

P&O Scottish Ferries Ship Management Limited

Registered Number 10350

DIRECTORS' REPORT AND ACCOUNTS

31 December 2005



## **P&O Scottish Ferries Ship Management Limited**

### **Report of the Directors**

The directors present their annual report and the accounts of the Company for the year ended 31 December 2005

### **Principal activities**

The company was dormant during the year

### **Directors and directors' interests**

The directors who held office during the year were as follows

T C Cairns  
R M Gradon (resigned 30<sup>th</sup> June 2006)  
P A Walker  
D A Shaw (appointed 30<sup>th</sup> June 2006)  
M Moore (appointed 30<sup>th</sup> June 2006)

According to the notifications received by the company relating to the interests of the directors and their families in the share capital and debentures of group companies, there were the following interests in the stock of the ultimate holding company, The Peninsular and Oriental Steam Navigation Company

	<u>Deferred Stock</u>		<u>Deferred stock under option</u>			
	2005	2004	2005	Exercised during the year	Granted during the year	2004
T C Cairns	7,205	7,205	97,185			97,185
P A Walker	55,359	37,933	160,560			160,560

In addition, during the year P A Walker was granted an award under the Performance Share Plan of £41,700 nominal of deferred stock, contingent on further performance

R M Gradon was a director of the ultimate holding company, The Peninsular and Oriental Steam Navigation Company, of which this Company is a wholly owned subsidiary. His interests in shares and debentures of group companies and of his awards under the P&O Deferred Bonus and Co Investment Matching Plan, the P&O Performance Share Plan and the P&O 2005 Matching Share Plan are disclosed in the directors' report of The Peninsular and Oriental Steam Navigation Company

16 Palace Street  
London  
SW1E 5JQ

On behalf of the Board

  
N REES  
Secretary

**P&O Scottish Ferries Ship Management Limited**

**Balance Sheet**

at 31 December 2005

	Note	2005 £'000	2004 £'000
<b>Current assets</b>			
Debtors	2	400	400
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		400	400
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	3	400	400
Profit and loss account			
		<hr/>	<hr/>
<b>Equity shareholders' funds</b>		400	400
		<hr/>	<hr/>

- a) For the year ended 31 December 2005 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985
- b) Members have not required the Company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985
- c) 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 the financial year, and of its profit or loss for the financial year, in accordance with the requirements of section 226, and which otherwise comply with the Companies Act relating to accounts, so far as applicable to the Company

These financial statements were approved by the Board of directors on ~~18 October 2006~~ and were signed on its behalf by



P A Walker  
Director

## **P&O Scottish Ferries Ship Management Limited**

### **Notes to the financial statements**

1. These financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards. The Company has not traded during the year nor the preceding year and thus no profit and loss account has been prepared.

#### **2. Debtors**

	<b>2005</b>	<b>2004</b>
	<b>£'000</b>	<b>£'000</b>
Amounts owed by group undertakings	400	400

#### **3. Share capital**

	<b>2005</b>	<b>2004</b>
	<b>£'000</b>	<b>£'000</b>
Authorised, allotted, called up and fully paid 400,000 ordinary shares of £1 each	400	400

#### **4. Parent Undertaking**

The results of the company are included in the consolidated accounts of The Peninsular and Oriental Steam Navigation Company, its ultimate United Kingdom parent undertaking, a company incorporated by Royal Charter and therefore not registered, copies of whose accounts can be obtained from The Registrar of Companies, Companies House, Crown Way, Cardiff CF14 3UZ.

Subsequent to the year end, on 8 March 2006, The Peninsular and Oriental Steam Navigation Company was acquired by Thunder FZE, a wholly owned subsidiary of Ports, Customs and Free Zone Corporation, Dubai.