

**REPORT OF THE COMMISSIONERS AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021  
FOR  
SAUNDERSFOOT HARBOUR COMMISSIONERS**

# SAUNDERSFOOT HARBOUR COMMISSIONERS

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## **SAUNDERSFOOT HARBOUR COMMISSIONERS**

### **TRUST PORT INFORMATION FOR THE YEAR ENDED 31 MARCH 2021**

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**COMMISSIONERS:** Mr P W Evans CBE  
Mr T Sangster  
Mr J Codd  
Mr P Baker (Stepped down 23.06.21)  
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 Ltd  
Llys Deri  
Parc Pensarn  
Carmarthen  
Carmarthenshire  
SA31 2NF

# **SAUNDERSFOOT HARBOUR COMMISSIONERS**

## **REPORT OF THE COMMISSIONERS FOR THE YEAR ENDED 31 MARCH 2021**

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The Commissioners present their Report with the financial statements of the trust port for the year ended 31 March 2021.

### **PRINCIPAL ACTIVITY**

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

### **REVIEW OF BUSINESS**

#### **Current Position**

As with all coastal business in Wales, COVID has seen a dramatic roller-coaster effect with regards to revenue generation due to lockdown and relaxation of restrictions, with all four quarters of the financial year out of kilter with previous years.

To ensure that Trust Port weather this period, the Commissioner Board prudently made use of eligible grant aid and the flexible staff furlough system which ensured it was on a sound financial footing during lockdown periods and could swiftly reopen its facilities, therefore ensuring its own staff job security and supporting the local economy and region.

The Commissioner Board decided to maintain operations throughout the lockdown period to ensure that the commercial fishing fleet could continue to work and therefore ensuring job security, as well as maintaining a senior management overview of the Harbour to ensure its Phase 2 developments could continue with, equally, a point of contact for local residents and Harbour users.

However, COVID did have an impact on the completion of its £10 million Phase 2 developments with its contractors suffering from material supply issues, and staff and subcontractors having to self-isolate, as well as further onsite restrictions, all of which has extended the development period by a further 16 months. These will have some impact on the following 2021 – 22 accounts.

Lockdown and furlough did pose challenges with regards to general maintenance. However, essential Harbour infrastructure such as moorings were prioritised upon staff return resulting in areas such as the street benches and flourishes around the Harbour being delayed until Autumn/Winter 2021.

The Trust Port did all in its power to ensure the period of June – September was optimised and therefore minimised its revenue loss to that of 34% of the previous year, which considering that facilities were affected for almost eight months, the overall performance should be considered a success in limiting the losses under these circumstances.

Although delayed in its completion, the Marine Centre of Excellence had a staggered opening with handover in December 2020. Priority was placed on all ground floor tenancies in readiness for the oncoming season, leased to individuals that could achieve the high-level delivery in the areas of waters sports/chandlery/a quality food offer and marine services centre, all of which would uplift the community and tourism offer and develop the previously little-used area of the Harbour and Glen beach as a vibrant tourism destination within Saundersfoot.

It should be noted that depreciation is a material figure in the Income and Expenditure Account. Depreciation is accounted for to write off expenditure on fixed assets which are written off over their economic useful lives, with rates of write off being noted in note 1 to the financial statements.

## **SAUNDERSFOOT HARBOUR COMMISSIONERS**

### **REPORT OF THE COMMISSIONERS FOR THE YEAR ENDED 31 MARCH 2021**

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#### **Looking Forward 2021 - 2022**

##### **COVID**

It was proposed due to the COVID impact to rework the Phase 2 facility timetable to prioritise the Ocean Square Plaza development which offered the opportunity to open up a large public space/new employment opportunities and support to local businesses and minimising site works disruption. Therefore, the refurbishment of the Coal Building and Schooner development timeline would extend. However, wherever possible, work would continue in parallel with the latter two schemes to ensure that project would be completed in 2021.

Through prioritising the plaza, the Trust Port will also secure its financial footing by generating further revenue from its tenancy leases, therefore, ensuring it could service its borrowing on the development, and effectively managed its long-term ambitions and the job security of both its staff and future tenants.

##### **Phase 2**

1. National Events Deck - Complete
2. Marine Centre of Excellence - Complete
3. Coastal Schooner – Complete Autumn 2021
4. Ocean Square – Complete Autumn 2021

The overall scheme has not altered albeit its time frames have, and they will continue to do so going forward until COVID has been resolved nationally. However, the aim remains to establish 29 new commercial premises establishing approximately 90 new full-time job opportunities.

Premises are currently being advertised as leases with a minimum 1-year period and have been advertised via our commercial agents EJ Hales as well as utilising both local and national publications for the widest possible promotion campaign, to attract new businesses to the region as well as offer the opportunity to the local entrepreneur for start-up initiatives or further expansion to their current premises.

##### **Phase 3**

It is proposed, due to the delays in completion of Phase 2, that the Trust Ports' Canoe Rapids and Rescue Centre will be delayed until further cost analysis and survey can be undertaken to offer a level of comfort when tendering the construction contract that this can be achieved within budget, removing many of the unknowns of the build and therefore achieve a best value fixed price build.

##### **Facility Maintenance and Equipment**

The following table identifies the assets within each area and annual maintenance / refurbishment / replacement in 2020 – 2021 and refurbishment replacement proposed 2021 – 2022

## SAUNDERSFOOT HARBOUR COMMISSIONERS

### REPORT OF THE COMMISSIONERS FOR THE YEAR ENDED 31 MARCH 2021

Asset	Annual Maintenance	Complete 2020 - 2021	Proposed programmed work 2021 - 2022
<b>Harbour Area</b>			
Inner Moorings	Regular inspection pre and post season	All Centre mooring chains have now been replaced (over an 8-year period)	Inspections required for Row 1 - 3
Outer Moorings	Installed 2014 season Serviced before installation each year	No further moorings to be deployed this year	Review for a further 5 moorings
Harbour Walls	Minor damage to walls repaired each year when required surveyed every 15 years	Further maintenance work to repair storm damage grouting. On inner and outer Eastern Sea wall	Further work required on sea facing Easterly Wall
Sluice impoundment area	Sluice gates each month and detailed inspection every 3 years	Sediment removed	Refurbishment of both gates required
Sailing Club Dinghy Park	Inspected by Harbour Master / CEO annually	Inspection by Harbour Team Nothing to report	To be Inspected by Harbour Team
Slipway	Inspected daily Planned winter maintenance	Annual surface repair complete (Minor work)	Annual Surface repair required
Harbour Office (Old Office)	Painted every 2 years Electrical tested every 3 years	Painting differed due to poor weather in March	Maintenance handed over to Pembrokeshire Coastal Management as they are the new tenants
Harbour Office (MCOE)	Harbour Taken Ownership Dec 2020	Maintenance under Warranty Contracts awarded for M&E service	Maintenance under warranties Contracts awarded for M&E service to be reviewed
Staff Office Old Booking office	Taken over 2020	Painted	Walls / door and windows to be reviewed.
Commercial Trip Boat Ticket Office	Inspected annually by Harbour Master / CEO	Painted	To be painted and review roofing
Commercial storage units	Inspected annually by Harbour Master	Has not been considered as yet for a redesign due to delay with the MCOE and COVID	To be consideration for redesign
Harbour boat Launch	Serviced before start of each summer season	Full service undertaken	Full service is required
JCB	Service annually	Serviced	To be serviced
Tender Racking	Service annually	Racking to remain on inner harbour slipway	Racking positions to be reviewed

Canoe and Kayak racking	Service annually	Canoe rack to be relocated over to the MCOE site	Review of racking at the MCOE
Security Posts	Service annually	To be reviewed	New system to be considered
Ford Tractor 7810 New Dry boat racking	Service annually	Serviced	Replacement to be considered
Linde H70	Service annually	Serviced	To be serviced required
WISE 16T sling Lift	Service annually	Serviced	To be serviced required
Ford Tractor 8210	Service annually	Serviced	Replacement to be considered
<b>Car Park Area</b>			
Harbour Furniture	Annual maintenance	Not complete due to COVID Maintenance required	To be completed
Harbour CCTV	Annual maintenance	Review of all our CCTV with regards to new Phase 2 building	Additional systems to be considered
Public Toilet	Annual maintenance	Danfo maintenance	Further improvements required to drain and access covers
Car Park area	Annual maintenance	Potholes on Carpark infilled	Resurfacing of Carpark required to enhance new developments and remarking cost given By WB Griffiths.
Pedestrian path	Annual maintenance	Annual maintenance complete	The Harbours pedestrian pathways to be reviewed to establish a connective pedestrian corridor around the Harbour.
Signage	Annual maintenance	Signage replacement required	Erect new Phase 2 planning permission required
Planting areas	Seasonal planting and weeding	No planting undertaken planters cleared	Planting for April 2022
Car Park automatic ticket machines	Weekly / monthly maintenance	Review and maintain	Review and maintain
Harbour Lighting columns	Sight inspection each column	No further work undertaken on lighting	Review lighting for Ocean Square Heritage schooner

## SAUNDERSFOOT HARBOUR COMMISSIONERS

### REPORT OF THE COMMISSIONERS FOR THE YEAR ENDED 31 MARCH 2021

#### Key Performance Indicators

Harbour's operational plan reviewed 2020 – 2021 and proposed 2021 - 2022

	2020 – 2021 KPI targets	Achieved	2021 - 2022
<b>Expenditure Savings</b>			
Dredging contracts	Maintain Budget	Yes	To maintain budget
Waste management	Tender waste management contract	Assessment of waste and Recyclable required from new tenants	Tender for waste management required
Utility contracts	To unite all power utility contracts to one provider 2019	Ongoing	Review on completion of Phase 2
Annual maintenance costs	New equipment purchased reducing expensive contract hire such as Jet washing and Generator	Ongoing	Further equipment required for pathway clearing and in-house maintenance
<b>Income improvement</b>			
Outer Harbour moorings	To achieve £3,000 revenue to cover licencing cost by 2019	Not deployed due to COVID	To be deployed with multiple use
Additional maritime services provision	To review racking needs	Racking potentially limited due to COVID	Further assessment required on revenue and expenditure to determining value.
Commercial facility hires	Ocean Square	Under construction	80% is the budgeted allocation for unit take up
Commercial licencing fees	Raise by RPI	Yes	Raise by RPI
Overall net annual profit	To improve profitability	To maintain profitability whilst Phase 2 build is underway however COVID has affected revenue by 34%	Growth in revenue expected with the opening of both the Ocean Plaza and MCOE subject to being leased and COVID disruption
<b>Operational improvement</b>			
Range of maritime facilities on offer	Appoint contractors for MCOE and Ocean Square and Heritage vessel 2019	MCOE complete Dec 2020 with Water sports tenants in place by March 2021	Complete of all Phase 2 Nov 2021 with further maritime facilities to be considered
Longer seasonal operational use	Ongoing as part of the Harbour Commissioners Phase 2 strategy.	Ongoing	Ongoing as part of the Harbour Commissioners Phase 2 strategy.
Dredged channel maintenance	Improvement to harbour channel as part of Phase 3	To be reviewed	Possible marine consents licence required for sand relocation, and a strategy to replace the old gabion stone basket as part of the sluicing strategy
Marketing Saundersfoot Harbour	Required	To be reviewed	New staff to be employed to assist in developing and implementing the strategy
Staff training	Course offered to senior team to offer opportunities for staff to improve customer care and maritime skills.	Yes	Further enfaces required on the senior Harbour team to up skill in support of the CEO based on a comprehensive restructure of this department
Sickness absence	To instigate sickness review meetings on staff, return to review measures to reduce sickness absence	COVID disruption	Ongoing
Mooring waiting list	Display harbour leisure mooring waiting list on the harbours Web site	Yes	To maintain
Harbour Newsletter / Press release	Commercial manager to undertake in addition to Facebook account.	Refocus of the commercial position in favour of Coms Marketing and Facilities	Change to quarterly newsletter for public distribution and monthly for tenants update etc...
<b>Phase 2 Facilities.</b>			
<b>Facility Operational Issues and Controls</b>			
Marine Centre of Excellence			
		<b>Complete 2020 - 2021</b>	<b>Proposed programmed work 2021 - 2022</b>



Operational RAMS	To complete a risk assessment document and method statement and review annual	Complete	Review
Maintenance Schedule	To complete a maintenance plan Monthly / annually and 3 years	Complete	Review
Cleaning Schedule	Daily schedule and seasonal plan	Complete	Review
<b>Ocean Square</b>			
Operational RAMS	To complete a risk assessment document and method statement and review annual	Underway	To be completed
Maintenance Schedule	To complete a maintenance plan Monthly / annually and 3 years	Underway	To be completed
Cleaning Schedule	Daily schedule and seasonal plan	Underway	To be completed
<b>Coastal Schooner and National Events Decking</b>			
Operational RAMS	To complete a risk assessment document and method statement and review annual	Underway	To be completed
Maintenance Schedule	To complete a maintenance plan Monthly / annually and 3 years	Underway	To be completed
Cleaning Schedule	Daily schedule and seasonal plan	Underway	To be completed
<b>Tenancy Agreements</b>			
Marine Centre of Excellence	To complete legal tenancy agreements and annual review	Underway	To be completed
Ocean Square	To complete legal tenancy agreements and annual review	Underway	To be completed
Coastal Schooner and National Events Decking	To complete legal tenancy agreements and annual review	Underway	To be completed

**Budgetary Requirements looking forward: -**

As highlighted in previous years financial review the most significant expenditure ahead will be for the resurfacing and remarking of the car park

Due to the impact of COVID, it has had a direct impact on timeline and budget implications and is expected to continue through 2021 to reschedule for 2022

It is hoped that further funding can be sourced to assist with the works which will facilitate a complete resurfacing in a single tender contract, alternatively if no external funding is available, this work will be undertaken in stages over several years and dependent on revenue generation available.

**Risk Assessment: -**

COVID did pose an issue to the Trust Port with regards to its day-to-day operation and its general aesthetic appearance of public infrastructures such as benches and floral displays, with an increased level of risk with regards to revenue generation, however, this was mitigated in part via Government support, and prudent budgeting by the Commissioner Board.

At no time was there a risk to public safety as the Trust Port was managed 7 days a week throughout the lockdown period by its senior team, with the only significant risk identified was to the progression of its Phase 2 developments which placed a further burden on funding in support of its project team prelims and loss of revenue.

**Commercial Risk Assessment: -**

As in previous years, the commercial risk is managed via the Commissioner Board and any subsequent working group. Financial approval for agreed budget allocation is done via the Chair and Vice-Chair with the Commissioners responsible for risk for expenditure greater than £10,000.

A comprehensive audit process has been in place since the start of Phase 2 to ensure all requests for financial payments by the Chief Executive Officer is firstly reviewed by its project team Faithful and Gould, then forwarded to the Chair and vice-Chair in writing for approval. This System endorses the Board's approval of the overall program budget, previously agreed.

## **SAUNDERSFOOT HARBOUR COMMISSIONERS**

### **REPORT OF THE COMMISSIONERS FOR THE YEAR ENDED 31 MARCH 2021**

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#### **Revision of the Harbour Order**

The HRO is now entering its final stages with its consultation phase complete with its Advisory board and statutory and community stakeholders. It is expected that the HRO recommendation, to include amendments to the HRO proposals from the consultation period, with Welsh Government determining in the latter part of 2021 / into early 2022. This will modernise and facilitate the future strategy of the Trust Port.

#### **Partnership Working: -**

Through an outwardly looking approach, the Trust Port has been able to successfully engage with private sector bodies, as well as local and national government departments, working directly with relevant executive team members and Welsh Assembly Ministers.

#### **Conclusion: -**

It is without doubt COVID has had a significant impact with regards to the progress of its Phase 2 developments which in turn has impacted on the day-to-day operation and revenue generation. However through prudent financial and strategic measures put in place by the Commissioner Board, it has been possible to negotiate these challenges without any long-term damage to its operation or its ongoing development strategy.

The new phase 2 development – “Wales International Coastal Centre” is in part operational with the final two facilities expected to open in the latter part of 2021 with commercial interest from many local and international companies in all three of the new facilities, and is, therefore, expected to fulfil the Trust Ports ambition to establish 90+ new employment opportunities by the end of 2021, including apprenticeship schemes both within the Trust Port and its new tenancy.

Through sound governance, the Trust Port will continue to ensure that it secures all its assets from risk, through maximising its revenue potential / preventative maintenance programme and development of its staff skillset to meet the Harbour’s current and future requirements.

Although we consider that under the current financial climate and environmental restrictions the development program has been successful, comparative benchmarking will be an integral part of the future updated strategy. This will enable us to compare ROI’s and performance against the general marketplace.

Implicit with these aims is the continuation of prudent financial management ensuring that expenditure is carefully monitored and that new sources of income are explored, maximising the harbour’s potential for future generations.

#### **COMMISSIONERS**

The commissioners shown below have held office during the whole of the period from 1 April 2020 to the date of this report.

Mr P W Evans CBE  
Mr T Sangster  
Mr J Codd  
Mr P Baker (stepped down 23.06.21)  
Mr A Evans  
Mrs W Goldsworthy  
Mr D McDermott  
Mr P Parker

## **SAUNDERSFOOT HARBOUR COMMISSIONERS**

### **REPORT OF THE COMMISSIONERS FOR THE YEAR ENDED 31 MARCH 2021**

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#### **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.

# SAUNDERSFOOT HARBOUR COMMISSIONERS

## REPORT OF THE COMMISSIONERS FOR THE YEAR ENDED 31 MARCH 2021

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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: 27/10/2021.....

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

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### **Opinion**

We have audited the financial statements of Saundersfoot Harbour Commissioners (the 'company') for the year ended 31 March 2021 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 trust port's affairs as at 31 March 2021 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 trust port 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 trust port'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 trust port with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trust port 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**

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

In the light of the knowledge and understanding of the trust port 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 two, 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 trust port'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 trust port or to cease operations, or have no realistic alternative but to do so.

### **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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation claims
- Enquiry of entity staff in tax and compliance functions to identify any instance of non-compliance with laws and regulations
- Reviewing minutes of meetings of those charged with governance
- Reviewing of internal management reports
- Reviewing financial statement disclosures and testing supporting documentation to assess compliance with applicable laws and regulations
- Auditing the risk of management override of controls, including thorough testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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](http://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**

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**Use of our report**

This report is made solely to the trust port'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 trust port'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 trust port and the trust port'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 Ltd  
Llys Deri  
Parc Pensarn  
Carmarthen  
Carmarthenshire  
SA31 2NF

Date: ..... 19/10/21 .....

# SAUNDERSFOOT HARBOUR COMMISSIONERS

## INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

	Notes	31.3.21 £	31.3.20 £
<b>INCOME</b>		342,640	486,342
Direct costs		<u>228,533</u>	<u>313,455</u>
<b>GROSS SURPLUS</b>		114,107	172,887
Administrative expenses		<u>342,020</u>	<u>275,062</u>
		(227,913)	(102,175)
Other operating income		<u>187,154</u>	<u>98,043</u>
<b>OPERATING DEFICIT</b>	4	(40,759)	(4,132)
Interest receivable and similar income		<u>92</u>	<u>426</u>
		(40,667)	(3,706)
Interest payable and similar expenses		<u>34,440</u>	<u>22,229</u>
<b>DEFICIT BEFORE TAXATION</b>		(75,107)	(25,935)
Tax on deficit		<u>(6,377)</u>	<u>460</u>
<b>DEFICIT FOR THE FINANCIAL YEAR</b>		<u>(68,730)</u>	<u>(26,395)</u>

The notes form part of these financial statements



# SAUNDERSFOOT HARBOUR COMMISSIONERS

## BALANCE SHEET


31 MARCH 2021

	Notes	31.3.21		31.3.20	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	5		7,691,589		6,289,054
<b>CURRENT ASSETS</b>					
Debtors	6	43,860		116,987	
Cash at bank and in hand		<u>509,513</u>		<u>272,133</u>	
		553,373		389,120	
<b>CREDITORS</b>					
Amounts falling due within one year	7	<u>297,914</u>		<u>270,170</u>	
<b>NET CURRENT ASSETS</b>			<u>255,459</u>		<u>118,950</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			7,947,048		6,408,004
<b>CREDITORS</b>					
Amounts falling due after more than one year	8		(1,685,384)		(1,518,555)
<b>PROVISIONS FOR LIABILITIES</b>			(48,051)		(54,428)
<b>ACCRUALS AND DEFERRED INCOME</b>			<u>(6,201,159)</u>		<u>(4,753,838)</u>
<b>NET ASSETS</b>			<u>12,454</u>		<u>81,183</u>
<b>RESERVES</b>					
Income and expenditure account			<u>12,454</u>		<u>81,183</u>
			<u>12,454</u>		<u>81,183</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 27/10/2021 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 2021

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	Retained earnings £	Total equity £
<b>Balance at 1 April 2019</b>	107,578	107,578
<b>Changes in equity</b>		
Total comprehensive income	<u>(26,395)</u>	<u>(26,395)</u>
<b>Balance at 31 March 2020</b>	<u>81,183</u>	<u>81,183</u>
<b>Changes in equity</b>		
Total comprehensive income	<u>(68,730)</u>	<u>(68,730)</u>
<b>Balance at 31 March 2021</b>	<u><u>12,453</u></u>	<u><u>12,453</u></u>

The notes form part of these financial statements

## SAUNDERSFOOT HARBOUR COMMISSIONERS

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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#### 1. STATUTORY INFORMATION

Saundersfoot Harbour Commissioners is a trust port. The trust port's office address can be 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 or, if held under a finance lease, over the lease term, whichever is the shorter.

Land and buildings	- at varying rates on cost
Plant and machinery etc	- 10% on cost and at varying rates 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.

## SAUNDERSFOOT HARBOUR COMMISSIONERS

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

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#### 2. ACCOUNTING POLICIES - continued

##### 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.

##### 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 trust port operates a defined contribution pension scheme. Contributions payable to the trust port'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 DIRECTORS

The average number of employees during the year was 10 (2020 - 11).

#### 4. OPERATING DEFICIT

The operating deficit is stated after charging:

	<b>31.3.21</b>	<b>31.3.20</b>
	<b>£</b>	<b>£</b>
Depreciation - owned assets	<u>168,902</u>	<u>120,896</u>

**SAUNDERSFOOT HARBOUR COMMISSIONERS**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

**5. TANGIBLE FIXED ASSETS**

	<b>Land and buildings £</b>	<b>Plant and machinery etc £</b>	<b>Totals £</b>
<b>COST</b>			
At 1 April 2020	6,514,048	615,599	7,129,647
Additions	<u>1,558,390</u>	<u>16,142</u>	<u>1,574,532</u>
At 31 March 2021	<u>8,072,438</u>	<u>631,741</u>	<u>8,704,179</u>
<b>DEPRECIATION</b>			
At 1 April 2020	511,462	329,131	840,593
Charge for year	<u>122,289</u>	<u>49,708</u>	<u>171,997</u>
At 31 March 2021	<u>633,751</u>	<u>378,839</u>	<u>1,012,590</u>
<b>NET BOOK VALUE</b>			
At 31 March 2021	<u>7,438,687</u>	<u>252,902</u>	<u>7,691,589</u>
At 31 March 2020	<u>6,002,586</u>	<u>286,468</u>	<u>6,289,054</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	<b>Plant and machinery etc £</b>
<b>COST</b>	
At 1 April 2020 and 31 March 2021	<u>30,950</u>
<b>DEPRECIATION</b>	
At 1 April 2020	12,380
Charge for year	<u>3,095</u>
At 31 March 2021	<u>15,475</u>
<b>NET BOOK VALUE</b>	
At 31 March 2021	<u>15,475</u>
At 31 March 2020	<u>18,570</u>

## SAUNDERSFOOT HARBOUR COMMISSIONERS

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

<b>6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b>31.3.21</b>	<b>31.3.20</b>
	<b>£</b>	<b>£</b>
Trade debtors	13,561	14,148
Other debtors	<u>30,299</u>	<u>102,839</u>
	<u>43,860</u>	<u>116,987</u>
<b>7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b>31.3.21</b>	<b>31.3.20</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	140,921	95,142
Hire purchase contracts	5,390	5,390
Trade creditors	8,032	59,329
Taxation and social security	5,101	5,377
Other creditors	<u>138,470</u>	<u>104,932</u>
	<u>297,914</u>	<u>270,170</u>
<b>8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>	<b>31.3.21</b>	<b>31.3.20</b>
	<b>£</b>	<b>£</b>
Bank loans	1,684,528	1,512,309
Hire purchase contracts	<u>856</u>	<u>6,246</u>
	<u>1,685,384</u>	<u>1,518,555</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>1,139,392</u>	<u>1,165,596</u>
<b>9. SECURED DEBTS</b>		
The following secured debts are included within creditors:		
	<b>31.3.21</b>	<b>31.3.20</b>
	<b>£</b>	<b>£</b>
Bank loans	1,825,449	1,607,451
Hire purchase contracts	<u>6,246</u>	<u>11,636</u>
	<u>1,831,695</u>	<u>1,619,087</u>

## **SAUNDERSFOOT HARBOUR COMMISSIONERS**

### **NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021**

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#### **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 £1,147 (2020 £1,072), Mr A Evans £246 (2020 £978) and Mr P W Evans CBE £364 (2020 £874).

