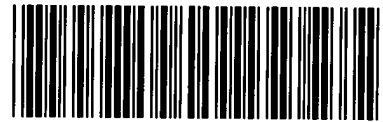


**THAMESPORT (LONDON) LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**(Registered number 2191687)**

**31 December 2017**

SATURDAY



A14      \*A7EK90CP\*      #66  
15/09/2018  
COMPANIES HOUSE

## **Thamesport (London) Limited**

### **Strategic report for the financial year ended 31 December 2017**

The directors present their Strategic report for the financial year ended 31 December 2017.

#### **Fair review of the business**

The increase in both revenue and profits are as a direct result of the increase in the port usage services provided to the company's immediate parent company.

#### **Principal risks and uncertainties**

The principal risks and uncertainties of the company have been referred to in the Directors' report.

#### **Key performance indicators**

The company uses a wide range of performance measures to monitor progress and ensure targets are met. The following is a summary of the key performance indicators for 2017, with historical comparisons:

##### **Revenue**

Revenue for 2017 (£8.032 million) has increased on the previous financial year (£7.727 million) reflecting an increase in demand.

##### **Gross and operating profit margins**

Gross profit margin (2017: 25.75%, 2016: 21.86%) and operating profit margin (2017: 6.44%, 2016: 4.32%) have both increased compared to the previous financial year.

##### **Total equity**

As at 31 December 2017, the company had equity of £0.989 million (2016: negative equity £0.177 million).

#### **Business environment**

UK ports play a vital role in the UK economy. The Department for Transport confirmed that in 2016 UK ports handled around 484 million tonnes of freight. Unitised traffic handled in the UK during the same period rose by 2%, with 24.1 million units coming in and out of UK major ports. According to a study by the Centre for Economics and Business Research, the UK ports sector employed 101,000 people in 2015. The study also estimated that in 2015 the ports sector made a £7.6 billion value-added contribution to UK GDP.

Approved by the Board on 2 August 2018 and signed by its order:



.....  
Mr Simon Richard Mullett  
Company secretary

#### **Registered number**

2191687

#### **Registered Office**

Tomline House  
The Dock  
Felixstowe  
Suffolk  
IP11 3SY

## **Thamesport (London) Limited**

### **Directors' report for the financial year ended 31 December 2017**

The directors submit to the sole shareholder their report and audited financial statements for the financial year ended 31 December 2017.

#### **Principal activities**

The principal activity of the company is the management and operation of London Thamesport and associated services.

#### **Company information**

Details regarding the company can be found in note 1 to the financial statements. Details regarding parent and ultimate parent entities can be found in note 19 to the financial statements.

#### **Results and Dividends**

The Income statement is set out on page 8 and shows the profit for the financial year ended 31 December 2017. The directors do not propose a final dividend for the financial year ended 31 December 2017 (2016 : £nil).

#### **Charitable donations**

No charitable donations were made during the financial year (2016: £nil).

#### **Strategy and values**

The company's strategy is to achieve profitable growth in port operations and logistics activities by providing a high standard of performance, innovative solutions and developing long-term relationships with its customers.

The company has 5 core values:

1. Unrivalled Standards - Setting new standards, innovating constantly, going beyond expectations, providing the best service and value for all our partners and customers.
2. Network Strength - Working together as one team, with a shared ambition to keep making our network better, showing respect and support for each other.
3. Informed Decisions - Seeing the big picture, and the small details, furthering our knowledge and understanding of our industry and the world, with the future in mind.
4. Trusted and Honest - Approaching business professionally, ethically and honestly. Understanding our place in the world, and taking responsibility for our actions and decisions.
5. Your Partners - Focusing on our customers, tailoring solutions to their precise needs. Forming and maintaining strong partnerships with customers and employees.

#### **Directors of the company**

The following served as directors during the financial year and up to the date of signing of the financial statements:

Ms Edith Shih

Mr Sing Chi Ip

Mr Clemence Chun Fun Cheng

#### **Principal risks and uncertainties**

Business risks are considered on a regular basis. Any changes in the business, economy or regulatory environment are monitored and reviewed by management. The key financial risks affecting the company are as per note 3 to the financial statements.

Other risks facing the company include the limited availability of land for expansion, constantly changing technology and the impact on the environment. Management seek to mitigate these risks by maximising efficient use of available land, renewing, upgrading and the development of plant and machinery and seeking and implementing green technology wherever available.

## **Thamesport (London) Limited**

### **Directors' report for the financial year ended 31 December 2017**

#### **Employment of disabled persons**

The company's policy is to give full and fair consideration to any application for employment made by a disabled person, having regard to the applicant's particular aptitudes and abilities and to the essential requirements of the job in question. In the event of an employee being disabled during the period of their employment the company would seek to continue their employment and, if necessary, to provide appropriate training for a more suitable alternative job within the company. The company regards disabled persons as equally eligible with others for training, career development and promotion, subject only to such restriction as the nature of any particular disablement may unavoidably impose.

#### **Employee involvement**

The awareness and involvement of employees in the company's performance is prompted by consultation and the provision of information on matters of concern through a variety of internal publications and meetings involving employees at all levels. The company seeks to create an environment which encourages employees to express to management their ideas and opinions about the company and its work.

#### **Future development**

The directors continue to seek suitable opportunities for the business both in container handling and in other business sectors.

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

The directors are responsible for preparing the Annual Report (consisting of the Strategic report, Directors' report, financial statements and notes to the financial statements) in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006.

The directors 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.

In the case of each director in office at the date the Directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

## **Thamesport (London) Limited**

### **Directors' report for the financial year ended 31 December 2017**

#### **Going concern**

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of an intermediate parent company, Hutchison Ports Europe Limited (formerly Hutchison Westports Limited). The directors have received confirmation that Hutchison Ports Europe Limited (formerly Hutchison Westports Limited) intend to support the company for at least one year after these financial statements are signed.

Approved by the Board on 2 August 2018 and signed by its order:



.....  
Mr Simon Richard Mullett  
Company secretary

#### **Registered number**

2191687

#### **Registered Office**

Tomline House  
The Dock  
Felixstowe  
Suffolk  
IP11 3SY

## **Thamesport (London) Limited**

### **Independent Auditors' report to the members of Thamesport (London) Limited**

#### **Report on the audit of the financial statements**

##### **Opinion**

In our opinion, Thamesport (London) Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Directors' report and financial statements (the "Annual Report"), which comprise: the statement of financial position as at 31 December 2017; the income statement, the statement of comprehensive income, the statement of cash flows, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

##### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### **Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

##### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

##### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

## **Thamesport (London) Limited**

### **Independent Auditors' report to the members of Thamesport (London) Limited**

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

#### *Strategic report and Directors' report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

#### **Responsibilities for the financial statements and the audit**

##### *Responsibilities of the directors for the financial statements*

As explained more fully in the Statement of directors' responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

##### *Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report

##### *Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

## **Thamesport (London) Limited**

### **Independent Auditors' report to the members of Thamesport (London) Limited**


#### **Other required reporting**

##### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Robert Girdlestone (Senior Statutory Auditor)

For and on behalf of PricewaterhouseCoopers LLP, Statutory Auditor

10 Bricket Road  
St Albans  
Hertfordshire  
AL1 3JX

Date: 20 August 2018



## **Thamesport (London) Limited**

### **Income statement for the financial year ended 31 December 2017**

|                               | <b>Note</b> | <b>2017<br/>£ 000</b> | <b>2016<br/>£ 000</b> |
|-------------------------------|-------------|-----------------------|-----------------------|
| Revenue                       |             | 8,032                 | 7,727                 |
| Cost of sales                 |             | <u>(5,964)</u>        | <u>(6,038)</u>        |
| Gross profit                  |             | 2,068                 | 1,689                 |
| Administrative expenses       |             | <u>(1,551)</u>        | <u>(1,355)</u>        |
| Operating profit              | 6           | 517                   | 334                   |
| Finance costs                 |             | <u>(18)</u>           | <u>(8)</u>            |
| Profit before tax             |             | 499                   | 326                   |
| Income tax expense            | 8           | <u>(116)</u>          | <u>(77)</u>           |
| Profit for the financial year |             | <u><u>383</u></u>     | <u><u>249</u></u>     |

The Income statement has been prepared on the basis that all operations are continuing.

The notes on pages 13 to 29 form an integral part of these financial statements.

## Thamesport (London) Limited

### Statement of comprehensive income for the financial year ended 31 December 2017

|   | 2017<br>£ 000       | 2016<br>£ 000         |
|---|---------------------|-----------------------|
| Profit for the financial year                                     | <u>383</u>          | <u>249</u>            |
| <b>Other comprehensive income/(expense)</b>                       |                     |                       |
| <b>Items that will not be reclassified to profit or loss</b>      |                     |                       |
| Actuarial gains/(losses) on defined benefit pension schemes       | 944                 | (1,492)               |
| Movement on current tax relating to pension scheme                | -                   | 85                    |
| Movement on deferred tax relating to pension scheme               | (182)               | 213                   |
| Movement on deferred tax relating to change in UK tax rate        | <u>21</u>           | <u>(67)</u>           |
| Total other comprehensive income/(expense) for the financial year | <u>783</u>          | <u>(1,261)</u>        |
| Total comprehensive income/(expense) for the financial year       | <u><u>1,166</u></u> | <u><u>(1,012)</u></u> |

The notes on pages 13 to 29 form an integral part of these financial statements.

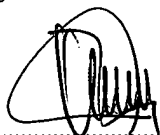
# Thamesport (London) Limited

## Statement of financial position as at 31 December 2017

|  | Note | 2017<br>£ 000 | 2016<br>£ 000 |
|--|------|---------------|---------------|
| <b>Assets</b>                          |      |               |               |
| <b>Non-current assets</b>              |      |               |               |
| Deferred tax assets                    | 13   | 452           | 711           |
| <b>Current assets</b>                  |      |               |               |
| Inventories                            | 9    | 344           | 362           |
| Other receivables                      | 10   | 6,983         | 5,824         |
| Cash and cash equivalents              | 11   | 678           | 936           |
|  |      | <u>8,005</u>  | <u>7,122</u>  |
| Total assets                           |      | <u>8,457</u>  | <u>7,833</u>  |
| <b>Equity and liabilities</b>          |      |               |               |
| <b>Equity</b>                          |      |               |               |
| Share capital                          | 14   | -             | -             |
| Retained earnings/(accumulated losses) | 15   | <u>989</u>    | <u>(177)</u>  |
| Total equity                           |      | <u>989</u>    | <u>(177)</u>  |
| <b>Non-current liabilities</b>         |      |               |               |
| Retirement benefit obligations         | 17   | 2,515         | 3,867         |
| <b>Current liabilities</b>             |      |               |               |
| Trade and other payables               | 12   | 3,460         | 2,661         |
| Loans and borrowings                   | 11   | 1,475         | 1,457         |
| Current tax payable                    |      | <u>18</u>     | <u>25</u>     |
|  |      | <u>4,953</u>  | <u>4,143</u>  |
| Total liabilities                      |      | <u>7,468</u>  | <u>8,010</u>  |
| Total equity and liabilities           |      | <u>8,457</u>  | <u>7,833</u>  |

The notes on pages 13 to 29 form an integral part of these financial statements.

The financial statements on pages 8 to 29 were approved by the Board of Directors on 2 August 2018 and signed on its behalf by:



.....  
Mr Clemence Chun Fun Cheng  
Director

# Thamesport (London) Limited

## Statement of changes in equity for the financial year ended 31 December 2017

|  | Retained<br>earnings/<br>(accumulated<br>losses) and total<br>equity<br>£ 000 |
|--|---|
| At 1 January 2017  | (177)   |
| Profit for the financial year                                  | 383   |
| Actuarial gains on defined benefit pension schemes before tax  | 944   |
| Movement on deferred tax relating to pension scheme            | (182)   |
| Movement on deferred tax relating to change in UK tax rate     | 21  |
| At 31 December 2017  | <u>989</u>  |
|  | £ 000   |
| At 1 January 2016  | 835   |
| Profit for the financial year                                  | 249   |
| Actuarial losses on defined benefit pension schemes before tax | (1,492)   |
| Movement on current tax relating to pension scheme             | 85  |
| Movement on deferred tax relating to pension scheme            | 213   |
| Movement on deferred tax relating to change in UK tax rate     | (67)  |
| At 31 December 2016  | <u>(177)</u>  |

The notes on pages 13 to 29 form an integral part of these financial statements.

## Thamesport (London) Limited

### Statement of cash flows for the financial year ended 31 December 2017

|   | Note | 2017<br>£ 000       | 2016<br>£ 000       |
|---|------|---------------------|---------------------|
| <b>Cash flows from operating activities</b> |      |                     |                     |
| Cash used in continuing operations          | 16   | (233)               | (917)               |
| Interest paid                               |      | (18)                | (8)                 |
| Income taxes paid                           |      | <u>(25)</u>         | <u>(38)</u>         |
| Net cash flow used in operating activities  |      | <u>(276)</u>        | <u>(963)</u>        |
| Net decrease in cash and cash equivalents   |      | (276)               | (963)               |
| Cash and cash equivalents at 1 January      |      | <u>(521)</u>        | <u>442</u>          |
| Cash and cash equivalents at 31 December    |      | <u><u>(797)</u></u> | <u><u>(521)</u></u> |

The notes on pages 13 to 29 form an integral part of these financial statements.

# **Thamesport (London) Limited**

## **Notes to the financial statements for the financial year ended 31 December 2017**

### **1 General information**

The principal activity of the company is the management and operation of London Thamesport and associated services.

The company is a private company limited by shares, incorporated in England and Wales and domiciled in the United Kingdom.

### **2 Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Basis of preparation**

The financial statements have been prepared in accordance with European Union endorsed International Financial Reporting Standards (IFRSs) and IFRS Interpretations Committee (IFRS IC) interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The statements have been prepared on a going concern basis and on a historical cost basis, except for the following:

- Defined benefit pension plans

The following amendments are applicable from 1 January 2017, but do not have any impact on the financial statements of the company:

- amendments to IAS 12 - Recognition of deferred tax assets for unrealised losses,
- amendments to IAS 7 - Statement of cash flows on disclosure initiatives, and
- annual improvements 2014-2016 - IFRS 12, Disclosure of interests in other entities

#### **New standards and interpretations not yet adopted**

A number of new standards and amendments to standards and interpretations are effective for financial years beginning after 1 January 2017, and have not been early adopted in preparing these financial statements. These are as follows:

IFRS 9 'Financial Instruments' addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The company has reviewed its financial assets and liabilities and is not expecting any significant impact from the adoption of the new standard on 1 January 2018.

IFRS 15 'Revenue from contracts with customers' deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2017 and earlier application is permitted subject to European Union endorsement. The company has reviewed its revenue recognition policy and is not expecting any significant impact from the adoption of the new standard on 1 January 2018.

IFRS 16 'Leases' sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor'). IFRS 16 is effective from 1 January 2019. IFRS 16 replaces the previous leases Standard, IAS 17 'Leases', and related Interpretations. The company is not expecting any significant impact from the adoption of this standard from 1 January 2019.

There are no other IFRSs or IFRS IC interpretations that are not yet effective that would be expected to have a material impact on the company.

## **Thamesport (London) Limited**

### **Notes to the financial statements for the financial year ended 31 December 2017**

#### **Going concern**

The financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future. The validity of this assumption is based on the group continuing its support.

#### **Revenue recognition**

The revenue and profit before taxation are attributable to the management and operation of London Thamesport and associated services, which arise wholly within the United Kingdom.

Revenue is the total amount receivable by the company in the ordinary course of business for services provided to the company's immediate parent, Maritime Transport Services Limited, net of discounts and rebates, exclusive of Value Added Tax. Revenue from the provision of port usage services is recognised on the delivery of those services, which for the company is once the relevant throughput has taken place.

#### **Inventories**

Inventories, which comprise spare parts and consumable stores, are stated at the lower of cost and net realisable value. The cost of inventories is calculated on an average cost basis.

#### **Pension costs**

The company operates both defined benefit and defined contribution plans, the assets of which are held in trustee administered funds.

Pension costs for defined benefit plans are assessed using the projected unit credit method. Under this method, the costs of providing pensions are charged to the Income statement spreading the regular cost over the service lives of employees in accordance with the advice of qualified actuaries, who, for accounting purposes, also carry out a valuation of major plans every year. The pension obligations are measured as the present value of the estimated future cash outflows by reference to market yields on high quality corporate bonds, which have terms to maturity approximating the terms of the related liability. Plan assets are measured at fair value. Actuarial gains and losses are recognised in full in the year in which they occur, outside the Income statement, in the Statement of changes in equity.

The defined benefit pension scheme was closed to new entrants on 30 June 2003 and to future accrual on 31 December 2013. Subsequent costs relating to the defined contribution group personal pension plan which replaced the defined benefit pension scheme are expensed as incurred. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due and prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

#### **Tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the Statement of financial position date.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the Statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

## **Thamesport (London) Limited**

### **Notes to the financial statements for the financial year ended 31 December 2017**

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

#### **Other receivables**

Other receivables are recognised at fair value, and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial re-organisation and default in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the Income statement within administrative expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against administrative expenses in the Income statement.

#### **Operating leases**

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of comprehensive income on a straight-line basis over the period of the lease.

#### **Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

#### **Cash and cash equivalents**

For the purpose of the Statement of cash flows, the cash and cash equivalents note includes cash in hand, short term deposits and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of financial position.

#### **Trade and other payables**

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

#### **Foreign currency transactions and balances**

The financial statements are presented in GBP, which is the company's functional and presentation currency.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the Statement of financial position date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Income statement.

#### **Borrowings**

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost and any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the Statement of financial position date.



## **Thamesport (London) Limited**

### **Notes to the financial statements for the financial year ended 31 December 2017**

#### **3 Financial risk management and impairment of financial assets**

The company's activities expose it to a variety of financial risks: liquidity risk, market risks (including foreign exchange risk, price risk and cash flow interest rate risk) and credit risk. The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance.

Risk management is carried out by a central treasury department under policies approved by the Hutchison Ports (UK) Limited group. The group approves written principles for overall risk management, as well as written policies covering specific areas such as foreign exchange risk and interest rate risk. Hedge accounting is applied where appropriate.

##### **Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the business, the central treasury department aims to maintain flexibility in funding by keeping committed credit lines available. Accordingly, liquidity risk is monitored at an immediate parent company level.

##### **Foreign exchange risk**

The company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar, the Hong Kong dollar and the Euro. Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency.

Management has set up a policy to advise group companies to manage their foreign exchange risk against their functional currency. The policy permits the use of forward rate agreements, forward foreign exchange contracts and currency swaps with prior approval. All group companies are reviewed on a regular basis.

##### **Price risk**

The company is not exposed to significant price risks.

##### **Cash flow and interest rate risk**

As the company has no significant interest bearing assets, the company's income and operating cash flows are substantially independent of changes in market interest rates.

##### **Capital risk management**

Capital is managed at a Hutchison Ports (UK) Limited group level. The group objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce cost of capital. Accordingly, the details of capital risk management are disclosed in the consolidated financial statements of Hutchison Ports (UK) Limited.

#### **4 Fair value**

Where financial assets or liabilities are measured at fair value they are classified using a fair value hierarchy that reflects the significance of the inputs used in the measurement. The nominal value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to the short-term maturities of these assets and liabilities. Where appropriate, the fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the company for similar financial instruments.

## **Thamesport (London) Limited**

### **Notes to the financial statements for the financial year ended 31 December 2017**

#### **5 Critical accounting estimates and judgements**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### **Taxation**

There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these issues is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. Further, the recoverability of deferred tax assets for tax losses is based upon the achievement of future expected profitability, which is inherently uncertain.

#### **Pension assumptions**

Contributions to the Maritime Transport Services Limited Retirement and Death Benefit Scheme are determined by a qualified actuary on the basis of an actuarial valuation using the projected unit credit method. Valuations are carried out every three years and the most recent was issued as at 31 December 2016. The assumptions, which have the most significant effect on the results of the valuation, are those relating to the discount rate applied to liabilities and the rates of increase in salaries and pension.

The valuation used for IAS 19 disclosures has been based on the most recent actuarial valuation and updated by an independent qualified actuary to take account of the requirements of IAS 19 in order to assess the liabilities of the scheme as at 31 December 2017. The details of the principal actuarial assumptions are given in note 17.

There are no critical judgements made by the directors in applying the company's accounting policies which have a significant impact on the financial statements other than those involving estimates, as disclosed above.

## Thamesport (London) Limited

### Notes to the financial statements for the financial year ended 31 December 2017

#### 6 Operating profit

Operating profit for the financial year is arrived at after charging

|                               | 2017<br>£ 000 | 2016<br>£ 000 |
|-------------------------------|---------------|---------------|
| Hire of equipment             | 408           | 509           |
| Operating lease rents payable | <u>6</u>      | <u>-</u>      |

Commitments under non-cancellable operating leases are detailed in note 18.

#### Auditors' remuneration

|                                     | 2017<br>£ 000 | 2016<br>£ 000 |
|-------------------------------------|---------------|---------------|
| Audit of these financial statements | <u>6</u>      | <u>6</u>      |

#### 7 Staff costs and directors' remuneration

The aggregate payroll costs were as follows:

|  | 2017<br>£ 000 | 2016<br>£ 000 |
|--|---------------|---------------|
| Wages and salaries                               | 3,046         | 3,065         |
| Redundancy costs                                 | 29            | -             |
| Social security costs                            | 278           | 316           |
| Other pension costs, defined contribution scheme | 280           | 299           |
| Other pension costs, defined benefit scheme      | <u>232</u>    | <u>192</u>    |
|  | <u>3,865</u>  | <u>3,872</u>  |

The monthly average number of employees of the company was 82 (2016: 90).

#### Key management compensation

The emoluments of key management are paid by another group company which makes no recharge to the company. Key management form the executive board of the group and a number of fellow subsidiaries and it is not possible to make an accurate apportionment of their emoluments in respect of each of the subsidiaries. Accordingly, the above details include no emoluments in respect of key management. Their total emoluments are included in the aggregate of key management disclosed in the financial statements of the group.

#### Directors' remuneration

All directors received their remuneration primarily in respect of services provided to other group companies and as a result their respective remuneration details are reflected in the financial statements of those companies.

## Thamesport (London) Limited

### Notes to the financial statements for the financial year ended 31 December 2017

#### 8 Income tax expense

Tax charged in the Income statement

|  | 2017<br>£ 000 | 2016<br>£ 000 |
|--|---------------|---------------|
| <b>Current taxation</b>  |               |               |
| UK corporation tax   | 18            | 74            |
| <b>Deferred taxation</b>                                       |               |               |
| Arising from origination and reversal of temporary differences | 78            | (9)           |
| Arising from changes in tax rates and laws                     | 20            | 12            |
| Total deferred taxation  | 98            | 3             |
| Tax expense in the Income statement                            | 116           | 77            |

The tax assessed on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2016: higher than the standard rate of corporation tax in the UK) of 19.25% (2016: 20%). The differences are reconciled below:

|  | 2017<br>£ 000 | 2016<br>£ 000 |
|--|---------------|---------------|
| Profit before tax  | 499           | 326           |
| Profit before tax at 19.25% (2016: 20%)                      | 96            | 65            |
| Deferred tax credit relating to changes in tax rates or laws | 20            | 12            |
| Total tax charge   | 116           | 77            |

The Finance (No. 2) Act 2015 included legislation to reduce the main rate of corporation tax from 20% to 19% on 1 April 2017 and a further reduction to 18% on 1 April 2020. The Finance Act 2016 included legislation to further reduce the main rate of corporation tax from 18% to 17% on 1 April 2020. The Finance Act 2016 was substantively enacted on 6 September 2016 and the effect of this change has been reflected in these financial statements.

## Thamesport (London) Limited

### Notes to the financial statements for the financial year ended 31 December 2017

#### 9 Inventories

|                             | 2017       | 2016       |
|-----------------------------|------------|------------|
|                             | £ 000      | £ 000      |
| Spare parts and consumables | <u>344</u> | <u>362</u> |

Inventories recognised as an expense during the year ended 31 December 2017 amounted to £225,000 (2016: £217,000).

#### 10 Other receivables

|                                    | 2017         | 2016         |
|------------------------------------|--------------|--------------|
|                                    | £ 000        | £ 000        |
| Amounts owed by group undertakings | 6,687        | 5,427        |
| Prepayments                        | 220          | 334          |
| Other receivables                  | <u>76</u>    | <u>63</u>    |
| Total other receivables            | <u>6,983</u> | <u>5,824</u> |

Amounts owed by group undertakings are denominated in GBP, unsecured, interest free and repayable on demand. The fair values of other receivables are assumed to approximate their fair values due to their short-term nature.

#### 11 Cash and cash equivalents

|  | 2017           | 2016           |
|--|----------------|----------------|
|  | £ 000          | £ 000          |
| Cash at bank and on hand                             | 678            | 936            |
| Bank overdrafts                                      | <u>(1,475)</u> | <u>(1,457)</u> |
| Cash and cash equivalents in statement of cash flows | <u>(797)</u>   | <u>(521)</u>   |

#### 12 Trade and other payables

|                                    | 2017         | 2016         |
|------------------------------------|--------------|--------------|
|                                    | £ 000        | £ 000        |
| Trade payables                     | 262          | 219          |
| Amounts owed to group undertakings | 2,440        | 1,862        |
| Social security and other taxes    | 72           | 73           |
| Accrued expenses                   | 657          | 482          |
| Other payables                     | <u>29</u>    | <u>25</u>    |
|                                    | <u>3,460</u> | <u>2,661</u> |

Amounts owed to group undertakings are denominated in GBP, unsecured, interest free and repayable on demand.

## Thamesport (London) Limited

### Notes to the financial statements for the financial year ended 31 December 2017

#### 13 Deferred tax assets

|  | 2017<br>£ 000 | 2016<br>£ 000 |
|--|---------------|---------------|
| <b>Deferred tax asset - pension scheme</b>           |               |               |
| At 1 January   | 698           | 555           |
| (Charged)/credited to Income statement               | (78)          | 9             |
| Re-measurement of deferred tax asset                 | (20)          | (12)          |
| (Charged)/credited directly to equity in respect of: |               |               |
| Movement on deferred tax relating to pension scheme  | (182)         | 213           |
| Re-measurement of deferred tax asset                 | 21            | (67)          |
| At 31 December                                       | <u>439</u>    | <u>698</u>    |
|  |               |               |
|  | 2017<br>£ 000 | 2016<br>£ 000 |
| <b>Deferred tax asset - other timing differences</b> |               |               |
| At 1 January   | 13            | 13            |
| Re-measurement of deferred tax asset                 | -             | -             |
| At 31 December                                       | <u>13</u>     | <u>13</u>     |

The directors consider that it is more likely than not that there will be sufficient taxable profits in the future such as to realise the deferred tax asset and therefore the asset has been recognised in these financial statements.

|   | 2017<br>£ 000 | 2016<br>£ 000 |
|---|---------------|---------------|
| <b>Deferred tax assets to be recovered:</b> |               |               |
| After more than 12 months                   | 395           | 628           |
| Within 12 months                            | 57            | 83            |
|   | <u>452</u>    | <u>711</u>    |

## Thamesport (London) Limited

### Notes to the financial statements for the financial year ended 31 December 2017

#### 14 Share capital

|   | 2017 | 2016 |
|---|------|------|
|   | £    | £    |
| <b>Authorised share capital</b>                                 |      |      |
| 100 (2016: 100) ordinary shares of £1 each                      | 100  | 100  |
| <b>Allotted, issued, called up and fully paid share capital</b> |      |      |
| 2 (2016: 2) ordinary shares of £1 each                          | 2    | 2    |

The ordinary shares have voting rights with no restrictions and are not limited in respect of participation in any dividend or capital distribution.

#### 15 Retained earnings/(Accumulated losses)

|  | £ 000   |
|--|---------|
| At 1 January 2017  | (177)   |
| Profit for the financial year                                  | 383     |
| Actuarial gains on defined benefit pension schemes before tax  | 944     |
| Movement on deferred tax relating to pension scheme            | (182)   |
| Movement on deferred tax relating to change in UK tax rate     | 21      |
| At 31 December 2017  | 989     |
|  | £ 000   |
| At 1 January 2016  | 835     |
| Profit for the financial year                                  | 249     |
| Actuarial losses on defined benefit pension schemes before tax | (1,492) |
| Movement on current tax relating to pension scheme             | 85      |
| Movement on deferred tax relating to pension scheme            | 213     |
| Movement on deferred tax relating to change in UK tax rate     | (67)    |
| At 31 December 2016  | (177)   |

## Thamesport (London) Limited

### Notes to the financial statements for the financial year ended 31 December 2017

#### 16 Cash used in continuing operations

|  | 2017<br>£ 000 | 2016<br>£ 000 |
|--|---------------|---------------|
| Profit for the financial year                                      | 383           | 249           |
| Adjustments to cash flows from non-cash items                      |               |               |
| Finance costs  | 18            | 8             |
| Current tax expense  | 116           | 77            |
|  | <u>517</u>    | <u>334</u>    |
| Working capital adjustments  |               |               |
| Decrease/(increase) in inventories                                 | 18            | (8)           |
| Decrease in trade and other receivables                            | 101           | 26            |
| Increase/(decrease) in trade and other payables                    | 221           | (1,836)       |
| Decrease in retirement benefit obligation net of actuarial changes | (408)         | (427)         |
| Increase in amounts owed by group undertakings                     | (1,260)       | (845)         |
| Increase in amounts owed to group undertakings                     | 578           | 1,839         |
|  | <u>578</u>    | <u>1,839</u>  |
| Cash used in continuing operations                                 | <u>(233)</u>  | <u>(917)</u>  |

#### 17 Retirement benefit obligations

Pension benefits are provided to employees through a defined benefit pension scheme, which was closed to new members on 30 June 2003 and to future accrual on 31 December 2013, and through a defined contribution group personal pension plan which replaced it for new entrants from 1 July 2003. Both schemes are funded by the company and its employees.

##### Defined benefit pension scheme

##### The Maritime Transport Services Limited Retirement and Death Benefits Scheme

The fund is separately administered by trustees. The pension cost and related provision are assessed in accordance with the advice of a professionally qualified actuary.



## Thamesport (London) Limited

### Notes to the financial statements for the financial year ended 31 December 2017

An actuarial valuation of the scheme was carried out as at 31 December 2016 the conclusion of which was that the market value of the scheme's assets was £23,344,000 and an actuarial deficit of £3,283,000 existed. The following assumptions were used:

|                                    | Non-pensioner | Pensioner |
|------------------------------------|---------------|-----------|
| Pre-retirement discount rate       | 5.35%         | n/a       |
| Post-retirement discount rate      | 3.25%         | 2.50%     |
| Inflation (RPI): Pre Retirement    | 3.50%         | n/a       |
| Inflation (RPI): Post Retirement   | 3.75%         | 3.50%     |
| Inflation (CPI): Pre Retirement    | 2.80%         | n/a       |
| Inflation (CPI): Post Retirement   | 3.05%         | 2.80%     |
| Pension increases:                 |               |           |
| - CPI capped at 3%                 | 2.40%         | 2.30%     |
| - RPI capped at 2.5%               | 2.30%         | 2.25%     |
| - RPI capped at 5%                 | 3.55%         | 3.35%     |
| - RPI capped at 5% with minimum 3% | 3.90%         | 3.75%     |
| Return on assets                   | 4.51%         | 4.51%     |

In order to eliminate the deficit, the company has agreed to pay the following contributions from the date of the recovery plan until 29 February 2024:

| Year ending 31 December | £ 000 |
|-------------------------|-------|
| 2018                    | 498   |
| 2019                    | 517   |
| 2020                    | 536   |
| 2021                    | 556   |
| 2022                    | 577   |
| 2023                    | 599   |
| 2024                    | 207   |

The valuation used for IAS 19 disclosures has been based on the most recent actuarial valuation undertaken as at 31 December 2016 and updated by an independent qualified actuary to take account of the requirements of IAS 19 in order to assess the liabilities of the scheme as at 31 December 2017. Scheme assets are stated at their bid value at 31 December 2017.

Contributions payable to the pension scheme at the end of the year are £nil (2016: £nil).

The expected contributions to the plan for the next financial year are £498,000.

## Thamesport (London) Limited

### Notes to the financial statements for the financial year ended 31 December 2017

#### *Reconciliation of scheme assets and liabilities to assets and liabilities recognised*

The amounts recognised in the Statement of financial position are as follows:

|  | 2017<br>£ 000 | 2016<br>£ 000 |
|--|---------------|---------------|
| Fair value of scheme assets            | 26,124        | 23,409        |
| Present value of scheme liabilities    | (28,639)      | (27,276)      |
| Defined benefit pension scheme deficit | (2,515)       | (3,867)       |

#### *Scheme assets*

Changes in the fair value of scheme assets are as follows:

|  | 2017<br>£ 000 | 2016<br>£ 000 |
|--|---------------|---------------|
| Fair value at start of financial year                                | 23,409        | 18,854        |
| Interest income  | 652           | 721           |
| Return on plan assets, excluding amounts included in interest income | 2,060         | 3,871         |
| Employer contributions   | 640           | 619           |
| Benefits paid  | (509)         | (498)         |
| Net transfer out liability   | -             | (68)          |
| Administrative expenses paid   | (128)         | (90)          |
| Fair value at end of financial year                                  | 26,124        | 23,409        |

#### *Analysis of assets*

The major categories of scheme assets are as follows:

|                           | 2017<br>£ 000 | 2016<br>£ 000 |
|---------------------------|---------------|---------------|
| Cash and cash equivalents | 442           | 204           |
| Equity instruments        | 16,507        | 16,671        |
| Debt instruments          | 6,881         | 6,534         |
| Real estate               | 2,294         | -             |
|                           | 26,124        | 23,409        |

#### *Actual return on scheme's assets*

|                                | 2017<br>£ 000 | 2016<br>£ 000 |
|--------------------------------|---------------|---------------|
| Actual return on scheme assets | 2,712         | 4,592         |

The pension scheme has not invested in any of the company's own financial instruments or in properties or other assets used by the company.

# Thamesport (London) Limited

## Notes to the financial statements for the financial year ended 31 December 2017

### *Scheme liabilities*

Changes in the present value of scheme liabilities are as follows:

|  | 2017<br>£ 000 | 2016<br>£ 000 |
|--|---------------|---------------|
| Present value at start of financial year                                   | 27,276        | 21,656        |
| Actuarial gains and losses arising from changes in demographic assumptions | (209)         | (85)          |
| Actuarial gains and losses arising from changes in financial assumptions   | 1,185         | 5,575         |
| Actuarial gains and losses arising from experience adjustments             | 140           | (127)         |
| Interest cost  | 756           | 823           |
| Benefits paid  | (509)         | (498)         |
| Net transfer out liability   | -             | (68)          |
| Present value at end of financial year                                     | 28,639        | 27,276        |

Weighted average duration of the defined benefit obligation is 21 years (2016: 23 years).

### **Principal actuarial assumptions**

The principal actuarial assumptions at the Statement of financial position date are as follows:

|  | 2017<br>% | 2016<br>% |
|--|-----------|-----------|
| Allowance for increases to pensions in payment - pre 6 April 2006  | 1.95      | 2.00      |
| Allowance for increases to pensions in payment - post 6 April 2006 | 1.60      | 1.65      |
| Discount rate  | 2.55      | 2.80      |
| Inflation CPI  | 1.95      | 2.00      |
| Inflation RPI  | 3.15      | 3.20      |

### **Post retirement mortality assumptions**

|  | 2017<br>Years | 2016<br>Years |
|--|---------------|---------------|
| Current UK pensioners at retirement age - male   | 18.70         | 19.00         |
| Current UK pensioners at retirement age - female | 21.90         | 21.60         |

### *Amounts recognised in the Income statement*

|   | 2017<br>£ 000 | 2016<br>£ 000 |
|---|---------------|---------------|
| <b>Amounts recognised in operating profit</b> |               |               |
| Administrative expenses paid                  | 128           | 90            |
| Net interest                                  | 104           | 102           |
| Total recognised in the Income statement      | 232           | 192           |

## Thamesport (London) Limited

### Notes to the financial statements for the financial year ended 31 December 2017

#### *Amounts recognised in the Statement of comprehensive income*

|  | 2017<br>£ 000 | 2016<br>£ 000 |
|--|---------------|---------------|
| Actuarial gains arising from changes in demographic assumptions      | 209           | 85            |
| Actuarial losses arising from changes in financial assumptions       | (1,185)       | (5,575)       |
| Actuarial (losses)/gains arising from experience adjustments         | (140)         | 127           |
| Return on plan assets, excluding amounts included in interest income | 2,060         | 3,871         |
| Amounts recognised in the Statement of comprehensive income          | 944           | (1,492)       |

#### **Sensitivity analysis**

A sensitivity analysis for the principal assumptions used to measure scheme liabilities is set out below:

|                           | <b>Impact on defined benefit obligation</b> |                        |                        |
|---------------------------|---|------------------------|------------------------|
|                           | Change in assumption                        | Increase in assumption | Decrease in assumption |
| <b>Expressed as %</b>     |   |                        |                        |
| Discount rate             | 0.25%                                       | decrease by 5.03%      | increase by 5.41%      |
| Inflation - RPI           | 0.25%                                       | increase by 2.90%      | decrease by 2.90%      |
| Life expectancy           | 1 Year                                      | increase by 4.50%      | -                      |
| <b>Expressed as £ 000</b> |   |                        |                        |
| Discount rate             | 0.25%                                       | decrease by 1,440      | increase by 1,550      |
| Inflation - RPI           | 0.25%                                       | increase by 830        | decrease by 830        |
| Life expectancy           | 1 Year                                      | increase by 1,290      | -                      |

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the pension liability recognised within the Statement of financial position.

#### *Maturity analysis of benefit payments*

|      | 1-5 years<br>£ 000 | 6-10 years<br>£ 000 | 11-15 years<br>£ 000 | 16-20 years<br>£ 000 | Over 20 years<br>£ 000 | Total<br>£ 000 |
|------|--------------------|---------------------|----------------------|----------------------|------------------------|----------------|
| 2017 | 3,106              | 4,490               | 5,393                | 6,836                | 30,891                 | 50,716         |
| 2016 | 2,903              | 4,171               | 5,164                | 6,801                | 32,838                 | 51,877         |

## Thamesport (London) Limited

### Notes to the financial statements for the financial year ended 31 December 2017

#### Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the financial year represents contributions payable by the company to the scheme and amounted to £280,000 (2016: £299,000).

Contributions totalling £23,000 (2016: £24,000) were payable to the scheme at the end of the financial year and are included in trade and other payables.

#### 18 Operating lease commitments

The total future value of minimum lease payments is as follows:

|                      | 2017<br>£ 000 | 2016<br>£ 000 |
|----------------------|---------------|---------------|
| Within one year      | 97            | 90            |
| In two to five years | 14            | -             |
|                      | <u>111</u>    | <u>90</u>     |

#### 19 Parent and ultimate parent undertaking

Maritime Transport Services Limited, a company registered in England and Wales, is the immediate parent of the company and owns 100% of the shares and voting rights.

MTS (Holdings) Limited, a company registered in England and Wales, is the smallest group to consolidate the financial statements of the company.

Copies of the MTS (Holdings) Limited financial statements may be obtained from the Company Secretary, Tomline House, The Dock, Felixstowe, Suffolk, IP11 3SY.

CK Hutchison Holdings Limited ("CKHH"), a company incorporated in the Cayman Islands and listed in Hong Kong is the ultimate parent of the company and the largest group to consolidate these financial statements.

Copies of the annual financial statements of CKHH may be obtained from the Company Secretary, 22nd Floor, Hutchison House, 10 Harcourt Road, Hong Kong.

## **Thamesport (London) Limited**

### **Notes to the financial statements for the financial year ended 31 December 2017**

#### **20 Related party transactions**

##### **Parent company**

During the financial year, the company received £8,032,000 (2016: £7,727,000) in respect of port usage services provided to Maritime Transport Services Limited.

##### **Fellow subsidiary**

The company incurred operating lease payments to The Felixstowe Dock and Railway Company, a fellow subsidiary undertaking of Hutchison Ports (UK) Limited, of £145,000 (2016: £145,000). There were no outstanding balances as at 31 December 2017 (2016: £nil).

During the financial year, the company received services worth £8,000 (2016: £11,000) from Maritime Cargo Processing plc. Hutchison Ports (UK) Limited has an investment in Maritime Cargo Processing plc. An outstanding balance of £3,000 (2016: £1,000) is included as a trade creditor as at 31 December 2017.

#### **21 Non adjusting events after the financial year**

On 9 March 2018, an intermediate parent company, which prepares consolidated financial statements, changed its name from Hutchison Westports Limited to Hutchison Ports Europe Limited.