

Pioneer Offshore Limited

Directors' Report and Financial Statements

for the year ended 30 June 2005

Registered Number 03672194



Pioneer Offshore Limited

Directors' Report and Financial Statements

for the year ended 30 June 2005

Incorporated and registered in England and Wales. Registered Number: 03672194
Registered office 5th Floor, 40 Queen Street, London EC4R 1DD

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Pioneer Offshore Limited

Directors' report for the year ended 30 June 2005

The directors present their report and the audited financial statements of the company for the year ended 30 June 2005.

Incorporation

Pioneer Offshore Limited was incorporated as a company on 23 Nov 1998.

Activity

The principal activity of the company is to act as nominee owner of the assets of its parent, The Pioneer Offshore Shipping Limited Partnership.

Results and Dividends

The state of affairs of the company as at 30 June 2005 is shown in the balance sheet on page 4.

The directors do not propose the payment of a dividend.

Directors

Directors who held office during the period and at the date of this report are set out below:

Phillip M Griffin

David W Swannell

Braden Harris (resigned 7th February 2005)

Sandip Jobanputra

Simon Kayser

Mr Richard Thorp is the company secretary

The directors have no disclosable interests under Section 324 of the Companies Act 1985.

Auditors

PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution proposing their re-appointment as auditors of the Company will be passed.

Economic and Monetary Union

The directors recognise the importance of proper preparedness for the introduction of European Monetary Union to the company, its suppliers and customers. All existing contracts are denominated in sterling and, as such, no immediate impact on the company's business is expected to arise.

Subsequent Events

Mr Patrick Caron-Delion was appointed director on 1st July 200~~4~~⁵

Pioneer Offshore Limited

Directors' report for the year ended 30 June 2005

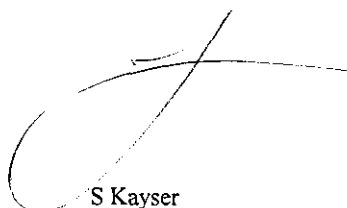
Statement of Directors' Responsibility

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 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 appropriate 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. 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



S Kayser
Director

Date:

Pioneer Offshore Limited

Independent Auditor's report to the members of Pioneer Offshore Limited for the year ended 30 June 2005

We have audited the financial statements on pages 4 to 6 and the accounting policies set out on page 5.

Respective responsibilities of Directors and Auditors

The directors' responsibilities for preparing the annual report and financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board.

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 United Kingdom Companies Act. 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 is not disclosed.

We read the other information contained in the Annual Report 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 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 affairs of the Company at 30 June 2005 and have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London

Date: *30 September 2005*

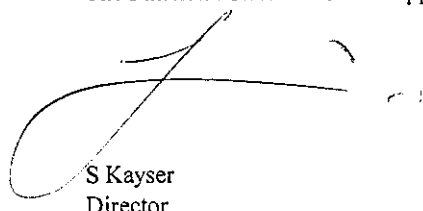
Pioneer Offshore Limited

Balance sheet as at 30 June 2005

	Note	30 June 2005 £	30 June 2004 £
Current Assets			
Amounts owed by parent undertaking		1	1
Net Assets		<u>1</u>	<u>1</u>
Capital and reserves			
Called up share capital	3	1	1
Profit and loss account		-	-
Total equity shareholders' funds	4	<u>1</u>	<u>1</u>

The Financial Statements were approved by The Board on

and signed on its behalf by:



S Kayser
Director

Pioneer Offshore Limited

Notes to the financial statements for the year ended 30 June 2005

1. Accounting Policies

Accounting Convention

The financial statements are prepared under the historical cost convention and in compliance with Sections 255 and 255A, Schedule 4 and 4A and other requirements of the Companies Act 1985. They are prepared in accordance with applicable Accounting Standards accepted in the United Kingdom. The company falls within the definition of a small company as defined by s247 of the Companies Act 1985, and is therefore exempt from the requirement to produce a cashflow statement under FRS 1(revised 1996).

The company has not prepared a profit and loss account and a statement of total recognised gains and losses as there was no revenue during the period.

Related Party Transactions

The company is a wholly owned subsidiary in the Allco Finance Limited group and has applied the exemption in paragraph 3 (c) of FRS8 "Related Party Disclosures". This exemption permits the non-disclosure of transactions and balances with related parties that are included in the consolidated financial statements of Allco Finance Limited.

2 Directors and Employees

Neither of the directors received any emoluments from the company during the period.

3 Called up Share Capital

	30 June 2005	30 June 2004
	£	£
Authorised		
100 ordinary shares of £1 each	100	100
Alloted and fully paid		
1 ordinary shares of £1 each	1	1

Each ordinary share entitles the holder to one vote. The shares have no redemption rights and no right to dividends other than those proposed by the directors.

Pioneer Offshore Limited

Notes to the financial statements for the year ended 30 June 2005

4 Reconciliation of movements in shareholders' funds

	30 June 2005	30 June 2004
	£	£
Opening shareholders' funds	1	1
Closing shareholders' funds	<u>1</u>	<u>1</u>

5 Immediate Parent Company

The immediate parent undertaking is Allco Finance Limited. A copy of the accounts of Allco Finance Limited can be obtained from 5th Floor, 40 Queen Street, London EC4R 1DD.