

KENWAKE PENSION TRUSTEES LIMITED
(Registered Number 1249185)

DIRECTORS' REPORT AND ACCOUNTS
YEAR ENDED 31 DECEMBER 1997



A08 *AD0NJ9NP* 685
COMPANIES HOUSE 16/09/98
COMPANIES HOUSE 03/09/98

KENWAKE PENSION TRUSTEES LIMITED

DIRECTORS'S REPORT FOR THE YEAR ENDED 31 DECEMBER 1997

The directors present their report together with the audited financial statements of the company for the year ended 31 December 1997.

Principal activity

During the year the company continued to act as custodian trustee for the Kenwake Pension Scheme.

Results and dividends

The company did not trade during the year and consequently incurred neither profit nor loss. The directors do not recommend the payment of a dividend.

Directors

The following persons were directors during the year ended 31 December 1997 and subsequently:

S T Brough (Chairman)
Sir Brian P Shaw (Chairman) (resigned 21 May 1997)
N Stringer
A S Henry (deceased 27 February 1997)
W S Morrison
B A Salsbury (appointed 1 January 1997)
C R Allan
S Sherman (appointed 9 May 1997)
D J Montier (appointed 21 May 1997)

Directors interest

No director of Kenwake Pension Trustees Limited had any interest in the shares of the company or the group which required disclosure in accordance with the Companies Act 1985.

Directors and officers insurance

As permitted by the Companies Act 1985 (s310(3)) the company's ultimate parent undertaking, Orient Overseas (International) Limited, maintains a policy of insurance for the benefit of directors and officers of all its subsidiary

KENWAKE PENSION TRUSTEES LIMITED

DIRECTORS'S REPORT FOR THE YEAR ENDED 31 DECEMBER 1997 (continued)

undertakings in respect of risks arising in the course of their duties.

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 and loss of the company for that period. In preparing those financial statements, the directors are required to:

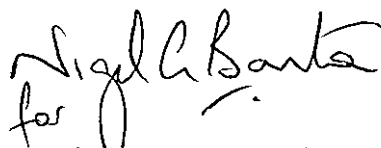
- select suitable accounting policies and then apply them consistently;
- made judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to material departures disclosed and explained in the financial statements;
- prepare the 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.

Auditors

The auditors, PriceWaterhouseCoopers, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

By order of the Board

A handwritten signature in dark ink, appearing to read 'Nigel C. Santa', with a small 'for' written below it.

Merchant Navy Pensions Administration Ltd
Secretary
19 August 1998

KENWAKE PENSION TRUSTEES LIMITED

AUDITORS' REPORT TO THE MEMBERS OF KENWAKE PENSION TRUSTEES LIMITED

We have audited the financial statements on pages 4 and 5 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of 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 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 mis-statement, whether caused by fraud or other irregularity or error. In forming our opinion we have 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 1997 and have been properly prepared in accordance with the Companies Act 1985.

PriceWaterhouseCoopers
PriceWaterhouseCoopers
Chartered Accountants
and Registered Auditors
Thames Court, Windsor

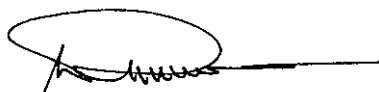
19 August 1998

KENWAKE PENSION TRUSTEES LIMITED

BALANCE SHEET AS AT 31 DECEMBER 1997

	1997 £	1996 £
Current assets		
Amounts owed by group undertakings	1,000	1,000
	<hr/>	<hr/>
Net assets	1,000	1,000
	<hr/>	<hr/>
Capital and reserves		
Share capital (Note 5)	1,000	1,000
	<hr/>	<hr/>

Approved by the Board on
19 August 1998



W S Morrison
Director

The notes on page 5 form an integral part of these accounts.

KENWAKE PENSION TRUSTEES LIMITED

NOTES TO THE ACCOUNTS - 31 DECEMBER 1997

1 Accounting convention

The financial statements have been prepared under the historical cost convention.

2 Activity

The company has not traded during the year, has incurred no liabilities and had made neither profit nor loss.

3 Directors emoluments

None of the directors received any remuneration as directors of the company during the year.

4 Auditors remuneration

Auditors remuneration is borne by the company's immediate parent undertaking, F W Terminals Limited.

5 Share capital

	1997 £	1996 £
Authorised, allotted and fully paid 1,000 ordinary shares or £1 each	1,000	1,000

6 Ultimate parent undertaking

The company's immediate parent undertaking is F W Terminals Limited, a company incorporated in England. F W Terminals Limited regards Orient Overseas (International) Limited, incorporated in Bermuda and registered in Hong Kong, as the ultimate parent undertaking.

Copies of the accounts of Orient Overseas (International) Limited may be obtained from the company's registered office:

OOCL House
Levington Park
Bridge Road
Levington
Suffolk IP10 ONE