

HARWICH DOCK COMPANY LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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HARWICH DOCK COMPANY LIMITED

COMPANY INFORMATION

Directors	A W S Binks W A Binks T A Binks
Company secretary	J P Ward
Registered number	00774336
Registered office	Naval House Kings Quay Street Harwich Essex CO12 3JJ
Independent auditor	KPMG LLP Botanic House 100 Hills Road Cambridge CB2 1AR
Bankers	National Westminster Bank Plc Silbury House 300 Silbury Boulevard Milton Keynes MK9 2ZF

HARWICH DOCK COMPANY LIMITED

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HARWICH DOCK COMPANY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

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

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report 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 they have elected to prepare the financial statements in accordance with applicable law and Section 1A of FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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 estimates that are reasonable and prudent; and
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Principal activity

The principal activity of the company continues to be the operation of a port terminal in Harwich.

Directors

The directors who served during the year were:

A W S Binks
W A Binks
T A Binks

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

HARWICH DOCK COMPANY LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017**

Auditor

The auditor, KPMG LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 27 September 2018 and signed on its behalf.



W A Binks
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARWICH DOCK COMPANY LIMITED

Opinion

We have audited the financial statements of Harwich Dock Company Limited ("the company") for the year ended 31 December 2017, which comprise the Profit and Loss Account and Other Comprehensive Income, Balance Sheet and Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards applicable to smaller entities, including Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 1, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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 an auditor's report 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.

S Beavis

Stephanie Beavis (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Botanic House
100 Hills Road
Cambridge
CB2 1AR

28 September 2018

HARWICH DOCK COMPANY LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 £	2016 £
Turnover		2,282,625	2,286,061
Gross profit		<u>2,282,625</u>	<u>2,286,061</u>
Administrative expenses		(2,565,630)	(2,699,206)
Other operating income	2	16,290	16,290
Operating loss		<u>(266,715)</u>	<u>(396,855)</u>
Interest payable and expenses		(5,074)	(8,722)
Loss before tax		<u>(271,789)</u>	<u>(405,577)</u>
Tax on loss	5	51,706	135,206
Loss for the financial year		<u>(220,083)</u>	<u>(270,371)</u>
Other comprehensive income for the year			
Group tax relief at gross value		-	195,043
Other comprehensive income for the year		-	195,043
Total comprehensive income for the year		<u>(220,083)</u>	<u>(75,328)</u>

The notes on pages 9 to 17 form part of these financial statements.

HARWICH DOCK COMPANY LIMITED
REGISTERED NUMBER:00774336

BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	6	77,060	128,124
Investments	7	1,018	1,018
		<u>78,078</u>	<u>129,142</u>
Current assets			
Stocks	8	12,452	16,171
Debtors: amounts falling due within one year	9	311,958	581,649
Cash at bank and in hand	10	229	60,326
		<u>324,639</u>	<u>658,146</u>
Creditors: amounts falling due within one year	11	(661,487)	(812,913)
Net current liabilities		<u>(336,848)</u>	<u>(154,767)</u>
Total assets less current liabilities		<u>(258,770)</u>	<u>(25,625)</u>
Creditors: amounts falling due after more than one year	12	(40,444)	(53,506)
Net liabilities		<u><u>(299,214)</u></u>	<u><u>(79,131)</u></u>
Capital and reserves			
Called up share capital		550,000	550,000
Profit and loss account		(849,214)	(629,131)
		<u><u>(299,214)</u></u>	<u><u>(79,131)</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 September 2018.



W A Binks
Director

The notes on pages 9 to 17 form part of these financial statements.

HARWICH DOCK COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2017	550,000	(629,131)	(79,131)
Comprehensive income for the year			
Loss for the year	-	(220,083)	(220,083)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	(220,083)	(220,083)
Total transactions with owners	-	-	-
At 31 December 2017	550,000	(849,214)	(299,214)

The notes on pages 9 to 17 form part of these financial statements.

HARWICH DOCK COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2016	550,000	(553,803)	(3,803)
Comprehensive income for the year			
Loss for the year	-	(270,371)	(270,371)
	<hr/>	<hr/>	<hr/>
Group tax relief at gross value.	-	195,043	195,043
	<hr/>	<hr/>	<hr/>
Other comprehensive income for the year	-	195,043	195,043
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the year	-	(75,328)	(75,328)
	<hr/>	<hr/>	<hr/>
Total transactions with owners	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 December 2016	550,000	(629,131)	(79,131)

The notes on pages 9 to 17 form part of these financial statements.

HARWICH DOCK COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. Accounting policies

1.1 Basis of preparation of financial statements

Harwich Dock Company Limited (the "Company") is a private company incorporated, domiciled and registered in England in the UK. The registered number is 00774336 and the registered address is Naval House, Kings Quay Street, Harwich, Essex, CO12 3JJ.

These financial statements were prepared in accordance with Section 1A of Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("Section 1A of FRS 102"). The presentation currency of these financial statements is sterling.

The Company's parent undertaking Mann Group Limited included the Company in its consolidated financial statements. The consolidated financial statements of Mann Group Limited are prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK General Accepted Accounting Practice) and are available to the public and may be obtained from the Registrar of Companies (England & Wales). In these financial statements, the company is considered to be qualifying entity (for the purpose of this FRS) and has applied the exemptions available under section 1A of FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The following principal accounting policies have been applied:

1.2 Going concern

Management has reviewed the Company's financial position, which has net current liabilities, along with forecasts. Management has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. This view is based on continued support by related parties in the form of not recalling the current intercompany debt, which accounts for a significant proportion of the creditors falling due within a year, as well as the provision of adequate financial assistance to enable the Company to continue its business operations for at least 12 months from the date of approval of these financial statements. The Company continues to adopt the going concern basis in preparing its financial statements.

1.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

1.4 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

HARWICH DOCK COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. Accounting policies (continued)

1.5 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

1.6 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

1.7 Taxation

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

1.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	- 20%-25% straight line
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

HARWICH DOCK COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. Accounting policies (continued)

1.9 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance Sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

1.10 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

1.11 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.14 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

HARWICH DOCK COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. Other operating income

	2017 £	2016 £
Other operating income	16,290	16,290
	<u>16,290</u>	<u>16,290</u>

3. Auditor remuneration

	2017 £	2016 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	4,000	3,818
	<u>4,000</u>	<u>3,818</u>

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

4. Employees

The average monthly number of employees, including directors, during the year was 36 (2016 - 36).

5. Taxation

	2017 £	2016 £
Corporation tax		
Adjustments in respect of previous periods	-	(49,525)
	<u>-</u>	<u>(49,525)</u>
Group taxation relief	(51,706)	(85,681)
	<u>(51,706)</u>	<u>(135,206)</u>
Total current tax	<u>(51,706)</u>	<u>(135,206)</u>

HARWICH DOCK COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

5. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2016 - *lower than*) the standard rate of corporation tax in the UK of 19.25% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
Loss on ordinary activities before tax	(271,789)	(405,577)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016 - 20%)	(52,310)	(81,115)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	(3,135)	(3,258)
Capital allowances for year in excess of depreciation	(1,474)	(1,308)
Adjustments to tax charge in respect of prior periods	-	(49,525)
Other timing differences leading to an increase (decrease) in taxation	5,213	-
Group relief	51,706	85,561
Payment (receipt) for group relief	(51,706)	(85,561)
Total tax charge for the year	(51,706)	(135,206)

Factors that may affect future tax charges

During the year there was a reduction in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017). A further reduction to 18% (effective 1 April 2020) was substantively enacted on 26 October 2015. This will reduce the company's future current tax charge accordingly.

HARWICH DOCK COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

6. Tangible fixed assets

	Plant and machinery £
Cost or valuation	
At 1 January 2017	2,038,611
At 31 December 2017	<u>2,038,611</u>
Depreciation	
At 1 January 2017	1,910,487
Charge for the year on owned assets	31,464
Charge for the year on financed assets	19,600
At 31 December 2017	<u>1,961,551</u>
Net book value	
At 31 December 2017	<u>77,060</u>
At 31 December 2016	<u>128,124</u>

7. Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 January 2017	1,018
At 31 December 2017	<u>1,018</u>
Net book value	
At 31 December 2017	<u>1,018</u>
At 31 December 2016	<u>1,018</u>

HARWICH DOCK COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

8. Stocks

	2017 £	2016 £
Stocks - raw materials and consumables	12,452	16,171
	<u>12,452</u>	<u>16,171</u>

9. Debtors

	2017 £	2016 £
Trade debtors	183,995	95,861
Amounts owed by group undertakings	84,749	421,101
Amounts owed by joint ventures and associated undertakings	647	649
Other debtors	18,708	43,649
Prepayments and accrued income	23,859	20,389
	<u>311,958</u>	<u>581,649</u>

10. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	229	60,326
Less: bank overdrafts	(61,030)	(295,582)
	<u>(60,801)</u>	<u>(235,256)</u>

HARWICH DOCK COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

11. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank overdrafts	61,030	295,582
Trade creditors	165,851	117,414
Amounts owed to group undertakings	393,908	340,526
Corporation tax	304	304
Other taxation and social security	11,540	12,129
Obligations under finance lease and hire purchase contracts	13,062	43,545
Other creditors	1,262	3,413
Accruals and deferred income	14,530	-
	<u>661,487</u>	<u>812,913</u>

12. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Net obligations under finance leases and hire purchase contracts	40,444	53,506
	<u>40,444</u>	<u>53,506</u>

13. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2017 £	2016 £
Within one year	13,062	43,545
Between 1-5 years	13,939	13,062
Over 5 years	26,505	40,443
	<u>53,506</u>	<u>97,050</u>

HARWICH DOCK COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

14. Financial instruments

	2017 £	2016 £
Financial assets		
Financial assets measured at fair value through profit or loss	<u>1,246</u>	<u>61,344</u>

15. 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. As at the period end there was a net amount of £NIL (2016: £368,484) owed to the bank.

16. Related party transactions

As a wholly owned subsidiary of BNX Holdings Limited the company is exempt from the requirements of FRS102 to disclose transactions with other members of the group headed by BNX Holdings Limited.

Mann Lines OU is not wholly owned by the group. During the year Harwich Dock made sales to Mann Lines OU of £9,522 (2016: £14,530). Included within amounts owed by group undertakings at the year end is a balance due from Mann Lines OU of £592. (2016: £649).

Traminco Limited is a related party by virtue of common control. During the year Traminco Limited made charges for services provided amounting to £109,500 (2016: £159,000). As at the year end £NIL (2016: £15,900) was outstanding with Traminco.

17. Controlling party

The ultimate parent undertaking of this company is BNX Holdings Limited which is registered in Jersey. Mann Group Limited is this companies controlling related party by virtue of its shareholding and the company is included in the consolidated financial statements of that group only. The ultimate controlling related party based on the definitions and requirements of FRS 102 is considered to be AWS Binks as a result of his shareholdings, his beneficial interest under a trust and position on the Board of Directors of the ultimate parent undertaking.