

Stolt Comex Seaway MS Limited

Accounts 30 November 1995

together with directors' and auditors' reports

Registered number: 2074427



Directors' report

For the year ended 30 November 1995

The directors present their annual report on the affairs of the company, together with the accounts and auditors' report for the year ended 30 November 1995.

Principal activities and business review

The company is involved in the provision of management services to fellow group undertakings.

Results and dividends

Results and statement of retained earnings are as follows:

	£
Retained earnings at 1 December 1994	-
Profit for the year after taxation	378,357
Retained earnings at 30 November 1995	<u>378,357</u>

No dividends have been paid or proposed in respect of the year (1994 - £Nil).

Directors and their interests

The directors who served during the year are as shown below:

G De Naurois	(Resigned 23 May 95)	
J P Charmensat	(Resigned 15 November 95)	
T J Hirst	(Resigned 15 November 95)	
B Vossier	(Appointed 15 November 95)	Managing Director
P A Friestad	(Appointed 15 November 95)	

Directors' report

For the year ended 30 November 1995

Directors' responsibilities

Company law requires the directors to prepare accounts 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 year. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 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 Companies Act 1985. They are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

The directors will place a resolution before the annual general meeting to re-appoint Arthur Andersen as auditors for the ensuing year.

59 Lafone Street
London

By order of the Board,

For and on behalf of

Gray's Inn Secretaries Limited

Gray's Inn Secretaries Ltd

Secretaries


DIRECTOR
AUTHORISED SIGNATORY

26 September 1996

Auditors' report

To the Shareholders of Stolt Comex Seaway MS Limited:

We have audited the accounts on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described in the directors report on page 2 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts and of whether the accounting policies are appropriate to the circumstances of the company, 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 of the state of affairs of the company at 30 November 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Arthur Andersen

Chartered Accountants and Registered Auditors

18 Charlotte Square
Edinburgh
EH2 4DF

26 September 1996

Profit and loss account

For the year ended 30 November 1995

	Notes	1995 £	1994 £
Turnover	2	4,515,990	-
Administrative expenses		4,070,428	-
Profit on ordinary activities before taxation	3	445,562	-
Tax on profit on ordinary activities	5	(67,205)	-
Retained profit for the financial year	9	378,357	-

The profit for the year has been wholly derived from continuing operations.

There are no recognised gains or losses other than the profit for the year.

The accompanying notes are an integral part of this profit and loss account.

Balance sheet

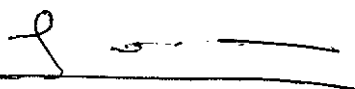
30 November 1995

	Notes	1995 £	1994 £
Current assets			
Debtors	6	2,487,569	100
Cash at bank and in hand		157,153	-
		<u>2,644,722</u>	<u>100</u>
Creditors: Amounts falling due within one year	7	(2,266,265)	-
Total assets less current liabilities		<u>378,457</u>	<u>100</u>
Capital and reserves			
Called-up equity share capital	8	100	100
Profit and loss account		378,357	-
Shareholders' funds	9	<u>378,457</u>	<u>100</u>

Signed on behalf of the Board

B L Vossier

Director



26 September 1996

The accompanying notes are an integral part of this balance sheet.

Notes to accounts

1 Accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and with the preceding year, is set out below.

a) Basis of accounting

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

b) Foreign currencies

Transactions denominated in foreign currencies are recorded at the actual exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange prevailing at the year end. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account.

c) Cash flow statement

The company is exempt from publishing a cash flow statement in accordance with Financial Reporting Standard No.1 "Cash Flow Statements", since it qualifies as a small company as defined in s249 Companies Act 1985.

d) Taxation

Corporation tax payable is provided on taxable profits at the current rate.

Deferred taxation is provided using the liability method on all timing differences only to the extent that they are expected to reverse in the future without being replaced, except that the deferred tax effects of timing differences arising from pensions and other post-retirement benefits are always recognised in full.

2 Turnover

Turnover represents amounts invoiced (exclusive of VAT) to the company's parent company, based in Bermuda, for the provision of administrative and accounting services.

3 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging (crediting):

	1995 £	1994 £
Staff costs (see below)	415,918	-
Foreign exchange	(7,361)	-
Auditors' remuneration		
- audit fees	42,165	-

Notes to accounts (continued)

4 Staff costs

The average number of employees during the period was 11.

	1995 £	1994 £
Their aggregate remuneration comprised:		
Wages and salaries	371,406	-
Social security costs	37,813	-
Other pension costs	6,699	-
	<u>415,918</u>	<u>-</u>

Directors' remuneration

The directors received remuneration, including pension contributions of £216,446.

The directors received remuneration, excluding pension contributions, within the following ranges:

£	1995 Number	1994 Number
0- 5,000	2	5
50,001 - 55,000	1	-
60,001 - 65,000	1	-
75,001 - 80,000	1	-

The directors' remuneration shown above, excluding pension contributions, included the emoluments of the highest paid director of £76,595.

5 Taxation

The tax charge is based on the profit for the year and comprises

	1995 £	1994 £
Corporation tax at 33%	<u>67,205</u>	<u>-</u>

Notes to accounts (continued)

6 Debtors: amounts falling due within one year

	1995 £	1994 £
Amounts due from other group undertakings	2,487,569	100

7 Creditors: amounts falling due within one year

	1995 £	1994 £
Corporation tax	67,205	-
Amounts owed to other group undertakings	2,041,887	-
Other creditors and accruals	157,173	-
	2,266,265	-

8 Called-up equity share capital

	1995 £	1994 £
Authorised, allotted, called-up and fully paid 100 ordinary shares of £1 each	100	100

9 Reconciliation of movements in shareholders' funds

	1995 £	1994 £
Opening shareholders' funds	100	100
Profit for the financial year	378,357	-
Closing shareholders' funds	378,457	100

Notes to accounts (continued)

10 Ultimate holding company

The company's ultimate holding company is Stolt-Nielsen SA, a company incorporated in Luxembourg. The company's immediate holding company is Stolt Comex Seaway MS Bermuda, a company incorporated in England.

The largest group in which the results of the company are consolidated is that headed by the ultimate holding company. The smallest group in which they are consolidated is that headed by Stolt Comex Seaway SA, a company incorporated in Luxembourg.

The consolidated accounts of Stolt-Nielsen SA are available to the public and may be obtained from Stolt-Nielsen Limited, Aldwych House, 71-91 Aldwych, London, England.

11 Related party transactions

As permitted by Financial Reporting Standard No.8 "Related party Disclosures", the company has not disclosed transactions with entities that are part of the Stolt-Nielsen S.A. group (see note 10), since the consolidated statements of that group, which incorporate the results of the company, are publicly available.