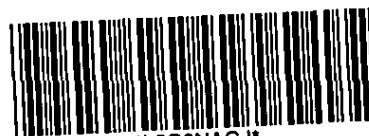


**SIMON ENGINEERING LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31st DECEMBER 2008**

**Company Registration Number 287790**

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**SIMON ENGINEERING LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31st DECEMBER 2008**

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**SIMON ENGINEERING LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

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**The board of directors**

Exrealm Limited  
F Bracke  
J Rubens  
G Walker

**Company secretary**

P Grout

**Registered office**

Clough Lane  
North Killingholme  
North Lincolnshire  
DN40 3LX

**Auditor**

Brebners  
Chartered Accountants  
& Registered Auditors  
The Quadrangle  
180 Wardour Street  
London  
W1F 8LB

# **SIMON ENGINEERING LIMITED**

## **THE DIRECTORS' REPORT**

**YEAR ENDED 31st DECEMBER 2008**

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The directors present their report and the financial statements of the company for the year ended 31st December 2008.

### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company is that of an investment holding company.

The company did not trade in the year and is not expected to trade in the forthcoming year.

### **DIRECTORS**

The directors who served the company during the year were as follows:

Maritime Advisory Services Limited  
F Bracke  
J Rubens  
G Walker

Exrealm Limited was appointed as a director on 31st March 2009.

Maritime Advisory Services Limited resigned as a director on 31st March 2009.

### **DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 these 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 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.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

# SIMON ENGINEERING LIMITED

## THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31st DECEMBER 2008

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### SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Signed on behalf of the directors



J Rubens

Director

Approved by the directors on *16/05/09*.

**SIMON ENGINEERING LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF**  
**SIMON ENGINEERING LIMITED**  
**YEAR ENDED 31st DECEMBER 2008**

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We have audited the financial statements of Simon Engineering Limited for the year ended 31st December 2008 which comprise the Profit and Loss Account, Balance Sheet and the related notes. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**BASIS OF AUDIT OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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. 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.

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 also evaluated the overall adequacy of the presentation of information in the financial statements.

**SIMON ENGINEERING LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF**  
**SIMON ENGINEERING LIMITED** *(continued)*  
**YEAR ENDED 31st DECEMBER 2008**

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**OPINION**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31st December 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

The Quadrangle  
180 Wardour Street  
London  
W1F 8LB

*5/6/2009*



BREBNERS  
Chartered Accountants  
& Registered Auditors

**SIMON ENGINEERING LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31st DECEMBER 2008**

	Note	2008 £	2007 £
<b>TURNOVER</b>		–	–
Administrative expenses		(60,469,804)	–
Other operating income	2	–	(2,000)
<b>OPERATING PROFIT</b>	3	<u>60,469,804</u>	<u>2,000</u>
Attributable to:			
Operating profit before exceptional items		–	2,000
Exceptional items	3	<u>60,469,804</u>	<u>–</u>
		60,469,804	2,000
Interest receivable	5	68,000	63,000
Interest payable and similar charges	6	(1,776,000)	(2,482,000)
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>58,761,804</u>	<u>(2,417,000)</u>
Tax on profit/(loss) on ordinary activities	7	–	–
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>		<u>58,761,804</u>	<u>(2,417,000)</u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 8 to 11 form part of these financial statements.




# SIMON ENGINEERING LIMITED

## BALANCE SHEET

31st DECEMBER 2008

	Note	2008 £	2007 £
<b>CURRENT ASSETS</b>			
Debtors	8	—	2,309,000
<b>NET CURRENT ASSETS</b>		—	2,309,000
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		—	2,309,000
<b>CREDITORS: Amounts falling due after more than one year</b>	9	—	61,070,804
		—	(58,761,804)
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	11	250	250
Profit and loss account	12	(250)	(58,762,054)
<b>DEFICIT</b>	13	—	(58,761,804)

These financial statements were approved by the directors and authorised for issue on ....., and are signed on their behalf by:

  
J Rubens  
Director

The notes on pages 8 to 11 form part of these financial statements.

**SIMON ENGINEERING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31st DECEMBER 2008**

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**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with applicable UK accounting standards.

**Consolidation**

The company was, at the end of the year, a wholly-owned subsidiary of another company incorporated in the EEA and in accordance with Section 228A of the Companies Act 1985, is not required to produce, and has not published, consolidated accounts.

**Cash flow statement**

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

**Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

**SIMON ENGINEERING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31st DECEMBER 2008**

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**1. ACCOUNTING POLICIES *(continued)***

**Financial instruments**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

**2. OTHER OPERATING INCOME**

	2008 £	2007 £
Other operating income	<u>-</u>	<u>2,000</u>

**3. OPERATING PROFIT**

Operating profit is stated after crediting:

	2008 £	2007 £
Directors' emoluments	<u>-</u>	<u>-</u>
Exceptional items; Waiving of intragroup indebtedness	<u>(60,469,804)</u>	<u>-</u>

Auditor's remuneration is met by the ultimate UK holding company, Simon Group Plc.

**4. PARTICULARS OF EMPLOYEES**

No salaries or wages have been paid to employees, including the directors, during the year.

**5. INTEREST RECEIVABLE**

	2008 £	2007 £
Interest from group undertakings	<u>68,000</u>	<u>63,000</u>

**6. INTEREST PAYABLE AND SIMILAR CHARGES**

	2008 £	2007 £
Interest to group undertakings	<u>1,776,000</u>	<u>2,482,000</u>

**SIMON ENGINEERING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31st DECEMBER 2008**

**7. TAXATION ON ORDINARY ACTIVITIES**

**Factors affecting current tax charge**

The tax assessed on the profit/(loss) on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 28.50% (2007 - 30%).

	2008 £	2007 £
Profit/(loss) on ordinary activities before taxation	<u>58,761,804</u>	<u>(2,417,000)</u>
Profit/(loss) on ordinary activities by rate of tax	16,747,114	(725,100)
Disallowable expenses	(17,233,894)	-
Losses surrendered to group undertakings	<u>486,780</u>	<u>725,100</u>
Total current tax	<u>-</u>	<u>-</u>

**8. DEBTORS**

	2008 £	2007 £
Amounts owed by group undertakings	<u>-</u>	<u>2,309,000</u>

**9. CREDITORS: Amounts falling due after more than one year**

	2008 £	2007 £
Amounts owed to group undertakings	<u>-</u>	<u>61,070,804</u>

**10. RELATED PARTY TRANSACTIONS**

**Control**

Control vests with the parent undertaking as shown in note 14 to the accounts. The directors are unable to state where ultimate control vests.

**Related Party Transactions**

Amounts due to and from group undertakings are aggregated as permitted by FRS 8 and shown separately in debtors and creditors.

In accordance with FRS 8, exemption is taken not to disclose transactions in the year between group undertakings where 90% or more of the voting rights are controlled within the group and the consolidated financial statements in which Simon Engineering Limited is included are publicly available.

**11. SHARE CAPITAL**

**Authorised share capital:**

	2008 £	2007 £
5,000 Ordinary shares of £1 each	<u>5,000</u>	<u>5,000</u>

**SIMON ENGINEERING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31st DECEMBER 2008**

**11. SHARE CAPITAL** *(continued)*

Allotted, called up and fully paid:

	2008		2007	
	No	£	No	£
Ordinary shares of £1 each	<u>250</u>	<u>250</u>	<u>250</u>	<u>250</u>

**12. PROFIT AND LOSS ACCOUNT**

	2008	2007
	£	£
Balance brought forward	(58,762,054)	(56,345,054)
Profit/(loss) for the financial year	<u>58,761,804</u>	<u>(2,417,000)</u>
Balance carried forward	<u>(250)</u>	<u>(58,762,054)</u>

**13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2008	2007
	£	£
Profit/(Loss) for the financial year	58,761,804	(2,417,000)
Opening shareholders' deficit	<u>(58,761,804)</u>	<u>(56,344,804)</u>
Closing shareholders' deficit	<u>—</u>	<u>(58,761,804)</u>

**14. ULTIMATE PARENT COMPANY**

Simon Engineering Limited's immediate parent undertaking is Eaton Gate Holdings Limited and its ultimate UK parent undertaking is Simon Group Plc, both registered in England and Wales.

Group accounts are prepared by Simon Group Plc incorporating the results of Simon Engineering Limited and are available from Clough House, North Killingholme, North Lincolnshire, DN40 3LX.

The directors confirm the ultimate parent undertaking to be Shipbourne SA, a company incorporated in Luxembourg.

**15. SUBSIDIARY UNDERTAKINGS**

The principal wholly owned subsidiary undertaking of Simon Engineering Limited as at 31st December 2008, registered in England and Wales is shown below.

	Principal activities	Capital and reserves	Profit/(loss) for the year
Simon UK 1995 Limited	Non-trading	£(Nil)	£9,181,554