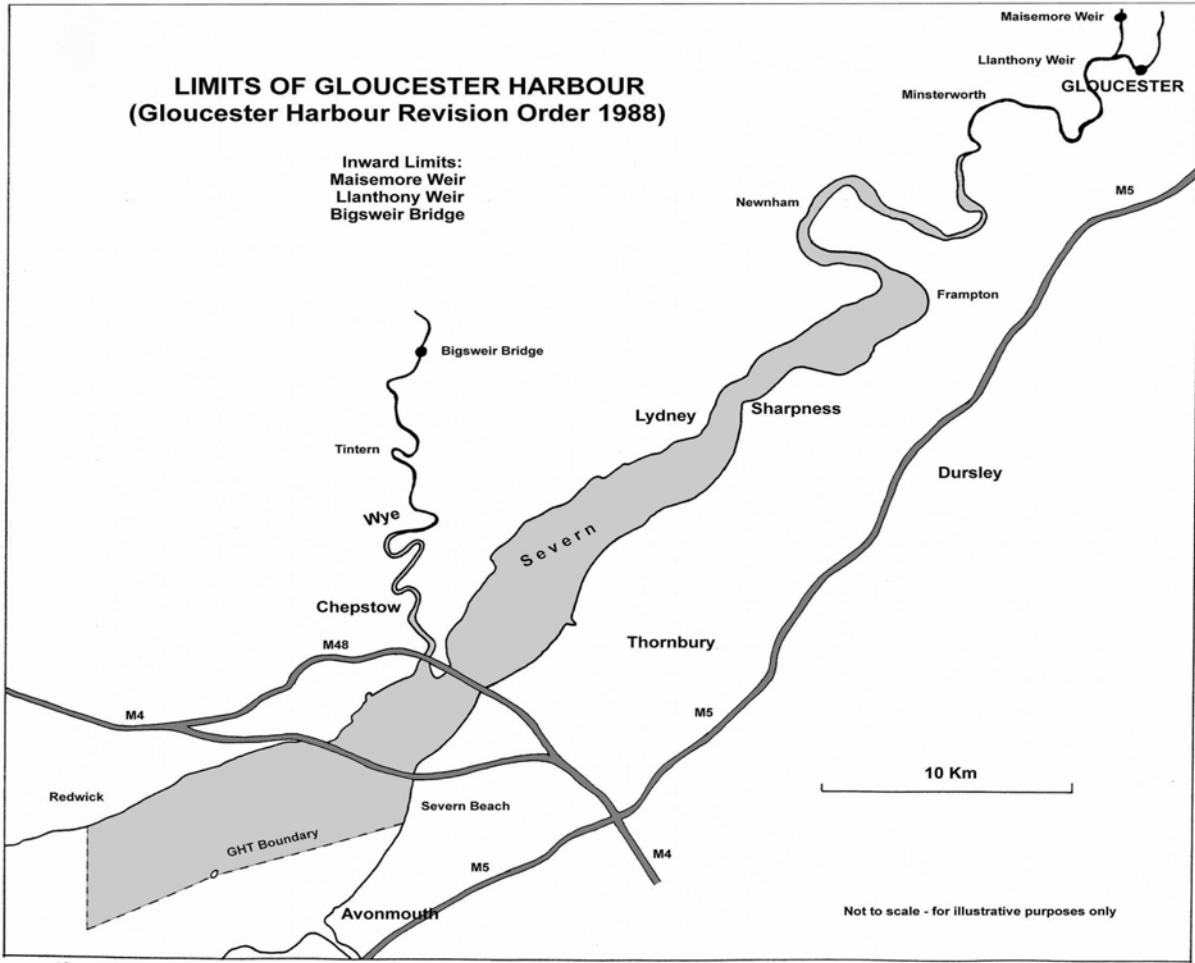


# **ANNUAL REPORT AND ACCOUNTS**



**FOR YEAR ENDED 31 MARCH 2003**



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# GHT Gloucester Harbour Trustees

## Report of the Trustees and the Treasurer for the year ended 31 March 2003

**GHT OFFICE:** Navigation House, The Docks, Sharpness, Berkeley, Glos GL13 9UD  
Tel: 01453 811913  
Fax: 01453 810381  
E-mail: [admin@gloucesterharbourtrustees.org.uk](mailto:admin@gloucesterharbourtrustees.org.uk)

### TRUSTEES FROM 1 APRIL 2002 TO 31 December 2002

| <b>Name:</b>                  | <b>Nominated by:</b>                                   |
|-------------------------------|--|
| Basil Booth (Chairman)        | Gloucestershire County Council                         |
| Capt Keith Badsey             | British Waterways                                      |
| Brian Brooks                  | Appointed by GHT to represent Commercial Interests     |
| Jim Clune                     | Additional Trustee appointed by GHT                    |
| Edmund Dorman (Vice-Chairman) | Gloucester City Council                                |
| Gary Strickland               | British Waterways                                      |
| Keith Hadley*                 | Gloucester Pilots Partnership                          |
| <sup>1</sup> Robert Hall      | Stroud District Council                                |
| <sup>2</sup> Ian Jarvis       | British Waterways                                      |
| Barry Leat*                   | Royal Yachting Association                             |
| <sup>3</sup> Roy Nicholas     | Stroud District Council                                |
| Edward Renshaw*               | Chamber of Shipping/Institute of Chartered Shipbrokers |
| Richard Shackleton            | Additional Trustee appointed by GHT                    |
| Keith Spooner                 | BNFL Magnox Generation                                 |

\* 'Shadow' Trustees appointed in accordance with the provisions of the 2002 HRO in anticipation of confirmation

<sup>1</sup> Retired 31 July 2002

<sup>2</sup> Appointed 1 May 2002

<sup>3</sup> Appointed 1 August 2002

## TRUSTEES FROM 1 JANUARY 2003

| <b>Name</b>              | <b>Category</b>                     |
|--------------------------|-------------------------------------|
| Basil Booth              | GCC Nominee                         |
| Edmund Dorman            | Chairman                            |
| Keith Hadley             | Maritime Interest                   |
| <sup>1</sup> Robert Hall | Community Interest                  |
| Michael Johnson          | Principal Operational Officer       |
| Barry Leat               | Maritime Interest                   |
| <sup>1</sup> John Powell | Community Interest                  |
| Edward Renshaw           | Maritime Interest                   |
| Richard Shackleton       | Additional Trustee appointed by GHT |
| Keith Spooner            | Additional Trustee appointed by GHT |
| Gary Strickland          | Commercial Trustee appointed by GHT |

<sup>1</sup> Appointed 17 January 2003

## TRUSTEES' ATTENDANCE RECORD

| <b>Trustee</b> | <b>Possible Attendances</b> | <b>Actual Attendances</b> |
|----------------|-----------------------------|---------------------------|
| K Badsey       | 4                           | 3                         |
| B Booth        | 6                           | 6                         |
| B Brookes      | 4                           | 2                         |
| J Clune        | 4                           | 2                         |
| E Dorman       | 6                           | 6                         |
| K Hadley       | 6                           | 6                         |
| R Hall         | 4                           | 4                         |
| I Jarvis       | 4                           | 2                         |
| M Johnson      | 2                           | 2                         |
| B Leat         | 6                           | 5                         |
| R Nicholas     | 2                           | 1                         |
| J Powell       | 2                           | 2                         |
| E Renshaw      | 6                           | 5                         |
| R Shackleton   | 6                           | 5                         |
| K Spooner      | 6                           | 3                         |
| G Strickland   | 6                           | 6                         |

## **BACKGROUND INFORMATION ABOUT THE TRUSTEES**

The term of office of all Trustees expired on 31 July 2002 under the provisions of the 1994 HRO. Nominating authorities confirmed or made new appointments while awaiting confirmation of the new Harbour Revision Order by the Department for Transport. The 2002 HRO came into force on 16 December 2002 and new appointments were made in accordance with its provisions from 1 January 2003.

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

Capt Keith Badsey  
Duty Harbour Master of GHT  
Certificate of Competency Class I (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

Keith Hadley  
Licensed Gloucester Pilot

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

Ian Jarvis  
Waterway Manager responsible for operation and maintenance of Sharpness Dock, Gloucester and Sharpness Canal and River Severn from Gloucester to Stourport

Mike Johnson  
GHT's Marine Officer – appointed Trustee as Principal Operational Officer under 2002 HRO

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

Roy Nicholas  
Stroud District Councillor – interim appointment pending confirmation of the 2002 HRO

John Powell  
Editor of the Forest of Dean & Wye Valley Review  
Local fishing and estuarial interests

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

Richard Shackleton  
Retired Solicitor and former Chief Executive of Gloucester City Council  
Former Clerk to GHT

Keith Spooner  
Nuclear Engineer BA MSc MSRP MIOSH  
Change Programme Manager, Berkeley Centre

Gary Strickland  
General Manager of Sharpness Dock Ltd, the port operator at Sharpness

## **OFFICERS AT 1 APRIL 2002**

|                     |                                  |
|---------------------|----------------------------------|
| Clerk               | Susie Oakley ACIS                |
| Treasurer           | Howard Baker FCMA                |
| Marine Officer      | Mike Johnson Eng Tech AMIIE AMNI |
| Duty Harbour Master | Keith Badsey MNI                 |
| Secretary           | Rosemary Elsey                   |

## **BACKGROUND INFORMATION ABOUT THE OFFICERS**

Susie Oakley  
Previously: Project Manager, Commercial Manager and General Manager (Ireland) with QA Group (IT Management Consultants) – appointed January 2002 on a five-year contract

Howard Baker  
Former Local Government Treasurer  
Appointed during good conduct

Mike Johnson  
Ex merchant marine officer  
Appointed January 1997

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

Rosemary Elsey  
Secretary - appointed April 1997

## **PARLIAMENTARY AGENTS**

|                   |  |
|-------------------|--|
| Dyson Bell Martin | 1 Dean Farrar Street, Westminster<br>London SW1H 0DY |
|-------------------|--|

## **SOLICITORS**

|                 |  |
|-----------------|--|
| Rowberry Morris | Morroway House, Station Road<br>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 2003.

### **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 (Constitution) Order 2002. It covers a large area of the Severn, its outer limit 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.

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 Gloucester Harbour Revision (Constitution) Order 2002 came into force on 16 December 2002. Under this new Order ten Trustees plus a Chairman will now be appointed following advertisement and interview. Part of the Board will retire each year and applications will be invited in successive years from those with a particular interest in a certain area of expertise ie maritime,



community and environmental experience. GHT's Principal Operational Officer now also becomes a Trustee.

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. It comprises a part-time Clerk and part-time Secretary responsible for administrative matters and a part-time Treasurer responsible for financial matters, together with a full-time Marine Officer who is responsible for maintaining the pilot watch radar system and supervising the maintenance of the other navigation aids including lights, buoys, beacons and daymarks. He is also responsible for environmental management issues plus duties relating to the pilotage service. GHT combined its two offices in March 2003 when all staff moved to new accommodation at Sharpness.

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 own their new building at Sharpness which is situated on land leased from British Waterways. Half the building is occupied by BW staff on a lease from GHT. The Trustees also lease a garage and workshop in Sharpness.

The Trustees 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. Trading conditions continue to fluctuate and it was necessary to agree a small increase in pilotage rates with effect from 1 January 2003.

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 the new Advisory Body set up under the 2002 HRO.

## **8 Safety**

Capt Ian Coppack has been appointed as the designated person for the Gloucester Harbour under the Port Marine Safety Code. He has reviewed GHT's documentation and presented a formal report to the Trustees confirming his satisfaction with GHT's procedures.

## **9 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, which is currently at the 'proposed' (pSAC) stage. 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.

## **10 Trustees and Officers Insurance**

The Trustees and their officers have professional indemnity insurance.

## **11 Review of the Year 2002/2003**

### **11.1 Administration**

- GHT relocated to a new office at Sharpness which houses all its staff in a modular building owned by GHT and erected on land leased from British Waterways on a 60 year term. Half the accommodation is leased back to BW for use by the Harbour Master and his staff.
- More suitable workshop accommodation was leased in Sharpness and notice to terminate the lease on the old workshop was given to the lessor.
- The new Pilot Watch Radar System was fully commissioned and the final payments made.
- Work continued on the Licensing Procedure for Sand Dredging within the Gloucester Harbour in anticipation of an application for a licence early in 2003.

### **11.2 Finance**

#### **a) Pilotage Account**

This account includes the payments made to the Gloucester Pilots Partnership for the provision of pilotage services. 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.

The traffic for 2002/03 totalled 1,235,722 DWT, an increase of 65,536 DWT (5.6%). The income also increased by £22,275 (8.8%). The higher percentage of income compared to the increase in traffic arose as a result of the pilotage rate being increase by 0.75p to 22.25p per DWT with effect from 1 January 2002.

In view of the fact that virtually all the Pilotage Account expenditure is controlled by agreements which are subject to RPI increases each year, the Trustees decided that the pilotage rate be further increased from 22.25p to 23p with effect from 1 April 2003.

**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 conservancy charges 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 increase in conservancy rates of 0.5p from 1 January 2002 plus the increased traffic resulted in the income from conservancy dues increasing by 16%.

The outcome for the year after charging depreciation of the new building was a slight deficit of £750.

The Trustees have decided that no change will be made to the rate for conservancy charges in 2003/04.

**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 expenditure in 2002/03 contained the final payment of £9,110 for the new Pilotwatch Radar System.

**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.

**12 Pilots' Licences Issued**

The Trustees pursuant to the Pilotage Act 1987 issued:

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

### **13 Key Tasks**

The following key tasks are facing the Trustees:

- a) to implement fully the new Harbour Revision Order, which changes the constitution of the Trustees, and to update all the relevant documentation
- b) To determine an application for a licence to dredge sand within the Gloucester Harbour.

### **14 Future Programme**

Major items of work planned during the next year are:

- Renewal of Bull Beacon
- Implementation of an upgraded Sage accounting system

## **GLOUCESTER HARBOUR TRUSTEES**

### **Report of the Auditors to the Trustees of Gloucester Harbour Trustees**

We have audited the financial statements on pages 15 to 27 which have been prepared under the accounting policies set out in note 1 to these financial statements.

This report is made solely to the trustees, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's report and for no other purposes. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the trust and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

#### **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 2003 and of the deficit 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:

## GLOUCESTER HARBOUR TRUSTEES

### Conservancy income and expenditure account for the year ended 31 March 2003

|   | Notes | 2003<br>£             | 2002<br>£             |
|---|-------|-----------------------|-----------------------|
| <b>Income</b>   | 2     | 125,350               | 93,600                |
| <b>Expenditure</b>  | 3     | 105,840               | 86,518                |
|   |       | -----                 | -----                 |
| <b>Operating surplus before<br/>Depreciation and interest</b> |       | 19,510                | 7,082                 |
| Provision for depreciation                                    |       | 15,429                | 8,662                 |
| Loss on disposal of Investment                                | 10    | 9,290                 | 1,588                 |
|   |       | -----                 | -----                 |
| <b>Net deficit before taxation</b>                            | 4     | (5,209)               | (3,168)               |
| Corporation tax at 20% (2002 - 20%)<br>Current                | 6     | 1,233                 | 654                   |
|   |       | -----                 | -----                 |
| <b>Net deficit for the year</b>                               | 15    | <u><u>(3,976)</u></u> | <u><u>(2,514)</u></u> |

## GLOUCESTER HARBOUR TRUSTEES

### Pilotage income and expenditure account for the year ended 31 March 2003

|  | Notes | 2003<br>£      | 2002<br>£      |
|--|-------|----------------|----------------|
| <b>Income</b>                                  | 5     | 274,726        | 252,301        |
| <b>Expenditure</b>                             | 6     | 280,946        | 261,912        |
|  |       | <hr/>          | <hr/>          |
| <b>Net deficit before taxation</b>             |       | (6,220)        | (9,611)        |
| Corporation tax at<br>Current 20% (2002 - 20%) | 7     | -              | 1,843          |
|  |       | <hr/>          | <hr/>          |
| <b>Net deficit for the year</b>                | 15    | <u>(6,220)</u> | <u>(7,768)</u> |

**GLOUCESTER HARBOUR TRUSTEES**

**Second Severn Crossing income and expenditure account  
for the year ended 31 March 2003**

|   | <b>2003</b>  | <b>2002</b>  |
|---|--------------|--------------|
|   | <b>£</b>     | <b>£</b>     |
| <b>Income</b>   |              |              |
| Income from Highways Agency                               | 78,765       | 285,024      |
|   | <u>=====</u> | <u>=====</u> |
| <br>  |              |              |
| <b>Expenditure</b>  |              |              |
| Maintenance of Beacons & Radar                            | 62,060       | 48,573       |
| Consultancy fees etc                                      | 485          | 7,563        |
| Transfer of overhead recoveries to<br>Conservancy account | 6,540        | 13,276       |
| Cost of replacement Radar System                          | 9,180        | 215,612      |
|   | <u>-----</u> | <u>-----</u> |
|   | 78,265       | 285,024      |
|   | <u>=====</u> | <u>=====</u> |



**GLOUCESTER HARBOUR TRUSTEES**

**Northwick Anchorage Account  
for the year ended 31 March 2003**

|   | <b>2003</b>         | <b>2002</b>         |
|---|---------------------|---------------------|
| <b>Income</b>   | <b>£</b>            | <b>£</b>            |
| Reimbursement of Direct Costs on Ship Protection Work<br>by Severn River Crossing Plc | 1,078               | 1,581               |
| Administration Charge @ 5% of Direct Costs  | 54                  | 79                  |
|   | <u>1,132</u>        | <u>1,660</u>        |
|   | <u><u>1,132</u></u> | <u><u>1,660</u></u> |
| <br>Revenue Costs   | <br>1,078           | <br>1,581           |
| Administration Costs  | 54                  | 79                  |
|   | <u>1,132</u>        | <u>1,660</u>        |
|   | <u><u>1,132</u></u> | <u><u>1,660</u></u> |

## GLOUCESTER HARBOUR TRUSTEES

### Balance Sheet - 31 March 2003

|   | Notes | 2003    | 2002    |
|---|-------|---------|---------|
|   |       | £       | £       |
| <b>Fixed assets</b>                                   |       |         |         |
| Tangible assets                                       | 10    | 185,797 | 5,090   |
|   |       | -----   | -----   |
|   |       | 185,797 | 5,090   |
|   |       | -----   | -----   |
| <b>Current assets</b>                                 |       |         |         |
| <b>Debtors:</b> due within one year                   | 11    | 71,025  | 93,839  |
| Bank balances   |       | 23,388  | 7,046   |
| Cash  |       | 200     | 200     |
| Other Investments                                     | 13    | 244,961 | 249,456 |
|   |       | -----   | -----   |
|   |       | 339,574 | 350,541 |
| <b>Current liabilities</b>                            |       |         |         |
| <b>Creditors:</b> amounts falling due within one year | 12    | 206,693 | 26,757  |
|   |       | -----   | -----   |
| <b>Net current assets</b>                             |       | 132,881 | 323,784 |
|   |       | -----   | -----   |
| <b>Total assets less current liabilities</b>          |       | 318,678 | 328,874 |
| <b>Provisions for liabilities and charges</b>         | 14    | (1,894) | (1,894) |
|   |       | -----   | -----   |
| <b>Net assets</b>                                     |       | 316,784 | 336,980 |
|   |       | =====   | =====   |
| <b>Capital and reserves</b>                           |       |         |         |
| Income and expenditure reserve                        | 15    | 316,784 | 326,980 |
|   |       | =====   | =====   |

### Trustees report for the year ended 31 March 2003

We approve on behalf of the Trustees the accounts on pages 15 to 27 and confirm that all information necessary for their preparation has been made available. The accounts were approved by the Trustees on 18 July 2003.

(Signed) E Dorman (Chairman)

(Signed) H Baker (Treasurer)

Dated: 22 September 2003

# **GLOUCESTER HARBOUR TRUSTEES**

## **Notes to the accounts for the year ended 31 March 2003**

### **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 on a straight line basis at the following rates:

|                                |     |
|--------------------------------|-----|
| Motor vehicles                 | 20% |
| Office equipment and furniture | 20% |
| Trade equipment                | 20% |
| Property                       | 4%  |

#### **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 2003

| <b>2 Conservancy Income</b>                              | <b>2003</b> | <b>2002</b> |
|--|-------------|-------------|
|  | <b>£</b>    | <b>£</b>    |
| Light dues:-   |             |             |
| Sharpness  | 61,869      | 54,230      |
| Other  | 5,046       | 3,430       |
|  | <hr/>       | <hr/>       |
|  | 66,915      | 57,660      |
|  | <hr/>       | <hr/>       |
| Contribution towards repairs, maintenance and lighting:- |             |             |
| Magnox BNFL  | 30,298      | 7,562       |
| Wayleaves  | 1           | 1           |
| Interest received  | 5,600       | 7,448       |
| Other  | -           | 59          |
| Hire of GHT Boat   | 1,040       | 1,040       |
| Reimbursement of overheads from Highways Agency          | 6,540       | 13,275      |
| Reimbursement of Archive Costs                           | 5,160       | 5,160       |
| Reimbursement of overheads from SRC                      | 332         | 79          |
| Technical officer recoveries                             | 2,130       | -           |
| Dredging licence costs recovered                         | 4,526       | -           |
| Dividend income  | 2,808       | 1,316       |
|  | <hr/>       | <hr/>       |
|  | 58,435      | 35,940      |
|  | <hr/>       | <hr/>       |
|  | 125,350     | 93,600      |
|  | <hr/> <hr/> | <hr/> <hr/> |
| <b>3 Conservancy Expenditure</b>                         |             |             |
| Repairs and Maintenance:-                                |             |             |
| Planned  | 19,861      | 3,193       |
| Other  | 359         | 1,506       |
| Lighting supplies  | 1,025       | 1,820       |
| Workshop Accommodation costs                             | 10,080      | 2,456       |
| Vehicle costs (excl Depreciation)                        | 721         | 1,621       |
| Boat costs (excl Depreciation)                           | 559         | 1,965       |
| Lights maintenance contract                              | 11,064      | 10,814      |
| Establishment and administration costs                   | 31,589      | 34,106      |
| Marine Officer & Severnside House Costs                  | 12,524      | 13,325      |
| Audit fee  | 2,565       | 2,475       |
| Subscriptions  | 1,078       | 1,000       |
| River Surveys  | 2,628       | 2,568       |
| Other  | -           | 11          |
| Harbour Licences   | 7,351       | 650         |
| Counter Oil Pollution Measures                           | 525         | 599         |
| Harbour Revision Order                                   | 967         | 5,270       |
| Investment administration charges                        | 2,944       | 3,139       |
|  | <hr/>       | <hr/>       |
|  | 105,840     | 86,518      |
|  | <hr/> <hr/> | <hr/> <hr/> |

## GLOUCESTER HARBOUR TRUSTEES

### Notes to the accounts for the year ended 31 March 2003

|  | <b>2003</b> | <b>2002</b> |
|--|-------------|-------------|
|  | <b>£</b>    | <b>£</b>    |
| <b>4 Conservancy Deficit before Taxation</b>                     | (5,209)     | (3,168)     |
| <br>(Deficit)/ Surplus before taxation is stated after charging: |             |             |
| Depreciation charge for the year:-                               |             |             |
| Tangible owned fixed assets                                      | 15,429      | 8,662       |
| Adjustment on disposal of fixed assets                           | -           | -           |
| Adjustment on disposal of investments                            | 9,290       | 1,588       |
| Auditor's remuneration   | 2,565       | 2,475       |
| <br>   |             |             |
| <b>5 Pilotage Income</b>   | <b>2003</b> | <b>2002</b> |
|  | <b>£</b>    | <b>£</b>    |
| Pilotage   | 274,646     | 252,261     |
| Other income   | 80          | 40          |
|  | <hr/>       | <hr/>       |
|  | 274,726     | 252,301     |
|  | <hr/> <hr/> | <hr/> <hr/> |
| <br>   |             |             |
| <b>6 Pilotage Expenditure</b>                                    | <b>2003</b> | <b>2002</b> |
|  | <b>£</b>    | <b>£</b>    |
| Pilotage contract  | 210,213     | 195,061     |
| Boarding and landing fees  | 35,427      | 30,635      |
| Establishment and administration costs                           | 28,773      | 26,611      |
| Pilots' lodge facilities   | 6,349       | 6,287       |
| Portable telephone expenses                                      | 184         | 683         |
| Harbour Revision Order   | -           | 2,635       |
|  | <hr/>       | <hr/>       |
|  | 280,946     | 261,912     |
|  | <hr/> <hr/> | <hr/> <hr/> |

## GLOUCESTER HARBOUR TRUSTEES

### Notes to the accounts for the year ended 31 March 2003

| <b>7 Taxation</b>  | <b>2003</b>                            | <b>2002</b>                            |
|--|--|--|
| Domestic current year tax:-<br>UK Corporation tax  | (1,233)                                | (2,497)                                |
|  | <u>          </u>                      | <u>          </u>                      |
| Current tax (credit)/charge  | <u>          </u><br><u>          </u> | <u>          </u><br><u>          </u> |
| Factors affecting the tax charge for the year:-<br>(Loss)/profit on ordinary activities before tax     | (11,429)                               | (12,780)                               |
|  | <u>          </u>                      | <u>          </u>                      |
| (Loss)/profit on ordinary activities before tax multiplied<br>by standard rate of tax (20%) (2002 20%) | (2,286)                                | (2,556)                                |
|  | <u>          </u>                      | <u>          </u>                      |
| Effect of :-<br>Depreciation   | 4,944                                  | 2,050                                  |
| Capital allowances   | (3,478)                                | (794)                                  |
| Other tax adjustments  | (413)                                  | (1,197)                                |
|  | <u>          </u>                      | <u>          </u>                      |
|  | 1,053                                  | 59                                     |
|  | <u>          </u>                      | <u>          </u>                      |
| Current tax (credit)/charge  | <u>          </u><br><u>          </u> | <u>          </u><br><u>          </u> |

### 8 Deferred Taxation

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

|                                | <b>Provided</b>                        |  | <b>Unprovided</b>                      |  |
|--------------------------------|--|--|--|--|
|                                | <b>2003</b>                            | <b>2002</b>                            | <b>2003</b>                            | <b>2002</b>                            |
|                                | <b>£</b>                               | <b>£</b>                               | <b>£</b>                               | <b>£</b>                               |
| Accelerated Capital Allowances | -                                      | -                                      | (568)                                  | 190                                    |
| Training provision             | -                                      | -                                      | -                                      | -                                      |
|                                | <u>          </u>                      | <u>          </u>                      | <u>          </u>                      | <u>          </u>                      |
| Deferred taxation asset        | <u>          </u><br><u>          </u> | <u>          </u><br><u>          </u> | <u>          </u><br><u>          </u> | <u>          </u><br><u>          </u> |

### 9 Employees

The average weekly number of persons employed during the year was

|   | <b>2003</b>       | <b>2002</b>       |
|---|-------------------|-------------------|
|   | 4                 | 4                 |
|   | <u>          </u> | <u>          </u> |
| Staff costs (for the above persons):-<br>Wages and salaries | 61,099            | 54,088            |
| Social security costs                                       | 4,363             | 5,761             |

## GLOUCESTER HARBOUR TRUSTEES

### Notes to the accounts for the year ended 31 March 2003

#### 10 Fixed Assets

|                       | Motor<br>Vehicles | Office<br>Equipment | Furniture | Trade<br>Equipment | Property | Total   |
|-----------------------|-------------------|---------------------|-----------|--------------------|----------|---------|
|                       | £                 | £                   | £         | £                  | £        | £       |
| <b>Cost</b>           |                   |                     |           |                    |          |         |
| At 1 April 2002       | 12,185            | 42,638              | 4,598     | 14,182             | -        | 73,603  |
| Additions             | -                 | 32,882              | -         | -                  | 163,254  | 196,136 |
| Disposals             | -                 | (2,153)             | -         | -                  | -        | (2,153) |
|                       | <hr/>             | <hr/>               | <hr/>     | <hr/>              | <hr/>    | <hr/>   |
| At 31 March 2003      | 12,185            | 73,367              | 4,598     | 14,182             | 163,254  | 267,586 |
|                       | <hr/>             | <hr/>               | <hr/>     | <hr/>              | <hr/>    | <hr/>   |
| <b>Depreciation</b>   |                   |                     |           |                    |          |         |
| At 1 April 2002       | 12,185            | 39,108              | 4,598     | 12,622             | -        | 68,513  |
| Charge for year       | -                 | 8,509               | -         | 390                | 6,530    | 15,429  |
| Disposals             | -                 | (2,153)             | -         | -                  | -        | (2,153) |
|                       | <hr/>             | <hr/>               | <hr/>     | <hr/>              | <hr/>    | <hr/>   |
| At 31 March 2003      | 12,185            | 45,464              | 4,598     | 13,012             | 6,530    | 81,789  |
|                       | <hr/>             | <hr/>               | <hr/>     | <hr/>              | <hr/>    | <hr/>   |
| <b>Net book value</b> |                   |                     |           |                    |          |         |
| At 31 March 2003      | -                 | 27,903              | -         | 1,170              | 156,724  | 185,797 |
|                       | <hr/>             | <hr/>               | <hr/>     | <hr/>              | <hr/>    | <hr/>   |
| At 31 March 2002      | -                 | 3,530               | -         | 1,560              | -        | 5,090   |
|                       | <hr/>             | <hr/>               | <hr/>     | <hr/>              | <hr/>    | <hr/>   |

## GLOUCESTER HARBOUR TRUSTEES

### Notes to the accounts for the year ended 31 March 2003

| <b>11 Debtors</b>   | <b>2003</b> | <b>2002</b> |
|---|-------------|-------------|
|   | <b>£</b>    | <b>£</b>    |
| <b>Amounts falling due within one year</b>                                    |             |             |
| Pilotage fees & light dues  | 25,390      | 35,723      |
| Highways Agency   | 32,890      | 29,420      |
| Magnox Electric PLC   | 1,892       | 2,079       |
| Other debtors   | 9,620       | 327         |
| H M Customs & Excise (VAT)  | -           | 23,793      |
| Corporation tax recoverable   | 1,233       | 2,497       |
|   | -----       | -----       |
|   | 71,025      | 93,839      |
|   | =====       | =====       |
| <b>12 Creditors: amount falling due within one year</b>                       |             |             |
|   | <b>£</b>    | <b>£</b>    |
| <b>Amounts falling due within one year:-</b>                                  |             |             |
| Other creditors   | 176,693     | 6,757       |
| Corporation tax   | -           | -           |
| Highways Agency   | 20,000      | 20,000      |
| Bank loan   | 10,000      | -           |
|   | -----       | -----       |
|   | 206,693     | 26,757      |
|   | =====       | =====       |
| The bank loan is secured by a fixed charge over the stock and share portfolio |             |             |
| <b>13 Other Investments</b>   |             |             |
|   | <b>£</b>    | <b>£</b>    |
| Listed Investments  | 236,737     | 247,072     |
| Cash  | 8,224       | 2,384       |
|   | -----       | -----       |
|   | 244,961     | 249,456     |
|   | =====       | =====       |
| The market value of other investments<br>as at the balance sheet date:-       |             |             |
| Listed investments  | 209,669     | 244,957     |
| Cash  | 8,224       | 2,384       |
|   | -----       | -----       |
|   | 217,893     | 247,341     |
|   | =====       | =====       |
| Acquisitions  | 7,914       | 247,130     |
| Disposals   | (18,249)    | (2,438)     |
| Movement in cash balance  | 5,840       | 2,384       |
|   | -----       | -----       |
|   | (4,495)     | 247,076     |
|   | =====       | =====       |
| Income Received:-   |             |             |
| Dividends   | 2,808       | 1,316       |
| Interest (net of tax)   | 4,931       | 2,615       |
| Disposals adjustment  | (9,290)     | 1,588       |
| Administration charges  | (2,944)     | (3,139)     |
|   | -----       | -----       |
|   | (4,495)     | 2,380       |
|   | =====       | =====       |



## GLOUCESTER HARBOUR TRUSTEES

### Notes to the accounts for the year ended 31 March 2003

#### 14 Provision for Liabilities and Charges

|   | 2003                                   | 2002                                   |
|---|--|--|
|   | £                                      | £                                      |
| Provision for training of pilot as at 1 April 2002  | 1,894                                  | 1,894                                  |
| Utilised during the year                            | -                                      | -                                      |
|   | <u>          </u>                      | <u>          </u>                      |
| Provision for training of pilot as at 31 March 2003 | <u>          </u><br><u>          </u> | <u>          </u><br><u>          </u> |

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 2002  | 245,424                                | 81,556                                 | 326,980                                |
| Deficit for year         | (3,976)                                | (6,220)                                | (10,196)                               |
|                          | <u>          </u>                      | <u>          </u>                      | <u>          </u>                      |
| Balance at 31 March 2003 | <u>          </u><br><u>          </u> | <u>          </u><br><u>          </u> | <u>          </u><br><u>          </u> |

#### 16 Financial commitments

At 31 March 2003 the trust had annual commitments under a non-cancellable operating lease as follows:

|                            | Land                                   |  |
|----------------------------|--|--|
|                            | 2003                                   | 2002                                   |
|                            | £                                      | £                                      |
| Expiry date:               |  |  |
| Within one year            | -                                      | -                                      |
| Between two and five years | -                                      | -                                      |
| In over five years         | 1,560                                  | -                                      |
|                            | <u>          </u>                      | <u>          </u>                      |
|                            | <u>          </u><br><u>          </u> | <u>          </u><br><u>          </u> |

## **GLOUCESTER HARBOUR TRUSTEES**

### **Notes to the accounts for the year ended 31 March 2003**

#### **17 Related Party Transactions**

A total sum of £1,250 was paid to Edmund L B Dorman in his capacity as Chairman of the Trustees of Gloucester Harbour Trustees and £140 to Ian Walker & Associates for Inland Waterways and Estuarial Navigation consultancy work (2002 - £5,305 paid to Ian Walker & Associates).

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