

PORTHLEVEN HARBOUR AND DOCK COMPANY

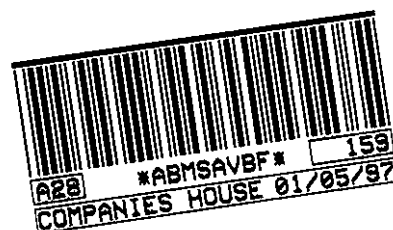
A M E N D E D

REPORTS AND ACCOUNTS

30TH SEPTEMBER 1993

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**DIRECTORS**

T. Osborne  
P.A. Osborne

**REGISTERED OFFICE**

46/47 Church Street  
Twickenham  
Middlesex  
TW1 3NR

**SECRETARY**

J. Summers

**REGISTERED NUMBER**

Registered in England  
under the Porthleven  
Harbour Act 1869  
No. Z150

**REPORT OF THE DIRECTORS**

The directors present their report and audited accounts for the year ended 30th September 1993.

**Principal activities**

The main activity of the company is unchanged since last year, and is principally the operation and maintenance of the harbour at Porthleven and the provision of building services to third parties.

**Fixed assets**

In the opinion of the directors the current open market value on the existing use basis of the freehold land and buildings is substantially in excess of the net book value shown in the accounts.

**Directors**

The directors of the company during the year were as stated above.

**Directors' responsibility for the financial statements**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They 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.

PORTHLEVEN HARBOUR AND DOCK COMPANY  
REPORT OF THE DIRECTORS (CONTINUED)

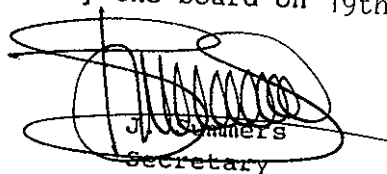
2.

Auditors

Lings offer themselves for reappointment as auditors in accordance with Section 385 of the Companies Act 1985.

This report has been prepared taking advantage of exemptions conferred by Part II of Schedule 8 of the Companies Act 1985, on the grounds that in the opinion of the directors the company is entitled to those exemptions as a small company.

Approved by the board on 19th April 1997

  
J. Summers  
Secretary

## AUDITORS REPORT TO THE SHAREHOLDERS OF

## PORTHLEVEN HARBOUR AND DOCK COMPANY

We have audited the financial statements on pages 4 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30th September 1993 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 as applicable to small companies.

*Lings*  
Lings

Chartered Accountants and Registered Auditors  
Provident House, 51 Wardwick, Derby

19th April 1997

PORTHLEVEN HARBOUR AND DOCK COMPANY  
 PROFIT AND LOSS ACCOUNT  
 FOR THE YEAR ENDED 30TH SEPTEMBER 1993

	Note	1993 £	1992 £
Turnover	2	77237	92103
Cost of sales		(64547)	(65107)
Gross profit		12690	26996
Net operating expenses	3	(27991)	(53907)
Operating loss	4	(15301)	(26911)
Profit on sale of freehold properties		-	5184
Interest receivable		426	1892
Interest payable		(25828)	(2297)
Loss on ordinary activities before taxation		(40703)	(22132)
Tax on loss on ordinary activities	5	4283	11152
Loss for the financial year		(36420)	(10980)
Dividends		-	(700000)
Retained loss for the financial year		(36420)	(710980)
Retained profit brought forward		129894	840874
Retained profit carried forward		93474	129894

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
 FOR THE YEAR ENDED 30TH SEPTEMBER 1993

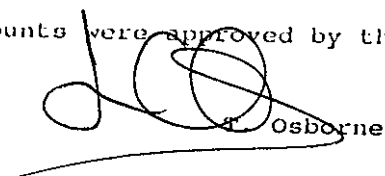
The company has no recognised gains or losses other than the loss (1992 loss) for the financial year.

PORTHLEVEN HARBOUR AND DOCK COMPANY  
BALANCE SHEET AT 30TH SEPTEMBER 1993

	Note	1993		1992	
		£	£	£	£
Fixed assets					
Tangible fixed assets	6		58501		60153
Current assets					
Developments in progress		32427		32427	
Debtors	7	109581		137191	
Cash at bank and in hand		1097		305	
		<u>143105</u>		<u>169923</u>	
Creditors - Amounts falling due within one year	8	(89952)		(80597)	
Net current assets			53153		89326
Total assets less current liabilities			<u>111654</u>		<u>149479</u>
Provisions for liabilities and charges	9		-		(1405)
			<u>111654</u>		<u>148074</u>
Capital and reserves					
Called up share capital	10		18180		18180
Profit and loss account			93474		129894
			<u>111654</u>		<u>148074</u>

The directors have taken advantage of special exemptions conferred by Part I of Schedule 8 of the Companies Act 1985 and have done so on the grounds that, in their opinion, the company is entitled to those special exemptions as a small company.

The accounts were approved by the board of directors on 19th April 1997

  
J. Osborne

Director

PORTHLEVEN HARBOUR AND DOCK COMPANY  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 30TH SEPTEMBER 1993

## 1. Accounting policies

The accounts have been prepared under the historical cost convention using the principal accounting policies listed below.

### Turnover

Turnover, which excludes value added tax, represents rental income receivable for the year and the invoiced value of goods and services supplied by the company in the ordinary course of business.

### Tangible fixed assets

Tangible fixed assets are stated at original cost less accumulated depreciation.

Depreciation is calculated to write down the cost, less estimated residual value of all tangible fixed assets, except for harbour works and land and buildings over their expected useful lives.

The rates generally applicable are:-

	%
Plant and machinery	15
Motor vehicles	25
Office equipment	15
Harbour installations	15
Freehold buildings (see note below)	Nil

The freehold buildings were originally acquired with, or built on, the area of land needed to operate the harbour in Porthleven, and any rental income arising has been applied in the operation and maintenance of the harbour. As the freehold buildings have been used for the sole purpose of carrying on the company's principal activity, the directors do not consider it appropriate to revalue these properties in line with the requirements of Statement of Standard Accounting Practice No. 19 (dealing with investment properties).

It is the company's policy to maintain the properties to such a standard that it does not consider it appropriate to depreciate this asset.

### Developments in progress

Property held for development is valued by Mr. T. Osborne at the lower of cost and net realisable value. Cost consists of the cost of land and development expenditure to date.

### Deferred taxation

Deferred taxation is calculated on the liability basis and represents corporation tax deferred by accelerated capital allowances and other timing differences, except to the extent that the liabilities are regarded as unlikely to crystallise in the foreseeable future.

### Pensions

The company operates a defined contribution pension scheme. Contributions for the year are charged in the profit and loss account.

## 2. Turnover

The company's activities are confined to the United Kingdom.

PORTHLEVEN HARBOUR AND DOCK COMPANY  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 30TH SEPTEMBER 1993

3. Net operating expenses

Net operating expenses are made up as follows:-

	1993 £	1992 £
Administrative expenses	32298	56670
Less other operating income	(4307)	(2763)
	<u>27991</u>	<u>53907</u>

4. Operating loss

Operating loss is stated after charging:-

	1993 £	1992 £
Auditors' remuneration	2325	3426
Depreciation	1652	2040
	<u>3977</u>	<u>5466</u>

5. Tax on loss on ordinary activities

	1993 £	1992 £
Group relief	(4876)	(7564)
Transfer to/(from) deferred tax	(1405)	(121)
	<u>(6281)</u>	<u>(7685)</u>
Adjustments in respect of prior year:-		
U.K. corporation tax	(14963)	2104
Group relief	16961	-
Deferred tax	-	(5571)
	<u>(4283)</u>	<u>(11152)</u>



**PORTHLEVEN HARBOUR AND DOCK COMPANY**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 30TH SEPTEMBER 1993**

**6. Tangible fixed assets**

	Freehold Land and Buildings	Plant and Machinery	Fixtures and Fittings	Motor Vehicles	Harbour Equipment	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1st October 1992	50768	19365	5011	8330	2136	85610
At 30th September 1993	50768	19365	5011	8330	2136	85610
<b>Depreciation</b>						
At 1st October 1992	-	12928	4506	5887	2136	25457
Charge for year	-	966	75	611	-	1652
At 30th September 1993	-	13894	4581	6498	2136	27109
<b>Net book value</b>						
At 30th September 1993	50768	5471	430	1832	-	58501
<b>Net book value</b>						
At 30th September 1992	50768	6437	505	2443	-	60153

**7. Debtors**

	1993 £	1992 £
<b>Amounts falling due within one year:-</b>		
Trade debtors	41748	33857
Amounts owed by group undertakings	29064	79196
Group relief	10442	6622
Corporation tax	13399	4481
Other debtors	1958	100
Prepayments and accrued income	12970	12935
	<u>109581</u>	<u>137191</u>

**8. Creditors - Amounts falling due within one year**

	1993 £	1992 £
Trade creditors	34217	48912
Other creditors	28982	3566
Other taxes and social security	513	605
Accruals and deferred income	26240	27514
	<u>89952</u>	<u>80597</u>

Following decisions in the High Court in favour of the Inland Revenue in certain cases, the directors are in the course of agreeing a contract settlement in a claim for interest on tax in the sum of £25766. This amount has been provided in other creditors. If the cases are reversed on appeal, the interest paid will be refunded.

PORTHLEVEN HARBOUR AND DOCK COMPANY  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 30TH SEPTEMBER 1993

9. Provisions for liabilities and charges

	Deferred Taxation £
Balance at 1st October 1992	1405
Released during the year	(1405)
	<u>          </u>
Balance at 30th September 1993	<u>          </u> -

The amount provided and the potential liability for deferred taxation is as follows:-

	1993		1992	
	Potential	Provided	Potential	Provided
	£	£	£	£
Accelerated capital allowances	1283	1283	1405	1405
U.K. tax losses	(1666)	(1283)	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	(383)	NIL	1405	1405
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

10. Share capital

	1993 £	1992 £
Authorised		
200 Ordinary shares of £100 each	20000	20000
	<u>          </u>	<u>          </u>
Allotted and partly paid		
200 Ordinary shares of £100 each	18180	18180
	<u>          </u>	<u>          </u>

11. Reconciliation of movement in shareholders' funds

	1993 £	1992 £
Loss for the financial year	(36420)	(10980)
Dividends	-	(700000)
	<u>          </u>	<u>          </u>
Net reduction in shareholders' funds	(36420)	(710980)
Opening shareholders' funds	148074	859054
	<u>          </u>	<u>          </u>
Closing shareholders' funds	111654	148074
	<u>          </u>	<u>          </u>

12. Capital commitments

There were no capital commitments at 30th September 1993 or 30th September 1992.

13. Contingent liabilities

There were no contingent liabilities at 30th September 1993 (1992 £25766).

PORTHLEVEN HARBOUR AND DOCK COMPANY  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 30TH SEPTEMBER 1993

14. Information regarding directors

Share interests

The interests of the directors in the shares of the company at the beginning and end of the year were as stated below. The interests are beneficial unless otherwise stated.

	1993		1992	
	Number	Nominal Value £	Number	Nominal Value £
T. Osborne *	5	500	5	500
P.A. Osborne *	5	500	5	500
	<u>10</u>	<u>1000</u>	<u>10</u>	<u>1000</u>

\* Shares held as nominee of Saracen House Limited.

Remuneration

The emoluments of the directors were as follows:-

	1993 £	1992 £
Management remuneration	<u>168</u>	<u>155</u>

15. Pension costs

The company operates a defined contribution pension scheme.

	1993 £	1992 £
Pension cost charged to loss on ordinary activities	<u>1839</u>	<u>1839</u>
Contributions outstanding, included under creditors falling due within one year	<u>3216</u>	<u>3216</u>

16. Ultimate parent undertaking

The directors regard Saracen House Limited, a company registered in England and Wales, as the ultimate parent undertaking.