

PORTHLEVEN HARBOUR AND DOCK COMPANY

A M E N D E D

DIRECTORS REPORT AND ACCOUNTS

FOR THE YEAR ENDED 30TH SEPTEMBER 1987

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PORTHLEVEN HARBOUR AND DOCK COMPANY

DIRECTORS

T. Osborne
D. Parkes

REGISTERED OFFICE

Osprey House
Lower Square
Old Isleworth
Middlesex

SECRETARY

J. Summers (appointed 18th December 1987)

REGISTERED NUMBER

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

REPORT OF THE DIRECTORS

The directors present their report and the audited accounts for the year ended 30th September 1987.

Review of activities and post balance sheet events

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.

The loss for the year after taxation amounted to £13109.

During the year the company disposed of twelve freehold properties, six to third parties and six to its fellow subsidiary Saracen House Estates Ltd.

Both the level of business and the year end financial position were satisfactory, and the directors expect that the present level of activity will be sustained for the foreseeable future.

The directors do not recommend the payment of a dividend and the loss has been deducted from reserves.

Fixed assets

The movements in fixed assets during the year are set out in note 8 to the accounts.

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.

Both served on the board throughout the year.

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

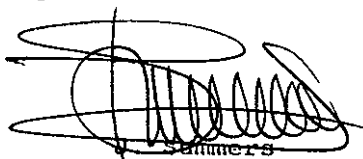
Taxation status

In the opinion of the directors the company is a close company within the meaning of the Income and Corporation Taxes Act 1970, as amended.

Auditors

Oswald Ling & Son offer themselves for re-appointment as auditors in accordance with Section 384 (1) of the Companies Act 1985.

By order of the board



J. Summers
Secretary

19th April 1997

REPORT OF THE AUDITORS TO THE MEMBERS OF

PORTHLEVEN HARBOUR AND DOCK COMPANY

We have audited the financial statements set out on pages 4 to 12 in accordance with approved auditing standards.

In our opinion the financial statements, which have been prepared in accordance with the accounting policies set out on page 7, give a true and fair view of the state of affairs of the company at 30th September 1987 and of its loss for the year then ended and comply with the Companies Act 1985.



Oswald Ling & Son
Chartered Accountants
Derby

19th April 1997

PORTHLEVEN HARBOUR AND DOCK COMPANY
 PROFIT AND LOSS ACCOUNT
 FOR THE YEAR ENDED 30TH SEPTEMBER 1987

	Note	1987 £	1986 £
Turnover	2	68074	412605
Cost of sales		(63685)	(391210)
Gross profit		4389	21395
Net operating expenses	3	(36773)	(30724)
Operating loss	4	(32384)	(9329)
Other interest receivable	5	443	416
Interest payable and similar charges	6	(576)	(605)
Loss on ordinary activities before taxation		(32517)	(9518)
Tax on loss on ordinary activities	7	19408	-
Loss on ordinary activities after taxation		(13109)	(9518)
Retained loss brought forward		(146800)	(137282)
Retained loss carried forward		(159909)	(146800)

PORTHLEVEN HARBOUR AND DOCK COMPANY
BALANCE SHEET AT 30TH SEPTEMBER 1987

5.

	Note	1987 £	1986 £
Fixed assets			
Tangible assets	8	70186	81065
Current assets			
Stocks	9	68698	40219
Debtors	10	463553	370202
Cash at bank and in hand		63	61
		<u>532314</u>	<u>410482</u>
Creditors			
Amounts falling due within one year	11	<u>70132</u>	<u>119780</u>
Net current assets		462182	290702
Total assets less current liabilities		532368	371767
Provisions for liabilities and charges	12	20	-
		<u>532348</u>	<u>371767</u>
Capital and reserves			
Called up share capital	13	18180	18180
Capital reserve	14	674077	500387
Profit and loss account		(159909)	(146800)
		<u>532348</u>	<u>371767</u>

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

T. Osborne

S. C. Osborne

Directors

PORTHLEVEN HARBOUR AND DOCK COMPANY
STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE YEAR ENDED 30TH SEPTEMBER 1987

	1987		1986	
	£	£	£	£
Source of funds				
Loss on ordinary activities before taxation		(32517)		(9518)
Items not involving the movement of funds				
Depreciation		1907		2612
Funds absorbed by operations		(30610)		(6906)
Funds from other sources				
Proceeds on sale of properties	201940		9592	
Proceeds on sale of fixed assets	150		-	
Tax repayment	1500		-	
		203590		9592
Total funds obtained		172980		2686
Application of funds				
Tax paid		-		1500
Net inflow of funds		172980		1186
Decrease in working capital				
Increase/(decrease) in stocks	28479		(78352)	
Increase in debtors	94851		121864	
Decrease/(increase) in creditors (excluding borrowings and taxation)	36325		(25842)	
		159655		17670
Movement in net liquid funds				
Increase/(decrease) in cash balances		13325		(16484)
		172980		1186

7.

PORTHLEVEN HARBOUR AND DOCK COMPANY
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30TH SEPTEMBER 1987

1. Accounting policies

There have been no changes in accounting policies during the year.
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 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 principle 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.

Stocks and developments in progress

Stocks and developments in progress are stated at the lower of cost and net realisable value.

Deferred taxation

Deferred taxation is the taxation attributable to timing differences between profits computed for taxation purposes and profits as stated in the accounts.

Capital reserve

The original cost of certain properties being unknown, the company, on the advice of its legal advisors, treats the whole of the net proceeds of sales of such properties as being of a capital value.

PORTHLEVEN HARBOUR AND DOCK COMPANY
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30TH SEPTEMBER 1987

2. Turnover and loss on ordinary activities before taxation

The turnover and loss before taxation is attributable to the principal activity and the market is confined to the United Kingdom.

3. Net operating expenses

Net operating expenses are made up as follows:-

	1987 £	1986 £
Administrative costs	39823	33102
Less other operating income		
Sundry receipts	3050	2378
	<u>36773</u>	<u>30724</u>

4. Operating loss

Operating loss is stated after charging:-

	1987 £	1986 £
Auditors' remuneration	3300	3160
	<u>3300</u>	<u>3160</u>

5. Other interest receivable

	1987 £	1986 £
Bank deposit interest	443	416
	<u>443</u>	<u>416</u>

6. Interest payable and similar charges

	1987 £	1986 £
On bank loans, overdrafts and other loans:-		
Repayable within five years, otherwise than by instalments	576	605
	<u>576</u>	<u>605</u>

PORTHLEVEN HARBOUR AND DOCK COMPANY
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30TH SEPTEMBER 1987

7. Tax on loss on ordinary activities

	1987 £	1986 £
U.K. corporation tax at 35% (1986 - 37.5%)	(10793)	-
Transfer from deferred taxation	(439)	-
	<u>(11232)</u>	<u>-</u>
Adjustments in respect of prior year:-		
Corporation tax	(8635)	-
Deferred tax	459	-
	<u>(19408)</u>	<u>-</u>

8. Tangible fixed assets

	Freehold Land and Buildings	Plant and Machinery	Fixtures and Fittings	Motor Vehicles	Harbour Equipment	Total
Cost	£	£	£	£	£	£
At 1st October 1986	70339	14801	4857	5704	2136	97837
Disposals	(8822)	(300)	-	-	-	(9122)
At 30th September 1987	<u>61517</u>	<u>14501</u>	<u>4857</u>	<u>5704</u>	<u>2136</u>	<u>88715</u>
Depreciation						
At 1st October 1986	-	8439	3701	2496	2136	16772
Charge for year	-	932	173	802	-	1907
Disposals	-	(150)	-	-	-	(150)
At 30th September 1987	<u>-</u>	<u>9221</u>	<u>3874</u>	<u>3298</u>	<u>2136</u>	<u>18529</u>
Net book value						
At 30th September 1987	<u>61517</u>	<u>5280</u>	<u>983</u>	<u>2406</u>	<u>-</u>	<u>70186</u>
Net book value						
At 30th September 1986	<u>70339</u>	<u>6362</u>	<u>1156</u>	<u>3208</u>	<u>-</u>	<u>81065</u>

9. Stocks and work in progress

	1987 £	1986 £
Finished goods and goods for resale	-	405
Developments in progress	68698	39814
	<u>68698</u>	<u>40219</u>

PORTHLEVEN HARBOUR AND DOCK COMPANY
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30TH SEPTEMBER 1987

10.

10. Debtors

	1987 £	1986 £
Trade debtors	340209	353228
Amounts owed by group companies	111145	-
Other debtors	7896	11156
Prepayments and accrued income	4302	4312
Corporation tax recoverable	-	1500
	<u>463553</u>	<u>370202</u>

11. Creditors

Amounts falling due within one year

	1987 £	1986 £
Bank overdrafts	6007	19330
Trade creditors	27381	42390
Amounts owed to group companies	48	31662
Other creditors	11371	1540
Other taxes and social security	868	350
Accruals and deferred income	24457	24508
	<u>70132</u>	<u>119780</u>

12. Deferred taxation

	1987		1986	
	Potential £	Provided £	Potential £	Provided £
Accelerated capital allowances	2192	2192	2631	2631
Less trading losses	(2172)	(2172)	(10807)	(2631)
	<u>20</u>	<u>20</u>	<u>(8176)</u>	<u>-</u>

13. Share capital

	1987 £	1986 £
Authorised		
Ordinary shares of £100 each	20000	20000
Allotted and partly paid	<u> </u>	<u> </u>
Ordinary shares of £100 each	<u>18180</u>	<u>18180</u>

PORTHLEVEN HARBOUR AND DOCK COMPANY
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30TH SEPTEMBER 1987

11.

14. Reserves

	Capital reserve £
Balance at 1st October 1986	500387
Net proceeds on properties sold in the year	173690
Balance at 30th September 1987	<u>674077</u>

15. Capital commitments

The company had no capital commitments at 30th September 1987 or 30th September 1986.

16. Contingent liabilities

At 30th September 1987 and 30th September 1986 Barclays Bank plc held an indemnity in respect of a bond given to Cornwall County Council in the sum of £10000.

17. Ultimate holding company

The directors regard Saracen House Limited, a company registered in England, as the ultimate holding company.

18. Information regarding directors

Share interests

The interests of the directors in the shares of the company at 30th September 1987 were as stated below. The interests are beneficial unless otherwise stated.

Ordinary shares of £1 each
30th September 1987 30th September 1986

	Number	Nominal Value £	Number	Nominal Value £
T. Osborne	5	500	5	500
D. Parkes *	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 directors received no emoluments during the year (1986 Nil).

PORTMILEVEN HARBOUR AND DOCK COMPANY
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30TH SEPTEMBER 1987

12.

18. Information regarding directors continued

Financial transactions

A credit transaction subsisted throughout the year between Mr. Osborne and the company. Mr. Osborne's liability at 30th September 1987 amounted to £304387 (1986 - £328762) and the maximum liability during the year amounted to £341912.

19. Particulars of employees

The average number of employees of the company (including directors) during the year was 5 (1986 - 6).

Their total remuneration was:-

	1987 £	1986 £
Wages and salaries	18319	22831
Social security costs	1386	1842
Other pension costs	769	383
	<u>20474</u>	<u>25056</u>