

NEWPORT HARBOUR COMMISSIONERS

Audited Financial Statements

31 March 2024

WALTER HUNTER & CO LIMITED

Chartered accountant & statutory auditor

24 Bridge Street

Newport

South Wales

NP20 4SF

NEWPORT HARBOUR COMMISSIONERS

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

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NEWPORT HARBOUR COMMISSIONERS

COMMISSIONERS ANNUAL REPORT

YEAR ENDED 31 MARCH 2024

The Commissioners present their report and the financial statements of the authority for the year ended 31 March 2024.

Commissioners

The Commissioners who served the organisation during the year were as follows:

G Jug - Chairman
A Speight – Vice Chairman
M James
M Kennerley
R Truman
R Steed
E Watts MBE DL
T Watkins
J Neale (Resigned 11 October 2023)

LEGAL STATUS

The Newport Harbour Commissioners is a body created by Statute as enshrined in the Newport (South Wales) Harbour Acts and Orders 1836 to 2003. The Commissioner's area of jurisdiction, as defined in the Newport (Monmouthshire) Harbour Act 1890, is as follows:

“Those parts of the Bristol Channel and Rivers Usk and Ebbw which lie between an imaginary line drawn in a S.79°W. true direction from Goldcliff until it meets the shore of the Bristol Channel eastward of the Peterstone Wentlooge Church and the bridge over the River Usk at Newbridge and the bridge carrying the South Wales Railway of the Great Western Railway Company over the River Ebbw and the banks and shores of such parts of the said channel and rivers and any works on such banks and shores and all streams, pools, creeks, havens, bays and inlets within those limits”.

The key responsibilities of the Commissioners are as follows:

A) Safety and navigation

- Regulation of navigation within statutory Harbour limits
- Provision of a pilotage service
- Local lighthouse authority establishing and maintaining lights and marks
- Removal of wrecks
- Hydrographic surveying of Harbour area

B) Enforcement

- To make and enforce byelaws relating to the conduct of vessels
- To act upon observations of contracted Marine staff and stakeholders to ensure compliance with byelaws

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C) Pollution

- Development of Harbour oil spill contingency plans Environmental
- Management Duties under Habitats Directive to review consents

D) Other

- Prepare Ports Contingency Plans
- Comply with Guide for Good Governance for Trust Ports

An annual detailed review of the Commissioner's compliance with the Port Marine Safety Code is undertaken by the Designated Person, an independent expert on the Code. The last review took place in February 2022 and no major deviances from the Code were reported.

KEY MATTERS ARISING DURING THE YEAR

- The Dredged Channel has remained in a good condition. In November 2023, the Channel was deepened to increase the Tidal Window for deeper-drafted vessels expected to visit the area in the future
- A new buoy was purchased during the year, and is now on station as No1 buoy
- A new Chair, Mr G Jug, was appointed in November 2023. He was previously the Vice-Chair
- Responsibilities relating to biodiversity have been considered in detail during the year. Responsibilities for this have largely been discharged through the active membership of ASERA

FINANCIAL POSITION

Harbour dues receivable have increased by 8% from the previous period due to increased shipping volumes. Harbour dues remain unchanged since the previous increase effective from 1 November 2019 of £0.085 per gross tonne. The Harbour Dues have remained constant during this financial year. The overall financial situation remains satisfactory.

The reported surplus of the Commissioners has been as last year enhanced significantly by a reduction in the contribution paid toward channel dredging.

The Commissioners continue to keep the level of Harbour Dues under constant review.

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COMMISSIONERS ANNUAL REPORT

YEAR ENDED 31 MARCH 2024

Responsibilities of the Authority and the Commissioners

The Commissioners are responsible for preparing the financial statements in accordance with the following law and regulations:

Newport (Monmouthshire) Harbour Acts 1836, 1869 and 1890, and the Statutory Harbour Undertakings (Form of Account etc.) Regulations of 1969 and 1983 require the Newport Harbour Commissioners (the "Authority") to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Authority, and of the profit and loss of the Authority for that period.

In preparing those financial statements, the Authority's Commissioners are required to:

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

The Authority's Commissioners are responsible for keeping proper accounting records which disclose with reasonably accuracy, at any time, the financial position of the Authority and to enable them to ensure that the financial statements comply with Newport (Monmouthshire) Harbour Acts 1836, 1869 and 1890, and the Statutory Harbour Undertakings (Form of Account etc.) Regulations of 1969 and 1983.

They are also responsible for safeguarding the assets of the Authority and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Authority's Commissioners are aware:

- there is no relevant audit information of which the Authority's auditors are unaware: and
- that each of the Authority's Commissioners have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Signed on behalf of Newport Harbour Commissioners on 12th June 2024

G Jug
Chairman

NEWPORT HARBOUR COMMISSIONERS

INDEPENDENT AUDITOR'S REPORT TO THE NEWPORT HARBOUR COMMISSIONERS

YEAR ENDED 31 MARCH 2024

Opinion

We have audited the financial statements of Newport Harbour Commissioners (the 'Authority') for the year ended 31 March 2024 which comprise the statement of comprehensive income, statement of financial position and the related notes, 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 FRS 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 authority's affairs as at 31 March 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with Newport (Monmouthshire) Harbour Acts 1836, 1869 and 1890 and the Statutory Harbour Undertakings (Form of Account etc.) Regulations of 1969 and 1983.

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 auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the authority 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 commissioner's 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 authority'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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The authority is responsible for the other information. 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.

NEWPORT HARBOUR COMMISSIONERS

INDEPENDENT AUDITOR'S REPORT TO THE NEWPORT HARBOUR COMMISSIONERS

YEAR ENDED 31 MARCH 2024

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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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

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

- the information given in the commissioner's annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the commissioner's annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the authority and its environment obtained in the course of the audit, we have not identified material misstatements in the commissioner's annual report.

We have nothing to report in respect of the following matters in relation to which the legislation 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 commissioner's 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 take advantage of the small companies' exemptions in preparing the commissioner's annual report and from the requirement to prepare a strategic report.

Responsibilities of the Commissioners

As explained more fully in the statement of the commissioners responsibilities on page 3, 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 determines is 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 authority'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 authority or to cease operations, or has no realistic alternative but to do so.

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INDEPENDENT AUDITOR'S REPORT TO THE NEWPORT HARBOUR COMMISSIONERS

YEAR ENDED 31 MARCH 2024

Auditor's 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 an auditor's report 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:

- By enquiring with those charged with governance all area of risk identified were considered and any potential litigation or claim, if any, were noted
- Ensuring by enquiry that there were no issues of non-compliance with laws and regulations relating to tax and compliance
- By obtaining an understanding of the authority's policies and procedures on compliance with laws and regulations, and with best accounting practice
- Noting issues discussed with the commissioners as this relates to risks faced by the authority
- Reviewing information received from the authority's solicitors, if any and discussing their contents with the commissioners
- Reviewing disclosures in the financial statements and testing to supporting documentation to assess compliance with applicable laws and regulations
- Auditing the risk of management overrides of controls including testing journal entries and other adjustments for appropriateness and evaluating the business rationale of significant transactions outside the normal course of business

Through these procedures, we did not become aware of actual or suspected non-compliance.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- 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. 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.

NEWPORT HARBOUR COMMISSIONERS

INDEPENDENT AUDITOR'S REPORT TO THE NEWPORT HARBOUR COMMISSIONERS

YEAR ENDED 31 MARCH 2024

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the commissioners.
- Conclude on the appropriateness of the commissioner's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the Newport Harbour Commissioners, as a body, in accordance with relevant legislation. Our audit work has been undertaken so that we might state to the authority those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the authority and the commissioners as a body, for our audit work, for this report, or for the opinions we have formed.

ZOE GOODWIN BSc FCA

For and on behalf of
WALTER HUNTER & CO LIMITED
Chartered Accountants & Statutory Auditor

24 Bridge Street
Newport
South Wales
NP20 4SF

12th June 2024

NEWPORT HARBOUR COMMISSIONERS

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2024

	2024 £	2023 £
OPERATING INCOME		
Harbour dues on ships	198,765	183,367
Bank interest receivable	3,220	1,254
Sundry services and facilities	-	-
	<u>201,985</u>	<u>184,621</u>
RESOURCES EXPENDED		
Operating and maintenance expenditure		
Harbour Master services and LPS	64,961	58,903
Insurance	7,339	6,760
Repairs to buoys and lighthouse	10,614	20,564
River survey	-	7,354
Harbour generally	300	488
	<u>83,214</u>	<u>94,069</u>
Dredging expenditure		
Current year contribution	49,602	20,225
Prior year dredging adjustment	7,344	(2,084)
	<u>56,946</u>	<u>18,141</u>
Administrative and general expenses		
Chairman's remuneration including Employers NI	10,492	10,266
Consultancy and management services	42,259	38,500
General administrative expenses	5,051	4,504
Insurance	5,118	4,972
Auditors remuneration	2,460	2,375
	<u>65,380</u>	<u>60,617</u>
TOTAL RESOURCES EXPENDED	<u>205,540</u>	<u>172,827</u>
Net (Outgoing)/ Incoming resources for the year before depreciation	<u>(3,555)</u>	<u>11,794</u>
Depreciation	(6,419)	(7,526)
Net (Outgoing)/Incoming resources for the year before taxation	<u>(9,974)</u>	<u>4,268</u>
Taxation	2,241	(2,241)
Net (Outgoing)/Incoming resources for the year after taxation	<u>(7,733)</u>	<u>2,027</u>
TOTAL (OUTGOING) /INCOMING RESOURCES FOR THE YEAR	<u>(7,733)</u>	<u>2,027</u>

The notes on pages 10 to 12 form part of these financial statements.

NEWPORT HARBOUR COMMISSIONERS

STATEMENT OF FINANCIAL POSITION

31 MARCH 2024

	Note	2024 £	£	2023 £
Fixed assets				
Tangible assets	5		38,636	22,269
Investments	6		6,500	6,500
			<u>45,136</u>	<u>28,769</u>
Current assets				
Debtors	7	30,705		42,065
Investments		297,042		293,822
Cash at bank and in hand		84,421		27,734
		<u>412,168</u>		<u>363,621</u>
Creditors: amounts falling due within one year	8	<u>94,900</u>		<u>22,253</u>
Net current assets			<u>317,268</u>	<u>341,368</u>
Total assets less current liabilities			<u><u>362,404</u></u>	<u><u>370,137</u></u>
Capital and reserves				
Revaluation reserve			6,500	6,500
Profit and loss account			355,904	363,637
Total funds			<u><u>362,404</u></u>	<u><u>370,137</u></u>

These financial statements were approved and signed on 12th June 2024 by the Newport Harbour Commissioners and are signed on their behalf by:

G Jug
(Chairman)

J Lloyd
(Clerk to the Commissioners)

The notes on pages 10 to 12 form part of these financial statements.

NEWPORT HARBOUR COMMISSIONERS

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2024

1. GENERAL INFORMATION

The Newport Harbour Commissioners is a body created by Statute as enshrined in the Newport (South Wales) Harbour Acts and Orders 1836 to 2003. The address of the registered office is 24 Bridge Street, Newport, South Wales, NP20 4SF.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities.

The financial statements are prepared in sterling, which is the functional currency of the entity, rounded to the nearest pound.

Going concern

There are no material concerns regarding going concern.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions:

No cash flow statement has been presented for the authority.

Incoming resources

Harbour dues levied on vessels entering and using the harbour during the year were at a rate which came into force on the under-mentioned date:

From 1 November 2019 - £0.085 per gross tonne

Fixed assets and fixed asset investments

Fixed assets are stated at original cost or valuation.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Buoys, leading lights, plant etc. - by equal instalments over the estimated working life.

Fixed asset investments represent the value of the Chairman's chain of office. This valuation was made by the Commissioners on 31st March 1996 based on the market value of gold content.

Provisions and estimates

The key estimate implicit in the accounts is the dredging contribution for the 3 months ended 31 March 2024. The Commissioners have assumed that costs remain consistent with the prior year.

NEWPORT HARBOUR COMMISSIONERS

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2024

4. NET INCOMING RESOURCES FOR THE YEAR BEFORE TAXATION

This is stated after charging:

	2024	2023
	£	£
Chairman's fees including employers NI	10,492	10,266
Auditor's fees	2,460	2,375
Depreciation	<u>6,419</u>	<u>7,526</u>

5. TANGIBLE FIXED ASSETS

	Buoys, leading lights, plant, etc. £
COST OR VALUATION	
At 1 April 2023	139,143
Additions	<u>22,786</u>
At 31 March 2024	<u>161,929</u>
DEPRECIATION	
At 1 April 2023	116,874
Charge for the year	<u>6,419</u>
At 31 March 2024	<u>123,293</u>
NET BOOK VALUE	
At 31 March 2024	<u>38,636</u>
At 31 March 2023	<u>22,269</u>

6. INVESTMENTS

Chairman's chain of office

	£
VALUATION	
At 1 April 2022 and 31 March 2024	<u>6,500</u>
NET BOOK VALUE	
At 31 March 2023 and 31 March 2023	<u>6,500</u>

Fixed asset investments represent the value of the Chairman's chain of office. This valuation was made by the Commissioners on 31st March 1996 based on the market value of gold content.

NEWPORT HARBOUR COMMISSIONERS

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2024

7. DEBTORS

	2024	2023
	£	£
Trade debtors	20,840	28,612
VAT recoverable	2,755	6,478
Corporation Tax repayable	2,241	-
Prepayments and accrued income	4,869	6,975
	<u>30,705</u>	<u>42,065</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade creditors	94,900	20,012
Corporation Tax	-	2,241
	<u>94,900</u>	<u>22,253</u>

9. RELATED PARTY TRANSACTIONS

During the year the Chairman Mr J Neale was also the Director of Oleron Marine Limited. The Commissioners paid Oleron Marine Limited £6,076 (2023: £10,266) in respect of Chairman's services and £41 (2023: £nil) for expenses incurred in the course of his duties. During the year travel expenses of £21 were reimbursed to the incoming chairman Mr G Jug.