

**REPORT OF THE COMMISSIONERS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
FOR
SAUNDERSFOOT HARBOUR COMMISSIONERS**

SAUNDERSFOOT HARBOUR COMMISSIONERS

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SAUNDERSFOOT HARBOUR COMMISSIONERS

TRUST PORT INFORMATION FOR THE YEAR ENDED 31 MARCH 2025

COMMISSIONERS:

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

CEO:

Ms N Gandy

REGISTERED OFFICE:

The Harbour Office
Saundersfoot
Pembrokeshire
SA69 9HE

AUDITORS:

LHP Audit Ltd
Llys Deri
Parc Pensarn
Carmarthen
Carmarthenshire
SA31 2NF

SAUNDERSFOOT HARBOUR COMMISSIONERS

REPORT OF THE COMMISSIONERS FOR THE YEAR ENDED 31 MARCH 2025

The Commissioners present their Report with the financial statements of the Trust Port for the year ended 31 March 2025.

PRINCIPAL ACTIVITY

The principal activity of Saundersfoot Harbour Commissioners for the year under review was that of a harbour undertaking with commercial unit rentals, tourist accommodation and car parking.

REVIEW OF BUSINESS

Commissioners meet 8 times during the year. The Chairman invites the CEO, Harbour Master, Finance Manager and other staff members where appropriate to attend and present at Commissioner meetings. Commissioners are required to declare any conflict of interests that are relevant to the operation of the harbour.

There are currently two Commissioner vacancies. In March 2025 our Chairman Philip Evans resigned, Philip has been instrumental in the development and continued success of the Trust Port and thanks were given to him for all he had achieved whilst acting as Chairman. Philip Evans was given the title of Honorary President to reflect the gratitude for the work he has done. It was with great sadness that we lost Commissioner Wendy Goldsworthy in 2025, Wendy had brought so much energy and enthusiasm to all that that she did to support the harbour, she will be missed dearly.

The Commissioner vacancies are being held whilst the Harbour Revision Order (HRO) is under consideration by Welsh Government ministers who have decided to hold an inquiry into the matter during the latter part of 2025. Following approval of the revised HRO there will be an appointment strategy that, will not only replace some retiring Commissioners, but also introduce new essential skill sets into the structure. In order to be prepared for the recruitment process Commissioners sought Expressions of Interest from individuals in the first quarter of 2025, Commissioners were pleased with the high calibre of applications received. Commissioners appointed two of those applicants to become Shadow Commissioners in March 2025, who's roles are to observe.

In line with the 2011 HRO the SHC consult and seeks guidance from an advisory committee whose membership represents stakeholders of the harbour. The CEO and Harbour Master attend the Advisory Committee meetings, along with the Chairman when appropriate.

In terms of personnel, SHC employs 9 Full time members of staff and 2 part time members of staff. Additionally, the core team is supported by seasonal staff when required.

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

Finance

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.

Turning to the Income and Expenditure Account, we note that overall turnover increased this year to £1,299,829 compared to £1,181,625 in 2023/24. There were increases in most of the income streams, with the only reduction being in sales income derived from the accommodation, at £259,261 compared to £272,941 in 2023/24 which is due in part to the move to run our own accommodation rather than using a third party provider. Initial set up costs and issues experienced with one of the accommodation offers not being accessible on Online Travel Agencies for a significant amount of time.

Close monitoring of essential spends carried out with direct costs reduced this year to £435,718 in comparison to 2023/24 direct costs amounting to £446,866.

SAUNDERSFOOT HARBOUR COMMISSIONERS

REPORT OF THE COMMISSIONERS FOR THE YEAR ENDED 31 MARCH 2025

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 £461,148 this year and £459,963 last year. The related annual grant release amounted to £284,417 in 2024/25 and £299,215 in 2023/24.

The economy suffered material interest rate increases during the financial year of 2022/23 which continued into 2023/24 with the entity's finance charges increasing substantially. Whilst we did benefit from rate cuts in 2024/25, finance costs remain high due to the introduction of an overdraft facility supported by the bank. Costs amounted to £242,751 for 2024/25 compared to £233,131 in 2023/24. There was a net deficit suffered for 2024/25 of £(59,609) compared to the net deficient position of £(52,847) for 2023/24. 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 continuing interest rates and energy cost increases.

Turning to the Balance Sheet, we note that the entity has a Net Liability position as at 31 March 2025 of £(193,650) compared to £(119,801) as at 31 March 2024. The results were adversely affected during the financial year due to the introduction of the overdraft facility to establish the operating phase following the redevelopment of the harbour.

Our core business remains as a leisure harbour, fishing port and short stay accommodation provider with associated parking facilities. Ancillary revenue streams are now being developed and include Heritage Centre with pop up shop and events deck, which are designed to become attractions to compliment our cash resources and enhance the village business community. Additionally, we have secured a wedding licence and held the first wedding on the harbour in 2025, with more bookings being taken for late 2025 and 2026.

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

Marine

Harbour moorings have seen a further significant increase in demand this year. The 2024/2025 season has seen a substantial refresh with regards to mooring occupation, approximately forty moorings having been reallocated to new mooring holders. The influx of new mooring holders has helped secure the trust ports ability to offer high quality mooring solutions for the coming years.

Saundersfoot harbour continues to offer leisure boating customers flexible options for storage and ways to operate and use their vessels from the harbour including leisure moorings and a trailer park facility that is in operation from May 1st through to September 30th. This offers ground dry racking storage that has this year been added and has proved popular with customers.

Following a large investment by Saundersfoot Harbour Commissioners that enabled the installation of two new sluice actuators and repairs to the gates themselves, the harbour's channel has improved greatly and is now back to a historic low level. The sluicing operation along with the sand repositioning works completed early in the year have created a well-established channel that has withstood adverse weather and tides throughout the season far better than in previous years, low draft vessels are now able to use the harbour for approximately 3hrs each side of high tide which is a great improvement.

Saundersfoot harbour's fishing fleet have been active and operating well during the season. As ever the weather has presented its challenges and resulted in times with operators not having to be able to go to sea, most used this time to action repairs and to complete maintenance on vessels.

Following the landscaping works completed on the cliff face during 2023/2024 an annual programme of growth management has been implemented and is ongoing moving forward to maintain the growth at a level that is acceptable.

The harbour continues to support an active fishing fleet and offers approximately two hundred leisure moorings along with other storage options. Upkeep of the harbour is an ever challenging task that the harbour team keep on top of extremely well, the harbour structure regularly receives attention from our skilled stone mason so as to maintain the walls and also to retain the historic look of the harbour as much as possible.

SAUNDERSFOOT HARBOUR COMMISSIONERS

REPORT OF THE COMMISSIONERS FOR THE YEAR ENDED 31 MARCH 2025

Non-Marine

The operation of the visitor accommodation was brought inhouse to manage during October 2024 rather than using a third-party for their service. Staff reacted positively towards this move, which has allowed us to have full control over pricing and marketing of the accommodation. An external company is used to service the rooms. There were some initial problems with Ocean Square not having a presence on Online Travel Agencies, which was resolved in April 2025.

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. We will be in attendance at the 2025 conference. The British Port Association have introduced a Small Ports Conference which will be beneficial for SHC and we are in initial discussions regarding hosting a future event.

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.

A HRO application, to modernise the Trust Port legislation, was submitted to Welsh Government a number of years ago. SHC have recently learnt that the HRO will be determined by an Inquiry, which is anticipated to take place early 2026.

SHC established a Strategy Group in 2024/25 comprised of individuals with a local interest who hold specialist knowledge and expertise, to advise on a strategy for the next 5 years for the Trust port. Following indepth sessions held with each member, a draft Strategy was presented to SHC in March 2025, the final Strategy document, 'Next Horizon' was adopted by SHC on 30th March 2025.

Conclusion

In conclusion, current trading conditions continue to have seen an improvement in 2024/25, but there are still pressures on the Trust Port of Saundersfoot, so cash flow must continue to be prudently managed, and I compliment our team for achieving a consistent low risk environment. The continued high interest rates and ever-increasing energy costs have impacted on the harbour, but I am delighted to report that the Commissioners consider our business to be a very solid going concern and our forecasts are consistently reviewed for a profitable and sustainable future.

COMMISSIONERS

The Commissioners shown below have held office during the whole of the period from 1 April 2024 to the date of this report.

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

Other changes in directors holding office are as follows:

Mr P W Evans CBE - resigned 31 March 2025

SAUNDERSFOOT HARBOUR COMMISSIONERS

REPORT OF THE COMMISSIONERS FOR THE YEAR ENDED 31 MARCH 2025

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 Audit 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 T Sangster - Director

Date: 06/10/2025.....

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 2025 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 2025 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 pages four and five, 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.

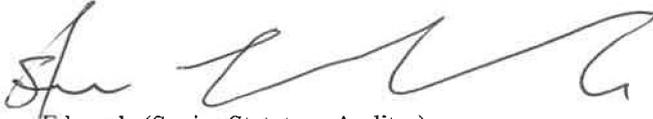
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed 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.



Steven Edwards (Senior Statutory Auditor)
for and on behalf of LHP Audit Ltd
Llys Deri
Parc Pensarn
Carmarthen
Carmarthenshire
SA31 2NF

Date: 6.10.21

SAUNDERSFOOT HARBOUR COMMISSIONERS

INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2025

	Notes	31.3.25 £	31.3.24 £
INCOME		1,299,829	1,181,625
Direct costs		<u>435,718</u>	<u>446,866</u>
GROSS SURPLUS		864,111	734,759
Administrative expenses		<u>1,019,192</u>	<u>884,394</u>
		(155,081)	(149,635)
Other operating income		<u>289,912</u>	<u>300,784</u>
OPERATING SURPLUS	4	134,831	151,149
Interest receivable and similar income		<u>3,184</u>	<u>2,736</u>
		138,015	153,885
Interest payable and similar expenses		<u>197,624</u>	<u>206,732</u>
DEFICIT BEFORE TAXATION		(59,609)	(52,847)
Tax on deficit		<u>14,240</u>	<u>12,224</u>
DEFICIT FOR THE FINANCIAL YEAR		<u>(73,849)</u>	<u>(65,071)</u>

The notes form part of these financial statements

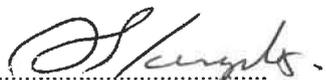
SAUNDERSFOOT HARBOUR COMMISSIONERS

BALANCE SHEET 31 MARCH 2025

	Notes	31.3.25		31.3.24	
		£	£	£	£
FIXED ASSETS					
Tangible assets	5		8,485,179		8,905,716
CURRENT ASSETS					
Stocks		2,799		1,536	
Debtors	6	184,149		217,094	
Cash at bank and in hand		<u>188,695</u>		<u>242,949</u>	
		375,643		461,579	
CREDITORS					
Amounts falling due within one year	7	<u>721,763</u>		<u>683,395</u>	
NET CURRENT LIABILITIES			<u>(346,120)</u>		<u>(221,816)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			8,139,059		8,683,900
CREDITORS					
Amounts falling due after more than one year	8		(2,955,529)		(3,081,550)
PROVISIONS FOR LIABILITIES			(42,707)		(47,641)
ACCRUALS AND DEFERRED INCOME			<u>(5,334,473)</u>		<u>(5,674,510)</u>
NET LIABILITIES			<u>(193,650)</u>		<u>(119,801)</u>
RESERVES					
Income and expenditure account			<u>(193,650)</u>		<u>(119,801)</u>
			<u>(193,650)</u>		<u>(119,801)</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 06/10/2025 and were signed on its behalf by:



Mr T Sangster - Commissioner

SAUNDERSFOOT HARBOUR COMMISSIONERS

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

	Retained earnings £	Total equity £
Balance at 1 April 2023	(54,730)	(54,730)
Changes in equity		
Total comprehensive income	<u>(65,071)</u>	<u>(65,071)</u>
Balance at 31 March 2024	<u>(119,801)</u>	<u>(119,801)</u>
Changes in equity		
Total comprehensive income	<u>(73,849)</u>	<u>(73,849)</u>
Balance at 31 March 2025	<u>(193,650)</u>	<u>(193,650)</u>

The notes form part of these financial statements

SAUNDERSFOOT HARBOUR COMMISSIONERS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1. STATUTORY INFORMATION

Saundersfoot Harbour Commissioners is a trust port with their registered office address 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

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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 2025

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

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 DIRECTORS

The average number of employees during the year was 14 (2024 - 14).

4. OPERATING SURPLUS

The operating surplus is stated after charging:

	31.3.25	31.3.24
	£	£
Depreciation - owned assets	<u>461,148</u>	<u>459,963</u>