

BP MARINE LIMITED
(Registered No.1214291)

ANNUAL REPORT AND ACCOUNTS - 1992

Board of Directors :- P.T. Davis
A.J. Porter

REPORT OF THE DIRECTORS

The directors submit their report and accounts for the year ended 31 December 1992.

As all the accounting records are maintained in US dollars, the primary currency of operation, the company has decided that from 1992 no translation to pounds sterling will be made for the annual report and accounts. Consequently these accounts, including the comparative 1991 figures, are stated in US dollars.

PRINCIPAL ACTIVITY

The company was and will continue to be engaged in the contracting of international marine business on behalf of the BP group.

RESULTS AND DIVIDENDS

The profit for the year of \$949,335 when deducted from the retained deficit brought forward at 1 January 1992 of \$12,742,652 gives a total retained deficit carried forward at 31 December 1992 of \$11,793,317.

DIRECTORS

Mr J.M. Tavares was a director of the company throughout the year. Mr M.R. Knott resigned as director on 24 April 1992 and Mr A.J. Porter was appointed on the same date. Mr G.D. Bourne resigned on 1 October 1992 and Mr P.T. Davis was appointed on the same date. Mr J.M. Tavares resigned on 31 May 1993.

The interests of the directors holding office at 31 December 1992, and their families, in the shares of The British Petroleum Company p.l.c. were as set out below:-

	<u>Type of share</u>	<u>1 January 1992</u> <u>or date of appointment</u>	<u>31 December 1992</u>
P.T. Davis	25p ordinary	2,170	4,670
A.J. Porter	25p ordinary	4,944	5,002
J.M. Tavares	25p ordinary	2,092	8,117



BP MARINE LIMITED

REPORT OF THE DIRECTORS (Continued)

Rights to subscribe for 25p Ordinary Shares were granted to, or exercised by, the directors between 1 January or date of appointment and 31 December 1992 as follows :

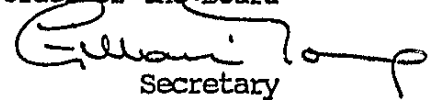
	<u>Granted</u>	<u>Exercised</u>
P.T. Davis	21,533	-
A.J. Porter	3,640	-
J.M. Tavares	-	4,235

No director had any interest in shares or debentures of subsidiary undertakings of The British Petroleum Company p.l.c. at 31 December 1992.

During the year insurance was purchased and maintained by the ultimate parent undertaking for the directors and officers of the company against the financial consequences of actions brought against them by outside parties for their acts or omissions in the performance of their duties.

In accordance with Section 379 of the Companies Act 1985, the company has elected to dispense with the obligation to appoint auditors annually and Ernst & Young continue in office.

By order of the Board


Secretary

Britannic House
1 Finsbury Circus
London EC2M 7BA

22 July 1993

BP MARINE LIMITED

REPORT OF THE AUDITORS TO THE MEMBERS OF BP MARINE LIMITED

We have audited the accounts on pages 4 to 9 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of affairs of the company at 31 December 1992 and the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young.

Chartered Accountants
Registered Auditor
London

22 July 1993

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BP MARINE LIMITED

PRESENTATION OF ACCOUNTS

Following the decision made by the company not to translate its accounts from US dollars, its functional currency, to pounds sterling for presentation of its annual report and accounts, these accounts are now presented in US dollars. The 1991 comparative figures have been restated from pounds sterling, previously the US dollar amounts had been translated using, for the profit and loss account the average translation rate for 1991 of US\$1.77 = £1 and for the balance sheet the closing rate at 31 December 1991 of US\$1.87 = £1.

ACCOUNTING POLICIES

Basis of preparation

The accounts are prepared under the historical cost convention on a going concern basis as the directors are aware that adequate finance is available to the company to meet its financial obligations as they fall due.

The accounts are prepared in accordance with applicable UK accounting standards.

As the ultimate parent undertaking has published a group cash flow statement in compliance with Financial Reporting Standard No.1, a cash flow statement is not presented in these accounts.

Foreign currencies

Assets and liabilities in currencies other than US dollars are translated into US dollars at closing rates of exchange. All exchange gains and losses on settlement or translation at closing rates of exchange of monetary assets and liabilities are included in the determination of profit for the year.

Depreciation

Tangible and intangible assets are depreciated on the straight line method over their estimated useful lives.

Deferred taxation

Deferred taxation is calculated using the liability method. Provision is made where timing differences are expected to reverse in the foreseeable future.

BP MARINE LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1992

	<u>Note</u>	<u>1992</u> \$	<u>1991</u> \$
TURNOVER	1	28,896,956	21,315,031
Operating expenses	2	27,947,776	26,756,754
		<u>949,180</u>	<u>(5,441,723)</u>
Other income	3	155	18,360
PROFIT/(DEFICIT) FOR THE YEAR		<u>949,335</u>	<u>(5,423,363)</u>

RETAINED DEFICIT

Retained deficit at 1 January	(12,742,652)	(7,319,289)
Profit/(deficit) for the year	949,335	(5,423,363)
RETAINED DEFICIT AT 31 DECEMBER	<u>(11,793,317)</u>	<u>(12,742,652)</u>

BP MARINE LIMITED

BALANCE SHEET AT 31 DECEMBER 1992

	<u>Note</u>	<u>1992</u> \$	<u>1991</u> \$
FIXED ASSETS			
Tangible Assets	6	443,565	766,044
CURRENT ASSETS			
Debtors	7	67,561,066	52,434,456
CREDITORS - amounts falling due within one year	8	79,797,761	65,942,965
NET CURRENT LIABILITIES		<u>(12,236,695)</u>	<u>(13,508,509)</u>
EXCESS OF LIABILITIES OVER ASSETS		<u>(11,793,130)</u>	<u>(12,742,465)</u>
Represented by:			
CAPITAL AND RESERVES			
Called up share capital	9	187	187
Reserves		(11,793,317)	(12,742,652)
		<u>(11,793,130)</u>	<u>(12,742,465)</u>

- Director

22 July 1993

BP MARINE LIMITED

NOTES TO THE ACCOUNTS

1. Turnover

Turnover represents reimbursed costs and a service fee. All turnover arose as a result of reimbursement for services provided and costs incurred in the U.K.

2. Operating expenses include:

	<u>1992</u>	<u>1991</u>
	\$	\$
Depreciation of fixed assets	322,479	270,883
Auditors' remuneration		
Audit fees - current year	44,250	45,843
- prior year	-	-
Fees for other services	-	-
	<u> </u>	<u> </u>

3. Other income

	<u>1992</u>	<u>1991</u>
	\$	\$
Interest received from debtors	155	18,360
	<u> </u>	<u> </u>

4. Pensions

BP Marine Limited does not directly employ any staff and therefore does not directly bear any pensions charge.

5. Taxation

The company is a member of a group for the purposes of relief under Section 402 of the Income and Corporation Taxes Act 1988. No corporation tax arises.

Provision for deferred taxation has been made in the accounts of BP International Limited, a fellow subsidiary undertaking, having regard to the group deferred taxation position.

The gross potential liability of this company for deferred taxation at 31 December 1992 of \$Nil (1991 \$5,610) comprises tax at 33% on timing differences principally between accounting and taxation treatment of fixed assets. If provision for deferred taxation had been made in the accounts on the basis of the gross potential liability, there would have been a credit for the year of \$5,610 (1991 charge \$5,610).

BP MARINE LIMITED

NOTES TO ACCOUNTS (continued)

6. Tangible Assets

	<u>Computer Equipment</u>
Cost:	\$
At 1 January 1992	1,464,848
Deletions	(174,795)
At 31 December 1992	<u>1,290,053</u>
Depreciation:	
At 1 January 1992	698,804
Charge for the year	322,479
Deletions	(174,795)
At 31 December 1992	<u>846,488</u>
Net Book Amount:	
At 31 December 1992	<u>443,565</u>
At 31 December 1991	<u>766,044</u>

Depreciation is charged at 25% per annum.

7. Debtors - amounts falling due within one year

	<u>1992</u>	<u>1991</u>
	\$	\$
Trade	63,649,632	50,041,510
Fellow subsidiary undertakings	3,910,650	2,389,976
Prepayments	784	2,970
	<u>67,561,066</u>	<u>52,434,456</u>

8. Creditors - amounts falling due within one year

	<u>1992</u>	<u>1991</u>
	\$	\$
Trade	942,328	1,001,063
Fellow subsidiary undertakings	75,939,572	64,613,220
Accruals	2,915,861	328,682
	<u>79,797,761</u>	<u>65,942,965</u>

BP MARINE LIMITED

NOTES TO ACCOUNTS (continued)

9. Called up share capital

	<u>1992</u>	<u>1991</u>
	\$	\$
Authorised, allotted and fully paid:		
100 ordinary shares of £1 each	<u>187</u>	<u>187</u>

10. Directors

None of the directors received any fees or remuneration from the company.

11. Ultimate parent undertaking

The ultimate parent undertaking of the group of undertakings for which group accounts are drawn up, and of which the company is a member, is The British Petroleum Company p.l.c, a company registered in England and Wales. Copies of The British Petroleum Company p.l.c.'s accounts may be obtained from Britannic House, 1 Finsbury Circus, London EC2M 7BA.