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BIBBY POOL PARTNER LIMITED
FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 DECEMBER 2004



BIBBY POOL PARTNER LIMITED

PARENT UNDERTAKING

Bibby Line Limited

ULTIMATE PARENT UNDERTAKING

Bibby Line Group Limited

DIRECTORS

Cyril Joseph Green
Howard Dennis Woodcock
Jonathan Osborne
Simon Jeremy Kitchen

SECRETARY

Bibby Bros. & Co. (Management) Limited

REGISTERED OFFICE

105 Duke Street
Liverpool
L1 5JQ
www.bibbyline.co.uk

Incorporated in England and Wales
Registered No. 2481605

AUDITORS

KPMG LLP
8 Princes Parade
Liverpool
L3 1QH

BIBBY POOL PARTNER LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2004

The directors present their report together with the audited financial statements for the year ended 31 December 2004.

ACTIVITIES

The Company's trade is that of chartering in and subsequent chartering out of ships.

TRADING RESULTS AND DIVIDEND

The result for the year is set out in the profit and loss account. The Company has traded at a loss during the year. The directors consider the financial position of the Company at 31 December 2004 to be satisfactory given the continued financial support of the parent undertaking.

The directors do not anticipate any major changes in the Company's trading position in the foreseeable future.

The directors do not recommend a dividend in respect of the year.

DIRECTORS AND THEIR INTERESTS

The directors during the year were:

Cyril Joseph Green	- appointed 1 November 2004
Mark Alfred Preece	- resigned 31 January 2004
Jonathan Osborne	
Howard Dennis Woodcock	

Since the year end, S. J. Kitchen was appointed as a Director of the Company on 24 January 2005. None of the Directors held any interests in either the shares of the Company or any of the Bibby Line Group Limited group of companies.

AUDITORS

In accordance with the Companies Act 1985 the directors have passed an elective resolution to dispense with the annual appointment of auditors, the holding of Annual General Meetings and the laying of accounts at the Annual General Meeting. KPMG LLP have expressed their willingness to remain in office.

BIBBY POOL PARTNER LIMITED

DIRECTORS' REPORT FOR THE
YEAR ENDED 31 DECEMBER 2004 (CONTINUED)

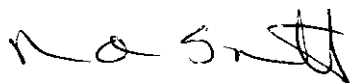
STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 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, 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 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.

By order of the Board



Bibby Bros. & Co. (Management) Limited
Secretary

11 April 2005

KPMG LLP

8 Princes Parade
Liverpool
L3 1QH
United Kingdom

Report of the independent auditors to the members of Bibby Pool Partner Limited

We have audited the financial statements on pages 5 to 11.

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. 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 of the state of the company's affairs as at 31 December 2004 and of its loss 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

11 April 2005

BIBBY POOL PARTNER LIMITED

PROFIT AND LOSS ACCOUNT FOR THE
YEAR ENDED 31 DECEMBER 2004

	Note	2004 US\$	2003 US\$
Turnover	2	17,490,957	18,411,150
Cost of sales		<u>(18,985,392)</u>	<u>(19,888,860)</u>
Gross loss		(1,494,435)	(1,477,710)
Administration expenses		<u>-</u>	<u>(293,548)</u>
Loss for the financial year		(1,494,435)	(1,771,258)
Tax on loss on ordinary activities	4	<u>408,576</u>	<u>489,977</u>
Retained loss for the financial year	7	<u>(1,085,859)</u>	<u>(1,281,281)</u>

There are no recognised gains or losses in 2004 or 2003 other than those dealt with in the profit and loss account.

The turnover and profit for the financial year derive from continuing activities.

The notes on pages 7 to 11 form part of these financial statements.

BIBBY POOL PARTNER LIMITED

BALANCE SHEET AS AT
31 DECEMBER 2004

	Note	2004 US\$	2003 US\$
Current assets:			
Debtors	5	917,156	1,110,508
Cash at bank		<u>1,818,601</u>	<u>154,061</u>
		2,735,757	1,264,569
Creditors: (amounts falling due within one year)			
Amounts owed to parent undertaking		<u>(6,268,685)</u>	<u>(3,860,400)</u>
Net current liabilities		<u>(3,532,928)</u>	<u>(2,595,831)</u>
Provisions for liabilities and charges	6	<u>297,674</u>	<u>148,912</u>
Capital and reserves:			
Called up share capital	9	3	3
Profit and loss account	7	<u>(3,830,605)</u>	<u>(2,744,746)</u>
Equity shareholders' funds	8	<u>(3,830,602)</u>	<u>(2,744,743)</u>
		<u>(3,532,928)</u>	<u>(2,595,831)</u>

Approved by the Board on 11 April 2005



J. Osborne
Director

The notes on pages 7 to 11 form part of these financial statements.

BIBBY POOL PARTNER LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004

1. ACCOUNTING POLICIES

Basis of preparation

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

The financial statements are stated in US Dollars. They have been prepared under the historical cost convention, as modified by the method used to translate the issued share capital to US Dollars, and in accordance with applicable Accounting Standards.

The US Dollar value of the issued share capital is arrived at by converting from Sterling at the exchange rate ruling at the date the accounts were first presented in US Dollars.

Going concern

The financial statements have been prepared on a going concern basis as the Directors have received assurances from the directors of Bibby Line Limited that they will not seek repayment of US\$6,268,685 (2003 – US\$3,860,400) due to that company prior to 11 April 2006.

Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates ruling at the balance sheet date. All exchange differences are dealt with through the profit and loss account.

Operating leases

Rentals of operating leases are charged to operating profit on a straight line basis over the lease term.

Cash flows

A statement of Group cash flows has been included in the consolidated accounts presented by the ultimate parent undertaking. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (Revised 1996).

Related party transactions

Under Financial Reporting Standard 8, the Company is exempt from disclosing related party transactions with other group companies, as more than 90% of the voting rights are controlled by the ultimate parent undertaking, Bibby Line Group Limited.

Transactions between Bibby Line Group Limited and its related parties and a statement of substantial shareholdings in Bibby Line Group Limited are included in that company's consolidated financial statements.

Drydock costs

The vessel held under operating lease is surveyed in line with classification society and international requirements. Any docking is carried out on a minimum 30-month cycle and to meet the terms of the lease an allowance is made for a pro rata proportion of the estimated dry-docking costs.

BIBBY POOL PARTNER LIMITED

NOTES TO THE ACCOUNTS FOR THE
YEAR ENDED 31 DECEMBER 2004 (CONTINUED)

2. TURNOVER

Turnover is the freight and charter hire earned and is recognised at the time the relevant service is provided to customers.

3. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

Loss on ordinary activities before taxation is stated after crediting the following amounts:-

	2004 US\$	2003 US\$
Foreign exchange differences	<u>18,810</u>	<u>(43,743)</u>

There were no emoluments paid to directors for the year. (2003 - Nil).

Auditors' remuneration is borne by the parent company.

4. TAX ON LOSS ON ORDINARY ACTIVITIES

	2004 US\$	2003 US\$
The taxation credit comprises:		
Amount receivable in respect of group relief	<u>408,576</u>	<u>489,977</u>
Current tax credit	<u>408,576</u>	<u>489,977</u>

Factors affecting the tax credit for the year:

The current tax credit is lower than the anticipated credit. The anticipated current tax credit is based on the average rate of tax across the Company.

BIBBY POOL PARTNER LIMITED

NOTES TO THE ACCOUNTS FOR THE
YEAR ENDED 31 DECEMBER 2004 (CONTINUED)

4. TAX ON LOSS ON ORDINARY ACTIVITIES (continued)

The differences are explained as follows:

	2004 US\$	2003 US\$
Loss on ordinary activities before taxation	(1,494,435)	(1,771,258)
Loss on ordinary activities multiplied by the rate of tax of 30% (2003 - 30%)	(448,331)	(531,377)
Effects of:		
Group relief not paid for	45,397	54,442
Non taxable exchange difference	(5,642)	(13,042)
Current tax credit for the year	(408,576)	(489,977)

5. DEBTORS

	2004 US\$	2003 US\$
Trade debtors	472,895	434,804
Amount owed by group undertakings	427,386	533,450
Prepayments and accrued income	-	142,254
Other debtors	16,875	-
	<u>917,156</u>	<u>1,110,508</u>

6. PROVISIONS FOR LIABILITIES AND CHARGES

	Provision for drydocking costs US\$
At 1 January 2004	148,912
Charged to profit and loss account	<u>148,762</u>
At 31 December 2004	<u>297,674</u>

BIBBY POOL PARTNER LIMITED

NOTES TO THE ACCOUNTS FOR THE
YEAR ENDED 31 DECEMBER 2004 (CONTINUED)

7.	RESERVES		US\$
	At 1 January 2004		(2,744,746)
	Loss for the financial year		(1,085,859)
	At 31 December 2004		<u>(3,830,605)</u>
8.	RECONCILIATION OF MOVEMENTS IN DEFICIT OF EQUITY SHAREHOLDERS' FUNDS		
		2004 US\$	2003 US\$
	Loss for the financial year	(1,085,859)	(1,281,281)
	Opening deficit in equity shareholders' funds	<u>(2,744,743)</u>	<u>(1,463,462)</u>
	Closing deficit in equity shareholders' funds	<u>(3,830,602)</u>	<u>(2,744,743)</u>
9.	CALLED UP SHARE CAPITAL		
		2004 US\$	2003 US\$
	Authorised:		
	1,000 ordinary shares of £1 each	<u>1,550</u>	<u>1,550</u>
	Allotted:		
	2 ordinary shares of £1 each	<u>3</u>	<u>3</u>
10.	OPERATING LEASE COMMITMENTS		
		2004 US\$	2003 US\$
	The company has the following annual commitments under operating leases which expire:		
	Within one year	-	-
	Between two and five years	-	-
	After five years	<u>4,197,500</u>	<u>4,197,500</u>

BIBBY POOL PARTNER LIMITED

NOTES TO THE ACCOUNTS FOR THE
YEAR ENDED 31 DECEMBER 2004 (CONTINUED)

11. PARENT UNDERTAKING

The Company is a wholly owned subsidiary undertaking of Bibby Line Limited, which itself is a wholly owned subsidiary undertaking of Bibby Line Group Limited both of which are registered in England. Bibby Line Group Limited is the parent undertaking of the largest group which consolidates these accounts and of which the Company is a member. Bibby Line Limited is the parent undertaking of the smallest group which consolidates these accounts and of which the Company is a member.

Copies of the Group financial statements may be obtained from Bibby Line Group Limited, 105 Duke Street, Liverpool L1 5JQ (www.bibbygroup.co.uk).