

Richard Irvin Offshore Limited

**Directors' report and financial
statements**

Registered number 61521

31 December 2002



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Directors and appointments

Directors: Stanley Troup, FBIM, (Chairman)
Eric A Ferguson, MA Hons, CA

Secretary: Eric A Ferguson, MA Hons, CA

Registered office: Irvin Group Complex
Albert Quay
Aberdeen
AB11 5ES

Auditors: KPMG LLP
Chartered Accountants
Aberdeen

Directors' report

The directors have pleasure in submitting their annual report and audited financial statements for the year ended 31 December 2002.

Activities

During the year the company has not traded. There has been no income or expenditure and, therefore, no change in the company's position has arisen. Any expenses have been met by the ultimate parent company.

The directors believe the company will remain dormant in the current year.

Directors

The directors who held office during the year are as shown on page 1.

No director held an interest in the shares of this company during the year. The directors shown on page 1 are also directors of the parent company, Anderco (Aberdeen) Limited, and of the ultimate parent company, Richard Irvin & Sons, Limited. Neither of these directors held an interest in the shares of the parent company at any time during the year and their interests in the issued share capital of the ultimate parent company are disclosed in that company's directors' report.

Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board


Eric A Ferguson
Secretary

Albert Quay
Aberdeen

24 April 2003

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;
- 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 to prevent and detect fraud and other irregularities.



37 Albyn Place
Aberdeen
AB10 1JB
United Kingdom

Independent auditors' report to the members of Richard Irvin Offshore Limited

We have audited the financial statements on pages 5 to 7.

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 3, 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. 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 as at 31 December 2002 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP

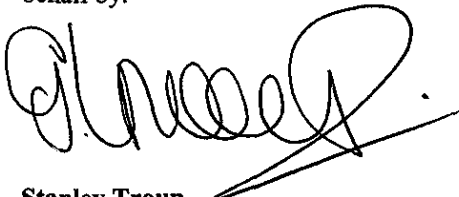
KPMG LLP
Chartered Accountants
Registered Auditor

24 April 2003

Balance sheet
at 31 December 2002

| | <i>Note</i> | 2002 £ | 2001 £ |
|-----------------------------------|-------------|------------------|------------------|
| Current assets | | | |
| Debtors | 3 | 4,976 | 4,976 |
| Net assets | | <u>4,976</u> | <u>4,976</u> |
| Capital and reserves | | | |
| Called up share capital | 4 | 10,000 | 10,000 |
| Profit and loss account | | (5,024) | (5,024) |
| Equity shareholders' funds | 5 | <u>4,976</u> | <u>4,976</u> |

These financial statements were approved by the board of directors on 24 April 2003 and were signed on its behalf by:



Stanley Troup
Director

Notes

(forming part of the financial statements)

1 Accounting policies

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

Basis of preparation

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

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

As the company is a wholly owned subsidiary of Anderco (Aberdeen) Limited which is a wholly owned subsidiary of Richard Irvin & Sons, Limited, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of Richard Irvin & Sons, Limited within which this company is included can be obtained from the address given in note 7.

2 Profit and loss account

During the financial year and the preceding financial year the company did not trade and received no income and incurred no expenditure. Consequently, during those years the company made neither a profit nor a loss.

3 Debtors

| | 2002 £ | 2001 £ |
|-----------------------------------|-----------|-----------|
| Amount owed by parent undertaking | 4,976 | 4,976 |

4 Called up share capital

| | 2002 £ | 2001 £ |
|--|-----------|-----------|
| <i>Authorised</i> 10,000 ordinary shares of £1 each | 10,000 | 10,000 |
| <i>Allotted, called up and fully paid</i> 10,000 ordinary shares of £1 each | 10,000 | 10,000 |

5 Reconciliation of movements in equity shareholders' funds

There were no movements in equity shareholders' funds during the year or in the preceding year.

Notes *(continued)*

6 Related party disclosure

The company is controlled by Richard Irvin & Sons, Limited.

7 Ultimate holding company and parent company of a larger group

The company is a subsidiary undertaking of Richard Irvin & Sons, Limited which is registered in England.

The largest group in which the result of the company is consolidated is that headed by Richard Irvin & Sons, Limited. The consolidated accounts of that company are available to the public and may be obtained from the company's head office at Albert Quay, Aberdeen. No other group accounts include the result of the company.