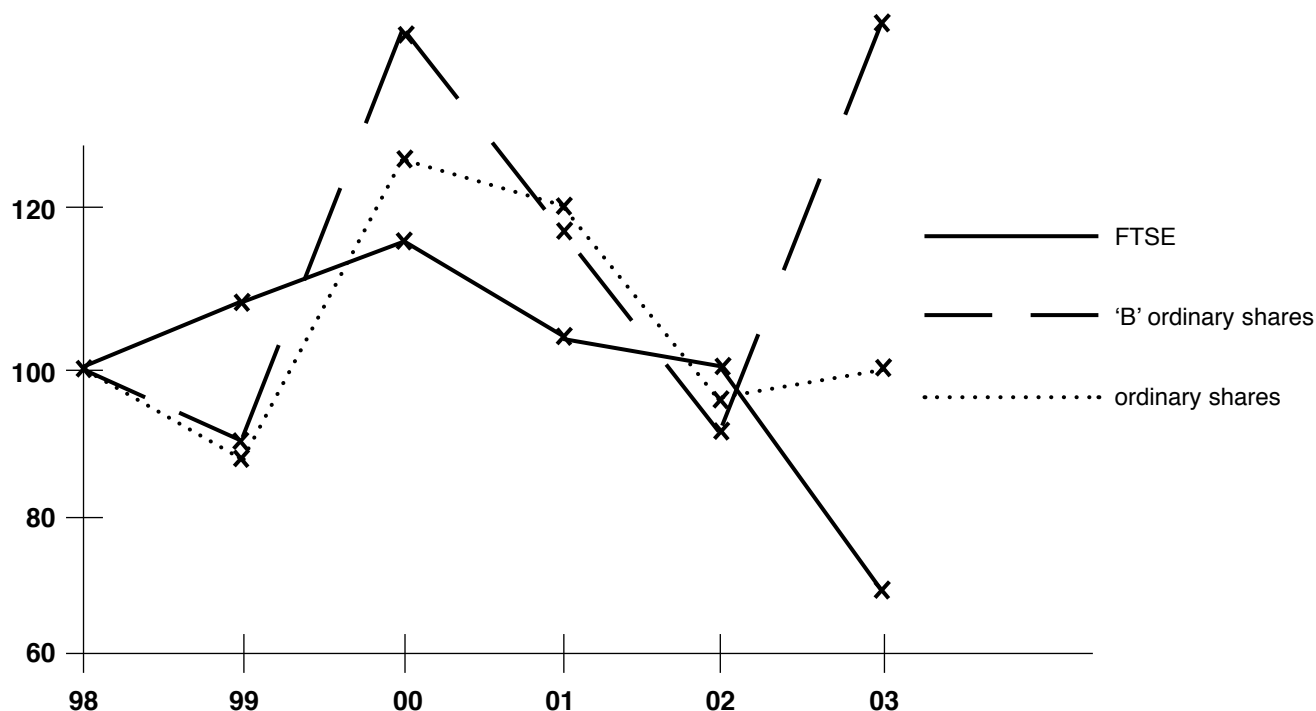
### Directors' remuneration

Details of the directors' remuneration is disclosed in note 7.

This information has been audited.

### Performance graph

In line with the regulations, the following graph compares the performance of the company's ordinary shares for the past five years against the FTSE all share index.



## INDEPENDENT AUDITORS' REPORT

### To the Members of C. H. Bailey Plc

We have audited the financial statements on pages 8 to 22 which have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and the accounting policies set out on page 11. We have also audited the information in the part of the directors' remuneration report that is described as having been audited.

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 or 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 and the directors' remuneration report. As described on page 5 this includes preparing 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 Accounting Practices Board the Listing Rules of the Financial Services Authority, and by our professional ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements and the auditable part of the directors' remuneration report 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 and group is not disclosed.

We review whether the statement on page 4 reflects the company's compliance with the seven provisions of the Combined Code specified for our review by the Listing Rules, and we report if it does not. We are not required to consider whether the board's statements on internal control cover all risks and controls or form an opinion on the effectiveness of the company or group's corporate governance procedures or its risk and control procedures.

We read the other information contained in the annual report including the corporate governance statement and the auditable part of the directors' remuneration report and consider whether it is consistent with the financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

#### **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 financial statements and the auditable part of the directors' remuneration report. 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 group'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 and the auditable part of the directors' remuneration report 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 31st March 2003 and of the profit and cash flows of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

- Those parts of the directors' remuneration report to be audited have been properly prepared in accordance with the Companies Act 1985.

C. H. BAILEY Plc

**CONSOLIDATED PROFIT AND LOSS ACCOUNT**  
for the year ended 31st March 2003

	Notes	Continuing Operations £	Discontinued Operations £	2003 £	2002 £
<b>Turnover</b> .....	1	3,376,074	—	3,376,074	3,042,061
Cost of sales .....		(3,356,004)	(63,726)	(3,419,730)	(2,979,203)
Impairment to fixed asset .....	10	—	(973,196)	(973,196)	—
<b>Gross (loss) profit</b> .....		20,070	(1,036,922)	(1,016,852)	62,858
Administrative expenses .....		(2,198,422)	(16,669)	(2,215,091)	(2,525,662)
<b>Trading (loss)</b> .....		(2,178,352)	(1,053,591)	(3,231,943)	(2,462,804)
Investment activities and other income .....	2	610,195	—	610,195	(1,077,760)
<b>Operating (loss)</b> .....		<u>£(1,568,157)</u>	<u>£(1,053,591)</u>	<u>(2,621,748)</u>	<u>(3,540,564)</u>
Interest receivable .....	3			37,754	75,181
Interest payable .....	4			(74,616)	(3,609)
<b>(Loss) on ordinary activities before taxation</b>	5			(2,658,610)	(3,468,992)
Taxation .....	6			194,865	(34,673)
<b>(Loss) on ordinary activities after taxation</b>				(2,463,745)	(3,503,665)
Minority interest - all equity .....				1,957	(9)
<b>(Loss) for year</b> .....				(2,461,788)	(3,503,674)
<b>Dividend</b> .....	8			—	—
<b>Retained (loss) for year</b> .....	19			<u>£(2,461,788)</u>	<u>£(3,503,674)</u>
<b>Earnings per share</b> .....	21			(4.11p) Loss	(5.84p) Loss

The accounting policies and notes on pages 11 to 22 form part of these accounts.

C. H. BAILEY Plc

**BALANCE SHEETS**  
at 31st March 2003

	Notes	Group		Company	
		2003 £	2002 £	2003 £	2002 £
<b>Fixed assets</b>					
Tangible assets ... ..	10	8,660,254	9,326,808	962,888	964,267
Fixed investments ... ..	11	—	—	7,915,266	7,915,266
		<u>8,660,254</u>	<u>9,326,808</u>	<u>8,878,154</u>	<u>8,879,533</u>
<b>Current assets</b>					
Stock and work in progress ... ..	12	79,133	72,249	—	—
Debtors ... ..	13	1,517,453	1,410,193	2,654,482	3,442,330
Current investments ... ..	14	3,996,727	4,995,858	798,661	997,631
Cash at bank and in hand ... ..		1,074,245	385,441	5,810	—
		<u>6,667,558</u>	<u>6,863,741</u>	<u>3,458,953</u>	<u>4,439,961</u>
<b>Creditors: amounts falling due</b>					
within one year ... ..	15	<u>3,056,654</u>	<u>2,169,284</u>	<u>6,786,623</u>	<u>6,769,086</u>
<b>Net current assets (liabilities) ... ..</b>		<u>3,610,904</u>	<u>4,694,457</u>	<u>(3,327,670)</u>	<u>(2,329,125)</u>
<b>Total assets less current liabilities</b> ... ..					
		12,271,158	14,021,265	5,550,484	6,550,408
<b>Creditors: amounts falling due after more than one year. ... ..</b>					
	16	240,291	—	—	—
Provision for liabilities and charges ... ..	17	516,489	812,777	111,553	66,813
		<u>756,780</u>	<u>812,777</u>	<u>111,553</u>	<u>66,813</u>
<b>Net assets ... ..</b>		<u>£11,514,378</u>	<u>£13,208,488</u>	<u>£5,438,931</u>	<u>£6,483,595</u>
<b>Financed by:</b>					
<b>Capital and reserves</b>					
Called up share capital ... ..	18	5,996,873	5,996,873	5,996,873	5,996,873
Reserves ... ..	19	<u>5,485,711</u>	<u>7,181,077</u>	<u>(557,942)</u>	<u>486,722</u>
Equity Shareholders' funds ... ..	20	11,482,584	13,177,950	5,438,931	6,483,595
Minority interest - all equity ... ..		31,794	30,538	—	—
		<u>£11,514,378</u>	<u>£13,208,488</u>	<u>£5,438,931</u>	<u>£6,483,595</u>
<b>Net assets per share ... ..</b>	21	19.20p	22.03p	9.07p	10.81p

These financial statements were approved by the board of directors on 28th July 2003

CHARLES H. BAILEY, Director

The accounting policies and notes on pages 11 to 22 form part of these accounts.

C. H. BAILEY Plc

**CONSOLIDATED CASH FLOW STATEMENT**  
for the year ended 31st March 2003

	Notes	2003		2002	
		£	£	£	£
<b>Net cash (outflow) from operating activities</b> ... .. .	22		(173,316)		(990,952)
<b>Return on investments and servicing of finance:</b>					
Interest received ... .. .		37,754		75,181	
Interest paid ... .. .		<u>(74,616)</u>		<u>(3,609)</u>	
Net cash (outflow) inflow from returns on investments and servicing of finance ... .. .			(36,862)		71,572
<b>Taxation</b> ... .. .			(5,303)		(5,166)
<b>Capital expenditure and financial investment:</b>					
Purchase of tangible fixed assets ... .. .		(524,378)		(371,367)	
Sale of tangible fixed assets ... .. .		<u>3,290</u>		<u>—</u>	
Net cash (outflow) from capital expenditure and financial investment ... .. .			<u>(521,088)</u>		<u>(371,367)</u>
Cash (outflow) before use of liquid resources and financing ... .. .			(736,569)		(1,295,913)
<b>Equity dividends paid</b> ... .. .			—		(149,922)
<b>Management of liquid resources:</b>					
Purchase of investments ... .. .		(1,615,525)		(2,224,650)	
Sale of investments .. .. .		2,466,067		2,870,556	
Net decrease in short term deposits ... .. .		<u>279,790</u>		<u>709,954</u>	
Net cash inflow from management of liquid resources ... .. .			1,130,332		1,355,860
<b>Financing</b>					
(Decrease) in other loans due within one year		(60,362)		(134,167)	
Increase in bank loans due after more than one year		<u>240,291</u>		<u>—</u>	
Net cash inflow (outflow) from financing			179,929		(134,167)
<b>Increase (decrease) in cash in the year</b> 23			<u>£ 573,692</u>		<u>£(224,142)</u>

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
for the year ended 31st March 2003

	2003	2002
	£	£
(Loss) retained for year ... .. .	(2,461,788)	(3,503,674)
Exchange rate adjustment... .. .	<u>766,422</u>	<u>486,151</u>
Total recognised (loss) for the year... .. .	(1,695,366)	(3,017,523)
Prior year adjustment... .. .	—	371,325
Total recognised (loss) since last annual report ... .. .	<u>£(1,695,366)</u>	<u>£(2,646,198)</u>

The directors consider that there is no material difference between the depreciation which would have been charged on the original cost of tangible fixed assets compared with that actually charged on revalued amounts. Accordingly no note of historical cost profits and losses has been prepared.

The accounting policies and notes on pages 11 to 22 form part of these accounts.

## ACCOUNTING POLICIES

### **Basis of accounting**

The accounts have been prepared on bases consistent with the previous period. The group accounts are prepared by consolidating the accounts of the parent undertaking (the company) and its subsidiary undertakings. The major subsidiary undertakings are listed on page 22 and all accounts are for the year ended 31st March 2003.

The accounts have been prepared under the historical cost convention, modified by the revaluation of certain fixed assets, and in accordance with applicable accounting standards.

### **Turnover**

Turnover is the total amount receivable by the group companies excluding VAT and equivalent taxes in the ordinary course of business for services provided and goods supplied to third party customers.

### **Stock and work in progress**

Stock and work in progress is valued at the lower of cost and net realisable value in the normal course of trading. Cost comprises only labour and materials because of the short term nature of the contracts involved.

### **Tangible fixed assets**

Depreciation of tangible fixed assets is provided where it is necessary to reflect a reduction from book value to estimated residual value over the estimated useful life of the asset to the group. It is the group's policy to maintain its properties in a state of good repair to prolong their estimated useful lives. Freehold land is not depreciated. Depreciation of other tangible fixed assets is calculated by the straight line method and the annual rates applicable to the principal categories are:-

Freehold buildings	-	between 1% and 2%
Leasehold buildings	-	over remaining period of lease
Plant and machinery	-	between 2% and 25%

The need for any fixed asset impairment write-down is assessed by comparison of the carrying value of the asset against the higher of net realisable value or value in use. The value in use is determined from estimated discounted future cash flows. Discount rates used are based on the circumstances of the individual businesses.

### **Operating leases**

Rentals payable under operating leases are charged to the profit and loss account in the financial year to which the payments relate.

### **Deferred taxation**

Deferred tax is recognised on timing differences that have originated but not reversed at the balance sheet date.

Deferred tax assets are only recognised to the extent that it is likely taxable profits will be available to reverse timing differences. No deferred tax is recognised for the potential tax liability arising from the sale of revalued fixed assets.

### **Foreign exchange**

Assets, liabilities and profit and loss accounts on 31st March 2003 expressed in currencies other than sterling have been converted at the rate of exchange ruling on that date.

Exchange differences on the retranslation of opening net assets at exchange rates ruling at the end of the year are reflected in reserves net of exchange differences arising on related foreign currency borrowings. All other exchange differences are reflected in the profit and loss account.

### **Pension scheme**

The group operates defined contribution pension schemes which cover some of its employees. The assets of the schemes are independent of the group's finances. The schemes are funded wholly by the group and any contributions payable are charged to the profit and loss account in the year to which they relate.

### **Current asset investments**

Current asset investments are included in the accounts at the lower of cost and market value.

## NOTES TO THE ACCOUNTS

### 1. Segmental information

		Turnover	Operating	Operating	Net assets
		£	(loss) continuing operations £	(loss) discontinued operations £	£
<b>(a) Classes of business</b>					
Industrial:					
2003	... ..	1,495,170	(145,888)	—	1,943,557
2002	... ..	1,227,626	(41,731)	—	2,013,619
Leisure:					
2003	... ..	1,880,904	( 393,301)	(1,053,591)	6,068,685
2002	... ..	1,814,435	(1,002,278)	—	6,625,368
Agents, managers, consultants and investors:					
2003	... ..	—	(1,028,968)	—	3,502,136
2002	... ..	—	(2,496,555)	—	4,569,501
Group:					
2003	... ..	3,376,074	(1,568,157)	( 1,053,591)	11,514,378
2002	... ..	3,042,061	( 3,540,564)	—	13,208,488
<b>(b) Geographical segments</b>					
United Kingdom:					
2003	... ..	2,809,362	(237,612)	(1,053,591)	2,187,742
2002	... ..	2,303,939	(564,954)	—	3,906,718
Malta, Tanzania and Rest of the World:					
2003	... ..	566,712	(1,330,545)	—	9,326,636
2002	... ..	738,122	(2,975,610)	—	9,301,770
Group:					
2003	... ..	3,376,074	(1,568,157)	(1,053 591)	11,514,378
2002	... ..	3,042,061	(3,540,564)	—	13,208,488

## C. H. BAILEY Plc

	2003 £	2002 £
<b>2. Investment activities and other income</b>		
Income from current asset investments ... ..	226,585	168,004
(Loss) on sale of investments ... ..	(527,861)	(233,198)
Provision on current asset investments ... ..	379,272	(1,042,659)
Amount reimbursed by related company (note 15) ... ..	—	30,093
Insurance claims (note 17) ... ..	532,199	—
	<u>£ 610,195</u>	<u>£(1,077,760)</u>
<b>3. Interest receivable</b>		
Short term bank and money made deposits ... ..	<u>£37,754</u>	<u>£75,181</u>
<b>4. Interest payable</b>		
Bank loans and overdrafts ... ..	<u>£74,616</u>	<u>£3,609</u>
<b>5. (Loss) on ordinary activities before taxation</b>		
In arriving at the (loss) on ordinary activities before taxation, the following amounts have been charged:		
Depreciation continuing operations ... ..	204,828	249,128
Depreciation discontinued operations ... ..	63,726	—
Loss on disposal of tangible fixed assets ... ..	980	138
Administrative expenses:		
Directors' remuneration ... ..	131,092	201,070
Auditors' fees - audit services ... ..	44,024	42,043
- non-audit services ... ..	29,015	26,982
Rental payments under operating leases (note 25) ... ..	27,103	27,199
Exchange losses ... ..	659,885	711,405
Legal fees ... ..	<u>235,298</u>	<u>542,841</u>
<b>6. Taxation</b>		
Current tax - foreign ... ..	5,303	5,166
Deferred tax (credit) charge ... ..	<u>(200,168)</u>	<u>29,507</u>
	<u>£ (194,865)</u>	<u>£34,673</u>
The group has tax losses available from previous accounting periods.		
<b>Deferred tax:</b>		
Origination and reversal of timing differences ... ..	(253,188)	15,943
Movement on deferred tax asset ... ..	53,020	13,564
	<u>£ (200,168)</u>	<u>£29,507</u>
<b>Factors affecting tax charge for the year:</b>		
Tax on (loss) on ordinary activities before tax at 30% ... ..	(797,583)	(1,040,698)
Expenses disallowed ... ..	12,593	648,017
Deferred tax ... ..	200,168	(29,507)
Differences arising on overseas earnings ... ..	432,408	428,288
Differences arising on capital sales and investment income ... ..	84,045	(934)
Deferred tax on losses not recoverable ... ..	73,672	—
Current tax ... ..	<u>£ 5,303</u>	<u>£5,166</u>

## C. H. BAILEY Plc

	2003	2002
<b>7. Directors and employees</b>		
The average number of employees of the group (including directors) was as follows:		
Management ... ..	11	12
Administration ... ..	19	19
Production ... ..	<u>70</u>	<u>75</u>
	<u>100</u>	<u>106</u>
The aggregate remuneration (including directors) was as follows:		
	£	£
Wages and salaries ... ..	1,414,369	1,347,549
Social security costs ... ..	117,918	110,646
Pensions (defined contribution schemes) ... ..	<u>3,853</u>	<u>6,358</u>
	<u>£1,536,140</u>	<u>£1,464,553</u>
The number of directors accruing retirement benefits under money purchase schemes in respect of qualifying services ... ..	<u>1</u>	<u>2</u>
Directors' emoluments were as follows:		
Fees ... ..	16,315	16,800
Other emoluments including pension contributions ... ..	<u>114,777</u>	<u>184,270</u>
	<u>£131,092</u>	<u>£201,070</u>

	Salary, fees and other amounts paid for provision of directors services		Total emoluments excluding pensions		Pension contributions		Total emoluments including pension contributions	
	£	Benefits £	2003 £	2002 £	2003 £	2002 £	2003 £	2002 £
	£	£	£	£	£	£	£	£
Mr C. H. Bailey (deceased)	47,261	5,975	53,236	136,892	—	—	53,236	136,892
Mr. Charles H. Bailey (Director)	64,350	237	64,587	49,900	—	1,000	64,587	50,900
Mr. T. C. Bishop (Director)	6,000	1,269	7,269	5,278	—	—	7,269	5,278
Sir W. H. McAlpine (Director)	6,000	—	6,000	8,000	—	—	6,000	8,000
	<u>£123,611</u>	<u>£7,481</u>	<u>£131,092</u>	<u>£200,070</u>	<u>—</u>	<u>£1,000</u>	<u>£131,092</u>	<u>£201,070</u>

The company does not operate a profit share or bonus scheme.

### 8. Dividend

Final proposed dividend (2002: £Nil)	<u>—</u>	<u>—</u>
... ..	<u>—</u>	<u>—</u>

## C. H. BAILEY Plc

### 9. Result for the financial year

As permitted by section 230 of the Companies Act 1985, the profit and loss account of the company is not presented as part of these financial statements. The retained consolidated loss of £2,461,788 (2002: loss £3,503,674) includes a retained loss of £1,044,664 (2002: loss £1,129,953) which is dealt with in the accounts of the company.

### 10. Tangible fixed assets

Group	Freehold	Leasehold Land and Buildings		Plant and	Total
	Land and Buildings £	Under 50 years £	Over 50 years £	Machinery £	£
At directors' valuation 1972	—	157,500	—	—	157,500
At independent valuation 1974	937,000	491,037	3,250	—	1,431,287
At independent valuation 1978	3,299,284	—	—	—	3,299,284
At directors' valuation 1996	—	—	—	63,425	63,425
At cost	1,754,636	67,571	1,575,256	4,749,162	8,146,625
Cost or valuation 31st March 2002	5,990,920	716,108	1,578,506	4,812,587	13,098,121
Exchange rate adjustments	257,222	367	(223,660)	34,344	68,273
Additions	240,722	—	—	283,656	524,378
Disposals and deletions	—	—	(3,250)	(39,180)	(42,430)
At 31st March 2003	6,488,864	716,475	1,351,596	5,091,407	13,648,342
Depreciation 31st March 2002	67,642	451,920	194,800	3,056,951	3,771,313
Exchange rate adjustments	3,593	—	27,197	36,789	13,185
Charge for year	27,293	16,165	42,107	182,989	268,554
Impairment	—	—	(3,250)	973,196	973,196
On disposal and deletions	—	—	—	34,910	38,160
At 31st March 2003	98,528	468,085	206,460	4,215,015	4,988,088
<b>Net book values:</b>					
2003	£6,390,336	£248,390	£1,145,136	£876,392	£8,660,254
2002	£5,923,278	£264,188	£1,383,706	£1,755,636	£9,326,808
<b>Company</b>					
At independent valuation 1974	937,000	—	—	—	937,000
At directors' valuation 1996	—	—	—	9,200	9,200
At cost	22,757	—	—	—	22,757
Cost or valuation 31st March 2002	959,757	—	—	9,200	968,957
At 31st March 2003	959,757	—	—	9,200	968,957
Depreciation 31st March 2002	3,586	—	—	1,104	4,690
Charge for year	1,195	—	—	184	1,379
At 31st March 2003	4,781	—	—	1,288	6,069
<b>Net book values:</b>					
2003	£954,976	—	—	£7,912	£962,888
2002	£956,171	—	—	£8,096	£964,267

The historic cost of freehold property valued in 1978 amounts to £1,173,780.

In the opinion of the directors unreasonable expense would be incurred in obtaining original cost of other assets

## C. H. BAILEY Plc

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11. Investment in subsidiary undertakings - company	2003	2002
	£	£
At cost or valuation      ...    ...    ...    ...	<u>£ 7,915,266</u>	<u>£ 7,915,266</u>

The principal subsidiary undertakings are shown on page 22.

12. Stock and work in progress-group		
Stock .    ...    ...    ...    ...    ...    ...    ...    ...	48,848	42,954
Work in progress...    ...    ...    ...    ...    ...    ...	<u>30,285</u>	<u>29,295</u>
	<u>£79,133</u>	<u>£72,249</u>

There were no significant differences between the replacement cost and the values disclosed for stock.

## C. H. BAILEY Plc

	Group		Company	
	2003 £	2002 £	2003 £	2002 £
<b>13. Debtors</b>				
Amounts falling due within one year:				
Trade debtors ... ..	735,100	592,620	—	—
Owed by subsidiary undertakings ...	—	—	2,090,180	2,840,793
Other debtors ... ..	89,126	87,943	11,981	27,935
Prepayments and accrued income ...	56,652	34,626	8,782	—
Life policies ... ..	—	5,409	—	5,409
	<u>880,878</u>	<u>720,598</u>	<u>2,110,943</u>	<u>2,874,137</u>
Amounts falling due after more than one year:				
Deferred tax ... ..	636,575	689,595	543,539	568,193
	<u>£1,517,453</u>	<u>£1,410,193</u>	<u>£2,654,482</u>	<u>£3,442,330</u>
<b>14. Current asset investments</b>				
Listed investments .. .. .	3,886,328	4,851,524	716,518	898,598
Unlisted investments ... ..	110,399	144,334	82,143	99,033
	<u>£3,996,727</u>	<u>£4,995,858</u>	<u>£798,661</u>	<u>£997,631</u>
Listed-market value ... ..	£4,031,156	£6,763,748	£636,093	£1,120,294
Unlisted-net asset value .. ..	<u>£337,782</u>	<u>£354,672</u>	<u>£82,143</u>	<u>£99,033</u>
<b>15. Creditors</b>				
Amounts falling due within one year:				
Bank loans and overdrafts ... ..	800,426	378,838	306,531	134,977
Trade creditors ... ..	586,936	472,344	21,593	100,709
Due to subsidiary undertakings ... ..	—	—	5,990,018	6,482,708
Social Security and other taxes ... ..	44,010	60,820	6,950	2,047
Other creditors ... ..	484,424	70,197	444,947	27,374
Accruals and deferred income ... ..	156,725	142,590	16,584	21,271
Proposed dividend	—	—	—	—
	<u>2,072,521</u>	<u>1,124,789</u>	<u>6,786,623</u>	<u>6,769,086</u>
Other loans-repayable on demand	<u>984,133</u>	<u>1,044,495</u>	—	—
	<u>£3,056,654</u>	<u>£2,169,284</u>	<u>£6,786,623</u>	<u>£6,769,086</u>

Other loans are in respect of a related company, Equity Involvement Trust Limited. The executors of Mr C. H. Bailey are the shareholders but have no beneficial interest in the assets of the company. Other creditors include a balance due to the executors of Mr C. H. Bailey of £435,900.

<b>16. Creditors</b>				
Amounts falling due after more than one year:				
Bank loans	<u>£240,291</u>	—	—	—
In more than one year but not more than two years	54,918	—	—	—
In more than two years but not more than five years	<u>185,373</u>	—	—	—
	<u>£240,291</u>	—	—	—

## C. H. BAILEY Plc

17. Provisions for liabilities and charges	Deferred tax £	Insurance £	Legal £	Total £
<b>Group</b>				
At 31st March 2002 ... ..	347,777	—	465,000	812,777
Utilised during the year ... ..	—	—	(420,000)	(420,000)
Insurance claims (note 2).. ... ..	—	311,900	—	311,900
Transfer to profit and loss account ... ..	(253,188)	—	65,000	(188,188)
At 31st March 2003 ... ..	<u>£94,589</u>	<u>£311,900</u>	<u>£110,000</u>	<u>£516,489</u>
<b>Company</b>				
At 31st March 2002 ... ..	1,813	—	65,000	66,813
Utilised during the year ... ..	—	—	(20,000)	(20,000)
Transfer to profit and loss account ... ..	(260)	—	65,000	64,740
At 31st March 2003 ... ..	<u>£1,553</u>	<u>—</u>	<u>£110,000</u>	<u>£111,553</u>

18. Share capital	2003 £	2002 £
Authorised:		
5,000,000 'B' ordinary shares of 10p each ... ..	500,000	500,000
54,968,727 ordinary shares of 10p each ... ..	5,496,873	5,496,873
31,274 unclassified shares of 10p each ... ..	3,127	3,127
	<u>£6,000,000</u>	<u>£6,000,000</u>
Issued and fully paid:		
5,000,000 'B' ordinary shares of 10p each ... ..	500,000	500,000
54,968,727 ordinary shares of 10p each ... ..	5,496,873	5,496,873
	<u>£5,996,873</u>	<u>£5,996,873</u>

Holders of 10p 'B' ordinary shares rank pari passu with the holders of 10p ordinary shares in all matters other than in voting rights. Each 'B' ordinary share entitles its holder to one hundred votes and each ordinary share to one vote.

19. Reserves	Revaluation reserve £	Other reserves £	Profit and loss account £	Total £
<b>Group</b>				
At 31st March 2002 ... ..	2,773,467	267,962	4,139,648	7,181,077
Retained loss ... ..	—	—	(2,461,788)	(2,461,788)
Exchange rate adjustments... ..	80,454	229,311	456,657	766,422
At 31st March 2003 ... ..	<u>£2,853,921</u>	<u>£497,273</u>	<u>£2,134,517</u>	<u>£5,485,711</u>
<b>Company</b>				
At 31st March 2002 ... ..	687,424	—	(200,702)	486,722
Retained loss ... ..	—	—	(1,044,664)	(1,044,664)
At 31st March 2003 ... ..	<u>£687,424</u>	<u>—</u>	<u>£(1,245,366)</u>	<u>£(557,942)</u>

## C. H. BAILEY Plc

	2003	2002
	£	£
<b>20. Reconciliation of movements in shareholders' funds</b>		
(Loss) retained for year ... ..	(2,461,788)	(3,503,674)
Exchange rates adjustments ... ..	<u>766,422</u>	<u>486,151</u>
Net movements in shareholders' funds ... ..	(1,695,366)	(3,017,523)
Funds at: 31st March 2002 brought forward ... ..	<u>13,177,950</u>	<u>16,195,473</u>
31st March 2003 carried forward ... ..	<u><u>£11,482,584</u></u>	<u><u>£13,177,950</u></u>

### 21. Earnings and net assets per share

The earnings and net assets per share have been calculated by reference to a total of 59,968,727 ordinary and 'B' ordinary shares of 10p each in issue during 2002 and 2003.

The earnings per share are calculated on the profit on ordinary activities after taxation. There are no share options, convertible equity or debt instruments in issue.

### 22. Reconciliation of operating (loss) to net cash (outflow) from operating activities

Operating (loss)...	( 2,621,748)	( 3,540,564)
Non cash items:		
Depreciation ... ..	268,554	249,128
Impairment to fixed asset...	973,196	—
Loss on sale of tangible fixed assets ... ..	980	138
Loss on sale of investments ... ..	527,861	233,198
Provision against cost of investments ... ..	(379,272)	1,042,659
Exchange rate adjustments ... ..	738,020	722,373
Changes in minority interests ... ..	3,213	(287)
Movements in working capital:		
(Increase) decrease in stock and work in progress ... ..	(6,884)	9,150
(Increase) decrease in debtors ... ..	(160,280)	466,265
... ..		( )
Increase (decrease) in creditors ... ..	<u>(483,044)</u>	<u>(173,012)</u>
Net cash (outflow) from operating activities	<u><u>£ 173,316</u></u>	<u><u>£ 990,952</u></u>

## C. H. BAILEY Plc

### 23. Analysis of the balance of cash and cash equivalents as shown in the Balance Sheet

	2002 £	Cash flow £	Exchange rate adjustments £	2003 £
Cash and bank overdrafts ... ..	(316,101)	573,692	829	258,420
Liquid resources ... ..	<u>322,704</u>	<u>(279,790)</u>	<u>(27,515)</u>	<u>15,399</u>
	6,603	293,902	(26,686)	273,819
Other loans due within one year ...	(1,044,495)	60,362	—	(984,133)
Bank loans due after more than one year	—	<u>(240,291)</u>	—	<u>(240,291)</u>
Net funds/(debt) ... ..	<u>£( 1,037,892 )</u>	<u>£ 113,973</u>	<u>£(26,686)</u>	<u>£(950,605)</u>

Liquid resources comprise short-term bank and money market deposits. Cash and liquid resources comprise cash at bank and in hand in the group balance sheet and bank overdrafts (note 15).

### 24. Contingencies and capital commitments

(a) A cross guarantee and debenture has been given to Barclays Bank Plc by the company and certain of the U.K. subsidiary undertakings to secure borrowings by group companies. These borrowings at 31st March 2003 amounted to £503,343 (2002: £208,191).

(b) St Georges Bay Hotel Ltd (Malta) has secured its bank borrowings up to a limit of £567,350 by a fixed and floating charge over its assets. These borrowings as at 31st March 2003 amounted to £371,517.

(c) The directors are of the opinion that the calculation of the capital gains tax which would become payable under present legislation in the event of future disposals of tangible fixed assets at the valuation stated in note 10 would serve no useful purpose.

(d) There are no capital commitments in respect of contracted expenditure (2002 : £Nil).

### 25. Obligations under operating leases

Annual commitments under operating leases on land and buildings are under agreements expiring:

	2003 £	2002 £
within one year ... ..	1,026	841
after five years ... ..	<u>26,077</u>	<u>26,358</u>
	<u>£27,103</u>	<u>£27,199</u>

## C. H. BAILEY Plc

### 26. Currency and interest rate exposure of financial assets and liabilities

The currency and interest rate exposure of the financial assets and liabilities of the group was:-

				2003	2002
				£	£
Short-term deposits	...	...	...	15,399	322,704
Cash and bank overdraft	...	...	...	<u>258,420</u>	<u>(316,101)</u>
				273,819	6,603
Other loans due within one year	...	...		(984,133)	(1,044,495)
Bank loans due after more than one year	...			<u>(240,291)</u>	<u>—</u>
Net borrowings	...	...	...	(950,605)	(1,037,892)
Current asset investments	...	...	...	3,996,727	4,995,858
Other net operating assets	...	...	...	<u>8,468,256</u>	<u>9,250,522</u>
Total net assets	...	...	...	<u>£11,514,378</u>	<u>£13,208,488</u>
Net borrowings	Dollar	...		787,554	325,603
	Sterling	...		(1,648,041)	(1,328,471)
	Other	...		<u>(90,118)</u>	<u>(35,024)</u>
				<u>£(950,605)</u>	<u>£(1,037,892)</u>
Current assets investments	Dollar	...		1,456,778	3,333,776
	Sterling	...		1,365,196	1,502,517
	Other	...		<u>1,174,753</u>	<u>159,565</u>
				<u>£3,996,727</u>	<u>£4,995,858</u>

As permitted by FRS13, short-term debtors and creditors have been excluded from the analysis of net borrowings.

Bank borrowings are at floating interest based on the relevant LIBOR equivalent. At 31st March 2003 the group had £1,067,350 (2002: £385,000) of committed facilities of which £888,710 (2002: £291,888) was utilised. The limit expires after more than two years.

### 27. Fair value of financial instruments

Fair value is defined as the amount at which a financial instrument could be exchanged in an arm's length transaction excluding accrued interest.

For borrowings not at fixed rates of interest it is assumed that the carrying amount is equal to the fair value and accordingly, the group believes that there is no material difference between the carrying amount and the fair value of its financial instruments (cash at bank or borrowings).

## MAJOR SUBSIDIARY UNDERTAKINGS

	Percentage of ordinary share capital held	Principal activities
<b>Industrial division:</b>		
P & D Electrical Services Limited. ... ..	100%	Electrical contractors
Specialist Heavy Engineers Limited. ... ..	100%	Heavy engineering and shiprepairing
<b>Leisure:</b>		
Bay Travel Limited ... ..	100%	Travel agency
Dragon Yachts (World Wide) Limited ... ..	100%	Asset owning and hiring
St. George's Bay Hotel Limited (Malta) ... ..	99%	Hotel operating
Libwelsh Limited ... ..	100%	Asset owning and hiring
Cordura Limited (Tanzania) ... ..	100%	Operation of Hotel and Safari camps
<b>Other activities:</b>		
Industrial Investment Corporation Limited (Bermuda) and subsidiary undertakings ... ..	100%	Agents, managers, consultants and investors

All companies are incorporated in England and operate in the U.K. except where indicated above.

C. H. BAILEY Plc

5 YEAR STATEMENT

	Restated		2001	2002	2003
	1999	2000			
	£'000	£'000	£'000	£'000	£'000
Turnover ... ..	<u>3,022</u>	<u>3,349</u>	<u>4,099</u>	<u>3,042</u>	<u>3,376</u>
Operating profit (loss) ... ..	409	357	73	3,541	2,622
Net interest receivable (payable) ... ..	76	( 92)	92	( 72)	( 37)
Profit (loss), before taxation ... ..	<u>485</u>	<u>265</u>	<u>165</u>	<u>3,469</u>	<u>2,659</u>
Taxation ... ..		( )	2	( 35)	( 195)
Profit (loss) after taxation ... ..	<u>485</u>	<u>265</u>	<u>163</u>	<u>3,504</u>	<u>2,464</u>
Minority interests ... ..	1	( 1)	3	( )	( 2)
Profit (loss), for year ... ..	<u>(484)</u>	<u>266</u>	<u>(160)</u>	<u>3,504</u>	<u>2,462</u>
Dividends ... ..	<u>150</u>	<u>( )</u>	<u>150</u>	<u>( )</u>	<u>( )</u>
Profit (loss) retained ... ..	334	266	10	3,504	2,462
Fixed assets ... ..	8,888	8,775	9,440	9,327	8,660
Net current assets ... ..	<u>7,704</u>	<u>7,786</u>	<u>7,183</u>	<u>4,694</u>	<u>3,611</u>
Non current liabilities ... ..	<u>398</u>	<u>398</u>	<u>397</u>	<u>813</u>	<u>757</u>
Net assets ... ..	16,194	16,163	16,226	13,208	11,514
Earnings per share ... ..	0.81p	0.44p	0.27p	5.84p	4.11p
Net assets per share ... ..	27.00p	26.95p	27.06p	22.03p	19.20p









