

ABB LUMMUS GLOBAL LIMITED

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005**

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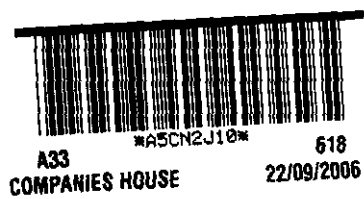


ABB LUMMUS GLOBAL LIMITED

DIRECTORS

A C Stevens
M J Ford

SECRETARY

L A Sheach

AUDITORS

Ernst & Young LLP
One Colmore Square
Birmingham
B4 6HQ

BANKERS

HSBC Bank Plc
27-32 Poultry and Princes Street
London
EC2P 2BX

SOLICITORS

Lane & Partners
15 Bloomsbury Square
London
WC1A 2LP

REGISTERED OFFICE

Aquila House
35 London Road
Redhill
Surrey
RH1 1NJ

**ABB LUMMUS GLOBAL LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005**

CONTENTS	PAGE
Report of the Directors	3
Statement of Directors responsibilities	4
Report of the Auditors	5
Profit and Loss Account	7
Balance Sheet	8
Notes to the Financial Statements	9-13

ABB LUMMUS GLOBAL LIMITED
REPORT OF THE DIRECTORS

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

Principal activity

The company continued its principal activity of engineering and project management contractor to the oil and gas industry.

Results and Dividends

The loss for the year, after taxation, amounted to £1,027 (2004: £124,762). The directors do not recommend the payment of a dividend (2004: Nil).

Business Review

The company has not entered into any new contracts during the period and the directors continue to explore future opportunities.

Directors and their interests

The directors who served during the year were:

M Ford	(Resident in USA)
A Stevens	
R G Kuipéri	Resigned 15 th May 2005.

None of the directors of the company has any beneficial interest in the shares of the company.

Auditors

A resolution to re-appoint Ernst & Young LLP as the company's auditor will be put to the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD


A C STEVENS

DIRECTOR

21/8/06

ABB LUMMUS GLOBAL LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

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 year. 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 and
- 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 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.

ABB LUMMUS GLOBAL LIMITED
INDEPENDENT AUDITORS REPORT
TO THE SHAREHOLDERS OF ABB LUMMUS GLOBAL LIMITED

We have audited the company's financial statements for the year ended 31 December 2005 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 13. These financial statements have been prepared on the basis of the accounting policies set out therein.

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 auditors' 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 the directors and auditors

The directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally accepted Accounting Practices) as set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards of Auditing (UK and Ireland).

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 of 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 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.

ABB LUMMUS GLOBAL LIMITED
INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF ABB LUMMUS GLOBAL 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 loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP

Ernst & Young LLP

Registered Auditor

BIRMINGHAM

6th September 2006

ABB LUMMUS GLOBAL LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2005

	<u>NOTES</u>	<u>2005</u> £	<u>2004</u> £
Administration expenses		<u>(1,037)</u>	<u>-</u>
OPERATING LOSS	2	(1,037)	-
Interest receivable	4	10	72,364
Interest payable and similar charges	5	<u>-</u>	<u>(242,316)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(1,027)	(169,952)
Taxation on loss on ordinary activities	7	<u>-</u>	<u>45,190</u>
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION	14	<u>(1,027)</u>	<u>(124,762)</u>

There were no recognised gains or losses other than as disclosed in the profit and loss account for either year.

ABB LUMMUS GLOBAL LIMITED
BALANCE SHEET
AS AT 31ST DECEMBER 2005

		<u>2005</u>	<u>Restated</u> <u>2004</u>
		£	£
	<u>NOTES</u>		
CURRENT ASSETS			
Debtors	8	-	45,194
Cash at bank and in hand		45,056	889
		<u>45,056</u>	<u>46,083</u>
Creditors: Amounts falling due within one year	9	(172,000)	(172,000)
Share capital re-payable on demand	10	(21,700,000)	(21,700,000)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(21,826,944)</u>	<u>(21,825,917)</u>
CAPITAL AND RESERVES			
Called up share capital	11	61,752,000	61,752,000
Profit and loss account	12	(83,578,944)	(83,577,917)
		<u></u>	<u></u>
Shareholders' debt- Equity:	12	<u>(21,826,944)</u>	<u>(21,825,917)</u>



A C STEVENS

DIRECTOR

Date 21/8/06

ABB LUMMUS GLOBAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005

1. ACCOUNTING POLICIES

Basis of preparation and change in accounting policy

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

The company relies on the support of its ultimate parent company to provide adequate funds to meet its liabilities as they fall due. The ultimate parent company is ABB Limited, registered in Switzerland ('ABB Ltd').

Prior Year Adjustments

The company has adopted FRS 25 "Financial Instruments: Disclosure and Presentation" to record redeemable share capital as a liability on the balance sheet rather than within capital and reserves. The company's redeemable share capital of £21,700,000 has been recognised on the balance sheet as a prior year adjustment, resulting in a reduction in net assets by this amount.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date. Which will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Cash Flow Statement

A statement of cash flows in accordance with FRS 1 has not been prepared as the company is a wholly owned subsidiary of ABB Ltd incorporated in Switzerland and which presents a cashflow within its consolidated accounts.

ABB LUMMUS GLOBAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005

2. DIRECTORS' EMOLUMENTS

Both of the directors are employees of a fellow subsidiary. Neither director received any remuneration for their services as directors of the company. Their emoluments are disclosed in the accounts of ABB IOP Services Limited and ABB Lummus Global Inc.

3. STAFF COSTS

The company has no employees (2004: Nil) and therefore no staff costs. (2004: Nil).

4. INTEREST RECEIVABLE

	<u>2005</u> £	<u>2004</u> £
Bank Interest	-	4,278
Group Interest	10	68,086
	<u>10</u>	<u>72,364</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	<u>2005</u> £	<u>2004</u> £
Group Borrowings	-	242,316
	<u>-</u>	<u>242,316</u>

ABB LUMMUS GLOBAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005

6. TAX ON LOSS ON ORDINARY ACTIVITIES

(a) Tax on ordinary activities.

The tax credit is made up as follows:	<u>2005</u>	<u>2004</u>
	£	£
Current Tax:		
UK corporation tax	-	(50,985)
Tax underprovided in previous years	-	5,795
Total current tax	<u>-</u>	<u>(45,190)</u>

(b) Factors affecting current tax charge

The tax charged on the loss on ordinary activities for the year differs from the standard rate of corporation tax in the UK of 30% (2004 – 30%). The differences are reconciled below:

	<u>2005</u>	<u>2004</u>
	£	£
Loss on ordinary activities before tax	<u>(1,027)</u>	<u>(169,952)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2004-30%)	(308)	(50,986)
Accelerated capital allowance	(36,640)	(12,213)
Losses arising in the year not relievable against tax liabilities of other group companies	36,948	88,714
Tax underprovided in previous years	-	5,795
Movement on provisions	-	(76,500)
Total current tax	<u>-</u>	<u>(45,190)</u>

There was no provided or unprovided deferred tax in either the current or prior years.

The company has post cessation expenses arising in the year and brought forward of £418,880 (2004: 295,711) which are available for carry forward for offset against future post cessation receipts.

No deferred tax asset has been recognised in respect of these post cessation expenses as there is insufficient evidence that this asset will be recoverable.

DEFERRED TAX ASSET NOT RECOGNISED

	<u>2005</u>	<u>2004</u>
	£	£
Post cessation expenses	<u>125,664</u>	<u>88,713</u>

ABB LUMMUS GLOBAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005

7. DEBTORS

	<u>2005</u> £	<u>2004</u> £
Amounts owed by related undertakings	-	4
Taxation	-	45,190
	<u>-</u>	<u>45,194</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2005</u> £	<u>2004</u> £
Amounts owed to group undertakings	<u>172,000</u>	<u>172,000</u>

9. SHARE CAPITAL REPAYABLE ON DEMAND

	<u>2005</u> £	<u>2004</u> £
Authorised 21,700,000 redeemable shares of £1 each	<u>21,700,000</u>	<u>21,700,000</u>
Issued, called up and fully paid 21,700,000 redeemable shares of £1 each	<u>21,700,000</u>	<u>21,700,000</u>

The redeemable shares rank pari passu with the existing ordinary shares of the company. The ordinary and redeemable share capital is represented by authorised, allotted, called up and fully paid ordinary shares of £1 each. The next redemption date for the redeemable shares will be 31 December 2006 and annually thereafter in perpetuity as requested by the holder of the redeemable share and redeemable at par.

10. SHARE CAPITAL

	<u>2005</u> £	<u>2004</u> £
Authorised 61,752,000 ordinary shares of £1 each	<u>61,752,000</u>	<u>61,752,000</u>
Issued, called up and fully paid 61,752,000 ordinary shares of £1 each	<u>61,752,000</u>	<u>61,752,000</u>

ABB LUMMUS GLOBAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005

11. SHARE CAPITAL, MOVEMENT ON RESERVES AND RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS

	Ordinary Share Capital	Redeemable Share Capital	Profit & Loss Account	Total Share- holders Funds
	£	£	£	£
Balance as at 1 January 2004	31,752,000	21,700,000	(83,453,155)	(30,001,155)
Loss for the year	-	-	(124,762)	(124,762)
Issued and fully paid shares	30,000,000	-	-	30,000,000
Balance as at 31 December 2004	61,752,000	21,700,000	(83,577,917)	(125,917)
Loss for the year	-	-	(1,027)	(1,027)
Balance as at 31 December 2005	61,752,000	21,700,000	(83,578,944)	(126,944)

12. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption in FRS 8 from disclosing transactions with related parties that are part of the ABB Group.

13. ULTIMATE AND IMMEDIATE PARENT UNDERTAKINGS

The ultimate parent undertaking is ABB Limited, a company incorporated in Switzerland. This is the largest group in which ABB Lummus Global Limited is consolidated. A copy of the accounts can be obtained from PO Box 8131, CH-8050, Zurich, Switzerland.

The company is also consolidated in the accounts of ABB Holdings Limited, the company's United Kingdom parent undertaking, registered in England. This is the smallest group in which ABB Lummus Global Limited is consolidated. Copies of the group accounts can be obtained from Daresbury Park, Daresbury, Warrington, WA4 4BT.