Stena Line Manning Services Limited

Directors' Report and Financial Statements
For the Year Ended 31 December 2004

Registration Number: 3242135

LD3 *L5F8C80L* 0443
COMPANIES HOUSE 14/09/05

Stena Line Manning Services Limited

Directors' Report and Financial Statements
For the Year Ended 31 December 2004

Contents

Stena Line Manning Services Limited

Directors' Report

The directors submit their annual report and audited financial statements for the year ended 31 December 2004.

Principal activities and business review

The principal activity of the company is the provision of marine personnel administration services.

The turnover and the profit for the year are as stated in the profit and loss account which is presented on page 7.

Directors and directors' interests

The directors on the Board of Stena Line Manning Services Limited who held office during the year were:

W G Cooper (Chairman)
V Goodwin
J A C Olsson
P G Blomdahl

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of any group company.

According to the register of directors' interests, no rights to subscribe for shares in or debentures of any company within the Stena Line (UK) Limited group were granted to any of the directors or their immediate families, or exercised by them, during the financial year.

Dividend and transfers to reserves

The directors do not recommend the payment of a dividend for the year ended 31 December 2004 (2003: £nil). An amount of £2,000 (2003: £nil) representing the profit retained for the financial year has been transferred to reserves.

Employees

The company does not employ any personnel directly, but draws on the resources of other group undertakings for its business requirements.

Stena Line Manning Services Limited

Directors' Report (continued)

Auditors

By an Elective Resolution passed on 31 October 1997 in accordance with Section 386 of the Companies Act 1985, the company has dispensed with the obligation to appoint auditors annually and KPMG LLP therefore continued in office for the forthcoming year.

By order of the Board.

L D Stracey
Company Secretary
1 Suffolk Way
Sevenoaks
Kent
TN13 1YL

8 September 2005

Stena Line Manning Services 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 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and prevent and detect fraud and other irregularities.

Stena Line Manning Services Limited

Independent Auditors' Report, KPMG LLP, to the Members of Stena Line Manning Services Limited

We have audited the financial statements on pages 7 to 11.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 4, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

Basis of audit 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.

Stena Line Manning Services Limited

Independent Auditors' Report, KPMG LLP, to the Members of Stena Line Manning Services Limited (continued)

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 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP

KPMG LLP
Chartered Accountants
Registered Auditor

London
14 September 2005

Stena Line Manning Services Limited

Profit and Loss Account
31 December 2004

	Notes	2004 £000	2003 £000
Turnover	1	**66**	56
Administrative expenses		**(63)**	(54)
Operating profit and profit on ordinary activities before taxation	2-3	**3**	2
Taxation on profit on ordinary activities		**(1)**	(2)
Retained profit for the financial year		**2**	-
Retained profit brought forward		**20**	20
Retained profit carried forward		**22**	20

The result for the year arises from continuing operations.

The notes on pages 9 to 11 form part of these financial statements.

A statement of total recognised gains and losses has not been included as part of these financial statements as there is no difference between the result as disclosed in the profit and loss account and the total recognised gains and losses relating to the year.

A note on historical cost profits and losses has not been included as part of these financial statements as there is no difference between the result as disclosed in the profit and loss account and the result on an unmodified historical cost basis.

Stena Line Manning Services Limited

Balance Sheet
31 December 2004

	Notes	**2004 £000**	2003 £000
Current assets			
Debtors			
Amounts owed by other group undertakings		**66**	56
Creditors:			
Amounts falling due within one year	5	**(44)**	(36)
Net assets and total assets less current liabilities		**22**	20
Capital and reserves			
Called up share capital	6	**-**	-
Profit and loss account	6	**22**	20
Shareholders' funds – equity		**22**	20

The notes on pages 9 to 11 form part of these financial statements.

These financial statements were approved at a meeting of the Board of Directors held on 8 September 2005 and were signed on their behalf by WG Cooper.

) Director

Stena Line Manning Services Limited

Notes to the Financial Statements
Year Ended 31 December 2004

1 Accounting policies

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

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

(b) Cash flow statement

The company is exempt from the requirement of Financial Reporting Standard 1 to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of Stena AB, and its cash flows are included within the consolidated cash flow statement of that company.

(c) Related party transactions

The company is exempt from the requirement of Financial Reporting Standard 8 to disclose related party transactions with entities which are part of the group headed by Stena AB, of which it is a wholly owned subsidiary. The financial statements for Stena AB are publicly available.

(d) Turnover

Turnover is included in a period where the service is performed and represents income arising from the provision of marine personnel administration services.

(e) Deferred taxation

Deferred tax is recognised without discounting in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in future or a right to pay less tax in future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

2 Auditors' remuneration

Auditors' remuneration is borne by Stena Line Limited and no charge is included in these financial statements.

3 Directors and employees

The directors received no emoluments for services provided to the company during the year (2003: £nil). The remuneration of the chairman was £nil (2003: £nil).

The company does not employ any personnel directly but draws on the resources of Stena Line Limited for its business requirements. Administrative expenses include employee costs recharged by Stena Line Limited amounting to £54,000 (2003: £45,000).

4 Taxation on profit on ordinary activities

	2004	2003
	£000	£000
Group relief payable at 30% on the profit for the year on ordinary activities	**1**	1
Adjustment from previous year		
Group relief payable	**-**	1
	1	2

Reconciliation of the company's current tax to the United Kingdom statutory rate at 30%:

	2004	2003
	£000	£000
Tax on profit on ordinary activities at 30%	**1**	1
Effects of:		
Adjustment to tax charge in respect of previous year	**-**	1
Total current year tax charge	**1**	2

5 Creditors: Amounts falling due within one year

	2004	2003
	£000	£000
Amounts owed to immediate parent undertaking	**43**	36
Other creditors	**1**	-
	44	36

6 Capital and reserves

(a) Called up share capital

	2004 £	2003 £
Authorised:		
100 ordinary shares at £1 each	**100**	100
Allotted, called up and full paid:		
1 ordinary share at £1 each	**1**	1

(b) Reconciliation of movement in equity shareholders' funds

	2004 £000	2003 £000
Profit for the financial year	**2**	-
Opening shareholders' funds	**20**	20
Closing shareholders' funds	**22**	20

7 Ultimate parent company and parent undertaking of larger group of which the company is a member

The company is a wholly owned subsidiary of Stena Line Limited, which is incorporated in Great Britain and registered in England and Wales.

The company's ultimate parent undertaking is Stena AB, a company incorporated in Sweden.

The only group in which the results of the company are consolidated is that headed by Stena AB. The consolidated financial statements of this group are available from Stena AB, S-405 19 Gothenburg, Sweden.