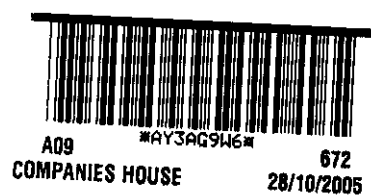


Deluxe Continental Limited  
Directors' report and financial statements  
for the year ended 31 December 2004

Registered Number 1298921



# Deluxe Continental Limited

## Directors' report and financial statements

for the year ended 31 December 2004

### Contents

Directors and Advisors .....	1
Directors' report for the year ended 31 December 2004 .....	2
Independent Auditors' report to the members of Deluxe Continental Limited .....	4
Profit and loss account for the year ended 31 December 2004 .....	5
Balance sheet as at 31 December 2004 .....	6
Accounting policies .....	7
Notes to the financial statements for the year ended 31 December 2004 .....	8

# **Deluxe Continental Limited**

## **Directors and Advisors**

### **Directors**

K J Wharton

J C McGhee

### **Secretary**

W J Bowley

### **Auditors**

PricewaterhouseCoopers LLP

8 Princes Parade

St Nicholas Place

Liverpool

L3 1QJ

### **Registered Office**

Maritime Centre

Port of Liverpool

L21 1LA

### **Registered Number**

1298921

# **Deluxe Continental Limited**

## **Directors' report for the year ended 31 December 2004**

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

### **Principal activities**

The Company's principal activity up to 30 September 1998 was the movement of goods between Great Britain and Continental Europe. On 1 October 1998 the Company ceased to trade and its remaining business was transferred to a fellow group undertaking on the same date.

### **Review of business and future developments**

The Company has not traded during the year. During the year the Company has received a dividend on an investment held and also paid a management fee.

### **Results and dividends**

The results for the year are set out on page 5. The directors do not propose the payment of a dividend (2003 - £Nil).

### **Directors and their interests**

The directors of the Company during the year ended 31 December 2004 were:-

K J Wharton

J C McGhee

No directors had during or at the end of the year, any material interest in the shares of the Company or in any contract of significance to the Company's business. None of the directors received any remuneration from the Company during the year.

Mr K J Wharton is a director of The Mersey Docks and Harbour Company, the ultimate holding company. His interests in the shares of the holding company are recorded in the Annual Report and Accounts of that company.

At 1<sup>st</sup> January 2004 Mr J C McGhee had a beneficial interest in 816 ordinary 10p shares in The Mersey Docks and Harbour Company and a beneficial interest in options in 445 ordinary 10p shares in The Mersey Docks and Harbour Company granted under that company's Savings Related Share Option Scheme on 13<sup>th</sup> March 2001 and exercisable at 435p per share between 1<sup>st</sup> May 2004 and 1<sup>st</sup> October 2004. At 31<sup>st</sup> December 2004 Mr J C McGhee had a beneficial interest in 1,261 ordinary 10p shares in The Mersey Docks and Harbour Company consequent upon the exercise by him on 13<sup>th</sup> May 2004 of the options held under the Savings Related Share Option Scheme of that company.

At 1 January 2004 and 31 December 2004 Mr J C McGhee had a beneficial interest in 1,000 ordinary 10p shares in Palletpool Limited, a subsidiary (within the definition of section 736 of the Companies Act, 1985) of Roadferry Limited and ultimate subsidiary of The Mersey Docks and Harbour Company.

# **Deluxe Continental Limited**

## **Directors' report for the year ended 31 December 2004 (continued)**

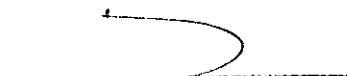
### **Statement of directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial year that 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.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2004 and that applicable accounting standards have been followed. They also confirm that the financial statements are prepared on a going concern basis.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and 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.

### **By order of the Board**

  
J C McGhee  
Director

21 September 2005

# **Deluxe Continental Limited**

## **Independent Auditors' report to the members of Deluxe Continental Limited**

We have audited the financial statements which comprise the profit and loss account, the balance sheet, the related notes and the accounting policies set out in the statement of accounting policies.

### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

### **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 at 31 December 2004 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*PricewaterhouseCoopers LLP*

**PricewaterhouseCoopers LLP**  
Chartered Accountants and Registered Auditors  
Liverpool  
21 September 2005

# Deluxe Continental Limited

## Profit and loss account for the year ended 31 December 2004

	Note	2004 £	2003 £
<b>Turnover – discontinued operations</b>		-	-
Cost of sales		-	-
<b>Gross profit</b>		-	-
Administrative (expenses)/income		(16,000)	651,026
Income from investment fixed assets		16,000	14,000
<b>Operating result/profit – discontinued operations</b>	1	-	665,026
<b>Result/ profit on ordinary activities before taxation</b>		-	665,026
Tax on result/ profit on ordinary activities	3	-	-
<b>Result/ profit for the financial year</b>		-	665,026
Profit and loss account at beginning of year		(1,260,336)	(1,925,362)
<b>Profit and loss account at end of year</b>		(1,260,336)	(1,260,336)

There were no recognised gains or losses in the financial year or the preceding financial period other than those included in the profit and loss account and, accordingly, no statement of total recognised gains and losses is presented.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the years stated above, and their historical cost equivalent.

# Deluxe Continental Limited

## Balance sheet as at 31 December 2004

	Note	2004 £	2003 £
<b>Fixed assets</b>			
Investments	4	2,000	2,000
		2,000	2,000
<b>Current assets</b>			
Debtors	5	144,051	144,051
		144,051	144,051
Creditors: due within one year	6	(567,013)	(567,013)
Net current liabilities		(422,962)	(422,962)
Total assets less current liabilities		(420,962)	(420,962)
Net liabilities		(420,962)	(420,962)
<b>Capital and reserves</b>			
Called up share capital	7	839,374	839,374
Profit and loss account		(1,260,336)	(1,260,336)
Total equity shareholders' deficit	8	(420,962)	(420,962)

The financial statements on pages 5 to 10 were approved by the board of directors on 21 September 2005 and were signed on its behalf by:

  
J.C. McGhee

Director

21 September 2005



# **Deluxe Continental Limited**

## **Accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

### **Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

### **Going Concern**

The directors prepared these financial statements on the going concern basis as they have the continued support of the ultimate parent company.

### **Financial Reporting Standard 1 ("FRS1") – cash flow statements**

The Company is a wholly owned subsidiary of a company, established under the law of another member of the European Community, which is preparing a consolidated cash flow statement. The Company is availing of the exemption under FRS1 and is not preparing a cash flow statement.

### **Taxation**

Corporation tax is based on the results for the year.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where translations or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

The deferred tax liabilities are not discounted.

### **Fixed asset investments**

Fixed asset investments are carried at cost less any impairment in value.

# Deluxe Continental Limited

## Notes to the financial statements for the year ended 31 December 2004

### 1 Operating result/ profit

	2004	2003
	£	£
<b>Operating result/ profit is stated after crediting</b>		
Recovery of debtors previously written off	-	49,205
Waiver of related party debt	-	618,544

The auditors' remuneration for the current year is borne by Roadferry Limited, a sister company, and is disclosed in the financial statements of that company.

### 2 Directors' emoluments

The directors receive no remuneration for their services to the Company.

### 3 Taxation

The Company's income is derived from dividends received from UK companies and therefore no liability to corporation tax arises on the results for the year.

The tax assessed in the prior year was lower than the standard rate of corporation tax in the UK (30%).

The differences are explained below:

	2004	2003
	£	£
Profit on ordinary activities before tax	-	665,026
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2003: 30%)	-	199,508
Expenses not deductible to tax	-	(203,214)
Other timing differences	-	3,706
Current tax charge	-	-

# Deluxe Continental Limited

## 4 Investments

	2004	2003
	£	£
Unlisted investments	2,000	2,000
	2,000	2,000

In the opinion of the directors, the value of investments are not less than their book values.

## 5 Debtors

	2004	2003
	£	£
Due to group undertakings	144,051	144,051

## 6 Creditors: amounts falling due within one year

	2004	2003
	£	£
Due to group undertakings	567,013	567,013

## 7 Share capital

	2004	2003
	£	£
<b>Authorised</b>		
<i>Equity</i>		
1,000,000 ordinary shares of £1 each	1,000,000	1,000,000
<b>Allotted, called up and fully paid</b>		
839,374 ordinary shares of £1 each	839,374	839,374

## **Deluxe Continental Limited**

### **8 Reconciliation of movement in shareholders' deficit**

	2004	2003
	£	£
Result/ profit for the financial year	-	665,026
Opening equity shareholders' deficit	(420,962)	(1,085,988)
Closing equity shareholders' deficit	(420,962)	(420,962)

### **9 Capital commitments**

No capital commitments were either authorised or contracted for at the balance sheet date.

### **10 Related party disclosures and controlling party**

The ultimate parent company is The Mersey Docks and Harbour Company and the immediate holding company is Roadferry Holdings Limited. The Company has not disclosed transactions with fellow subsidiaries in accordance with the exemption under the terms of Financial Reporting Standard No 8. Copies of The Mersey Docks and Harbour Company group accounts can be obtained from The Mersey Docks and Harbour Company, Maritime Centre, Port of Liverpool, L21 1LA.