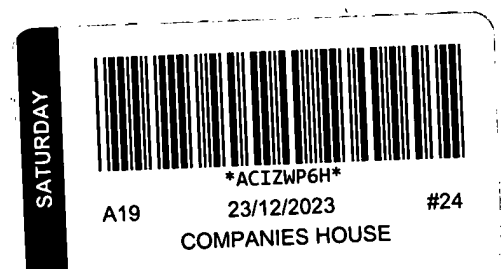


**FOLKESTONE HARBOUR HOLDINGS LIMITED**

**DIRECTORS' REPORT AND ACCOUNTS**

**31 DECEMBER 2022**

**Company Registration Number: 5124490**



## **FOLKESTONE HARBOUR HOLDINGS LIMITED**

### **Directors' report**

Directors: Sir Roger De Haan  
Lady Alison De Haan  
Martin Hart  
Paul Hudson

Secretary: Luke Bain

Registered Office: Strand House, Pilgrims Way, Monks Horton, Ashford, Kent TN25 6DR

Company number: 5124490

The directors submit their report together with the audited accounts for the year ended 31 December 2022.

### **Principal activities and review of business**

The Company acts as a holding company to companies which own the land and harbour situated at Folkestone seafront.

### **Results and dividends**

The profit for the year amounted to £2,362,253 (2021: £4,928,698) which has been transferred to reserves. The profit arises primarily from the release of impairment provisions made in respect of loans due from group undertakings. The directors have reviewed the recoverability of these loans with regard to the net asset position of each of the subsidiaries. The subsidiaries have considered the current uncertainty in the UK property market when preparing their financial statements.

### **Directors**

All directors listed were directors of the company throughout the year.

### **Disclosure of information to auditor**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and the directors have taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### **Auditor**

MHA has expressed their willingness to continue in office as auditor and a resolution proposing their re-appointment will be submitted at the Annual General Meeting.

**FOLKESTONE HARBOUR HOLDINGS LIMITED**

**Directors' report**

**Small Company Exemption**

The above report has been prepared in accordance with the special provisions of Section 1A of FRS 102 relating to small companies.

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



L J Bain  
Secretary

**Registered Office**

Strand House  
Pilgrims Way  
Monks Horton  
Ashford  
Kent  
TN25 6DR

14 December 2023

## **STATEMENT OF DIRECTOR'S RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

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 United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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
- 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 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOLKESTONE HARBOUR HOLDINGS LIMITED**

### **Opinion**

We have audited the financial statements of Folkestone Harbour Holdings Limited (the 'Company') for the year ended 31 December 2022, which comprise the Profit and Loss Account, the Balance Sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 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.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOLKESTONE HARBOUR HOLDINGS LIMITED**

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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. 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 in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report. We have nothing to report in respect of the following matters in relation to which 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; 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' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

### **Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOLKESTONE HARBOUR HOLDINGS LIMITED**

### **Auditor's 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 Auditor's 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. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Enquiry of management around actual and potential litigation and claims; and
- Reviewing minutes of meetings of those charged with governance.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOLKESTONE HARBOUR HOLDINGS LIMITED**

## **Use of our report**

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.



**Duncan Cochrane-Dyet BSc BFP FCA, Senior Statutory Auditor**

for and on behalf of

**MHA**

Statutory Auditor

Maidstone

United Kingdom

Date: *21 December 2023*

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)



**FOLKESTONE HARBOUR HOLDINGS LIMITED****Profit and loss account for the year ended 31 December 2022**

	Note	2022 £	2021 £
Administrative expenses		(174,618)	(32,020)
Interest receivable	2	19,553	53
Release of impairment/(impairment) of loans	11	2,517,318	(4,896,731)
<b>Profit/(loss) on ordinary activities before taxation</b>	3	<u>2,362,253</u>	<u>(4,928,698)</u>
Taxation	4	-	-
<b>Profit/(loss) on ordinary activities after taxation</b>	9	<u>2,362,253</u>	<u>(4,928,698)</u>

Continuing operations

All activities are continuing.

Other comprehensive income

The Company has no other comprehensive income other than the amounts shown above for the two years.

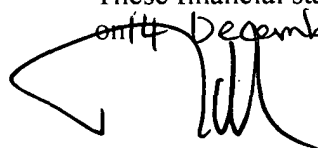
The notes on pages 10 to 16 form part of these financial statements.

**FOLKESTONE HARBOUR HOLDINGS LIMITED**  
**Balance sheet as at 31 December 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Investments	5	7,439,883	4,940,883
<b>Current assets</b>			
Cash at bank and in hand		3,750,523	1,482,007
Debtors	6	93,191	62,513
Amounts due from subsidiary undertakings	11	103,714,737	75,097,419
		<u>107,558,451</u>	<u>76,641,939</u>
<b>Creditors</b>			
- amounts falling due within one year	7	<u>(127,450,527)</u>	<u>(96,397,268)</u>
<b>Net current liabilities</b>		(19,892,076)	(19,755,329)
<b>Net liabilities</b>		<u>(12,452,193)</u>	<u>(14,814,446)</u>
<b>Capital and reserves</b>			
Called-up share capital	8	2,800,004	2,800,004
Profit and loss account	9	(15,252,197)	(17,614,450)
<b>Shareholder's deficit</b>	10	<u>(12,452,193)</u>	<u>(14,814,446)</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the provisions of FRS 102 section 1A – small entities.

These financial statements were approved by the Directors  
on ~~14~~ *14* December 2023 and signed on their behalf by:



RM De Haan  
Director

Company Registration Number: 5124490

The notes on pages 10 to 16 form part of these financial statements.

## **FOLKESTONE HARBOUR HOLDINGS LIMITED**

### **Notes to the financial statements**

#### **1 Accounting policies**

##### **a) General information**

Folkestone Harbour Holdings Limited is a private company limited by shares and incorporated in England and Wales within the United Kingdom. The address of the registered office is Strand House, Pilgrims Way, Monks Horton, Ashford, Kent TN25 6DR. The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £1.

##### **b) Accounting convention**

The Company met the small company criteria and therefore these financial statements were prepared 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). The Company has taken advantage of the exemptions under Section 1A of FRS 102 in respect of the preparation of a Cash Flow Statement and related notes and a Statement of Changes in Equity.

##### **c) Critical accounting judgements and key sources of estimation uncertainty**

A key source of estimation uncertainty within these financial statements surrounds the recoverability of the loan balances due from group undertakings as stated in note 11. The directors have reviewed the recoverability of these loans with regard to the net asset position of each of the subsidiaries. The subsidiaries have considered the current uncertainty in the UK property market when preparing their financial statements. This review has given rise to a release of impairment totalling £2,517,317 in the year (2021 impairment charge: £4,896,731). Should there be a further significant movement in UK real estate pricing, which impacts the financial position of the subsidiaries, then a further impairment or impairment release of the loan balances may be necessary. The directors have also reviewed the carrying value of the company's investment in its subsidiary undertakings with regards to the financial position of the subsidiaries. This review resulted in no impairment adjustment (2021: no impairment).

##### **e) Expenses**

All expenses are accounted for on an accruals basis

##### **f) Interest receivable**

Interest receivable and similar income include interest receivable on bank deposits and is recognised in the period to which it relates.

##### **g) Investments**

Investments are held at cost less any provision for impairment.

##### **h) Cash and cash equivalents**

Cash comprises cash on hand and demand deposits.

##### **i) Trade and other receivables**

Trade and other receivables are stated at their nominal value.

**FOLKESTONE HARBOUR HOLDINGS LIMITED**  
**Notes to the financial statements continued**

**j) Trade and other payables**

Trade and other payables are stated at their nominal value.

**i) Going concern**

Notwithstanding net current liabilities of £19,892,076 as at 31 December 2022 (2021: £19,755,329) the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons:

The directors have assessed the funding requirements for a period of 12 months from the date of approval of these financial statements which indicates that, taking account of reasonably possible downsides, the company will have sufficient funds, through funding from its immediate shareholder Roger De Haan, to meet its liabilities as they fall due for that period. This assessment is dependent on Roger De Haan not seeking repayment of the amounts currently due to him, which at 31 December 2022 amounted to £127,343,071 (2021: £96,343,071), and providing additional financial support during that period. Roger De Haan has indicated his intention to continue to make available such funds as are needed by the company, and that he does not intend to seek repayment of the amounts due at the balance sheet date, for a period of 12 months from the date of approval of the accounts. As with any company placing reliance on a shareholder for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Based on these assessments and having regard to the resources available to the entity, the directors have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the accounts.

<b>2</b>	<b>Interest receivable</b>	<b>2022</b>	<b>2021</b>
		£	£
	Bank deposit interest	19,553	53
		<u>19,553</u>	<u>53</u>
<b>3</b>	<b>Profit/(loss) on ordinary activities before taxation</b>	<b>2022</b>	<b>2021</b>
		£	£
	Is stated after charging:-		
	Audit fees	<u>36,568</u>	<u>1,035</u>

The auditor also received £nil for tax services (2021: £nil).

The directors received no remuneration for their services to the company either in the current or prior year.

**FOLKESTONE HARBOUR HOLDINGS LIMITED**  
**Notes to the financial statements continued**

<b>4</b>	<b>Tax on profit on ordinary activities</b>	<b>2022</b>	<b>2021</b>
		£	£
	Current tax	-	-

UK corporation tax rate remained at 19% (effective 1 April 2019). Corporation tax rates will remain at 19% for the financial years starting 1 April 2021, as substantively enacted on 17 March 2020. Legislation has been introduced in the Finance Bill 2021 to effect an increase in the Corporate Tax main rate to 25% for the financial year beginning 1 April 2023.

**FOLKESTONE HARBOUR HOLDINGS LIMITED**  
**Notes to the financial statements continued**

**5 Investments**

	Folkestone Harbour Company Limited	Folkestone Harbour (1) Limited	Folkestone Harbour (2) Limited	Folkestone Harbour (3) Limited	Folkestone Harbour (4) Limited	Folkestone Harbour (GP) Limited	Folkestone Harbour & Seafront Management Co. Limited	Folkestone Shoreline Limited	Total
	£	£	£	£	£	£	£	£	£
<b>Cost</b>									
1 Jan 2022	4,939,873	2	2	2	2	2	1,000	-	4,940,883
Change in the year	-	-	-	-	-	-	498,998	2,000,002	2,499,000
31 Dec 2022	4,939,873	2	2	2	2	2	499,998	2,000,002	7,439,883
<b>Impairment</b>									
1 Jan 2022	-	-	-	-	-	-	-	-	-
Change in the year	-	-	-	-	-	-	-	-	-
31 Dec 2022	-	-	-	-	-	-	-	-	-
<b>Impaired Cost as at</b>									
31 Dec 2022	4,939,873	2	2	2	2	2	499,998	2,000,002	7,439,883
<b>Impaired Cost as at</b>									
31 Dec 2021	4,939,873	2	2	2	2	2	1,000	-	4,940,883

The directors have reviewed the value of the company's 100% investment in Folkestone Harbour Company Limited, the net assets of which have decreased to £3.5 million in the year. As such there are no indications to suggest the investment needs to be impaired.

**FOLKESTONE HARBOUR HOLDINGS LIMITED**  
**Notes to the financial statements continued**

**6 Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Due from subsidiary undertakings (see note 11)	47,214	32,698
Due from Folkestone Harbour Limited Partnership (see note 11)	41,919	26,815
Social security and other taxes	4,058	-
	<u>93,191</u>	<u>62,513</u>

**7 Creditors**

- amounts falling due within one year

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	26,834	15,251
Accruals	80,622	37,946
Amounts due to subsidiary undertakings	1,000	1,000
Loan from director	<u>127,343,071</u>	<u>96,343,071</u>
	<u>127,450,527</u>	<u>96,397,268</u>

The loan from the director is repayable on demand and is therefore classified as creditors falling due within one year in the current period. Loan advances during the year amounted to £31,000,000. It is also interest free. The lender has indicated that he does not intend to demand repayment within the next 12 months, as set out in note 1(j). The loan is secured by way of a debenture over the assets of the company.

**8 Called up share capital**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
12,000,000 ordinary shares of £1 each	<u>12,000,000</u>	<u>12,000,000</u>
<b>Allotted and fully paid</b>		
2,800,004 ordinary shares of £1 each	<u>2,800,004</u>	<u>2,800,004</u>

**9 Profit and loss account**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
At 1 <sup>st</sup> January	(17,614,450)	(12,685,752)
Profit/(loss) for the year	2,362,253	(4,928,698)
At 31 December	<u>(15,252,197)</u>	<u>(17,614,450)</u>

**10 Reconciliation of movement in shareholder's deficit**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Total Comprehensive Profit/(Loss) relating to the period	2,362,253	(4,928,698)
Shareholder's deficit brought forward	(14,814,446)	(9,885,748)
Shareholder's deficit carried forward	<u>(12,452,193)</u>	<u>(14,814,446)</u>

**FOLKESTONE HARBOUR HOLDINGS LIMITED**  
**Notes to the financial statements continued**

**11 Related party disclosures**

The company has loan arrangements with the entities set out below. All entities fall within a group which is wholly owned by the company. All entities are registered in the UK. With the exception of Folkestone Harbour Company Limited, the subsidiaries are Limited Partners in Folkestone Harbour Limited Partnership, an English Qualifying Partnership.

	<b>Loan Receivable 31 December 2021 £</b>	<b>Movement in the year £</b>	<b>Impairment Release £</b>	<b>Loan Receivable 31 December 2022 £</b>
Folkestone Harbour Company Ltd	4,565,177	850,000	-	5,415,177
Folkestone Harbour (1) Ltd	301,625	-	47,838	349,463
Folkestone Harbour (2) Ltd	7,190,715	-	1,191,771	8,382,486
Folkestone Harbour (3) Ltd	4,311,124	-	714,563	5,025,687
Folkestone Harbour (4) Ltd	3,397,426	-	563,146	3,960,572
Folkestone Harbour LP	55,325,240	23,250,000	-	78,575,240
Folkestone Harbour (GP) Ltd	6,112	-	-	6,112
Folkestone Shoreline Ltd	-	2,000,000	-	2,000,000
	<u>75,097,419</u>	<u>26,100,000</u>	<u>2,517,318</u>	<u>103,714,737</u>

All of the above loans are repayable on demand and interest free. In addition to the above loan agreements, the company has provided working capital advances to Folkestone Harbour (1) Limited of £8,702, Folkestone Harbour (2) Limited of £8,135, Folkestone Harbour (3) Limited of £8,135, Folkestone Harbour (4) Limited of £8,635, Folkestone Harbour (GP) Limited of £9,974, Folkestone Shoreline Limited of £3,633 and Folkestone Harbour LP of £41,919. Amounts were owed to a Company Director at the year end as disclosed in note 7.

**12 Exemption from Group Financial Statements**

The director has taken advantage of the exemption from preparing group accounts under section 398 of Part 15 of the Companies Act 2006.



**FOLKESTONE HARBOUR HOLDINGS LIMITED**  
**Notes to the financial statements**

**13 Financial Information about Subsidiary Undertakings**

The aggregate capital and reserves as at the end of the financial year, and the profits and losses for the year were as follows:

	<b>Capital &amp; reserves</b>	<b>Profit/(loss) for the year</b>
	<b>£</b>	<b>£</b>
Folkestone Harbour Company Limited	5,727,000	2,036,000
Folkestone Harbour (1) Limited	(13,236,224)	2,297,130
Folkestone Harbour (2) Limited	(6,874,023)	1,191,772
Folkestone Harbour (3) Limited	(4,128,221)	714,562
Folkestone Harbour (4) Limited	(3,256,977)	563,145
Folkestone Harbour (GP) Limited	47,598	15,754

All entities are registered in the UK at Strand House, Pilgrims Way, Monks Horton, Ashford, Kent, TN25 6DR, and are 100% owned by the Company. Other subsidiaries did not trade during the year and the amounts are not disclosed on the grounds of their immateriality.

**14 Subsequent events**

The Company has evaluated events from 31 December 2022 through to the date the financial statements were issued. There were no subsequent events that need disclosure.