

Transcontinental (Rosslare) Limited

**Directors' report and financial
statements**

Registered number 2406169

31 December 2004



Contents

Directors' report	1
Statement of directors' responsibilities	2
Independent Auditors' report to the members of Transcontinental (Rosslare) Limited	3
Profit and loss account	4
Notes	6

Directors' report

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

Principal activity

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

Directors and directors' interests

The directors who held office during the year were:

J Bradshaw
 GN Dilley
 PJ Rogers Company Secretary

The directors who held office at the end of the 2004 financial year had the following interests in the share capital of the company's ultimate holding company, The Peninsular and Oriental Steam Navigation Company. None of the directors had any interest in the share capital of the company.

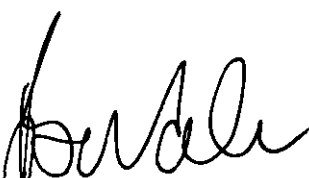
	Deferred ordinary shares of £1 each		Number of options during the year			At end of year	Exercise price £	Date from which exercisable	Expiry date
	2004	2003	At start of year	Granted	Exercised				
J Bradshaw	3,960	3,960	257,551	-	11,924	245,627	2.43	29/09/2006	29/9/2013
G Dilley	2,987	2,838	103,866	-	3,892	99,974	2.92	29/09/2006	29/9/2013

The options are generally exercisable not later than 2013.

Auditors

In accordance with Section 385 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

Whitehouse Industrial Estate
 3 Goddard Road
 Ipswich
 IP1 5NP

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 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 responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG Audit Plc
6 Lower Brook Street
Ipswich
Suffolk
IP4 1AP

Independent Auditors' report to the members of Transcontinental (Rosslare) Limited

We have audited the financial statements on pages 4 to 7.

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 2, 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 they have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

Chartered Accountants
Registered Auditor

28/10/05

Profit and loss account
for the year ended 31 December 2004

	<i>Note</i>	2004 £000	2003 £000
Turnover		-	-
Cost of sales		-	-
		<hr/>	<hr/>
Gross profit		-	-
Administrative expenses		-	-
		<hr/>	<hr/>
Operating (loss)/profit		-	-
Loss on disposal of business		-	-
		<hr/>	<hr/>
Loss on ordinary activities before taxation		-	-
Tax on loss on ordinary activities		-	-
		<hr/>	<hr/>
Loss on ordinary activities after taxation and retained for the financial year		-	-
		<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.

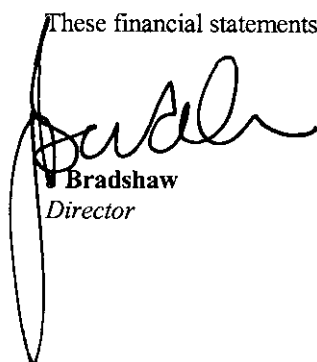
The notes on pages 6 to 7 form part of these financial statements

Balance sheet

for the year ended 31 December 2004

	<i>Note</i>	2004 £000	£000	2003 £000	£000
Creditors: amounts falling due within one year	3	(408)		(408)	
Net current liabilities			(408)		(408)
Total assets less current liabilities			(408)		(408)
Net liabilities			(408)		(408)
Capital and reserves					
Called up share capital	4		1,100		1,100
Profit and loss account	5		(1,508)		(1,508)
Equity shareholder's funds			(408)		(408)

These financial statements were approved by the board of directors on 20/10/05 and were signed on its behalf by:



Bradshaw
 Director

The notes on pages 6 to 7 form part of these financial statements

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

The Directors did not receive any remuneration from the company during the financial year (2003: £nil). Details of directors' share options are set out in the directors' report on page 1.

3 Creditors: amounts falling due within one year

	2004 £000	2003 £000
Amounts owed to group undertakings	408	408
	<u>408</u>	<u>408</u>

Notes (continued)

4 Called up share capital

	2004	2003
<i>Authorised</i>	<i>£000</i>	<i>£000</i>
2,000,000 ordinary shares of £1 each	2,000	2,000
<i>Allotted, called up and fully paid</i>		
1,100,000 £1 ordinary shares	1,100	1,100

5 Reconciliation of movements in shareholder's funds

	Share capital	Profit and loss account	2004 Total	2003 Total
	£000	£000	£000	£000
At beginning and end of year	1,100	(1,508)	(408)	(408)

6 Ultimate holding company and parent undertaking of larger group of which the company is a member

The company is a wholly owned subsidiary undertaking of Pandoro 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 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