

SIGNED

BIBBY INTERNATIONAL SERVICES GROUP LIMITED

**FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 DECEMBER 2001**

390 2499



BIBBY INTERNATIONAL SERVICES GROUP LIMITED

PARENT UNDERTAKING

Bibby Line Limited

ULTIMATE PARENT COMPANY

Bibby Line Group Limited

DIRECTORS

Michael James Bibby
Jonathan Haymer
John Stewart Whewell Hogarth
Martyn Philip Howard
Nigel Howard Malpass
Rodolfo Militante Fernandez
Dinesh Gautama
Jonathan Osborne

SECRETARY

Bibby Bros. & Co. (Management) Limited

REGISTERED OFFICE

105 Duke Street
Liverpool
L1 5JQ

Incorporated in England and Wales
Registered No. 3902499

AUDITORS

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

BIBBY INTERNATIONAL SERVICES GROUP LIMITED

NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of the Company will be held on 24 May 2002 at 105 Duke Street, Liverpool for the following purposes:

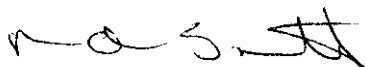
To consider the attached Directors' Report and Financial Statements for the year ended 31 December 2001.

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.

By order of the Board



Bibby Bros. & Co. (Management) Limited
Secretary

3 April 2002

BIBBY INTERNATIONAL SERVICES GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 December 2001

The Directors present their Report together with the Financial Statements for the year ended 31 December 2001.

ACTIVITIES AND DEVELOPMENT OF BUSINESS

The Company's principal activity is the provision of marine officers and ratings.

The result for the year is set out in the Profit and Loss account. The company has traded profitably during the year. The directors consider the financial position of the company at 31 December 2001 to be satisfactory. The directors do not anticipate any major changes to the companies trading activities in the foreseeable future.

DIRECTORS AND THEIR INTERESTS

The names of the persons who were Directors of the Company during the period were:

M. J. Bibby
J. Haymer
J. S. W. Hogarth - Chairman
N. H. Malpass - Managing Director
M. P. Howard
R. M. Fernandez
D. Gautama - Appointed 14 June 2001
J. Osborne - Appointed 1 December 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. M. J. Bibby and Mr. J. Haymer in the shares of Bibby Line Group Limited are disclosed in the Directors' Report of that company.

The interests of the other Directors in the shares of Bibby Line Group Limited was as follows:-

	31 December 2001 Beneficial	29 December 2000 Beneficial
J. S. W. Hogarth £1,000 Ordinary Shares	1	1

BIBBY INTERNATIONAL SERVICES GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 December 2001 (CONTINUED)

DIRECTORS AND THEIR INTERESTS (continued)

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:

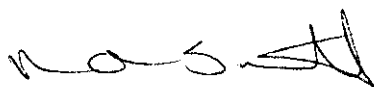
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare 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.

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

3 April 2002

BIBBY INTERNATIONAL SERVICES GROUP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BIBBY INTERNATIONAL SERVICES GROUP LIMITED

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes which have been prepared under the historical cost convention and the accounting policies set out in the statement of accounting policies.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards 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 United Kingdom Auditing Standards issued by the Auditing Practices Board.

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 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. The other information comprises only the directors' report.

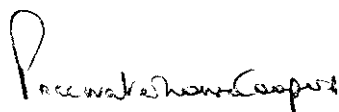
Basis of audit opinion

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 judgments 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 2001 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

3 April 2002

BIBBY INTERNATIONAL SERVICES GROUP LIMITED

PROFIT AND LOSS ACCOUNT FOR THE
YEAR ENDED 31 DECEMBER 2001

	Note	2001 \$	2000 \$
Administration Expenses		(373,240)	(230,006)
Dividends Received		<u>551,000</u>	<u>-</u>
Profit / (Loss) on Ordinary Activities Before Taxation	2	177,760	(230,006)
Tax on Loss on Ordinary Activities	3	<u>103,072</u>	<u>62,673</u>
Profit / (Loss) for the Financial Period Transferred to / (from) Reserves	9	<u>280,832</u>	<u>(167,333)</u>

There are no recognised gains or losses in 2001 or 2000 other than those dealt with in the profit and loss account.

The turnover and result on ordinary activities all derive from continuing activities.

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

BIBBY INTERNATIONAL SERVICES GROUP LIMITED

BALANCE SHEET AS AT
31 DECEMBER 2001

	Note	2001 \$	2000 \$
FIXED ASSETS			
Tangible Fixed Assets	4	8,092	-
Investments	5	<u>268,464</u>	<u>161,785</u>
		<u>276,556</u>	<u>161,785</u>
CURRENT ASSETS			
Debtors	6	745,472	61,853
CURRENT LIABILITIES			
Creditors (Amounts Falling Due Within One Year)	7	<u>(908,429)</u>	<u>(390,871)</u>
Net Current Liabilities		<u>(162,957)</u>	<u>(329,018)</u>
Total Assets Less Current Liabilities		<u>113,599</u>	<u>(167,233)</u>
CAPITAL AND RESERVES			
Called Up Share Capital	8	100	100
Profit and Loss Account	9	<u>113,499</u>	<u>(167,333)</u>
Equity Shareholders' Funds / (Deficit)	10	<u>113,599</u>	<u>(167,233)</u>

Approved by the Board on 3 April 2002



J. Haymer
Director

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

BIBBY INTERNATIONAL SERVICES GROUP LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2001

1. ACCOUNTING POLICIES

Accounting Basis

The financial statements are stated in US Dollars. They have been prepared under historical cost accounting conventions and have been prepared in accordance with applicable Accounting Standards.

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 in these accounts.

Fixed Assets

Fixed assets are included at cost less depreciation. Depreciation is provided on a straight line basis to write off the cost of the assets over the useful economic lives as detailed below.

Computer equipment - 3 Years

Pensions

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.

Related Party Transactions

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

Transactions between Bibby Line Group Limited and its related parties and a statement of substantial shareholdings in Bibby Line Group Limited are included in that company's consolidated financial statements.

Investments

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

Deferred Taxation

Provision for deferred taxation, resulting from accelerated tax depreciation allowances, is made where a corporation tax liability might arise within the foreseeable future.

Foreign Currencies

Assets and liabilities in foreign currencies are converted into US Dollars at the approximate rates ruling at the year end.

Trading transactions denominated in foreign currencies are translated into US Dollars at the exchange rate ruling on the date of the transaction or at an average rate for the year where appropriate.

2. PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

This is stated after charging the following amounts:

	2001 \$	2000 \$
Depreciation	4,046	-
Wages and Salaries	164,701	129,122
Social Security Costs	16,362	13,731
Pension Costs	<u>26,100</u>	<u>11,313</u>

Auditors' remuneration is borne by the parent company.

BIBBY INTERNATIONAL SERVICES GROUP LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2001 (CONTINUED)

3.	TAXATION CREDIT	2001	2000
		\$	\$
	Payment for Losses Surrendered to Another Group Undertaking	(103,072)	(62,673)

The payment for group relief represents the consideration to be paid to other Group undertakings for the surrender of losses amounting to US\$369,925 (2000 - \$230,006).

The Corporation tax liability for the year has been reduced to nil by the surrender of taxation losses to other Group undertaking by way of group relief.

4.	TANGIBLE FIXED ASSETS		Computer Equipment \$
	Cost at 1 January 2001		-
	Additions		<u>12,138</u>
	Cost at 31 December 2001		<u>12,138</u>
	Depreciation at 1 January 2001		-
	Charge for the Year		<u>4,046</u>
	Depreciation at 31 December 2001		<u>4,046</u>
	Net Book Amount at 31 December 2001		<u>8,092</u>
	Net Book Amount at 31 December 2000		<u>-</u>

5.	INVESTMENTS	2001	2000
			\$
	Cost:		
	At 1 January	161,785	-
	Additions	<u>106,679</u>	<u>161,785</u>
	At 31 December	<u>268,464</u>	<u>161,785</u>

During the year the company established a new subsidiary undertaking, Bibby International Services (India) PVT Limited.

BIBBY INTERNATIONAL SERVICES GROUP LIMITED

NOTES TO THE ACCOUNTS FOR THE
YEAR ENDED 31 DECEMBER 2001 (CONTINUED)

5. INVESTMENTS/continued

	Country of Incorporation
Wholly Owned Subsidiaries at Cost:	
Bibby International Services Limited	Cayman Islands
Bibby International Services (India) Pvt Limited	India
Other Investments:	
Bibby International Services Philippines Inc	Philippines

The Company is exempt under s228 of the Companies Act 1985 from the requirement to prepare consolidated accounts. Accordingly, financial information is presented about the Company as an individual undertaking.

The Directors consider the market value of the investments to be not less than the book value.

6.	DEBTORS	2001 \$	2000 \$
	Amounts Owed by Group Undertakings	<u>745,472</u>	<u>61,853</u>
7.	CREDITORS (Amounts Falling Due Within One Year)	2001 \$	2000 \$
	Other Creditors	2,112	-
	Amounts Owed to Group Undertakings	906,317	382,058
	Accruals and Deferred Income	<u>-</u>	<u>8,813</u>
		<u>908,429</u>	<u>390,871</u>
8.	CALLED UP SHARE CAPITAL	2001 \$	2000 \$
	Allotted and Fully Paid:		
	Ordinary Shares of \$1 each	<u>100</u>	<u>100</u>
	Authorised:		
	Ordinary Shares of \$1 each	<u>100,000</u>	<u>100,000</u>

BIBBY INTERNATIONAL SERVICES GROUP LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2001 (CONTINUED)

9. PROFIT AND LOSS ACCOUNT

	\$
At 31 December 2000	(167,333)
Profit for the Year	<u>280,832</u>
At 31 December 2001	<u>113,499</u>

	2001 \$	2000 \$
10. Movement in Shareholders' Funds:		
Opening Deficit of Shareholders' Funds	(167,233)	-
Profit/(Loss) for the Financial Period	280,832	(167,333)
New Share Capital Subscribed	<u>-</u>	<u>100</u>
Closing Surplus/(Deficit) of Shareholders' Funds	<u>113,599</u>	<u>(167,233)</u>

11. EMOLUMENTS OF DIRECTORS

Aggregate emoluments paid to Directors during the year were \$ 86,321 (2000 - \$83,097).

In addition, \$ 12,521 (2000 - \$8,310) was paid to a money purchase pension scheme on behalf of Mr. N. H. Malpass.

12. PARTICULARS OF EMPLOYEES

The number of employees other than Directors during the period was 2 (2000 - 2).

13. PARENT UNDERTAKING

The Company is a wholly owned subsidiary undertaking of Bibby Line Limited, which is a wholly owned subsidiary of Bibby Line Group Limited, the ultimate parent undertaking, a company incorporated in the United Kingdom.

Bibby Line Group Limited is the parent undertaking of the largest and smallest group which consolidates these accounts and of which the Company is a member.

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