

Company Registration No. 00038644

**The Anthony Radcliffe Steamship
Company, Limited
Report and Financial Statements**

30 November 2004



The Anthony Radcliffe Steamship Company, Limited

Report and financial statements 2004

Contents	Page
Officers and professional advisers	1
Directors' report	2
Statement of directors' responsibilities	3
Independent auditors' report	4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7

The Anthony Radcliffe Steamship Company, Limited

Report and financial statements 2004

Officers and professional advisers

Directors

J G Wakely
W E V M Wattenbergh
R Soffree

Secretary

N E Pritchard

Registered office

Aldwych House
71-91 Aldwych
London
WC2B 4HN

Auditors

Deloitte & Touche LLP
Chartered Accountants
London

The Anthony Radcliffe Steamship Company, Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 November 2004.

Principal activities and business review

The principal activities of the company comprise shipping and the holding of investments in subsidiary undertakings. The directors expect the general level of activity to remain the same in the future.

Result and dividend

During the year, the company made a loss after taxation of \$585,852 (2003 – profit of \$2,451,785). The company's accumulated deficit thus increased by this amount from \$18,011,213 to \$18,597,065. The directors do not recommend the payment of a dividend (2003 – nil).

Directors and their interests

The directors who served throughout the year and to the date of this report are as shown below:

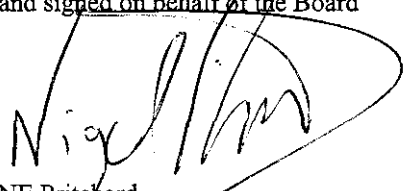
J G Wakely
WEVM Wattenbergh
R Soffree

None of the directors have any interests in the shares of the company or other group companies which are required to be disclosed under the provisions of the Companies Act 1985.

Auditors

Deloitte & Touche LLP will continue in office as auditors for the ensuing year.

Approved by the Board of Directors
and signed on behalf of the Board

A large, stylized handwritten signature in black ink, appearing to read 'Nigel Pritchard', is written over the text 'Approved by the Board of Directors and signed on behalf of the Board'.

NE Pritchard

Secretary

6 September 2006

The Anthony Radcliffe Steamship Company, Limited

Statement of directors' responsibilities

United Kingdom 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 as at the end of the financial year and of the profit or loss of the company 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; 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 the system of internal control for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report to the members of The Anthony Radcliffe Steamship Company, Limited

We have audited the financial statements of The Anthony Radcliffe Steamship Company, Limited for the year ended 30 November 2004 which comprise the profit and loss account, balance sheet and the related notes 1 to 13. These financial statements have been prepared under 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 directors and auditors

As described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

We report to you our opinion as to whether the financial statements give a true and fair view in accordance with the relevant financial reporting framework and are properly prepared in accordance with the Companies Act 1985. We report to you whether in our opinion the information given in the directors' report is consistent with the financial statements. We also report to you if, in our opinion, 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 for the above year and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 November 2004 and of its loss for the year then ended, and the financial statements have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche LLP

Chartered Accountants and Registered Auditors
London

11 September 2006

The Anthony Radcliffe Steamship Company, Limited

Profit and loss account Year ended 30 November 2004

	Note	2004 \$	2003 \$
Turnover	2	141,357	513,085
Gross profit		141,357	513,085
Administrative expenses			
– provision against intercompany balance	8	(476,070)	126,712
– other		(21,811)	(10,601)
Operating (loss) / profit		(356,524)	629,196
(Loss) / profit on dissolution of fixed asset investments	7	-	(215,305)
Investment income in respect of dividends received from subsidiary undertakings	7	-	2,397,959
Finance charges	3	(25,444)	(299,028)
(Loss) / profit on ordinary activities before taxation	4	(381,968)	2,512,822
Tax on (loss) / profit on ordinary activities	6	(203,884)	(61,037)
(Loss) / profit on ordinary activities after taxation		(585,852)	2,451,785
Retained (loss) / profit for the financial year		(585,852)	2,451,785
Accumulated deficit brought forward		(18,011,213)	(20,462,998)
Accumulated deficit carried forward	12	(18,597,065)	(18,011,213)

All results in both years are derived from continuing operations.

There are no recognised gains and losses in either year other than the result for that year shown above, and accordingly a statement of total recognised gains and losses has not been presented.

The Anthony Radcliffe Steamship Company, Limited

Balance sheet 30 November 2004

	Note	2004 \$	2003 \$
Fixed assets			
Investments	7	<u>642</u>	<u>642</u>
Current assets			
Debtors	8	68,631	18,511,057
Creditors: amounts falling due within one year	9	<u>(18,374,179)</u>	<u>(36,230,753)</u>
Net current liabilities		<u>(18,305,548)</u>	<u>(17,719,696)</u>
Total assets less current liabilities, being net liabilities	9	<u>(18,304,906)</u>	<u>(17,719,054)</u>
Capital and reserves			
Called up equity share capital	10	1,099	1,099
Share premium account	11	236,120	236,120
Profit and loss account	11	<u>(18,597,065)</u>	<u>(18,011,213)</u>
Shareholders' deficit attributable to equity interests		<u>(18,359,846)</u>	<u>(17,773,994)</u>
Called up non-equity share capital	10	<u>54,940</u>	<u>54,940</u>
Total shareholders' deficit	12	<u>(18,304,906)</u>	<u>(17,719,054)</u>

These financial statements were approved by the Board of Directors on 6 September 2006.

Signed on behalf of the Board of Directors

WEVM Wattenbergh

Director

6 September 2006

The Anthony Radcliffe Steamship Company, Limited

Notes to the financial statements Year ended 30 November 2004

1. Accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding year, is set out below.

(a) Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards.

(b) Investments in subsidiary undertakings

In the company's accounts, investments in subsidiary undertakings are stated at cost less impairments.

(c) Consolidated accounts

Under the provisions of section 228 of the Companies Act 1985, the company is exempt from preparing consolidated accounts as it is a wholly owned subsidiary of a company incorporated within the European Union, Stolt-Nielsen SA, a company incorporated in Luxembourg.

(d) Taxation

Corporation tax payable is provided on taxable profits at the current rate. Where tax losses are surrendered from fellow group undertakings they are paid for in full.

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 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 is 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 differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

The Anthony Radcliffe Steamship Company, Limited

Notes to the financial statements Year ended 30 November 2004

1. Accounting policies (continued)

(e) Foreign currency

In the accounts of the company, transactions denominated in foreign currencies are recorded in US dollars at the actual exchange rates on the date of transaction or, where appropriate, at the rate of exchange in a related forward exchange contract. Monetary assets and liabilities denominated in foreign currencies at the year end are reported at the rates of exchange prevailing at the year end. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account.

(f) Turnover

Turnover comprises the value of sales (excluding VAT, similar taxes and trade discounts) of goods and services in the normal course of business.

(g) Related party transactions

As permitted by Financial Reporting Standard No. 8, the company has not disclosed transactions with entities that are part of the Stolt-Nielsen SA group (see note 13) because it is a wholly owned subsidiary of Stolt-Nielsen SA, which prepares consolidated accounts, which are publicly available.

(h) Cash flow statement

The company is exempt from publishing a cash flow statement in accordance with Financial Reporting Standard No. 1 (Revised) as its ultimate parent company, Stolt-Nielsen SA, has prepared publicly available consolidated accounts which include the results of the company for the year.

2. Turnover

Turnover, all of which relates to the shipping business, represents commission earned on amounts invoiced by other Stolt-Nielsen group companies to third parties for which the company acts as agent. An analysis of turnover by geographical area has been omitted, as, in the directors' opinion, this would be seriously prejudicial to the interests of the company.

Additional non-statutory information:

	2004	2003
	\$	\$
Amounts invoiced by other group companies	28,271,438	102,617,006

Turnover as disclosed in the profit and loss account represents 0.5% commission on amounts invoiced by other Stolt-Nielsen group companies to third parties for which the company acts as agent.

3. Finance charges

	2004	2003
	\$	\$
Foreign exchange loss	(25,444)	(299,028)

The Anthony Radcliffe Steamship Company, Limited

Notes to the financial statements Year ended 30 November 2004

4. (Loss) / profit on ordinary activities before taxation

This is stated after charging:

	2004	2003
	\$	\$
Auditors' remuneration – audit fees	20,548	13,825

5. Employees and directors' remuneration

Other than the directors, the company had no employees (2003 – none).

None of the directors were paid in respect of their services to the company (2003 – \$nil) or were members of pension schemes (2003 – none).

6. Tax on (loss) / profit on ordinary activities

The tax charge comprises:

	2004	2003
	\$	\$
Current corporation tax at 30% (2003 – 30%)	178,641	61,037
Adjustment of prior year amounts	25,243	-
	203,884	61,037

The tax charges shown above of \$178,641 (2003 - \$61,037) represent the surrender of group relief from other group undertakings, which are paid for based on the current rate of tax by the company.

The difference between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2004	2003
	\$	\$
(Loss) / profit on ordinary activities before tax	(381,968)	2,512,822
Tax (recoverable) / payable on (loss) / profit on ordinary activities at standard UK corporation tax rate of 30% (2003 – 30%)	(114,590)	753,847
Prior year amount	25,243	-
Transfer pricing adjustment	150,410	-
Effects of:		
Expenses not deductible / (Income not taxable)	142,821	(692,810)
Total current charge for the year	203,884	61,037

There is a deferred tax asset of \$695,716 (2003 - \$507,751), which has not been recognised, as there is insufficient evidence of future suitable taxable profits. The deferred tax asset results from timing differences on accrued interest and capital losses.

The Anthony Radcliffe Steamship Company, Limited

Notes to the financial statements Year ended 30 November 2004

7. Fixed asset investments

The company has an interest in the ordinary share capital of the following subsidiary undertakings (the subsidiaries are directly held and wholly owned unless otherwise indicated):

Name and country of incorporation/registration	Activity	2004 \$	2003 \$
Finanza Marittima – Italy (5% holding)	Finance	76,984	76,984
Stolt-Nielsen Inter Europe Service Inc – Liberia	Ship operating	500	500
Stolt-Nielsen Transportation Group Limited – England	Tank containers	141	141
Total cost		77,625	77,625
Less provision for impairment		(76,983)	(76,983)
Net book value		642	642

During the previous year, Stolt-Nielsen Shipping Limited was dissolved pursuant to section 652A of the Companies Act 1985. The company recorded a loss on dissolution of fixed asset investments of \$215,305 and dividends received, prior to dissolution, of \$2,397,959 in 2003 as a result of these transactions.

Movements during the year were as follows:

	\$
Cost	
At 1 December 2003 and 30 November 2004	77,625
Amounts written off	
At 1 December 2003 and 30 November 2004	(76,983)
Net book value at 30 November 2004	642
Net book value at 30 November 2003	642

The Anthony Radcliffe Steamship Company, Limited

Notes to the financial statements Year ended 30 November 2004

8. Debtors

	2004	2003
	\$	\$
Amounts owed by other group undertakings	68,631	18,511,057

During prior years the company recorded a provision of \$16,705,133 in respect of an intercompany balance that it no longer believed would be recoverable. During the current year, the company made an additional provision of \$476,070.

9. Creditors: amounts falling due within one year

	2004	2003
	\$	\$
Amounts due to other group undertakings	18,361,796	36,218,370
Accruals	12,383	12,383
	<u>18,374,179</u>	<u>36,230,753</u>

As of 30 November 2004, the company had a shareholders' deficit of \$18,304,906 and, as such, is dependent on continued financial support from its ultimate parent company, Stolt-Nielsen SA (SNSA). The company also has receivables of \$68,631 due from and payables of \$18,361,796 due to other subsidiaries within the SNSA group.

SNSA has indicated that it will continue to provide financial support to the company for a period of at least 12 months from the date of approval of these financial statements so as to allow the company to meet its obligations as they fall due and that SNSA and other group companies will not require payment of amounts due to them, other than out of available cash resources, for a period of at least 12 months from the the date of approval of these financial statements.

10. Called up share capital

The following shares were authorised, allotted, called-up and fully paid:

	2004	2003
	\$	\$
536 ordinary equity shares of £1 each	1,099	1,099
536 deferred non-equity shares of £50 each	<u>54,940</u>	<u>54,940</u>

The company's deferred shares are non-voting and carry a fixed non-cumulative dividend at the rate of 5% per annum for any financial year in respect of which the net profits available for distribution exceed £10 million. Holders of the deferred shares are entitled, on a winding up, to a return of the capital paid up after £100,000 has been distributed to each of the ordinary shareholders.

The Anthony Radcliffe Steamship Company, Limited

Notes to the financial statements Year ended 30 November 2004

11. Reserves

Of the total reserves shown in the balance sheet, the following amounts are regarded as distributable or non-distributable:

	2004 \$	2003 \$
Distributable		
Profit and loss account	(18,597,065)	(18,011,213)
Non-distributable		
Share premium account	236,120	236,120
	<u>(18,360,945)</u>	<u>(17,775,093)</u>

The profit and loss account will be distributable only when the balance moves from a deficit to a surplus.

12. Reconciliation of movements in shareholders' deficit

	2004 \$	2003 \$
(Loss) / profit for the financial year	(585,852)	2,451,785
Net deduction from /(addition to) shareholders' deficit	(585,852)	2,451,785
Opening shareholders' deficit	<u>(17,719,054)</u>	<u>(20,170,839)</u>
Closing shareholders' deficit	<u>(18,304,906)</u>	<u>(17,719,054)</u>

13. Parent undertakings and controlling party

The company is a direct subsidiary undertaking of Stolt-Nielsen Holdings BV, a company incorporated in The Netherlands. The company's ultimate parent undertaking and ultimate controlling party is Stolt-Nielsen SA, a company incorporated in Luxembourg.

The only group in which the results of the company and its subsidiary undertakings are consolidated is that headed by Stolt-Nielsen SA. The consolidated accounts of this group are available from Stolt-Nielsen Limited, Aldwych House, 71-91 Aldwych, London WC2B 4HN.