

Babcock Project Services Limited
Annual Report and Financial Statements
For the year ended 31 March 2023

Company registration number:

04539887 (England and Wales)

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COMPANIES HOUSE

Babcock Project Services Limited

Directors and advisors

Current directors

N Borrett
R Clark
S Doherty

Company secretary

Babcock Corporate Secretaries Limited

Registered office

33 Wigmore Street
London
W1U 1QX
United Kingdom

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Babcock Project Services Limited

Strategic report for the year ended 31 March 2023

The directors present their Strategic report on the Babcock Project Services ("the Company") for the year ended 31 March 2023.

Review of the business and principal activities

Babcock Project Services Limited is an investment holding company. The level of activity during the year fluctuates depending on the dividends paid upwards from subsidiaries and the impairments made on investments in subsidiaries. The directors do not expect this to change significantly in the next financial period.

	2023 £000	2022 £000
Profit for the financial year	13,440	33,038
Income from shares in group undertakings (note 7)	13,470	32,496
Release of warrantee provision (note 10)	-	758

Profit for the year is mainly driven by dividends received from Babcock International Holdings BV.

Principal risks and uncertainties

The Company's ultimate controlling parent is Babcock International Group PLC. Risks are managed at a group level in accordance with the risk management framework of Babcock International Group PLC. The principal risks and uncertainties of Babcock International Group PLC are discussed in its Annual Report and Financial Statements for the year ended 31 March 2023.

Further discussion of these risks and uncertainties, in the context of the Group as a whole is provided on pages 87 to 103 of the Annual Report and Financial Statements of Babcock International Group PLC, which does not form part of this report.

Key performance indicators

The Babcock Group's activities are managed on a divisional basis. For this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the Company.

S172(1) Statement and Stakeholder engagement

This statement contains an overview of how the Directors have performed their duty to promote the success of the Company as set out in Section 172(1) of the Companies Act 2006. That section requires a director of a company to act in the way they consider, in good faith, would most likely promote the success of the company for the benefit of the shareholders. In doing this, the director must have regard, amongst other matters, to:

- a) the likely consequences of any decision in the long term;
- b) the interests of the company's employees;
- c) the need to foster the company's business relationships with suppliers, customers and others;
- d) the impact of the company's operations on the community and the environment;
- e) the desirability of the company maintaining a reputation for high standards of business conduct; and
- f) the need to act fairly between members of the company.

Stakeholder engagement is managed in accordance with Group policies and procedures which are discussed on pages 56, 57, and 115 of the Annual Report and Financial Statements of Babcock International Group PLC, which does not form part of this report.

Strategic report for the year ended 31 March 2023 *(continued)***S172(1) Statement and Stakeholder engagement** *(continued)***Employees**

Our success is led by our employees. We continue to strengthen our employee value proposition by enhancing our engagement and promoting an agile global workplace. We are committed to creating an inclusive and diverse organisation where employees can develop their full potential. We focus on developing and supporting a truly engaged workforce, living our principles and working on shared goals, united by our common Purpose. These engagement activities form part of the Group-wide People Strategy as described on pages 20, 21 and 74 to 78 of the Annual Report and Financial Statements of Babcock International Group PLC, which does not form part of this report.

Business relationships

We are committed to conducting business honestly, transparently and with integrity. Understanding the needs and challenges of our customers allows us to help them to succeed. We work in partnership with public and private customers across the globe, enabling them to deliver critical programmes and services, adding value to their operations. We seek to solve their challenges through excellent operational performance and the introduction of innovative solutions and technology to support their longer-term needs. We build and maintain long-term relationships with our customers to promote the future success of the Company.

To support our global business operations and strategy we require an efficient and highly effective supply chain. This means we need to foster trusted and collaborative relationships with suppliers who share our appetite to drive improvement through innovation and best practice. Our external supply chains are an important part of our performance and by working collaboratively with suppliers we can ensure continuity of supply, minimise risk and bring innovative solutions to our customers. These engagement activities form part of the Group-wide Procurement Strategy as described on pages 20, 21 and 83 to 85 of the Annual Report and Financial Statements of Babcock International Group PLC, which does not form part of this report.

The community and environment

Sustainability is an integral part of our corporate strategy and how we do business, it underpins our Corporate Purpose: to create a safe and secure world, together. We have done a lot in the past year to drive our sustainability programme across the Group, ensure progress towards our corporate commitments and deliver our five ESG priorities shown below:

- a) We will reduce emissions and set science-based targets to get to net zero across our estate, assets and operations by 2040;
- b) We will integrate environmental sustainability into programme design to minimise waste and optimise resources;
- c) We will ensure the safety and wellbeing of all our people;
- d) We will make a positive difference to the communities we're proud to be part of and provide high-quality jobs that support local economies;
- e) We will be a collaborative, trusted partner across the supply chain, helping to tackle common challenges.

Babcock Project Services Limited**Strategic report for the year ended 31 March 2023** *(continued)*

Climate action is a key focus: we are continuing to progress our Group-wide decarbonisation programme (Plan Zero 40). Aligned with the Plan Zero 40 pathway announced in previous years, we commenced baselining our carbon footprint and are on track to submit carbon reduction targets to the Science-Based Targets initiative. These are to be achieved by 2030 and will set us on course for decarbonising our estate, assets and operations to reach our overarching goal of net zero emissions by 2040. Further information is included on pages 58 to 86 of the Annual Report and Financial Statements of Babcock International Group PLC, which does not form part of this report.

This report was approved by the board on 30 April 2024 and signed on its behalf by:



R Clark
Director

Babcock Project Services Limited

Directors' report for the year ended 31 March 2023

The directors present their report and the financial statements of the Company for the year ended 31 March 2023.

Dividends

Dividends declared and paid during the financial year were £nil (2022: £nil). There are no plans for a final dividend.

Directors and their interests

The directors who held office during the year and up to the date of signing the Annual Report and Financial Statements were as follows:

N Borrett
S Doherty (appointed 31 May 2022)
R Clark (appointed 3 February 2023)
I Urquhart (resigned 31 May 2022)

The Board is not aware of any contract of significance in relation to the Company in which any Director has, or has had, a material interest.

Future developments

There are no plans to alter significantly the business of the Company.

Going concern

The Company's business activities, together with the factors likely to affect its future development and financial position are set out within the Strategic Report and Directors' Report. In addition, within the Directors' Report there are details of the financial risks that the Directors have highlighted as significant to the business.

As the Company is part of a larger group, it participates in the Group's centralised treasury arrangements and so shares banking arrangements with its parents and fellow subsidiaries.

The Company is in a net current liabilities position of £52.0m, comprised of intercompany amounts due to parent and group companies of £52.1m. The Company is not expected to settle the intercompany amounts due to parent and group undertakings until the Company has sufficient liquidity to do so and the Company has received confirmation from the other group companies these amounts are due to, confirming this position. Additionally, the Company is expected to be in a position to obtain finance via intercompany loans to continue to operate for at least twelve months from when the financial statements are authorised for issue and the Company has received a letter of support from Babcock Investments Limited confirming this position. In completing this analysis, the Directors have considered the ability of Babcock Investments Limited to provide such finance.

The Directors are not aware of any material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Financial risk management

The applicable financial risk management policies and exposure to financial risks including price, credit, liquidity and cash flows are discussed in detail with the Annual Report and Financial Statements for Babcock International Group PLC, which does not form part of this report.

Babcock Project Services Limited

Directors' report for the year ended 31 March 2023 *(continued)*

Qualifying third party indemnity provisions

Babcock International Group PLC provides protections for directors of companies within the Group against personal financial exposure they may incur in their capacity as such. These include qualifying third party indemnity provisions (as defined by Companies Act 2006) for the benefit of members of Babcock International Group PLC, including, where applicable, in their capacity as a director of the Company and other companies within the Group. These indemnities came into force in 2012 and remain in force.

Post balance sheet events

There have been no significant events since the balance sheet date which materially affect the position of the Company.

This report was approved by the board on 30 April 2024 and signed on its behalf by:



R Clark
Director

Statement of Directors' responsibilities

The Directors are responsible for preparing the Strategic report, 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 the Directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101). Under company law, the Directors must not approve the financial statements unless they are satisfied that they 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 then apply them consistently;
- make judgements and accounting 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 the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Babcock Project Services Limited**Income Statement***for the year ended 31 March 2023*

	Note	2023 £000	2022 £000
Administrative income / (expense)		258	(111)
Operating profit / (loss)	4	258	(111)
Income from shares in group undertakings	7	13,470	32,496
Release of warrantee provision	10	-	758
Profit before interest and taxation		13,728	33,143
Finance costs	5	(288)	(105)
Profit before taxation		13,440	33,038
Income tax expense	6	-	-
Profit for the financial year		13,440	33,038

All of the above results derive from continuing operations.

Statement of Comprehensive Income*for the year ended 31 March 2023*

	2023 £000	2022 £000
Profit for the financial year	13,440	33,038
Foreign exchange (loss) / gain on net investments	(784)	359
Total comprehensive income for the year	12,656	33,397

Babcock Project Services Limited

Statement of Financial Position as at 31 March 2023

	Note	2023 £000	2022 £000
Non-current assets			
Investments in subsidiaries	7	78,222	78,222
Trade and other receivables	8	130,541	118,935
		<u>208,763</u>	<u>197,157</u>
Current assets			
Cash and cash equivalents		16	16
		<u>16</u>	<u>16</u>
Current liabilities			
Trade and other payables	9	(52,062)	(53,112)
		<u>(52,046)</u>	<u>(53,096)</u>
Net current liabilities		<u>(52,046)</u>	<u>(53,096)</u>
Total assets less current liabilities		<u>156,717</u>	<u>144,061</u>
Provision for liabilities	10	-	-
		<u>-</u>	<u>-</u>
Net assets		<u>156,717</u>	<u>144,061</u>
Equity			
Called up share capital	11	751	751
Share premium account		74,250	74,250
Retained earnings		81,716	69,060
		<u>156,717</u>	<u>144,061</u>
Total shareholders' funds		<u>156,717</u>	<u>144,061</u>

The notes on pages 12 to 18 are an integral part of these financial statements.

For the year ending 31 March 2023 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 9 to 18 were approved by the Board of directors and signed on its behalf by:



R Clark
Director
30 April 2024

Babcock Project Services Limited**Statement of Changes in Equity***for the year ended 31 March 2023*

	Called up share capital £000	Share premium account £000	Retained earnings £000	Total shareholder's funds £000
Balance at 1 April 2021	751	74,250	35,663	110,664
Profit for the financial year	-	-	33,038	33,038
Other comprehensive income	-	-	359	359
Balance at 31 March 2022	751	74,250	69,060	144,061
Profit for the financial year	-	-	13,440	13,440
Other comprehensive expense	-	-	(784)	(784)
Balance at 31 March 2023	751	74,250	81,716	156,717

Babcock Project Services Limited

Notes to the financial statements

1 General information

Babcock Project Services Limited is a private company limited by shares, under the companies act 2006 and registered in the UK, which is incorporated and domiciled in the UK. The address of the registered Office is 33 Wigmore Street, London W1U 1QX.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). These financial statements are prepared on a going concern basis, under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the Company and rounded to the nearest thousand.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The Company is a wholly owned subsidiary of Babcock Investments Limited and is included in the consolidated financial statements of Babcock International Group PLC which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006.

The company meets the definition of a qualifying entity under Financial Reporting Standard 100 (FRS 100) issued by the Financial Reporting Council. Accordingly, these financial statements have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101). In preparing these financial statements, the company applies the recognition and measurement requirements of International Financial Reporting Standards (IFRS) as adopted by the UK, but makes amendments where necessary in order to comply with the Companies Act 2006 and sets out below where advantage of the FRS 101 disclosure exemptions has been taken:

- a) Paragraphs 91 to 99 of IFRS 13 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities).
- b) Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information in respect of:
 - paragraph 79(a) (iv) of IAS 1 'Share capital and reserves';
 - paragraph 73(e) of IAS 16 'Property, plant and equipment'; and
 - paragraph 118(e) of IAS 38 Intangible assets (reconciliations between carrying amount at the beginning and end of the period).
- c) Paragraphs 10(d), 10(f), 16, 38, 40, 111, and 134-136 of IAS 1 'Presentation of financial statements'.
- d) IAS 7, 'Statement of cash flows'.
- e) Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors'.
- f) Paragraph 17 of IAS 24, 'Related party transactions' in respect of key management compensation;
- g) The requirements of IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

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Notes to the financial statements *(continued)*

2 Summary of significant accounting policies *(continued)*

Basis of Preparation *(continued)*

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. The Company intends to continue to prepare its financial statements in accordance with FRS 101.

Going concern

The Company's business activities, together with the factors likely to affect its future development and financial position are set out within the Strategic Report and Directors' Report. In addition, within the Directors' Report there are details of the financial risks that the Directors have highlighted as significant to the business.

As the Company is part of a larger group, it participates in the Group's centralised treasury arrangements and so shares banking arrangements with its parents and fellow subsidiaries.

The Company is in a net current liabilities position of £52.0m, comprised of intercompany amounts due to parent and group companies of £52.1m. The Company is not expected to settle the intercompany amounts due to parent and group undertakings until the Company has sufficient liquidity to do so and the Company has received confirmation from the other group companies these amounts are due to, confirming this position. Additionally, the Company is expected to be in a position to obtain finance via intercompany loans to continue to operate for at least twelve months from when the financial statements are authorised for issue and the Company has received a letter of support from Babcock Investments Limited confirming this position. In completing this analysis, the Directors have considered the ability of Babcock Investments Limited to provide such finance.

The Directors are not aware of any material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Investments

Fixed asset investments are stated at cost less provision for impairment in value.

Trade and other receivables

Trade and other receivables (including amounts due from group undertakings) are stated at their cost less expected credit losses. A provision for expected credit losses is established when there is objective evidence that the collection of the debt is no longer probable.

Trade and other payables

Trade and other payables (including amounts due to group undertakings) are initially recognised at fair value, which is usually original invoice amount and are subsequently held at amortised cost using the EIR (Effective Interest Rate) method (although, in practice, the discount is often immaterial). If payment is due within one year or less payables are classified as current liabilities. If not, they are presented as non-current liabilities.

Taxation

Current income tax

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Registered number 04539887

Notes to the financial statements *(continued)***2 Summary of significant accounting policies** *(continued)***Foreign currencies**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the local currency at the year end exchange rates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at exchange rates ruling at the balance sheet date of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

3 Critical accounting estimates and judgements

In the course of preparation of the financial statements no critical judgements have been made in applying the Company's accounting policies, other than those involving estimates, that have had a material effect on the amounts recognised in the financial statements. The application of the Company's accounting policies requires the use of estimates and the inherent uncertainty in forward looking estimates may result in a material adjustment to the carrying amount of assets and liabilities in the next financial year. Critical accounting estimates are subject to continuing evaluation and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable in light of known circumstances. The key assumptions about the future, and other key sources of estimation uncertainty at the reporting year end that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

Critical accounting estimates – Impairment of investment in subsidiaries

The Company's impairment policies require management to perform impairment testing where indicators of impairment are identified. Impairment testing is performed at the individual asset level. Where an asset does not generate cash flows that are separately identifiable from other assets, the Company estimates the recoverable amount of the CGU (Cash Generating Unit) to which the asset belongs. The CGU for the purpose of this analysis is the sub-groups of entities which the Company has an investment in. The recoverable amount is the higher of the fair value less costs of disposal, and value-in-use.

The carrying value of investment in subsidiaries is tested annually for impairment, in accordance with IAS 36. The impairment assessment is based on assumptions in relation to the cash flows expected to be generated by the subsidiaries, together with appropriate discounting of the cash flows. Note 7 provides information on key assumptions and sensitivity analysis performed.

4 Operating profit

Operating profit is stated after (crediting) / charging:

	2023	2022
	£000	£000
Foreign exchange gain/(loss)	258	(111)

Babcock Project Services Limited

Notes to the financial statements (continued)

5 Finance costs

	2023 £000	2022 £000
Interest payable to group undertakings	(288)	(105)

6 Income tax expense

Tax expense for the year is lower (2022: lower) than the standard effective rate of corporation tax in the UK for the year ended 31 March 2023 of 19% (2022: 19%). The differences are explained below:

	2023 £000	2022 £000
Profit before taxation	13,440	33,038
Profit before taxation multiplied by standard UK corporation tax rate of 19% (2022: 19%)	2,554	6,277
Effects of:		
Income not taxable	(2,559)	(6,174)
Group relief for nil consideration	5	(103)
Total tax charge for the year	-	-

On 24 May 2023, the Finance Act 2023 was substantively enacted, increasing the main rate of UK corporation tax from 19% to 25% with effect from 1 April 2023.

7 Investments

	2023 £000	2022 £000
Cost		
At 1 April	78,222	77,915
Additions	-	307
At 31 March	78,222	78,222
Provision for impairment		
At 31 March	-	-
Net book value		
At 31 March	78,222	78,222

In the prior year the investment in Babcock International Holdings BV was increased by a further £307,000.

During the year dividends of £13,470,000 (2022: £32,496,000) from Babcock International Holdings BV.

Babcock Project Services Limited

Notes to the financial statements *(continued)*

7 Investments *(continued)*

Results of the current year impairment assessment:

The impairment test for the year ended 31 March 2023 did not result in an impairment for the investment in Babcock International Holdings BV.

The directors believe that the carrying value of the investments is supported by their future cash flow projections. A full list of all subsidiary undertakings has been included in note 13 Related Undertakings.

Key Assumptions:

The key assumptions to which the recoverable amount of the Company's investment in subsidiary undertakings is most sensitive are future cash flows, long-term growth rates and discount rates. Further details on how these inputs are determined are set out in note 10 of the Group financial statements for the year ending 31 March 2023.

The value-in-use calculations do not include the anticipated benefits of the Group's revised operating model or the implementation costs of this project, reflecting that the Group was not committed to the project at 31 March 2023.

The discount rates used to determine the recoverable amount of the Company's investment in subsidiary undertakings are 12.4% - 13.1% (2022: 11.3% - 11.7%). The long-term growth rates used to determine the recoverable amount of the Company's investment in subsidiary undertakings are 1.9% - 2.1% (2022: 1.8% - 2.5%).

Sensitivity:

The Directors carried out sensitivity analysis on the reasonably possible changes in key assumptions used to determine the recoverable value of the Company's investment in subsidiary undertakings.

The Company's calculation of recoverable value does not present an impairment in the year ending 31 March 2023, or in the prior year. Reasonably possible changes in estimates could give rise to a material impairment in the following year. The Company carried out sensitivity analysis on the reasonably possible changes in the discount rate and long-term growth rate used in the value-in-use models for the Company's investment in subsidiary undertakings.

An increase to the pre-tax discount rate of 100 basis points would not cause a change to the impairment charge. A decrease to the long-term growth rate of 50 basis points would not cause a change to the impairment charge.

The Directors consider that key cash flow assumptions in the calculation of the recoverable value of the Company's investment in subsidiary undertakings include short-term cash flows. If the year-on-year growth is decreased by 15%, the value in use for the Company's investment in subsidiary undertakings would not change.

Babcock Project Services Limited

Notes to the financial statements (continued)

8 Trade and other receivables

	2023 £000	2022 £000
Amounts due from group undertakings	130,541	118,935

Amounts due from group undertakings are unsecured, non-interest bearing and repayable on demand.

9 Trade and other payables

	2023 £000	2022 £000
Amounts due to parent and group undertakings	52,062	53,112

Amounts due to group undertakings are repayable on demand and interest free.

10 Provision for liabilities

	2023 £000	2022 £000
At 1 April	-	758
Release of provision	-	(758)
At 31 March	-	-

In the prior year the provision was released as the warrantee on sale of Conbras Servicios Tecnicos de Suporte Ltda expired.

11 Called up share capital

	2023 £000	2022 £000
Allotted, called up and fully paid		
751,000 ordinary shares of £1 each (2022: 751,000)	751	751

12 Related party disclosures

The Company has taken advantage of the exemptions within FRS 101 not to disclose transactions and balances with Babcock International Group PLC and its wholly owned subsidiaries, on the grounds that the Company itself is a wholly owned subsidiary of Babcock International Group PLC, for which the consolidated financial statements are publicly available.

Babcock Project Services Limited

Notes to the financial statements *(continued)*

13 Related Undertakings

A full list of subsidiary undertakings and significant holdings as at 31 March 2023 is disclosed below:

Name	Registered Office address	Ultimate %
Babcock Africa (Pty) Limited	Riley Road Office Park, 15E Riley Road, Bedfordview, Gauteng, 2007, South Africa	90.04%
Babcock Africa Holdings (Pty) Ltd	Riley Road Office Park, 15E Riley Road, Bedfordview, Gauteng, 2007, South Africa	90.04%
Babcock Africa Investments (Pty) Ltd	Riley Road Office Park, 15E Riley Road, Bedfordview, Gauteng, 2007, South Africa	100%
Babcock Africa Services (Pty) Ltd	Riley Road Office Park, 15E Riley Road, Bedfordview, Gauteng, 2007, South Africa	90.04%
Babcock Education and Training (Pty) Ltd	Riley Road Office Park, 15E Riley Road, Bedfordview, Gauteng, 2007, South Africa	90.04%
Babcock Financial Services (Pty) Ltd	Riley Road Office Park, 15E Riley Road, Bedfordview, Gauteng, 2007, South Africa	90.04%
Babcock International Holdings BV*	Bezuidenhoutseweg 1, 2594 AB The Hague, The Netherlands	100%
Babcock Moçambique Limitada	Av. Zedequias Manganhela, no 267, 1 Andar, Direito, Mozambique	90.04%
Babcock Namibia Services Pty Ltd	Unit 3 Ground Floor, Dr Agostinho Neto Road, Ausspann Plaza, Ausspanplatz, Windhoek, Namibia	90.04%
Babcock Ntuthuko Aviation (Pty) Limited	Riley Road Office Park, 15E Riley Road, Bedfordview, Gauteng, 2007, South Africa	66.78%
Babcock Ntuthuko Engineering (Proprietary) Limited	Riley Road Office Park, 15E Riley Road, Bedfordview, Gauteng, 2007, South Africa	33.08%
Babcock Ntuthuko Powerlines (Proprietary) Limited	Unit G3 Victoria House, Plot 132 Independence Avenue, Gaborone, Botswana	33.65%
Babcock Plant Services (Pty) Ltd	Riley Road Office Park, 15E Riley Road, Bedfordview, Gauteng, 2007, South Africa	64.83%
Babcock TCM Plant (Proprietary) Limited	Unit G3 Victoria House, Plot 132 Independence Avenue, Gaborone, Botswana	90.04%
Babcock Zambia Limited	16 Arusha, Town Centre, Ndola, Copper Belt, Zambia	90.04%
Rowmoor Investments 811 (Pty) Ltd	Riley Road Office Park, 15E Riley Road, Bedfordview, Gauteng, 2007, South Africa	31.77%

*Directly owned by Babcock Project Services Limited

14 Immediate and ultimate parent undertakings

The Company's immediate parent company is Babcock Investments Limited, a company registered in England and Wales. The Company's ultimate parent undertaking and controlling party is Babcock International Group PLC, a company registered in England and Wales. The only Group in which the results of the Company are consolidated is that headed by Babcock International Group PLC. Copies of Babcock International Group PLC Financial Statements are available from the following address:

The Company Secretary - Babcock International Group PLC
33 Wigmore Street
London W1U 1QX