

**HARVEST SHIPPING SERVICES LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2000**

Company Registration Number 2623549



**WATTS GREGORY**  
Chartered Accountants & Registered Auditors  
10/14 Museum Place  
CARDIFF  
CF10 3NZ

# **HARVEST SHIPPING SERVICES LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2000**

---

<b>CONTENTS</b>	<b>PAGES</b>
The directors' report	<b>1 to 2</b>
Auditors' report to the shareholders	<b>3</b>
Profit and loss account	<b>4</b>
Balance sheet	<b>5</b>
Notes to the financial statements	<b>6 to 9</b>
<b>The following pages do not form part of the financial statements</b>	
Detailed profit and loss account	<b>11</b>
Notes to the detailed profit and loss account	<b>12</b>

---

# HARVEST SHIPPING SERVICES LIMITED

## THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2000

---

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2000.

### PRINCIPAL ACTIVITIES

The principal activities of the company during the year were the provision of bulk handling services, and acting as shipbrokers and shipping agents.

### THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

		Ordinary Shares of £1 each	
		At 31 December 2000	At 1 January 2000
S. P. Reid		-	-
M. J. Holmes		25	25
A. R. Reid	(Ceased directorship 31 January 2000)		

---

The directors' interests in group companies are held via their interest in the ultimate holding company, Charles M. Willie & Co. (Shipping) Limited and are as follows -

		Ordinary shares of £1 each	
		At 31 December 2000	At 1 January 2000
S.P. Reid	86,725 (50%)	86,725 (50%)	
A.R. Reid	86,725 (50%)	86,725 (50%)	
M.J. Holmes	-	-	

---

### 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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 6, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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. The directors 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.

### AUDITORS

A resolution to re-appoint Watts Gregory as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

# HARVEST SHIPPING SERVICES LIMITED

## THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2000

---

### SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:

Celtic House  
6 Ocean Way  
Cardiff  
CF24 5HG

Signed by order of the directors



M. J. HOLMES  
Company Secretary

Approved by the directors on .....3/10/01.....

# **HARVEST SHIPPING SERVICES LIMITED**

## **AUDITORS' REPORT TO THE SHAREHOLDERS**

**YEAR ENDED 31 DECEMBER 2000**

---

We have audited the financial statements on pages 4 to 9 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on page 6 .

### **RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS**

As described on page 1, the company's directors are responsible for the preparation of the 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 AUDIT 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 31 December 2000 and of the loss of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

10/14 Museum Place  
CARDIFF  
CF10 3NZ

21.01.01

*Watts Gregory*

WATTS GREGORY  
Chartered Accountants  
& Registered Auditors

# HARVEST SHIPPING SERVICES LIMITED

## PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2000

	Note	2000 £	1999 £
<b>TURNOVER</b>		622,955	479,932
Cost of sales		<u>193,810</u>	<u>162,499</u>
<b>GROSS PROFIT</b>		429,145	317,433
Administrative expenses		<u>502,272</u>	<u>240,229</u>
<b>OPERATING (LOSS)/PROFIT</b>	<b>2</b>	(73,127)	77,204
Interest receivable		6,522	3,319
Interest payable		<u>(735)</u>	<u>(882)</u>
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>(67,340)</u>	<u>79,641</u>
<b>(LOSS)/RETAINED PROFIT FOR THE FINANCIAL YEAR</b>		(67,340)	79,641
Balance brought forward		<u>241,408</u>	<u>161,767</u>
Balance carried forward		<u>174,068</u>	<u>241,408</u>

The notes on pages 6 to 9 form part of these financial statements.

# HARVEST SHIPPING SERVICES LIMITED

## BALANCE SHEET

31 DECEMBER 2000

	Note	2000 £	1999 £
<b>FIXED ASSETS</b>			
Tangible assets	4	<u>81,585</u>	<u>35,497</u>
<b>CURRENT ASSETS</b>			
Debtors	5	109,874	148,613
Cash at bank		<u>166,237</u>	<u>125,522</u>
		276,111	274,135
<b>CREDITORS: Amounts falling due within one year</b>	6	<u>(183,528)</u>	<u>(68,124)</u>
<b>NET CURRENT ASSETS</b>		<u>92,583</u>	<u>206,011</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>174,168</u>	<u>241,508</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	11	100	100
Profit and Loss Account		<u>174,068</u>	<u>241,408</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>174,168</u>	<u>241,508</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

These financial statements were approved by the directors on the 31/10/2001, and are signed on their behalf by:

  
S. P. REID

The notes on pages 6 to 9 form part of these financial statements.

# HARVEST SHIPPING SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2000

---

### 1. ACCOUNTING POLICIES

#### Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

#### Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, in respect of bulk handling and shipping services, net of value added tax and freight cover costs.

#### Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant and Office equipment	10% to 25% straight line
Fixtures and Fittings	10% to 20% straight line
Motor Vehicles	25% reducing balance

#### Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Profit and Loss Account on a straight line basis.

#### Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the Profit and Loss Account.

#### Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

#### Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

### 2. OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging/(crediting):

	2000	1999
	£	£
Staff pension contributions	2,076	1,147
Depreciation	14,258	14,036
Loss on disposal of fixed assets	1,035	-
Auditors' fees	3,400	2,650
Net profit on foreign currency translation	<u>(2,789)</u>	<u>(1,142)</u>

---



# HARVEST SHIPPING SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2000

### 3. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2000 £	1999 £
Aggregate emoluments	240,000	103,109
Value of company pension contributions to money purchase schemes	5,355	4,623
	<u>245,355</u>	<u>107,732</u>

The number of directors who are accruing benefits under company pension schemes were as follows:

	2000 No.	1999 No.
Money purchase schemes	<u>1</u>	<u>1</u>

### 4. TANGIBLE FIXED ASSETS

	Plant & Office equipment £	Fixtures & Fittings £	Motor Vehicles £	Total £
<b>COST</b>				
At 1 January 2000	10,976	5,232	53,524	69,732
Additions	3,746	3,585	59,050	66,381
Disposals	-	-	(13,234)	(13,234)
<b>At 31 December 2000</b>	<u>14,722</u>	<u>8,817</u>	<u>99,340</u>	<u>122,879</u>
<b>DEPRECIATION</b>				
At 1 January 2000	10,262	3,787	20,186	34,235
Charge for the year	3,680	1,177	9,401	14,258
On disposals	-	-	(7,199)	(7,199)
<b>At 31 December 2000</b>	<u>13,942</u>	<u>4,964</u>	<u>22,388</u>	<u>41,294</u>
<b>NET BOOK VALUE</b>				
<b>At 31 December 2000</b>	<u>780</u>	<u>3,853</u>	<u>76,952</u>	<u>81,585</u>
At 31 December 1999	<u>714</u>	<u>1,445</u>	<u>33,338</u>	<u>35,497</u>

### 5. DEBTORS

	2000 £	1999 £
Trade debtors	93,773	137,775
Amounts owed by group undertakings	11,740	8,877
Other debtors	3,738	205
Prepayments and accrued income	623	1,756
	<u>109,874</u>	<u>148,613</u>

# HARVEST SHIPPING SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2000

### 6. CREDITORS: Amounts falling due within one year

	2000	1999
	£	£
Trade creditors	24,156	40,705
Amounts owed to group undertakings	2,938	9,499
Other creditors comprise:		
VAT	-	1,075
HP and finance leases	490	10,973
	<u>27,584</u>	<u>62,252</u>
Accruals and deferred income	155,944	5,872
	<u>183,528</u>	<u>68,124</u>

### 7. PENSIONS

The pension cost represents contributions paid by the company and amounted to £7,431 (1999 £5,770)

### 8. DEFERRED TAXATION

No provision has been made in the accounts and the amounts unprovided at the end of the year are as follows:

	2000	1999
	£	£
Excess of taxation allowances over depreciation on fixed assets	-	558

### 9. CONTINGENCIES

There were no contingent liabilities at 31 December 2000.

### 10. RELATED PARTY TRANSACTIONS

The company was under the ultimate control of Mr A.R Reid and Mr S.P Reid throughout the year. Both are directors of the company and control 100% (1999 - 100%) of the issued share capital of the ultimate parent company.

#### Transactions in the year

The company has provided for a bad debt in the sum of £41,503 in respect of its fellow subsidiary company, Kings Ferry Wharf Limited. Kings Ferry Wharf Limited went into voluntary liquidation in March 2001, and it is unlikely the money will be received.

Other than the above, the company's related parties at 31 December 2000, with whom the company has either entered into transactions or has balances with, are not disclosed in accordance with the provisions of FRS8 not to disclose balances eliminated on consolidation.

#### Transactions with directors

During the year Mr. M.J. Holmes purchased a car from the company for £5,000. This was paid for in cash and was equal to the market value of the car.

# HARVEST SHIPPING SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2000

---

### 11. SHARE CAPITAL

**Authorised share capital:**

	2000	1999
	£	£
100 Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>

**Allotted, called up and fully paid:**

	2000	1999
	£	£
Ordinary share capital	<u>100</u>	<u>100</u>

### 12. ULTIMATE PARENT COMPANY

The ultimate holding company is Charles M. Willie & Co (Shipping) Ltd which owns 75% of the ordinary share capital of the company. Charles M. Willie & Co. (Shipping) Ltd. is registered in England & Wales and prepares annual Group accounts which can be obtained from Companies House, Crown Way, Cardiff.