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Petrofac UK Limited

**Financial Statements
for the Year ended 31 December 1995**

**SOARES & CO
Chartered Accountants
1A Colin Parade
Edgware Road
Colindale
London NW9 6SG**



Petrofac UK Limited

Report to the Directors

Directors:

Mr A Asfari
Mr G S McLeod

The directors whose names are set out above submit their report together with the audited financial statements for the year ended 31 December 1995.

Activity

The principal activity of the company is the provision of professional services to oil and gas production and refining facilities' contractors outside the United Kingdom.

Business Review and Future Developments

The company's results for the year are dealt with in detail within the statutory balance sheet and profit and loss account, and notes forming part of the financial statements.

The company has maintained its position in the market and the directors are satisfied with the results.

Results and Dividends

Profit for the year after taxation amounted to £19,978 and is dealt with in the profit and loss account.

The directors do not recommend a payment of a dividend for the year currently under review.

Fixed Assets

The changes in the fixed assets of the company during the financial year are shown in the notes to the accounts.

Directors and their Interests

A full list of directors is set out at the beginning of this report.

Petrofac UK Limited

Report to the Directors

Statement of Directors' Responsibility

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 the financial statements, the directors are required to:


- i) select suitable accounting policies and then apply them consistently.
- ii) make judgements that are reasonable and prudent.
- iii) prepare the financial statements on a 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 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.

Auditors

The auditors, Soares & Co will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

By Order of the Board


.....
Secretary

Registered Office:
346 Kensington High Street
LONDON W14 9NS

Report of the Auditors to the Shareholders of Petrofac UK Limited

We have audited the accounts on pages 4 to 8

Respective Responsibilities of Directors and Auditors

As described on page 2 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 statements and to report our opinion to you.

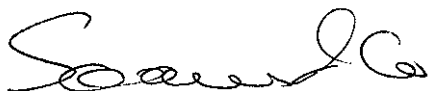
Basis of Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Standards 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 judgement 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 mis-statement, 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 as at 31 December 1995 and of its profit total recognised gains for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act applicable to small companies.



SOARES & CO
Chartered Accountants
1A Colin Parade
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London NW8 6SG

Date31/5/96.....

Petrofac UK Limited

Profit and Loss Account for the Year ended 31 December 1995

	Notes	1995 £	1994 £
Turnover	2	589,627	491,046
Administration Costs	3	561,553	446,396
		<u>28,074</u>	<u>44,650</u>
Interest received		1,037	399
		<u>29,111</u>	<u>45,049</u>
Profit before Taxation			
Tax on ordinary activities	4	9,133	12,500
		<u>19,978</u>	<u>32,549</u>
Profit after Taxation			
Balance b/fwd		74,059	41,510
Balance c/fwd		<u>£ 94,037</u>	<u>£ 74,059</u>

The company has no recognised gains or losses for the two years ended 31 December 1995.

The notes on pages 6 to 8 form part of these financial statements.

Petrofac UK Limited

Balance Sheet as at 31 December 1995

	Notes	1995 £	1994 £
FIXED ASSETS			
Tangible Assets	5	32,849	39,193
CURRENT ASSETS			
Debtors	6	62,680	65,625
Cash at Bank and in hand		<u>20,269</u>	<u>10,270</u>
		82,949	75,895
CREDITORS:			
Amounts falling due within one year	7	<u>20,761</u>	<u>40,029</u>
Net Current Assets		<u>62,188</u>	<u>35,866</u>
Total Assets less Current Liabilities		<u>£ 95,037</u>	<u>£ 75,059</u>
CAPITAL AND RESERVES			
Share Capital	8	1,000	1,000
Reserves	9	94,037	74,059
		<u>£ 95,037</u>	<u>£ 75,059</u>

.....
A. Asfari

..... Directors

.....
G. C. McLeod

Date 2/5/96

The notes on pages 6 to 8 form part of these financial statements

Petrofac UK Limited

Notes forming part of the financial statements

For the Year ended 31 December 1995

1. Accounting Policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

Basis of Accounting

The financial statements have been prepared under the Historical Cost Convention.

Turnover

Turnover represents net amounts invoiced by the company in respect of goods sold and services rendered during the period and is stated net of value added tax.

Tangible Fixed Assets

Depreciation is provided at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over the expected useful life as follows:

Furniture & Fittings	25% written down value
Office Equipment	25% written down value

2. Turnover and Company Result

The turnover and result arising on the ordinary trading activity derive from the same class of business which is more particularly described in the directors' report.

3. Administrative Expenses

	1995	1994
Administrative expenses include:	£	£
Depreciation	10,950	13,064
Auditor's remuneration	500	400

Petrofac UK Limited

Notes forming part of the financial statements

For the Year ended 31 December 1995

4.	Taxation	1995	1994
		£	£
	The taxation charge which is based on the results of the year is made up as follows:		
	Current year Corporation Tax	9,133	12,500
		=====	=====

United Kingdom Corporation Tax has been computed at 25%

5. Tangible Fixed Assets

The analysis of movement on tangible fixed assets is set out below:

	Office Equipment	Furniture & Fittings	Total
Cost	£	£	£
As at 1 Jan 1995	23,669	43,210	66,879
Additions	-	4,606	4,606
As at 31 Dec 1995	23,669	47,816	71,485
	=====	=====	=====
Depreciation			
As at 1 Jan 1995	9,864	17,822	27,686
Charge for year	3,433	7,517	10,950
As at 31 Dec 1995	13,297	25,339	38,636
	=====	=====	=====
Net book value			
As at 31 Dec 1995	10,372	22,477	32,849
	=====	=====	=====
As at 31 Dec 1994	13,805	25,388	39,193
	=====	=====	=====

Petrofac UK Limited

Notes forming part of the financial statements

for the Year ended 31 December 1995

6. Debtors	1995 £	1994 £
Amounts falling due within one year:		
Trade Debtors	21,859	25,414
Other Debtors	31,358	29,173
Customs & Excise	<u>9,463</u>	<u>11,038</u>
	62,680	65,625
	=====	=====
7. Creditors: Amounts falling due within one year		
Bank	1,396	9,209
Corporation Tax	9,133	12,500
Creditors & Accruals	<u>10,232</u>	<u>18,320</u>
	29,761	40,029
	=====	=====
8. Shares Capital		
Authorised, issued and fully paid Ordinary Shares of £1 each	1,000	1,000
	=====	=====
9. Reserves		
Profit and Loss Account		
Profit b/fwd	74,059	41,510
Profit for the Year	<u>19,978</u>	<u>32,549</u>
	£ 94,037	£ 74,059
	=====	=====