

BABCOCK-MOXEY LIMITED
DIRECTORS' REPORT AND FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004

Company number 84992



DIRECTORS

W Tame
F Martinelli

SECRETARY

S A Billiald

REGISTERED OFFICE

2 Cavendish Square
London
W1X 0PX

**DIRECTORS' REPORT
for the year ended 31 March 2004**

The directors present their report and the financial statements of the company for the year ended 31 March 2004.

Principal activity and results

The company did not trade during the year. It is not anticipated that this status will change in the future.

Statement of directors' responsibilities

For the year ended 31 March 2004 the company was entitled to exemption under Section 249AA(1) of the Companies Act 1985 relating to dormant companies and its members have not required the company to obtain an audit of these accounts in accordance with Section 249B(2) of the Companies Act 1985.

Company law requires the directors to prepare financial statements for each financial year that 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. The directors are required to prepare financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 March 2004 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and 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.

DIRECTORS' REPORT (continued)
r the year ended 31 March 2004

Directors and their interests

The directors of the company during the year and since the year end were:

W Tame
 F Martinelli

Mr W Tame is also a director of the ultimate parent company and his interests in the shares and share options of that company are disclosed in that company's accounts. None of the directors had any beneficial interest in the shares of the company.

The interests of the other directors in the shares of the company's ultimate parent company, Babcock International Group PLC were as follows:

	Ordinary shares Number	Ordinary shares Number	Share options Number	Share options Number
	31 March 2004	31 March 2003	31 March 2004	31 March 2003
F Martinelli	-	-	115,000	45,000

During the year 70,000 share options were granted to F Martinelli.

No director had any material interest during the year in any contract with the company requiring disclosure under Section 317 of the Companies Act 1985.

Auditors

In accordance with the provisions of Section 249AA of the Companies Act 1985, the company, being a dormant company within the meaning of the said section, is not required to appoint auditors.

By order of the Board



S A Billiald
 Secretary

15 December 2004

BABCOCK-MOXEY LIMITED**BALANCE SHEET
as at 31 March 2004**

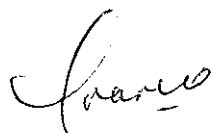
	Notes	2004	2003
		£	£
Current assets			
Debtors			
Amounts owed by group undertakings		-	-
Net assets		-	-
Capital and reserves			
Called up share capital	2	20,477	20,477
Profit and loss account		(20,477)	(20,477)
Equity shareholders' funds		-	-

For the year ended 31 March 2004 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2).

The directors' acknowledge their responsibility for: (i) Ensuring the company keeps accounting records which comply with section 221; and (ii) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

The financial statements on pages 5 and 6 were approved by the Board on 15 December 2004 and signed on its behalf by:



F Martinelli
Director

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

1 Accounting policies**Basis of accounting**

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

Cash flow statement

A cash flow statement has not been prepared as the company has taken advantage of the exemption under FRS1, available to wholly owned subsidiaries of a company incorporated in the EU whose consolidated financial statements include a consolidated cash flow statement.

2 Called-up share capital

	2004 £	2003 £
<i>Authorised</i>		
30,000 Ordinary shares of £1 each	30,000	30,000
<i>Allotted, called-up and fully paid</i>		
20,477 Ordinary shares of £1 each	20,477	20,477

3 Financial commitments

At 31 March 2004 the company had no commitments for capital expenditure (2003: £nil).

4 Directors remuneration and employee costs

No director received any remuneration during the year in respect of services to the company (2003: £nil). The company has no employees (2003: £nil).

5 Related party transactions

The company has taken advantage of the exemption granted to 90% subsidiaries, by FRS8 Related Party Disclosures, not to disclose transactions with group undertakings.

6 Ultimate parent company

The company's ultimate parent company is Babcock International Group PLC, a company registered in England and Wales. Copies of the Babcock International Group PLC accounts are available to the public at the following address:

Company Secretary
Babcock International Group PLC
2 Cavendish Square
London W1G 0PX