

3002686

PORTLAND HARBOUR AUTHORITY LIMITED
REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2009

FRIDAY



A38

A8ILJNH8

17/09/2010

335

COMPANIES HOUSE

3 Castlegate
Grantham
Lincolnshire
NG31 6SF
T (01476) 591200
E info@grantham.duntop.co.uk

**DUNCAN
& TOPLIS**
CHARTERED ACCOUNTANTS
AND BUSINESS ADVISERS

PORTLAND HARBOUR AUTHORITY LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS for the Year Ended 31st December 2009

| | Page |
|---|----------------|
| Company Information | 1 |
| Report of the Directors | 2 to 3 |
| Report of the Independent Auditors | 4 |
| Profit and Loss Account | 5 |
| Balance Sheet | 6 |
| Notes to the Financial Statements | 7 to 13 |

PORTLAND HARBOUR AUTHORITY LIMITED

COMPANY INFORMATION
for the Year Ended 31st December 2009

DIRECTORS:

J M Langham
J C Langham
J J L Packer
R T Best
J M Langham (Jnr)
S J Davies

SECRETARY:

A D Deves

REGISTERED OFFICE:

Bingham's Melcombe
Dorchester
Dorset
DT2 7PZ

REGISTERED NUMBER:

3002686

AUDITORS:

Duncan & Toplis
Chartered Accountants
and Statutory Auditors
3 Castlegate
Grantham
Lincolnshire
NG31 6SF

PORTLAND HARBOUR AUTHORITY LIMITED

REPORT OF THE DIRECTORS for the Year Ended 31st December 2009

The directors present their report with the financial statements of the company for the year ended 31st December 2009

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of acting as the Statutory Harbour Authority at Portland, and to provide harbour and towage services

REVIEW OF BUSINESS

The loss for the year before taxation was £33,915 (2008 profit - £250,256)

The directors consider the state of the company's affairs at 31st December 2009 to be satisfactory and intend to continue to develop the company's business within its present field of activity

DIVIDENDS

The directors do not recommend the payment of a dividend

DIRECTORS

The directors shown below have held office during the whole of the period from 1st January 2009 to the date of this report

J M Langham
J C Langham
J J L Packer
R T Best
J M Langham (Jnr)
S J Davies

CHARITABLE DONATIONS

During the year charitable donations of £7,189 (2008 - £150) were made, comprising national donations of £100 and local donations of £7,089

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- 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. 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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

PORTLAND HARBOUR AUTHORITY LIMITED

**REPORT OF THE DIRECTORS
for the Year Ended 31st December 2009**

AUDITORS

The auditors, Duncan & Toplis, will be proposed for re-appointment at the forthcoming Annual General Meeting

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'A D Deves', written over a circular stamp or seal.

A D Deves - Secretary

Date

10/8/2010

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF PORTLAND HARBOUR AUTHORITY LIMITED

We have audited the financial statements of Portland Harbour Authority Limited for the year ended 31st December 2009 on pages five to thirteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 a Report of the Auditors 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

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31st December 2009 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

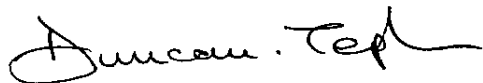
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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



Peter Townsend (Senior Statutory Auditor)
for and on behalf of Duncan & Topliss
Chartered Accountants
and Statutory Auditors
3 Castlegate
Grantham
Lincolnshire
NG31 6SF

Date 20/08/10

PORTLAND HARBOUR AUTHORITY LIMITED**PROFIT AND LOSS ACCOUNT**
for the Year Ended 31st December 2009

| | Notes | 2009 £ | 2008 £ |
|---|-------|-----------|-----------|
| TURNOVER | 2 | 2,529,330 | 2,034,603 |
| Cost of sales | | 1,830,470 | 1,294,862 |
| GROSS PROFIT | | 698,860 | 739,741 |
| Administrative expenses | | 747,809 | 585,533 |
| OPERATING (LOSS)/PROFIT | 4 | (48,949) | 154,208 |
| Interest receivable and similar income | 5 | 24,034 | 96,048 |
| | | (24,915) | 250,256 |
| Interest payable and similar charges | 6 | 9,000 | - |
| (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | (33,915) | 250,256 |
| Tax on (loss)/profit on ordinary activities | 7 | 68,503 | 33,903 |
| (LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION | | (102,418) | 216,353 |
| (DEFICIT)/PROFIT FOR THE YEAR | | (102,418) | 216,353 |
| Retained profit brought forward | | 1,111,764 | 895,411 |
| RETAINED PROFIT CARRIED FORWARD | | 1,009,346 | 1,111,764 |

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the loss for the current year and the profit for the previous year

PORTLAND HARBOUR AUTHORITY LIMITED (REGISTERED NUMBER: 3002686)

BALANCE SHEET
31st December 2009

| | Notes | 2009 £ | 2008 £ |
|--|-------|-------------------------|-------------------------|
| FIXED ASSETS | | | |
| Tangible assets | 8 | 50,000 | 50,000 |
| Investments | 9 | 3 | 3 |
| | | <u>50,003</u> | <u>50,003</u> |
| CURRENT ASSETS | | | |
| Stocks | 10 | 40,537 | 15,770 |
| Debtors | 11 | 759,324 | 914,163 |
| Cash at bank - repair fund | | 1,774,402 | 1,760,011 |
| Cash at bank | | 220,747 | - |
| | | <u>2,795,010</u> | <u>2,689,944</u> |
| CREDITORS | | | |
| Amounts falling due within one year | 12 | <u>1,315,667</u> | <u>1,108,183</u> |
| NET CURRENT ASSETS | | <u>1,479,343</u> | <u>1,581,761</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u><u>1,529,346</u></u> | <u><u>1,631,764</u></u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 14 | 520,000 | 520,000 |
| Profit and loss account | | 1,009,346 | 1,111,764 |
| SHAREHOLDERS' FUNDS | 18 | <u><u>1,529,346</u></u> | <u><u>1,631,764</u></u> |

The financial statements were approved by the Board of Directors on its behalf by

10/8/2010

and were signed on



J C Langham - Director

The notes form part of these financial statements

PORTLAND HARBOUR AUTHORITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31st December 2009

1 ACCOUNTING POLICIES

Accounting convention

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

Turnover

Turnover represents sales at invoice value less trade discounts allowed and excluding value added tax. Revenue is recognised in the period in which services are performed.

Tangible fixed assets

The company's only fixed asset consists of freehold property. In the opinion of the directors any depreciation charge would not be significant.

Stocks

Stock is valued at the lower of cost and net realisable value.

Deferred tax

Provision is made for deferred taxation using the liability method. Deferred taxation is calculated at the rates of tax estimated to be applicable when the timing differences reverse.

Pension costs and other post-retirement benefits

The company is a member of the Langham Industries Limited Pension Plan and the Langham Industries Group Personal Pension Plan.

The Langham Industries Limited Pension Plan was closed from 1st January 2004 and since that date contributions on behalf of members have been made into the Langham Industries Group Personal Pension Plan. In addition to this, the company has made contributions to the Langham Industries Limited Pension Plan in order to eliminate the deficit on that Plan. These contributions are charged to the profit and loss account. Assets for both Plans are held in separate trustee administered funds.

The Langham Industries Limited Pension Plan provides benefits based on final pensionable pay. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives within the company. The underlying assets of the scheme are not specifically allocated to individual companies and therefore the company is unable to identify its share of the underlying assets of the scheme. In accordance with Financial Reporting Standard 17, the company therefore accounts for the scheme as a defined contribution scheme and contributions payable for the year are charged to the profit and loss account. Full details of the scheme are included in the consolidated accounts of Langham Industries Limited.

The Langham Industries Group Personal Pension Plan is a money purchase scheme and contributions payable for the year are charged to the profit and loss account.

Consolidated accounts

Consolidated accounts have not been prepared since the company is a subsidiary of Langham Industries Limited and is exempted from the requirement to prepare group accounts under Section 400 of the Companies Act 2006.

2 TURNOVER

The turnover and (loss)/profit before taxation are attributable to the one principal activity of the company.

The company's principal activity was carried on within the United Kingdom.

PORTLAND HARBOUR AUTHORITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued **for the Year Ended 31st December 2009**

3 STAFF COSTS

| | 2009 | 2008 |
|-----------------------|----------------|----------------|
| | £ | £ |
| Wages and salaries | 828,791 | 706,690 |
| Social security costs | 81,060 | 65,906 |
| Other pension costs | 38,924 | 35,557 |
| | <u>948,775</u> | <u>808,153</u> |

The average monthly number of employees during the year was as follows

| | 2009 | 2008 |
|----------------|-----------|-----------|
| Direct | 20 | 17 |
| Administration | 6 | 5 |
| Directors | 6 | 6 |
| | <u>32</u> | <u>28</u> |

As stated in note 17, Portland Port Limited operates a payroll facility and payroll costs as above have been recharged from that company

Other pension costs include £18,887 (2008 - £17,783) paid into the Langham Industries Limited Pension Plan in order to eliminate the deficit on that Plan - further details are shown in note 19 to the financial statements

4 OPERATING (LOSS)/PROFIT

The operating loss (2008 - operating profit) is stated after charging

| | 2009 | 2008 |
|--|---------------|---------------|
| | £ | £ |
| Auditors' remuneration | <u>16,000</u> | <u>13,500</u> |
| Directors' remuneration | 105,000 | 107,743 |
| Directors' pension contributions to money purchase schemes | <u>16,042</u> | <u>15,127</u> |

The number of directors to whom retirement benefits were accruing was as follows

| | 2009 | 2008 |
|-------------------------|----------|----------|
| | 1 | 1 |
| Money purchase schemes | 1 | 1 |
| Defined benefit schemes | <u>1</u> | <u>1</u> |

Retirement benefits are accruing to one director, partly under a group defined benefit scheme and partly under a group money purchase pension scheme

No pension contributions are made by the company for the remaining five directors

In accordance with the pensions accounting policy, the above figure for Directors' pension contributions to money purchase schemes includes £11,113 (2008 - £10,686) payments to the Langham Industries Limited Pension Plan in order to eliminate the deficit on that Plan

5 INTEREST RECEIVABLE AND SIMILAR INCOME

| | 2009 | 2008 |
|--------------------------|---------------|---------------|
| | £ | £ |
| Bank interest receivable | <u>24,034</u> | <u>96,048</u> |

PORTLAND HARBOUR AUTHORITY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31st December 2009**

6 INTEREST PAYABLE AND SIMILAR CHARGES

| | 2009 | 2008 |
|------------------------|--------------|----------|
| | £ | £ |
| Other interest payable | <u>9,000</u> | <u>-</u> |

7 TAXATION

Analysis of the tax charge

The tax charge on the loss on ordinary activities for the year was as follows

| | 2009 | 2008 |
|---|-------------------|-------------------|
| | £ | £ |
| Current tax | | |
| UK corporation tax | 698 | 3,276 |
| Adjustment in respect of previous years | | |
| Corporation tax | - | 9,198 |
| Group relief | <u>67,805</u> | <u>21,429</u> |
| Tax on (loss)/profit on ordinary activities | <u>68,503</u> | <u>33,903</u> |

UK corporation tax has been charged at 28% (2008 - 28%)

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below

| | 2009 | 2008 |
|---|-------------------|-------------------|
| | £ | £ |
| (Loss)/profit on ordinary activities before tax | <u>(33,915)</u> | <u>250,256</u> |
| (Loss)/profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2008 - 28%) | (9,496) | 70,072 |
| Effects of | | |
| Permanent disallowances | 11,550 | 3,783 |
| Industrial building allowances | (1,124) | (1,628) |
| Losses surrendered by other group companies | - | (67,805) |
| Effect of small company rate | (232) | (1,146) |
| Adjustments in respect of previous years - corporation tax | - | 9,198 |
| Adjustments in respect of previous years - group relief | <u>67,805</u> | <u>21,429</u> |
| Current tax charge | <u>68,503</u> | <u>33,903</u> |

The taxable profit has been reduced by £nil (2008 - £242,161) due to the availability of group loss relief

There is no liability for deferred tax

PORTLAND HARBOUR AUTHORITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued **for the Year Ended 31st December 2009**

8 TANGIBLE FIXED ASSETS

| | Freehold property £ |
|---|---------------------------|
| COST | |
| At 1st January 2009 and 31st December 2009 | <u>50,000</u> |
| NET BOOK VALUE | |
| At 31st December 2009 | <u>50,000</u> |
| At 31st December 2008 | <u>50,000</u> |

9 FIXED ASSET INVESTMENTS

During the year the company held 2 ordinary shares of £1 each in Portland Pilotage Limited, a company registered in England and Wales, being 100% of the issued share capital. Portland Pilotage Limited did not trade during the year.

During the year the company held 80 ordinary shares of £1 each in Portland Towage Limited, a company registered in England and Wales, being 80% of the issued share capital which was acquired for a consideration of £1. Portland Towage Limited did not trade during the year.

10 STOCKS

| | 2009 £ | 2008 £ |
|--------|---------------|---------------|
| Stocks | <u>40,537</u> | <u>15,770</u> |

11 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2009 £ | 2008 £ |
|---------------------------------------|----------------|----------------|
| Trade debtors | 467,970 | 383,369 |
| Other debtors and prepayments | 123,812 | 61,590 |
| Amounts owed by group undertakings | <u>167,542</u> | <u>469,204</u> |
| | <u>759,324</u> | <u>914,163</u> |

12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2009 £ | 2008 £ |
|---|------------------|------------------|
| Bank loans and overdrafts (see note 13) | - | 116,758 |
| Trade creditors | 44,774 | 46,194 |
| Corporation tax | (53,052) | (27,974) |
| Other creditors and accruals | 109,675 | 105,747 |
| Amounts owed to group undertakings | <u>1,214,270</u> | <u>867,458</u> |
| | <u>1,315,667</u> | <u>1,108,183</u> |

PORTLAND HARBOUR AUTHORITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31st December 2009

13 LOANS

An analysis of the maturity of loans is given below

| | 2009 £ | 2008 £ |
|--|-----------|-----------|
| Amounts falling due within one year or on demand | | |
| Bank overdrafts | - | 116,758 |

14 CALLED UP SHARE CAPITAL

| Allotted, issued and fully paid | | | 2009 | 2008 |
|---------------------------------|--------------|------------------|---------|---------|
| Number | Class | Nominal value | £ | £ |
| 432,534 | 'A' Ordinary | £1 | 432,534 | 432,534 |
| 87,466 | 'B' Ordinary | £1 | 87,466 | 87,466 |
| | | | 520,000 | 520,000 |

Each 'A' Ordinary share carries three votes per share at general meetings and each 'B' Ordinary share carries four votes

15 ULTIMATE PARENT COMPANY

The ultimate parent company is Langham Industries Limited which is registered in England and Wales

The ultimate controlling party of Langham Industries Limited is the J M Langham family

16 CONTINGENT LIABILITIES

The purchase price of the former naval base is subject to further payments which are conditional on certain events occurring

The company also has a possible obligation to contribute towards the costs of maintaining the breakwaters. It is not possible to quantify the potential costs that would be incurred, should the obligation arise

PORTLAND HARBOUR AUTHORITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued **for the Year Ended 31st December 2009**

17 RELATED PARTY DISCLOSURES

The company has been charged consultancy fees by two of the directors, totalling £1,250 (2008 - £1,250) from R T Best and £6,000 (2008 - £6,000) from J J L Packer

During the year the company was charged £101,127 (2008 - £81,384) for management levies by the ultimate parent company, Langham Industries Limited

During the year Portland Harbour Authority Limited was charged £982,809 (2008 - £604,912) by Portland Port Limited for plant hire and £21,750 (2008 - £24,770) for use of gas oil by vessels

Portland Port Limited operates a payroll facility for all companies within the Portland Group. These costs are shown in note 3 to the accounts. Other sundry amounts are recharged within the Group as appropriate.

At the balance sheet date amounts owed to/from group companies were included in debtors and creditors as follows

| Debtors | 2009 £ | 2008 £ |
|----------------------------|------------------|----------------|
| Langham Industries Limited | - | 304,723 |
| Portland Port Limited | 167,542 | 164,481 |
| | <u>167,542</u> | <u>469,204</u> |
| Creditors | 2009 £ | 2008 £ |
| Langham Industries Limited | 39,169 | 46,024 |
| Portland Port Limited | 1,174,998 | 821,331 |
| Portland Pilotage Limited | 3 | 3 |
| Portland Towage Limited | 100 | 100 |
| | <u>1,214,270</u> | <u>867,458</u> |

18 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

| | 2009 £ | 2008 £ |
|---|------------------|------------------|
| (Loss)/Profit for the financial year | (102,418) | 216,353 |
| Net (reduction)/addition to shareholders' funds | (102,418) | 216,353 |
| Opening shareholders' funds | <u>1,631,764</u> | <u>1,415,411</u> |
| Closing shareholders' funds | <u>1,529,346</u> | <u>1,631,764</u> |

PORTLAND HARBOUR AUTHORITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31st December 2009

19 PENSION SCHEMES

The company is a member of the Langham Industries Limited Pension Plan and the Langham Industries Group Personal Pension Plan

The Langham Industries Limited Pension Plan is a defined benefit scheme and is separately funded and administered

Contributions are based on a full actuarial valuation as at 31st December 2006 which reported a funding level of 77.6% of the liabilities of the scheme on an ongoing basis. Company contributions to the scheme are shared between all group companies to finance this deficit.

The group is committed to funding the Langham Industries Limited Pension Plan and intends to continue paying contributions until the deficit has been eliminated. Contributions of £20,834 per month will be made until December 2016 in accordance with the actuaries' recommendations.

From 1st January 2004 all active members of the Langham Industries Limited Pension Plan and the Langham Pension Savings Scheme were transferred to a new money purchase scheme, the Langham Industries Group Personal Pension Plan. This is separately funded and administered and open to all employees.