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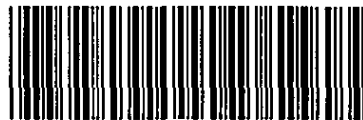
Registration number: 588708

Bibby Leasing Limited

Directors' Report and Financial Statements

for the Year Ended 31 December 2008

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Bibby Leasing Limited

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Bibby Leasing Limited
Company Information

Chairman	Andrew Charles Dixon
Directors	Carol Ann Roberts Ian Downing David Albert Robertson Edward John Rimmer (appointed 1 January 2008) Andrew Charles Dixon
Secretary	Bibby Bros. & Co. (Management) Limited
Registered office	105 Duke Street Liverpool L1 5JQ
Auditors	Deloitte LLP Chartered Accountants and Registered Auditors Liverpool United Kingdom

Bibby Leasing Limited
Directors' Report for the Year Ended 31 December 2008

The directors present their report and the audited financial statements for the year ended 31 December 2008.

Statement of Directors' responsibilities in respect of the Directors' Report and the financial statements

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 at the end of the financial year and of the profit or loss of the company for the period.

In preparing these 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; 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 that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 2006. 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.

Auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- the director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

KPMG LLP resigned as auditors on 21 October 2008. The Directors appointed Deloitte & Touche LLP to fill the casual vacancy.

On 1 December 2008 the company's auditors subsequently changed their name from Deloitte & Touche LLP to Deloitte LLP.

Deloitte LLP have expressed their willingness to continue in office as auditors and a members' written resolution to reappoint them until the end of the next period for appointing auditors in accordance with the provisions of Part 16 of the Companies Act 2006 will be proposed to the members by the directors.

Bibby Leasing Limited
Directors' Report for the Year Ended 31 December 2008

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Principal activity and business review

The principal activity of the company is the leasing of equipment to businesses.

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

Financial risk

Price risk, credit risk, liquidity risk and cash flow risk

The business' principal assets and liabilities comprise bank balances, trade debtors, trade creditors and loans to the business. The main purpose of these instruments is to finance the business' operations.

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. All of the business' cash balances are held in such a way that achieves a competitive rate of interest. The business makes use of money market facilities where funds are available.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Loans comprise loans from financial institutions. The interest rates and monthly repayments are variable. The business manages the liquidity risk by ensuring that there are sufficient funds to meet the payments.

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 (2007 - none).

Directors

The directors who held office during the year were as follows:

- Carol Ann Roberts
- Ian Downing
- David Albert Robertson
- Edward John Rimmer (appointed 1 January 2008)
- Andrew Charles Dixon

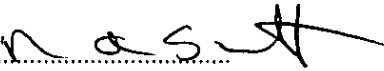
Election to dispense laying accounts

In accordance with section 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.

Bibby Leasing Limited
Directors' Report for the Year Ended 31 December 2008

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Approved by the Board on 21 May 2009 and signed on its behalf by:

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Bibby Bros. & Co. (Management) Limited
Company Secretary

Independent Auditors' Report to the Member of Bibby Leasing Limited

We have audited the financial statements of Bibby Leasing Limited for the year ended 31 December 2008 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 18. 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 Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 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 an 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 Member of
Bibby Leasing Limited**

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Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its profit for the year 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.

Deloitte LLP

Deloitte LLP
Chartered Accountants and Registered Auditors

Liverpool, UK
21 May 2009

Bibby Leasing Limited
Profit and Loss Account for the Year Ended 31 December 2008

	Note	2008 £	2007 £
Gross earnings from finance leases	2	6,371,807	4,428,114
Commission payable		(3,698,909)	(2,593,894)
Gross profit		<u>2,672,898</u>	<u>1,834,220</u>
Administrative expenses		(15,600)	(24,000)
Operating profit	3	<u>2,657,298</u>	<u>1,810,220</u>
Interest payable and similar charges	6	(1,891,568)	(1,348,819)
Profit on ordinary activities before taxation		<u>765,730</u>	<u>461,401</u>
Tax on profit on ordinary activities	7	(228,327)	(223,873)
Profit for the financial year	14	<u><u>537,403</u></u>	<u><u>237,528</u></u>

Gross earnings from finance leases and operating profit in both periods derive wholly from continuing operations.

The company has no recognised gains or losses for the year other than the results above. Consequently no separate statement of total recognised gains and losses has been presented.

The notes on pages 9 to 17 form an integral part of these financial statements.

Bibby Leasing Limited
Balance Sheet as at 31 December 2008

		2008	2007
	Note	£	£
Fixed assets			
Tangible assets	8	24,687	59,066
Current assets			
Debtors	9	41,975,364	35,276,860
Cash at bank and in hand		22,550	100,098
		<u>41,997,914</u>	<u>35,376,958</u>
Creditors: Amounts falling due within one year	10	<u>(1,889,625)</u>	<u>(3,590,451)</u>
Net current assets		<u>40,108,289</u>	<u>31,786,507</u>
Total assets less current liabilities		40,132,976	31,845,573
Creditors: Amounts falling due after more than one year	11	<u>(32,000,000)</u>	<u>(27,000,000)</u>
Net assets		<u><u>8,132,976</u></u>	<u><u>4,845,573</u></u>
Capital and reserves			
Called up share capital	13	2,800,000	50,000
Profit and loss reserve	14	<u>5,332,976</u>	<u>4,795,573</u>
Shareholders' funds	15	<u><u>8,132,976</u></u>	<u><u>4,845,573</u></u>

Approved by the Board on 21 May 2009 and signed on its behalf by:



 Ian Downing
 Director

The notes on pages 9 to 17 form an integral part of these financial statements.

Bibby Leasing Limited

Notes to the Financial Statements for the Year Ended 31 December 2008

1 Accounting policies

The following accounting policies have been applied consistently in both the current and preceeding year.

Basis of preparation

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

Cash flow statement

Under Financial Reporting Standard 1 (Revised 1996), 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 consolidated financial statements.

Going concern

These financial statements have been prepared on a going concern basis.

As set out in the Statement of Directors' Responsibilities, in preparing these financial statements the Directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company and Group will continue in business.

The Directors of the parent Company have considered in detail the Group's forecast performance, as well as its capital and liquidity resources. On this basis the Directors have a reasonable expectation that, despite challenging market conditions, the Group has sufficient funding and liquidity facilities to ensure that the Company will continue in operational existence for the foreseeable future. Accordingly the Directors of the company have adopted the going concern basis in preparing these financial statements.

Depreciation

Fixed assets are included at cost less accumulated depreciation.

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Motor vehicles	33.33%
Office equipment	20% to 33.33%

Taxation

Tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years or which are never taxable or deductible. Current tax is calculated using rates enacted, or substantially enacted, at the balance sheet date.

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 are recognised only to the extent that it is more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Bibby Leasing Limited

Notes to the Financial Statements for the Year Ended 31 December 2008

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Foreign currencies

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

Operating leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

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. Additional 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.

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.

Leasing assets

Assets leased to customers which transfer substantially all the risks and rewards of ownership to the customer are classified as finance leases and are recorded within debtors. The net investment in finance leases represents total minimum payments less gross earnings allocated to future periods.

Financing

The company principally finances its operations through overdrafts and loans from external banks.

Income from finance leases

Income from finance leases is credited to profit and loss account using the pre-tax actuarial method to give a constant periodic return on the net cash investment.

Commissions payable

Commissions payable in respect of finance lease assets acquired are spread over the life of the lease.

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

Bibby Leasing Limited

Notes to the Financial Statements for the Year Ended 31 December 2008

..... continued

2 Gross earnings from finance leases

Gross earnings from finance leases, which are derived from within the United Kingdom, is the income derived from leasing and hire purchase agreements.

3 Operating profit

Operating profit is stated after charging:

	2008	2007
	£	£
Hire of other assets (Operating leases)	50,481	-
Fees payable to the company's auditors for the audit of the company's annual accounts	15,600	24,000
Loss on sale of fixed assets	781	-
Depreciation of owned tangible fixed assets	<u>60,555</u>	<u>30,334</u>

Auditors' remuneration in 2007 relates solely to payments made to the company's previous auditors, KPMG LLP.

4 Particulars of employees

The average number of persons employed by the company (including directors) during the year was as follows:

	2008 No.	2007 No.
Administration	<u>31</u>	<u>34</u>

The aggregate payroll costs of these persons were as follows:

	2008 £	2007 £
Wages and salaries	1,144,511	1,003,117
Social security	122,581	111,562
Other pension costs	<u>28,499</u>	<u>4,000</u>
	<u><u>1,295,591</u></u>	<u><u>1,118,679</u></u>

Bibby Leasing Limited

Notes to the Financial Statements for the Year Ended 31 December 2008

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5 Directors' emoluments

The directors' emoluments for the year are as follows:

	2008	2007
	£	£
Directors' emoluments (including benefits in kind)	111,575	112,025
Directors' pension contributions	4,545	4,000
	<u>116,120</u>	<u>116,025</u>

6 Interest payable and similar charges

	2008	2007
	£	£
Bank interest payable	<u>1,891,568</u>	<u>1,348,819</u>

Bibby Leasing Limited

Notes to the Financial Statements for the Year Ended 31 December 2008

..... continued

7 Taxation

Analysis of current period tax charge

	2008 £	2007 £
Current tax		
Corporation tax credit	-	(582,463)
Over provision in previous periods	435,552	(300,364)
Group relief payable/(receivable)	273,775	-
UK Corporation tax	<u>709,327</u>	<u>(882,827)</u>
Deferred tax		
Origination and reversal of timing differences	<u>(481,000)</u>	<u>1,106,700</u>
Total tax on profit on ordinary activities	<u>228,327</u>	<u>223,873</u>

Factors affecting current period tax charge/(credit)

The tax assessed on the profit on ordinary activities for the year is higher than (2007 - lower than) the standard rate of corporation tax in the UK of 28.50% (2007 - 30.00%).

The differences are reconciled below:

	2008 £	2007 £
Profit on ordinary activities before taxation	<u>765,730</u>	<u>461,401</u>
Standard rate corporation tax charge	218,233	138,420
Expenses not deductible for tax purposes	123,306	-
Other timing differences	811,490	(227,691)
Accelerated capital allowances	(879,254)	(493,556)
Adjustment in respect of prior periods	435,552	(300,000)
Total current tax for the year	<u>709,327</u>	<u>(882,827)</u>

Bibby Leasing Limited

Notes to the Financial Statements for the Year Ended 31 December 2008

..... continued

8 Tangible fixed assets

	Motor vehicles £	Office equipment £	Total £
Cost			
As at 1 January 2008	15,000	103,254	118,254
Additions	-	30,624	30,624
Disposals	(15,000)	(2,093)	(17,093)
As at 31 December 2008	-	131,785	131,785
Depreciation			
As at 1 January 2008	11,000	48,188	59,188
Eliminated on disposals	(11,251)	(1,394)	(12,645)
Charge for the year	251	60,304	60,555
As at 31 December 2008	-	107,098	107,098
Net book value			
As at 31 December 2008	-	24,687	24,687
As at 31 December 2007	4,000	55,066	59,066

Hire purchase agreements

Included within the total net book value of tangible fixed assets is none (2007 - £4,000) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £251 (2007 - £5,000).

9 Debtors

	2008 £	2007 £
Net investment in finance leases	38,299,659	32,424,409
Amounts owed by group undertakings	91,226	-
Other debtors	682,922	605,725
Deferred tax	1,662,300	1,181,300
Prepayments and accrued income	1,239,257	1,065,426
	<u>41,975,364</u>	<u>35,276,860</u>

Included in net investment in finance leases is an amount of £26,291,189 (2007 - £22,177,000) which falls due after more than one year. Net investment in finance leases includes £6,442,000 (2007 - £6,579,000) due in respect of hire purchase contracts.

Bibby Leasing Limited

Notes to the Financial Statements for the Year Ended 31 December 2008

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10 Creditors: Amounts falling due within one year

	2008	2007
	£	£
Bank loans and overdrafts	-	40,870
Trade creditors	41,593	197,331
Amounts owed to group undertakings	709,818	3,008,141
Corporation tax	435,552	-
Social security and other taxes	287,209	-
Other creditors	186,266	-
Accruals and deferred income	229,187	344,109
	<u>1,889,625</u>	<u>3,590,451</u>

11 Creditors: Amounts falling due after more than one year

	2008	2007
	£	£
Bank loans and overdrafts	<u>32,000,000</u>	<u>27,000,000</u>

12 Security of borrowings

The bank loan is secured by a floating charge over the company's assets and the facility is due for renewal on 30 September 2010.

13 Share capital

	2008	2007
	£	£
Authorised		
Equity		
5,000,000 (2007 - 1,000,000) Ordinary shares of £1 each	<u>5,000,000</u>	<u>1,000,000</u>
Allotted, called up and fully paid		
Equity		
2,800,000 (2007 - 50,000) Ordinary shares of £1 each	<u>2,800,000</u>	<u>50,000</u>

On 14 January 2008 the company's authorised share capital was increased to 5,000,000 ordinary shares of £1 each. On the same dated the company allotted 2,750,000 ordinary shares of £1 each.

Bibby Leasing Limited

Notes to the Financial Statements for the Year Ended 31 December 2008

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14 Reserves

	Profit and loss reserve £
Balance at 1 January 2008	4,795,573
Transfer from profit and loss account for the year	537,403
Balance at 31 December 2008	<u>5,332,976</u>

15 Reconciliation of movements in shareholders' funds

	2008 £	2007 £
Profit attributable to members of the company	537,403	237,528
New share capital subscribed	2,750,000	-
Net addition to shareholders' funds	<u>3,287,403</u>	<u>237,528</u>
Opening equity shareholders' funds	4,845,573	4,608,000
Closing equity shareholders' funds	<u>8,132,976</u>	<u>4,845,573</u>

16 Operating lease commitments

As at 31 December 2008 the company had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	Land and Buildings	
	2008 £	2007 £
Within two and five years	<u>75,000</u>	<u>68,000</u>

Bibby Leasing Limited

Notes to the Financial Statements for the Year Ended 31 December 2008

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17 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £28,499 (2007 - £4,000).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

18 Controlling entity

The company is a wholly owned subsidiary of Bibby Asset Finance Limited, whose ultimate parent company 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.bibbylinegroup.co.uk