

**SPO Manning Limited**

**Annual report and financial statements  
for the year ended 31 December 2005**

**Registered Number 3667797**



# SPO Manning Limited

## Annual report and financial statements

for the year ended 31 December 2005

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# **SPO Manning Limited**

## **Directors' report for the year ended 31 December 2005**

The directors present their report and the audited financial statements of the company for the year ended 31 December 2005.

### **Principal activity**

The principal activity of the company is the provision of personnel services to a fellow group company, Swire Pacific Ship Management Limited.

### **Review of business and future developments**

The directors consider the results and the year end position to be satisfactory and expect the current level of activity to continue in a similar manner in the coming year.

### **Results and dividends**

The profit for the financial year amounted to £382 (2004 : £806) and will be transferred to reserves. The directors do not recommend the payment of a dividend (2004 : £nil).

### **Directors and their interests**

The directors who held office during the year, and up to the date of this report, are set out below:

F J Thorogood  
B Townsley  
C A Wain  
J R Adams

The share interests of J R Adams in Swire Pacific Limited, a subsidiary of John Swire & Sons Limited, the company's ultimate parent undertaking, are shown in the accounts of the company's immediate parent company, Swire Pacific Offshore (North Sea) Limited.

None of the other directors who held office at the end of the financial year had any beneficial interest in the share capital of the company or its ultimate parent undertaking.

### **Statement of directors' responsibilities**

Company law requires the directors to prepare accounts for each financial period 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 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 accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

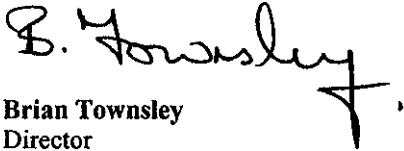
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# SPO Manning Limited

## Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

By order of the Board

A handwritten signature in black ink, appearing to read 'B. Townsley', with a stylized flourish at the end.

Brian Townsley  
Director

13 November 2006

# **SPO Manning Limited**

## **Independent auditors' report to the members of SPO Manning Limited**

We have audited the financial statements of SPO Manning Limited for the year ended 31 December 2005 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

### **Respective responsibilities of directors and auditors**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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.

# SPO Manning Limited

## Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and of its profit for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

*PricewaterhouseCoopers LLP*  
**PricewaterhouseCoopers LLP**

Chartered Accountants and Registered Auditors

Aberdeen

*13 November* 2006

# SPO Manning Limited

## Profit and loss account for the year ended 31 December 2005

	Note	2005 £	2004 £
Turnover	1	1,303	1,900
Administrative expenses		(830)	(815)
Operating profit	2	473	1,085
Interest receivable		79	66
Profit on ordinary activities before taxation		552	1,151
Tax on profit on ordinary activities	4	170	(345)
Profit for the financial year	9	382	806

All the above results relate to continuing operations.

The company has no recognised gains and losses other than the profit above and therefore no separate statement of total recognised gains and losses has been presented.

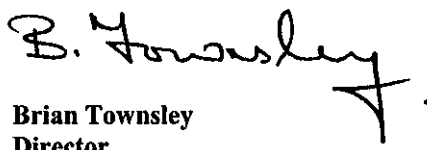
There is no difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents.

# SPO Manning Limited

## Balance sheet as at 31 December 2005

	Note	2005 £	2004 £
<b>Current assets</b>			
Debtors	5	11,162	9,860
Cash at bank and in hand		3,806	3,726
		14,968	13,586
<b>Creditors: amounts falling due within one year</b>	6	(9,956)	(8,956)
<b>Net assets</b>		<b>5,012</b>	<b>4,630</b>
<b>Capital and reserves</b>			
Called up share capital	7	2	2
Profit and loss account	8	5,010	4,628
<b>Equity shareholder's funds</b>	9	<b>5,012</b>	<b>4,630</b>

The financial statements on pages 5 to 11 were approved by the board of directors on 13 November 2006 and were signed on its behalf by:

  
Brian Townsley  
Director



# **SPO Manning Limited**

## **Notes to the financial statements for the year ended 31 December 2005**

### **1 Principal accounting policies**

#### **Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

#### **Change in accounting policies**

The company had adopted FRS 21 "Events after the balance sheet date" and the presentation element of FRS 25 "Financial instruments : disclosure and presentation", in these financial statements. The adoption of these standards has had no impact on the current year or comparative figures presented.

#### **Turnover**

Turnover, which excludes value added tax and trade discounts, represents the invoiced value of services supplied. The directors consider that the company's turnover originates from only one class of business and from one geographical segment, namely the United Kingdom. The analysis of turnover by geographical market destination has been omitted as the directors are of the opinion that to do so would be seriously prejudicial to the interests of the business.

#### **Taxation**

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

Deferred tax is recognised 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 the future or a right to pay less tax in the 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 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 difference can be deducted. Deferred tax is measured on a non-discounted basis.

#### **Cash flow statement**

The company qualifies as a small company under the terms of Section 247 of the Companies Act 1985. As a consequence it is exempt from the requirement to publish a cash flow statement in accordance with the terms of Financial Reporting Standard No 1, Cash Flow Statements.

# SPO Manning Limited

## Financial risk management

### Financial risk factors

The company's operations are primarily in the UK which exposes the company to financial risks that include foreign exchange risk, interest rates risk and credit risk.

(a) Foreign exchange risk

The company has no significant foreign currency risk since the major business transactions are carried out in Pounds Sterling. During the year, the company has not entered into forward exchange contracts.

(b) Interest rate risk

The company has only interest bearing assets. Interest rate risk arises from the fluctuations in market interest rates, which may have a negative effect on current and future operations of the company. Management believe that the company's exposure to interest rate risk is minimal and therefore it does not enter into hedging arrangements.

(c) Credit risk

The company has no significant concentrations of credit risk. The company's sales are to a fellow subsidiary undertaking and therefore credit risk is considered to be low.

## 2 Profit on ordinary activities before taxation

	2005 £	2004 £
<b>Profit on ordinary activities before taxation is stated after charging:</b>		
Auditors remuneration – audit services	800	800

Auditors remuneration is borne by the company's immediate parent undertaking and is recharged to the company.

# SPO Manning Limited

## 3 Directors' emoluments

No remuneration was paid to the directors during the year in respect of their services to the company.

## 4 Tax on profit on ordinary activities

	2005	2004
	£	£
United Kingdom corporation tax at 30% (2004 : 30%)		
Current	170	345
<b>Total tax charge</b>	<b>170</b>	<b>345</b>

### Factors affecting tax charge for the year

The current tax charge on profit on ordinary activities varied from the standard rate of corporation tax in the UK due to the following factors:

	2005	2004
	£	£
UK Corporation tax at standard rate 30% (2004 : 30%)	170	345
	170	345

## 5 Debtors

	2005	2004
	£	£
Amounts owed by group undertakings	11,162	9,860

# SPO Manning Limited

## 6 Creditors – Amounts falling due within one year

	2005	2004
	£	£
Group relief payable	515	345
Accruals	800	800
Amounts owed to group undertakings	8,641	7,811
	<b>9,956</b>	<b>8,956</b>

## 7 Called up share capital

	2005	2004
	£	£
<b>Authorised</b>		
1,000 ordinary shares of £1 each	1,000	1,000
<b>Allotted, called up and fully paid</b>		
2 ordinary shares of £1 each	2	2

## 8 Profit and loss account

	£
At 1 January 2005	4,628
Profit for the financial year	382
<b>At 31 December 2005</b>	<b>5,010</b>

## 9 Reconciliation of movements in shareholder's funds

	2005	2004
	£	£
At 1 January	4,630	3,824
Profit for the financial year	382	806
<b>At 31 December</b>	<b>5,012</b>	<b>4,630</b>

# **SPO Manning Limited**

## **10 Related party transactions**

The company has taken advantage of the exemption available under Financial Reporting Standard No. 8 not to disclose details of intra group transactions.

No other related party transactions took place during the year.

## **11 Ultimate parent company and controlling party**

The company is a wholly owned subsidiary of Swire Pacific Offshore (North Sea) Limited, a company incorporated in England. The ultimate parent company is John Swire & Sons Limited, a company registered in England. The parent undertaking of the smallest group of undertakings for which group accounts are drawn up is Swire Pacific Limited, a company registered in Hong Kong.

Copies of the accounts of both John Swire & Sons Limited and Swire Pacific Limited may be obtained from Swire House, 59 Buckingham Gate, London, SW1E 6AJ.