

**McNULTY OFFSHORE LIMITED**

**Report and Financial Statements**

**31 December 2005**



**REPORT AND FINANCIAL STATEMENTS 2005**

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**REPORT AND FINANCIAL STATEMENTS 2005**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

D N Bakhai	(appointed 13 January 2006)
R K Bhuta	(appointed 7 October 2005)
S Keyworth	(resigned 7 October 2005) (re-appointed 13 January 2006)
Z M Khawaja	(appointed 7 October 2005)
S Langley	(resigned 7 October 2005)
G W Laurie	(resigned 7 October 2005)
G Oma	(resigned 7 October 2005)
C Venkateswaran	(appointed 13 January 2006)

**SECRETARY**

WB Company Secretaries Limited

**REGISTERED OFFICE**

1 St James' Gate  
Newcastle upon Tyne  
Tyne and Wear  
NE99 1YQ

**BANKERS**

Royal Bank of Scotland  
Aberdeen Central Branch  
12 Golden Square  
Aberdeen  
AB10 1DU

**SOLICITORS**

Watson Burton  
1 St James' Gate  
Newcastle upon Tyne  
NE99 1YQ

## DIRECTORS' REPORT

The directors present their annual report together with the unaudited financial statements for the year ended 31 December 2005.

## REVIEW OF ACTIVITIES, RESULTS AND FUTURE PROSPECTS

The company no longer trades and is dormant within the meaning of S249AA of the Companies Act 1985. It does not expect to trade in the immediate future.

## DIRECTORS AND THEIR INTERESTS

The following directors served during the year, and their interests in the shares of the company were as follows:

	Ordinary shares of £1 each	
	At 31 December 2005 No.	At 1 January 2005 No.
R K Bhuta	-	-
S Keyworth	-	-
Z M Khawaja	-	-
S Langley	-	-
G Oma	-	-
G W Laurie	-	-

The directors' shareholdings in the ultimate parent company, McNulty Group Holdings Limited, are as disclosed in that company's financial statements.

## AUDITORS

Under the provisions of Section 249A of the Companies Act 1985 the company is exempt from audit.

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



S Keyworth  
Director

10 October 2006

## STATEMENT OF DIRECTORS' RESPONSIBILITIES


The directors are responsible for preparing the Annual Report and the financial statements. The directors have chosen to prepare the accounts for the company in accordance with United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare such financial statements for each financial year which give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of affairs of the company and of the profit or loss of the company for that period and comply with UK GAAP and the Companies Act 1985. In preparing those financial statements, the directors are required to:

- (a) *select suitable accounting policies and then apply them consistently;*
- (b) *make judgements and estimates that are reasonable and prudent;*
- (c) *state whether applicable accounting standards have been followed;*
- (d) *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.

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



S Keyworth

Director

10 October 2006

**PROFIT AND LOSS ACCOUNT**  
**Year ended 31 December 2005**

	Note	2005 £'000	2004 £'000
<b>TURNOVER</b>	1	-	-
Cost of sales		-	-
		<hr/>	<hr/>
Gross profit		-	-
Administrative expenses		-	22
		<hr/>	<hr/>
<b>OPERATING PROFIT</b>	2	-	22
Discontinued operations		-	22
		<hr/>	<hr/>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		-	22
Tax on profit on ordinary activities	5	-	(19)
		<hr/>	<hr/>
<b>RETAINED PROFIT FOR THE YEAR</b>		-	3
Retained loss brought forward		(101)	(104)
		<hr/>	<hr/>
<b>Retained loss carried forward</b>	8	(101)	(101)
		<hr/>	<hr/>

There are no recognised gains and losses for the current or preceding financial year other than as stated in the profit and loss account. Accordingly, no separate statement of total recognised gains and losses is given.

**BALANCE SHEET**  
**31 December 2005**

	Note	2005 £'000	2004 £'000
<b>CREDITORS: amounts falling due within one year</b>	6	(1)	(1)
<b>NET CURRENT LIABILITIES</b>		(1)	(1)
<b>NET LIABILITIES</b>		(1)	(1)
<b>CAPITAL AND RESERVES</b>			
Called up share capital	7	-	-
Capital reserve	8	100	100
Profit and loss account	8	(101)	(101)
<b>TOTAL EQUITY SHAREHOLDERS' DEFICIT</b>	8	(1)	(1)

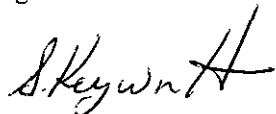
For the year ended 31 December 2005 the company was entitled to exemption under section 249a(1) of the Companies Act 1985.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249b(2).

The directors acknowledge their responsibility for: (i) Ensuring the company keeps accounting records which comply with section 221; and (ii) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, as far as applicable to the company.

These financial statements were approved by the Board of Directors on

Signed on behalf of the Board of Directors



S Keyworth

Director

10 October 2006

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2005**

**1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted by the directors are described below and have been applied consistently throughout the current and preceding year:

**Accounting convention**

The financial statements have been prepared in accordance with the historical cost convention.

The financial statements present information about the individual undertaking.

**Taxation**

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

**2. OPERATING PROFIT**

Audit fees are borne by the ultimate holding company, McNulty Group Holdings Limited. Included within the 2004 administrative expenses is a credit of £111,000 regarding a balance with the parent company which was written off during the year.

**3. DIRECTORS EMOLUMENTS**

The directors are executives of the holding company, McNulty Group Holdings Limited, and are also directors of McNulty Offshore Limited. The directors received total emoluments of £755,000 (2004 - £374,000) from McNulty Group Holdings Limited during the period, but it is not practicable to allocate this between their services as executives of McNulty Group Holdings Limited and their services as directors of McNulty Offshore Limited.

**4. STAFF COSTS**

During the current and prior year the company had no employees and consequently there are no staff costs.



**NOTES TO THE ACCOUNTS****Year ended 31 December 2005****5. TAX ON PROFIT ON ORDINARY ACTIVITIES**

i) Analysis of tax charge on ordinary activities:

	2005 £'000	2004 £'000
United Kingdom corporation tax at 30% based on the profit for the year	-	-
Adjustment in respect of prior years	-	19
Total tax charge	-	19

ii) Factors affecting tax charge for the current year.

The tax assessed for the year is different than that resulting from applying the standard rate of corporation tax in the UK of 30%.

The differences are explained below:

	2005 £'000	2004 £'000
Profit on ordinary activities before tax	-	22
Tax at 30% thereon	-	7
Expenses not deductible for tax purposes	-	(7)
Reduced corporation tax rate	-	-
Adjustment in respect of prior period	-	19
Current tax charge for the year	-	19

**6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2005 £'000	2004 £'000
Amounts owed to fellow subsidiary undertakings	1	1

**7. CALLED UP SHARE CAPITAL**

	2005 £	2004 £
<b>Authorised</b>		
10,000 ordinary shares of £0.10 each	1,000	1,000
<b>Called up, allotted and fully paid</b>		
1,000 ordinary shares of £0.10 each	100	100

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2005**

**8. COMBINED STATEMENT OF MOVEMENT OF RESERVES AND RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' DEFICIT**

	<b>Capital reserve £'000</b>	<b>Profit and loss account £'000</b>	<b>Total 2005 £'000</b>	<b>Total 2004 £'000</b>
At 1 January	100	(101)	(1)	(4)
Profit for the financial year	-	-	-	3
At 31 December	<u>100</u>	<u>(101)</u>	<u>(1)</u>	<u>(1)</u>

**9. CONTROLLING PARTY**

In October 2005, Zoom Developments Private Limited (ZDPL) acquired 100% of the share capital of McNulty Group Holdings Limited and therefore Zoom Developments Private Limited (ZDPL) considers itself to be the ultimate controlling party by virtue of its 100% holding of the equity share capital of McNulty Group Holdings Limited.

**10. PARENT UNDERTAKING**

The Directors regard Chinahut Limited, a company registered in England and Wales, as the immediate parent company and the smallest group, by virtue of its 100% holding of the equity share capital of the company McNulty Group Holdings Limited heads the smallest group within which the results of this company are consolidated. Zoom Developments Private Limited (ZDPL) is the ultimate parent company by virtue of its 100% holding of the equity share capital of McNulty Group Holdings Limited. ZDPL heads the largest group within which the results of this company are consolidated. Copies of the both sets of accounts are available from the Company Secretary, McNulty Group Holdings Limited, Commercial Road, South Shields, Tyne & Wear, NE33 1RZ.