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Petrofac UK Limited

**Financial Statements
for the Year ended 31 December 2000**

Company No. 02615887

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



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COMPANIES HOUSE 14/06/01

Petrofac UK Limited Report of 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 2000.

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 £63,058 and is dealt with in the profit and loss account.

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. The directors did not have any beneficial interest in the share capital of the company at the beginning and end of the year.

Petrofac UK Limited
Report of 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.

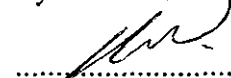
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets 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.

In preparing the above report the directors have taken advantage of special exemption applicable to small companies provided by Part VII of Schedule 8 to the Companies Act 1985.

By Order of the Board



.....
Secretary

Registered Office:
205 Holland Park Avenue
London W11 4XB

Report of the Auditors to the Shareholders of Petrofac UK Limited

We have audited the financial statements 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 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 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 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 2000 and of its profit 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
Registered Auditors
1A Colin Parade
Edgware Road
Colindale
London NW8 6SG

Date 2/5/2001

Petrofac UK Limited

Profit and Loss Account for the Year ended 31 December 2000

	<i>Notes</i>	2000 £	1999 £
Turnover	2	1,063,861	1,060,584
Administration Costs	3	(977,146)	(966,606)
		<hr/>	<hr/>
		86,715	93,978
Other operating income	4	1,227	323
		<hr/>	<hr/>
Profit on ordinary activities before Taxation		87,942	94,301
Tax on ordinary activities	5	24,884	28,035
		<hr/>	<hr/>
Profit on ordinary activities after Taxation		63,058	66,266
Retained profit brought forward		194,118	127,852
Retained profit carried forward		<hr/> <hr/> £ 257,176	<hr/> <hr/> £ 194,118

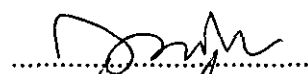
The company has no recognised gains or losses for the two years ended 31 December 1999.

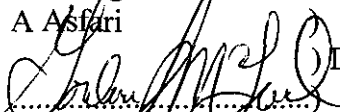
The notes on pages 6 to 9 form part of these financial statements.

Petrofac UK Limited
Balance Sheet as at 31 December 2000

		2000	1999
	<i>Notes</i>	£	£
Fixed Assets			
Tangible Assets	7	179,505	200,636
Current Assets			
Debtors	8	415,168	488,932
Cash at Bank and in hand		40,128	80,378
		<u>455,296</u>	<u>569,310</u>
Creditors: Amounts falling due within one year	9	277,625	475,828
Net Current Assets		<u>177,671</u>	<u>93,482</u>
Total assets less current liabilities		<u>357,176</u>	<u>294,118</u>
Capital and Reserves			
Share Capital	10	100,000	100,000
Reserves	11	257,176	194,118
		<u>357,176</u>	<u>294,118</u>

The directors have taken advantage of the exemption conferred by Section A of Part VII of Schedule 8 of the Companies Act 1985 on the basis the company qualified as a small company.



 A Asfari


 G C McLeod

Directors

Date Nov 1st 2001

The notes on pages 6 to 9 form part of these financial statements

Petrofac UK Limited

Notes forming part of the financial statements For the Year ended 31 December 2000

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.

Cash Flow

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard One 'Cash Flow Statements'.

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:

Leasehold improvements	over life of the lease
Motor vehicle	25% written down value
Furniture and fittings	25% written down value
Office equipment	25% written down value

Deferred Taxation

Provision is made for deferred taxation, where material, except where there is a reasonable probability that no liability will arise in the foreseeable future.

Foreign Currencies

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at date of the transaction. All differences are taken to the profit and loss account.

Petrofac UK Limited

Notes forming part of the financial statements for the Year ended 31 December 2000

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*

	2000	1999
Administrative expenses include:	£	£
Director's remuneration	69,870	58,463
Depreciation	35,040	36,824
Auditor's remuneration	2,000	1,050
	=====	=====

4. *Other Operating Income*

Bank interest received	1,227	323
	=====	=====

5. *Taxation*

The taxation charge which is based on the results of the year is made up as follows:

Overprovision in previous year	(2,116)	(2,265)
Current year Corporation Tax	27,000	30,300
	=====	=====
	24,884	28,035
	=====	=====

United Kingdom Corporation Tax has been computed at 20.25% & 30.25% (1999:21% & 31%)

Petrofac UK Limited

Notes forming part of the financial statements for the Year ended 31 December 2000

7. *Tangible Fixed Assets*

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

	Leasehold Improvements	Motor Vehicle	Office Equipment	Furniture & Fittings	Total
Cost	£	£	£	£	£
As at 1 Jan 2000	204,037	15,600	72,419	34,903	326,959
Additions	-	4,924	4,010	4,975	13,909
Assets disposed of					
As at 31 Dec 2000	204,037	20,524	76,429	39,878	340,868
Depreciation					
As at 1 Jan 2000	68,055	3,900	32,292	22,076	126,323
Charge for year	15,400	4,156	11,034	4,450	35,040
Assets disposed of	-	-	-	-	-
As at 31 Dec 2000	83,455	8,056	43,326	26,526	161,363
Net book value					
As at 31 Dec 2000	120,582	12,468	33,103	13,352	179,505
As at 31 Dec 1999	135,982	11,700	40,127	12,827	200,636

8. *Debtors*

	2000	1999
	£	£
Amounts falling due within one year:		
Due from fellow subsidiaries	319,696	420,351
Other Debtors	95,472	135,543
Customs & Excise	-	13,416
	415,168	569,310

Petrofac UK Limited

Notes forming part of the financial statements for the Year ended 31 December 2000

	2000 £	1999 £
9. Creditors: Amounts falling due within one year		
Corporation Tax	27,000	30,300
Creditors and Accruals	54,675	30,110
Other taxation including Social Security	4,894	14,410
Due to fellow subsidiaries	191,056	401,008
	<u>277,625</u>	<u>475,828</u>
10. Share Capital		
Authorised:		
100,000 ordinary shares of £1 each	100,000	100,000
Allotted, called up and fully paid	<u>100,000</u>	<u>100,000</u>
100,000 ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
11. Reserves		
Profit and Loss Account		
Profit brought forward	194,118	127,852
Profit/(Loss) for the Year	63,058	66,266
	<u>271,176</u>	<u>194,118</u>
12. Holding Company		
The holding company is Petrofac Corporation incorporated in Jersey.		