

Company Registration No. 00829104 (England and Wales)

NAVIGATOR TERMINALS SEAL SANDS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022



NAVIGATOR TERMINALS SEAL SANDS LIMITED

COMPANY INFORMATION

Directors	Mr Jason Hornsby Mr Rob Herman Breuk
Secretary	Mr David Martin
Company number	00829104
Registered office	Oliver Road Grays Essex England RM20 3ED
Independent auditors	PKF Littlejohn LLP 15 Westferry Circus London E14 4HD
Bankers	Royal Bank of Scotland plc London Corporate Banking Centre PO Box 39952 2½ Devonshire Square London United Kingdom EC2M 4XJ
Solicitors	Birkett Long LLP Christopher Martin Road Basildon Essex United Kingdom SS14 3EZ

NAVIGATOR TERMINALS SEAL SANDS LIMITED

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NAVIGATOR TERMINALS SEAL SANDS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The directors present the strategic report of the company for the financial year ended 31 March 2022.

Review of the business

The profit for the financial year amounted to £6,101,000 (2021: £6,562,000).

Net assets as at 31 March 2022 were £23,661,000 (2021: £16,938,000).

During the prior year the company paid an ordinary dividend in respect of the year ended 31 March 2020 amounting to £6,748,000. No dividend has been declared or paid in the year to 31 March 2022.

Principal risks and uncertainties

As upper tier COMAH (Control of Major Accident Hazards) sites the key business risk continues to be management of our Health & Safety action plans whilst maintaining safe operating environment. Our primary focus continues to be the safety of our people, business processes and the environment.

The group of which the company is a member maintains a Crisis Management plan our focus is on Health and Well-being of all our staff and contractors whilst maintaining safe business continuity.

The UK business risk register continues to be monitored by our Senior Management Group.

Further details of the risks and uncertainties applicable to the group of which the company is a member are included in the group Strategic Report prepared by the ultimate parent company (see note 21).

Key performance indicators (KPIs)

Customers enter into long term contracts for exclusive use of the tanks with a core level of throughput (effectively take or pay). The pricing increases annually mainly due to the contracted inflation uplift. The operating cost base may be considered relatively fixed given that most elements are not subject to throughput-based variance, although uplifts in utility costs were experienced in the second half of the year. Consequently, the company directors are of the opinion that analysis using KPIs other than revenues and profitability is not necessary for an understanding of the development, performance or position of the business. However, the Management Team takes a 'Safety First' approach to the business and pays particular attention to safety-related key performance indicators. These are reviewed, with a continuous eye to improvement and reported to the Board on a regular basis.

Future developments

The company will continue to ensure that the safety of its staff remains paramount to ensure the delivery of its services to a high quality and in compliance with relevant laws and regulations. The senior leadership team monitors the company's activities closely to ensure planned maintenance programmes are completed as required.

There are no further specific planned developments for the company at this time, however the Board monitors customer requirements, other market developments and external factors (such as climate risk) applicable to the company as part of forward looking strategic planning for the group of which the company is a member.

NAVIGATOR TERMINALS SEAL SANDS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Financial risk management

Currency risk

The company is not exposed to currency risks. All transactions are in Sterling.

Interest rate risk

The company is not exposed to the consequences of variable interest rates on inter-group liabilities.

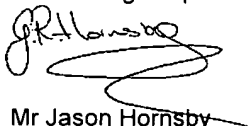
Credit risk

The company does not have any significant concentrations of credit risk. Various corporate initiatives have been implemented to ensure early identification of possible exposure to customers who may be considered a credit risk.

Liquidity risk

The directors ensure adequate resources are available to meet the funding requirements of the company through forecasting and budgeting and ensuring support is available from fellow group undertakings.

The strategic report was approved by the Board of Directors and signed on its behalf by:



Mr Jason Hornsby

Director

11 August 2022

NAVIGATOR TERMINALS SEAL SANDS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The directors present their annual report and audited financial statements of the company for the year ended 31 March 2022.

Principal activities

The principal activity of the company during the year continued to be that of operation of bulk liquid storage facilities.

Results and dividends

The results for the year are set out on page 10.

No ordinary dividends were paid in the year (2021: £6,748,000 in respect of the year ended 31 March 2020). The directors do not recommend the payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements, unless otherwise stated, were as follows:

Mr Jason Hornsby

Mr Rob Herman Breuk

The list of directors is correct and up to date with the filing records on the Companies House website.

Directors' indemnities

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the financial year and also as at the date of approval of these financial statements. The company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its directors.

Matters included in the Strategic Report

The company has chosen in accordance with Companies Act 2006, s.414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of financial risk management and future activities.

Supplier payment policy

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Auditor

PKF Littlejohn LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

NAVIGATOR TERMINALS SEAL SANDS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Going concern

The financial statements have been prepared on a going concern basis. In determining the company's ability to continue as a going concern, management have prepared forecasts which extend for a period of more than 12 months from the date of signing these financial statements, taken consideration of the overall strategic plan for the group of which the company is a member, reviewed the results of the assessment for impairment of assets and considered if financing facilities available to the group are sufficient to meet day-to-day working capital requirements.

The forecasts prepared by management take account of reasonable changes in operating subsidiaries trading performance, which demonstrates ongoing positive cash generation in various downside scenarios. Review of the group's finance facilities indicate that there is sufficient headroom available for future capital investment programmes to proceed.

On this basis, management have determined that the company will have adequate resources to continue as a going concern.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual 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 the directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including FRS 101 *Reduced Disclosure Framework* (United Kingdom Generally Accepted Accounting Practice). 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;
- state whether applicable United Kingdom Accounting Standards, comprising of FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.

NAVIGATOR TERMINALS SEAL SANDS LIMITED

DIRECTORS' REPORT (CONTINUED)

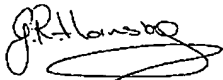
FOR THE YEAR ENDED 31 MARCH 2022

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



Mr Jason Hornsby

Director

11 August 2022

NAVIGATOR TERMINALS SEAL SANDS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NAVIGATOR TERMINALS SEAL SANDS LIMITED

Opinion

We have audited the financial statements of Navigator Terminals Seal Sands Limited (the 'company') for the year ended 31 March 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 101 *Reduced Disclosure Framework* (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 March 2022 and of its profit 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 UK, including the FRC'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 director's 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to 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.

NAVIGATOR TERMINALS SEAL SANDS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NAVIGATOR TERMINALS SEAL SANDS LIMITED

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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have 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 strategic report or 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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.

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:

- We obtained an understanding of the group and parent company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management and the internal legal team.

NAVIGATOR TERMINALS SEAL SANDS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NAVIGATOR TERMINALS SEAL SANDS LIMITED

- We determined the principal laws and regulations relevant to the group in this regard to be those arising from:
 - *Environmental protection laws and regulations*
 - *Local tax laws and regulations*
 - *UK employment law*
 - Companies Act 2006
 - Control of major accidents hazards (COMAH)
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group with those laws and regulations. These procedures included, but were not limited to:
 - Making enquiries of management;
 - A review of Board minutes;
 - A review of legal ledger accounts; and
 - Discussions with internal legal personnel, and liaising with external legal consultants.
- We also identified the risks of material misstatement of the financial statements due to fraud. Aside from the non-rebuttable presumption of a risk of fraud arising from management override of controls, we did not identify any significant fraud risks.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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. This description forms part of our auditor's report.

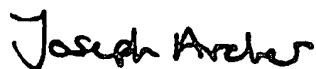
NAVIGATOR TERMINALS SEAL SANDS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NAVIGATOR TERMINALS SEAL SANDS 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.



Joseph Archer (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

11 August 2022

15 Westferry Circus
Canary Wharf
London
E14 4HD

NAVIGATOR TERMINALS SEAL SANDS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £'000	2021 £'000
Revenue	5	22,616	22,640
Administrative expenses		(14,940)	(14,741)
Operating profit	6	7,676	7,899
Finance income	10	117	146
Finance costs	10	(23)	(20)
Net finance income	10	94	126
Profit before taxation		7,770	8,025
Tax on profit	11	(2,382)	(1,463)
Profit for the financial year		5,388	6,562
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Movement on deferred tax relating to pension surplus	11	(794)	174
Actuarial gain/(loss) on pension schemes	17	1,356	(1,446)
Total items that will not be reclassified to profit or loss		562	(1,272)
Total other comprehensive income for the year		562	(1,272)
Total comprehensive income for the year		5,950	5,290

The income statement has been prepared on the basis that all operations are continuing operations.

NAVIGATOR TERMINALS SEAL SANDS LIMITED


STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

	Note	2022 £'000	2021 £'000
Fixed assets			
Property, plant and equipment	12	37,598	38,894
Retirement benefit surplus	17	7,208	5,307
		<u>44,806</u>	<u>44,201</u>
Current assets			
Trade and other receivables	13	1,572	1,811
Cash and cash equivalents		7,509	3,187
		<u>9,081</u>	<u>4,998</u>
Creditors: amounts falling due within one year	14	(25,600)	(28,548)
Net current liabilities		<u>(16,519)</u>	<u>(23,550)</u>
Total assets less current liabilities		<u>28,287</u>	<u>20,651</u>
Creditors: amounts falling due in more than one year			
Lease liabilities	15	(625)	(584)
Provisions for liabilities	16	(4,774)	(3,129)
Net assets		<u>22,888</u>	<u>16,938</u>
Equity			
Called up share capital	18	100	100
Retained earnings		22,788	16,838
Total equity		<u>22,888</u>	<u>16,938</u>

The notes on pages 13 - 30 form an integral part of these financial statements.

The financial statements on pages 10 to 30 were approved by the board of directors and authorised for issue on 11 August 2022 and were signed on its behalf by:


Mr Jason Hornsby
Director

Registration No. 00829104

NAVIGATOR TERMINALS SEAL SANDS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

	Note	Share capital £'000	Retained earnings £'000	Total £'000
Balance at 1 April 2020		100	18,296	18,396
Year ended 31 March 2021:				
Profit for the financial year		-	6,562	6,562
Other comprehensive income:				
Actuarial gains on defined benefit pension scheme		-	(1,446)	(1,446)
Movement on deferred tax relating to pension surplus		-	174	174
Total comprehensive income for the year		-	5,290	5,290
Distributions	19	-	(6,748)	(6,748)
Balance at 31 March 2021		100	16,838	16,938
Year ended 31 March 2022:				
Profit for the financial year		-	5,388	5,388
Other comprehensive income:				
Actuarial losses on defined benefit pension scheme		-	1,356	1,356
Movement on deferred tax relating to pension surplus		-	(794)	(794)
Total comprehensive income for the year		-	5,950	5,950
Balance at 31 March 2022		100	22,788	22,888

NAVIGATOR TERMINALS SEAL SANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 General Information

Navigator Terminals Seal Sands Limited is a wholly owned subsidiary of Navigator Terminals Limited and is a private company limited by shares incorporated and domiciled in England and Wales. The registered office is Oliver Road, Grays, Essex, England, RM20 3ED. The company's principal activities and nature of its operations are disclosed in the directors' report.

2 Summary of significant accounting policies

2.1 Statement of compliance

These financial statements have been prepared in accordance with applicable law and United Kingdom Accounting Standards, including FRS 101 *Reduced Disclosure Framework* (United Kingdom Generally Accepted Accounting Practice). The financial statements have been prepared under the historical cost convention.

The company's financial statements are presented in Sterling, and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

2.2 Basis of preparation

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 March 2022. These policies have been consistently applied to all the financial periods presented unless otherwise stated.

The company is a member of the Navigator Terminals group of companies (see Note 22), and has taken advantage of the following disclosure exemptions available under FRS 101, on the basis that the ultimate parent undertaking has included them within its own published consolidated financial statements:

- a. the requirements of IFRS 7 Financial Instruments: Disclosures;
- b. the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- c. the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119 (a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- d. the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134 to 136 of IAS 1 Presentation of Financial Statements;
- e. the requirements of IAS 7 Statement of Cash Flows;
- f. the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- g. the requirements of paragraph 73(e) of IAS 16 Property, Plant and Equipment to provide a reconciliation of carrying amounts at the beginning and end of the prior period;
- h. the requirements of IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group;
- i. the requirements of paragraphs 17 and 18a of IAS 24 Related Party Disclosures to disclose key management compensation; and
- j. the requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairment of Assets.

NAVIGATOR TERMINALS SEAL SANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

2 Summary of significant accounting policies

(Continued)

2.3 Going concern

The financial statements have been prepared on a going concern basis. In determining the company's ability to continue as a going concern, management have prepared forecasts which extend for a period of more than 12 months from the date of signing these financial statements, taken consideration of the overall strategic plan for the group of which the company is a member, reviewed the results of the assessment for impairment of assets and considered if financing facilities available to the group are sufficient to meet day-to-day working capital requirements.

The forecasts prepared by management take account of reasonable changes in operating subsidiaries trading performance, which demonstrates ongoing positive cash generation in various downside scenarios. Review of the group's finance facilities indicate that there is sufficient headroom available for future capital investment programmes to proceed.

On this basis, management have determined that the company will have adequate resources to continue as a going concern.

2.4 New standards, amendments and IFRIC interpretations

Amendments to the accounting standards effective for the year ended 31 March 2022 are set out in note 3 of these financial statements. None of the amendments has had a material impact on the company's financial statements.

2.5 Foreign currencies

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to the income statement.

2.6 Fixed assets and depreciation

All property, plant and equipment are carried at cost less accumulated depreciation and impairment losses. Cost represents the original purchase price of the net asset and any costs attributable to bringing the asset to its working condition for its intended use. The assets are depreciated on a straight-line basis over the assets estimated useful life as follows:

Plant and equipment	10 - 40 years
Right of Use Assets	3 - 93 years
Land and buildings	8 - 40 years
Assets under construction	Not depreciated until brought to use

No provision is made for depreciation on land. Depreciation is calculated on a straight-line basis over the expected useful economic lives, commencing when the assets are first brought into use.

Impairment in value is charged to the income statement when it is identified.

NAVIGATOR TERMINALS SEAL SANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

2 Summary of significant accounting policies

(Continued)

2.7 Revenue

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises revenue when it transfers control of a product or service to a customer.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

The company recognises revenue from the following sources:

- Tank rentals
- Excess throughputs and other services
- Customer contributions to capital programmes

The nature, timing of satisfaction of performance obligations and significant payment terms of the company's major sources of revenue are as follows:

Tank rentals

Revenue from tank rentals, including minimum guaranteed throughputs, is recognised on a straight-line basis over the contractual period.

Excess throughputs and other services

Revenues from excess throughputs and other services are recognised on completion of the services provided.

Customer contributions to capital programmes

Revenues arising from customer contributions to capital programmes are initially recognised as deferred revenue. Deferred revenue is released to profit and loss over the estimated useful economic life of the related assets or in accordance with the contractual terms for services to be provided to the customer, whichever is shorter.

2.8 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

2.9 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

2.10 Debtors

Trade debtors are recognised and carried at the lower of their original invoiced value and recoverable amount. Where the time value of money is material, receivables are carried at amortised cost. Provision for impairment is made through income statement when there is objective evidence that the company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

NAVIGATOR TERMINALS SEAL SANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

2 Summary of significant accounting policies

(Continued)

2.11 Financial liabilities

Financial liabilities are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers, measured initially at fair value, net of transaction costs, and are measured subsequently at the amortised cost using the effective interest rate.

2.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is recognised in respect of timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2.14 Deferred revenue

Funds received in advance for customer specific projects or services not yet provided, are held as deferred revenue until such time as the projects are complete and operational or the services are provided. The deferred revenue is released to income statement over the period of the contract with the specific customer or in line with the service provided.

2.15 Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders and they are committed to making the payment. Interim dividends are recognised upon payment.

NAVIGATOR TERMINALS SEAL SANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

2 Summary of significant accounting policies

(Continued)

2.16 Post-retirement benefits

Prior to 1 January 2017, the company operated a defined benefit (DB) pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company and the funds are managed by independent advisers.

The pension scheme assets are measured using market value. Pension scheme liabilities are measured using the Attained Age method and are discounted at the current rate of return on a high quality corporate bond of equivalent terms and currency to the liability. The increase in the present value of the liabilities of the defined benefit pension scheme expected to arise from employee service in the period is charged to operating profit. The expected return on the scheme's assets and the increase during the year in the present value of the scheme's liabilities arising from the passage of time are included in other interest receivable and similar income. Actuarial gains and losses are recognised in other comprehensive income.

The DB scheme closed to new entrants with effect from 1 January 2017.

From 1 January 2017, the company operates a defined contribution scheme. Contributions to defined contribution schemes are recognised in the income statement in the period in which they become payable.

2.17 Leases

The company leases its jetty, land and vehicles. Rental contracts for vehicles are typically made for periods of 3 years but may have extension options. The jetty lease is renewed every 3 years.

Contracts may contain both lease and non-lease components. The company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the company under residual value guarantees; and
- Payments of penalties for terminating the lease, if the lease term reflects the company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

NAVIGATOR TERMINALS SEAL SANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

2 Summary of significant accounting policies

(Continued)

The company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability.
- Any lease payments made at or before the commencement date less any lease incentives received.
- Any initial direct costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. While the company revalue its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-of-use buildings held by the company.

3 Adoption of new and revised standards and changes in accounting policies

In the current year, the following new and revised Standards and Interpretations have been adopted by the company:

- COVID-19 - Related rent concessions (Amendment to IFRS16); and
- Amendments to IFRS 9, IAS 39 and IFRS 17 – Interest Rate Benchmark Reform (Phase 2).

The application of these amendments has not had a material impact on the preparation of the company's financial statements for the current or prior periods but may have an impact on future periods.

The following amendments to standards have not yet been endorsed by the UK:

- Amendments to IAS 1 - Classification of liabilities as current or non-current;
- Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of accounting policies;
- Amendments to IAS 8 - Definition of accounting estimate; and
- Amendments to IFRS 10 and IAS 28 - Sale or contribution of assets between an investor and its associate or joint venture.

The impact of these amendments is not expected to have a material effect on the preparation of the company's financial statements.

4 Critical accounting estimates and judgements

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

NAVIGATOR TERMINALS SEAL SANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

4 Critical accounting estimates and judgements

(Continued)

Impairment of property, plant and equipment

In accordance with the requirements of IAS 36 – Impairment of Assets, management reviews the business performance of cash generating units (CGU) to determine if any impairment of assets exists at the yearend. An impairment occurs if the recoverable amount of the CGU is calculated to be less than the current carrying value of its assets.

The impairment review is conducted at group level and not at entity level. Where any impairment of a CGU is identified that impairment is first applied to goodwill, other intangible assets and fair value of tangible assets arising on consolidation. Any remaining impairment is then applied to the carrying value of assets held in the entity.

The recoverable amount of a CGU is determined based on discounted future cash flows. The calculations are based on cash flow projections and financial budgets prepared by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using an expected growth rate of 2.5% per annum based on management's review of past performance and expected market conditions.

A post tax discount rate of 8.13% has been applied.

The outcome of the calculations shows that the company currently has sufficient headroom available such that no impairment of its assets is required, either at group or entity level.

Management has conducted sensitivity analysis as follows:

- Reducing the expected growth rate to 1.5% results in a reduction in available headroom of £10,300,000.
- An increase in the discount rate to 9.13% results in a reduction in available headroom of £12,761,000.

5 Revenue

Turnover represents the amounts derived from the supply of tank storage and other services, less discounts and is stated net of value added tax.

The majority of the income relates to the provision of storage. This is recognised in the relevant period that the storage is provided. Other services such as overtime and handling are recognised as the service is provided to the customer.

	2022 £'000	2021 £'000
Revenue analysed by class of business		
Chemical	9,787	10,054
Petroleum	6,655	6,722
Gas, Biofuels and Bitumen	5,482	5,157
Other	692	707
	<u>22,616</u>	<u>22,640</u>

Revenue is generated from operations undertaken in the United Kingdom.

NAVIGATOR TERMINALS SEAL SANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

6 Operating profit

	2022 £'000	2021 £'000
Operating profit for the year is stated after charging:		
Depreciation of property, plant and equipment	4,027	3,834
Profit on disposal of property, plant and equipment	(5)	-
	<u> </u>	<u> </u>

7 Auditor's remuneration

	2022 £'000	2021 £'000
Fees payable to the company's auditor:		
For audit services		
Audit of the financial statements of the company	68	77
Fees payable relating to overruns in previous years	3	30
	<u> </u>	<u> </u>
	71	107
	<u> </u>	<u> </u>

As noted in the Directors' Report, the company appointed new auditors in the year. No non-audit services were provided by the company's auditors.

The total group audit fee for the year amounted to £188,000 (2021: 203,000), of which £180,000 is payable to the new auditors. An amount of £8,000 was paid in the year to the predecessor auditor (2021: £203,000 paid to the predecessor auditor).

8 Staff costs

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Administration	16	14
Operations	50	49
	<u> </u>	<u> </u>
	66	63
	<u> </u>	<u> </u>

NAVIGATOR TERMINALS SEAL SANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Staff costs (Continued)

Their aggregate remuneration comprised:

	2022 £'000	2021 £'000
Wages and salaries	2,720	2,841
Social security costs	272	288
Other pension costs	345	438
	<u>3,337</u>	<u>3,567</u>

Included in other pension costs are defined contribution cost of £345,000 (2021: £396,000) and defined benefit cost of £nil (2021: £42,000) which are borne by the company.

9 Directors' remuneration

	2022 £'000	2021 £'000
Remuneration for qualifying services	<u>179</u>	<u>160</u>

The directors are remunerated through the company's immediate parent undertaking, Navigator Terminals UK Limited. Directors' remuneration for the year is recharged to the company by the immediate parent.

One (2021: one) director accrued benefits under the group defined benefit pension scheme until 31 March 2022.

10 Net finance income

	2022 £'000	2021 £'000
Interest expense on lease liabilities	(22)	(20)
Interest and other charges	<u>(1)</u>	<u>-</u>
	(23)	(20)
Interest income on the net defined benefit liability	<u>117</u>	<u>146</u>
Net finance income	<u>94</u>	<u>126</u>

NAVIGATOR TERMINALS SEAL SANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

11 Tax on profit

	2022 £'000	2021 £'000
Current tax		
UK corporation tax on profits for the year	1,515	1,654
Adjustments in respect of prior years	16	(199)
Total UK current tax	<u>1,531</u>	<u>1,455</u>
Deferred tax		
Origination and reversal of temporary differences	181	8
Changes in tax rates	670	-
	<u>851</u>	<u>8</u>
Tax charge	<u>2,382</u>	<u>1,463</u>

The charge for the year can be reconciled to the profit per the statement of comprehensive income as follows:

	2022 £'000	2021 £'000
Profit before taxation	<u>7,770</u>	<u>8,025</u>
Profit before taxation multiplied by the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	1,476	1,525
Expenses not deductible for tax purposes	983	1,005
Income not chargeable for tax purposes	(17)	185
Adjustments to tax charge in respect of prior years	16	(199)
Capital allowances in excess of depreciation	(643)	(955)
Other timing differences	(103)	(98)
Effect of increase in future tax rate	670	-
Tax charge	<u>2,382</u>	<u>1,463</u>

In addition to the amount charged to the income statement, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2022 £'000	2021 £'000
Deferred tax arising on:		
Actuarial differences recognised on other comprehensive (income)/expense	<u>794</u>	<u>(174)</u>

NAVIGATOR TERMINALS SEAL SANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

11 Tax on profit

(Continued)

Factors affecting current and future tax

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25.00%. The proposal to increase the rate to 25.00% has now been substantively enacted and accordingly deferred tax is provided at 25% (2021: 19%) in these financial statements.

12 Property, plant and equipment

	Land and buildings £'000	Right of Use Assets £'000	Plant and equipment £'000	Assets under construction £'000	Total £'000
Cost					
At 1 April 2021	2,710	828	94,877	1,856	100,271
Additions	-	191	-	2,561	2,752
Disposals	-	(115)	(7)	-	(122)
Transfer	-	-	2,941	(2,941)	-
At 31 March 2022	2,710	904	97,811	1,476	102,901
Accumulated depreciation					
At 1 April 2021	(1,126)	(170)	(60,081)	-	(61,377)
Charge for the year	(63)	(116)	(3,848)	-	(4,027)
Eliminated on disposal	-	94	7	-	101
At 31 March 2022	(1,189)	(192)	(63,922)	-	(65,303)
Carrying amount					
At 31 March 2022	1,521	712	33,889	1,476	37,598
At 31 March 2021	1,584	658	34,796	1,856	38,894

Property, plant and equipment includes right-of-use assets, as follows:

Right-of-use assets	31 March 2022 £'000	31 March 2021 £'000
Land	54	57
Jetty	464	442
Others	194	159
	<u>712</u>	<u>658</u>

NAVIGATOR TERMINALS SEAL SANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

13 Trade and other receivables

	2022 £'000	2021 £'000
Trade receivables	1,240	1,425
Other receivables	-	2
VAT recoverable	152	171
Prepayments and accrued income	180	213
	<u>1,572</u>	<u>1,809</u>

There are no trade receivables falling due in more than one year (2021: £nil). No provision for impairment of trade receivables has been made in these financial statements (2021: £nil).

Amounts owed by fellow group undertakings are unsecured, interest free and repayable on demand. No provision for impairment of these amounts has been made in these financial statements (2021: £nil).

14 Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Trade payables	586	586
Amounts owed to group undertakings	15,715	17,636
Accruals and deferred income	8,557	9,429
Corporation tax	262	440
Social security and other taxation	373	365
Lease liabilities (note 15)	107	92
	<u>25,600</u>	<u>28,548</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

15 Lease liabilities

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2022 £'000	2021 £'000
Current liabilities	107	92
Non-current liabilities	625	584
	<u>732</u>	<u>676</u>

NAVIGATOR TERMINALS SEAL SANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15 Lease liabilities (Continued)

	2022 £'000	2021 £'000
Amounts recognised in profit or loss include the following:		
Interest expense on lease liabilities included in finance income (note 10)	22	20

16 Provisions for liabilities

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon during the current and prior reporting period.

	ACAs £'000	Deferred revenue £'000	Retirement benefit obligations £'000	Total £'000
Deferred tax liability at 1 April 2021	(3,568)	-	(1,008)	(4,576)
Deferred tax asset at 1 April 2021	-	1,447	-	1,447
Deferred tax movements in current year				
Credit/(Charge) to profit or loss	60	(240)	-	(180)
Credit to other comprehensive income	-	-	(476)	(476)
Effect of change in tax rate - profit or loss	(1,128)	457	-	(671)
Effect of change in tax rate - other comprehensive income	-	-	(318)	(318)
Deferred tax liability at 31 March 2022	(4,636)	-	(1,802)	(6,438)
Deferred tax asset at 31 March 2022	-	1,664	-	1,664

Deferred tax assets and liabilities are offset in the financial statements only where the company has a legally enforceable right to do so.

	2022 £'000	2021 £'000
Deferred tax liabilities	6,438	4,576
Deferred tax assets	(1,664)	(1,447)
	4,774	3,129

Deferred tax at 31 March 2022 has been calculated based on the rate of 19.00% (2021: 19.00%) substantively enacted at the balance sheet date.

NAVIGATOR TERMINALS SEAL SANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

17 Pension surplus

Defined contribution scheme

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The total costs charged to income in respect of defined contribution plans is £345,000 (2021 - £396,000).

Defined benefit scheme

The company participates in the Navigator Terminals UK Pension and Life Assurance Scheme (formerly Vopak Terminals UK Pension and Life Assurance Scheme 2005). The scheme is provided for certain employees of Navigator Terminals UK Limited, Navigator Terminals Windmill Limited, Navigator Terminals Thames Limited B.V. and Navigator Terminals Seal Sands Limited. The scheme is a funded, defined benefit scheme which provides pension and other related benefits based on final pensionable pay.

Assets held in the scheme are governed by local regulations and practice for the United Kingdom. Responsibility for the governance of the scheme - including investment decisions and contribution schedules - lies with the sole professional Trustee to the scheme.

Valuation

The latest full actuarial valuation of the Navigator Terminals UK Pension and Life Assurance Scheme was carried out by the scheme actuary, Mr C Hunter FIA, as at 31 December 2017. The triennial actuarial valuation of the scheme for 31 December 2020 is currently being undertaken.

An IAS 19 valuation of the Navigator Terminals UK Pension and Life Assurance Scheme was performed by Mr G Whitaker FIA. The present value of the defined benefit obligation, the related current service cost and past service cost were measured using the projected unit credit method.

Risks

The risks of the scheme are as follows:

- a. Investment risk: There is a risk that the future investment returns on assets and future income will be insufficient to meet the Trustees' funding objectives. Given the nature of the investments held, there is a risk that volatility of asset values could lead to an increased contribution requirement in the future.
- b. Investment mismatch: Falls in asset values may not be matched by similar falls in liabilities.
- c. Mortality risk: There is a risk that unanticipated future changes in mortality will increase the cost of the benefits. It is possible that mortality rates will continue to improve more rapidly than expected.
- d. Inflation risk: There is the risk that future price inflation is higher than anticipated resulting in higher liabilities.

The Scheme closed to future accrual with effect from 1 January 2017.

The key assumptions adopted for assessing the schemes liabilities as at 31 March 2022 were as follows:

Key assumptions	2022 %	2021 %
Discount rate	2.75	2.15
Pension growth rate	2.80	2.55
Inflation (RPI)	3.50	3.20
Expected return on plan assets	2.75	2.15

NAVIGATOR TERMINALS SEAL SANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

17 Pension surplus

(Continued)

<i>Mortality assumptions</i>	2022	2021
	Years	Years
Assumed life expectations on retirement at age 65:		
Longevity at age 65 for current pensioners (now age 65)		
- Males	22.0	22.1
- Females	24.4	24.1
	<u> </u>	<u> </u>
Longevity at age 65 for future pensioners (now age 45)		
- Males	23.6	23.8
- Females	26.1	25.9
	<u> </u>	<u> </u>

The assumptions used by the actuary are the best estimates chosen from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice. The expected return on plan assets is set equal to the discount rate for IAS 19 purposes. The rate of increase in pensions in payment is the weighted average rate applying across the Navigator scheme for pensions already in payment.

	2022	2021
	£'000	£'000
<i>Amounts recognised in the income statement</i>		
Net interest on defined benefit surplus	117	146
Past service cost	-	(42)
	<u> </u>	<u> </u>

	2022	2021
	£'000	£'000
<i>Amounts recognised in other comprehensive (expense)/income</i>		
Actuarial changes arising from changes in financial assumptions	2,584	(2,236)
Actuarial changes related to plan assets	(1,228)	790
	<u> </u>	<u> </u>
Total (costs)/income	1,356	(1,446)
	<u> </u>	<u> </u>

The amounts included in the statement of financial position arising from the company's obligations in respect of defined benefit plans are as follows:

	2022	2021
	£'000	£'000
Present value of defined benefit obligations	(18,828)	(21,563)
Fair value of plan assets	26,036	26,870
	<u> </u>	<u> </u>
Surplus in scheme	7,208	5,307
	<u> </u>	<u> </u>

The scheme's assets and liabilities are split between the group companies according to the company in which the members are, or were, employed.

NAVIGATOR TERMINALS SEAL SANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

17 Pension surplus

(Continued)

	2022 £'000	2021 £'000
<i>Movements in the present value of defined benefit obligations</i>		
At 1 April	(21,563)	(19,972)
Past service cost	-	(42)
Benefits paid	608	1,134
Actuarial gains / (losses)	2,584	(2,236)
Interest cost	(457)	(447)
At 31 March	<u>(18,828)</u>	<u>(21,563)</u>

The defined benefit obligations arise from plans which are wholly or partly funded.

	2022 £'000	2021 £'000
<i>Movements in the fair value of plan assets:</i>		
At 1 April	26,870	26,193
Interest income	574	593
Return on plan assets (excluding amounts included in net interest)	(1,228)	790
Benefits paid	(608)	(1,134)
Contributions by the employer	428	428
At 31 March	<u>26,036</u>	<u>26,870</u>

Sensitivity of the defined benefit obligations to changes in assumptions

Scheme obligations would have been affected by changes in assumptions as follows:

		2022 %	2021 %
Discount rate	1.00% - increase	Decrease by 15.8%	Decrease by 16.90%
	1.00% - decrease	Increase by 20.9%	Increase by 22.80%
Inflation	1.00% - increase	Increase by 8.2%	Increase by 10.60%
	1.00% - decrease	Decrease by 9.7%	Decrease by 9.80%
Life expectancy	1 year - increase	Increase by 4.2%	Increase by 4.00%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

NAVIGATOR TERMINALS SEAL SANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

17 Pension surplus (Continued)

The fair value of plan assets at the reporting period end was as follows:

	2022 £'000	2021 £'000
Equity instruments	7,176	10,162
Debt instruments	18,670	15,294
Cash and other	190	1,414
	<u>26,036</u>	<u>26,870</u>

18 Called up share capital

	2022 £'000	2021 £'000
--	---------------	---------------

Ordinary share capital

Authorised

100,000 (2021: 100,000) ordinary shares of £1 each

	<u>100</u>	<u>100</u>
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Allotted and fully paid

100,000 (2021: 100,000) ordinary shares of £1 each

	<u>100</u>	<u>100</u>
--	------------	------------

19 Distributions

	2022 £'000	2021 £'000
--	---------------	---------------

Amounts recognised as distributions to equity holders:

Dividend paid to ordinary shareholders at the rate of £nil (2021: £674.80) per share

	<u>-</u>	<u>6,748</u>
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The dividend paid in 2021 as shown above related to the year ended 31 March 2020.

20 Capital commitments

	2022 £'000	2021 £'000
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At 31 March the company had capital commitments as follows:

Contracted for but not provided in the financial statements:

Acquisition of property, plant and equipment

	<u>219</u>	<u>16</u>
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NAVIGATOR TERMINALS SEAL SANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

21 Ultimate and immediate parent undertakings

The directors regard Navigator Terminals UK Limited, a company incorporated in UK as the immediate parent undertaking, and Navigator Terminals Holdings Limited, a company registered in Jersey, as the ultimate parent undertaking and controlling party.

Copies of the consolidated financial statements of Navigator Terminals Holdings Limited (the smallest and largest group of which the company is a member and for which group financial statements are prepared) can be obtained from the registered address, 3rd Floor, 37 Esplanade, St Helier, Jersey, JE1 1AD.

Copies of the consolidated financial statements of Navigator Terminals Holdings Limited have also been filled with the financial statements of Navigator Terminals Midco Limited and Navigator Terminals Limited and are available from the Registrar of Companies (England and Wales).