

**Pandoro Limited**

**Directors' report and financial  
statements**

**Registered number 444786**

**31 December 2001**



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## Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2001.

### Principal activities

On 1 January 1999 the business and net assets were sold to P&O Ferrymasters Limited at net asset value. Since that date the company has not traded.

### Dividend

The directors do not recommend the payment of a dividend. (2000: £Nil).

### Directors and directors' interests

The directors who held office during the year were:-

J Bradshaw  
CJ Rice

The directors who held office at the end of the 2001 financial year had the following interests (all of which are beneficial) in the share capital of the company's ultimate parent company. None of the directors had any interests in the share capital of the company.


	Deferred ordinary shares of £1 each		New options granted during the year	
	2001	2000	Number	Number
J Bradshaw	2,433	3,444	56,750	2.05

The options are generally exercisable not later than October 2010. CJ Rice interests in the group companies are disclosed in The Peninsular and Oriental Steam Navigation Company group accounts.

### Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG Audit Plc as auditors of the company, is to be proposed at the forthcoming Annual General Meeting.

By order of the board



J Bradshaw  
Director

Peninsular House  
11-13 Lower Brook Street  
Ipswich  
IP4 1AQ

## **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 maintaining 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 have general responsibilities for taking such steps as are reasonably open to them to safeguard the assets of the company and detect fraud and other irregularities.



**KPMG Audit Plc**

6 Lower Brook Street  
Ipswich  
Suffolk IP4 1AP  
United Kingdom

**Independent Auditors' report to the members of Pandoro Limited**

We have audited the financial statements on pages 5 to 8.

**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. 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 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*KPMG Audit Plc*

*5 August 2002*

**KPMG Audit Plc**  
*Chartered Accountants*  
*Registered Auditor*

**Profit and loss account**  
*for the year ended 31 December 2001*

	<i>Note</i>	<b>2001 £000</b>	<b>2000 £000</b>
<b>Turnover</b>		-	-
Cost of sales		-	-
		<hr/>	<hr/>
<b>Gross profit</b>		-	-
Administrative expenses		-	-
		<hr/>	<hr/>
<b>Operating (loss)/profit</b>		-	-
Loss on disposal of business		-	-
		<hr/>	<hr/>
<b>Loss on ordinary activities before taxation</b>			-
		<hr/>	<hr/>
<b>Taxation</b>	3	(6)	-
		<hr/>	<hr/>
<b>Loss on ordinary activities after taxation for the financial year</b>		(6)	-
		<hr/>	<hr/>
<b>Retained loss for the financial year</b>		(6)	-
		<hr/> <hr/>	<hr/> <hr/>

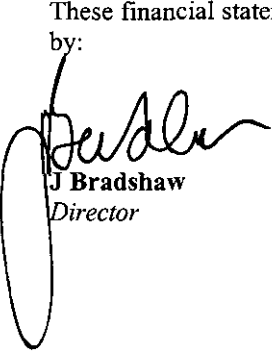
The results above are derived entirely from discontinued operations.

The company had no recognised gains or losses in the financial year or preceding year other than those dealt with in the profit and loss account.

**Balance sheet**  
*at 31 December 2001*

	Note	2001 £000	2000 £000	£000
<b>Fixed assets</b>				
Investments	4		1,191	-
<b>Current assets</b>				
Debtors	5	6,700	7,891	
		<u>6,700</u>	<u>7,891</u>	
<b>Creditors: amounts falling due within one year</b>	6	(6)	-	
<b>Net current assets</b>			<u>6,694</u>	<u>7,891</u>
<b>Total assets less current liabilities</b>			<u>7,885</u>	<u>7,891</u>
<b>Net assets</b>			<u>7,885</u>	<u>7,891</u>
<b>Capital and reserves</b>				
Called up share capital	7	3,000	3,000	
Profit and loss account	8	4,885	4,891	
<b>Equity shareholder's funds</b>	8	<u>7,885</u>	<u>7,891</u>	

These financial statements were approved by the board of directors on 27/6/2002 and were signed on its behalf by:

  
 J Bradshaw  
 Director

## Notes

(forming part of the financial statements)

### 1 Accounting policies

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

#### *Basis of preparation*

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules modified to include the revaluation of certain fixed assets.

#### *Exemption from preparation of cash flow statement and group accounts*

The results of the company are included in the consolidated accounts of The Peninsular and Oriental Steam Navigation Company, a company incorporated in Great Britain and registered in England and Wales. Accordingly, in accordance with Financial Reporting Standard 1 (revised) a cash flow statement for the company has not been prepared.

The company is exempt under section 228 of the Companies Act 1985 from the obligation to prepare group accounts and deliver them to the Registrar of Companies.

The financial statements present information about the undertaking as an individual company and not about its group.

#### *Related party transactions*

The company's ultimate controlling party is considered by the directors to be The Peninsular and Oriental Steam Navigation Company. The directors have taken advantage of the exemption in Financial Reporting Standard 8 paragraph 3(c) and have not disclosed related party transactions with parent, fellow subsidiary and subsidiary undertakings.

### 2 Remuneration of directors

Details of directors' share options are set out in the directors' report on page 1.

Mr J Bradshaw was paid by P&O Ferrymasters Ltd and Mr CJ Rice was paid by P&O Trans European (Holdings) Ltd without specific recharge. Their emoluments are disclosed in the accounts of these companies.

### 3 Taxation

	2001 £000	2000 £000
UK Corporation tax charge @ 30%		
Prior year	6	-
	<hr/>	<hr/>



## Notes (continued)

### 4 Fixed assets investments

	2001 £000	2000 £000
Shares in subsidiary undertakings at cost	-	-
Inter-group transfer	1,191	-
	<u>1,191</u>	<u>-</u>

During the year the following investments were transferred from P&O Ferrymasters.

	Country of registration or incorporation	Principal activity	Class and percentage of shares held
<i>Subsidiary undertakings</i>			
Transcontinental (Rosslare) Limited	England and Wales	Transport services	100% ordinary
Drogheda Ferries Limited	Republic of Ireland	Transport services	100% ordinary

### 5 Debtors

	2001 £000	2000 £000
Amounts owed by group undertakings	6,700	7,891
	<u>6,700</u>	<u>7,891</u>

### 6 Creditors

	2001 £000	2000 £000
Corporation tax payable	6	-
	<u>6</u>	<u>-</u>

## Notes (continued)

### 7 Called up share capital

	2001 £000	2000 £000
<i>Authorised</i>		
5,000,000 ordinary shares of £1 each	5,000	5,000
<i>Allotted, called up and fully paid</i>		
3,000,000 ordinary shares of £1 each	3,000	3,000

### 8 Reconciliation of movement in shareholder's funds

	Share capital £000	Revaluation reserve £000	Profit and loss account £000	2001 Total £000	2000 Total £000
At start of year:	3,000	-	4,891	7,891	7,891
Loss for the year	-	-	(6)	(6)	-
At end of year	3,000	-	4,885	7,885	7,891

### 9 Ultimate parent company and parent undertaking of larger group

The company is a subsidiary undertaking of Peninsular and Oriental Trans European (Holdings) Limited incorporated in England and Wales.

The largest and smallest group in which the results of the company are consolidated is that headed by the company's ultimate parent company The Peninsular and Oriental Steam Navigation Company incorporated in Great Britain and registered in England and Wales, the consolidated accounts of which are available to the public and may be obtained from:

The Registrar of Companies  
 Companies House  
 Crown Way  
 Maindy  
 Cardiff  
 CF4 3HZ