

Brooke Marine Shipbuilders Limited

Annual report
for the year ended 31 March 2003

Registered number: 2113314



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Brooke Marine Shipbuilders Limited

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Brooke Marine Shipbuilders Limited

Directors and advisers

Directors

WA Cramond

MS Easton (resigned 31 May 2002)

TWM Liu

A Marsh

Secretary

RS Martin

SAR Billiald (appointed 19 November 2002).

Registered Office

2 Cavendish Square

London

W1G 0PX

Brooke Marine Shipbuilders Limited

Directors' report for the year ended 31 March 2003

Financial statements

The directors present their report and financial statements for the year ended 31 March 2003.

Principal activity

The principal activity of the company is the marketing of marine engineering and equipment related to craft in the Brooke Marine range.

Review of business and future developments

The directors have confirmed that FBM Babcock Marine, a fellow group undertaking, which at 31 March 2003 was due £458,664, will not seek repayment of the sums due for at least 12 months from the date of signing the accounts and the directors have accordingly prepared the financial statements on the basis that the company is a going concern.

Results and dividends

The profit for the year after taxation amounted to £Nil (2002 - £Nil). The directors recommend that no dividend be paid (2002 - £nil).

Directors and their interests

The directors of the company at 31 March 2003 were:

WA Cramond
MS Easton (resigned 31 May 2002)
TWM Liu
A Marsh

None of the directors had any beneficial interest in the company's shares. The interests of Mr TWM Liu are disclosed in the financial statements of FBM Babcock Marine Limited.

The interests of the other directors in the shares of the company's ultimate parent company are shown in the accounts of FBM Babcock Marine Holdings (UK) Ltd.

**Directors' report
for the year ended 31 March 2003 (continued)**

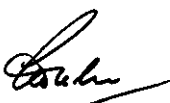
Directors' responsibilities

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 profit or loss of the company 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.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They 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.

By order of the board



TWM Liu

Director

11 June 2003

Brooke Marine Shipbuilders Limited


Balance sheet as at 31 March 2003

	Note	2003 £	2002 £
Current liabilities			
Creditors: amounts falling due within one year	3	(1,000)	(1,000)
Net current liabilities		(1,000)	(1,000)
Creditors: amounts falling due after more than one year	4	(458,644)	(458,644)
Net liabilities		(459,644)	(459,644)
Capital and reserves			
Called up share capital	5	2	2
Profit and loss account	6	(459,646)	(459,646)
Equity shareholders funds	6	(459,644)	(459,644)

These annual accounts have not been audited because the company is entitled to the exemption provided by s249A(1) Companies Act 1985 and its members have not required the company to obtain an audit of these accounts in accordance with s249B(2).

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records that comply with s221 Companies Act 1985. The directors also acknowledge their responsibilities for preparing accounts which give a true and fair view of the state of affairs of the company at the end of the financial year and of its profit or loss for the financial year in accordance with s226 Companies Act 1985, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company.

These financial statements were approved by the Board of Directors on 11 June 2003 and were signed on its behalf by:



TWM Liu

Director

The accompanying notes are an integral part of this balance sheet.

**Notes to the financial statements
for the year ended 31 March 2003**

1 Accounting policies

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom. A summary of the principal accounting policies, which have been applied consistently throughout the year and the preceding year, is set out below.

a) Basis of accounting

The financial statements have been prepared on the historical cost basis of accounting.

b) Cash flow statement

The company has taken advantage of the exemptions under Financial Reporting Standard 1 (revised), and has not produced a cash flow statement as its ultimate holding company produces a consolidated cash flow statement that includes the cash flows of the company and is publicly available.

2 Profit and Loss Account

The company did not trade during the current or preceding period and has made neither profit nor loss, nor any other recognised gain or loss. As a consequence, no profit and loss account has been prepared.

There were no employees of the company and the directors did not receive emoluments in respect of their services to the company.

3 Creditors: amounts falling due within one year:

	2003 £	2002 £
Accruals	1,000	1,000

4 Creditors: amounts falling due after more than one year:

	2003 £	2002 £
Amounts owed to group undertaking	458,644	458,644

The amount due to the holding company is unsecured and the group undertaking has indicated that no repayment of these amounts will be sought within 12 months of the balance sheet date.

Brooke Marine Shipbuilders Limited

Notes to the financial statements for the year ended 31 March 2003 (continued)

5 Called up share capital

	2003 £	2002 £
Authorised		
1,000 Ordinary shares of £1 each	1,000	1,000
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2

6 Reconciliation of the movement in equity shareholders' funds

	Share capital £	Profit and loss account £	Total equity shareholders funds £
At 1 April 2002, and 31 March 2003	2	(459,646)	(459,644)

7 Contingent liability

The company is registered for VAT purposes in a group of undertakings which shares a common registration number. As a result, it has jointly guaranteed the VAT liability of the group and failure by other members of the group to meet their VAT liabilities would give rise to additional liabilities for the company. The directors are of the opinion that no additional liability is likely to arise.

8 Related party transactions

The company, as a wholly owned subsidiary, has taken advantage of the exemption granted under Financial Reporting Standard 8, "Related parties", by not disclosing details of sales and purchases with other members of the group headed up by Babcock International Group PLC. Details of balances owed to other group companies is disclosed in note 4.

**Notes to the financial statements
for the year ended 31 March 2003 (continued)**

9 Immediate and ultimate parent company

Brooke Marine Shipbuilders Limited is a wholly owned subsidiary of FBM Babcock Marine Limited, a company registered in England and Wales. The company's ultimate parent company is Babcock International Group plc, a company registered in England and Wales. The only group in which the results of the company are consolidated is that headed by Babcock International Group PLC.

Copies of Babcock International Group PLC financial statements are available from the following address;

The Company Secretary
Babcock International Group PLC
2 Cavendish Square
London
W1G OPX