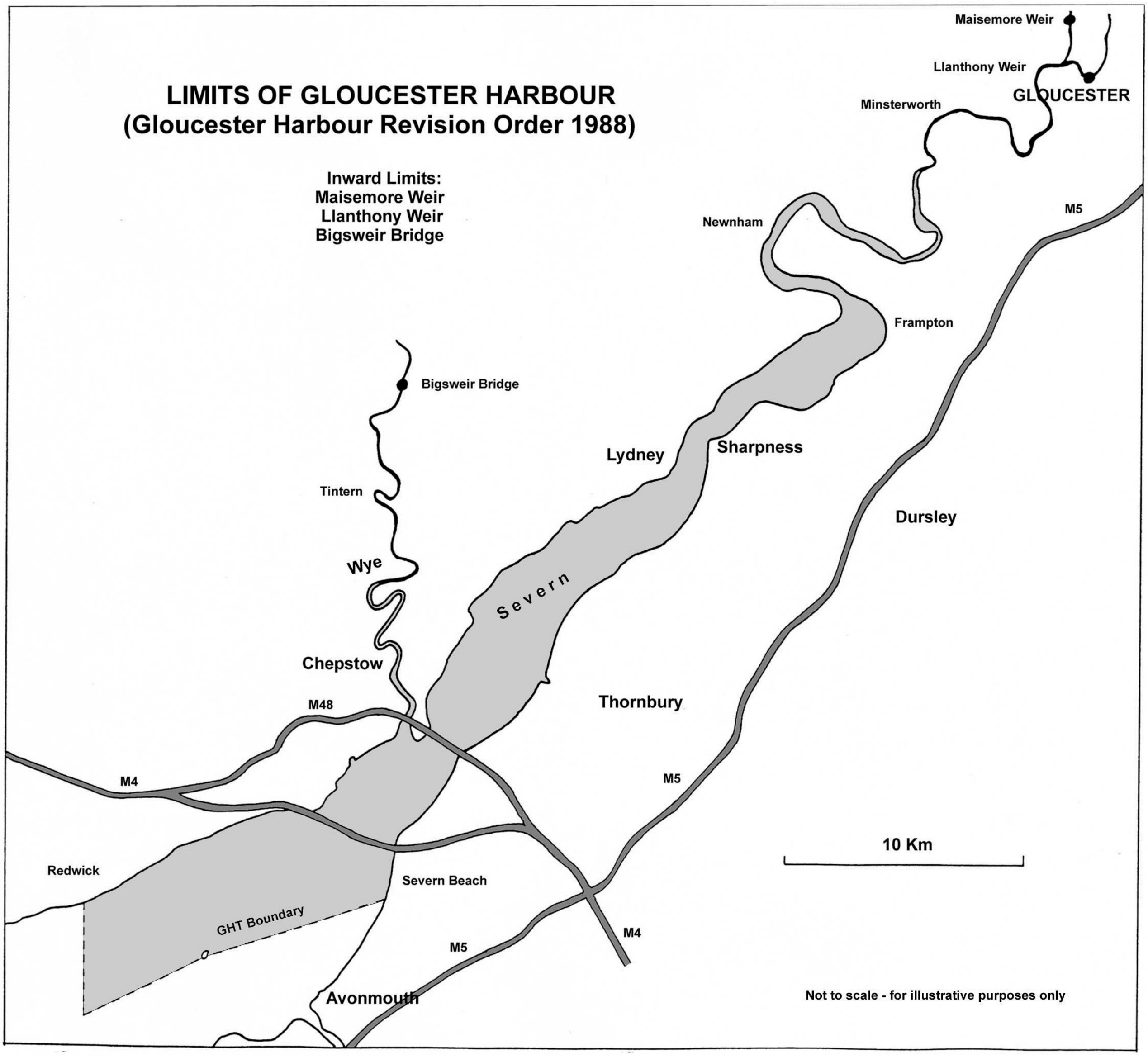
GHT **Gloucester Harbour Trustees**

ANNUAL REPORT AND ACCOUNTS

FOR YEAR ENDED 31 MARCH 2002



LIMITS OF GLOUCESTER HARBOUR
(Gloucester Harbour Revision Order 1988)
Inward Limits:
Maisemore Weir
Llanthony Weir
Bigsweir Bridge
Maisemore Weir
Llanthony Weir
GLOUCESTER
Minsterworth
M5
Newnham
Frampton
Bigsweir Bridge
Lydney
Sharpness
Tintern
Dursley
Wye
Severn
Chepstow
Thornbury
M48
M4
M5
10 Km
Redwick
Severn Beach
GHT Boundary
M4
M5
Avonmouth
Not to scale - for illustrative purposes only

INDEX

GHT Gloucester Harbour Trustees

Report of the Trustees and the Treasurer
for the year ended 31 March 2001

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E-mail: **ght.gloucester@virgin.net**

SHARPNESS OFFICE: Severnside House, The Docks, Sharpness, Berkeley, Glos GL13 9UD
Tel/Fax: 01453 811913
E-mail: **ght.sharpness@virgin.net**

TRUSTEES FROM 1 APRIL 2001 TO 31 MARCH 2002

Name:	**Nominated by:**
I M Walker (Executive Chairman)	Additional Trustee appointed by GHT
B G Booth (Vice-Chairman)	Gloucestershire County Council
Capt K Badsey MNI	British Waterways
B Brookes	Appointed by GHT to represent Commercial Interests
J Clune	Additional Trustee appointed by GHT
E Dorman[1]	Gloucester City Council
M Gatehouse	British Waterways
K Hadley	Gloucester Pilots Partnership
R W Hall	Stroud District Council
B Leat	Royal Yachting Association
E Renshaw	Chamber of Shipping/Institute of Chartered Shipbrokers
K Spooner	BNFL Magnox Generation
D Tyrrell	British Waterways

[1] Appointed 16 November 2001

TRUSTEES' ATTENDANCE RECORD

Trustee	Possible Attendances	Actual Attendances
K Badsey	6	5
B Booth	6	6
B Brookes	6	2
J Clune	6	1
E Dorman	3	3
M Gatehouse	6	3
K Hadley	6	6
R Hall	6	6
B Leat	6	6
E Renshaw	6	6
K Spooner	6	4
D Tyrrell	6	4
I Walker	6	5

BACKGROUND INFORMATION ABOUT THE TRUSTEES

The term of office of all Trustees expires on 31 July 2002 subject to the provisions of the proposed new Harbour Revision Order which is awaiting confirmation by the Department for Transport, Local Government and the Regions.

Ian Walker
Civil Engineer BSc C Eng FICE
Consulting Engineer
Long career in inland and estuarial navigation

Basil Booth
Community Interest
Farmer, County Councillor, Regional Flood Defence Committee

Capt Keith Badsey
Duty Harbour Master of GHT
Certificate of Competency Class 1 (Master Mariner), MNI – experience in harbour management
British Waterways Harbour Master at Sharpness

Brian Brookes
Commercial/Industrial
General Manager, Dragon Alfa Cement

Jim Clune
Financial/commercial management; Quantity Surveyor MCIoB, PG Diploma in Law
General Manager, Severn River Crossing plc

Edmund Dorman
Shipowner/ship management
Timber sales consultant

Mark Gatehouse
Port Management
Managing Director, Sharpness Dock Ltd and Victoria Group

Keith Hadley
Gloucester Pilot
Partner in Gloucester Pilots Partnership

Bob Hall
Teacher/Physicist BA PhD
Community Interest and Trustee of SARA

Barry Leat
Metallurgist HND Dip Met
Retired after career in Aerospace, now a Consultant
Member of Royal Yachting Association; experienced dinghy sailor and yachtsman

Ted Renshaw
35 years experience as a Port Agent and Freight Forwarder; FICS BA(Business Studies)
Chartered Shipbroker

Keith Spooner
Nuclear Engineer BA MSc MSRP MIOSH
Site Manager, Trawsfynydd Decommissioning Site

Dave Tyrrell
Building and Civil Engineering, Honours Degree in Business Administration
Waterway Manager responsible for operation and maintenance of Sharpness Dock, Gloucester and Sharpness Canal and River Severn from Gloucester to Stourport

OFFICERS AT 31 MARCH 2002

Clerk	H R T Shackleton LL B
Clerk (Designate)	Ms S J Oakley ACIS
Treasurer	H Baker FCMA
Duty Harbour Master	Capt K Badsey MNI
Marine Officer	M Johnson Eng Tech AMIIE AMNI
Secretary/Admin Assistant	Mrs R Elsey

BACKGROUND INFORMATION ABOUT THE OFFICERS

Richard Shackleton
Retired Solicitor - Former Local Government Chief Executive
Secretary of Oxbode Housing Association Ltd and Trustee of National Waterways Museum
Appointed during good conduct – Retired as Clerk on 31 March 2002

Susie Oakley
Project Manager, Commercial Manager and General Manager (Ireland) with QA Group (IT Management Consultants) – appointed January 2002

Howard Baker
Former Local Government Treasurer
Appointed during good conduct

Mike Johnson
Ex merchant marine officer
Appointed January 1997

Rosemary Elsey
Secretarial/Administration - Appointed April 1997

PARLIAMENTARY AGENTS

Dyson Bell Martin	1 Dean Farrar Street, Westminster London SW1H 0DY

SOLICITORS

Rowberry Morris	Morroway House, Station Road Gloucester GL1 1DW

BANKERS

Lloyds Bank	19 Eastgate Street Gloucester GL1 1NU

AUDITORS

Griffiths Marshall	172 Southgate Street Gloucester GL1 2EZ

1 Report of the Trustees

The Trustees present their report and the financial statements for the year ended 31 March 2002.

2 Principal Activity

The Trustees are the competent harbour authority for the Gloucester Harbour pursuant to the Pilotage Act 1987.

The main duties and responsibilities of the Trustees are to provide a pilotage service, to provide and maintain navigation aids and generally to ensure the safety of navigation within the Gloucester Harbour.

3 Background

The Gloucester Harbour Trustees were originally constituted in 1890 by the Pier and Harbours Confirmation (No.3) Act 1890 and initially comprised some 22 Trustees. The Trustees became a competent harbour authority by virtue of the Pilotage Act 1987 and are now responsible for both pilotage and conservancy (ie the provision and maintenance of navigation aids) within the Gloucester Harbour.

The boundaries of the Gloucester Harbour are defined by the Gloucester Harbour Revision Order 1988. It covers a large area of the Severn, its outer limits commencing seawards of the Second Severn Crossing and its inner limits ending at the weirs at Llanthony and Maisemore near Gloucester. It also includes the River Wye downstream of Bigsweir Bridge. (A map of the area appears inside the cover to this report.)

The traffic includes commercial vessels arriving at and departing from Sharpness Dock which require the services of a pilot. Both the docks and the dry dock at Sharpness are operated by private sector companies and the Trustees do not own or operate any docks, quays or loading/unloading facilities. Pilotage is compulsory for larger vessels. The remainder of the traffic comprises leisure craft although there is at least one sand dredger operating within the Gloucester Harbour on a regular basis.

The Trustees are a statutory body and as such are classed by HM Government as a Trust Port and the doctrine of 'ultra vires' applies to them. They derive their powers from general legislation and local Acts and Orders. The Trustees aim to break-even taking one year with another and any profits must be reinvested for the benefit of the Harbour.

4 Trustees

The current constitution of the Gloucester Harbour Trustees comprises 13 Trustees appointed in accordance with the provisions of the Gloucester Harbour Revision Order 1994, which also sets out the procedures applying to the Trustees' meetings. The present Trustees are listed at the front of this Report together with the names of the organisations by whom they are appointed. Their current term of office (3 years) under this Order expires on 31 July 2002.

However, GHT is currently promoting a new HRO, which was due to come into force on 1 January 2002. Under this new Order five Trustees would have retired on 31 December 2001 to be replaced by three new appointed Trustees with an interest in commercial shipping and water related activities. The remaining Trustees would have had their terms of office extended automatically, with half retiring on 31 December 2002 and the remainder on 31 December 2003. Unfortunately, because of delays within the Department for Transport, Local Government and the Regions, this Order has been delayed and it has been necessary to ask appointing authorities to reappoint their Trustees until such time as the new Order comes into force, when the new procedure will come into effect.

The Trustees are responsible for the overall strategy and performance of the Authority.

5 Staff

The day to day running of the Authority is carried out by a small staff who report to and attend the meetings of the Trustees.

The Trustees' staff at their Gloucester office comprises a part-time Clerk and part-time Secretary responsible for administrative matters and a part-time Treasurer responsible for financial matters.

Richard Shackleton retired as Clerk on 31 March 2002 and Susie Oakley was appointed Clerk (Designate) on 7 January 2002 and takes over as Clerk on 1 April 2002.

The Trustees also have a full-time Marine Officer who operates from the Trustees' Sharpness office. He is responsible for maintaining the pilot watch radar system and supervising the maintenance of the other navigation aids which includes lights, buoys, beacons and daymarks. He is also responsible for environmental management issues plus duties relating to the pilotage service.

The British Waterways Harbour Master at Sharpness acts as the Trustees' Duty Harbour Master under contract arrangements made between the Trustees and BW.

The licensed Pilots are self-employed but one acts as Duty Pilot on a rota basis and is deemed, during his period of duty, to be an officer of the Trustees.

6 Property Portfolio

The Trustees' offices at Gloucester and Sharpness, together with the workshop and garage at Sharpness, are all occupied under leases.

The Trustees also have a series of leases, agreements and licences relating to the siting of the navigational aids both on shore and off shore.

The Trustees do not have the benefit of any freeholds.

7 Aims and Objectives

The Trustees have, as their overriding consideration, the safety of navigation within the Gloucester Harbour.

The Trustees aim to run an efficient, effective and economic operation for the benefit of all stakeholders. In recent years it had been able to reduce the number of employees, reduce its pilotage charges and maintain local light dues at the same rate for ten years. The more difficult trading conditions of the current year have necessitated small increases in its rates with effect from 1 January 2002.

The Trustees aim to modernise the navigation aids whenever the opportunity arises, especially where this reduces the costs of on-going maintenance and improves performance and reliability and/or has environmental benefits.

The Trustees are in regular contact with their stakeholders through bi-annual meetings of its User Forum. In addition, several stakeholder organisations are directly represented on the Trustees.

The Trustees have participated in the Reviews of Trust Ports and Pilotage carried out by the DTLR. They certified that they had met the requirements of the Port Marine Safety Code at their meeting on 15 March 2002 and have promoted a new Harbour Revision Order to provide a new constitution to meet the requirements of the Guide to Good Governance. This is expected to be made shortly.

8 Environment

The Trustees have environmental duties placed upon them by both British and European legislation.

The Trustees are members of the River Wye Management Advisory Group (WyeMAG) which is the body which will ultimately become responsible for advising English Nature and the Countryside Council for Wales on the management of the River Wye Marine Special Area of Conservation (SAC) which is currently a notified candidate SAC (cSAC).

The Authority is also a member of the Association of Severn Estuary Relevant Authorities (ASERA) which, with some others, is the body which will ultimately become responsible for the management of the Severn Estuary SAC. It is currently a proposed SAC (pSAC). The Trustees are actively pursuing the concept of having a sub-group of ASERA responsible for the Upper Estuary which largely falls within the area for which the Trustees are responsible.

A formal pattern of consultation has been established with English Nature, the Countryside Council for Wales and the Environment Agency to discuss matters of mutual interest in relation to the Severn Estuary and River Wye. It is hoped to continue these meetings which have proved to be mutually beneficial.

9 Statement of the Responsibilities of the Trustees for the Financial Statements

It is the responsibility of the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Authority and its income and expenditure for that year. In preparing those financial statements the Trustees have:-

- Selected suitable accounting policies and applied them consistently

- Made judgements and estimates that are reasonable and prudent

- Complied with applicable accounting standards subject to any material departures disclosed and explained in the financial statements

- Prepared the financial statements on the going concern basis.

The Trustees are responsible for ensuring that arrangements are made for keeping proper books of account with respect to the Authority's transactions and its assets and liabilities and for maintaining a satisfactory system of control over the Authority's books of account. The Trustees are responsible for ensuring that arrangements are made to safeguard the assets of the Authority and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

10 Internal Financial Control

The report of the Cadbury Committee on the "Financial Aspects of Corporate Governance" recommends that public authorities should report on the organisation's systems of internal control.

The Trustees acknowledge their ultimate responsibility for ensuring that the Authority has in place systems of internal financial control that are appropriate to the various business environments in which it operates. These controls are designed to give reasonable assurance with respect to:

- The reliability of financial information used with the Authority or for publication
- The maintenance of proper accounting records
- The safeguarding of assets against unauthorised use or disposition.

It is the Trustees' responsibility to establish and maintain systems of internal financial control. Such systems can only provide reasonable and not absolute assurance against material financial mis-statement or loss. Key elements include ensuring that:

- Policies and procedures are in place including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the Authority's assets. This documentation has been prepared to QA standards.

- The Trustees employ experienced and suitably qualified staff to take responsibility for day to day administrative, financial and technical matters

- Forecasts and budgets are prepared by the Treasurer which allow the Trustees to monitor the key business risks and financial objectives and progress towards financial plans set for the year and the medium term. Financial and other information is regularly monitored and significant variances from budgets are investigated as appropriate.

- All significant new initiatives, major commitments and investment projects are subject to formal authorisation by the Trustees.

- The Trustees review reports from the Auditors to provide reasonable assurance that control procedures are in place and are being followed. This includes a general review of the major risks facing the Authority.

- Appropriate action is taken to correct weaknesses identified from the above reports.

11 Trustees and Officers Insurance

The Trustees and their officers have professional indemnity insurance.

12 Review of the Year

- Agreement was reached with the Government Agent, acting on behalf of the Highways Agency, for the radar system to be replaced as the existing installation had exceeded its life expectancy and spares were becoming difficult to obtain.

  Tenders were sought and of the only two suppliers who were able to provide a replacement system, Denbridge Digital, the provider of the first installation, was chosen. The new system cost just over £225,000 and was installed and commissioned in early March 2002.

- Consideration was given to the relocation of the Workshop as the existing provision was not entirely satisfactory and a decision was made to lease more suitable accommodation at Sharpness.

- The Trustees have decided to merge the Gloucester and Sharpness offices into one combined office. Various locations have been considered and it is anticipated that a decision will be made in the near future to erect a modular building on the lockside at Sharpness on land to be leased from British Waterways. The proposed building will house all the GHT staff and half the accommodation will be leased back to BW for use by the Harbour Master and his staff.

- The broker who deals with all the GHT insurance portfolio has been changed and the various policies amended where necessary.

- The Trustees have a revenue surplus of approximately £300,000. Of this sum, approximately £250,000 had been invested on a six-month Treasury deposit. With Interest rates falling to around 3-4%, the Trustees agreed to invest half this money in gilts and half in equities and appointed Lloyds Private Banking to manage the investment portfolio.

  Unfortunately, the funds invested just prior to 11 September fell sharply and their value reduced to £236,124, a decrease of £13,876. The next valuation at 11 March 2002 showed an improvement with the value being £247,232 and the final valuation at the end of the financial year was £249,456, a reduction of £544 from the original investment.

  On an optimistic note, the value of the investments has risen £13,390 during the past six months when the market has not been particularly buoyant and the future progress seems favourable.

13 Safety

Extensive risk analysis was carried out into the effect of the construction of the Second Severn Crossing on navigation within the Severn Estuary. As a result of these studies new navigation aids and systems were installed and some of the existing navigation aids were upgraded.

A Safety Management Plan has been formulated for the Gloucester Harbour and was approved by the Trustees at their meeting on 17 November 2001.

A new Pilot Watch Radar System was installed and commissioned in early March 2002 to replace existing worn-out equipment.

The Harbour Master at Bridgwater has been appointed as the designated person under the Port Marine Safety Code for the Gloucester Harbour.

14 Review of the Financial Year 2001/2002

a) Pilotage Account

This account includes the payments made to the Gloucester Pilots Partnership for the provision of pilotage services, which is subject to an agreement terminating in 2004. The payment to the pilots is based on an annual retainer per pilot and a rate for DWT for each act of pilotage.

The Trustees have an agreement with the Bristol Port Company for the provision of Boarding and Landing facilities for which a flat rate per act is paid. The Trustees have an agreement with Associated British Ports for the provision of Pilots Lodge facilities to enable pilots to rest prior to, between, or after acts of pilotage.

Mainly as a result of the Foot and Mouth epidemic, the effects of which were felt for the rest of the year, traffic was down just over 10%. Because a large proportion of the expenditure in the Pilotage Account is fixed, this reduction in traffic would have resulted in a serious deficit at the end of the financial year. As a result, the Trustees decided to increase the Pilotage charges from 21.5p to 22.25p per DWT (with effect from 1 January 2002), an increase of 3.5%. This increase was still insufficient to meet the increased costs, but the Trustees felt that the downturn in traffic experienced in 2001/2002 was not likely to persist indefinitely and the budgeted deficit of around £10,000 was acceptable. The final deficit on this account for the year was £9,611.

b) Conservancy Account

The Conservancy Account is used for expenditure incurred in the maintenance of navigational aids and all Conservancy matters. It is funded from local light dues and recharging certain of its costs to BNFL Magnox Generation who are financially responsible for certain of the lights in the Harbour. The account is budgeted to break even on a year by year basis.

The reduction in traffic of over 10% resulted in the Trustees increasing Light Dues from 4.5p to 5p per DWT (with effect from 1 January 2002), an increase of 11%. The budgeted deficit was £3,320 and the eventual out-turn for the year resulted in a deficit of £3,168.

c) Second Severn Crossing Account

This account is used to record the expenditure incurred on the radar installations and the four navigation beacons installed to ensure the safe passage of vessels following the construction of the Second Severn Crossing.

All the costs, plus a proportion of the Marine Officer’s time and associated overheads, are recovered from the Highways Agency who in turn recharge part of the costs to Severn River Crossing Plc.

This account is self-balancing, as the overheads recovered are transferred to the Conservancy account.

The increased expenditure and recovery on this account reflects the spending on the new radar system of £215,080. A further £9,110 is payable in 2002/2003

d) **Northwick Anchorage Account**

This account deals solely with the costs of maintaining the Northwick Anchorage. These costs plus an element for overheads are recovered from Severn River Crossing plc. Consequently, this account is self-balancing as the overheads recovered are transferred to the Conservancy account.

15 Pilots' Licences Issued

The Trustees pursuant to the Pilotage Act 1987 issued:

- Pilots Licences to Pilots Hadley, Higgs, Moore and Payne.
- Two Pilotage Exemption Certificates (Class C).

16 Key Tasks

The following key tasks are facing the Trustees:

a) In response to the requirements of the Guide to Good Governance for Trust Ports, to implement the new Harbour Revision Order to change the constitution of the Trustees, which has been promoted, advertised and submitted to the DTLR for confirmation. A response is still awaited.

b) To finalise a procedure to deal with applications for licences to dredge within the Gloucester Harbour.

c) To combine both their existing offices and relocate in new accommodation at Sharpness

17 Future Programme

Major items of work planned during the next year are

a) Repainting of Shoots Beacons

b) Replacement of Northwick Buoy.

Report of the Auditors to the Trustees of Gloucester Harbour Trustees

We have audited the financial statements on pages 15 to 26 which have been prepared under the accounting policies set out in note 1 to these financial statements.

Respective responsibilities of the Trustees and Auditors

The Trustees are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with auditing standards 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 trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the trust's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain information and explanations which we consider 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the trust at 31 March 2002 and of the surplus for the year then ended and have been properly prepared in accordance with the appropriate elements of Statutory Harbour Undertakings Regulations 1983, Companies Act 1985, Section 42 of Harbours Act 1964 as inserted by the Transport Act 1981 and as amended the Statutory Harbour Undertakings (Pilotage Accounts) Regulations 1988.

Griffiths Marshall
Chartered Accountants and Registered Auditors

Beaumont House
172 Southgate Street
Gloucester
GL1 2EZ

Dated: 2 August 2002

GLOUCESTER HARBOUR TRUSTEES

Conservancy income and expenditure account
for the year ended 31 March 2002

	Notes	2002	2001
		£	£
Income	2	93,600	111,978
Expenditure	3	86,518	107,510
Operating surplus before Depreciation and interest		7,082	4,468
Provision for depreciation		8,662	8,272
Loss on disposal of Investment	10	1,588	-
Net deficit before taxation	4	(3,168)	(3,804)
Corporation tax at 20%			
Current	6	654	221
Net deficit for the year	15	(2,514)	(3,583)
		======	======

GLOUCESTER HARBOUR TRUSTEES

Pilotage income and expenditure account
for the year ended 31 March 2002

	Notes	2002	2001
		£	**£**
Income	5	252,301	309,853
Expenditure	7	261,912	282,010
Net deficit before taxation		(9,611)	27,843
Corporation tax at Current 20% (2001 - 20%)	6	1,843	(4,923)
Net deficit for the year	15	(7,768)	22,920

GLOUCESTER HARBOUR TRUSTEES

Second Severn Crossing income and expenditure account for the year ended 31 March 2002

	2002	2001
	£	£
Income		
Income from Highways Agency	285,024	60,276
	======	======
Expenditure		
Maintenance of Beacons & Radar	48,573	46,752
Consultancy fees etc	7,563	3,878
Transfer of overhead recoveries to Conservancy account	13,276	9,646
Cost of replacement Radar System	215,612	-
	285,024	60,276
	=======	======

GLOUCESTER HARBOUR TRUSTEES

Northwick Anchorage Account
for the year ended 31 March 2002

	2002	2001
Income	**£**	**£**
Reimbursement of Direct Costs on Ship Protection Work by Severn River Crossing Plc	1,581	7,246
Administration Charge @ 5% of Direct Costs	79	362
	1,660	7,608
Revenue Costs	1,581	7,246
Administration Costs	79	362
	1,660	7,608

GLOUCESTER HARBOUR TRUSTEES

Balance Sheet - 31 March 2002

	Notes	2002	2001
		£	£
Fixed assets			
Tangible assets	10	5,090	11,802
		5,090	11,802
Current assets			
Debtors: due within one year	11	93,839	57,492
Bank balances		7,046	304,063
Cash		200	200
Other Investments	13	249,456	-
		350,541	361,755
Current liabilities			
Creditors: amounts falling due within one year	12	26,757	(34,401)
Net current assets		323,784	327,354
Total assets less current liabilities		328,874	339,156
Provisions for liabilities and charges	14	(1,894)	(1,894)
Net assets		326,980	337,262
Capital and reserves			
Income and expenditure reserve	15	326,980	337,262

Trustees report
for the year ended 31 March 2002

We approve on behalf of the Trustees the accounts on pages 15 to 26 and confirm that all information necessary for their preparation has been made available. The accounts were approved by the Trustees on 19 July 2002.

B Booth (Chairman)

H Baker (Treasurer)

Dated: 19/07/2002

1 Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A Summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of Accounting

The financial statements have been prepared on the historical cost basis of accounting.

Tangible fixed assets

Tangible fixed assets are stated in the balance sheet at cost less depreciation.

Depreciation is calculated on a straight line basis so that tangible fixed assets are written off over their estimated useful lives at an annual rate of 20%.

Turnover

Turnover, which excludes value added tax, represents predominately the value of light dues and pilotage fees due for the year.

Deferred taxation

Provision is made for deferred taxation, using the liability method, on all material timing differences to the extent that it is probable that a liability or asset will crystallise.

Other Investments

Investments are valued at historical cost less any provision made for permanent diminution in value.

GLOUCESTER HARBOUR TRUSTEES

Notes to the accounts
for the year ended 31 March 2002

2 Conservancy Income

	2002 £	2001 £
Light dues:-		
Sharpness	54,230	60,956
Other	3,430	5,434
	57,660	66,390
Contribution towards repairs, maintenance and lighting:-		
Magnox BNFL	7,562	9,819
Wayleaves	1	1
Bank deposit interest received	7,448	15,614
Other	59	-
Hire of GHT Boat	1,040	1,410
Reimbursement of overheads from Highways Agency	13,275	13,221
Reimbursement of Archive Costs	5,160	5,160
Reimbursement of overheads from SRC	79	363
Dividend income	1316	-
	35,940	45,588
	93,600	111,978
	======	======

3 Conservancy Expenditure

Repairs and Maintenance:-		
Planned	3,193	9,990
Other	1,506	2,167
Lighting supplies	1,820	1,668
Workshop Accommodation costs	2,456	2,665
Vehicle costs (excl Depreciation)	1,621	1,474
Boat costs (excl Depreciation)	1,965	506
Lights maintenance contract	10,814	10,572
Establishment and administration costs	34,106	30,675
Marine Officer & Severnside House Costs	13,325	12,131
Audit fee	2,475	2,300
Subscriptions	1,000	940
River Surveys	2,568	2,508
Other	11	-
Harbour Licences	650	-
Counter Oil Pollution Measures	599	426
Harbour Revision Order	5,270	2,811
Hydrographic Survey	-	24,635
BPA Ports Conference costs	-	2,042
Investment administration charges	3,139	-
	86,518	107,510
	======	======

GLOUCESTER HARBOUR TRUSTEES

Notes to the accounts
for the year ended 31 March 2002

	2002	2001
	£	£
4 Conservancy Deficit before Taxation	(3,168)	(3,804)

(Deficit)/ Surplus before taxation is stated after charging:

Depreciation charge for the year:-		
Tangible owned fixed assets	8,662	8,272
Adjustment on disposal of fixed assets	-	-
Auditor's remuneration	2,475	2,300

5 Pilotage Income

	2002	2001
	£	£
Pilotage	252,261	309,813
Other income	40	40
	252,301	309,853

6 Pilotage Expenditure

	2002	2001
	£	£
Pilotage contract	195,061	213,159
Boarding and landing fees	30,635	35,134
Establishment and administration costs	26,611	24,311
Pilots' lodge facilities	6,287	6,172
Portable telephone expenses	683	424
Other	-	-
Harbour Revision Order	2,635	2,810
	261,912	282,010

Notes to the accounts
for the year ended 31 March 2002

7 Taxation

	2002	2001
Domestic current year tax:-		
UK Corporation tax	(2,497)	4,702
Current tax charge	(2,497)	4702
Factors affecting the tax charge for the year:-		
(Loss)/profit on ordinary activities before tax	(12,780)	24,040
(Loss)/profit on ordinary activities before tax multiplied by standard rate of tax (20%) (2001 20%)	(2,556)	4,808
Effect of :-		
Depreciation	2,050	1,654
Capital allowances	(794)	(1,025)
Other tax adjustments	(1,197)	(735)
	(2,497)	4,702

8 Deferred Taxation

The deferred taxation asset/(liability) can be analysed as follows:-

	Provided		Unprovided	
	2002	2001	2002	2001
	£	£	£	£
Accelerated Capital Allowances	-	-	190	(440)
Training provision	-	-	-	-
Deferred taxation asset	-	-	190	(440)

9 Employees

	2002	2001
The average weekly number of persons employed during the year was	4	4
Staff costs (for the above persons):-		
Wages and salaries	54,088	50,253
Social security costs	5,761	3,995

Notes to the accounts
for the year ended 31 March 2002

10 Fixed Assets

	Furniture and Equipment	Land Rover	Boat & trailer	Echo Sounder	Digital Archiver	Total
	£	£	£	£	£	£
Cost						
At 1 April 2001	17,236	12,185	12,232	-	30,000	71,653
Additions	-	-	-	1,950	-	1,950
Disposals	-	-	-	-	-	-
At 31 March 2002	17,236	12,185	12,232	1,950	30,000	73,603
Depreciation						
At 1 April 2001	11,434	12,185	12,232	-	24,000	59,851
Charge for year	2,272	-	-	390	6,000	8,662
Disposals	-	-	-	-	-	-
At 31 March 2002	13,706	12,185	12,232	390	30,000	68,513
Net book value						
At 31 March 2002	3,530	-	-	1,560	-	5,090
At 31 March 2001	5,802	-	-	-	6,000	11,802

Notes to the accounts
for the year ended 31 March 2002

11 Debtors

	2002	2001
	£	£
Amounts falling due within one year		
Pilotage fees	34,870	32,483
Highways Agency	29,420	19,899
Magnox Electric PLC	2,079	2,240
Light Dues	853	805
Other debtors	327	2,065
H M Customs & Excise (VAT)	23,793	-
Corporation tax recoverable	2,497	-
	93,839	57,492

12 Creditors

	£	£
Amounts falling due within one year:-		
Other creditors	6,757	9,666
Corporation tax	-	4,735
Highways Agency	20,000	20,000
	26,757	34,401

13 Other Investments

	£
Listed Investments	247,072
Cash	2,384
	249,456

The market value of other investments
as at the balance sheet date:-

Listed investments	244,957
Cash	2,384
	247,341

Acquisitions	249,514
Disposals	(2,438)
	247,076
Income Received:-	
Dividends	1,316
Interest (net of tax)	2,615
Disposals adjustment	1,588
Administration charges	(3,139)
	249,456

14 Provision for Liabilities and Charges

	2002	**2001**
	£	**£**
Provision for training of pilot as at 1 April 2001	1,894	1,894
Utilised during the year		-
Provision for training of pilot as at 31 March 2002	1,894	1,894

The Trustees have a responsibility to ensure sufficient qualified pilots are available and have made a provision for training new personnel.

15 Income and Expenditure Reserve

	Conservancy	**Pilotage**	**Total**
	£	**£**	**£**
Balance at 1 April 2001	247,938	89,324	337,262
Deficit for year	(2,514)	(7,768)	(10,282)
Balance at 31 March 2002	245,424	81,556	326,980

16 Related Party Transactions

A total sum of £5,305 (2001 - £7,115) was paid to Ian Walker & Associates for Inland Waterway and Estuarial Navigation consultancy work. Mr Ian Walker acts as Chairman of the Trustees of Gloucester Harbour Trustees.