

**ASSOCIATED BRITISH PORTS  
INVESTMENTS LIMITED  
(Company Number 2086213)**

**ANNUAL REPORT AND ACCOUNTS 2005**



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<b>Contents</b>	<b>Page</b>
Directors' report	1
Statement of directors' responsibilities	2
Independent auditors' report	3
Balance sheet	5
Income statement	6
Statement of changes in shareholders' equity	6
Cash flow statement	6
Notes to the financial statements	7

## **Directors' Report**

The directors submit their report for the year ended 31 December 2005, together with the audited financial statements of the Company at that date.

### **Principal activity**

The principal activity of the Company is to act as an intermediate holding company.

### **Review of the year and future developments**

The directors expect to continue this activity in the foreseeable future.

### **Results and dividends**

During the year the company has not traded, has not incurred any liabilities and consequently has made neither profit nor loss (2004: £Nil). The directors do not recommend the payment of a dividend for the year (2004: nil).

The directors of the Company during the year and up to the date of these accounts were as follows:

R J Adam  
B A Lerenius

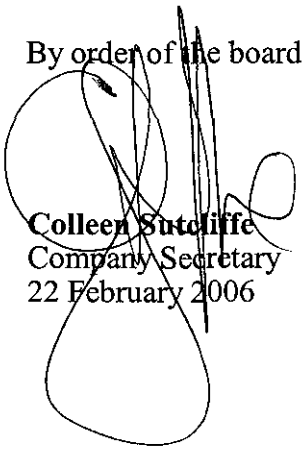
No director had any beneficial interest in the shares of the Company during the year.

All the directors of the Company at 31 December 2005 are also directors of Associated British Ports Holdings PLC and their interests in the share capital of that company are shown in its Directors' Report.

### **Elective resolutions and auditors**

The Company has, by Elective Resolutions, resolved to dispense with the need to lay Reports and Accounts before the members of the Company in General Meeting, to hold Annual General Meetings and to re-appoint auditors annually.

By order of the board



**Colleen Sutcliffe**  
Company Secretary  
22 February 2006

## **Statement of Directors' Responsibilities in Respect of the Preparation of Financial Statements**

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 income or expense of the Company 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;
- State whether the financial statements comply with the International Financial Reporting Standards as endorsed by the EU, subject to any material departures disclosed and explained in the financial statements; 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 confirm that the financial statements comply with the above requirements. 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 are also responsible for safeguarding the assets of the Company and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Independent auditor's report to the shareholders of Associated British Ports Investments Limited**

We have audited the financial statements of Associated British Ports Investments Limited for the year ended 31 December 2005 which comprise the Balance Sheet, Income Statement, Statement of Changes in Shareholders' Equity, Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements have been properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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, in accordance with IFRSs as adopted by the European Union, of the state of the company's affairs as at 31 December 2005 and of its result and cash flows for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985.

*PricewaterhouseCoopers LLP*

*PricewaterhouseCoopers LLP*

*Chartered Accountants and Registered Auditors*

*London*

*22 February 2006*

**Balance Sheet as at 31 December**

	Note	2005 £000	2004 £000
<b>Assets</b>			
<b>Non-current assets</b>			
Investments	4	-	-
		-	-
<b>Current liabilities</b>			
Inter-company payable	5	(113,189)	(113,189)
<b>Net assets</b>		<b>(113,189)</b>	<b>(113,189)</b>
<b>Capital and reserves</b>			
Called-up share capital	6	-	-
Retained earnings		(113,189)	(113,189)
<b>Equity shareholders' funds</b>		<b>(113,189)</b>	<b>(113,189)</b>

The financial statements on pages 5 to 9 were approved by the Board on 22 February 2006.



**Richard J Adam FCA**  
Director

### **Income statement**

The company has not traded during the years ended 31 December 2005 and 2004, consequently no Income Statement has been presented.

### **Statement of changes in shareholders' equity**

The company has not traded during the years ended 31 December 2005 and 2004, consequently there were no changes in shareholders' equity.

### **Cash flow statement**

The entity had no cash or cash equivalents during the years ended 31 December 2005 and 2004.



## Notes to the Financial Statements

### 1 Accounting policies

#### **Basis of preparation**

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and International Financial Reporting Interpretations Committee (IFRIC) interpretations as endorsed by the EU and with those parts of the Companies Act, 1985 applicable to companies reporting under IFRS. The financial statements have been prepared on a going concern basis under the historical cost convention as modified by the revaluation of operational land, investment properties and land at ports held for development.

In accordance with EU regulations the company adopted IFRS with effect from 1 January 2005 and has restated prior year comparatives to reflect its adoption of IFRS, unless otherwise stated. Prior to the adoption of IFRS the company prepared its financial statements in accordance with United Kingdom Generally Accepted Accounting Policies (UK GAAP).

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may ultimately differ from those estimates. The restated financial statements have been prepared in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and with those parts of the Companies Act 1985 appropriate to companies reporting under IFRS.

### 2 Auditors' remuneration

The auditors' remuneration for the year was borne by the parent company.

## Notes to the Financial Statements (Continued)

**3 Directors emoluments and employees**

There were no persons employed by the Company during 2005 (2004: nil).

None of the directors received any emoluments from the Company during 2005 (2004: nil). None of the directors of the Company have spent a significant proportion of their total time on the Company's affairs.

**4 Investments**

The Company holds the whole of the ordinary and preference share capital of Millbay Development Company Limited. Millbay Development Company Limited's issued share capital is as follows:

1,000 ordinary shares of £1 each  
 10,000 7% non-cumulative preference shares of £1 each  
 500 7% cumulative redeemable participating preference shares of £1 each

The Company holds the whole of the issued ordinary share capital of ABP Property Development Company Limited. The issued share capital of ABP Property Development Company Limited is 2 ordinary shares of £1 each.

The investments have been written down to nil net book value in previous years.

**5 Inter-company payable**

	<b>2005</b>	2004
	<b>£000</b>	£000
Amounts owed to parent undertaking	<b>113,189</b>	113,189

Associated British Ports Holdings PLC Group has confirmed that it will continue to finance the Company to enable it to meet its liabilities as they fall due.

## Notes to the Financial Statements (Continued)

6 **Share capital**

	2005 £000	2004 £000
<b>Authorised</b>		
10,000 (2004: 10,000) ordinary shares of £1	10	10
<b>Issued and fully paid</b>		
2 (2004: 2) ordinary shares of £1	-	-

7 **Ultimate parent undertaking**

The Company is domiciled and incorporated in England and Wales. Its immediate parent and ultimate parent undertaking is Associated British Ports Holdings PLC, which produces consolidated financial statements that comply with IFRS and has confirmed its present intention to continue to finance the Company so as to enable it to meet its liabilities as they fall due.

Copies of the group accounts of Associated British Ports Holdings PLC may be obtained at Associated British Ports Holdings PLC, 150 Holborn, LONDON EC1N 2LR, which is also the registered office of the Company.

8 **New accounting standards**

Comparative information for 2004 presented in these financial statements was originally reported under UK GAAP and has been restated to comply with IFRS following the company's transition to IFRS from 1 January 2004. There were no changes that impacted profit before taxation, profit attributable to equity shareholders or net assets.