

**NEWLYN PIER AND HARBOUR**

**ACCOUNTS FOR THE YEAR ENDED  
31<sup>st</sup> MARCH 2010**

**NEWLYN PIER AND HARBOUR****COMMISSIONERS' REPORT**

The commissioners present their report, together with the financial statements for the year ended 31<sup>st</sup> March 2010.

**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 surplus before taxation amounted to £46,280.

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) (Retired 31<sup>st</sup> May 2010)  
Mr R D Williams MBE (Resigned 8<sup>th</sup> April 2009)  
Mr S Hicks (Retired 31<sup>st</sup> May 2010)  
Mr L M Williams (Retired 31<sup>st</sup> May 2010)  
Mr J Payne (Resigned 8<sup>th</sup> June 2009)  
Colonel E Bolitho, OBE (Retired 30<sup>th</sup> November 2010)  
Mr G Adams (Retired 31<sup>st</sup> May 2010)  
Mr G McCabe (Appointed January 2010)  
Mr R Tovey (Appointed February 2010)

A new board of Commissioners was elected on the 31<sup>st</sup> May 2010 under the Harbour Revision Order which came into effect on that date. Col. Bolitho, Mr McCabe and Mr Tovey remain as members of the new board.

**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

Date: 23<sup>rd</sup> March 2011

G McCabe  
Chairman

**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 the 31<sup>st</sup> March 2010 which comprise the revenue account, the balance sheet and the related notes. These financial statements have been prepared in accordance with 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 Harbours Act 1964. 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 Harbours Act 1964. 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 the 31<sup>st</sup> March 2010 and of its surplus for the year then ended;
- the financial statements have been properly prepared in accordance with Harbours Act 1964; and
- the information given in the Commissioners' Report is consistent with the financial statements.

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

**Date:** 29<sup>th</sup> March 2011

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

**NEWLYN PIER AND HARBOUR**  
**REVENUE ACCOUNT**  
**FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2010**

	Note	2010 £	2009 £
<b>TURNOVER</b>			
Dues, water and other charges, etc.		561,948	415,902
<b>Rents receivable:</b>			
Offices, car and lorry park, water sites and acknowledgements		121,637	103,909
Fishing permits		80	140
Pay & Display parking		26,058	16,961
		<u>709,723</u>	<u>536,912</u>
<b>EXPENDITURE</b>			
Repairs and maintenance of works etc		82,428	102,276
Site Investigation		35,447	-
Market boxes		7,672	-
Skip hire		23,072	23,500
Staff costs	2	218,203	222,058
Lighting and heating		53,109	58,091
Water supply		10	20
Printing, stationery, advertising, telephone and facsimile		5,803	6,728
General insurance		42,123	47,897
Rates		59,320	49,177
General expenses		9,509	9,081
Audit fee		3,750	3,250
Legal and professional charges		39,178	41,117
Depreciation of harbour properties		37,484	37,485
Depreciation of equipment		140,773	141,338
Security		4,551	4,334
Bad debts written off		11,696	298
NFIF and Regeneration Projects		-	1,080
Bank interest and charges		14,311	15,827
Profit on sale of assets		(30)	3,325
		<u>788,409</u>	<u>766,882</u>
<b>OPERATING DEFICIT</b>			
		(78,686)	(229,970)
Interest receivable – bank interest		-	1
Government grants written back		123,127	123,127
Sundry income		75	250
Supplement on late repayment		1,764	-
		<u>124,966</u>	<u>123,378</u>
<b>SURPLUS on ordinary activities</b>			
before taxation		46,280	(106,592)
<b>TAXATION</b>			
	3	-	-
<b>SURPLUS on ordinary activities</b>			
after taxation carried forward	10	<u>46,280</u>	<u>(106,592)</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<sup>st</sup> MARCH 2010**

**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 surplus for the year.

## NEWLYN PIER AND HARBOUR

BALANCE SHEET  
AS AT 31<sup>st</sup> MARCH 2010

	Note	2010 £	2009 £
<b>FIXED ASSETS</b>			
Tangible assets	4	3,153,429	3,322,707
<b>CURRENT ASSETS</b>			
Debtors	5	305,526	300,692
Cash at bank and in hand		38	51
		<u>305,564</u>	<u>300,743</u>
<b>CREDITORS: amounts falling due within one year</b>	6	<u>348,000</u>	<u>435,611</u>
<b>NET CURRENT LIABILITIES</b>		<u>(42,436)</u>	<u>(134,868)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		3,110,993	3,187,839
<b>ACCRUALS AND DEFERRED INCOME</b>		<u>(1,834,664)</u>	<u>(1,957,790)</u>
		<u>1,276,329</u>	<u>1,230,049</u>
<b>CAPITAL AND RESERVES</b>			
Capital Reserves	10	1,318,767	1,364,918
Revenue reserves			
General		(275,266)	(367,697)
Dredging		120,000	120,000
Capital works		112,828	112,828
		<u>1,276,329</u>	<u>1,230,049</u>

Chairman of the commissioners - G McCabe

Clerk to the commissioners - A T Munson

The financial statements were approved at a meeting of the commissioners on 23<sup>rd</sup> March 2011.

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<sup>st</sup> MARCH 2010**

**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<sup>st</sup> MARCH 2010**

## 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	2010	2009
	£	£
Wages and salaries	194,840	197,262
Social security costs	16,067	17,481
Other pension costs	7,296	7,315
	<u>218,203</u>	<u>222,058</u>

The Harbour Commissioners receive no remuneration.

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

	2010	2009
Office and administration	3	2
Harbour master's assistants	7	7
	<u>10</u>	<u>9</u>

## 3. TAXATION

	2010	2009
	£	£
There is no liability to Corporation Tax as a result of losses brought forward	-	-
	<u>-</u>	<u>-</u>
There is no deferred tax adjustment due to losses brought forward	-	-
	<u>-</u>	<u>-</u>

## NEWLYN PIER AND HARBOUR

**NOTES TO THE ACCOUNTS (continued)**  
**FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2010**

**4. TANGIBLE FIXED ASSETS**

	At 01/04/09	Additions	Disposals	At 31/03/10
<b>COST</b>	£	£	£	£
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	1,680	-	158,207
Office equipment	12,459	-	-	12,459
Motor vehicle	6,195	7,299	6,195	7,299
Slipway upgrade	500,477	-	-	500,477
Landing davits	15,903	-	-	15,903
Grading & traceability equip.	394,105	-	-	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>4,661,465</u>	<u>8,979</u>	<u>6,195</u>	<u>4,664,249</u>

	At 01/04/09	Charge for the year	Eliminated on disposal	At 31/03/10	Net book amounts
<b>DEPRECIATION AND NET BOOK AMOUNTS</b>	£	£	£	£	£
South pier	28,598	237	-	28,835	1,447
North pier	67,194	1,023	-	68,217	4,598
Mary Williams pier	209,804	7,961	-	217,765	557,298
Fish market	150,341	7,169	-	157,510	200,740
Net maintenance shed	12,103	580	-	12,683	1,741
Offices and stores	7,564	93	-	7,657	3,000
Accreted foreshore and reclaimed land	1,507	-	-	1,507	3
Water works	16,561	-	-	16,561	-
New slipway	64,494	402	-	64,896	21,002
Plant and equipment	155,416	1,390	-	156,806	1,401
Office equipment	12,192	267	-	12,459	-
Motor vehicle	6,195	487	6195	487	6,812
Slipway upgrade	100,095	20,019	-	120,114	380,363
Landing davits	7,951	1,591	-	9,542	6,361
Grading & traceability	195,143	40,388	-	235,531	158,574
Chill chain	50,835	12,708	-	63,543	63,543
Upgrade electricity	4,056	1,014	-	5,070	5,072
Small Boat Pontoons	248,709	82,928	-	331,637	1,741,474
	<u>1,338,758</u>	<u>178,257</u>	<u>6,195</u>	<u>1,510,820</u>	<u>3,153,429</u>

At 31<sup>st</sup> March 2010, the costs of fixed assets (before deduction of grants £2,612,762) amounted to £7,744,570. The related accumulated depreciation provisions would amount to £2,853,811 (2009 - £2,490,823).

## NEWLYN PIER AND HARBOUR

**NOTES TO THE ACCOUNTS (continued)  
FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2010**

5. **DEBTORS** - amounts falling due within one year

	<b>2010</b>	2009
	<b>£</b>	£
Operating debtors	259,665	186,030
Prepayments	26,042	14,106
VAT	19,819	100,556
	<u>305,526</u>	<u>300,692</u>

6. **CREDITORS** - amounts falling due within one year

	<b>2010</b>	2009
	<b>£</b>	£
Operating creditors	72,515	27,666
Bank overdraft	239,052	377,474
Accruals	36,433	30,471
	<u>348,000</u>	<u>435,611</u>

The bank overdraft is unsecured.

7. **PROVISION FOR LIABILITIES AND CHARGES.**

	<b>2010</b>	2009
	<b>£</b>	£
Deferred tax	<u>-</u>	<u>-</u>

8. **OPERATING LEASE COMMITMENTS**

At 31<sup>st</sup> March 2010 the "Undertaking" had annual commitments under non-cancellable operating leases as follows:

	<b>2010</b>	2009
	<b>£</b>	£
Expiring within one year	-	-
Between one and five years	2,322	2,479
	<u>2,322</u>	<u>2,479</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<sup>st</sup> MARCH 2010**

## 10. MOVEMENT ON RESERVES

	<b>Capital</b>	<b>Revenue</b>	<b>Capital Works</b>
		General	Dredging
	£	£	£
Accumulated capital and allocated Reserve account 1 <sup>st</sup> April 2009	1,364,918		120,000
Revenue reserves 1 <sup>st</sup> April 2009		(367,697)	
Transfer from capital reserves	(46,151)	46,151	
	<u>1,318,767</u>	<u>(321,546)</u>	
Movement in year			
Revenue surplus for the year		46,280	
At 31 <sup>st</sup> March 2010	<u>1,318,767</u>	<u>(275,266)</u>	<u>120,000</u>
			<u>112,828</u>

## 11. MOVEMENT ON CAPITAL RESERVE

	£	£
Depreciation		(178,257)
Additions - deferred expenditure and other capital assets		8,979
		<u>(169,278)</u>
Deduct – deferred grants due in year	(-)	
Written off in year	<u>123,127</u>	
		<u>123,127</u>
Transfer to Capital Reserve		<u>(46,151)</u>

## NEWLYN PIER AND HARBOUR

**NOTES TO THE ACCOUNTS (continued)**  
**FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2010**

**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:

	<b>2010</b>	2009
	<b>£</b>	£
Dues, water and other charges	290,792	223,318
Rental income re offices and Stores	20,196	27,134
Oil spill charges	-	22,572
	<u>310,988</u>	<u>273,024</u>
Outstanding at the 31 <sup>st</sup> March was	92,792	87,376

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

	<b>2010</b>	2009
	<b>£</b>	£
Rental of store	329	322
Outstanding at the 31 <sup>st</sup> March was	-	-

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

	<b>2010</b>	2009
	<b>£</b>	£
Rental of store	329	322
Outstanding at the 31 <sup>st</sup> March was	329	322

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

	<b>2010</b>	2009
	<b>£</b>	£
Dues	2,118	-
Rental of offices and store	13,153	13,211
	<u>15,271</u>	<u>13,211</u>
Outstanding at the 31 <sup>st</sup> March was	26,509	13,211