

**Great Yarmouth Port Authority**  
**Annual report and financial statements**  
**31st March 2016**

# Great Yarmouth Port Authority

## Report and Accounts

For the period ended 31st March 2016

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## Great Yarmouth Port Authority

### Members of the Authority appointed under the Great Yarmouth Port Authority (Constitution) Harbour Revision Order 2015 - SI 2015 No. 1395 - Schedule 3 Transitional Provisions

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		<b>Date Appointed</b>
N R Pryke	Chairman	1st November 2015
R Smith	Vice Chairman	1st November 2015
A Smith	Clerk	1 <sup>st</sup> May 2016
R Musgrove	Harbour Master	1 <sup>st</sup> November 2015
R D Arundale	Independent Board	1st November 2015
A C Harrison	Independent Board	1st November 2015
P J McNamara	Independent Board	1st November 2015

#### Professional Advisors

<b>Auditor</b>	Lovewell Blake LLP Chartered Accountants
<b>Bankers</b>	Barclays Bank plc
<b>Solicitors</b>	Winckworth Sherwood LLP

# Great Yarmouth Port Authority

## Chairman's Report

### For the period ended 31st March 2016

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Great Yarmouth Port Authority (GYPA) is a trust port, that is a Statutory Harbour Authority governed by an independent board charged with acting in the interests of its stakeholders. It derives its income from pilotage charges on commercial shipping entering the Port of Great Yarmouth. In 2007 the board of GYPA entered into an agreement with International Port Holdings to create a new operating company for the port, Great Yarmouth Port Company (GYPC). Pursuant to Section 43 of the Great Yarmouth Harbour Act of 1986 GYPC constructed a new outer harbour port facility in return for a 99 year lease on the property assets of GYPA and control of commercial port operations. GYPC acts as agent for GYPA in the discharge of its statutory duty as the harbour authority.

International Port Holdings were a company set up by Global Infrastructure Partners (GIP) in order to invest in the port industry worldwide. In common with most infrastructure funds of this nature GIP always intended to sell on the Great Yarmouth Port Company once it was established as a profitable going concern. In 2015 GYPC was sold to Peel Ports Group Limited, which is one of the UK's premier port operating companies. GYPA retains a share in the company. It is the view of the GYPA board that the Port of Great Yarmouth is now in very good shape to deliver a prosperous future to its many stakeholders.

In 2015 GYPA was granted a Harbour Revision Order – The Great Yarmouth Port Authority (Constitution) Harbour Revision Order 2015.

The purpose of this Order was the modernisation of the Board of the Port Authority in line with the requirements of the Department for Transport as outlined in the document 'Modernising Trust Ports' (second edition). The Order provides for the Board to consist of seven members:

- (a) Five members appointed by a selection panel
- (b) The Harbour Master
- (c) The Clerk of the Port Authority

The current Board Members are:

Nigel Pryke (Chairman)  
Rob Smith (Vice Chairman)  
Richard Musgrove (Harbour Master)  
Graham Allison (Clerk)  
Anna Smith (Clerk with effect from 1<sup>st</sup> May 2016)  
Ashley Harrison  
Roger Arundale  
Pat McNamara

The following Board Members retired from the Board in September 2015:

Victor Brazkiewicz  
Richard Card  
Michael Castle  
Graham Dunhill  
Patrick Hacon  
Peter Hargrave  
Colleen Walker  
Joe Woodcock

I would like to thank them for their contribution and loyalty to the Port Authority over many years. I would also like to thank our Clerk Mr Graham Allison for his years of service to the Port, firstly with Eastport Ltd and for the last nine years for the Port Authority. We wish him well in retirement.

The Harbours Act 1964 determines the functions that GYPA cannot delegate to their agent as the making of byelaws, the levying of ships dues, the appointment of the Harbour Master and decisions relating to the laying down of navigation buoys and the erection of lighthouses.

# Great Yarmouth Port Authority

## Chairman's Report

### For the period ended 31st March 2016

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This report covers the period from 1st January 2015 to 31st March 2016. The reason for the extension to our normal accounting period is to align our accounts with those of Peel Ports Great Yarmouth Limited.

During this period the Board of GYPA met five times in order to monitor the activities carried out on its behalf by GYPC and to consider all non delegable matters.

#### HARBOUR AUTHORITY ACTIVITIES – SHIPPING MOVEMENTS AND PILOTAGE ACTS.

2329 Commercial vessels entered the port in 2015 totalling 3,607,517 gross tonnes.

2983 Acts of pilotage were carried out in 2015.

There was a reduction in the number of vessel calls in 2015 compared to 2014 linked to oil and gas support vessels. This reduction in activity is clearly related to the exceptional fall in oil and gas prices on the international markets.

#### PILOTAGE COMMITTEE

The Pilotage Committee was established in 2010 under Section 11 of the Pilotage Act 1987. The committee consists of two members appointed by GYPA and two appointed by GYPC. The remit of the committee is to review demand for pilotage, terms and conditions of employment, training and safe operation of the pilotage service.

The Pilotage Committee met four times during 2015.

#### CHAIRMANS COMMITTEE

The Chairman's Committee had delegated powers to progress work on the Harbour Revision Order 2105. With the completion of that project and the appointment of a much smaller board, the Chairman's Committee has been disbanded.

#### MARINE SAFETY AND ENVIRONMENT

There were four pilotage incidents during the year which resulted in damage to vessel or quayside. This equates to 1.34 incidents per 1000 Acts of Pilotage. Whilst we are of course always striving for a perfect record, this does reflect a very high level of skill amongst our pilots.

There were three minor oil spills in the harbour during the year and one acid spillage which was contained ashore.

#### LEISURE CRAFT

There were no significant safety issues reported. Haven Bridge refurbishment work was carried out in Spring 2015 resulting in some opening restrictions. There were also some opening restrictions during August due to a breakdown.

#### THE FUTURE

Despite the current low prices for oil and gas, the port still has a great future in the sector and is now capable of taking on rig de-commissioning work. The port also has a long tradition of handling general and project cargoes. Offshore wind is the latest opportunity for the port, which has been selected for East Anglia One construction and installation activities.

N R Pryke

Chairman, MNM, FNI

5th July 2016

# Great Yarmouth Port Authority

## Report of the Board Members

### For the period ended 31st March 2016

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The Board Members of the Authority present their annual report and audited financial statements for the period ended 31st March 2016.

The period of the accounts covers 1st January 2015 to 31st March 2016. The comparatives cover the year starting 1st January 2014 to 31st December 2014.

#### Principal activity

The principal activity of the Authority during the period was the operation of pilotage services to the port of Great Yarmouth.

The Chairman's Report on page 2 deals with the Authority's activities during the period.

#### Financial results

The loss for the financial period has been deducted from reserves and is made up as follows:

	<b>£</b>
Loss before taxation	(37,452)
Taxation	<u>-</u>
Loss after taxation	<u>(37,452)</u>

#### The Board

The Board Members meet on a regular basis to review financial information and matters reserved for the Board and exercise full control over the Authority. The chairman and non-executive Members are appointed in accordance with the requirements of The Great Yarmouth Port Authority (Constitution) Harbour Revision Order 2015. The term of office is for a specified period, normally of three years.

#### Board Members' remuneration

The Combined Code of best practice on directors' remuneration does not apply to the Authority. However, the Board Members approve the spirit of its recommendations and are, in general, compliant with it.

Fees for Board Members' duties are determined by a remuneration committee comprising three Board Members and one independent person and are set for the lifetime of the current Board.

# Great Yarmouth Port Authority

## Report of the Board Members (continued)

For the period ended 31st March 2016

### Board Members' remuneration (continued)

Details of remuneration are given below for the period  
1st January 2015 to 31st March 2016:

			<b>Basic Salary</b>	<b>Board Fees</b>	<b>Expenses &amp; Benefits</b>	<b>Total 2016</b>	<b>Total 2014</b>
			£	£	£	£	£
Non-executive Board Members:							
N R Pryke (Chairman)	Appointed	06/04/2004	-	15,208	754	15,962	12,064
R G Allison (Clerk)	Appointed	27/10/2010	-	3,958	-	3,958	2,500
V C Brazkiewicz	Resigned	31/10/2015	-	2,083	202	2,285	2,769
Professor R Card	Resigned	31/10/2015	1,632	209	-	1,841	-
M V Castle	Resigned	31/10/2015	-	2,083	-	2,083	2,500
G S Dunhill (Vice-Chairman)	Resigned	31/10/2015	-	7,083	-	7,083	8,500
P Hacon	Resigned	31/10/2015	-	2,083	-	2,083	1,875
P H Hargrave	Resigned	31/10/2015	-	2,083	112	2,195	2,566
R Smith	Appointed	01/05/2011	-	5,833	363	6,196	2,859
Ms C M Walker	Resigned	31/10/2015	-	2,083	-	2,083	2,500
R D Arundale	Appointed	01/11/2015	-	1,875	172	2,047	-
A C Harrison	Appointed	01/11/2015	-	1,875	-	1,875	-
Capt. P J McNamara	Appointed	01/11/2015	-	1,125	-	1,125	-
J E Woodcock	Resigned	31/10/2015	-	2,083	-	2,083	2,500
Total 2016			<u>1,632</u>	<u>49,664</u>	<u>1,603</u>	<u>52,899</u>	
Total 2014			<u>-</u>	<u>39,375</u>	<u>1,258</u>	<u>-</u>	<u>40,633</u>

### Employees

The average number of employees excluding non-executive Board Members during the period was 6 (2014 - 6). It is the policy of the Authority to ensure that, where practicable, full and fair consideration will be given to disabled employees and that every effort shall be made to ensure that continued employment and training is offered to employees who become disabled.

The Authority has continued its practice of keeping employees informed of matters affecting them as employees and of financial and economic factors affecting the performance of the Authority. This is achieved through literature, meetings and consultations with employees' representatives.

### Statement of Board Members' responsibilities

Legislation requires the Board Members to prepare financial statements that give a true and fair view of the state of affairs of the Authority and of the profit or loss for its financial period. In doing so the Board is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Authority will continue in business.

# Great Yarmouth Port Authority

## Report of the Board Members (continued)

For the period ended 31st March 2016

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### Statement of Board Members' responsibilities (continued)

The Board is responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the Authority and to enable it to ensure that the accounts comply with the Companies Act 2006, Harbours Act 1964, as amended by the Transport Act 1981 and the Statutory Harbour Undertakings (Pilotage Accounts) Regulations 1988. It is 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 Board Members are aware:

- there is no relevant audit information of which the Authority's auditor is unaware; and
- the Board Members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Sixty Six  
North Quay  
Great Yarmouth  
Norfolk  
NR30 1HE

Signed by order of the Board:

N R Pryke  
Chairman, MNM, FNI

Approved by the Board Members on

5th July 2016



# Great Yarmouth Port Authority

## Independent auditor's report to the Board Members of Great Yarmouth Port Authority

### For the period ended 31st March 2016

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We have audited the financial statements of Great Yarmouth Port Authority for the period ended 31st March 2016 on pages 8 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Authority's Board, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Authority's Board Members 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 Board Members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of the Board and Auditor**

As explained more fully in the Statement of Board Members' Responsibilities set out on page 5, the Authority's Board are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law 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.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Authority's affairs as at 31st March 2016 and of its result for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Emphasis of matter - Going concern**

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 1 of the financial statements concerning the Authority's ability to continue as a going concern. The financial statements have been prepared on the going concern basis, which depends upon the ongoing support of a third party to fund the Authority's pension scheme deficit reduction commitments. These conditions, along with the other matters explained in note 1 of the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Authority's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Authority was unable to continue as a going concern.

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Board Members' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Board Members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Board Members were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Board Members' report and take advantage of the small companies exemptions from the requirement to prepare a strategic report.

Neil Orford FCA ACCA CF (Senior Statutory Auditor)  
For and on behalf of LOVEWELL BLAKE LLP, Statutory Auditor  
Great Yarmouth  
5th July 2016

# Great Yarmouth Port Authority

## Profit and loss account

For the period ended 31st March 2016

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		2016	2014
	Notes	£	(restated) £
<b>Turnover</b>	2	566,116	445,705
<b>Cost of services</b>			
Normal operating and maintenance costs	3	<u>(556,116)</u>	<u>(465,705)</u>
<b>Gross profit/(loss)</b>		10,000	(20,000)
Administrative expenses		(132,420)	(95,666)
Other operating income	4	<u>116,968</u>	<u>80,178</u>
<b>Operating loss</b>	5	(5,452)	(35,488)
Interest receivable	9	-	45,000
Interest payable and similar charges	9	<u>(32,000)</u>	<u>-</u>
<b>Profit/(loss) on ordinary activities before taxation</b>		(37,452)	9,512
Tax on profit on ordinary activities	10	<u>-</u>	<u>-</u>
<b>Profit/(loss) on ordinary activities after taxation</b>		<u>(37,452)</u>	<u>9,512</u>

The notes on pages 11 to 20 form an integral part of these financial statements

## Great Yarmouth Port Authority

### Statement of total recognised gains and losses

For the period ended 31st March 2016

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	Notes	2016 £	2014 <i>(restated)</i> £
Profit/(loss) for the period		(37,452)	9,512
Actuarial gain/(loss) in respect of defined benefit pension scheme	20, 23	<u>553,000</u>	<u>(234,000)</u>
Total gain/(loss) recognised since the last annual report		<u>515,548</u>	<u>(224,488)</u>

The notes on pages 11 to 20 form an integral part of these financial statements

# Great Yarmouth Port Authority

## Balance sheet

As at 31st March 2016

	Notes	2016		2014	
		£	£	(restated) £	(restated) £
<b>Fixed Assets</b>					
Tangible assets	12		2,465		2,465
Investments	13		<u>1</u>		<u>1</u>
			2,466		2,466
<b>Current Assets</b>					
Debtors due within one year	14	234,625		213,076	
Debtors due after one year	14	1,167,649		1,176,720	
Investments	15	25,176		25,048	
Cash at bank and in hand		<u>43,457</u>		<u>118,301</u>	
		1,470,907		1,533,145	
<b>Creditors: Amounts falling due within one year</b>	16	<u>(74,047)</u>		<u>(130,833)</u>	
			<u>1,396,860</u>		<u>1,402,312</u>
<b>Net current assets</b>			<u>1,396,860</u>		<u>1,402,312</u>
<b>Total assets less current liabilities</b>			1,399,326		1,404,778
<b>Provisions</b>					
Defined benefit pension scheme liability	17		<u>(1,507,000)</u>		<u>(2,028,000)</u>
			<u>(107,674)</u>		<u>(623,222)</u>
<b>Reserves</b>					
Profit and loss account	20		<u>(107,674)</u>		<u>(623,222)</u>
			<u>(107,674)</u>		<u>(623,222)</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

These financial statements were approved by the Authority on 5th July 2016 and were signed on its behalf by:

N R Pryke (Chairman)

The notes on pages 11 to 20 form an integral part of these financial statements

# Great Yarmouth Port Authority

## Notes to the financial statements

For the period ended 31st March 2016

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### 1. Principal accounting policies

#### a) 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 January 2015).

The period of the accounts covers 1 January 2015 to 31st March 2016 (The comparatives cover the year starting 1st January 2014 to 31st December 2014).

#### b) Fixed assets

All fixed assets are initially recorded at cost.

#### c) Depreciation

Since 26th May 2007 assets, which consist of paintings, photographs and memorabilia, have not been depreciated as, in the opinion of the Board, their net book value is equivalent to their residual value.

#### d) Pension schemes

The Authority's employees are members of one of two defined benefit schemes administered by the Norfolk Pension Fund and the Pilots' National Pension Fund.

#### *Norfolk Pension Fund & Pilots' National Pension Fund*

Two employees were members of the Norfolk Pension Fund which provides benefits based on final pensionable salary. Three employees belong to the Pilots' National Pension Fund which is an industry wide, multi participating body, defined benefit occupational pension scheme for maritime pilots, both employed and self employed. Defined benefit pension assets are measured at market value. Defined benefit pension liabilities are measured using the projected unit cost method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. Under FRS 102, any net liability arising based on these valuations is the best estimate of the present value of the actual amounts to be paid out of the scheme, less the market value of scheme assets.

The increase in the present value of the liabilities of the Authority's defined benefit pension schemes expected to arise from employee service in the period is charged to operating profit. The net of the expected return on the schemes' assets and the increase during the period in the present value of the schemes' liabilities arising from the passage of time, is included in interest receivable.

Actuarial gains and losses are recognised in the Statement of total recognised gains and losses.

Deferred tax on the pension scheme deficits would be accounted for at the Authority's standard rate and taken straight to the net pension scheme liabilities in accordance with FRS 102 but, in the opinion of the Board, the deferred tax asset is not likely to be recovered in the foreseeable future. Consequently no such provision has been made.

The deficit in the Pilots' National Pension Fund is to be reimbursed to the Authority by a third party, as it is cleared in accordance with the deficit reduction plan, and as such a debtor equal to the deficit has been recognised in the accounts.

#### e) Going concern

These accounts have been prepared on a going concern basis as, in the opinion of the Board, the deficits on the pension funds are being dealt with in accordance with pension fund trustee or actuarial recommendations and they will eventually be met by a third party.

Should the Authority be unable to continue trading, adjustments would have to be made to reduce the value of the assets to their recoverable amounts, to provide for further liabilities that might arise and to classify fixed assets and debtors due after one year as current.

# Great Yarmouth Port Authority

## Notes to the financial statements

For the period ended 31st March 2016

<b>2. Turnover</b>	<b>2016</b>	<b>2014 (restated)</b>
	£	£
Pilotage	<u>566,116</u>	<u>445,705</u>
	<u>566,116</u>	<u>445,705</u>

<b>3. Cost of services</b>	<b>2016</b>	<b>2014 (restated)</b>
	£	£
Operating and maintenance - pilotage	673,116	445,705
FRS 102 adjustment - current service cost	82,000	78,000
FRS 102 adjustment - pension contributions paid	<u>(199,000)</u>	<u>(58,000)</u>
	<u>556,116</u>	<u>465,705</u>

<b>4. Other operating income</b>	<b>2016</b>	<b>2014 (restated)</b>
	£	£
Recharged administrative expenses	109,840	80,130
Dividends receivable	128	48
Other income	<u>7,000</u>	<u>-</u>
	<u>116,968</u>	<u>80,178</u>

### 5. Operating loss

The operating loss is stated after charging the following amounts:

	<b>2016</b>	<b>2014 (restated)</b>
	£	£
Auditor's remuneration - for audit and accountancy services	6,895	6,595
- for bookkeeping services	7,950	6,360
- for payroll services	1,125	900
- for taxation and other services	<u>1,100</u>	<u>1,100</u>

### 6. Pilotage

Compliance with the Statutory Harbour Undertakings (Pilotage Accounts) Regulations 1988 requires that revenue and expenditure applicable to pilotage activities be separately identified. This is summarised as follows:

	<b>2016</b>	<b>2014 (restated)</b>
	£	£
<b>Revenue</b>		
Revenue from pilotage services	<u>566,116</u>	<u>445,705</u>
	<u>566,116</u>	<u>445,705</u>
<b>Expenditure</b>		
Pilotage staff	<u>673,116</u>	<u>445,705</u>
	<u>673,116</u>	<u>445,705</u>

The above items of revenue and expenditure are included in turnover and cost of services in the profit and loss account of the Authority.

# Great Yarmouth Port Authority

## Notes to the financial statements

For the period ended 31st March 2016

### 7. Employee information (excluding Board Members)

The average number of persons employed by the Authority during the period is analysed below:

	2016	2014 <i>(restated)</i>
	No.	No.
Operational staff	<u>6</u>	<u>6</u>
	2016	2014 <i>(restated)</i>
	£	£
<b>Staff costs</b>		
Wages and salaries	414,642	339,897
Social security costs	39,696	32,642
Pension contributions	217,840	72,416
Other	<u>938</u>	<u>750</u>
	<u>673,116</u>	<u>445,705</u>

### 8. Board Members' emoluments

	2016	2014 <i>(restated)</i>
	£	£
Non-Executive Board Members:		
Fees	49,664	39,375
Mileage and expenses	1,289	1,029
Taxable benefits	314	229
All Board Members:		
Social security costs	<u>801</u>	<u>597</u>
	<u>52,068</u>	<u>41,230</u>

No Board Members (2014 - none) accrued benefits under defined benefit pension schemes.

### 9. Interest receivable and payable

	2016	2014 <i>(restated)</i>
	£	£
<b>Interest (Payable)/Receivable</b>		
FRS 102 adjustment - net interest (payable)/receivable in respect of defined benefit pension scheme	<u>(32,000)</u>	<u>45,000</u>
	<u>(32,000)</u>	<u>45,000</u>

# Great Yarmouth Port Authority

## Notes to the financial statements

For the period ended 31st March 2016

### 10. Tax on profit on ordinary activities

	2016	2014 <i>(restated)</i>
	£	£
<b>Analysis of charge in the period</b>		
Current tax:		
Corporation tax charge at 20% (2014 - 20%)	-	-
Adjustment in respect of previous periods	<u>-</u>	<u>-</u>
Credit in the profit and loss account	<u>-</u>	<u>-</u>

### 11. Factors affecting current tax charge

The tax assessed for the period is lower (2014 - lower) than the standard rate of corporation tax in the UK of 20% (2014 - lower). The differences are explained below:

	2016	2014 <i>(restated)</i>
	£	£
Profit on ordinary activities before taxation	<u>(37,452)</u>	<u>9,512</u>
Profit on ordinary activities multiplied by rate of tax	(7,490)	1,902
Non-taxable FRS 17 adjustment	(17,000)	(11,400)
Expenses not deductible for tax purposes	3,178	3,361
Tax losses carried forward	(88)	137
GYPCL PNPf deficit funding	<u>21,400</u>	<u>(6,200)</u>
Total current tax (note 10)	<u>-</u>	<u>(12,200)</u>

### 12. Tangible fixed assets

	<b>Fixtures and fittings</b>	<b>Total</b>
	£	£
<b>Cost or valuation</b>		
As at 1st January and 31st March 2016	<u>2,465</u>	<u>2,465</u>
<b>Depreciation</b>		
As at 1st January and 31st March 2016	<u>-</u>	<u>-</u>
<b>Net book value</b>		
As at 1st January and 31st March 2016	<u>2,465</u>	<u>2,465</u>

### 13. Investments

	2016	2014 <i>(restated)</i>
	£	£
Other investment	<u>1</u>	<u>1</u>

The other investment represents 1 Ordinary B share of £1 in Great Yarmouth Port Company Limited.



# Great Yarmouth Port Authority

## Notes to the financial statements

For the period ended 31st March 2016

### 14. Debtors

	2016	2014 <i>(restated)</i>
	£	£
Amounts due within one year:		
Trade debtors	127,599	119,711
Prepayments and accrued income	13,675	9,085
Other debtors	<u>93,351</u>	<u>84,280</u>
	<u>234,625</u>	<u>213,076</u>
Amounts due after one year:		
Other debtors	<u>1,167,649</u>	<u>1,176,720</u>

Other debtors represent anticipated amounts recoverable by the Authority in respect of the reimbursement of contributions towards the deficit on the Pilots' National Pension Fund. See note 19.

### 15. Current asset investments

	2016	2014 <i>(restated)</i>
	£	£
At 1st January 2015	25,048	-
Additions at cost	<u>128</u>	<u>25,048</u>
At 31st March 2016	<u>25,176</u>	<u>25,048</u>

### 16. Creditors - amounts falling due within one year

	2016	2014 <i>(restated)</i>
	£	£
Trade creditors	6,685	18,733
Income tax and social security payable	42,878	45,296
Other creditors	16,379	57,719
Accruals and deferred income	<u>8,105</u>	<u>9,085</u>
	<u>74,047</u>	<u>130,833</u>

### 17. Defined benefit pension scheme liabilities

	2016	2014 <i>(restated)</i>
	£	£
Norfolk Pension Fund deficit (see note 18)	(246,000)	(767,000)
Pilots' National Pension Fund deficit (see note 19)	<u>(1,261,000)</u>	<u>(1,261,000)</u>
	<u>(1,507,000)</u>	<u>(2,028,000)</u>

# Great Yarmouth Port Authority

## Notes to the financial statements

### For the period ended 31st March 2016

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#### 18. Norfolk Pension Fund

During the period the Authority had two employees who were members of the Norfolk Pension Fund, which provides benefits based on final pensionable pay. The fund is administered by Norfolk County Council in accordance with the Local Government Pension Scheme Regulations 1997, as amended. At 31 March 2016 the bid value of the Fund's assets was £3.001 billion (2014 - £2.893 billion).

The employer contributions paid and payable to the Fund during the period amounted to £28,950 (2014 - £22,945) of regular contributions together with a further £38,250 (2014 - £12,750) in relation to deficit reduction contributions.

The employer contribution rate is currently 21.5% of pensionable salary plus a monthly deficit reduction contribution totalling £40,000 per annum.

A valuation was carried out at 31st March 2016 by a qualified independent actuary for the purposes of FRS 102. The main assumptions used by the actuary were:

	2016	2014
Inflation/Pension increase rate assumption	2.1%	2.3%
Salary increase rate	3.1%	3.2%
Discount rate	3.4%	3.4%

The estimated split of assets held by the scheme is as follows:

	2016	2014
Equities	58%	64%
Bonds	27%	21%
Property	13%	12%
Cash	2%	3%
	<hr/>	<hr/>
	100%	100%

	2016	2014 (restated)
	£'000	£'000
Estimated share of assets	5,147	5,016
Value of liabilities	<u>(5,393)</u>	<u>(5,783)</u>
Net pension liability at the period end	<u>(246)</u>	<u>(767)</u>

# Great Yarmouth Port Authority

## Notes to the financial statements

For the period ended 31st March 2016

### 18. Norfolk Pension Fund (continued)

The Authority is adopting the provisions of FRS 102 and the necessary disclosures and adjustments have been made as follows:

<b>Amounts charged to operating profit</b>	<b>2016</b>				2014 <i>(restated)</i>
	<b>£'000</b>				£'000
Current service costs	<u>36</u>				<u>24</u>
<b>Projected amount credited to interest receivable/(payable)</b>	<b>2016</b>				2014 <i>(restated)</i>
	<b>£'000</b>				£'000
Expected return on employer assets	208				286
Interest on pension scheme liabilities	<u>(240)</u>				<u>(241)</u>
Net return on assets	<u>(32)</u>				<u>45</u>
<b>Analysis of amount recognised in Statement of total recognised gains and losses (S.T.R.G.L.)</b>	<b>2016</b>				2014 <i>(restated)</i>
	<b>£'000</b>				£'000
Actuarial gains/(losses) on defined benefit obligations	321				(427)
Actuarial gains on fair value of employer assets	197				160
Contributions in respect of unfunded benefits	<u>4</u>				<u>3</u>
Net actuarial gains/(losses) in pension plan recognised in S.T.R.G.L.	<u>522</u>				<u>(264)</u>
<b>History of experience gains and losses</b>					
	<b>2016</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Present value of defined benefit obligation	(5,393)	(5,783)	(5,383)	(4,913)	(4,280)
Fair value of employer assets	5,147	5,016	4,823	4,535	4,317
(Deficit)/surplus	(246)	(767)	(560)	(378)	37
Experience (losses)/gains on liabilities	(173)	8	(177)	(122)	-
Experience gains/(losses) on assets	197	160	274	183	(290)
<b>Movement in deficit during the period</b>					
			<b>2016</b>		2014 <i>(restated)</i>
			<b>£'000</b>		£'000
Deficit in scheme at beginning of the period			(767)		(560)
Movement in period:					
Current service cost			(36)		(24)
Employer contributions			67		36
Contributions in respect of unfunded benefits			4		3
Net return on assets			(32)		45
Actuarial (losses)/gains			<u>518</u>		<u>(267)</u>
Deficit at end of period			<u>(246)</u>		<u>(767)</u>

# Great Yarmouth Port Authority

## Notes to the financial statements

### For the period ended 31st March 2016

#### 19. Pilots' National Pension Fund

Three of the Authority's employees belong to The Pilots' National Pension Fund which is an industry wide defined benefits scheme. The obligations in respect of this scheme were previously transferred to Great Yarmouth Port Company Limited under the terms of an agreement for the sale of assets and liabilities.

In addition to this liability the accounts also include a debtor of the same amount (see note 14) in respect of the anticipated reimbursement of contributions towards this liability from Great Yarmouth Port Company Limited.

The employer contributions paid and payable to the Fund during the period amounted to £41,766 (2014 - £36,720) of regular contributions together with a further £107,422 (2014 - £nil) in relation to deficit reduction contributions.

The employer contribution rate is currently 22.3% of pensionable salary plus a monthly deficit reduction contribution totalling £93,351 per annum.

A valuation was carried out at 31st March 2016 by a qualified independent actuary for the purposes of FRS 102. The main assumptions used by the actuary were:

	2016	2014
Inflation/Pension increase rate assumption	2.9%	3.0%
Salary increase rate	3.4%	3.5%
Discount rate	3.1%	3.4%

The estimated split of assets held by the scheme is as follows:

	2016	2014
Equities	46%	46%
Bonds	53%	52%
Property	0%	0%
Cash	1%	2%
	<u>100%</u>	<u>100%</u>

	2016	2014 (restated)
	£'000	£'000
Estimated share of assets	1,966	2,003
Value of liabilities	<u>(3,227)</u>	<u>(3,264)</u>
Net pension liability at the period end	<u>(1,261)</u>	<u>(1,261)</u>

The Authority is adopting the provisions of FRS 102 and the necessary disclosures and adjustments have been made as follows:

Amounts charged to operating profit	2016	2014 (restated)
	£'000	£'000
Current service costs	<u>46</u>	<u>54</u>

Projected amount credited to interest receivable/(payable)	2016	2014 (restated)
	£'000	£'000
Expected return on employer assets	83	71
Interest on pension scheme liabilities	<u>(133)</u>	<u>(132)</u>
Net return on assets	<u>(50)</u>	<u>(61)</u>

The interest adjustments above are offset by an equal and opposite adjustment in the carrying amount due from Great Yarmouth Port Company Limited.

# Great Yarmouth Port Authority

## Notes to the financial statements

For the period ended 31st March 2016

### 19. Pilots' National Pension Fund (continued)

#### Analysis of amount recognised in Statement of total recognised gains and losses (S.T.R.G.L.)

	2016	2014 (restated)
	£'000	£'000
Actuarial (losses) on defined benefit obligations	(16)	(139)
Actuarial (losses)/gains on fair value of employer assets	(10)	363
Net actuarial (losses)/gains in pension plan recognised in S.T.R.G.L.	<u>(26)</u>	<u>224</u>

#### History of experience gains and losses

	2016 £'000	2014 £'000	2013 £'000	2012 £'000	2011 £'000
Present value of defined benefit obligation	(3,227)	(3,264)	n/a*	n/a*	n/a*
Fair value of employer assets	1,966	2,003	n/a*	n/a*	n/a*
(Deficit)/surplus	(1,261)	(1,261)	n/a*	n/a*	n/a*
Experience (losses)/gains on liabilities	(16)	(139)	n/a*	n/a*	n/a*
Experience gains/(losses) on assets	(10)	363	n/a*	n/a*	n/a*

n/a\* - not available for periods prior to 1 January 2014.

#### Movement in deficit during the period

	2016	2014 (restated)
	£'000	£'000
Deficit in scheme at beginning of the period	(1,261)	(1,394)
Movement in period:		
Current service cost	(46)	(54)
Employer contributions	132	22
Net return on assets	(50)	(61)
Administrative expenses	(10)	2
Actuarial (losses)/gains	<u>(26)</u>	<u>224</u>
Deficit at end of period	<u>(1,261)</u>	<u>(1,261)</u>

# Great Yarmouth Port Authority

## Notes to the financial statements

For the period ended 31st March 2016

### 20. Profit and loss account

	2016	2014 <i>(restated)</i>
	£	£
At 1st January 2015	(623,222)	(398,734)
Profit/(loss) for the period	(37,452)	9,512
Actuarial gain/(loss) in respect of defined benefit pension scheme	<u>553,000</u>	<u>(234,000)</u>
At 31st March 2016	<u>(107,674)</u>	<u>(623,222)</u>

### 21. Related party transactions

The Authority has transactions in the normal course of Port business with entities in which some Board Members may have interests. Board Members are required to declare their interests in any such transactions and in some circumstances they are required to retire from the meeting during the discussion relating thereto and in all cases they are not permitted to participate in any vote in relation thereto.

The Authority traded with the following related parties during the period:

#### **Orta Consulting Limited**

(a company in which R G Allison is a director)

During the period the Authority paid for services of £21,625 (2014 - £18,175).

### 22. Prior period adjustment

At the time the Authority's accounts for the year ended 31 December 2014 were prepared sufficient information with regards to the accounting treatment of the Pilots' National Pension Fund was not available, and as such certain accounting adjustments were not made. This information is now available and therefore the comparative amounts have been amended as follows:

Current service cost now recognised within cost of services	54,000
Employer contributions removed from cost of services	<u>(22,000)</u>
Increase in cost of services	<u>32,000</u>
Reduction in administrative expenses	<u>2,000</u>
Increase in actuarial loss in respect of defined benefit pension schemes recognised in the Statement of total recognised gains and losses	<u>30,000</u>

There was no impact on the figures reported in the Balance sheet in respect of the prior period adjustment.

### 23. Actuarial gain/(loss) in respect of defined benefit pension scheme

	2016	2014 <i>(restated)</i>
	£	£
Norfolk Pension Fund deficit (see note 18)	522,000	(264,000)
Pilots' National Pension Fund deficit (see note 19)	(26,000)	224,000
Other debtor - reimbursement of contributions anticipated in respect of Pilots' National Pension Fund	<u>57,000</u>	<u>(194,000)</u>
	<u>553,000</u>	<u>(234,000)</u>