

Sandpiper Drilling Limited
Annual report and financial statements
for the year ended 31 December 2003

Registered Number 1345950



Sandpiper Drilling Limited

Annual report and financial statements for the year ended 31 December 2003 Contents

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Directors' report for the year ended 31 December 2003

The directors present their annual report and the financial statements of the Company for the year ended 31 December 2003.

Results and dividends

The Company did not trade during the year or the preceding year. Consequently no profit and loss account has been presented.

Directors and their interests

The directors who served during the year were as follows:

P.J. Milne
M.A. White

The directors who held office at the end of the year had no interest in the ordinary shares of the Company. Messrs Milne and White are directors of Abbot Group plc and their interests in the share capital of that company are disclosed in its financial statements.

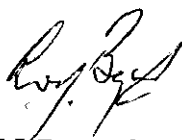
Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that 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. The directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2003 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and 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.

By order of the Board


A.W.J. Banyard
Secretary
15 March 2004

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Balance Sheet as at 31 December 2003

	Note	2003 £'000	2002 £'000
Creditors: Amounts falling due within one year	3	(4,225)	(4,225)
Net liabilities		(4,225)	(4,225)
Capital and reserves			
Called-up share capital	4	50	50
Profit and loss account – deficit	5	(4,275)	(4,275)
Deficit on equity shareholder's funds		(4,225)	(4,225)

- a) For the year ended 31 December 2003 the Company was entitled to exemption under section 249AA(1) of the Companies Act 1985.
- b) Members have not required the Company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985.
- c) The directors acknowledge their responsibility for:
- i) ensuring the Company keeps accounting records which comply with section 221; and
 - ii) preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of its financial year, and of its profit and loss for the financial year, in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act relating to financial statements, so far as applicable to the Company.

The financial statements on pages 2 to 4 were approved by the board of directors on 15 March 2004 and signed on its behalf by:



P.J. Milne
Director

Profit and loss account

The Company did not receive any income or incur any expenditure during the year. Consequently no profit and loss account has been presented.

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Notes to the financial statements for the year ended 31 December 2003

1 Accounting policies

A summary of the most appropriate accounting policies, which have been applied consistently, is set out below.

Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with the Companies Act 1985 and applicable UK accounting standards.

Cash flow statement

In accordance with Financial Reporting Standard No. 1, the Company is not required to prepare a cash flow statement being a wholly owned subsidiary of Abbot Group plc. The cash flows of the Company are included in the consolidated cash flow statement for that group.

2 Directors and employees

None of the directors who served during the year received any emoluments in respect of their services to the Company (2002: £nil).

The Company had no employees at any time during the year (2002 : none).

3 Creditors: Amounts falling due within one year

	2003 £'000	2002 £'000
Amounts owed to group undertakings	4,225	4,225

4 Called-up share capital

	2003 £'000	2002 £'000
Authorised		
50,000 ordinary shares of £1 each	50	50
Allotted, called-up and fully paid		
50,000 ordinary shares of £1 each	50	50

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5 Reserves

	Profit and loss account - deficit
	2003
	£'000
At 1 January and 31 December	4,275

6 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, on the grounds that it is a subsidiary where 90% or more of its voting rights are controlled within the group, and the consolidated financial statements of Abbot Group plc are publicly available.

No other related party transactions took place during the year.

7 Ultimate parent undertaking

The Company is a wholly owned subsidiary of KCA DEUTAG Drilling Limited which is registered in Scotland. The Company's ultimate parent undertaking is Abbot Group plc, which is registered in England and Wales. The only financial statements in which the results of the Company are consolidated is that headed by Abbot Group plc. Copies of the financial statements of Abbot Group plc are available from Minto Drive, Altens, Aberdeen, AB12 3LW.