

**SIGNED**

Registration number 05837446

## Bibby Finance 1 Limited

Directors' Report and Financial Statements  
for the Period from 5 June 2006 to 31 December 2006

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## **Bibby Finance 1 Limited**

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**Bibby Finance 1 Limited**  
**Officers and Advisers**

<b>Directors</b>	Ian Downing (appointed 5 June 2006) Jonathan Haymer (appointed 5 June 2006)
<b>Secretary</b>	Bibby Bros & Co (Management) Limited (appointed 5 June 2006)
<b>Registered office</b>	105 Duke Street Liverpool L1 5JQ
<b>Auditors</b>	KPMG LLP Chartered Accountants 8 Princes Parade Liverpool L3 1QH

**Bibby Finance 1 Limited**  
**Directors' Report for the Period Ended 31 December 2006**

The directors present their report and the audited financial statements for the period ended 31 December 2006

**Directors' responsibilities**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

The financial statements are required by law to 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 these financial statements, the directors are required to

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on a 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 enable them to ensure 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

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of

**Incorporation details**

The company was incorporated on 5 June 2006 and commenced trading on that date

**Principal activity and business review**

The principal activity of the company is to act as an intermediate holding company

The directors consider that the results for the period and the financial position at the end of the period were satisfactory

**Post balance sheet events**

No events have occurred since the period end which require reporting or disclosing in the financial statements

**Results and dividend**

The results for the company are set out in the financial statements

The directors do not recommend the payment of a dividend

**Bibby Finance 1 Limited**  
**Directors' Report for the Period Ended 31 December 2006**

**Directors and their interests**

The directors who held office during the period were as follows

- Ian Downing (appointed 5 June 2006)
- Jonathan Haymer (appointed 5 June 2006)

None of the directors had an interest in the shares of the company at any time during the period

The interests of Jonathan Haymer in the share capital of the ultimate controlling entity, Bibby Line Group Limited, are shown in the financial statements of that company

**Retirement of directors**

In accordance with the Articles of Association, directors are not required to retire from the board on a rotational basis

**Auditors**

Pursuant to section 386 of the Companies Act 1985, a resolution is to be put to the forthcoming Annual General Meeting which, if passed, would result in the Company not being required to reappoint its auditors annually KPMG LLP would then continue as the Company's auditors

**Election to dispense laying accounts**

In accordance with s 252, Companies Act 1985, the company has elected to dispense with laying accounts before the members in general meeting. Members, however, may by notice in writing to the company at its registered office require that accounts are laid before the members in general meeting

Approved by the Board on 31 May 2007 and signed on its behalf by



Bibby Bros & Co (Management) Limited

Company Secretary

## **Independent Auditors' Report to the Members of Bibby Finance 1 Limited**

We have audited the financial statements of Bibby Finance 1 Limited for the period ended 31 December 2006 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our 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 our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether, in our opinion, the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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.

**Independent Auditors' Report to the Members of  
Bibby Finance 1 Limited**

*continued*

**Opinion**

In our opinion

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006 and of its profit for the period then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements



KPMG LLP  
Chartered Accountants

Registered Auditor  
8 Princes Parade  
Liverpool  
L3 1QH  
31 May 2007

**Bibby Finance 1 Limited**  
**Profit and Loss Account for the Period Ended 31 December 2006**

		<b>5 June 2006 to 31 December 2006</b>
	<b>Note</b>	<b>Japanese Yen ¥'000</b>
Turnover		-
Cost of sales		(3)
<b>Operating loss</b>	2	<u>(3)</u>
Other interest receivable and similar income	3	112,125
<b>Profit on ordinary activities before taxation</b>		<u>112,122</u>
Tax on profit on ordinary activities	5	(33,637)
<b>Profit for the financial period</b>		<u>78,485</u>

Turnover and operating loss derive wholly from continuing operations

The company has no recognised gains or losses for the period other than the results above

There is no material difference between the result reported above and the result on an unmodified historical cost basis

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



**Bibby Finance 1 Limited**  
**Balance Sheet as at 31 December 2006**

	Note	31 December 2006 Japanese Yen ¥'000
<b>Current assets</b>		
Debtors	6	14,951,950
Cash at bank and in hand		<u>172</u>
		14,952,122
<b>Creditors' Amounts falling due within one year</b>	7	<u>(33,637)</u>
<b>Net assets</b>		<u><u>14,918,485</u></u>
<b>Capital and reserves</b>		
Called up share capital	8	14,840,000
Profit and loss reserve	9	<u>78,485</u>
<b>Equity shareholders' funds</b>	10	<u><u>14,918,485</u></u>

Approved by the Board on 31 May 2007 and signed on its behalf by



Ian Downing  
Director

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

## **Bibby Finance 1 Limited**

### **Notes to the Financial Statements for the Period Ended 31 December 2006**

#### **1 Accounting policies**

##### **Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

##### **Cash flow statement**

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

##### **Going concern**

These financial statements have been prepared on a going concern basis

##### **Deferred taxation**

Deferred tax is provided in full on timing differences which represent a liability at the balance sheet date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income or expenditure in tax computations in periods different from those in which they are included in the financial statements. Deferred tax assets and liabilities are not discounted

##### **Functional currency**

The accounts are presented in Yen, the functional currency of the company

##### **Foreign currencies**

Profit and loss account transactions in foreign currencies are translated into Yen at the exchange rate ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into Yen at the closing rates at the balance sheet date and the exchange differences are included in the profit and loss account

##### **Start-up costs**

Start-up costs are accounted for on a basis consistent with similar costs incurred as part of the company's ongoing business

Where there are no similar ongoing costs, start up costs which satisfy the criteria under relevant accounting standards to be recognised as assets are included in the balance sheet. All other costs are written off as incurred

##### **Related party transactions**

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

##### **Bad debts**

Bad debts are written off when there is no realistic prospect of recovery. Specific provisions are made to reduce all impaired balances to their expected realisable values. General provisions are made for losses not specifically identified based on past experience, knowledge of the Group's exposure and other relevant factors. The charge for the year for bad debts is included in cost of sales

## **Bibby Finance 1 Limited**

### **Notes to the Financial Statements for the Period Ended 31 December 2006**

#### **Financing**

The company finances its operation through overdrafts and loans from its immediate parent undertaking. Interest is charged at base rates plus a small premium.

#### **2 Operating loss**

Operating loss excludes auditors remuneration for audit services which is being borne by the immediate parent company. The amount payable is shown below.

	<b>5 June 2006 to 31 December 2006 Japanese Yen ¥'000</b>
Auditors remuneration - audit services	<b>583</b>

#### **3 Other interest receivable and similar income**

	<b>5 June 2006 to 31 December 2006 Japanese Yen ¥'000</b>
Interest receivable from group undertakings	<b>112,125</b>

#### **4 Directors' emoluments**

No emoluments were paid to the directors during the period.

#### **5 Taxation**

##### **Analysis of current period tax charge**

	<b>5 June 2006 to 31 December 2006 Japanese Yen ¥'000</b>
<b>Current tax</b>	
UK Corporation tax charge	<b>33,637</b>

The tax assessed on the profit on ordinary activities for the period is equal to the standard rate of corporation tax in the UK of 30%.

# **Bibby Finance 1 Limited**

## **Notes to the Financial Statements for the Period Ended 31 December 2006**

### **6 Debtors**

**31 December  
2006  
Japanese Yen  
¥'000**

Amounts owed by group undertakings

14,951,950

### **7 Creditors: Amounts falling due within one year**

**31 December  
2006  
Japanese Yen  
¥'000**

UK Corporation tax

33,637

### **8 Share capital**

**31 December  
2006  
Japanese Yen  
¥'000**

**Authorised**

**Equity**

20,000,000,000 Ordinary shares of ¥1 each

20,000,000

**Allotted, called up and fully paid**

**Equity**

14,840,000,001 Ordinary shares of ¥1 each

14,840,000

During the year the Company issued 14,840,000,001 ¥1 ordinary shares for a consideration of ¥14,840,000,001, settled in cash

## Bibby Finance 1 Limited

### Notes to the Financial Statements for the Period Ended 31 December 2006

#### 9 Reserves

	Profit and loss reserve Japanese Yen ¥'000
Balance at 5 June 2006	-
Transfer from profit and loss account for the period	78,485
Balance at 31 December 2006	<u>78,485</u>

#### 10 Reconciliation of movements in shareholders' funds

	31 December 2006 Japanese Yen ¥000
Profit attributable to members of the company	78,485
	<u>78,485</u>
New share capital subscribed	14,840,000
Net addition to shareholders' funds	<u>14,918,485</u>
Opening equity shareholders' deficit	-
Closing equity shareholders' funds	<u>14,918,485</u>

#### 11 Controlling entity

The company is a wholly owned subsidiary undertaking of Bibby Financial Services Limited, whose ultimate parent undertaking is Bibby Line Group Limited

The largest group in which the results of the company are consolidated is that headed by Bibby Line Group Limited. The smallest group in which they are consolidated is that headed by Bibby Financial Services Limited.

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

Group website address [www.bibbygroup.co.uk](http://www.bibbygroup.co.uk)