

**HARWICH DOCK COMPANY  
LIMITED**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2000



A43 \*A0FDC3WD\* 0445  
COMPANIES HOUSE 08/09/01

Company no 774336

# HARWICH DOCK COMPANY LIMITED

## FINANCIAL STATEMENTS

For the year ended 31 December 2000

---

Company registration number: 774336

Registered office: The Naval House  
Kings Quay Street  
Harwich  
Essex  
CO12 3JJ

Directors: A W S Binks  
W A Binks  
R G Gibbs

Secretary: P B Thornley

Bankers: National Westminster Bank Plc  
40 Market Street  
Wellingborough  
Northamptonshire  
NN8 1AD

Solicitors: Narbarro Nathanson  
50 Stratton Street  
London  
W1X 6NX

Auditors: Grant Thornton  
Registered Auditors  
Chartered Accountants  
8 West Walk  
Leicester  
LE1 7NH

# HARWICH DOCK COMPANY LIMITED

## FINANCIAL STATEMENTS

For the year ended 31 December 2000

---

### INDEX

### PAGE

Report of the directors	1
Report of the auditors	2
Principal accounting policies	3
Profit and loss account	4
Balance sheet	5
Notes to the financial statements	6 - 12

# HARWICH DOCK COMPANY LIMITED

## REPORT OF THE DIRECTORS

---

The directors present their report together with financial statements for the year ended 31 December 2000.

### Principal activities

The principal activity of the company continues to be dock operations.

### Business review

There was a loss for the year after taxation amounting to £242,427 (1999: £121,521). The directors do not recommend payment of a dividend.

The directors are disappointed with the result for the year which reflects difficult trading conditions. It is the intention of the directors to develop the existing activities of the company as opportunities arise.

### Directors

The directors in office at the end of the year were A W S Binks, W A Binks, R G Gibbs and F A Hatchard, all of whom served throughout the year.

On 6 April 2001 F A Hatchard retired from the Board.

The interests of the directors, who are all directors of the parent undertaking, are disclosed in that company's financial statements.

### Directors' responsibilities 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:

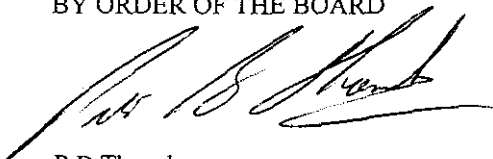
- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Auditors

Grant Thornton offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

BY ORDER OF THE BOARD



P B Thornley  
Secretary  
28 August 2001

**REPORT OF THE AUDITORS TO THE MEMBERS OF  
HARWICH DOCK COMPANY LIMITED**

We have audited the financial statements on pages 3 to 12 which have been prepared under the accounting policies set out on page 3.

**Respective responsibilities of directors and auditors**

As described on page 1 the company's directors are responsible for the preparation of the financial statements in accordance with United Kingdom law and accounting standards. 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 United Kingdom 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 31 December 2000 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**GRANT THORNTON  
REGISTERED AUDITORS  
CHARTERED ACCOUNTANTS**

LEICESTER  
28 August 2001

# **HARWICH DOCK COMPANY LIMITED**

## **PRINCIPAL ACCOUNTING POLICIES**

---

### **BASIS OF PREPARATION**

The financial statements have been prepared under the historical cost convention.

The directors consider the going concern basis to be appropriate as group support has been confirmed for the foreseeable future.

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

### **TURNOVER**

Turnover is the total amount receivable by the company in the ordinary course of business with outside customers for services provided, excluding VAT.

### **TANGIBLE FIXED ASSETS AND DEPRECIATION**

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets other than freehold land by equal annual instalments over their expected useful lives. The rates generally applicable are:

Buildings	10%
Leasehold improvements	10%
Plant and machinery	10% to 25%

### **FIXED ASSET INVESTMENTS**

Investments comprise unlisted shares and are included at cost.

### **STOCKS**

Stocks, which comprise consumable stores, are stated at the lower of cost and net realisable value.

### **DEFERRED TAXATION**

Deferred tax is provided under the liability method using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

### **CONTRIBUTIONS TO PENSION FUNDS**

#### **Defined benefit scheme**

The pension costs charged against profits are based on actuarial methods and assumptions designed to spread the anticipated pension costs over the service lives of the employees in the scheme, so as to ensure that the regular pension cost represents a substantially level percentage of the current and expected future pensionable payroll. Variations from regular cost are spread over the average remaining service lives of current employees in the scheme.

### **LEASED ASSETS**

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight-line basis over the lease term.

# HARWICH DOCK COMPANY LIMITED

## PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2000

	Note	2000 £	1999 £
Turnover	1	2,358,325	2,440,620
Operating charges	2	(2,582,406)	(2,522,445)
Operating loss		(224,081)	(81,825)
Income from other fixed asset investments		4,223	3,017
Net interest	3	(73,627)	(90,459)
Loss on ordinary activities before taxation	1	(293,485)	(169,267)
Tax on loss on ordinary activities	5	51,058	47,746
Loss for the financial year transferred from reserves	13	(242,427)	(121,521)

There were no recognised gains or losses other than the loss for the financial year.

The accompanying accounting policies and notes form an integral part of these financial statements.

# HARWICH DOCK COMPANY LIMITED

## BALANCE SHEET AT 31 DECEMBER 2000

	Note	2000 £	2000 £	1999 £	1999 £
<b>Fixed assets</b>					
Tangible assets	6		1,513,775		1,542,611
Investments	7		1,018		1,018
			<u>1,514,793</u>		<u>1,543,629</u>
<b>Current assets</b>					
Stocks		26,293		14,556	
Debtors: amounts falling due after more than one year	8	164,629		471,703	
Debtors: amounts falling due within one year	8	342,012		262,051	
Cash at bank and in hand		943		710	
		<u>533,877</u>		<u>749,020</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(400,170)</u>		<u>(481,953)</u>	
<b>Net current assets</b>			<u>133,707</u>		<u>267,067</u>
<b>Total assets less current liabilities</b>			<u>1,648,500</u>		<u>1,810,696</u>
<b>Creditors: amounts falling due after more than one year</b>	10		<u>(1,280,197)</u>		<u>(1,190,730)</u>
<b>Provisions for liabilities and charges</b>	11		<u>(431,264)</u>		<u>(440,500)</u>
			<u>(62,961)</u>		<u>179,466</u>
<b>Capital and reserves</b>					
Called up share capital	12		550,000		550,000
Profit and loss account	13		(612,961)		(370,534)
<b>Shareholders' funds</b>	14		<u>(62,961)</u>		<u>179,466</u>

The financial statements were approved by the Board of Directors on 28 August 2001.

A W S Binks



Director

The accompanying accounting policies and notes form an integral part of these financial statements.



# HARWICH DOCK COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2000

### 1 TURNOVER AND LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

Turnover and loss on ordinary activities before taxation are attributable to the company's principal activity, that of dock operations.

Loss on ordinary activities is stated after:	2000 £	1999 £
Auditors' remuneration	3,900	3,900
Depreciation and amortisation:		
Tangible fixed assets, owned	159,866	243,266
Tangible fixed assets, held under finance leases and hire purchase contracts	173,430	116,529
Hire of plant and machinery	11,926	16,911
Property rentals	410,000	410,000

### 2 OPERATING CHARGES

	2000 £	1999 £
Materials consumed	116,257	98,007
Staff costs (note 4)	1,134,884	1,118,838
Depreciation	333,296	344,795
Other operating charges	997,969	960,805
	<u>2,582,406</u>	<u>2,522,445</u>

### 3 NET INTEREST

	2000 £	1999 £
Finance charges in respect of finance leases	38,115	44,929
Interest payable to group undertakings	38,487	46,023
	<u>76,602</u>	<u>90,952</u>
Other interest receivable and similar income	(2,975)	(493)
	<u>73,627</u>	<u>90,459</u>

# HARWICH DOCK COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2000

### 4 DIRECTORS AND EMPLOYEES

Staff costs during the year were as follows:

	2000 £	1999 £
Wages and salaries	905,757	923,815
Social security costs	67,419	70,045
Other pension costs	161,708	124,978
	<u>1,134,884</u>	<u>1,118,838</u>

The average number of employees of the company during the year was 53 (1999: 60).

The directors received no remuneration in the year (1999: £nil). The company has paid Traminco Limited £34,800 (1999: £34,800) in respect of management services given by A W S Binks. Traminco Limited is a company under common control for the purposes of FRS 8.

### 5 TAX ON LOSS ON ORDINARY ACTIVITIES

The tax credit represents:

	2000 £	1999 £
Deferred tax	(47,000)	(26,500)
Tax attributable to franked investment income	1,474	-
Adjustments in respect of prior periods:		
Corporation tax	(5,532)	(2,246)
Deferred tax	-	(19,000)
	<u>(51,058)</u>	<u>(47,746)</u>

No corporation tax credit arises on the loss for the year. Tax losses have been surrendered to fellow group companies for no payment.

# HARWICH DOCK COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2000

### 6 TANGIBLE FIXED ASSETS

	Buildings £	Leasehold improv'ts £	Plant and machinery £	Total £
Cost				
At 1 January 2000	182,076	150,000	3,236,252	3,568,328
Additions	-	-	304,466	304,466
Disposals	-	-	(104,392)	(104,392)
At 31 December 2000	182,076	150,000	3,436,326	3,768,402
Depreciation				
At 1 January 2000	92,827	15,000	1,917,890	2,025,717
Charge for the year	16,780	15,000	301,516	333,296
Eliminated on disposals	-	-	(104,386)	(104,386)
At 31 December 2000	109,607	30,000	2,115,020	2,254,627
Net book amount at 31 December 2000	<u>72,469</u>	<u>120,000</u>	<u>1,321,306</u>	<u>1,513,775</u>
Net book amount at 31 December 1999	<u>89,249</u>	<u>135,000</u>	<u>1,318,362</u>	<u>1,542,611</u>

The figures stated above include assets held under finance leases and similar hire purchase contracts, as follows:

	Plant and machinery £
Net book amount at 31 December 2000	<u>505,610</u>
Net book amount at 31 December 1999	<u>395,461</u>

### 7 FIXED ASSET INVESTMENTS

	Other investments £
Cost and net book amount At 1 January 2000 and 31 December 1999	<u>1,018</u>

# HARWICH DOCK COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2000

### 8 DEBTORS

	2000 £	1999 £
Trade debtors	177,679	148,359
Amounts owed by group undertakings	264,402	471,703
Other debtors	12,852	25,462
Taxation recoverable	-	1,052
Prepayments and accrued income	51,708	87,178
	<u>506,641</u>	<u>733,754</u>

Included above are the following amounts which are due after more than one year:

Amounts owed by group undertakings	<u>164,629</u>	<u>471,703</u>
------------------------------------	----------------	----------------

### 9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2000 £	1999 £
Bank overdraft	145,274	136,137
Trade creditors	39,098	21,965
Amounts owed to group undertakings	-	127,100
Social security and other taxes	25,863	21,523
Other creditors	4,940	4,807
Accruals and deferred income	40,280	62,591
Deferred income: government grants	-	2,200
Amounts due under finance leases	144,715	105,630
	<u>400,170</u>	<u>481,953</u>

The bank overdraft is secured by a fixed and floating charge over all of the company's assets.

### 10 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2000 £	1999 £
Amounts owed to group undertakings	929,552	923,716
Amounts due under finance leases	350,645	267,014
	<u>1,280,197</u>	<u>1,190,730</u>

# HARWICH DOCK COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2000

Borrowings are repayable as follows:	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Within one year		
Bank overdraft	<b>145,274</b>	136,137
Finance leases	<b>144,715</b>	105,630
After one and within two years		
Finance leases	<b>133,892</b>	100,637
After two and within five years		
Finance leases	<b>216,753</b>	166,377
	<b>640,634</b>	<b>508,781</b>

Amounts due under finance leases are secured on the assets to which they relate.

### 11 PROVISIONS FOR LIABILITIES AND CHARGES

	<b>Deferred taxation £</b>	<b>Pension costs £</b>	<b>Dock maintenance £</b>	<b>Total £</b>
At 1 January 2000	90,500	-	350,000	440,500
Provided during the year	-	37,764	-	37,764
Utilised in the year	(47,000)	-	-	(47,000)
At 31 December 2000	<b>43,500</b>	<b>37,764</b>	<b>350,000</b>	<b>431,264</b>

Deferred taxation comprises accelerated capital allowances £169,500 (1999: £203,500) less other timing differences £126,000 (1999: £113,000) and is fully provided in the financial statements at a rate of 30% (1999: 30%).

The dock maintenance programme will recommence when funding allows.

### 12 SHARE CAPITAL

	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Authorised, allotted, called up and fully paid 550,000 ordinary shares of £1 each	<b>550,000</b>	<b>550,000</b>

### 13 PROFIT AND LOSS ACCOUNT

	<b>£</b>
At 1 January 2000	(370,534)
Retained loss for the financial year	(242,427)
At 31 December 2000	<b>(612,961)</b>

# HARWICH DOCK COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2000

### 14 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2000 £	1999 £
Loss for the financial year	(242,427)	(121,521)
Net decrease in shareholders' funds	(242,427)	(121,521)
Shareholders' funds at 1 January 2000	179,466	300,987
Shareholders' funds at 31 December 2000	(62,961)	179,466

### 15 LEASING COMMITMENTS

Operating lease payments amounting to £404,987 (1999: £405,808) are due within one year. The leases to which these amounts relate expire as follows:

	2000 Land and buildings £	Other £	1999 Land and buildings £	Other £
Between one and five years	-	4,987	-	4,952
In five years or more	400,000	-	400,000	856
	400,000	4,987	400,000	5,808

### 16 PENSIONS

#### Defined benefit scheme

The company is party to a group defined benefit scheme for the benefit of certain employees. The assets of the scheme are administered by trustees in funds independent of those of the company. The latest actuarial valuation indicated a deficit. Details of the actuarial valuation are contained in the financial statements of Mann & Son Holdings Limited.

The contribution rate applied for the financial year was 15.25% (1999: 15.25%) of earnings. The contribution rate has been increased to 21% from 1 January 2001.

The pension cost charge of £161,708 (1999: £124,978), includes a transfer to provisions of £37,764 as a result of the amortisation of the deficit which has been allocated based on pensionable payroll. There was an outstanding contribution to the pension scheme of £3,321 (1999: £3,276) as at the end of the financial year.

# **HARWICH DOCK COMPANY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2000

---

### **17 CONTINGENT LIABILITIES**

The company is party to a composite accounting system with its bankers whereby account is taken of the level of bank deposits when charging loan interest and under which the company guarantees the bank borrowings of certain group companies.

Certain plant and machinery is subject to a fixed legal charge held by the company's bankers in relation to loans provided to the holding company. At 31 December 2000 the aggregate loans outstanding totalled £365,714 (1999: £471,429).

### **18 ULTIMATE PARENT UNDERTAKING AND CONTROLLING RELATED PARTY**

The ultimate parent undertaking of this company is its parent company Mann & Son Holdings Limited.

Mann & Son Holdings Limited is this company's controlling related party by virtue of its shareholding. The ultimate controlling related party based on the definitions and requirements of FRS 8 is considered to be A W S Binks as a result of his shareholdings, his beneficial interests under a trust and position on the Board of Directors of the ultimate parent undertaking.

### **19 RELATED PARTY TRANSACTIONS**

As a wholly owned subsidiary of Mann & Son Holdings Limited the company is exempt from the requirement to disclose transactions within the group headed by that company.