

Company Number: 1297192

OCB Germanischer Lloyd Limited

Abbreviated Financial Statements

for the year ended 31st December 2000



Auditors' Report to OCB Germanischer Lloyd Limited under Section 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages 2 to 5, together with the financial statements of the company for the year ended 31st December 2000 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

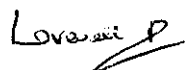
The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.



Lovewell Blake
Chartered Accountants
and Registered Auditors

Sixty Six
North Quay
Great Yarmouth
Norfolk
NR30 1HE

11th May 2001

Abbreviated Balance Sheet

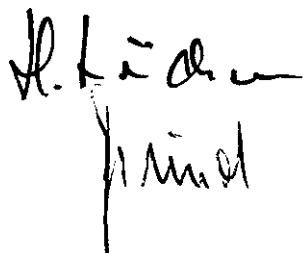
As At 31st December 2000

| | Notes | 2000 £ | 2000 £ | 1999 £ | 1999 £ |
|--|-------|----------------|-----------------|----------------|----------------|
| Fixed Assets | | | | | |
| Intangible fixed assets | 2 | | 169,334 | | 124,667 |
| Tangible fixed assets | 2 | | 4,423 | | 5,897 |
| | | | <u>173,757</u> | | <u>130,564</u> |
| Current Assets | | | | | |
| Stock | | 6,200 | | - | |
| Debtors | | 160,001 | | 171,346 | |
| Cash at bank and in hand | | 50,318 | | 61,224 | |
| | | <u>216,519</u> | | <u>232,570</u> | |
| Creditors: | | | | | |
| Amounts falling due within one year | 3 | (241,105) | | (170,655) | |
| Net Current (Liabilities)/Assets | | | (24,586) | | 61,915 |
| Total Assets Less Current Liabilities | | | <u>149,171</u> | | <u>192,479</u> |
| Creditors: | | | | | |
| Amounts falling due after more than one year | 3 | | (187,500) | | (175,000) |
| | | | <u>(38,329)</u> | | <u>17,479</u> |
| Capital and Reserves | | | | | |
| Share capital | 4 | | 205,334 | | 205,334 |
| Share premium account | | | 35,772 | | 35,772 |
| Profit and loss account | | | (279,435) | | (223,627) |
| | | | <u>(38,329)</u> | | <u>17,479</u> |

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The accounts were approved by the board on 3rd May 2001.

H Hinrichsen
D Grund
Directors



1 Principal Accounting Policies

Accounting Convention

The financial statements have been prepared in accordance with applicable Accounting Standards under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Going Concern

The financial statements have been prepared under the going concern basis. Subsequent to the balance sheet date the company has continued to trade with the support of its holding company.

Should the going concern basis of preparation not be appropriate it may prove necessary to write assets down to their net recoverable value and to provide for additional liabilities that may arise.

Depreciation

Depreciation is calculated to write down the cost, less estimated residual value, of all tangible fixed assets over their expected useful lives. The rates generally applicable are:

| | |
|-----------------------|-------------------|
| Fixtures and fittings | 20% straight line |
|-----------------------|-------------------|

Research and Development

Development expenditure incurred on an individual project is carried forward when its future recoverability can be foreseen with reasonable assurance. Any expenditure carried forward is amortised in line with the sales from the related project as follows:

| | |
|-------------------|----------|
| Development costs | 15 years |
|-------------------|----------|

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is computed on a first in first out basis. The cost of work in progress and finished goods includes all production overheads and depreciation and the attributable proportion of indirect overheads based on the normal level of activity. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Foreign Currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. All exchange differences are dealt with through the profit and loss account.

Contribution to Pension Funds

The pension costs charged against profits represent the amount of the contributions payable to a money purchase scheme in respect of the accounting period.

Leased Assets

Leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight-line basis over the lease term.

2 Fixed Assets

| | Intangible Fixed Assets £ | Tangible Fixed Assets £ | Total £ |
|--------------------------------------|---------------------------------|-------------------------------|------------|
| Cost | | | |
| At 1st January 2000 | 130,000 | 7,371 | 137,371 |
| Additions | 50,000 | - | 50,000 |
| At 31st December 2000 | 180,000 | 7,371 | 187,371 |
| Depreciation and amortisation | | | |
| At 1st January 2000 | 5,333 | 1,474 | 6,807 |
| Provided for in the year | 5,333 | 1,474 | 6,807 |
| At 31st December 2000 | 10,666 | 2,948 | 13,614 |
| Net Book Value | | | |
| At 31st December 2000 | 169,334 | 4,423 | 173,757 |
| At 31st December 1999 | 124,667 | 5,897 | 130,564 |

3 Creditors

Included within other creditors after one year is Debenture loan stock of £175,000 which was issued to Germanischer Lloyd AG. The loan is secured via a floating charge over the assets of the company and will not be repayable until after February 2002. Interest is charged on the outstanding balance at 6%.

4 Share Capital

| Authorised | 2000 £ | 1999 £ |
|--|------------------|------------------|
| 5,334 Ordinary shares of £1 each (1999: 5,334) | 5,334 | 5,334 |
| 200,000 10% preference shares of £1 each (1999: 200,000) | 200,000 | 200,000 |
| | 205,334 | 205,334 |
| Allotted, called up and fully paid | 2000 £ | 1999 £ |
| 5,334 Ordinary shares of £1 each (1999: 5,334) | 5,334 | 5,334 |
| 200,000 10% preference shares of £1 each (1999: 200,000) | 200,000 | 200,000 |
| | 205,334 | 205,334 |

The preference shares are non-convertible, non-voting redeemable shares. The shares are redeemable at par at any time. Each carry an 8% cumulative fixed dividend but do not participate in surplus dividend or capital. All dividends have been waived by shareholders up to and including the period ended 31st December 2000.

5 Related Party Transactions

| | 2000 £ | 1999 £ |
|---|-----------|-----------|
| The company conducted trade on normal commercial terms with the following associated companies: | | |
| Germanischer Lloyd (Malaysia) SDN. BHD. | | |
| Sales | 36,153 | 1,092 |
| Amount due from related party | 10,779 | 1,092 |
| Germanischer Lloyd Industrie and Offshore GmbH | | |
| Sales | 353,108 | 675,346 |
| Purchases | - | 7,569 |
| Amount due from related party | 44,629 | 56,414 |
| Sandberg Limited | | |
| Purchases | 38,299 | 44,648 |
| Amount due to related party | 37,257 | 21,849 |
| Germanischer Lloyd AG | | |
| Sales | 2,692 | 2,804 |
| Purchases | 61,783 | 15,165 |
| Debenture loan interest | 10,500 | 15,908 |
| Amount due to related party | 59,485 | 5,692 |
| Debenture loan (see note 11) | 175,000 | 175,000 |
| Harris and Sutherland (Offshore) Limited (Now part of Babtie Limited) | | |
| Purchases | 17,600 | 23,146 |
| Amount due to related party | 13,983 | 13,804 |
| Germanischer Lloyd (Abu Dhabi) | | |
| Sales | 8,301 | - |
| Amount due to related party (refund) | 2,271 | - |

The relationship between the directors of OCB Germanischer Lloyd Limited and fellow group companies are as follows:

H Hinrichsen is the managing director of Germanischer Lloyd Industrie and Offshore GmbH

D Grund is a confidential clerk of Germanischer Lloyd AG

M Murray is managing director of the Engineering Business Centre of Babtie Limited

N C E Sandberg is a director and chairman of Sandberg Limited.