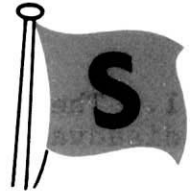


REARDON SMITH LINE

newsletter



NO. 178

DECEMBER, 1984

DO YOU CARE? IF YOU DO, WILL YOU ACT?

DO YOU CARE that the British Merchant Navy has been - and still is- declining at an alarming pace? DO YOU CARE that Britain's lifeline is getting weaker and weaker and that the jobs for British seafarers are getting less and less? IF YOU DO, will you personally please help the Industry by drawing attention to its plight?

For a long time now, the Industry has been a lone voice, despite all the efforts which have been made by individuals and by the General Council of British Shipping. We would now like you to make that lone voice a LOUD ROAR.

It is felt the more approaches that are made, the greater will be the chances of success. Some people have already written letters to newspapers; mention has been made on radio and television and in after-dinner speeches, but it requires a concerted effort. Now it is your turn.

How can you help? By writing to your local M.P.s of whichever Political Party you may favour, or to all. The following points, given to us by the G.C.B.S., will give you some idea of the situation as it stands at present and the points to make to your M.P. The longer the situation goes on, the more remote it will be for any shipowner to place orders for new tonnage, for the money will simply not be there, even when the recession is over. Successive British Governments have done little to support the Shipping Industry. Britain was once a great Maritime Nation. This is no longer the case, but we are an Island - we need our own Shipping Industry.

PLEASE ACT NOW - it is for your future as well as for the future of all the British people living on this Island and who depend upon Shipping for trade and defence. With its own ships, money is earned for Britain. Relying on foreign ships means very limited earnings, but great benefits to foreign competitors.

The Company would appreciate being advised if you do write to your M.P.s and to know the response you receive from them. Points for your letter which, to be most effective should be sent to their home addresses, are given overleaf.

GENERAL COUNCIL OF BRITISH SHIPPING

THE NEED FOR A SHIP ALLOWANCE

1. The 1984 Budget was a disaster for UK shipping. Apart from disadvantaging British seafarers by the removal of overseas tax relief, it ended the 100% first year allowance coupled with free depreciation.
2. In 1975 the UK fleet, after a period of substantial government fiscal support, reached the peak of 1,600 ships and 50 mn. deadweight tons (dwt). Now it is 700 ships and 18.5 mn. dwt. To maintain it at that level requires 1 mn. tons of new orders per annum.
3. In fact, orders are running at one-tenth of that figure, 100,000 dwt. p.a. In the last three months (July to September 1984) there were no new orders at all.
4. Meanwhile, for various reasons, ships leave. For nine years now the fleet has been declining by two ships a week.
5. The Government has publicly recognised that shipping is a special case, but what has been promised for 1985 - free depreciation on a 25% writing down allowance - is totally inadequate; it will now take eight years to write a ship down to scrap value.
6. Thus, at a time when other Western European governments are increasing their support for their fleets, the UK is unique in that the Government is withdrawing what fiscal help it has been giving, making the British fleet's position not better, but worse, and putting it at a competitive disadvantage against nearly every other fleet.
7. If nothing is done, shipping companies will no longer invest in British ships. They will either switch to foreign tonnage, owned or chartered, or disengage entirely from shipping.
8. The consequences for the country will be:-
 - (i) fewer British ships and British seafarers available in an emergency to help the Royal Navy and to supply the UK;
 - (ii) lower employment in shipping and ancillary industries;
 - (iii) increasing reliance on foreign shipping services and the consequent commercial danger of being dependent upon the ships of competitors;
 - (iv) diminishing contribution to balance of payments (now £1 bn. in earnings and savings).
9. GCBS therefore proposes that, to enable companies to write off their ships more quickly, there should, in addition to the 25% writing down allowance, be a 50% ship allowance for new and secondhand ships.
10. To order and deliver ships can take several years. If the fleet decline is to be halted, let alone reversed, action is necessary now, and as the facts are known there is no need to wait for the outcome of any further study.

5th December, 1984.

SHIP AND SHORE NEWS

OBITUARY: Our deepest sympathy is extended to **Third Officer John Townsend** on the passing of his father on 2nd December.

..

BIRTHS: Congratulations to **Ian and Rosemary Stutt** on the birth of a daughter, **Maria Christine Alexandra** on 30th November. Baby weighed 7lb. 11 ozs on arrival. **Mr. Stutt** is a Chief Officer with the Company.

..

MARRIAGES: Our congratulations are also extended to **Third Engineer P. Price** on his marriage to **Gillian Dawn** at St. Michael's Church, Ffrith, Clwyd on 17th November.

...

EXAMINATION SUCCESSES: We congratulate the following on obtaining their Certificates:-

I.J. Morgan - **Class 2 Engine** **A.J. Salter** - **Class 2 Engine**

... ..

NEWS OF RETIRED STAFF

Mr. Chris John (ex Head Office Staff) telephoned recently. He keeps very well and pretty active with a part-time job, which he has done since he retired from our staff. He will be calling on us before Christmas and, as it is some time since we all saw him, his ex-colleagues will be looking forward to renewing acquaintance.

... ..

COMPANY ACCOUNTS & BALANCE SHEET

Attached to the Newsletter this month is a copy of the Layman's Accounts, which puts in more readily understandable language the contents of the Company's Accounts for the year ended 31st March 1984, which have just been published.

... ..

WE WISH ALL OUR READERS, WHEREVER THEY MAY BE, A

VERY HAPPY NEW YEAR AND

ALL GOOD WISHES FOR 1985

ALL AT SEA.....

EASTERN VALLEY	Captain Deck Officers Radio Officer Engineer Officers Catering	R. Crawford J. Andrews, K. Jones, D. Williams R. Smith, D. McCrohan D. Harrison, K. Rowney, M.Owens T. Broughton, E. Bennington M. Dias	AMPARO	Captain Deck Officers Radio Officer Engineer Officers Electrician Catering	R. Skinner J. Pearsall, J. Smith K. Sellar P. Evans, P. Prendergast, M. Penny. D. Harnett N. Frost
WESTERN VALLEY	Captain Deck Officers Radio Officer Engineer Officers Catering	R. Duncan J. Pagler, P.Coles, E. Neale E. Bromham W. Gill, A. Hobin, R.Thomas D. Welch D. Dias	BIBI	Captain Deck Officer Radio Officer Engineer Officers Electrician Catering	A.D. Lightfoot T. Haxell, G. Eyles, A. Baker P. Bradley N. Shilstone, M. Preece, N. Griffiths, J. Pink,R.Bracken K. Hampton L. Slawinski
NORTHERN VALLEY	Captain Deck Officers Radio Officer Engineer Officers Electrician Catering	W.D.Jones A. Thomson, N. Jerrum, R.Hall R. Masters R. Trigg, P. Slade, M. Evans M. Holman J. Atkinson T. Lobo	SILVIA SOFIA	Captain Deck Officer Radio Officer Engineer Officers Electrician Catering Officer	B. Boyer B. Hernaman, P. Roberts, E. Naughton. D. Bidmead D. Archbold, P. Deschamps M. Moore, M. Adams D. Williams P.D.Smith
TACOMA CITY	Captain Deck Officers Engineer Officers Electrician Catering	J.C.Lee J. Murray, C. Swindells, R. Eacott, R. Chugg P. Evans, M.W. Powell, A. Doubler, D. Simons, A. Tuck J. Crawford R.G. Pierce	OLMECA	Captain Deck Officer Radio Officer Engineer Officers Electrician Catering	M. Slayman A. Field, R. Davies, C. Everett B. Carter R. Diamond, J. Hocking, A. Parker, P. Cocker D. Osborne J. Sequeira
m.v. "SKEENA"	Ships Company:- Captain R. Stuart, I. Woollard, T. Price, C. Broad D. Thomson, D. Amey, W. Shannon, J. Akhurst M. Martyn-Johns, N. Padfield, J. Phillips A. Gouldie, D. Sturdy, M. Bowen, W. Shepherdson A. Viner, A. Marren, G. Moore, M. Beck, G.Gibson, P. Jones, S. Hird, N. McLennan, G. Weekley, B. Williams, P. Miller, D. Phillips.		YAQUI	Captain Add. Captain Deck Officers Radio Officers Engineer Officers Electrician Catering	T. McNulty K. Milburn M. Lovibond, S. Hembury J. Mathews, P. Short J. Scott, W. Bruce, A. Coombes P. Collins N. Whitfield E. Pereira
			LACANDON	Captain Deck Officers Radio Officer Engineer Officers Electrician Catering	L.R. Staines D. Aubrey, A. Morris, R. Crozier R. Hogg K. Morgan, D. Roberts, K. Warner, D. Aidus P. Willmott D. Fernandez

The disposition lists were correct at the time of printing

VERY IMPORTANT TO YOUR FUTURE - URGENT ACTION NECESSARY!

Serious rumours are about that the Exchequer might change the tax position of Pension Funds in its 1985 Budget. Just as we go to press, we have received a communication from the Director-General of the G.C.B.S., together with an enclosure and we have also heard from the National Association of Pension Funds, who are concerned with this matter.

The following is a letter from the Director-General of the G.C.B.S., together with explanatory notes and also attached is a suggested draft letter from the National Association of Pension Funds, all to help you to write to your local M.P. at his private address, emphasising your serious concern.

For your information, the Reardon Smith Pension Fund Trust has total funds exceeding £14 million and a considerable membership, including deferred pensions and, at present, 98 pensioners.

ONCE AGAIN, PLEASE ACT NOW TO PROTECT YOUR OWN FUTURE.

Dear Member,

TAX TREATMENT OF PENSION FUNDS

You may have seen persistent rumours in the Press to the effect that the Treasury is considering the possibility of changing the existing tax arrangements for occupational pension funds in next year's budget.

Those most directly concerned with our own industry's central occupational funds believe that any radical changes in the existing tax regime could have very serious consequences by way of extra costs for companies or reduced benefits for employees - or both.

Accordingly, the President raised the matter with the Chancellor when he came to lunch with us last week. He confirmed that the whole matter was under examination. We must therefore take the possibility very seriously indeed. I have now sent him the attached aide-memoire which seeks to describe from the practical point of view the potential effects, as far as our industry is concerned, of possible changes in this area.

The purpose of this letter is to suggest that individual companies should make their own representations, both to Ministers and back-bench MPs, as part of a national campaign, instigated by the CBI, to dissuade the Chancellor from embarking on such a course of action. You may also wish to encourage your staff to do likewise. The general principles set out in the President's circular of 5 December are equally applicable in this area.

Yours sincerely,



W. P. Shovelton
Director-General

GENERAL COUNCIL OF BRITISH SHIPPING

TAX TREATMENT OF PENSION FUNDS

BACKGROUND

- 1.1 The Shipping Industry maintains two industry-wide Occupational Pension Funds -

The Merchant Navy Officers' Pension Fund
The Merchant Navy Ratings' Pension Fund

Members	-	50,000
Assets	-	£1,000 million
Contribution Income	-	£50 million
Investment Income	-	£143 million

- 1.2 It has more than 50 Company Pension Funds covering both seafarers and shore employees.

PRESENT TAX POSITION

- 2.1.1 Employers' contributions are an allowable charge against profits for tax purposes.
- 2.1.2 Employees' contributions are deductible before calculating taxable earnings.
- 2.1.3 Employees are not assessed for tax on the value of their employer's contributions.
- 2.1.4 Neither the investment income nor capital gains of pension funds are subject to tax.
- 2.2 The present tax regime is of long standing and results from the continuing objectives of successive governments to encourage employees and their employers to provide effectively for the maintenance of living standards and purchasing power in old age and thus to minimise the necessity for additional provision by the State. The Shipping Industry has developed its occupational pension funds as part of its overall strategy for the reward and motivation of its employees.
- 2.3 Any material changes to the present tax regime would result in an increase in shipping companies' costs or the betrayal of their employees' legitimate expectations through the reduction of their existing pension benefits - or a combination of both.
- 2.4 The potential effect of the subjection to Corporation Tax of employers' contributions is self-evident.
- 2.5 Seafarers, shore employees and their unions would undoubtedly seek to recover from shipping companies any shortfall in net income resulting from pension contributions having to be paid after tax or the assessment for tax of the value of employers'

contributions. Shipping companies have already experienced this sort of situation following the withdrawal of the Overseas Earnings Relief.

- 2.6 The taxation of a Fund's investment income and capital gains would completely invalidate the actuarial assumptions on which the Fund was based and would necessitate immediately either the reduction of benefits, including pensions already in payment, or the injection of substantial additional contributions. The scale of the latter could well be such as to prejudice seriously the already tenuous competitive position of UK shipping companies, thus forcing them to break faith with their current and former employees. Significant hardship for pensioners and those nearing retirement would result. Serious consideration might have to be given to closing some existing Funds altogether, thus destroying the fabric painstakingly built up over the last 50 years encouraging moves to contracted-in schemes and giving rise to additional burdens on the State.

THE TAX-FREE LUMP SUM

- 3 The apparent anomaly which permits part of the earned pension to be commuted on retirement into a tax-free lump sum is of long standing. It represents virtually the only way in which a seafarer or a shore employee can build up a capital sum to invest for the future. Many in the Industry have made this the centrepiece of their financial planning over their whole career. For many seafarers who retire before normal pensionable age it gives the opportunity to set up a small business to provide additional income and employment to others. Any reversal of long-standing expectations in this respect could have significant political implications.

CONCLUSION

- 4 The foregoing represents only the broadest summary of the implications of any changes in the present tax regime. It is difficult to be more precise in the absence of specific proposals on which to comment. If, despite all the representations which it will be receiving from a wide variety of sources, the Government seriously contemplates tax changes in this area, they should be presented in full detail for the widest possible consultation and the assessment of their practical effects.

10th December, 1984

NAPF - Draft Letter

The National Association of Pension Funds represents all forms of occupational pension schemes in both the private and public sectors. We are concerned about the potentially damaging effects any such tax changes would have on pension schemes and their 11.5 million members and their dependants, and over 4 million pensioners.

One suggestion is that the investment income of pension funds should be subject to taxation. This is a particularly shortsighted proposal.

The NAPF calculates that the imposition of a tax at say 30%, on pension fund investment income would increase the average contributions to a typical pension fund from 15% of payroll to 25% - a rise of two-thirds. To sustain current benefit expectations could double the contribution required from employers, cutting into pre-tax profits; or, alternatively, treble the contribution asked from employees. If contributions were not increased, a reduction in benefits of between 40% - 50% would be necessary. Even existing pensions might be at risk.

Occupational pension schemes have evolved into their present structure over the past 60 years as a direct result of the principle established in the Finance Act 1921. This principle was to encourage people to make provision for their retirement by tax incentives. This has been endorsed by successive Governments ever since.

Individuals do not make adequate retirement provision without special fiscal incentives. Without these incentives, individuals are unlikely to set aside a sufficient amount of their current income for their old age.

The NAPF is convinced that any fiscal benefits to the Exchequer from the rumoured changes would be far outweighed by the adverse impact on companies, employees, deferred pensioners, existing pensioners and their dependants. There is a real possibility that some schemes would be wound up, forcing their members back into reliance on the State Earnings Related Scheme.

SHIPS POSITIONS

As at 14th December, 1984

m.v. "EASTERN VALLEY" This vessel, presently operating under Time Charter account Island View Shipping, sailed Durban 1102 1st December after loading a cargo of 5977MT Chrome Ore. Vessel arrived Port Elizabeth 1819 2nd December and after loading 4206.47MT Ferro Chrome sailed Port Elizabeth 2040 5th December with a total cargo on board of 24453.47MT Ores for discharge Rotterdam. Vessel is presently proceeding towards Rotterdam and is due to arrive around the 27th December and after discharging 5495MT Titanium Slag/3963MT Zircon Sand/4812MT Vermiculite/5977MT Chrome Ore and 4206.47MT Ferro Chrome is due to complete and redeliver from Time Charter around the 31st December. Vessel's next business has not yet been arranged.

m.v. "NORTHERN VALLEY" This vessel, operating under Time Charter account B.S.C., arrived Hong Kong 0750 10th December and after completion discharge of 7570.54MT Steel Products, redelivered from B.S.C. Time Charter 2100 11th December. Vessel sailed Hong Kong 1312 12th December after ballasting No. 3 floodable hold. Vessel slow steams towards Indonesian ports and delivers under Time Charter, account R.M.Z., 0001 18th December. Vessel then loads a cargo of Lumber and Plywood at Telok Ayer, where she is due to arrive 0700 19th December and after loading that portion of cargo will sail for further load ports, being Palembang, Sebangau Bay, Taboneo, Samarinda, Bungalon, Probolinggo, Kidjang, Singapore for bunkers and finally Dumai. We are still awaiting correct itinerary from Charterers, but we expect vessel to complete loading at final port around the 28th January. Vessel then transits the Suez Canal about 13/14th February and then proceeds towards the Mediterranean for discharge, arriving around the 18th February and completing and redelivering Western Mediterranean around the 1/5th March.

m.v. "TACOMA CITY" This vessel, presently operating under Time Charter account Coreck Maritime, sailed second and final load port, Charleston, 1816 20th November with a total cargo on board of 17763MT Polyester Fibre/Steel Billets for discharge China. Vessel called Long Beach for bunkers, arriving 1408 4th December and sailed 2300 same day. Vessel is now proceeding towards first discharge port Shanghai, where she is due to arrive around 24th December, and after discharging 7668MT Polyester Fibres will sail around 5th January for second and final discharge port Xingang (Hsinkang) arriving around 7th January and after discharging 10,095MT Steel Billets will complete and redeliver around the 10th January. No future employment has yet been arranged.

m.v. "WESTERN VALLEY" This vessel, presently operating under Time Charter account Toepfer, arrived first discharge port Hodeidah 0940 28th November and after discharging sailed 0930 30th. Vessel then called Jeddah for bunkers, arriving 2115 1st December and sailed 1830 2nd for the Suez Canal. Arrived Suez 2030 4th and sailed Port Said 2200 5th and arrived 2nd discharge port Trieste 0730 10th. After discharging 2482MT Sawn Timber, sailed 1953 12th and berthed Monfalcone 0825 13th. Vessel discharges 5473MT Timber and sails Monfalcone around 18/19th for Salerno, arriving the 20th to discharge 6577MT, sailing 28th for final discharge port Valencia, where she is due to arrive 30th December and after discharging 2041MT Sawn Timber, will redeliver around the 2nd January. No future business has yet been arranged.

m.v. "SKEENA" This vessel sailed Portland 1500 3rd December and is presently proceeding towards Kawasaki in ballast, where she is due to arrive am. 23rd December to load a cargo of Cars, sailing same day for Ulsan. Vessel arrives Ulsan 25th December to load a further cargo of Cars, sailing 26th for third and final load port, Hiroshima, arriving 27th and sailing 28th. Vessel then proceeds towards discharge ports, arriving Benicia (San Francisco) around the 10th January and after discharge will sail possibly same day for 2nd and final discharge port, New Westminster, arriving around the 13th and completing discharge around the 14th January. We are awaiting further itinerary from Seaboard.

m.v. "AMPARO" This vessel arrived Osaka 2130 9th December and entered Hitachi Chikko Drydock 0920 10th December. Vessel is expected to undock pm. the 18th and commence under Voyage 4 Eastbound. Vessel loads Osaka the 19th and sails 20th for Kure 21/23rd and finally Nagasaki, where she is due to arrive the 24th and complete loading and sail the 29th December. Vessel then proceeds towards Mexico for discharge, arriving Manzanillo probably for bunkers the 14th January, sailing the 15th for Lazero Cardenas 16/19th, Vera Cruz 27/29th, and finally Tampico arriving the 30th and completing discharge around the 1st February. Vessel then transfers to Mediterranean Service and we are awaiting itinerary from T.M.M.

m.v. "BIBI" This vessel, presently operating under Voyage 25 Eastbound, arrived Osaka 1740 12th December and after completion of cargo operations sailed 0930 13th and is presently proceeding towards Yokohama, where she is due to arrive 0700 14th and sail 1700 same day. Vessel then proceeds towards U.S. West Coast, arriving Oakland 26th December, sailing same day for Long Beach 27/28th December, and Manzanillo arriving 31st and sailing 3rd January. Vessel then proceeds under Voyage 25 Westbound, arriving Salina Cruz 25th January, sailing 6th for Long Beach 10/11th, and Oakland, arriving 12th sailing same day. Vessel then proceeds back towards Japan, arriving Yokohama 25th January, sailing 26th for Osaka 27/28th and then Hong Kong, where she is due to arrive 2nd February.

m.v. "LACANDON" This vessel sailed Hamburg 0510 23rd November and sailed Torbay 0945 25th November after changing Indian Crew. On the 6th December vessel experienced serious cracking of the steelwork developing in way of No.2/3 bulkhead during ballast passage. Vessel arrived Norfolk, Va. 1410 9th December and berthed Norshipco Pier 6 1720 9th December for permanent repairs to the above mentioned damage. Vessel completed repairs and surveys 2045 12th December and left repair berth 2115 same day. Vessel then berthed NW. Coal Terminal 2240 12th and is due to commence loading a cargo of 20,600MT Coal around 1500 13th and after completion of loading will sail Norfolk, Va. around 0100 14th December. Vessel then proceeds towards St. Croix (U.S. Virgin Islands) for disch., arriving around the 18th December and will complete discharge around the 20/21st December. No future itinerary has yet been received from T.M.M.

m.v. "OLMECA" This vessel sailed Vera Cruz 0600 8th December after completing discharge of 10,037.2MT Steel Pipes. Vessel then arrived Sabine Pilot Station (Port Arthur) 0915 10th December. Vessel berthed Port Arthur (FWE) 1330 10th and after completion of loading at 1943 the 11th sailed Port Arthur 2110 11th December with a total cargo on board of 23119.420MT Petroleum Coke for discharge Gela (Sicily). Vessel is presently proceeding towards Gela and is due to arrive am. 28th December. Expected completion of discharge around the 3/4th January. We are awaiting further itinerary from T.M.M.

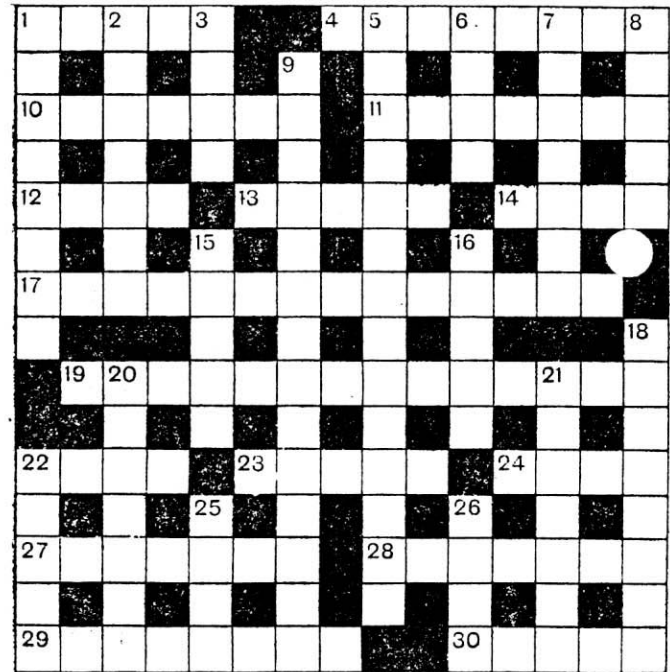
m.v. "SILVIA SOFIA" This vessel, presently operating under Voyage 21 Westbound, sailed Oakland 1800 2nd December and is presently proceeding towards Japan. Vessel is due to arrive Yokohama around 1700 15th December, sailing am. 16th for Osaka 17/17th and Hong Kong arriving the 20th December. Vessel then proceeds under Voyage 22 Eastbound, sailing Hong Kong 21st December for Keelung 22/23rd, Busan 25/26th, Osaka 27/27th and finally Yokohama, arriving 28th and sailing 29th December. Vessel then proceeds back to U.S. West Coast, arriving Oakland around the 9th January, sailing same day for Long Beach 10/11th and Manzanillo 14/17th. Vessel then proceeds under Voyage 22 Westbound arriving Salina Cruz 19th, sailing 21st for Long Beach 26/27th and Oakland arriving 28th January, sailing same day. Vessel then proceeds back to Japan, where she is due to arrive first port, Yokohama around the 9th February.

m.v. "YAQUI" This vessel sailed Gela (Sicily) 1325 1st December after completing discharge of 23051.99MT Petroleum Coke. Vessel then arrived Casablanca 2045 4th December and after completion of loading sailed Casablanca 1659 5th December, with a total cargo of 24806MT Phosphate for discharge Coatzacoalcos. Vessel is presently proceeding towards Coatzacoalcos, where she is due to arrive 20th December and berth around the 23rd, and after completion of discharge will sail around the 28th December. No future business has yet been arranged for this vessel.

STAMP ISSUES 1985

For all you Philatelists, here is the Stamp News:

- 22nd January - Famous Trains
- 12th March - Insects
- 14th May - Composers
- 18th June - Safety at Sea
- 30th July - 350th Anniversary for the Post Office
- 3rd September - Arthurian Legend
- 8th October - Films
- 9th November - Christmas



Across. Clues: Down.

- | | |
|---|---|
| <ul style="list-style-type: none"> 1. See 10. 4. It divides part of a vessel (8) 10 & 1 across: He has stacks to do! (7,5). 11. A parasite having a flair for flares! (7) 12. Such a ball bounces high on pitching, (4) 13. Highest room in roof, (5) 14. Birds eat it - for pluck and courage? (4) 17. Bias in choice ? (14) 19. With which to communicate through space; wireless, (14) 22. Culminating point, (4) 23. Barely sufficient; hardly enough (5) 24. Pop music of US Negro origin (4). 27. For dressing that on the head with? (4-3). 28. 15 may pass through this - or stop at it, (7) 29. The look-out man should have at least one, (5,3) 30. It's said when these are running out there's not much time left (5) | <ul style="list-style-type: none"> 1. Many lying on them in hospital (4,4) 2. They're riddled with mystery (7) 3. Small flat-bottomed boat - worth an Irish pound? (4) 5. Feeling of hostility towards others, (14) 6. A stone placed on edge, (4) 7. Prohibition on movement of ships or cargoes, (7) 8. A handy one, of five, (5) 9. Doing methodically, (14) 15. A succession of carriages, (5) 16. Pull out all these for a great effort! (5) 18. Made to bind ropes together, (like sudden grasps), (8) 20. Country, named after Mr. Amerigo Vespucci, (7) 21. It may be delivered, packed with words, (7) 22. They commonly accompany pains, (5) 25. Ship seas over the stern, (4) 26. Large flat fish, showing signs of light? (4) |
|---|---|

Thanks again
to Mr. J.F.
Thorne

REARDON SMITH LINE PLC AND SUBSIDIARY COMPANIES

LAYMAN'S ACCOUNTS FOR THE YEAR ENDED

31st MARCH, 1984

GROUP PROFIT AND LOSS ACCOUNT - OR -

"HOW WE FARED IN THE YEAR"

		£
Losses incurred by the trading of vessels amounted	to	(2,056,432)
We sold one vessel at a profit	of	1,747,619
Our investments and cash balances earned income	of	243,238
We sold shares in other companies at a loss	of	(6,023)
We settled a foreign loan and made a profit on exchange	of	101,794
The interest paid on money borrowed to finance the cost of our Fleet amounted	to	(605,029)
The amount charged against profits to provide for future vessels	was	<u>(1,062,870)</u>
Giving a total trading loss	of	(1,637,703)
Foreign loans were converted at the rate ruling on 31st March 1984 at a loss	of	<u>(156,221)</u>
Giving us a loss before taxation	of	(1,793,924)
We may be required to pay the Inland Revenue an amount	of	(600,795)
The amount of surplus arising on re-valuation of vessels transferred from the Re-valuation Reserve Account	was	131,500
Which leaves us a loss for the year to set against profits of previous years	of	<u>(2,263,219)</u> =====

THE GROUP BALANCE SHEET - OR -
"WHAT WE OWN AGAINST WHAT WE OWE"

	WE OWN	£
Vessels amounting	to	13,949,500
Property amounting	to	1,036,730
Investments in other companies	of	81,139
Cash held by Bankers	of	<u>1,191,082</u>
		16,258,451
	WE ARE OWED	
By the people we trade with		2,285,999
We own or are owed a total	of	<u>18,544,450</u> =====
	BUT WE OWE	
To the secured Lenders		9,014,071
To people who provide us with services		3,101,483
To the Inland Revenue for:-		
Actual liabilities		150,000
Potential liabilities		<u>1,050,000</u>
		13,315,554
Remainder of amount received in 1981 for charter termination compensation - to be allocated to Profit and Loss in future years		264,718
Balance - being amount currently invested in the business by the Stockholders		<u>4,964,178</u>
		<u>18,544,450</u> =====