

UNITED KINGDOM OIL PIPELINES LIMITED  
DIRECTORS' REPORT AND FINANCIAL STATEMENTS  
31 DECEMBER 2003  
Registered No. 746708



## **UNITED KINGDOM OIL PIPELINES LIMITED**

### **DIRECTORS' REPORT**

The Directors present their annual report and audited financial statements for the year ended 31 December 2003.

#### **PRINCIPAL ACTIVITY**

The principal activity of the company during the year, as agents for the members, was the management, operation, maintenance and development of the members' pipeline systems in the United Kingdom (specifically the Thames-Mersey Pipeline System) for the carriage of petroleum products, and related activities. The Company appointed British Pipeline Agency Limited to carry out its obligations as sub-agent (see note 2 to the Accounts).

The Directors expect no change in this activity for the foreseeable future.

#### **RESULTS**

The Company has not traded during the year on its own account and accordingly has made neither a profit nor a loss. No Profit and Loss Account has therefore been prepared. All expenses have been met by the Company's members (see note 2 of the Accounts).

#### **DIRECTORS**

The present Directors of the Company are :-

|                     |                                                                                                    |
|---------------------|----------------------------------------------------------------------------------------------------|
| Lynne Donaldson     | appointed 1 October 2003<br>alternate Barry Jones appointed 1 October 2003                         |
| Janet Skippins      | appointed 1 October 2003<br>alternate Trevor Mallinson appointed 1 October 2003                    |
| Robert P Buky       | appointed 1 April 2003<br>alternate Sonja Ekberg appointed 1 April 2003, resigned 31 December 2003 |
| Keith A Hamilton    |                                                                                                    |
| Craig McGrath       | appointed 26 January 2004                                                                          |
| Philippe M Rivoalen | appointed 1 April 2003                                                                             |

Unless otherwise indicated, all the above named Directors (and their alternates) held office for the whole year under review.

The following Directors resigned during 2003 and up to the date of this report :-

|                   |                                                                               |
|-------------------|-------------------------------------------------------------------------------|
| Ursula Thakkar    | resigned 31 December 2003                                                     |
| Stephen Ollerhead | resigned 1 October 2003<br>alternate Barry Jones resigned 1 October 2003      |
| Martin Donohue    | resigned 1 October 2003<br>alternate Trevor Mallinson resigned 1 October 2003 |

Brian Chesterman

resigned 1 April 2003  
alternate Sonja Ekberg resigned 1 April 2003

Peter Wickenden

resigned 31 March 2003

### **DIRECTORS' INTERESTS**

According to the Register of Directors' Interests, none of the Directors or their families had any interests in the shares of the Company at 1 January, at the date of appointment where later, or at 31 December 2003, or in any contract between the Company and a third party requiring disclosure.

### **AUDITORS / ELECTIVE REGIME**

The Company has taken advantage of the exemption from audit available to small companies, in accordance with section 249A(1) of the Companies Act 1985.

Elective Resolutions, passed on 23 May 1996, are in place dispensing with the requirements to lay the Report and Accounts before the members in General Meetings and to hold an Annual General Meeting each year.

### **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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 maintaining 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 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.

Director

8 York Road  
London SE1 7NA  
24 June 2004



**UNITED KINGDOM OIL PIPELINES LIMITED**  
**BALANCE SHEET AS AT 31 DECEMBER 2003**

|                          | <u>Note</u> | <u>2003</u><br>£ | <u>2002</u><br>£ |
|--------------------------|-------------|------------------|------------------|
| CURRENT ASSETS           |             |                  |                  |
| Cash at bank and in hand |             | <u>200</u>       | <u>200</u>       |
| CAPITAL AND RESERVES     |             |                  |                  |
| Called up share capital  | 4           | <u>200</u>       | <u>200</u>       |

For the year ended 31 December 2003 the Company was entitled to the exemption under section 249A(1) of the Companies Act 1985.

No notice from members requiring an audit has been deposited under section 249B(2) of the Companies Act 1985.

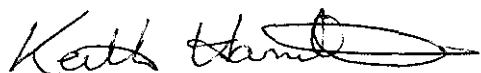
The Directors acknowledge their responsibility for :

Ensuring the company keeps accounting records which comply with section 221.

Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or 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 accounts, so far as applicable to the company.

Preparing the accounts in accordance with the special provisions in Part VII of the Companies Act 1985 relating to small companies.

These Accounts were approved by the Board of Directors on 24 June 2004, and signed on its behalf by :-



Director

## **UNITED KINGDOM OIL PIPELINES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **1. PRINCIPAL ACCOUNTING POLICIES**

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

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

#### **2. PROFIT AND LOSS ACCOUNT**

The Company entered into a Participants Agreement on 11 March 1971 with the members of the Company which governs the management, operation, maintenance and development of the members pipeline systems.

The Company subsequently entered into an Agency Agreement with Shell-Mex and BP Limited also dated 11 March 1971, which was assigned on 19 January 1976 to transfer all rights and obligations under the Participants Agreement to British Pipeline Agency Limited ("BPA", a company registered in England no. 1228157). The BPA is the Company's agent to manage, operate, maintain and carry out capital projects in relation to these pipelines. In particular, the Agency Agreement specifically provides that BPA shall keep and maintain a full and proper system of accounts and records in relation to the pipeline system. (See also note 7.)

The Company is not dormant for the purposes of the Companies Act 1985. During the year ended 31 December 2003 the Company, which did not trade on its own account, made neither a profit nor a loss; all its net costs and expenditures were met by the members of the Company.

#### **3. EMOLUMENTS OF DIRECTORS**

None of the Directors received any fees or other emoluments from the Company (2002 : nil).

#### **4. CALLED UP SHARE CAPITAL**

| Authorised, allotted, called up and fully paid Ordinary Shares of £1 each. | <u>31 December</u> | <u>31 December</u> |
|----------------------------------------------------------------------------|--------------------|--------------------|
|                                                                            | <u>2003</u>        | <u>2002</u>        |
| BP Oil UK Limited                                                          | 67                 | 67                 |
| Total Downstream UK plc*                                                   | 7                  | 7                  |
| Shell U.K. Limited                                                         | 96                 | 96                 |
| Texaco Limited                                                             | 30                 | 30                 |
|                                                                            | <hr/>              | <hr/>              |
|                                                                            | 200                | 200                |

\* Name of shareholder changed from TotalFinaElf Downstream UK plc to Total Downstream UK plc on 24 June 2003.

## **UNITED KINGDOM OIL PIPELINES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **5. CONTINGENT LIABILITIES**

*There are at any one time a number of issues relating to land compensation claims that may result in additional expenditure in future years. These items are handled as routine operational matters through the Participants Co-ordinating Committee.*

#### **6. CASH FLOW STATEMENT**

Under Financial Reporting Standard 1, the company is exempt from the requirement to prepare a cash flow statement on grounds of its size.

#### **7. RELATED PARTY DISCLOSURES**

The shareholders have the right to appoint Directors, but no one shareholder has the right to appoint a majority of Directors; therefore there is no controlling party. The company has, by virtue of its Agency Agreement, transferred its operational responsibilities to British Pipeline Agency Limited (see note 2), which is related to two of its shareholders, Shell U.K. Limited and BP Oil UK Limited.