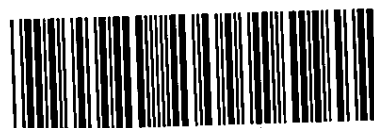


Company Number: 02718748

BMT Nigel Gee Limited
REPORT AND ACCOUNTS
30 SEPTEMBER 2008

TUESDAY



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COMPANIES HOUSE

DIRECTORS

J V Lambert(Chairman)
J R Bonafoux (Managing Director)
E Dudson
D K McSweeney

COMPANY SECRETARY

G Turner

AUDITORS

Baker Tilly UK Audit LLP
The Clock House
140 London Road
Guildford
Surrey
GU1 1UW

BANKERS

Barclays Bank Plc
Heathrow Airport Branch
Cardinal Point
Newall Road
Heathrow Airport
Hounslow
TW6 2AH

SOLICITORS

Rakisons
Clements House
14 /18 Gresham Street
London
EC2V 7JE

REGISTERED OFFICE

Goodrich House
1 Waldegrave Road
Teddington
Middlesex
TW11 8LZ

Report and Accounts
for the year ended 30 September 2008

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DIRECTORS' REPORT

The directors submit their report and accounts for the year ended 30 September 2008

PRINCIPAL ACTIVITIES

The company's principal activities continue to be that of ship design and marine technical services. It has been a good year for the business with a profit after interest of £589k on a turnover of £5,153k (2007: profit £550k on turnover of £3,288k.). A dividend of £247,000 was paid to BMT Group on 31st March 2008.

The company had another excellent year with a growth in turnover of 56%. The profit increased by only 4% due to some bad debt provisions.

PRINCIPAL RISKS

The principal risks facing the company are:

- The inability to resource projects
- The inability to recruit project managers
- The reduction in order values, due to the recession

The directors implemented a number of mitigating strategies during 2007 which led to the increase in turnover. Further improvements were made in 2008 with respect to resourcing and it is hoped that the 2009 financial year will continue to show an improvement in both turnover and profit.

RESEARCH AND DEVELOPMENT

The company is active in research and development and the company also benefits from significant investment in research and development over a wide range of technologies by BMT Group Limited.

DIRECTORS

The directors during the year were as follows:

I Glen (Chairman) (Resigned 23 April 2008)
J V Lambert (Chairman) (Appointed 23 April 2008)
J R Bonafoux (Managing Director)
D K McSweeney
E Dudson

ELECTIVE RESOLUTION

The company has filed an elective resolution with the Registrar of Companies to:

- dispense with the laying of accounts and reports before any general meeting,
- dispense with the appointment of auditors annually.

AUDITORS

The company has elected to dispense with the obligation to re-appoint auditors annually pursuant to section 386 (1) of the Companies Act 1985. Accordingly Baker Tilly UK Audit LLP are deemed to be re-appointed for each succeeding financial year.

DIRECTORS' REPORT

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

HEALTH AND SAFETY

The company's policy is to comply with both the requirements and spirit of all relevant health and safety legislation.

FUTURE DEVELOPMENTS

The company will continue to design ships and provide marine technical services.

By order of the Board,



G Turner
Secretary

Dated: 30 January 2009

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF THE ACCOUNTS

The directors are responsible for preparing the Annual Report and the accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The accounts 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 those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- d. 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 requirements of the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BMT NIGEL GEE LIMITED

We have audited the accounts on pages 7 to 17.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit 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 Annual 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 accounts 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 accounts 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 accounts.

Opinion

In our opinion

- the accounts give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs at 30 September 2008 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the accounts.

Baker Tilly UK Audit LLP

BAKER TILLY UK AUDIT LLP

Registered Auditor
Chartered Accountants
The Clock House
140 London Road
Guildford
Surrey GU1 1UW

30 January 2009

PROFIT AND LOSS ACCOUNT
for the year ended 30 September 2008

	Notes	2008 £'000	2007 £'000
Turnover	2	5,153	3,288
Raw materials and consumables		1,283	784
Other external charges		108	65
Staff costs	5	2,076	1,381
Depreciation		76	36
Other operating charges		977	481
		<u>4,520</u>	<u>2,747</u>
OPERATING PROFIT		633	541
Interest receivable and similar income	6	6	9
Interest payable	7	(32)	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION AND PROFIT SHARING SCHEME	3	<u>607</u>	<u>550</u>
Profit sharing scheme		(18)	(31)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>589</u>	<u>519</u>
Tax on profit on ordinary activities	8	166	211
RETAINED PROFIT FOR YEAR	17	<u><u>423</u></u>	<u><u>308</u></u>

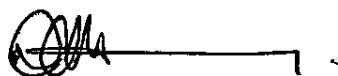
The operating profit for the year arises from the company's continuing operations.

No separate Statement of Total Recognised Gains and Losses has been presented, as all such gains and losses have been dealt with in the Profit and Loss Account.

BALANCE SHEET
at 30 September 2008

	Notes	2008 £'000	2007 £'000
FIXED ASSETS			
Tangible assets	10	161	145
Investments	11	<u>41</u>	<u>41</u>
		<u>202</u>	<u>186</u>
CURRENT ASSETS			
Debtors	12	2,196	1,268
Cash at bank and in hand		<u>4</u>	<u>478</u>
		<u>2,200</u>	<u>1,746</u>
CREDITORS			
Amounts falling due within one year	13	<u>1,538</u>	<u>1,250</u>
NET CURRENT ASSETS		<u>662</u>	<u>496</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		864	682
CREDITORS			
Provisions for liabilities and charges	14	<u>4</u>	<u>10</u>
		<u>868</u>	<u>692</u>
CAPITAL AND RESERVES			
Called up share capital	16	15	15
Profit and loss account	17	<u>853</u>	<u>677</u>
SHAREHOLDERS' FUNDS	18	<u>868</u>	<u>692</u>

The accounts on pages 7 to 17 were approved by the board of Directors and authorised for issue on 30 January 2009 and signed on its behalf by:



D K McSweeney
Director

30 January 2009

NOTES TO THE ACCOUNTS
at 30 September 2008

1. PRINCIPAL ACCOUNTING POLICIES

Basis of accounting

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

The directors have adopted a modified format to the profit and loss account to that prescribed in the Companies Act 1985 and shall adopt this same format in subsequent financial years.

In the directors' opinion this modified format and the presentation of the profit sharing scheme bonus better reflects the nature of the group profit sharing scheme bonus enjoyed by the employees of the company.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life to the business, as follows:

Plant & Machinery	Over three years
Fixtures, fittings and equipment	15% reducing balance

Investments

Fixed asset investments are carried at cost less provisions for impairment.

Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value as follows:

Cost incurred in bringing each product to its present location and condition:

Raw materials	-	purchase cost on a first-in, first-out basis
Work in progress	-	cost of direct materials and labour plus attributable overheads based on the normal level of activity

Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

Revenue Recognition

Long Term Contracts

A long-term contract is defined in SSAP 9 (Accounting for long term contracts) as a contract entered into where the time taken to substantially complete the contract is such that the contract activity falls into more than one accounting period. These contracts are included in debtors at cost plus attributable profits estimated to be earned to date based on the stage of completion less provision for any known or anticipated losses and payments on account received. Where payments on account are in excess of turnover, these amounts are included in creditors.

Service Contracts

In accordance with UITF 40 (Income recognition for service providers), contracts for services are accounted for as contract activity progresses and revenue is recognised to reflect the partial performance of contractual obligations. The amount recognised reflects any uncertainties as to the amount of revenue to be received. However, where the right to consideration does not arise until the occurrence of a critical event, revenue is not recognised until that event occurs.

NOTES TO THE ACCOUNTS
at 30 September 2008

1. PRINCIPAL ACCOUNTING POLICIES (continued)

Royalty Income

Royalty income is recognised on a receipts basis.

Pension costs

The group operates two multi employer pension schemes in the UK, one being a defined Benefit scheme (which is now closed to new entrants) and a second defined contribution Scheme.

Contributions to the defined contributions scheme are charged to the profit and loss account in the year in which they are payable.

The company accounts for contributions to the defined benefit scheme in accordance with FRS17 (retirement benefits). In accordance with the standard, the company treats contributions to the defined benefit scheme as though they were contributions to a defined contributions scheme. This is due to the underlying assets and liabilities of the defined benefit scheme covering a number of the group's UK undertakings and therefore cannot be readily split between each undertaking on a consistent and reliable basis.

Full details of the pension scheme and the valuations are set out in the accounts of BMT Group Limited.

Research and development

Expenditure on research and development is written off against profits in the period in which it is incurred.

Operating leases

Rentals paid under operating leases are charged to income as incurred over the term of the lease.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account with the exception of differences on foreign currency borrowings, to the extent that they are used to finance or provide a hedge against foreign equity investments, which are taken directly to reserves together with the exchange difference on the carrying amount of the related investment.

NOTES TO THE ACCOUNTS
at 30 September 2008

2. TURNOVER

Turnover comprises services sold net of value added tax. In the directors opinion the company carried on a single continuing business.

An analysis of turnover by geographical market is given below:

	2008 £'000	2007 £'000
UK	1,707	779
Other European Union	356	285
USA	1,980	1,368
Rest of the world	1,110	856
	<u>5,153</u>	<u>3,288</u>

3. PROFIT ON ORDINARY ACTIVITIES

The profit on ordinary activities is stated after charging:

	2008 £'000	2007 £'000
Auditors' remuneration – audit	7	7
Depreciation on owned assets	76	36
Operating lease rentals -buildings	<u>80</u>	<u>57</u>

4. DIRECTORS' REMUNERATION

	2008 £'000	2007 £'000
Emoluments (including pension contributions)	<u>293</u>	<u>215</u>
Highest paid director:		
Aggregate emoluments(including pension contributions)	170	127
Defined benefit scheme:		
Accrued pension at end of year	<u>6</u>	<u>3</u>

NOTES TO THE ACCOUNTS
at 30 September 2008

5. STAFF COSTS

	2008 £'000	2007 £'000
Wages and salaries	1,701	1,146
Social security costs	160	110
Other pension costs	215	125
	<u>2,076</u>	<u>1,381</u>
Profit sharing scheme:		
Wages and salaries	16	27
Social security costs	2	4
	<u>2,094</u>	<u>1,412</u>

The average monthly number of employees during the year was made up as follows:

	2008 No.	2007 No.
Scientific and technical	36	21
Administrative support	4	3
	<u>40</u>	<u>24</u>

6. INTEREST RECEIVABLE

	2008 £'000	2007 £'000
Group interest receivable	-	2
External interest receivable	6	7
	<u>6</u>	<u>9</u>

7. INTEREST PAYABLE

	2008 £'000	2007 £'000
Group interest payable	32	-

NOTES TO THE ACCOUNTS
at 30 September 2008

8. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2008 £'000	2007 £'000
Current tax:		
UK corporation tax on results of the period	160	221
Withholding Tax	-	1
	<u>160</u>	<u>222</u>
Total current tax		
	<u>160</u>	<u>222</u>
Deferred tax assets:		
Origination and reversal of timing differences	<u>6</u>	<u>(11)</u>
	<u>6</u>	<u>(11)</u>
Total deferred tax		
	<u>6</u>	<u>(11)</u>
	<u>166</u>	<u>211</u>
Tax on profit on ordinary activities		
	<u>166</u>	<u>211</u>

Factors affecting tax charge for the period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK (29%).

Profit on ordinary activities before tax	589	519
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 29% (2007: 30%)	171	156
Effects of:		
Expenses not deductible for tax purposes	-	2
Research and Development tax credit	(5)	(2)
Depreciation in excess of capital allowances	(6)	11
Other adjustments	-	54
	<u>160</u>	<u>221</u>
Current tax charge for the period		
	<u>160</u>	<u>221</u>

9. DIVIDENDS

	2008 £'000	2007 £'000
Final dividend paid – £24.70 per share (2007: £nil per share)	<u>247</u>	<u>-</u>

NOTES TO THE ACCOUNTS
at 30 September 2008

10. TANGIBLE FIXED ASSETS

	Plant & Machinery £'000	Fixtures, Fittings & Equipment £'000	Total £'000
Cost			
At 30 September 2007	325	48	373
Additions	<u>81</u>	<u>12</u>	<u>93</u>
At 30 September 2008	<u>406</u>	<u>60</u>	<u>466</u>
Depreciation			
At 30 September 2007	202	26	228
Provided in the year	<u>69</u>	<u>8</u>	<u>77</u>
At 30 September 2008	<u>271</u>	<u>34</u>	<u>305</u>
Net book value			
At 30 September 2008	<u>135</u>	<u>26</u>	<u>161</u>
At 30 September 2007	<u>123</u>	<u>22</u>	<u>145</u>

11. INVESTMENTS

	2008 £'000	2007 £'000
Unlisted investment	<u>41</u>	<u>41</u>

12. DEBTORS

	2007 £'000	2007 £'000
Trade debtors	1,142	867
Amounts owed by group undertakings	82	4
Amounts recoverable on contracts	904	329
Other debtors	1	1
Prepayments	<u>67</u>	<u>67</u>
	<u>2,196</u>	<u>1,268</u>

NOTES TO THE ACCOUNTS
at 30 September 2008

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008 £'000	2007 £'000
Bank loans and overdrafts	688	248
Income in advance of work in progress	103	339
Trade creditors	257	118
Amounts owed to group undertakings	230	275
Taxation and social security	19	17
Accruals and deferred income	241	253
	<u>1,538</u>	<u>1,250</u>

14. PROVISIONS FOR LIABILITIES AND CHARGES

	2008 £'000	2007 £'000
Provision for deferred tax has been made as follows:		
Balance at 1 October 2007	(10)	1
Transfer from profit and loss	6	(11)
Balance at 30 September 2008	<u>(4)</u>	<u>(10)</u>
The deferred tax asset comprises:		
Short term timing differences	-	-
Capital allowances in excess of depreciation	(4)	(10)
Provision for deferred tax	<u>(4)</u>	<u>(10)</u>

15. LEASING COMMITMENTS

At 30 September 2008 the company had annual commitments under non-cancellable operating leases which are as follows:

	2008 £'000	2007 £'000
Land and buildings		
Operating leases that expire:		
Within two to five years	<u>80</u>	<u>65</u>

NOTES TO THE ACCOUNTS
at 30 September 2008

16. SHARE CAPITAL

	Authorised		Allotted, called up and fully paid	
	2008 No.	2007 No.	2008 £'000	2007 £'000
10,000 Ordinary shares of £1 each fully paid	100,000	100,000	10	10
5,000 Preference shares of £1 each fully paid	<u>10,000</u>	<u>10,000</u>	<u>5</u>	<u>5</u>
	<u>110,000</u>	<u>110,000</u>	<u>15</u>	<u>15</u>

The preference shares carry no fixed rights to dividends, are irredeemable and non-participating but have prior rights to redemption at par value.

17. PROFIT AND LOSS ACCOUNT

	2008 £'000	2007 £'000
At 30 September 2007	677	369
Profit for the year	423	308
Dividend	<u>(247)</u>	<u>-</u>
At 30 September 2008	<u>853</u>	<u>677</u>

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2008 £'000	2007 £'000
Profit for the year	423	308
Dividends	<u>(247)</u>	<u>-</u>
Net addition to shareholders funds	176	308
Opening shareholders' funds	692	384
Closing shareholders' funds	<u>868</u>	<u>692</u>
	2008 £'000	2007 £'000
The total shareholders' funds comprises:		
Non-equity interests:		
- attributable to preference shareholders	5	5
Equity interests	<u>863</u>	<u>687</u>
	<u>868</u>	<u>692</u>

NOTES TO THE ACCOUNTS
at 30 September 2008

19. PENSION COMMITMENTS

The group operates two multi employer pension schemes in the UK, a defined benefit scheme and a defined contributions scheme. The defined benefits scheme was closed to new entrants with effect from 30 September 2007.

During the year the company contributed to the pension schemes as follows:

	2008 £'000	2007 £'000
Defined Benefit Scheme	199	125
Defined contributions Scheme	16	-
	<u>215</u>	<u>125</u>

Valuations were undertaken on the defined benefit scheme (The "BMT Pension and Life Assurance Scheme") operated by the group in April 2006. Full details of the pension scheme and the valuation are set out in the accounts of BMT Group Limited.

20. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption provided by FRS8 and has not disclosed transactions with other group companies as over 90% of the company's voting rights are controlled within the group.

21. ULTIMATE PARENT UNDERTAKING

The company is a subsidiary undertaking of BMT Group Limited, which is registered in England and Wales and is included in the group accounts prepared by that parent undertaking.

22. CONTINGENT LIABILITIES

The company has given a limited composite guarantee in respect of the overdraft of certain other group companies. The maximum liability is limited to the net bank position of the company.