GN Maritime (UK) Limited

Directors' report and financial statements

Registered number 02308627

31 December 2003

Contents

Directors' report	1
Statement of directors' responsibilities	2
Report of the independent auditors to the members of GN Maritime (UK) Limited	3
Profit and loss account	4
Balance sheet	5
Notes	6 - 12

Directors' report

The Directors present their annual report and the audited financial statements for the year ended 31 December 2003.

Principal activities and review of the year

On 1 July 2001, the directors of the company took the decision to cease trading following the sale of the company's business and certain assets to Swift Comtext Limited. As the Directors intend to liquidate the company following the settlement of the remaining net assets, they have not prepared the financial statements on a going concern basis. The effect of this is explained in note 1.

On 24 April 2003, GN Store Nord has made a capital contribution to the company of £9,500,000 in exchange for 1,900,000 new ordinary shares.

During the year, the following subsidiaries have been liquidated: Maritime Computer & Technical Services Ltd and GN Comtext (Switzerland) AG.

Results and dividends

The profit for the year was £706,000 *(2002: loss of £402,000).* The directors do not recommend the payment of a dividend *(2002: £nil).*

Directors and Directors' interests

The directors who held office during the year and subsequent to the year end were as follows:

Christian Tang-Jespersen (resigned 1 March 2003)
Stuart Canterbury
Carsten Buhl Nielsen (appointed 1 March 2003)

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the company. According to the register of directors' interests, no rights to subscribe for shares in or debentures of the company were granted to any of the directors or their immediate families, or exercised by them during the financial year.

Auditors

A resolution for the re-appointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming AGM.

By order of the board

Carsten Buhl Nielsen
Director

5/7 Copenhagen, 2004

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year, 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.

As explained in note 1 to the financial statements, the directors do not believe the going concern basis to be appropriate and these financial statements have not been prepared on that basis.

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Report of the independent auditors to the members of GN Maritime (UK) Limited

We have audited the financial statements on pages 4 to 12 which have not been prepared on a going concern basis for the reason set out in note 1 to the financial statements.

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 and the company's members as a body, for any 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 directors' report and, as described on page 2, 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 Auditing Practices Board and by our profession's ethical guidance.

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 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 is not disclosed.

Basis of audit 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. 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP

KPMG LLP
Chartered Accountants
Registered Auditor

5th July 2004

Profit and loss account

for the year ended 31 December 2003

	Note	2003 £000	2002 £000
Turnover - Discontinued	*2*	-	-
Cost of sales		-	-
Gross profit		-	-
Administrative expenses	*5, 6*	-	(1)
Operating loss – Discontinued		-	(1)
Profit on sale of a discontinued operation	*3*	-	317
Profit on disposal of investments	*11*	**1,200**	-
Interest receivable and similar income	*7*	**53**	346
Interest payable and similar charges	*8*	**(424)**	(985)
Profit/(Loss) on ordinary activities before taxation	*4*	**829**	(323)
Tax on profit/(loss) on ordinary activities	*9, 10*	**(123)**	(79)
Profit/(Loss) on ordinary activities after taxation and loss for the financial year	*18*	**706**	(402)

All turnover and operating profit/(loss) derives from discontinued operations.

The company has no recognised gains or losses in the current or previous financial year other than those reflected in the profit and loss account above.

There is no difference between the historical cost profit and that reported in the profit and loss account.

Balance sheet

at 31 December 2003

	Note	2003 £000	2003 £000	2002 £000	2002 £000
Current assets					
Investments	*11*	341		1,715	
Debtors	*12*	471		25	
Cash at bank and in hand		-		282	
		812		2,022	
Creditors: amounts falling due within one year	*13*	(2,203)		(13,619)	
Net current liabilities			(1,391)		(11,597)
Total assets less current liabilities			(1,391)		(11,597)
Net liabilities			(1,391)		(11,597)
Capital and reserves					
Called up share capital	*14*		18,447		16,547
Share premium account	*15*		8,502		902
Profit and loss account	*15*		(28,340)		(29,046)
Equity shareholders' deficit	*16*		(1,391)		(11,597)

These financial statements were approved by the board of directors on 5/7 2004 and were signed on its behalf by:

Carsten Buhl Nielsen
Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards and the Companies Act 1985.

The company is exempt by virtue of Section 228 of the Companies Act 1985 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

In years prior to 2001, the financial statements were prepared on a going concern basis. However, on 1 July 2001 the directors took the decision to cease trading following the sale of the company's business and certain assets to Swift Comtext Limited. As the directors intend to liquidate the Company following the settlement of the remaining net liabilities, the directors have not prepared the financial statements on a going concern basis. No further adjustments were necessary to the amounts at which the remaining net liabilities are included in these financial statements.

Investments

Investments are stated at cost less any provision for permanent diminution in value.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date, and the gains or losses on translation are included in the profit and loss account.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. 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 that result in an obligation to pay more tax in future or a right to pay less tax in future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Notes *(continued)*

1 Accounting policies *(continued)*

Cash flow statement

Under Financial Reporting Standard No.1, the company is exempt from the requirement to prepare a cash flow statement as its cash flows are included within the consolidated cashflow statement of its ultimate parent company, GN Great Nordic A/S, which is incorporated in Denmark.

2 Turnover

Turnover represents amounts (excluding valued added tax) derived from the provision of goods and services which fall within the company's discontinued activities. The Company no longer trades.

3 Profit on sale of a discontinued operation

On 1 July 2001, the directors of the company took the decision to cease trading following the sale of the company's business and certain assets to Swift Comtext Limited.

	2003	2002
	£000	£000
Profit on sale of discontinued operation	-	317

Notes *(continued)*

4 Profit/(Loss) on ordinary activities before taxation

	2003	2002
	£000	£000
Profit/(Loss) on ordinary activities before taxation is stated after charging:		
Auditors' remuneration - audit	**14**	24
- non-audit	**3**	34

Further assurance services in 2002 related to the provision of accounting and tax advice.

5 Staff numbers and costs

The company has not employed any persons during the year or previous year.

The company has not paid any wages and salaries during the year or previous year.

6 Remuneration of directors

The aggregate emoluments and amounts receivable under long-term incentive schemes of the highest paid director was £nil *(2002: £nil)* and pension contributions of £nil *(2002: £nil).*

During the year no share options were exercised.

7 Interest receivable and similar income

	2003	2002
	£000	£000
Bank interest receivable	**53**	88
Foreign exchange gains	**-**	258
	53	346

Notes *(continued)*

8 Interest payable and similar charges

	2003 £000	2002 £000
Amounts payable on bank loans and overdraft	**202**	516
Foreign exchange losses	**222**	469
	424	985

9 Tax on profit/(loss) on ordinary activities

	2003 £000	2002 £000
UK corporation tax at 30 % *(2002:30%,)*	**123**	79

Factors affecting the tax charge for the current period:
The current tax charge for the year is lower than the standard rate of corporation tax in the UK (30%). The differences are explained below:

	2003 £000	2002 £000
Current tax reconciliation		
Profit/(Loss) on ordinary activities	**829**	(323)
Expected UK corporation tax charge/(credit) at a standard rate of 30%	**249**	(97)
Inter-company debt write-offs	**-**	41
Loss on sale or write-down investments	**(73)**	(135)
Brought forward trade losses utilised	**(287)**	-
Non-trade losses carried forward	**111**	-
Prior year adjustment	**123**	-
Total current tax charge (see above)	**123**	79

Notes *(continued)*

10 Deferred taxation

No amounts have been provided for deferred tax in respect of tax losses. Since the trade of the company has ceased for tax purposes, the trading tax losses have been extinguished. The amount of unprovided deferred tax on trading losses for the year at 30% is as follows:

	Not provided 2003 £000	Not provided 2002 £000
Costs of closure accrued	-	437
Non-trade losses carried forward	**383**	-
At 31 December	**383**	437

11 Investments

Subsidiary and associated undertakings shares at net book value together with long term loans	**2003 £000**	2002 £000
At the beginning of the year	**1,715**	1,940
Disposals	**(2,767)**	(415)
Reversal of write down on investments disposed of	**1,393**	190
At the end of the year	**341**	1,715

To reflect the intention of the Directors to liquidate the company following the settlement of the remaining net liabilities after the sale, investments are shown within current assets at 31 December 2003.

The company holds equity in the following subsidiary and associated undertakings:

Company	**Country of incorporation**	**Holding**	**Proportion of Ordinary shares held**	**Nature of Business**
GN Maritime (Singapore) Pte Ltd	Singapore	Ordinary	100%	Non-trading
GN Maritime (SA) (Proprietary) Ltd	South Africa	Ordinary	100%	Non-trading
Mark Information Technology Sdn BHD	Malaysia	Ordinary	70%	Non-trading
Mark Systems (Thailand) Ltd	Thailand	Ordinary	100%	Non-trading
GN Maritime (Hellas) AE	Greece	Ordinary	100%	Non-trading
GN Maritime (Australia) Pty Ltd	Australia	Ordinary	100%	Non-trading

Notes *(continued)*

12 Debtors

	2003	2002
	£000	£000
Amounts owed to group undertakings	**463**	-
Other debtors	**8**	25
	471	25

13 Creditors: amounts falling due within one year

	2003	2002
	£000	£000
Bank loans and overdrafts	-	1,825
Trade creditors	**395**	505
Amounts owed to subsidiary undertakings	-	1,402
Amounts owed to group undertakings	**327**	7,615
Other creditors including taxation and social security	**23**	83
Accruals	**1,458**	2,189
	2,203	13,619

14 Called up share capital

	2003	2002
	£000	£000
Authorised		
20,000,000 Ordinary shares of £1 each	**20,000**	20,000
Allotted, called up and fully paid		
18,447,369 (2002: 16,547,369) Ordinary shares of £1 each	**18,447**	16,547

During the year the Company issued 1,900,000 Ordinary shares of £1 each for consideration of £9,500,000 as disclosed under note 16.

Notes *(continued)*

15 Share premium and reserves

	Share premium £000	Profit and loss account £000
At the beginning of the year	902	(29,046)
Retained profit for the year	-	706
Premium on share issue, less expenses	7,600	-
At the end of the year	**8,502**	**(28,340)**

16 Reconciliation of movements in equity shareholders' deficit

	2003 £000	2002 £000
Shareholders' deficit at the beginning of the year	**(11,597)**	**(11,195)**
Capital increase	**9,500**	**-**
Profit/(Loss) for the year	**706**	**(402)**
Shareholders' deficit at the end of the year	**(1,391)**	**(11,597)**

17 Related party transactions

The company meets the exemption requirements of FRS8: Related Party Transactions, in that 90% or more of its voting rights are controlled within the GN Great Nordic A/S group of companies. The company has therefore not separately disclosed all transactions with other group companies and investees of the group qualifying as related parties.

18 Immediate and ultimate parent company

The immediate and ultimate parent company is GN Great Nordic A/S incorporated in Denmark. It is the parent company of the only Group that prepares consolidated accounts incorporating the results of the company. Copies of the accounts of GN Great Nordic A/S can be obtained from GN Store Nord A/S, Maarkaervej 2A, DK-2630 Taastrup, Denmark.