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BIBBY TRADE FINANCE LIMITED

FINANCIAL STATEMENTS FOR THE

YEAR ENDED 31 DECEMBER 2000



BIBBY TRADE FINANCE LIMITED

IMMEDIATE PARENT UNDERTAKING

Bibby Financial Services Limited
(formerly Bibby Financial Services (Holdings) Limited)

ULTIMATE PARENT UNDERTAKING

Bibby Line Group Limited

DIRECTORS

David Albert Robertson
Mark John Cleaver - Chairman
Stuart Relton - Managing Director
Ian Downing
Hugh Francis

SECRETARY

Bibby Bros. & Co. (Management) Limited

REGISTERED OFFICE

105 Duke Street
Liverpool
L1 5JQ

Incorporated in England & Wales
Registration No. 3530463

AUDITORS

PricewaterhouseCoopers
8 Princes Parade
St. Nicholas Place
Liverpool
L3 1QJ

BIBBY TRADE FINANCE LIMITED

NOTICE OF MEETING

Notice is hereby given, that the Annual General Meeting of the Company will be held on 15 May 2001 at 105 Duke Street, Liverpool for the following purposes:

To consider the attached Directors' Report and Financial Statements for the year ended 31 December 2000.

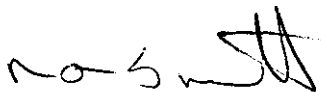
To re-elect Directors.

To re-appoint PricewaterhouseCoopers as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors to fix the remuneration of the Auditors.

To transact any other ordinary business.

A member of the Company entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member.

By order of the Board



Bibby Bros. & Co. (Management) Limited
Secretary

12 March 2001

BIBBY TRADE FINANCE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2000

The Directors present their Report together with the Audited Financial Statements for the year ended 31 December 2000.

SHARE CAPITAL

On 22 May 2000, 500,000 Ordinary Shares of £1 were allotted and issued to Bibby Financial Services Limited (formerly Bibby Financial Services (Holdings) Limited).

ACTIVITIES

The principal activity of the Company is the provision of transaction based trade finance.

TRADING RESULT

The result for the year is set out in the Profit and Loss Account.

CHANGES IN FIXED ASSETS

Changes in fixed assets are set out in Note 6 to the Accounts.

DEVELOPMENT OF BUSINESS

The Company continued to make progress with the level of business increasing substantially and a satisfactory profit made.

The Directors expect that the Company's expansion will be sustained in the current financial year.

DIVIDENDS

The Directors do not propose to pay a dividend.

BIBBY TRADE FINANCE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2000 (CONTINUED)

DIRECTORS AND THEIR INTERESTS

The Directors during the year were:

D. A. Robertson - Chairman
S. Relton - Managing Director
I. Downing
J. Haymer
H. Francis

Since the year end, Mr. M. J. Cleaver was appointed a Director of the Company and replaced Mr. D. A. Robertson as Chairman of the Company on 1 January 2001 and Mr. J. Haymer resigned as a Director of the Company on 12th February 2001.

The only interests of the Directors in shares of the Bibby Line Group companies were in shares of Bibby Line Group Limited.

The interests of Mr. J. Haymer in the shares of Bibby Line Group Limited are disclosed in the Directors' Report of that company. None of the other Directors holds shares in Bibby Line Group Limited.

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 year. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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.

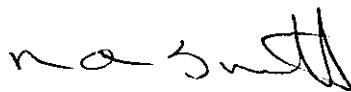
BIBBY TRADE FINANCE LIMITED

DIRECTORS' REPORT FOR THE
YEAR ENDED 31 DECEMBER 2000 (CONTINUED)

AUDITORS

PricewaterhouseCoopers have expressed their willingness to continue in office as Auditors and a resolution proposing their re-appointment will be submitted at the Annual General Meeting.

By order of the Board



Bibby Bros. & Co. (Management) Limited
Secretary

12 March 2001

BIBBY TRADE FINANCE LIMITED

AUDITORS' REPORT TO THE MEMBERS OF BIBBY TRADE FINANCE LIMITED

We have audited the financial statements on pages 7 to 15, which have been prepared under the historical cost convention, and the accounting policies set out on page 9.

Respective Responsibilities of Directors and Auditors

The Directors are responsible for preparing the Annual Report. As described on page 4, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and 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 United Kingdom Companies Act. 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 is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

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 at 31 December 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Liverpool

12 March 2001

BIBBY TRADE FINANCE LIMITED

PROFIT & LOSS ACCOUNT FOR THE
YEAR ENDED 31 DECEMBER 2000

	Note	2000 £	1999 £
Turnover	2	711,546	313,887
Operating Costs - Administration		(516,914)	(274,555)
Operating Profit		194,632	39,332
Interest Receivable and Similar Income	3	-	101
Interest Payable on Bank Overdraft	3	(84,202)	(21,719)
Profit on Ordinary Activities Before Taxation	4	110,430	17,714
Taxation	5	(30,700)	(8,600)
Profit for the Financial Year Transferred to Reserves	11	<u>79,730</u>	<u>9,114</u>

There are no recognised gains or losses in 2000 or 1999 other than those dealt with in the profit and loss account.

Turnover and profit on ordinary activities all derive from continuing activities which are unchanged from the previous year.

There is no difference between the profit stated above, and its historical cost equivalent.

The notes on pages 9 to 15 form part of these financial statements.

BIBBY TRADE FINANCE LIMITED

BALANCE SHEET
31 DECEMBER 2000

	Note	2000 £	1999 £
FIXED ASSETS:			
Tangible Assets	6	<u>69,410</u>	<u>72,178</u>
CURRENT ASSETS:			
Debtors	7	3,372,805	1,026,187
Cash at Bank and in Hand		<u>147</u>	<u>2</u>
		3,372,952	1,026,189
Creditors (amounts falling due within one year)	8	<u>(2,351,115)</u>	<u>(586,850)</u>
Net Current Assets		<u>1,021,837</u>	<u>439,339</u>
Total Assets less Current Liabilities		<u>1,091,247</u>	<u>511,517</u>
Creditors (amounts falling due after more than one year)	8	<u>32,000</u>	<u>32,000</u>
CAPITAL AND RESERVES:			
Called Up Share Capital	10	1,000,000	500,000
Profit and Loss Account	11	<u>59,247</u>	<u>(20,483)</u>
Equity Shareholders' Funds	12	<u>1,059,247</u>	<u>479,517</u>
		<u>1,091,247</u>	<u>511,517</u>

Approved by the Board on 12 March 2001



I. Downing
Director

The notes on pages 9 to 15 form part of these financial statements.

BIBBY TRADE FINANCE LIMITED

NOTES TO THE ACCOUNTS 31 DECEMBER 2000

1. ACCOUNTING POLICIES

Accounting Basis

The Accounts for the Company are presented on the basis of historical cost accounting conventions and in accordance with applicable accounting standards.

Fixed Assets

Fixed Assets are included at cost less accumulated depreciation.

Depreciation is provided to write-off the assets over their useful life on a straight line basis as follows:-

Office Equipment - Over 3-5 years

Deferred Taxation

Provision for deferred taxation resulting from accelerated tax depreciation allowances and other timing differences is made where a corporation tax liability or assets might arise within the foreseeable future.

Operating Leases

Operating lease rentals are charged to the profit and loss account as incurred.

Pension Costs

The cost of providing pensions is charged against profit on a systematic basis with pension surpluses arising allocated over the expected remaining service lives of current employees. Differences between the amounts charged in the profit and loss account and payments made to the pension scheme are treated as assets or liabilities. Payments to the defined contribution scheme are charged as incurred.

Cash Flows

A statement of group cash flows has been included in the consolidated accounts presented by the ultimate parent undertaking. Accordingly, no statement is presented within these accounts.

Related Party Transactions

Under Financial Reporting Standard 8, the Company is exempt from disclosing related party transactions with group companies, as more than 90% of the voting rights are controlled by the ultimate parent undertaking, Bibby Line Group Limited.

Foreign Currencies

Assets and liabilities denominated in foreign currencies are translated at closing rates.

Letters of Credit

Unpresented letters of credit at the balance sheet date are shown as a contingent liability.

BIBBY TRADE FINANCE LIMITED

NOTES TO THE ACCOUNTS 2000 (CONTINUED)

2. TURNOVER

Turnover, which is derived from within the United Kingdom, comprises amounts receivable as a result of providing transaction based finance.

3. INTEREST RECEIVABLE AND SIMILAR INCOME AND INTEREST PAYABLE

	2000 £	1999 £
Interest Receivable		
From Non-Group Companies	<u>-</u>	<u>101</u>
Interest Payable		
Interest on Loans Wholly Payable Within Five Years	<u>84,202</u>	<u>21,719</u>

4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION is stated after charging the following amounts:-

	2000 £	1999 £
Staff Costs:		
Wages and Salaries	216,053	100,100
Social Security Costs	21,299	8,970
Pension Costs	9,411	7,532
Interest on Loans Wholly Repayable Within Five Years	84,202	21,719
Hire of Plant and Equipment	21,944	14,235
Rental of Properties	18,000	15,000
Auditors' Fees and Expenses	1,500	2,150
Depreciation	<u>25,463</u>	<u>3,386</u>

5. TAXATION

	2000 £	1999 £
Group Relief Charge	29,000	12,000
Adjustment for Group Relief in Respect of Previous Years	-	1,000
Deferred Tax Charge/(Credit)	<u>1,700</u>	<u>(4,400)</u>
	<u>30,700</u>	<u>8,600</u>

BIBBY TRADE FINANCE LIMITED

NOTES TO THE ACCOUNTS 2000 (CONTINUED)

6. TANGIBLE ASSETS

	Office Equipment £
Cost	
At 1 January 2000	75,756
Additions for the Year	<u>22,695</u>
At 31 December 2000	<u>98,451</u>
Accumulated Depreciation	
At 1 January 2000	3,578
Charge for the Year	<u>25,463</u>
At 31 December 2000	<u>29,041</u>
Net Book Value at 31 December 2000	<u>69,410</u>
Net Book Value at 1 January 2000	<u>72,178</u>

7. DEBTORS

	2000 £	1999 £
Trade Debtors	3,141,202	823,175
Prepayments and Accrued Income	165,200	179,856
Taxation and Social Security	36,912	-
Amounts Owed by Group Undertakings	26,791	18,756
Deferred Taxation (See Note 9)	<u>2,700</u>	<u>4,400</u>
	<u>3,372,805</u>	<u>1,026,187</u>

BIBBY TRADE FINANCE LIMITED

NOTES TO THE ACCOUNTS 2000 (CONTINUED)

8. CREDITORS

	2000 £	1999 £
(Amounts Falling Due within One Year)		
Bank Overdraft and Short Term Loans	2,120,449	486,137
Trade Creditors	96,242	-
Amount Owed to Ultimate Parent Undertaking	29,000	12,000
Amount Owed to Other Group Undertakings	22,159	25,778
Accruals and Deferred Income	83,265	20,272
Other Taxation and Social Security	-	42,663
	<u>2,351,115</u>	<u>586,850</u>

(Amounts Falling Due After More Than One Year)

Trade Creditors due after more than one year are repayable as follows:-

Between One and Two Years	32,000	16,000
Between Two and Five Years	-	16,000
	<u>32,000</u>	<u>32,000</u>

9. DEFERRED TAXATION ASSET

	£
As at 1 January 2000	4,400
Profit and Loss Charge	(1,700)
As at 31 December 2000	<u>2,700</u>

The amounts of deferred taxation recognised and unrecognised at 30% (1999 - 30%) are as follows:

	Recognised		Unrecognised	
	2000 £	1999 £	2000 £	1999 £
Accelerated Capital Allowances	(1,800)	(2,800)	(1,200)	(1,900)
Other Timing Differences	<u>4,500</u>	<u>7,200</u>	<u>3,000</u>	<u>4,800</u>
	<u>2,700</u>	<u>4,400</u>	<u>1,800</u>	<u>2,900</u>

BIBBY TRADE FINANCE LIMITED

NOTES TO THE ACCOUNTS 2000 (CONTINUED)

10. CALLED UP SHARE CAPITAL

	2000 £	1999 £
Allotted and Fully Paid:		
Ordinary Shares of £1 each	<u>1,000,000</u>	<u>500,000</u>
Authorised:		
Ordinary Shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>

On 22 May 2000, 500,000 Ordinary Shares of £1 were allotted and issued to Bibby Financial Services Limited (formerly Bibby Financial Services (Holdings) Limited).

11. RESERVES

	Profit & Loss Account £
At 1 January 2000	(20,483)
Amount Transferred to Reserves For the Financial Year	<u>79,730</u>
At 31 December 2000	<u>59,247</u>

12. MOVEMENTS IN SHAREHOLDERS' FUNDS

	2000 £	1999 £
Profit for the Financial Year	79,730	9,114
New Share Capital Subscribed	500,000	-
Opening Shareholders' Funds	<u>479,517</u>	<u>470,403</u>
Closing Shareholders' Funds	<u>1,059,247</u>	<u>479,517</u>

13. DIRECTORS' EMOLUMENTS

	2000 £	1999 £
The total emoluments were:		
Emoluments	118,184	64,505
Pension Contributions	<u>7,473</u>	<u>5,215</u>
	<u>125,657</u>	<u>69,720</u>

Pension contributions were made in respect of two (1999 - two) of the Company's Directors to a defined benefit scheme.

BIBBY TRADE FINANCE LIMITED

NOTES TO THE ACCOUNTS 2000 (CONTINUED)

14. CAPITAL COMMITMENTS

There were no capital commitments at 31 December 2000 (1999 - Nil).

15. PARTICULARS OF EMPLOYEES

	2000	1999
The average number of persons employed by the Company during the period was	<u>8</u>	<u>4</u>

All employees are engaged in providing transaction-based finance.

16. PENSION COSTS

A number of the Company's employees are members of the Bibby Line Group's defined benefit pension scheme. The assets of the scheme are held separately from those of the Group and are invested with an insurance company. The scheme was closed to new entrants from 1 April 2000.

The latest actuarial valuation was at 6 April 2000 and showed the scheme to be 94% funded. Contributions are determined in accordance with independent actuarial advice. Further actuarial information is given in the accounts of Bibby Line Group Limited.

Since 1 April 2000, Bibby Line Group has operated a money purchase pension scheme for new employees.

The pension charge for the year is given in Note 4.

17. OPERATING LEASE COMMITMENTS

	2000 £	1999 £
Annual Commitments Under Operating Leases Which Expire:		
Within One Year:		
- Motor Vehicles	-	10,222
Within Two to Five Years:		
- Motor Vehicle	17,891	3,693
- Property Rentals	<u>30,400</u>	<u>30,400</u>
	<u>48,291</u>	<u>44,315</u>

BIBBY TRADE FINANCE LIMITED

NOTES TO THE ACCOUNTS 2000 (CONTINUED)

18. CONTINGENT LIABILITIES

	2000 £	1999 £
Unpresented Letters of Credit	<u>1,231,204</u>	<u>636,323</u>

19. PARENT UNDERTAKINGS

The Company is a wholly owned subsidiary undertaking of Bibby Financial Services Limited (formerly Bibby Financial Services (Holdings) Limited) which is itself a wholly owned subsidiary undertaking of Bibby Line Group Limited. Bibby Line Group Limited is the parent undertaking of the smallest and largest group which consolidates these accounts and of which the Company is a member.

Copies of the Group accounts may be obtained from Bibby Line Group Limited, 105 Duke Street, Liverpool L1 5JQ.