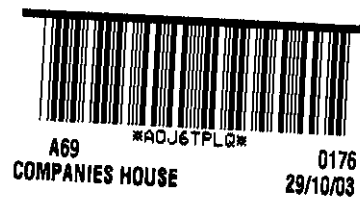


SPO Manning Limited
Annual report and financial statements
for the year ended 31 December 2002

Registered Number 3667797



SPO Manning Limited

Annual report and financial statements for the year ended 31 December 2002

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SPO Manning Limited

Directors' report for the year ended 31 December 2002

The directors present their report and the audited financial statements of the company for the year ended 31 December 2002.

Principal activity

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

Review of business

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 £1,330 (2001 : £1,171) and will be transferred to reserves. The directors do not recommend the payment of a dividend (2001 : £nil).

Directors and their interests

The directors who held office during the year were as follows:

B N Swire

F J Thorogood

B Townsley

N G Lace (Resigned 1 August 2002)

B N Swire held the following interests in the company's ultimate parent undertaking, John Swire & Sons Limited:

	2002 Number	2001 Number
Ordinary shares		
- Beneficial	14,901,019	14,901,019
- Non-beneficial	10,826,321	10,892,653
8% cumulative preference shares		
- Beneficial	4,708,158	4,708,158
- Non-beneficial	3,356,367	3,378,367

None of the other directors held any beneficial interest in the share capital of the company or its ultimate parent undertaking at any time during the year.

SPO Manning Limited

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; and
- 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.

Auditors

Following the conversion of our auditors PricewaterhouseCoopers to a Limited Liability Partnership from 1 January 2003, PricewaterhouseCoopers resigned on 31 January 2003 and the directors appointed its successor, PricewaterhouseCoopers LLP, as auditors. A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the Annual General Meeting.

By order of the Board



Geoffrey Christopher Pope
Secretary

27th October 2003

SPO Manning Limited

Independent auditors' report to the members of SPO Manning Limited

We have audited the financial statements on pages 4 to 9.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. 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 in to 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 transactions is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

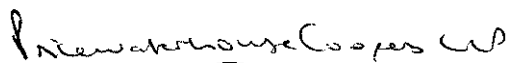
Basis of audit opinion

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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors

Aberdeen

27 October 2003

SPO Manning Limited

Profit and loss account for the year ended 31 December 2002

	Note	2002 £	2001 £
Turnover	1	3,090	2,183
Administrative expenses		(818)	(882)
Profit on ordinary activities before taxation	2	2,272	1,301
Tax on profit on ordinary activities	4	(942)	(130)
Retained profit for the financial year	8	1,330	1,171

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.

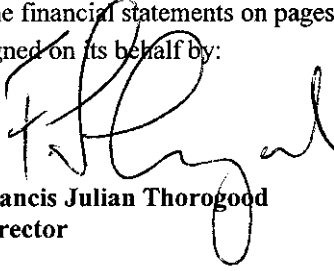
There is no difference between the operating profit and the retained profit for the financial year stated above and their historical cost equivalents.

SPO Manning Limited

Balance sheet as at 31 December 2002

	Note	2002 £	2001 £
Current assets			
Debtors	5	625	1,105
Cash at bank and in hand		3,620	998
		4,245	2,103
Creditors: amounts falling due within one year	6	(1,742)	(930)
Net assets		2,503	1,173
Capital and reserves			
Called up share capital	7	2	2
Profit and loss account	8	2,501	1,171
Equity shareholder's funds	9	2,503	1,173

The financial statements on pages 4 to 9 were approved by the board of directors on 27.10. 2003 and were signed on its behalf by:


Francis Julian Thorogood
Director

SPO Manning Limited

Notes to the financial statements for the year ended 31 December 2002

1 Principal accounting policies

The financial statements have been prepared 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.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention.

Change in accounting policy

The company has adopted FRS19 Deferred Tax during the year. Although the adoption represents a change in accounting policy it has not resulted in a change to previously reported results.

Turnover

Turnover, which excludes value added tax and trade discounts, represents the invoiced value of services supplied.

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.

2 Profit on ordinary activities before taxation

	2002 £	2001 £
Profit on ordinary activities before taxation is stated after charging:		
Auditors remuneration – audit services	800	800

SPO Manning Limited

3 Directors' emoluments

There were no employees during the year apart from the directors. The directors did not receive any emoluments in the two years ended 31 December 2002.

4 Tax on profit on ordinary activities

	2002	2001
	£	£
United Kingdom corporation tax at 30% (2001 : 10%)		
Current	682	130
Under provision in respect of prior years	260	-
Total tax charge	942	130

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:

	2002	2001
	£	£
UK Corporation tax at standard rate 30% (2001 : 10%)	682	130
Adjustments to current tax charge for prior periods	260	-
	942	130

5 Debtors

	2002	2001
	£	£
Amounts owed by group undertakings	625	1,105

6 Creditors – Amounts falling due within one year

	2002	2001
	£	£
Corporation tax	942	130
Accruals	800	800
	1,742	930

SPO Manning Limited

7 Called up share capital

	2002	2001
	£	£
Authorised		
1,000 ordinary shares of £1 each	1,000	1,000
Allotted, called up and fully paid		
2 ordinary shares of £1 each	2	2

8 Profit and loss account

	£
At 1 January 2002	1,171
Profit for the financial year	1,330
At 31 December 2002	2,501

9 Reconciliation of movements in shareholder's funds

	2002	2001
	£	£
At 1 January	1,173	2
Profit for the financial year	1,330	1,171
At 31 December	2,503	1,173

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.

SPO Manning Limited

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.