

**VT Leaseco Limited**

**Director's report and financial  
statements**

**Registered number 4168215**

**31 March 2002**



## Contents

Director's report	1
Statement of director's responsibilities	2
Report of the independent auditors to the members of VT Leaseco Limited	3
Balance sheet	4
Notes	5

## Director's report

The director presents his first report and audited financial statements for the period from 26 February 2001 to 31 March 2002.

### Principal activity

The Company's principal activity is the leasing of vessels as lessor.

### Business review

The Company was incorporated on the 26 February 2001 and did not trade during the period and accordingly no profit and loss account has been prepared. The Company has however provided funds to enable the commencement of construction of three catamarans. The first vessel is scheduled to be delivered to the customer in Spring 2003, with the second and third vessels following in quick succession.

### Directors

The directors who have held office during the period are as follows:

CJ Cundy	(appointed 5 March 2001)
AE Heathcock	(appointed 26 February 2001; resigned 5 March 2001)

The Company's Articles of Association do not require the directors to retire by rotation.

Mr CJ Cundy is a director of Vosper Thornycroft Holdings plc and his interest in the shares of that company and his right to subscribe for shares of that company are shown in its directors' report.

### Auditors

KPMG Audit Plc were appointed by the directors as the first auditors of the company on 2 April 2002.

In accordance with section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG Audit Plc as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

By order of the Board



**PG Dawes**  
*Secretary*

5 July 2002

## **Statement of director's responsibilities**

Company law requires the director to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company and of the profit or loss for that period. In preparing those financial statements, the director is 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He has general responsibility for taking such steps as are reasonably open to him to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.



KPMG Audit Plc

Dukes Keep  
Marsh Lane  
Southampton  
Hampshire SO14 3EX

## **Report of the independent auditors to the members of VT Leaseco Limited**

We have audited the financial statements on pages 4 to 7.

### **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 March 2002 and of its result for the period from 26 February 2001 (date of incorporation) to 31 March 2002 and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in black ink that reads 'KPMG Audit Plc'.

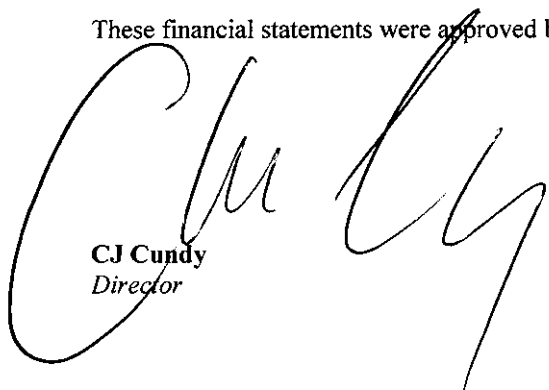
**KPMG Audit Plc**  
*Chartered Accountants*  
*Registered Auditors*

5 July 2002

**Balance sheet**  
*at 31 March 2002*

	<i>Note</i>	2002 £000	£000
<b>Fixed assets</b>			
Tangible assets	4		4,181
<b>Current assets</b>			
Debtors	5	40	
<b>Creditors: amounts falling due within one year</b>	6	(4,221)	
<b>Net current liabilities</b>			(4,181)
<b>Net assets</b>			-
<b>Capital and reserves</b>			
Called up share capital	7		-
<b>Equity shareholder's funds</b>	8		-

These financial statements were approved by the Board of Directors on 5 July 2002 and were signed on its behalf by:



**CJ Cundy**  
*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 in accordance with applicable accounting standards and under the historical cost accounting rules.

The financial statements have been prepared on the going concern basis because the company's ultimate parent undertaking has confirmed that it will provide such financial and other support as is necessary to enable the company to meet its liabilities for the foreseeable future.

During the financial period the company did not trade although it did provide funds to enable the commencement of construction of three Catamarans. Consequently during the period the company made neither a profit nor a loss, and a profit and loss account has not been presented as there are no entries to report.

Under Financial Reporting Standard 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

As the Company is a wholly owned subsidiary of Vosper Thornycroft Holdings plc, it has taken advantage of the exemption contained in FRS 8 Related Party Transactions and has therefore not disclosed details of transactions or balances with entities which form part of the Group (or investees of the Group qualifying as related parties). The consolidated financial statements of Vosper Thornycroft Holdings plc, within which this Company is included, can be obtained from the address given in note 9.

#### ***Fixed assets and depreciation***

Fixed assets are currently stated at cost. The cost of fixed assets includes the valuation of construction to date and interest charged on the funds received to finance the project during development. Interest on loans will be capitalised up to the date of completion of each vessel. Following completion of each vessel, depreciation will be provided to write off the cost less the estimated residual value of the tangible fixed assets in equal instalments over its useful economic life.

#### ***Taxation***

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

**Notes** *(continued)*

**2 Director's emoluments**

During the period the emoluments of the director were borne by a fellow group company.

**3 Interest payable and similar charges**

**Period from 26  
February 2001 to  
31 March 2002  
£000**

On bank loans	50
Less: finance costs capitalised (see below)	(50)

            
-  
          

All finance costs have been capitalised into tangible fixed assets.

**4 Fixed assets**

**Assets in the  
course of  
construction  
£000**

<b>Cost</b>	
Additions	4,181

            
**4,181**  
          

At end of period

**Depreciation**

Charge for period	-
-------------------	---

            
-  
          

At end of period

**Net book value**

At 31 March 2002	4,181
------------------	-------

            
**4,181**  
          

The gross book value of tangible fixed assets includes £50,000 of capitalised interest.

**5 Debtors**

**2002  
£000**

Other debtors	40
---------------	----

            
**40**



**Notes (continued)**

**6 Creditors: amounts falling due within one year**

	2002 £000
Bank overdraft	4,211
Accruals and deferred income	10
	<hr/> 4,221 <hr/>

**7 Called up share capital**

	2002 £
<i>Authorised</i>	
Equity: 100 Ordinary shares of £1 each	100
	<hr/>
<i>Allotted, called up and fully paid</i>	
Equity: 1 Ordinary shares of £1 each	1
	<hr/>

**8 Reconciliation of movements in shareholders' funds**

	2002 £000
Profit for the financial period	-
New share capital	-
	<hr/>
Net addition to and closing shareholders' funds	-
	<hr/>

**9 Ultimate parent company**

The Company is a subsidiary undertaking of Vosper Thornycroft (UK) Limited, a Company incorporated in Great Britain and registered in England and Wales.

The largest group in which the results of the Company are reported is that headed by Vosper Thornycroft Holdings plc. The consolidated financial statements are available to the public at that company's registered office of Victoria Road, Woolston, Southampton, SO19 9RR. No other financial statements include the results of the Company.