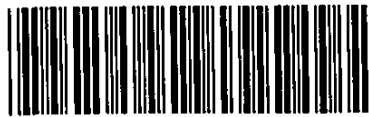


**Report of the Director and
Financial Statements
for the Year Ended 31 December 2010
for
ABS Group Ltd**

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COMPANIES HOUSE

ABS Group Ltd (Registered number: 02562245)

**Report of the Director
for the Year Ended 31 December 2010**

The director presents his report with the financial statements of the company for the year ended 31 December 2010

PRINCIPAL ACTIVITY

The company's principal activities in the period under review were providing third party inspection, verification, quality consulting and other technical services. The results for the year are set out on page 5 of the financial statements. During the year the group operated through branches in the UK, Germany, Italy, France, Spain, the Netherlands and Greece.

REVIEW OF BUSINESS

The Key financial indicators during the year were as follows

	2010	2009	Change
	£'000	£'000	%
Turnover	2,225	2,136	4%
Gross Profit	650	614	6%
Gross Profit % Sales	29%	29%	0%

The £89k increase in revenue during 2010 is primarily due to the expansion of the inspection and verification services into new markets. The rate of gross profit remained at 29% in spite of continuing difficult market conditions.

The business strategy for 2011 onwards is to further expand into the growing renewable energy market by targeting key clients in the European region. The expansion into this new market is part of a global strategy and a number of key appointments have been made within the ABS Group of Companies to develop business relationships within this market.

DIVIDENDS

The director did not recommend the payment of a dividend (2009 £Nil). The total recognised loss for the year of £10,000 (2009 profit of £252,000) has been transferred to reserves.

FUTURE DEVELOPMENTS

The business continues to move forward by building on its strong relationships with key clients and by taking advantage of the benefits of synergies and business opportunities with other entities within the ABS Group of Companies. In particular the business intends to continue to develop its services within the Nuclear Energy sector.

DIRECTORS

The directors who held office during the year were as follows
Antoine Nassif
George Green

As at 30 June 2011 George Green had resigned.

GOING CONCERN

On the basis that the Parent company will continue to provide any necessary support, the director is satisfied that ABS Group Limited (the Company) has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

PRINCIPAL RISKS AND UNCERTAINTIES

The company's principal risks are from a shortage of suitably qualified inspectors in the oil and gas industry and from fluctuations in exchange rates. The utilisation of staff from other Group Companies lessens the risk of skills shortage while the effects of movement in exchange rates are mitigated by matching revenue and expense currencies whenever possible. The company policy of billing all intercompany expenses denominated in US dollars could give rise to realised gains and losses on foreign exchange should there be any change to the existing policy.

ABS Group Ltd
Company Information
for the Year Ended 31 December 2010

DIRECTOR	A Nassif
SECRETARIES	M Mannix Ms S Barton
REGISTERED OFFICE	EQE House, The Beacons Warrington Road Birchwood Warrington Cheshire WA3 6WJ
REGISTERED NUMBER	02562245 (England and Wales)
AUDITORS	Ernst & Young LLP 1 More London Place London SE1 2AF
BANKERS	Barclays Bank plc PO Box 35721 Level 27 One Churchill Place London E14 5HP

ABS Group Ltd (Registered number 02562245)

**Contents of the Financial Statements
for the Year Ended 31 December 2010**

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**Report of the Director
for the Year Ended 31 December 2010**

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is 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 director is required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The director is responsible for keeping 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

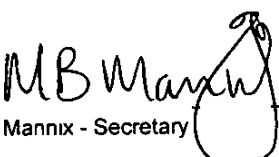
So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

Ernst & Young LLP are deemed to be reappointed in accordance with an elective resolution made under section 386 of The Companies Act 1985 which continues in force under the Companies Act 2006.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD


M Mannix - Secretary
Date 22nd September 2011

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABS GROUP LIMITED

We have audited the financial statements of ABS Group Limited for the year ended 31 December 2010 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes 1 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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 director and auditor

As explained in the Statement of Director's Responsibilities set out on page three, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the director, and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Report of the Director to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.

Denise Larnder (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

Ernst & Young LLP

Date

29 September 2011

ABS Group Ltd (Registered number 02562245)

**Profit and Loss Account
for the Year Ended 31 December 2010**

	Notes	2010 £'000	2009 £'000
TURNOVER	2	2,225	2,136
Cost of sales		<u>1,575</u>	<u>1,522</u>
GROSS PROFIT		650	614
Administrative expenses		<u>556</u>	<u>663</u>
OPERATING PROFIT/(LOSS)	4	94	(49)
Interest receivable and similar income	5	-	<u>29</u>
		94	(20)
Interest payable and similar charges	6	<u>13</u>	<u>16</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		81	(36)
Tax on profit/(loss) on ordinary activities	7	<u>(17)</u>	-
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u>98</u>	<u>(36)</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

The notes form part of these financial statements

ABS Group Ltd (Registered number 02562245)

Statement of Total Recognised Gains and Losses
for the Year Ended 31 December 2010

	2010 £'000	2009 £'000
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	98	(36)
Currency translation adjustments	(108)	288
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>(10)</u>	<u>252</u>

The notes form part of these financial statements

ABS Group Ltd (Registered number 02562245)

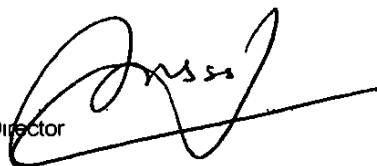
Balance Sheet
31 December 2010

	Notes	2010 £'000	£'000	2009 £'000	£'000
FIXED ASSETS					
Tangible assets	10		4		3
Investments	11		-		-
			<u>4</u>		<u>3</u>
CURRENT ASSETS					
Debtors	12	11,122		8,570	
Cash at bank		80		55	
		<u>11,202</u>		<u>8,625</u>	
CREDITORS					
Amounts falling due within one year	13	13,218		10,852	
NET CURRENT LIABILITIES			<u>(2,016)</u>		<u>(2,227)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(2,012)</u>		<u>(2,224)</u>
PROVISIONS FOR LIABILITIES	15		<u>271</u>		<u>49</u>
NET LIABILITIES			<u><u>(2,283)</u></u>		<u><u>(2,273)</u></u>
CAPITAL AND RESERVES					
Called up share capital	16		1,767		1,767
Profit and loss account	17		<u>(4,050)</u>		<u>(4,040)</u>
SHAREHOLDERS' FUNDS	20		<u><u>(2,283)</u></u>		<u><u>(2,273)</u></u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

The financial statements were approved by the director on 22nd September 2011 and were signed by

A Nassif - Director



The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 December 2010

1 ACCOUNTING POLICIES

Basis of preparation

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

The accounts have been prepared on a going concern basis, notwithstanding the deficit on net assets. In the general interests of the Company, the parent company ABS Group Inc will continue to provide financial and other support to ABS Group Ltd at least for the next twelve months and thereafter for the foreseeable future to enable it to continue to trade

Under FRS 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements

As the company is a wholly owned subsidiary of the American Bureau of Shipping, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with other wholly owned entities which form part of the group, or investees of the group qualifying as related parties. The American Bureau of Shipping produces consolidated financial statements the address of the company can be found within note 19

Accounting convention

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of services to customers during the year. Revenue is recognised on a percentage of completion basis for long term contracts and on invoicing of fee based work

Tangible fixed assets

Tangible assets are stated at cost less depreciation. Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows

Computer equipment	-	over lower of 3 to 5 years or the lease term
Fixtures and fittings	-	10% Straight line

Deferred tax

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes

Deferred tax has not been recognised as the director considers that it is unlikely that there will be suitable taxable profits which the future reversal of the underlying timing differences can be deducted

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account

Assets and liabilities in overseas branches are translated into Sterling at the rates of exchange ruling at the balance sheet date. Profit and loss accounts of such branches are translated at the average rates of exchange during the year. Any differences are taken to reserves and disclosed in the Statement of Total Recognised Gains and Losses

Intercompany balances are treated as monetary assets and in accordance with SSAP 20 the revaluation of prior year balances is included in the statement of total recognised gains and losses

Notes to the Financial Statements - continued
for the Year Ended 31 December 2010

1 ACCOUNTING POLICIES - continued

Pensions

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

One employee of the company participates in a pension scheme operated by another group company, ABS Europe Limited providing benefits based on final pensionable pay. The assets of the scheme are held by a separate trustee administered fund. The pension costs for this scheme have been paid by ABS Group Limited to ABS Europe Limited. The required disclosure regarding these costs are included in the financial statements of ABS Europe Limited. The company is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS 17 'Retirement benefits', accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contribution payable to the scheme in respect of the accounting period.

Investments

Investments are valued at the lower of cost and net realisable value.

2 TURNOVER

Turnover represents the amounts (excluding value added tax) derived from the provision of services to customers during the year. Revenue is recognised on a percentage of completion basis for long term contracts and on invoicing of fee based work.

Turnover, group profit on ordinary activities before tax and net assets are analysed as follows:

	Turnover	2010 Net Assets	Attributable pre-tax profit	Turnover	2009 Net Assets	Attributable pre-tax (loss)
	£'000	£'000	£'000	£'000	£'000	£'000
By activity						
Third party inspection	1,222	(1,276)	44	1,191	(1,198)	(20)
Verification	119	(134)	4	191	(244)	(3)
Quality consulting	741	(712)	28	750	(826)	(13)
Other technical services	143	(161)	5	4	(5)	-
	<u>2,225</u>	<u>(2,283)</u>	<u>81</u>	<u>2,136</u>	<u>(2,273)</u>	<u>(36)</u>
By geographical market						
UK	307	(250)	11	270	(337)	(4)
Europe	1,683	(2,033)	61	1,396	(1,659)	(24)
Rest of World	235	-	9	470	(277)	(8)
	<u>2,225</u>	<u>(2,283)</u>	<u>81</u>	<u>2,136</u>	<u>(2,273)</u>	<u>(36)</u>

ABS Group Ltd (Registered number 02562245)

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2010**

3 STAFF COSTS

The average number of persons employed by the company (including directors) during the period, analysed by category, was as follows

	Number of employees	
	2010	2009
Operational	3	4
Administration	7	6
	<u>10</u>	<u>10</u>

The aggregate payroll costs of these persons were as follows

	2010 £'000	2009 £'000
Wages and salaries	353	408
Social security costs	18	35
Other pension costs	56	85
	<u>427</u>	<u>528</u>

4 OPERATING PROFIT/(LOSS)

Profit on ordinary activities before tax is stated after charging

	2010 £'000	2009 £'000
Auditors remuneration		
Audit	8	13
Depreciation on tangible fixed assets	2	1
	<u>10</u>	<u>14</u>

5 INTEREST RECEIVABLE AND SIMILAR INCOME

	2010 £'000	2009 £'000
Translational exchange gains arising on intra-group trading balances	-	29
	<u>-</u>	<u>29</u>

6 INTEREST PAYABLE AND SIMILAR CHARGES

	2010 £'000	2009 £'000
Exchange gain arising on receipts/payments	(3)	16
Exchange loss arising on intercompany balance	16	-
	<u>13</u>	<u>16</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2010

7 TAXATION

Analysis of the tax credit

The tax credit on the profit on ordinary activities for the year was as follows

	2010 £'000	2009 £'000
Current tax		
Prior year corporation tax	(17)	-
Tax on profit/(loss) on ordinary activities	<u>(17)</u>	<u>-</u>

Factors affecting the tax credit

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

	2010 £'000	2009 £'000
Profit/(loss) on ordinary activities before tax	<u>81</u>	<u>(36)</u>
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2009 - 28%)	23	(10)
Effects of		
Depreciation was in excess of capital allowances for the year	1	(2)
Creation/(utilisation) of tax losses	(23)	-
Group relief surrendered to other group companies in respect of prior years	-	15
Permanent differences	(2)	(2)
Other timing differences	1	(1)
Adjustments to tax charge in respect of previous periods	<u>(17)</u>	<u>-</u>
Current tax credit	<u>(17)</u>	<u>-</u>

Factors that may affect future tax charges

The company has an unrecognised deferred tax asset of £1,140,009 (2009 unrecognised £1,204,350) in respect of tax losses and other timing differences. Legislation was introduced in Finance (No 2) Act 2010 to reduce the main rate of corporation tax from 28% to 27% which effect from 1 April 2011. The effect of this reduction is reflected in the unrecognised deferred tax asset of £1,140,009.

On 23 March 2011 as part of the 2011 Budget, the UK government has announced its intention to legislate to reduce the rate to 26% with effect from 1 April 2011 and further by 1% per annum falling to 23% with effect from 1 April 2014. The reduction to 26% has subsequently been enacted under the provisions of the Provisional Collection of Taxes Act 1968. The director estimates the maximum effect of these rate changes will be to reduce the unrecognised deferred tax asset to £971,119.

8 COST OF SALES AND ADMINISTRATIVE EXPENSES

Cost of sales of £1,575,000 (2009 £1,522,000) comprise salaries, related labour costs, subcontract labour costs and client reimbursable expenses

Administrative expenses comprise

	2010 £'000	2009 £'000
Office costs	33	38
Systems and telecommunications	24	31
Intercompany support services	187	204
Other administrative expenses	312	390
	<u>556</u>	<u>663</u>

ABS Group Ltd (Registered number 02562245)

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2010**

9 REMUNERATION OF DIRECTORS

The directors spend the majority of their time managing other entities within the ABS Group of Companies. The proportion of their remuneration from other entities which was recharged to the company during 2010 is not significant.

10 TANGIBLE FIXED ASSETS

	Fixtures and fittings £'000	Office equipment £'000	Totals £'000
COST			
At 1 January 2010	98	34	132
Additions	3	1	4
Exchange differences	(3)	(1)	(4)
	<u>98</u>	<u>34</u>	<u>132</u>
At 31 December 2010	98	34	132
DEPRECIATION			
At 1 January 2010	97	32	129
Charge for year	1	1	2
Exchange differences	(2)	(1)	(3)
	<u>96</u>	<u>32</u>	<u>128</u>
At 31 December 2010	96	32	128
NET BOOK VALUE			
At 31 December 2010	<u>2</u>	<u>2</u>	<u>4</u>
At 31 December 2009	<u>1</u>	<u>2</u>	<u>3</u>

11 FIXED ASSET INVESTMENTS

The company's investments at the balance sheet date in the share capital of companies include the following:

ABS Consulting (Hellas)

Country of incorporation: Greece
Nature of business: Non-trading

	%
Class of shares	holding
Group	100.00
Company	100.00

The cost (£106,000) of the fixed asset investment in ABS Consulting (Hellas) has been fully provided.

12 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010 £'000	2009 £'000
Trade debtors	486	751
Amounts owed by group undertakings	10,544	7,732
Other debtors	92	87
	<u>11,122</u>	<u>8,570</u>

All debtor balances are due within 1 year.

ABS Group Ltd (Registered number: 02562245)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2010

13 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010 £'000	2009 £'000
Bank loans and overdrafts (see note 14)	39	92
Trade creditors	108	119
Amounts owed to group undertakings	12,915	10,535
Social security and other taxes	35	38
Accruals and deferred income	121	68
	<u>13,218</u>	<u>10,852</u>

All creditor balances are due within 1 year

14 LOANS

An analysis of the maturity of loans is given below

	2010 £'000	2009 £'000
Amounts falling due within one year or on demand		
Bank overdrafts	<u>39</u>	<u>92</u>

15 PROVISIONS FOR LIABILITIES

	2010 £'000	2009 £'000
Other provisions		
Severance provision	29	49
Pension provision	242	-
	<u>271</u>	<u>49</u>

	Provisions £'000
Balance at 1 January 2010	49
Pension provision	242
Exchange adjustment	(3)
Release of Severance provision	(17)
Balance at 31 December 2010	<u>271</u>

Increase in the year relates to a pension liability for an employee in Spain, which did not arise until 2010 and will be settled from 2011 onwards

16 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid		Nominal value	2010 £'000	2009 £'000
Number	Class			
1,767	Ordinary	£1	<u>1,767</u>	<u>1,767</u>

17 RESERVES

	Profit and loss account £'000
At 1 January 2010	(4,040)
Profit for the year	98
Exchange adjustment	(108)
At 31 December 2010	<u>(4,050)</u>

ABS Group Ltd (Registered number 02562245)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2010

18 PENSION COMMITMENTS

The company operates a defined contribution scheme for its employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The total pension cost of the year was £56,358 (2009 £85,362). Contributions unpaid but accrued at the balance sheet date were nil (2009 nil).

One employee of the company is a member of a pension scheme providing benefits based on final pensionable pay operated by the related company, ABS Europe Limited. The employer pension costs have been paid by ABS Group Limited to ABS Europe Limited. The appropriate disclosure regarding these costs are included in the financial statements of ABS Europe Limited.

19 ULTIMATE PARENT COMPANY

The company is a subsidiary undertaking of The American Bureau of Shipping, an entity incorporated by special statute in the United States of America.

The largest group in which the results of the company are consolidated is that headed by The American Bureau of Shipping, an entity incorporated by special statute in the United States of America. The consolidated accounts are available from the following address:

ABS Plaza
16855 North Chase Drive
Houston
TX 77060
USA

The smallest group in which they are consolidated is that headed by ABS Europe Limited, a company incorporated in the United Kingdom. The consolidated accounts are available from the following address:

No 1 Frying Pan Alley,
London, E1 7HR

20 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2010 £'000	2009 £'000
Profit/(Loss) for the financial year	98	(36)
Other recognised gains and losses relating to the year (net)	(108)	288
Currency translation adjustments		
Net (reduction)/addition to shareholders' funds	(10)	252
Opening shareholders' funds	(2,273)	(2,525)
Closing shareholders' funds	(2,283)	(2,273)