

NEWPORT HARBOUR COMMISSIONERS
AUDITED FINANCIAL STATEMENTS
FOR
31 MARCH 2011

WALTER HUNTER & CO LIMITED
Chartered Accountants & Statutory Auditor
24 Bridge Street,
Newport,
South Wales.
NP20 4SF

NEWPORT HARBOUR COMMISSIONERS

AUDITED FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2011

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NEWPORT HARBOUR COMMISSIONERS
STATEMENT OF RESPONSIBILITIES OF THE COMMISSIONERS
YEAR ENDED 31 MARCH 2011

Commissioners' Responsibilities

The Commissioners are responsible for preparing the financial statements in accordance with the following law and regulations:

Newport (Monmouthshire) Harbour Acts 1836, 1869 and 1890 and the Statutory Harbour Undertakings (Form of Account etc.) Regulations of 1969 and 1983 require the Newport Harbour Commissioners (the "Authority") to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Authority and of the profit and loss of the Authority for that period.

In preparing those financial statements, the Authority's Commissioners are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Authority will continue in business.

The Authority's Commissioners are responsible for keeping proper accounting records which disclose with reasonably accuracy, at any time, the financial position of the Authority and to enable them to ensure that the financial statements comply with Newport (Monmouthshire) Harbour Acts 1836, 1869 and 1890 and the Statutory Harbour Undertakings (Form of Account etc.) Regulations of 1969 and 1983.

They are also responsible for safeguarding the assets of the Authority and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Authority's Commissioners are aware:

- there is no relevant audit information of which the Authority's auditors are unaware: and
- that each of the Authority's Commissioners have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Signed on behalf of Newport Harbour Commissioners on 8th June 2011

C.P. CRICK

Chairman

NEWPORT HARBOUR COMMISSIONERS

INDEPENDENT AUDITOR'S REPORT TO THE NEWPORT HARBOUR COMMISSIONERS

YEAR ENDED 31 MARCH 2011

We have audited the financial statements of Newport Harbour Commissioners (the "Authority") for the year ended 31 March 2011. These financial statements have been prepared under the historical cost convention, modified by the revaluation of certain fixed asset investments and in accordance with applicable United Kingdom accounting standards and the accounting policies set out on page 6.

This report is made solely to the Authority's Commissioners, as a body. Our audit work has been undertaken so that we might state to the Authority's Commissioners those matters we are required to state to them in an auditor's 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 Authority and the Authority's Commissioners as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF AUTHORITY AND AUDITORS

The responsibilities of the Authority for preparing of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Commissioners' Responsibilities Statement set out on page 1.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

We report to you our opinion as to whether the financial statements give a true and fair view.

In addition we report to you if, in our opinion, the Authority has not kept proper accounting records, and if we have not received all the information and explanations we require for our audit.

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 Authority in the preparation of the financial statements, and of whether the accounting policies are appropriate to Authority's circumstances and have been 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.

NEWPORT HARBOUR COMMISSIONERS
INDEPENDENT AUDITOR'S REPORT TO THE
NEWPORT HARBOUR COMMISSIONERS *(continued)*
YEAR ENDED 31 MARCH 2011

OPINION

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities of the state of the Authority's affairs as at 31 March 2011 and of its loss for the year then ended;
- have been properly prepared in accordance with Newport (Monmouthshire) Harbour Acts 1836, 1869 and 1890 and the Statutory Harbour Undertakings (Form of Account etc) Regulations of 1969 and 1983.

24 Bridge Street,
Newport.
South Wales
NP20 4SF

8th June 2011

DAVID THOMAS FCA
(Senior Statutory Auditor)
For and on behalf of
WALTER HUNTER & CO LIMITED
Chartered Accountants
& Statutory Auditor

NEWPORT HARBOUR COMMISSIONERS

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2011

	2011	2010
	£	£
OPERATING INCOME		
Harbour dues on ships	73,465	85,235
Sundry services and facilities	81	79
Compensation claim and interest receivable on compensation	-	6,664
Insurance claim	-	7,633
Interest receivable	3,994	6,690
TOTAL INCOMING RESOURCES	77,540	106,301
RESOURCES EXPENDED		
Operating and maintenance expenditure		
Vessel traffic service	20,100	20,100
Insurance	6,133	6,591
Repairs to buoys and lighthouse	12,645	10,249
Subcontracting of Harbourmaster duties	20,000	20,000
Harbour generally	353	349
	<u>59,231</u>	<u>57,289</u>
Dredging expenditure		
Prior year dredging adjustment	(5,141)	(2,937)
Current year contribution	21,148	26,207
	<u>16,007</u>	<u>23,270</u>
Administrative and general expenses		
Staff salaries and National Insurance contributions	6,037	6,037
Consultancy and management services	24,277	26,277
Upkeep of offices and establishment expenses	266	262
General administrative expenses	3,196	2,629
Insurance	4,200	4,340
Auditors' remuneration	1,605	1,560
	<u>39,581</u>	<u>41,105</u>
TOTAL RESOURCES EXPENDED	114,819	121,664
Net (Outgoing) resources for the year before depreciation	(37,279)	(15,363)
Depreciation	(1,185)	(2,249)
Net (Outgoing) resources for the year before taxation	(38,464)	(17,612)
Taxation credit	-	3,371
TOTAL (OUTGOING) RESOURCES FOR THE YEAR	(38,464)	(14,241)

The notes on pages 6 to 7 form part of these financial statements.

NEWPORT HARBOUR COMMISSIONERS

BALANCE SHEET

31 MARCH 2011

	Note	2011 £	£	2010 £
FIXED ASSETS				
Tangible assets	4		2,835	4,021
Investments	5		6,500	6,500
			<u>9,335</u>	<u>10,521</u>
CURRENT ASSETS				
Debtors	6	23,148		50,985
Cash at bank and in hand		268,281		282,330
		<u>291,429</u>		<u>333,315</u>
CREDITORS: Amounts falling due within one year	7	(35,600)		(40,208)
NET CURRENT ASSETS			<u>255,829</u>	<u>293,107</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>265,164</u>	<u>303,628</u>
CAPITAL AND RESERVES				
Revaluation reserve			6,500	6,500
Profit and loss account			258,664	297,128
SHAREHOLDERS' FUNDS			<u>265,164</u>	<u>303,628</u>

These financial statements were approved and signed on 8th June 2011 by the Newport Harbour Commissioners and are signed on their behalf by:

C.P. CRICK (Chairman)

J LLOYD (Clerk to the Commissioners)

The notes on pages 6 to 7 form part of these financial statements.

NEWPORT HARBOUR COMMISSIONERS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with Applicable United Kingdom accounting standards.

Incoming Resources

Harbour dues levied on vessels entering and using the harbour during the year were at a rate which came into force on the under-mentioned date:

From 1 January 2007 £0.035 per gross tonne

Resources Expended includes:

Auditors remuneration of £1,605 (2009/10 £1,560)

Vessel traffic service of £20,100 (2009/10 £20,100)

Fixed assets and Fixed Asset Investments

Fixed assets are stated at original cost or valuation.

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:

Buoys, leading lights, plant etc - by equal instalments over the estimated working life

Fixed asset investments represent the value of the Chairman's chain of office. This valuation was made by the Commissioners on 31st March 1996 based on the market value of gold content.

2. Net (Outgoing) resources for the year before taxation

This is stated after charging:

	2011	2010
	£	£
Chairman's remuneration	6,000	6,000
Auditor's fees	1,560	1,560
Depreciation	1,185	2,249
	<u> </u>	<u> </u>

3. TAXATION ON ORDINARY ACTIVITIES

Analysis of credit in year:

	2011	2010
	£	£
Current tax:		
UK Corporation tax based on the results of the year at 21% (2010: 21%)	-	3,371
Total current tax	<u> </u>	<u> </u>

NEWPORT HARBOUR COMMISSIONERS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

4. TANGIBLE FIXED ASSETS

	Buoys, leading lights, plant, etc. £
COST OR VALUATION	
At 1 April 2010 and 31 March 2011	<u>56,633</u>
DEPRECIATION	
At 1 April 2010	52,613
Charge for the year	1,185
At 31 March 2011	<u>53,798</u>
NET BOOK VALUE	
At 31 March 2011	<u>2,835</u>
At 31 March 2010	<u>4,021</u>

5. INVESTMENTS

Chairman's chain of office

	£
COST	
At 1 April 2010 and 31 March 2011	<u>6,500</u>
NET BOOK VALUE	
At 31 March 2011 and 31 March 2010	<u>6,500</u>

6. DEBTORS

	2011 £	2010 £
Trade debtors	13,613	10,730
Corporation tax repayable	3,371	3,371
VAT recoverable	415	361
Prepayments and accrued income	5,749	36,523
	<u>23,148</u>	<u>50,985</u>

7. CREDITORS: Amounts falling due within one year

	2011 £	2010 £
Creditors and accruals	35,600	40,208
Corporation tax payable	-	-
	<u>35,600</u>	<u>40,208</u>