

NEWLYN PIER AND HARBOUR

**ACCOUNTS FOR THE YEAR ENDED
31 MARCH 2009**

NEWLYN PIER AND HARBOUR**COMMISSIONERS' REPORT**

The commissioners present their report, together with the financial statements for the year ended 31st March 2009.

1. PRINCIPAL ACTIVITY

The principal activity of the Harbour Commissioners continues to be that of administering the affairs of Newlyn Pier and Harbour. The Harbour Commissioners are also responsible for the administration of pilotage services as a competent harbour authority under the Pilotage Act 1987.

2. REVIEW OF BUSINESS

A summary of the results of the year's operations is given on page 5 of the financial statements. The commissioners report that the deficit before taxation amounted to £106,592.

The commissioners are actively looking at schemes to improve the facilities at the harbour.

3. COMMISSIONERS

The following commissioners held office during the year:

Mr W Stevenson (Chairman)
Mr R D Williams MBE (Vice Chairman) (Resigned 8th April 2009)
Mr S Hicks
Mr P French (Resigned 1st March 2009)
Mr L M Williams
Mr J Payne (Resigned 8th June 2009)
Colonel E Bolitho, OBE
Mr G Adams

4. VALUATION

A valuation of the harbour properties at £6,743,800 was made by Messrs Scott Burridge Chick in March 2006.

5. AUDITORS

A resolution proposing that Kelsall Steele Limited be re-appointed as auditors of the "Undertaking" will be put to the Annual General Meeting.

6. COMMISSIONERS' RESPONSIBILITIES

Company law requires the commissioners to prepare accounts for each financial year which give a true and fair view of the state of affairs of the "Undertaking" and of the surplus or deficit of the "Undertaking" for that period. In preparing those accounts, the commissioners are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the "Undertaking" will continue in business.

The commissioners are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the "Undertaking" and to enable them to ensure that the accounts comply with standard accounting practices. They are also responsible for

NEWLYN PIER AND HARBOUR
COMMISSIONERS' REPORT (continued...)

safeguarding the assets of the "Undertaking" and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Commissioners

W Stevenson
Chairman

Date:

NEWLYN PIER AND HARBOUR**INDEPENDENT AUDITORS' REPORT TO THE
COMMISSIONERS**

We have audited the financial statements of Newlyn Pier and Harbour for the year ended 31 March 2009 which comprise the revenue account, the balance sheet and the related notes. These financial statements have been prepared in accordance with the Pier and Harbour Orders Confirmation Act 1906, United Kingdom Generally Accepted Accounting Practice, under the historical cost convention and the accounting policies set out therein.

This report is made solely to the entity's commissioners, as a body, in accordance with the Pier and Harbour Orders Confirmation Act 1906. Our audit work has been undertaken so that we might state to the entity's commissioners those matters we are required to state to them in an auditors' 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 entity and the entity's commissioners as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF COMMISSIONERS AND AUDITORS

The commissioners' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Commissioners' 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).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Pier and Harbour Orders Confirmation Act 1906. We also report to you whether in our opinion the information given in the Commissioners' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the entity 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 commissioners' remuneration and other transactions is not disclosed.

We read the commissioners' 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 judgements made by the commissioners in the preparation of the financial statements, and of whether the accounting policies are appropriate to the entity'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.

NEWLYN PIER AND HARBOUR

**INDEPENDENT AUDITORS' REPORT TO THE
COMMISSIONERS (continued...)**

OPINION

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the entity's affairs as at 31 March 2009 and of its deficit for the year then ended;
- the financial statements have been properly prepared in accordance with the Pier and Harbour Orders Confirmation Act 1906 ; and
- the information given in the Commissioners' Report is consistent with the financial statements.

**Kelsall Steele Limited
Chartered Accountants
and Registered Auditors**

**Woodlands Court
Truro Business Park
Truro
Cornwall
TR4 9NH**

Date:

NEWLYN PIER AND HARBOUR

REVENUE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2009

	Note	2009		2008	
		£	£	£	£
TURNOVER					
Dues, water and other charges, etc.			415,902		443,493
Rents receivable:					
Offices, car and lorry park, water sites and acknowledgements			103,909		112,531
Fishing permits			140		96
Pay & Display parking			16,961		19,533
			<u>536,912</u>		<u>575,653</u>
EXPENDITURE					
Repairs and maintenance of works etc		102,276		114,982	
Market boxes		0		10,800	
Skip hire		23,500		24,925	
Staff costs	2	222,058		217,235	
Lighting and heating		58,091		40,949	
Water supply		20		10	
Printing, stationery, advertising, telephone and facsimile		6,728		5,521	
General insurance		47,897		49,578	
Rates		49,177		37,714	
General expenses		9,081		9,990	
Audit fee		3,250		4,236	
Legal and professional charges		41,117		32,688	
Depreciation of harbour properties		37,485		37,484	
Depreciation of equipment		141,338		140,261	
Security		4,334		4,208	
Bad debts written off		298		-	
NFIF and Regeneration Projects		1,080		10,160	
Bank interest and charges		15,827		17,709	
Loss on sale of assets		3,325		-	
			<u>766,882</u>		<u>758,450</u>
OPERATING DEFICIT					
			(229,970)		(182,797)
Interest receivable – bank interest		1		1	
Government grants written back		123,127		122,307	
Sundry income		250		-	
			<u>123,378</u>		<u>122,308</u>
DEFICIT on ordinary activities before taxation					
			(106,592)		(60,489)
TAXATION					
	3		-		-
DEFICIT on ordinary activities after taxation carried forward					
	10		<u>(106,592)</u>		<u>(60,489)</u>

The notes on pages 8 to 13 form an integral part of these financial statements.

NEWLYN PIER AND HARBOUR

**REVENUE ACCOUNT (continued)
FOR THE YEAR ENDED 31 MARCH 2009**

CONTINUING OPERATIONS

None of the Undertaking's activities were acquired or discontinued during the above two financial years.

TOTAL RECOGNISED GAINS AND LOSSES

The Undertaking has no recognised gains or losses other than the deficit for the year.

NEWLYN PIER AND HARBOUR

BALANCE SHEET
AS AT 31 MARCH 2009

	Note	2009	2008
		£	£
FIXED ASSETS			
Tangible assets	4	3,322,707	3,494,631
CURRENT ASSETS			
Debtors	5	300,692	154,446
Cash at bank and in hand		51	272
		<u>300,743</u>	<u>154,718</u>
CREDITORS: amounts falling due within one year	6	<u>435,611</u>	<u>236,714</u>
NET CURRENT LIABILITIES		<u>(134,868)</u>	<u>(81,996)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,187,839	3,412,635
ACCRUALS AND DEFERRED INCOME		<u>(1,957,790)</u>	<u>(2,075,994)</u>
		<u>1,230,049</u>	<u>1,336,641</u>
CAPITAL AND RESERVES			
Capital Reserves	10	1,364,918	1,418,638
Revenue reserves			
General		(367,697)	(314,824)
Dredging		120,000	120,000
Capital works		112,828	112,828
		<u>1,230,049</u>	<u>1,336,641</u>

Chairman of the commissioners - W Stevenson

Clerk to the commissioners - A T Munson

The financial statements were approved at a meeting of the commissioners on

The notes on pages 8 to 13 form an integral part of these financial statements

NEWLYN PIER AND HARBOUR

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2009**

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

a) Accounting convention

The accounts are prepared under the historical cost convention.

b) Turnover

Turnover represents income receivable net of value added tax.

c) Government and EEC grants

Grants received before 1990 are deducted from the cost of the relevant fixed assets. Depreciation is calculated on the net cost.

Grants received since 1990 are treated as a deferred credit and are released to the revenue account in equal instalments over the estimated useful economic life of the asset concerned.

d) Depreciation

Depreciation is calculated to write down the cost of assets by equal instalments over their expected useful lives. The expected useful lives of the assets have been taken as:-

Fish market	50 years	Plant and equipment	4 years
Slipway	20 years	Office equipment	4 years
Cradle	15 years	Motor vehicle	4 years
Net maintenance shed	25 years	Slipway upgrade	25 years
Waterworks	10 years	Landing davits	10 years
Other harbour works		Grading & Traceability	10 years
and properties	100 years	North Pier lighting	10 years
Small Boat Pontoons	25 years		

No depreciation is provided on deferred expenditure, land or capital works in progress.

e) Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less, or to receive more, tax with the following exceptions:

Deferred tax assets are recognised only to the extent that the Commissioners consider that it is more likely than not that there will be suitable taxable surpluses from which the future reversal of the 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 timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

NEWLYN PIER AND HARBOUR

**NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 MARCH 2009**

f) Accruals and deferred income

Accruals and deferred income represents grants received in the year which are to be released to subsequent year's profit and loss accounts so that they are written off over the estimated useful life of the assets.

These grants are repayable if certain conditions are not continuing to be adhered to. The Commissioners are satisfied that the conditions were and are continuing to be met.

2. STAFF COSTS	2009	2008
	£	£
Wages and salaries	197,262	192,490
Social security costs	17,481	17,568
Other pension costs	7,315	7,177
	<u>222,058</u>	<u>217,235</u>

The Harbour Commissioners receive no remuneration.

The average weekly number of employees during the year was made up as follows:-

	2009	2008
Office and administration	2	2
Harbour master's assistants	7	7
	<u>9</u>	<u>9</u>

3. TAXATION

	2009	2008
	£	£
There is no liability to Corporation Tax		
As a result of losses sustained	-	-
	<u>-</u>	<u>-</u>
Deferred tax adjustment due to deficit	-	-
	<u>-</u>	<u>-</u>

NEWLYN PIER AND HARBOUR

**NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 MARCH 2008**

4. **TANGIBLE FIXED ASSETS**

	At 1.4.08	Additions	Disposals	At 31.3.09
COST	£	£	£	£
South pier	30,282	-	-	30,282
North pier	72,815	-	-	72,815
Mary Williams pier	775,063	-	-	775,063
Fish market	358,250	-	-	358,250
Net maintenance shed	14,424	-	-	14,424
Offices and stores	10,657	-	-	10,657
Accreted foreshore and reclaimed land	1,510	-	-	1,510
Water works	16,561	-	-	16,561
New slipway	85,898	-	-	85,898
Plant and equipment	156,527	-	-	156,527
Office equipment	12,459	-	-	12,459
Motor vehicle	6,195	-	-	6,195
Slipway upgrade	500,477	-	-	500,477
Landing davits	15,903	-	-	15,903
Grading & traceability equip.	387,206	6,899	-	394,105
Chill chain	127,086	-	-	127,086
Upgrade electricity supply	10,142	-	-	10,142
Small Boat Pontoons	2,073,111	-	-	2,073,111
	<u>4,654,566</u>	<u>6,899</u>	<u>-</u>	<u>4,661,465</u>

	At 1/4/08	Charge for the year	Eliminated on disposal	At 31/3/09	Net book amounts
DEPRECIATION AND NET BOOK AMOUNTS	£	£	£	£	£
South pier	28,361	237	-	28,598	1,684
North pier	66,171	1,023	-	67,194	5,621
Mary Williams pier	201,842	7,962	-	209,804	565,259
Fish market	143,172	7,169	-	150,341	207,909
Net maintenance shed	11,523	580	-	12,103	2,321
Offices and stores	7,471	93	-	7,564	3,093
Accreted foreshore and reclaimed land	1,507	-	-	1,507	3
Water works	16,561	-	-	16,561	0
New slipway	64,091	403	-	64,494	21,404
Plant and equipment	153,472	1,944	-	155,416	1,111
Office equipment	11,427	765	-	12,192	267
Motor vehicle	6,195	-	-	6,195	0
Slipway upgrade	80,076	20,019	-	100,095	400,382
Landing davits	6,361	1,590	-	7,951	7,952
Grading & traceability	154,755	40,388	-	195,143	198,962
Chill chain	38,126	12,709	-	50,835	76,251
Upgrade electricity	3,042	1,014	-	4,056	6,086
Small Boat Pontoons	165,782	82,927	-	248,709	1,824,402
	<u>1,159,935</u>	<u>178,823</u>	<u>-</u>	<u>1,338,758</u>	<u>3,322,707</u>

At 31 March 2009, the costs of fixed assets (before deduction of grants £2,612,762) amounted to £7,741,786. The related accumulated depreciation provisions would amount to £2,490,823 (2008 - £2,118,377).

NEWLYN PIER AND HARBOUR

**NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 MARCH 2009**

5. DEBTORS - amounts falling due within one year		
	2009	2008
	£	£
Operating debtors	186,030	136,453
Other debtors	-	3,500
Prepayments	14,106	14,493
VAT	100,556	-
	<u>300,692</u>	<u>154,446</u>

6. CREDITORS - amounts falling due within one year		
	2009	2008
	£	£
Operating creditors	27,666	19,978
Bank overdraft	377,474	184,000
Accruals	30,471	32,736
	<u>435,611</u>	<u>236,714</u>

The bank overdraft is unsecured.

7. PROVISION FOR LIABILITIES AND CHARGES.		
	2009	2008
	£	£
Deferred tax	<u>-</u>	<u>-</u>

8. **OPERATING LEASE COMMITMENTS**

At 31st March 2009 the "Undertaking" had annual commitments under non-cancellable operating leases as follows:

	2009	2008
	£	£
Expiring within one year	-	-
Between one and five years	2,479	2,863
	<u>2,479</u>	<u>2,863</u>

9. **ACCRUALS AND DEFERRED INCOME**

The grants received in respect of capital expenditure on plant and equipment and infrastructure within the harbour are being written back to the Revenue Account over the useful life of the asset for which the grant was received.

NEWLYN PIER AND HARBOUR

**NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 MARCH 2009**

10. MOVEMENT ON RESERVES

	Capital	Revenue	Capital Works
		General	Dredging
	£	£	£
Accumulated capital and allocated Reserve account 1 April 2008	1,418,638		120,000
Revenue reserves 1 April 2008		(314,825)	
Transfer to capital reserves	(53,720)	53,720	
	<u>1,364,918</u>	<u>(261,105)</u>	
Movement in year			
Revenue deficit for the year		(106,592)	
At 31 March 2009	<u>1,364,918</u>	<u>(367,697)</u>	<u>120,000</u>
			<u>112,828</u>

11. MOVEMENT ON CAPITAL RESERVE

	£	£
Depreciation		(178,823)
Additions - deferred expenditure and other capital assets		6,899
		<u>(171,924)</u>
Deduct – deferred grants due in year	(4,923)	
Written off in year	<u>123,127</u>	
		<u>118,204</u>
Transfer to Capital Reserve		<u>(53,720)</u>

NEWLYN PIER AND HARBOUR

**NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 MARCH 2009**

12. RELATED PARTY DISCLOSURES

During the year the following Commissioners have had dealings with the Harbour

Mr. W. Stevenson – Chairman of the commissioners, whose firm has paid to the Harbour Authority the following:

	2009	2008
	£	£
Dues, water and other charges	223,318	278,237
Rental income re offices and Stores	27,134	30,305
Oil spill charges	22,572	-
	<hr/>	<hr/>
	273,024	308,542
	=====	=====
Outstanding at the 31 st March was	87,376	62,672

Mr. M. Williams – fisherman whose landings are all handled by Mr. Stevenson's firm:

	2009	2008
	£	£
Rental of store	322	281
Outstanding at the 31 st March was	-	281

Mr. S. Hicks – fisherman whose landings are all handled by Mr. Stevenson's firm:

	2009	2009
	£	£
Rental of store	322	281
Outstanding at the 31 st March was	322	281

Mr. G. Adams – fisherman and merchant whose landings are all handled by Mr. Stevenson's firm:

	2009	2008
	£	£
Rental of offices and store	13,211	13,299
Outstanding at the 31 st March was	13,211	13,299