

**REPORT OF THE COMMISSIONERS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
FOR
SAUNDERSFOOT HARBOUR COMMISSIONERS**

SAUNDERSFOOT HARBOUR COMMISSIONERS

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SAUNDERSFOOT HARBOUR COMMISSIONERS

TRUST PORT INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

COMMISSIONERS: Mr P W Evans CBE
Mr T Sangster
Mr J Codd
Mr A Evans
Mrs W Goldsworthy
Mr D McDermott
Mr P Parker

CEO: Mr M Davies

REGISTERED OFFICE: The Harbour Office
Saundersfoot
Pembrokeshire
SA69 9HE

AUDITORS: LHP Auditors
Llys Deri
Parc Pensarn
Carmarthen
Carmarthenshire
SA31 2NF

SAUNDERSFOOT HARBOUR COMMISSIONERS

REPORT OF THE COMMISSIONERS FOR THE YEAR ENDED 31 MARCH 2023

The Commissioners present their Report with the financial statements of the Trust Port for the year ended 31 March 2023.

PRINCIPAL ACTIVITY

The principal activity of Saundersfoot Harbour Commissioners for the year under review was that of a harbour undertaking with commercial unit rentals.

REVIEW OF BUSINESS

There is currently one Commissioner vacancy but, as will be stated later in this report, there will be a 2023/4 appointment strategy that will not only replace some retiring Board Members but also introduce new essential skill sets into the Board structure. A large number of Commissioners have worked well in excess of their initially agreed term because of the ongoing development programme, and their knowledge and expertise were essential in getting closure on the various phases of the scheme. I thank them for this.

The year started with a new Chancellor's budget that required all businesses to ensure that prudence and astute financial planning were paramount. A number of rapid interest rate hikes were implemented as a cooling mechanism to inflation but, as that may have long term social benefits, it certainly put major pressures on embryonic businesses with structured borrowing schedules such as The Trust Port of Saundersfoot. Our Financial Overview statement following will outline the impact of these cost increases, but I consider that the Finance Team, headed by Ann Thomas FCA FCCA FMAAT, has controlled risk and accurately forecast the fiscal movements to our advantage.

The economic climate during the financial year ended 31 March 2023 saw many business entities suffering due to the interest rate and other cost increases such as heat and power, and the withdrawal of COVID assistance with regard to rates. Saundersfoot Harbour Commissioners were no exception to this, as the 2023 figures illustrate.

Turning to the Income and Expenditure Account, we note that overall turnover increased this year to £985,999 compared to £871,602 in 2022, an increase of 13.1%. There were increases in most of the income streams with post COVID trading settling into the new normal, with the only reduction being in sales income derived from the commercial fishing boats as explained in the marine report.

Alongside an increase in trading activity follows an increase in direct costs at £402,105 compared to £342,708 last year. Total direct wages amounted to £238,254 compared to £211,245 in 2022, both at 24.2% of sales income, demonstrating excellent control over labour costs in the year. The resulting gross surplus was £583,894 this year compared to £528,894 last year (59.2% 2023 compared to 60.7% in 2022).

There has been substantial capital investment and development within the entity over the past few years, together with material related grant funding. Our accounting policies note to the accounts lists the depreciation policies which effectively write off the asset cost over its useful economic lifetime. This depreciation cost is released annually into the Profit and Loss Account with the cost being £469,059 this year and £381,266 last year. The related annual grant release amounted to £307,615 in 2023 and £264,925 in 2022.

The economy suffered material interest rate increases during the financial year with the entity's finance charges increasing substantially. Finance costs amounted to £172,867 for 2023 compared to £102,124 in 2022. There was a net deficit suffered for 2023 of £(97,854) compared to a net surplus of £50,530 for 2022. A comfortable interest cover result would be above 2.5 times but the business is not yet achieving this cover due to the infancy of the new development's trade and the interest rate and cost increases seen.

Due to the material book entry items such as depreciation and grant release, it is useful to review the EBITDA of the entity which results at £218,802 for 2023 and £264,869 for 2022.

Turning to the Balance Sheet, we note that the entity has a Net Liability position as at 31 March 2023 of £(54,730) compared to a Net Asset position of £55,546 as at 31 March 2022. The results were adversely affected during the financial year by delays in the opening of some of the income streams. This has now been rectified and the summer season of 2023 has seen that the entity has returned to a Net Asset position by the end of August 2023 with improved profitability, as evidenced by fully reconciled internal management accounts.

SAUNDERSFOOT HARBOUR COMMISSIONERS

REPORT OF THE COMMISSIONERS FOR THE YEAR ENDED 31 MARCH 2023

Unfortunately, the entity did not achieve its budgeted profitability for 2022/23 but the forecasts are continually being controlled with the Senior Management Team in this current 2023/24 year to ensure the strategy is followed closely and efficiently. Results to date illustrate this is being achieved and it is hoped that external costs outside of the entity's control also begin to reduce in the short term to assist with gearing commitments.

Our core business remains as a leisure harbour, fishing port and short stay accommodation providers with associated parking facilities. Ancillary revenue streams are now being developed and include the recently opened Heritage Centre and Schooner which are designed to become iconic tourism attractions to complement our cash resource and enhance the village business community.

Our aim remains to build on the sustainability of our business as a driver for trade in the shoulder seasons to ensure that our employment ambitions are maintained.

The marine activities are outlined as follows:

Moorings within Saundersfoot harbour remain in as high demand as ever with an active waiting list in operation. During the 2022-2023 season proactive management of mooring allocation and usage resulted in 9 Centre Moorings and 7 Running Moorings being newly allocated to entrants from the waiting list. This in turn brought a new more vibrant and active atmosphere to the harbour with many new enthusiastic faces on the water.

The Harbour's fishing fleet have operated well throughout the season albeit this has not been without its challenges with the adverse weather being the biggest single issue faced by all. Sustained periods of strong easterly winds kept the fleet tied up within the confines of the harbour for many more days than is ideal. This however did not seem to dampen the spirits of the crews as they made the most of the days they were able to go to sea.

Great progress has been made by securing an EMFF grant to install a much needed new catch landing crane on the harbour wall to support our vessels and to allow them to diversify into other fisheries. The crane is due to be installed and operational by December 2023.

The dry boat racking operation has throughout the summer been providing a greatly received service to customers, with the many benefits of racking storage being the key driver for demand. This season has seen a slightly reduced number of visiting vessels against 2021, this again is mainly due to the weather.

Throughout the season as always, health and safety has been the main priority for all. The harbour is an area enjoyed by many and the harbour team have done a most efficient job assessing and managing the safety of all harbour users whether it be by providing advice and recommendations or by way of enacting rules and regulation for the safety of all harbour users. The harbour team have carried out a sluicing program throughout the season that has proved to be invaluable. This however has highlighted the need for further remedial works to the sluice gates to ensure their continued operation moving forward.

We are very proud to have hosted the World Rowing Beach Sprint Championships during October 2022 with teams travelling from around the globe to compete. The event proved to be a great success and has proven Saundersfoot Harbour to be a fantastic setting to hold marine based events such as this. We look forward to hosting many more events in the future.

Saundersfoot residents and visitors were lucky enough to catch a glimpse of a very nostalgic sailing vessel. The Johanna Lucretia visited Saundersfoot Harbour on the 24th- 26th June following her taking part in the Seafair Haven Parade of Sail on the Milford Haven Water Way. The Johanna Lucretia is very much the style of vessel the harbour was originally constructed to accommodate during the coal revolution.

During this season large scale resurfacing works have been completed on the harbour carpark. The configuration of the carpark has been adjusted to ensure safe traffic flow and pedestrian safety are not compromised. The access to the slipway has been greatly improved with the introduction of a large turning area at the top to aid users whilst manoeuvring trailers to the water's edge. The new layout has been well received and will form the backbone for future plans to implement an ANPR parking enforcement system here at the harbour. This was a £350,000 investment.

SAUNDERSFOOT HARBOUR COMMISSIONERS

REPORT OF THE COMMISSIONERS FOR THE YEAR ENDED 31 MARCH 2023

A severe but controlled rockfall was experienced over the festive period which caused damage to the boat racking and also restricted vehicle access to the southern quay facilities. Prompt action by the management team ensured that two cranes and a specialist stabilisation unit were quickly assembled and, although the incident proved an unexpected expense, we mitigated our losses most professionally.

We were honoured to host HRH Princess Anne who named the 'Free Spirit' Schooner on the new decking area and also the First Minister and a number of Wales Assembly Members throughout the year.

The visitor accommodation has been developed further this year with the opening of the 14 rooms in Ocean Square to complement the 10 rooms in The Marine Centre of Excellence.

Monthly occupancy has varied between 35% and 100% depending upon the time of year, weather and economic conditions. We are actively building our marketing campaign to increase the out of season business and I am pleased to say that our annual targets have been delivered. This has encouraged the Commissioners to obtain planning permission to build a further 8 bedrooms in the MCoE for the 2024/5 season.

Following the hosting of the World Rowing Championship and the Saundersfoot Triathlon and cooperating with IronMan and the Long Course Weekend, the reputation of the port as an event venue has grown rapidly and now charity fundraisers, markets and other sporting and social event organisers are using the decking and harbour on a regular basis.

The Trust Port has been represented annually at the British Ports Association Annual Conference, which is the biggest and most influential gathering of the UK's commercial port operators. In recent years, we have been keynote speakers on two occasions and have been described as an exemplar of a small trust port development model and we are now in discussions with other trust ports to pass on our business template.

The key message at the 2023 conference was the urgent need for Trust Ports to modernise, as the base model still rests with the original 1986 rules and definitions. It is interesting to note that Scotland has created an extended Ministry for Transport unit to enable them to handle the Harbour Revision Orders promptly and Westminster has issued similar encouraging statements to achieve the modernisation required. Our HRO progress report follows, and I take this opportunity to thank our Vice Chair, Ted Sangster for leading this process.

Saundersfoot Harbour is one of over a hundred trust ports in the UK sharing the common factor that they are run as commercial enterprises by appointed commissioners/board members with a duty to reinvest all surpluses for the benefit of the harbour and its community stakeholders (there are no shareholders or dividends to pay), especially with a view to the future sustainability of the harbour.

As a statutory Harbour Authority, and trust port we operate in accordance with the powers granted by statute which can be changed or added to by making an application for a harbour revision or harbour empowerment order under the Harbours Act 1964 as delegated to Welsh Government by the Wales Act 2017. Our most recent is the 2011 HEO which granted a number of additional powers especially related to the clarification of land ownership, managing and regulating the harbour and the establishment of an advisory committee.

A new board of commissioners was appointed following the 2011 HEO and, as part of the strategic review that led to the development programme described elsewhere in this report, also identified that a further HRO was required to both update our governance arrangements in line with best practice and government guidance and also update some general powers including financial limits to support a sustainable future for the harbour.

Following some years of discussion with Welsh Government an application for a 2020 harbour revision order was made and published (including on our website) on 19th June 2020 which triggered a 42-day public consultation period.

Following detailed public consultation which resulted in a number of agreed changes to the published order, a formal application was made to Welsh Government on 8th June 2021 requesting ministerial approval.

Welsh Government processes then involved officials contacting those who had made comment on or objected to some aspects of the HRO which gave a further opportunity for the commissioners to re-engage with those so contacted to seek to resolve any outstanding differences of view.

SAUNDERSFOOT HARBOUR COMMISSIONERS

REPORT OF THE COMMISSIONERS FOR THE YEAR ENDED 31 MARCH 2023

This second round of consultation succeeded satisfying a number of outstanding concerns through reasoned discussion and in some cases mutual compromise. Those few objections that remain however are, in the view of the commissioners, unlikely to be resolved because of fundamental disagreements on or acceptance of the principle of adopting government guidance for trust ports - which was of course one of the main reasons the commissioners applied for the HRO in the first place.

Therefore, the further round of discussions has been completed and a final request for ministerial approval will be made for what will now be the 2023 Saundersfoot Harbour HRO.

As this narrative is being compiled towards the end of 2023, it is an opportune time to also give a brief post year update which will be expanded upon in the 2024 report.

Commercial tenants reported robust trading during the high season and much increased footflow over the shoulder periods which is a good indicator that the marketing mix and the development strategy were both correct.

Major management changes were made after the April 2023 end of year because the Port's direction priority has transformed from a specific construction process to a modern, high asset value trading business. Consequently, different skill sets are required so we bid farewell with thanks to Michael Davies who was immersed in the building development phase, and we are delighted to announce that a new Chief Executive, Nicola Gandy has been appointed to take the Port forwards in the vital sustainable economic development process.

Nicola comes with economic, tourism, business management and planning academic qualifications. She moves from being Head of Planning and Building Services at Pembrokeshire County Council and joined us in November to take up both the reins and the challenge of taking us into the future.

The Management Team now consists of :

John Cray.	Harbour Manager, who is currently increasing his academic levels with Harbour Master and Marine Manager higher qualifications.
Lisa Bremner.	Finance and Administration Manager, also acting as PA to the Chairman.
Andy Collins.	Facilities Manager and property compliance & risk assessor.

A new role of Marketing and Tourism Manager will be at the discretion of the CEO.

Ann Thomas, our Financial Accountant, continues to manage funding structures and advise the Board with great accuracy and professional overview.

Existing Heads of department have been developing their specialist skills and have taken on much greater responsibilities and I am pleased to announce that this strategy has been hugely successful and has resulted in total unit integration, increasing efficiencies and communication.

In conclusion, I can only re-iterate the pressures that current trading conditions have put upon the Trust Port of Saundersfoot especially as all funding has been project specific, meaning that no grant funding has been received to build a cash resource reserve, so cash flow has to be prudently managed and I compliment our team for achieving a consistent low risk environment within which the harbour can work with current gearing of circa 38% on a debt to asset ratio. The impact of covid and the following interest rate increases have certainly impacted but I am delighted to report that the Commissioners consider our business to be a very solid going concern and our forecasts are consistently accurate for a profitable and sustainable future.

SAUNDERSFOOT HARBOUR COMMISSIONERS

REPORT OF THE COMMISSIONERS FOR THE YEAR ENDED 31 MARCH 2023

COMMISSIONERS

The commissioners shown below have held office during the whole of the period from 1 April 2022 to the date of this report.

Mr P W Evans CBE
Mr T Sangster
Mr J Codd
Mr A Evans
Mrs W Goldsworthy
Mr D McDermott
Mr P Parker

STATEMENT OF COMMISSIONERS' RESPONSIBILITIES

The Commissioners are responsible for preparing the Report of the Commissioners and the financial statements in accordance with applicable law and regulations.

The Harbours Act 1964 as amended by the Transport Act 1981 requires the Commissioners to prepare financial statements for each financial year. Under that law, the Commissioners have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Commissioners must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the trust port and of the surplus or deficit of the entity for that period. In preparing these financial statements, the Commissioners are required to:

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

The Commissioners are responsible for keeping adequate accounting records that are sufficient to show and explain the trust port's transactions and disclose with reasonable accuracy at any time the financial position of the entity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the trust port and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Commissioners are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the trust port's auditors are unaware, and each Commissioner has taken all the steps that he or she ought to have taken as a Commissioner in order to make himself or herself aware of any relevant audit information and to establish that the trust port's auditors are aware of that information.

AUDITORS

The auditors, LHP Auditors Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



.....
Mr P W Evans CBE - Commissioner

Date: 29th November 2023

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SAUNDERSFOOT HARBOUR COMMISSIONERS

Opinion

We have audited the financial statements of Saundersfoot Harbour Commissioners (the entity) for the year ended 31 March 2023 which comprise the Income Statement, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its deficit for the year 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the commissioners' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the commissioners with respect to going concern are described in the relevant sections of this report.

Other information

The commissioners are responsible for the other information. The other information comprises the information in the Report of the Commissioners, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Commissioners for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Commissioners has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SAUNDERSFOOT HARBOUR COMMISSIONERS

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the entity and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Commissioners.

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 commissioners remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the commissioners were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Commissioners.

Responsibilities of commissioners

As explained more fully in the Statement of Commissioners' Responsibilities set out on page six, the commissioners are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the commissioners determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the commissioners are responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the commissioners either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SAUNDERSFOOT HARBOUR COMMISSIONERS

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SAUNDERSFOOT HARBOUR COMMISSIONERS**

Use of our report

This report is made solely to the entity's members, 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 entity's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the entity and the entity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Matthew Williams (Senior Statutory Auditor)
for and on behalf of LHP Auditors
Llys Deri
Parc Pensarn
Carmarthen
Carmarthenshire
SA31 2NF

Date: 6/10/23.....

SAUNDERSFOOT HARBOUR COMMISSIONERS

INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

	Notes	31.3.23 £	31.3.22 £
INCOME		985,999	871,602
Direct costs		<u>402,105</u>	<u>342,708</u>
GROSS SURPLUS		583,894	528,894
Administrative expenses		<u>835,764</u>	<u>649,078</u>
		(251,870)	(120,184)
Other operating income		<u>308,524</u>	<u>265,421</u>
OPERATING SURPLUS	4	56,654	145,237
Interest receivable and similar income		<u>694</u>	<u>23</u>
		57,348	145,260
Interest payable and similar expenses		<u>155,202</u>	<u>94,730</u>
(DEFICIT)/SURPLUS BEFORE TAXATION		(97,854)	50,530
Tax on (deficit)/surplus		<u>12,422</u>	<u>7,438</u>
(DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR		<u>(110,276)</u>	<u>43,092</u>

The notes form part of these financial statements

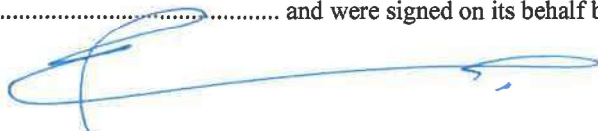
SAUNDERSFOOT HARBOUR COMMISSIONERS

**BALANCE SHEET
31 MARCH 2023**

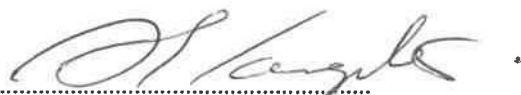
	Notes	31.3.23		31.3.22	
		£	£	£	£
FIXED ASSETS					
Tangible assets	5		9,265,940		9,189,130
CURRENT ASSETS					
Debtors	6	140,778		53,237	
Cash at bank and in hand		<u>152,791</u>		<u>380,977</u>	
		293,569		434,214	
CREDITORS					
Amounts falling due within one year	7	<u>420,075</u>		<u>370,860</u>	
NET CURRENT (LIABILITIES)/ASSETS			<u>(126,506)</u>		<u>63,354</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			9,139,434		9,252,484
CREDITORS					
Amounts falling due after more than one year	8		(3,011,483)		(2,963,872)
PROVISIONS FOR LIABILITIES			(54,613)		(46,832)
ACCRUALS AND DEFERRED INCOME			<u>(6,128,068)</u>		<u>(6,186,234)</u>
NET (LIABILITIES)/ASSETS			<u>(54,730)</u>		<u>55,546</u>
RESERVES					
Income and expenditure account			<u>(54,730)</u>		<u>55,546</u>
			<u>(54,730)</u>		<u>55,546</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Commissioners and authorised for issue on and were signed on its behalf by:



.....
Mr P W Evans CBE - Commissioner



.....
Mr T Sangster - Commissioner

The notes form part of these financial statements

SAUNDERSFOOT HARBOUR COMMISSIONERS

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

	Retained earnings £	Total equity £
Balance at 1 April 2021	12,454	12,454
Changes in equity		
Total comprehensive income	<u>43,092</u>	<u>43,092</u>
Balance at 31 March 2022	<u>55,546</u>	<u>55,546</u>
Changes in equity		
Total comprehensive income	<u>(110,276)</u>	<u>(110,276)</u>
Balance at 31 March 2023	<u>(54,730)</u>	<u>(54,730)</u>

The notes form part of these financial statements

SAUNDERSFOOT HARBOUR COMMISSIONERS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. STATUTORY INFORMATION

Saundersfoot Harbour Commissioners is a trust port, with their registered office address being found on the Trust Port Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared in order to comply with the Harbours Act 1964, as amended by the Transport Act 1981 and the Statutory Harbour Undertakings Regulations 1983. Given that the Harbours Act 1964 provides that the financial statements must be prepared in order to comply with the Companies Acts 1948 to 2006 and that the undertaking would qualify as a "small company" under Companies Act 2006, these financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The financial statements have been prepared on the assumption that the undertaking is able to carry on in business as a going concern for the foreseeable future. The Commissioners consider this to be appropriate having regard to the fact that they believe that the undertaking has sufficient liquid funds at its disposal. Consequently the Commissioners have adopted the going concern basis for accounting.

Turnover

Income is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land and buildings	-	4-12% on cost
Plant and machinery etc	-	5-33% on cost

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

SAUNDERSFOOT HARBOUR COMMISSIONERS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

2. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to surplus or deficit over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to surplus or deficit on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The entity operates a defined contribution pension scheme. Contributions payable to the entity's pension scheme are charged to profit or loss in the period to which they relate.

Government grants

Grants on capital expenditure are credited to a deferred revenue account and are released to the Income and Expenditure Account over the expected useful life of the relevant tangible fixed asset by instalments. Revenue grants are credited in the same period as the relevant expenditure.

3. EMPLOYEES AND COMMISSIONERS

The average number of employees during the year was 13 (2022 - 11).

4. OPERATING SURPLUS

The operating surplus is stated after charging:

	31.3.23	31.3.22
	£	£
Depreciation - owned assets	<u>469,060</u>	<u>381,265</u>

SAUNDERSFOOT HARBOUR COMMISSIONERS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

5. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1 April 2022	9,902,233	680,752	10,582,985
Additions	<u>515,652</u>	<u>30,218</u>	<u>545,870</u>
At 31 March 2023	<u>10,417,885</u>	<u>710,970</u>	<u>11,128,855</u>
DEPRECIATION			
At 1 April 2022	959,593	434,262	1,393,855
Charge for year	<u>410,806</u>	<u>58,254</u>	<u>469,060</u>
At 31 March 2023	<u>1,370,399</u>	<u>492,516</u>	<u>1,862,915</u>
NET BOOK VALUE			
At 31 March 2023	<u>9,047,486</u>	<u>218,454</u>	<u>9,265,940</u>
At 31 March 2022	<u>8,942,640</u>	<u>246,490</u>	<u>9,189,130</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23	31.3.22
	£	£
Trade debtors	48,068	26,605
Other debtors	<u>92,710</u>	<u>26,632</u>
	<u>140,778</u>	<u>53,237</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23	31.3.22
	£	£
Bank loans and overdrafts	117,312	110,652
Trade creditors	95,664	57,770
Taxation and social security	10,915	22,324
Other creditors	<u>196,184</u>	<u>180,114</u>
	<u>420,075</u>	<u>370,860</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.23	31.3.22
	£	£
Bank loans	<u>3,011,483</u>	<u>2,963,872</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>2,656,766</u>	<u>2,575,168</u>

SAUNDERSFOOT HARBOUR COMMISSIONERS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

9. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.23	31.3.22
	£	£
Bank loans	<u>3,128,795</u>	<u>3,074,524</u>

HSBC Bank Plc hold fixed and floating charges over the assets of the entity.

10. RELATED PARTY DISCLOSURES

During the year, all Commissioners are provided with complimentary season tickets for the car park.

Commissioners who paid for moorings and boat lift costs on the harbour were as follows:

Mr D McDermott £596 (2022 £1,496), Mr A Evans £550 (2022 £607) and Mr P W Evans CBE £358 (2022 £382).

11. GOING CONCERN

The Balance Sheet shows a Net Liability position but the Commissioners deem the entity can prepare the accounts on a going concern basis due to the material excess of depreciation amount over capital grant release, together with cashflow and future trading being forecasted positively over the long term.