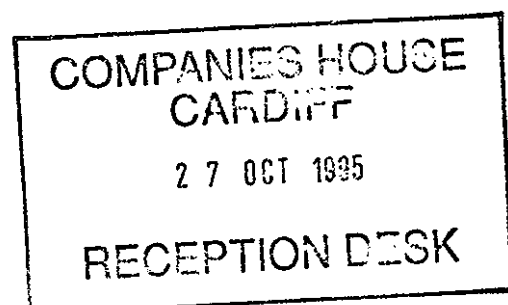


Halyard Offshore Limited

Directors' report and
financial statements

Year ended 31 December 1994



HALYARD OFFSHORE LIMITED
YEAR ENDED 31 DECEMBER 1994
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HALYARD OFFSHORE LIMITED

GENERAL INFORMATION

DIRECTORS

B.A. Hall
M.D.C. Steeves
R.D. McFarlane (Appointed on 18 October 1994)

SECRETARY

B.A. Hall (Resigned 18 October 1994)
M.V. Williams (Appointed 18 October 1994)

BANKERS

Hill Samuel Bank Limited
188 Brompton Road
London SW3 1HQ.

AUDITORS

KPMG Peat Marwick
Chartered Accountants
1, Stokes Place
St. Stephen's Green
Dublin 2.

REGISTERED OFFICE

1 East Point
Seal
Kent TN15 OEG
United Kingdom.

HALYARD OFFSHORE LIMITEDDIRECTORS' REPORT

The directors present their annual report together with the financial statements of the company for the year ended 31 December 1994.

RESULTS AND DIVIDENDS

The profit for the year after taxation was Stgf37,376. The directors do not recommend the payment of a dividend.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activities of the company are the provision of consultancy, marketing and management services to the oil and marine industries.

The directors are satisfied with the result for the year and expect the company to continue trading profitably in the forthcoming years.

ISSUE OF SHARES

During the year the company issued 1,818 ordinary shares of Stgf1 each for proceeds amounting to Stgf19,998. The issue raised further working capital for the company.

FIXED ASSETS

The changes in fixed assets during the year are shown in Note 8 to the financial statements.

DIRECTORS AND INTERESTS IN SHARES

The directors who served throughout the year are shown below. The number of shares in the company or group companies in which the directors had a beneficial interest, as defined by the Companies Act 1985, were as follows:

	Ordinary shares of Stgf1 each	
	31 December 1994	31 December 1993 Or on appointment
B.A. Hall	-	9,750
M.D.C Steeves	-	9,750
R.D.Mc Farlane (appointed 18 October 1994)	-	-

HALYARD OFFSHORE LIMITED**DIRECTORS' REPORT****DIRECTORS AND INTERESTS IN SHARES (CONT'D)**

The interest of B.A. Hall and R.D. McFarlane in the shares of the ultimate holding company, Aminex plc, are shown in that company's accounts.

At 31 December 1994 M.D.C. Steeves held 176,246 ordinary shares of IR5p each in the ultimate parent company, Aminex plc, and also had options over 100,000 ordinary shares of IR5p each in Aminex plc. At 31 December 1994 M.V. Williams, the company secretary, had no interests in the ordinary share capital of the ultimate holding company, Aminex plc, other than options over 25,000 ordinary shares of IR5p each.

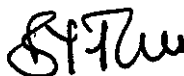
GROUP MEMBERSHIP

During the year the company was acquired by Aminex plc, a company incorporated in Ireland.

AUDITORS

On 24 January 1995 Moores Rowland resigned as auditors and KPMG Peat Marwick were appointed in their place. A resolution will be proposed at the annual general meeting to re-appoint KPMG Peat Marwick as auditors for the ensuing year.

B.A. Hall



Director

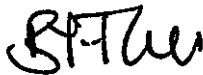
19 September 1995

HALYARD OFFSHORE LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which 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

- select suitable accounting policies and then apply them consistently
- make judgements and 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 directors are responsible for keeping proper books of account 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 Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

B.A. Hall  Director



Peat Marwick

Chartered Accountants

1 Stokes Place
St. Stephen's Green
Dublin 2
Ireland

AUDITORS' REPORT TO THE MEMBERS OF HALYARD OFFSHORE LIMITED

We have audited the financial statements on pages 7 to 14.

Respective responsibilities of Directors and Auditors

As described on page 5 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion based on our audit, on those financial statements, and to report our opinion to you.

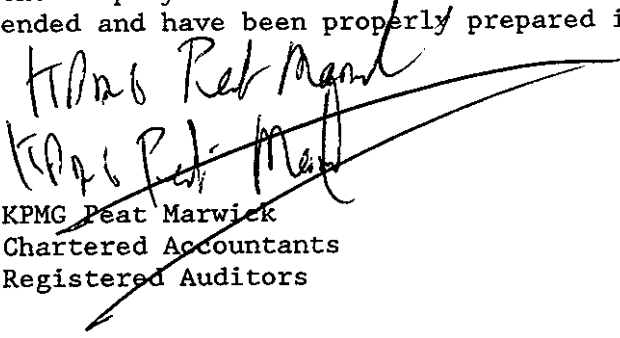
Basis of opinion

We conducted our audit in accordance with Auditing Standards 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 financial statements are free from material misstatement whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the company's affairs at 31 December 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


KPMG Peat Marwick
Chartered Accountants
Registered Auditors

27 September 1995



HALYARD OFFSHORE LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 1994

	<u>Notes</u>	<u>1994</u> <u>Stgf</u>	<u>1993</u> <u>Stgf</u>
Turnover from continuing operations	2	235,344	196,094
Administrative expenses		(209,544)	(163,121)
 Operating profit from continuing operations		 25,800	 32,973
Profit on sale of investments		15,536	-
Interest receivable		<u>660</u>	<u>461</u>
		41,996	33,434
Interest payable and similar charges	6	<u>(673)</u>	<u>(698)</u>
 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	 3	 41,323	 32,736
 Tax on profit on ordinary activities	 7	 <u>(3,947)</u>	 <u>(8,500)</u>
 PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		 37,376	 24,236
 Profit and loss account at beginning of year		 <u>2,947</u>	 <u>(21,289)</u>
 PROFIT AND LOSS ACCOUNT AT END OF YEAR		 <u>40,323</u>	 <u>2,947</u>

The company had no gains or losses in the financial year or the preceding financial year other than those dealt with in the profit and loss account.

HALYARD OFFSHORE LIMITEDBALANCE SHEETAS AT 31 DECEMBER 1994

	<u>Notes</u>	<u>1994</u> <u>Stgf</u>	<u>1993</u> <u>Stgf</u>
Fixed assets			
Tangible assets	8	129,739	100,001
Financial assets	9	-	<u>5,311</u>
		129,739	105,312
Current assets			
Debtors	10	60,081	44,186
Cash at bank and in hand		<u>28,010</u>	<u>15,999</u>
		88,091	60,185
Creditors: Amounts falling due within one year	11	(<u>36,611</u>)	(<u>49,975</u>)
NET CURRENT ASSETS		<u>51,480</u>	<u>10,210</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		181,219	115,522
Creditors: Amounts falling due after more than one year	12	(<u>8,323</u>)	-
TOTAL NET ASSETS		<u>172,896</u>	<u>115,522</u>
CAPITAL AND RESERVES			
Called-up share capital	13	29,818	28,000
Share premium account	14	102,755	84,575
Profit and loss account		<u>40,323</u>	<u>2,947</u>
TOTAL SHAREHOLDERS' FUNDS - EQUITY	15	<u>172,896</u>	<u>115,522</u>

B.A. Hall

BTW

Director

HALYARD OFFSHORE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1994

1. ACCOUNTING POLICIES

Accounting convention

The accounts have been prepared in accordance with generally accepted accounting principles under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board, as promulgated by the Institute of Chartered Accountants in England and Wales.

Depreciation of tangible fixed assets

Depreciation is calculated to write off the original cost of assets over their anticipated useful lives at the following annual rates on a straight line basis:

Leasehold improvements	- 10%
Furniture and computer equipment	- 20%
Motor Vehicles	- 25%

Foreign currencies

Assets and liabilities expressed in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated at the rate ruling at the date of the transaction. Differences arising are dealt with in the profit and loss account.

Leased assets

Tangible fixed assets acquired under finance leases are included in the balance sheet at their equivalent capital value and are depreciated over the shorter of the lease term and their useful lives. The corresponding liabilities are recorded as a creditor and the interest element of the finance lease rentals is charged to the profit and loss account on a straight line basis.

Operating lease rentals are charged to the profit and loss account on a straight line basis over the lease term.

Deferred taxation

Deferred taxation is calculated using the liability method and a provision is made to the extent that it is probable that such tax will become payable in the foreseeable future.

Pension costs

The company contributes to the cost of certain individual employee pension plans. Pension contributions are charged to the profit and loss account as incurred.

HALYARD OFFSHORE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1994

2. TURNOVER

Turnover represents the amounts invoiced to customers for services provided, excluding value added tax.

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>1994</u> <u>Stgf</u>	<u>1993</u> <u>Stgf</u>
Profit on ordinary activities before taxation is arrived at after charging:		
Depreciation	<u>6,933</u>	<u>-</u>
Auditors' remuneration	<u>1,550</u>	<u>1,100</u>
Directors' remuneration	<u>45,239</u>	<u>40,935</u>
Hire of plant and machinery	<u>2,945</u>	<u>3,428</u>

4. STAFF COSTS	<u>1994</u> <u>Stgf</u>	<u>1993</u> <u>Stgf</u>
Salaries and wages	78,147	52,000
Social security costs	8,770	6,179
Pension costs	<u>1,800</u>	<u>700</u>
	<u>88,717</u>	<u>58,879</u>

The average number of employees during the year, including the directors, was 5 (1993:3).

5. DIRECTORS REMUNERATION	<u>1994</u> <u>Stgf</u>	<u>1993</u> <u>Stgf</u>
Directors' remuneration	45,239	40,935
Pension contributions	<u>1,800</u>	<u>700</u>
	<u>47,039</u>	<u>41,635</u>
Chairman	<u>-</u>	<u>-</u>
Highest paid director	<u>45,239</u>	<u>40,935</u>

HALYARD OFFSHORE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1994

6.	INTEREST PAYABLE AND SIMILAR CHARGES	<u>1994</u> Stgf	<u>1993</u> Stgf			
	Interest payable on bank overdraft and other loans wholly repayable within five years	673	-			
	Interest on other loans	<u>-</u>	<u>698</u>			
		<u>673</u>	<u>698</u>			
7.	TAXATION	<u>1994</u> Stgf	<u>1993</u> Stgf			
	Corporation tax payable	4,000	8,500			
	Over provision in previous years	<u>(53)</u>	<u>-</u>			
		<u>3,947</u>	<u>8,500</u>			
8.	TANGIBLE FIXED ASSETS					
		Long Leasehold land and <u>buildings</u> Stgf	Fixtures and <u>fittings</u> Stgf	Plant and <u>machinery</u> Stgf	Motor <u>car</u> Stgf	<u>Total</u> Stgf
	Cost:					
	At 1 January 1994	96,244	3,757	1,937	-	101,938
	Additions at cost	<u>-</u>	<u>7,514</u>	<u>10,662</u>	<u>18,495</u>	<u>36,671</u>
	At 31 December 1994	<u>96,244</u>	<u>11,271</u>	<u>12,599</u>	<u>18,495</u>	<u>138,609</u>
	Depreciation:					
	At 1 January 1994	-	-	1,937	-	1,937
	Charge for the year	<u>-</u>	<u>1,127</u>	<u>2,132</u>	<u>3,674</u>	<u>6,933</u>
	At 31 December 1994	<u>-</u>	<u>1,127</u>	<u>4,069</u>	<u>3,674</u>	<u>8,870</u>
	Net book value					
	At 31 December 1994	<u>96,244</u>	<u>10,144</u>	<u>8,530</u>	<u>14,821</u>	<u>129,739</u>
	At 31 December 1993	<u>96,244</u>	<u>3,757</u>	<u>-</u>	<u>-</u>	<u>100,001</u>
	Included in the above are assets held under finance leases as follows:			<u>1994</u> Stgf	<u>1993</u> Stgf	
	Net book value at 31 December 1994			<u>14,821</u>	<u>-</u>	
	Depreciation charged in the year			<u>3,674</u>	<u>-</u>	

HALYARD OFFSHORE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1994

9. FINANCIAL ASSETS	<u>Listed Investments</u> Stgf
At 31 December 1993	5,311
Disposals	<u>(5,311)</u>
At 31 December 1994	<u>-</u>

During the year the company disposed of its shareholding in Aminex plc, a company in which B.A. Hall and R.D. McFarlane are directors and shareholders and in which M.D.C. Steeves is a shareholder.

10. DEBTORS	<u>1994</u> Stgf	<u>1993</u> Stgf
Trade debtors	32,421	25,928
Amounts owed by fellow subsidiary undertakings	25,500	-
Other debtors	<u>2,160</u>	<u>18,258</u>
	<u>60,081</u>	<u>44,186</u>

11. CREDITORS: amounts falling due within one year	<u>1994</u> Stgf	<u>1993</u> Stgf
Obligations under finance leases	3,699	-
Tax and social security	10,014	3,238
UK Corporation Tax (Note 7)	4,000	8,500
Other creditors	<u>18,898</u>	<u>38,237</u>
	<u>36,611</u>	<u>49,975</u>

12. CREDITORS: amounts falling due after more than one year	<u>1994</u> Stgf	<u>1993</u> Stgf
Net obligations under finance leases (repayable 2 - 5 years)	<u>8,323</u>	<u>-</u>

HALYARD OFFSHORE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1994

13. SHARE CAPITAL	<u>1994</u>		<u>1993</u>	
	<u>Number</u>	<u>Value</u>	<u>Number</u>	<u>Value</u>
Authorised:				
Ordinary shares of Stgfl each	<u>50,000</u>	<u>50,000</u>	<u>28,000</u>	<u>28,000</u>
Allotted, called up and fully paid				
Ordinary shares of Stgfl each	<u>29,818</u>	<u>29,818</u>	<u>28,000</u>	<u>28,000</u>

During the year the authorised share capital of the company was increased to 50,000 Ordinary shares of Stgfl each. The company issued 1,818 Ordinary shares of Stgfl at a premium of Stgfl10 each raising further working capital for the company.

14. SHARE PREMIUM ACCOUNT	<u>1994</u>	<u>1993</u>
	<u>Stgf</u>	<u>Stgf</u>
Opening balance	84,575	-
Arising on issue of shares	<u>18,180</u>	<u>84,575</u>
Closing balance	<u>102,755</u>	<u>84,575</u>

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	<u>1994</u>	<u>1993</u>
	<u>Stgf</u>	<u>Stgf</u>
Opening shareholders' funds	115,522	(1,789)
Profit for the financial year	37,376	24,236
New share capital subscribed at par	1,818	8,500
Share premium on shares subscribed	<u>18,180</u>	<u>84,575</u>
Closing shareholders' funds	<u>172,896</u>	<u>115,522</u>

16. CASH FLOW STATEMENT

As the company is a wholly owned subsidiary of a company established under the law of a member state of the European union, which is itself preparing a consolidated cash flow statement, the company is itself availing of the exemption under Financial Reporting Standard No.1 available to it, not to prepare a cash flow statement.

HALYARD OFFSHORE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1994

17. PENSIONS

The company contributes to the cost of certain individual employee pension plans. Annual contributions are based on a percentage of gross annual salary. The pension charge for the year to 31 December 1994 was Stg£1,800 (1993: Stg£700). There are no pension accruals or prepayments included in the financial statements at year end in respect of pension payments.

18. GROUP MEMBERSHIP

The company is a wholly owned subsidiary of Aminex plc, a company incorporated in the Republic of Ireland.

The smallest and largest group in which the results of Halyard Offshore Limited are consolidated is Aminex plc. These accounts are filed in Companies Office, Dublin Castle, Dublin 2.

During the year 100% of the company's shares were acquired by Aminex plc, a company connected with the directors of the company.

19. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were approved by the Board of Directors on 19 September 1995.