

Darthaven Marina Limited

Directors' report and financial statements

for the year ended 30 September 1997

Registered number 1226089



Darthaven Marina Limited

Directors' report and financial statements

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Darthaven Marina Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 September 1997.

Principal activities

The principal activities of the company continued to be the management of a yacht marina, the operation of a chandlery business and the provision of boat repairs, at Kingswear, Devon.

Business review

The directors are pleased with the results which show improved turnover and operating profit, together with a reduction in the company's borrowings.

The directors do not propose a dividend for the year.

Market value of land and buildings

As the company's land and buildings are wholly necessary for the purpose of the company's business, the directors are of the opinion that the expense of a valuation of freehold land and buildings is not appropriate.

Directors and directors' interests

The directors who held office during the year were as follows:

JKJ Holman
Mrs SMA Holman
WKH Coxe
KJT Holman
AJ Sainthill

The directors retiring by rotation are Mrs SMA Holman and WKH Coxe who, being eligible, offer themselves for re-election.

Darthaven Marina Limited

Directors' report *(continued)*

Directors and directors' interest *(continued)*

The directors who held office at the end of the financial year had the following interests in the shares of the company as recorded in the register of directors' share interests:

	Number of ordinary £1 shares	
	At 30 September 1997	At 1 October 1996
JKJ Holman	2,501	2,501
Mrs SMA Holman	2,501	2,501
WKH Coxe	421	421
KJT Holman	3,429	3,429
AJ Sainthill	1,148	1,148

Political and charitable contributions

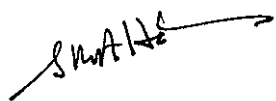
The company made no political contributions during the year. Donations to UK charities amounted to £285.

Auditors

A resolution for the re-appointment of KPMG as auditors of the company, is to be proposed at the forthcoming Annual General Meeting.

By order of the board

SMA Holman
Secretary



Brixham Road
Kingswear
Dartmouth
Devon

Darthaven Marina Limited

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those financial statements, the directors are required to:

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



Plym House
3 Longbridge Road
Marsh Mills
Plymouth
PL6 8LT

Auditors' report to the members of Darthaven Marina Limited

We have audited the financial statements on pages 5 to 14.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 September 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG

Chartered Accountants
Registered Auditors

14 APRIL 1998

Darthaven Marina Limited

Profit and loss account

for the year ended 30 September 1997

	Note	1997 £	1996 £
Turnover	1	1,425,292	1,219,350
Cost of sales		(848,185)	(688,811)
Gross profit		577,107	530,539
Administrative expenses		(424,654)	(386,407)
Trading profit		152,453	144,132
Other operating income		9,903	15,396
Operating profit		162,356	159,528
Income from shares in group undertakings		-	277,927
Income from other fixed asset investments		2,704	1,803
Other income		20,083	-
Interest payable and similar charges	5	(25,631)	(37,215)
Profit on ordinary activities before taxation	2-4	159,512	402,043
Tax on profit on ordinary activities	6	(40,286)	(32,800)
Retained profit for the financial year		119,226	369,243

A statement of movement on reserves is given in note 14 to the accounts.

There are no recognised gains or losses other than the profit for the year.

Note of historical cost profits

for the year ended 30 September 1997

	1997 £	1996 £
Reported profit on ordinary activities before taxation	159,512	402,043
Difference between an historical cost depreciation charge and the actual charge for the year based on the revalued amount	4,554	4,551
Historical cost profit on ordinary activities before taxation	164,066	406,594
Historical cost profit for the year retained after taxation	123,780	373,794

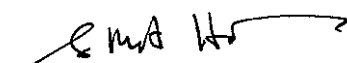
Darthaven Marina Limited

Balance sheet at 30 September 1997

	Note	1997	1996
		£	£
Fixed assets			
Tangible assets	7	1,839,666	1,823,221
Investments	8	39,699	39,699
		<u>1,879,365</u>	<u>1,862,920</u>
Current assets			
Stocks	9	115,138	91,305
Debtors	10	140,086	164,197
Cash at bank and in hand		10,044	30
		<u>265,268</u>	<u>255,532</u>
Creditors: amounts falling due within one year	11	<u>(887,944)</u>	<u>(980,489)</u>
Net current liabilities		<u>(622,676)</u>	<u>(724,957)</u>
Total assets less current liabilities		<u>1,256,689</u>	<u>1,137,963</u>
Creditors: amounts falling due after more than one year	11	-	(9,700)
Provisions for liabilities and charges	12	<u>(79,800)</u>	<u>(70,600)</u>
Net assets		<u>1,176,889</u>	<u>1,057,663</u>
Capital and reserves			
Called up share capital	13	10,000	10,000
Share premium account		279,642	279,642
Revaluation reserve		227,692	227,692
Profit and loss account	14	659,555	540,329
Equity shareholders' funds		<u>1,176,889</u>	<u>1,057,663</u>

These financial statements were approved by the board of directors on
signed on its behalf by:

and were



SMA Holman
Director

Darthaven Marina Limited

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared under the historical cost convention modified to include the revaluation of land and buildings and in accordance with applicable accounting standards.

The company has not prepared group accounts, as its dormant subsidiary is not material and is to be liquidated.

Under Financial Reporting Standard 1 (Revised 1996) the company is exempt from the requirement to prepare a cashflow statement on the grounds of its size.

Fixed assets and depreciation

Depreciation is provided by the company to write off the cost or valuation less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Freehold land and buildings	-	50 years
Quay	-	50 years
Pontoons	-	12 years
Plant, machinery and equipment	-	10 years
Boat	-	7 years
Computer	-	4 years
Motor vehicles	-	4 years

Leases

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a "finance lease". The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful life or the term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account, and the capital element which reduces the outstanding obligation for future instalments.

All other leases are accounted for as "operating leases" and the rental charges are charged to the profit and loss account on a straight line basis over the life of the lease.

Stocks

Stocks are stated at the lower of cost and net realisable value. In determining the cost of raw materials, consumables and goods purchased for resale, the weighted average purchase price is used. For work in progress and finished goods manufactured by the company, cost is taken as production cost, which includes an appropriate proportion of attributable overheads.

Darthaven Marina Limited

Notes (continued)

1 Accounting policies (continued)

Fixed asset investments

Fixed asset investments are stated at the lower of cost and market value.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers during the year.

2 Profit on ordinary activities before taxation

	1997 £	1996 £
<i>Profit on ordinary activities before taxation is stated after charging</i>		
Auditor's remuneration	6,000	7,250
Depreciation of tangible fixed assets	62,603	61,280
Rentals payable under operating leases		
Plant and machinery	5,999	5,560
Land and buildings	17,670	15,340

3 Remuneration of directors

	1997 £	1996 £
Directors' emoluments	178,635	163,532
Company contributions to pension schemes	25,250	10,758
	<u>203,885</u>	<u>174,290</u>

Retirement benefits are accruing to the following number of directors under:

	Number of directors	
	1997 £	1996 £
Defined benefits schemes	3	3
	<u>3</u>	<u>3</u>

Darthaven Marina Limited

Notes (continued)

4 Staff numbers and costs

The average number of persons employed by the company (including directors) during the year was 29 (1996:29):

The aggregate payroll costs of these persons were as follows:

	1997 £	1996 £
Wages and salaries	451,755	401,059
Social security costs	48,210	37,460
Other pension costs	25,250	15,258
	<u>525,215</u>	<u>453,777</u>

5 Interest payable and similar charges

	1997 £	1996 £
On bank loans and overdrafts and other loans wholly repayable within five years	<u>25,631</u>	<u>37,215</u>

6 Tax on profit on ordinary activities

	1997 £	1996 £
Corporation tax payable at 23½% (1996:24½%) on the profit for the year	31,086	23,000
Transfer to deferred tax	9,200	9,800
	<u>40,286</u>	<u>32,800</u>

Darthaven Marina Limited

Notes (continued)

7 Tangible fixed assets

	Freehold land and buildings £	Level crossing £	Pontoons and equipment £	Plant and machinery £	Total £
<i>Cost or valuation</i>					
At beginning of year	1,822,149	211,918	454,447	215,239	2,703,753
Additions	60,608	-	-	18,440	79,048
Disposals	-	-	-	-	-
At end of year	<u>1,882,757</u>	<u>211,918</u>	<u>454,447</u>	<u>233,679</u>	<u>2,782,801</u>
<i>Depreciation</i>					
At beginning of year	263,580	32,479	408,454	176,019	880,532
Charge for year	35,680	4,238	8,080	14,605	62,603
Disposals	-	-	-	-	-
At end of year	<u>299,260</u>	<u>36,717</u>	<u>416,534</u>	<u>190,624</u>	<u>943,135</u>
<i>Net book value</i>					
At 30 September 1997	<u>1,583,497</u>	<u>175,201</u>	<u>37,913</u>	<u>43,055</u>	<u>1,839,666</u>
At 30 September 1996	<u>1,558,569</u>	<u>179,439</u>	<u>45,993</u>	<u>39,220</u>	<u>1,823,221</u>

Darthaven Marina Limited

Notes (continued)

7 Tangible fixed assets (continued)

The company owns freehold land adjacent to the Dart estuary and operates a marina under the terms of an annual licence granted by the Dart Harbour and Navigation Authority.

	1997 £	1996 £
<i>Cost/valuation of freehold land and buildings is represented by:</i>		
Valuation at 31 October 1979	350,000	350,000
Cost since 1 November 1979	1,532,757	1,472,149
	<u>1,882,757</u>	<u>1,822,149</u>
	1997 £	1996 £
<i>On a historical cost basis land and buildings would have been included at:</i>		
Cost	<u>1,655,065</u>	<u>1,594,457</u>
Depreciation	<u>269,766</u>	<u>238,640</u>

8 Fixed asset investments

	Shares in subsidiary undertaking £	Other investments other than loans £	Total £
<i>Cost</i>			
At beginning and end of year	<u>9,700</u>	<u>29,999</u>	<u>39,699</u>
<i>Net book value</i>			
At 30 September 1996 and 1997	<u>9,700</u>	<u>29,999</u>	<u>39,699</u>

The company holds 100% of the ordinary share capital of JW&A Upham Limited, a dormant company incorporated in Great Britain and registered in England and Wales. The company is to be liquidated.

The capital and reserves of JW&A Upham Limited at 30 September 1997 are £9,700 (1996:£9,700).

The company holds 18,027 ordinary £1 shares in The Dart Valley Light Railway Limited. This represents 6.6% of the issued share capital of the company. The directors are of the opinion that the market value of this investment exceeds the cost.

Darthaven Marina Limited

Notes (continued)

9 Stocks

	1997 £	1996 £
Raw materials, consumables and goods for re-sale	101,384	80,280
Work-in-progress	13,754	11,025
	<u>115,138</u>	<u>91,305</u>

10 Debtors

	1997 £	1996 £
<i>Due within one year</i>		
Trade debtors	98,541	95,353
Prepayments and accrued income	25,825	21,960
Other debtors	1,533	204
	<u>125,899</u>	<u>117,517</u>
<i>Due after more than one year</i>		
Other debtors	200	32,693
Taxation recoverable	13,987	13,987
	<u>14,187</u>	<u>46,680</u>
Total	<u>140,086</u>	<u>164,197</u>

Included within other debtors are the following amounts owed by the directors:-

During the year a loan subsisted between the company and three directors, Mrs SMA Holman, Mr KJT Holman and Mr WKH Coxe, as partners in the Royal Dart Hotel, in respect of payments made by the company on their behalf. The value of this loan at 30 September 1997 amounted to £nil (1996:£20,298). The maximum balance outstanding during the year was £20,298.

Transactions between the company and the Royal Dart Hotel during the year were £1,180.

The balance on Mrs SMA Holman's director's account with the company was £nil at 30 September 1997 (1996:£12,195). This was the maximum balance outstanding during the year.

The balance on Mr KJT Holman's directors account with the company was £200 overdrawn at 30 September 1997 (1996: £200). This was the maximum balance outstanding during the year.

Darthaven Marina Limited

Notes (continued)

11 Creditors

	1997 £	1996 £
<i>Amounts falling due within one year</i>		
Bank loans and overdraft	439,974	556,181
Berthing rentals received in advance	230,474	222,330
Trade creditors	79,129	44,733
Amounts owed to subsidiary undertaking	9,700	-
Corporation tax	31,086	23,734
Other creditors including tax and social security	66,395	66,269
Accruals and deferred income	31,186	57,242
	<u>887,944</u>	<u>980,489</u>
<i>Amounts falling due after more than one year</i>		
Amounts owed to subsidiary undertaking	-	9,700
	<u>-</u>	<u>9,700</u>

The bank loans and overdraft are secured by fixed mortgages over freehold land and buildings and floating charges over the other assets owned by the company and attract interest at a rate of 2% over bank base rate.

12 Provisions for liabilities and charges

The amounts provided for deferred taxation and the amounts not provided are set out below:

	1997		1996	
	Provided £	Unprovided £	Provided £	Unprovided £
Taxation on revaluation surplus	-	15,000	-	15,000
Difference between accumulated depreciation and amortisation and capital allowances	79,800	-	70,600	-
	<u>79,800</u>	<u>15,000</u>	<u>70,600</u>	<u>15,000</u>

13 Called up share capital

	1997 £	1996 £
<i>Authorised</i>		
Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

Darthaven Marina Limited

Notes (continued)

14 Reserves

	1997 £
<i>Profit and loss account</i>	
At beginning of year	540,329
Retained profit for the financial year	119,226
	<hr/>
At end of year	<u>659,555</u>

15 Reconciliation of movements in equity shareholders' funds

	1997 £	1996 £
Shareholders' funds at beginning of year	1,057,663	688,420
Profit for the financial year	119,226	369,243
	<hr/>	<hr/>
Shareholders' funds at end of year	<u>1,176,889</u>	<u>1,057,663</u>

16 Commitments

Capital commitments contracted for at 30 September 1997 £nil (1996: £Nil).

Annual commitments under non-cancellable operating leases are as follows:

	1997		1996	
	Plant and machinery £	Land and buildings £	Plant and machinery £	Land and buildings £
<i>Operating leases which expire</i>				
Within one year	897	-	-	-
In the second to fifth years inclusive	-	-	1,266	-
After more than five years	4,394	15,340	4,394	15,340
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>5,291</u>	<u>15,340</u>	<u>5,660</u>	<u>15,340</u>