

GREAT YARMOUTH PORT AUTHORITY

Annual Report and Financial Statements

For the year ended 31 March 2020

GREAT YARMOUTH PORT AUTHORITY

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GREAT YARMOUTH PORT AUTHORITY

MEMBERS AND PROFESSIONAL ADVISERS

MEMBERS

Members of the Authority appointed under the Great Yarmouth Port Authority (Constitution) Harbour Revision Order 2015 – SI 2015 No. 1395 Transitional Provisions:

R D Arundale (Chairman)
A Smith (Clerk)
R Smith (Independent Board)
A C Harrison (Independent Board)
P J McNamara (Independent Board)
M J Swinley (Independent Board)
G Doyle (Harbour Master)

BANKERS

Barclays Bank PLC

SOLICITORS

Winckworth Sherwood LLP

AUDITOR

Deloitte LLP

CHAIRMAN'S REPORT

Great Yarmouth Port Authority (GYPA) is a trust port; that is a Statutory Harbour Authority governed by an independent board charged with acting in the interests of its stakeholders.

In 2007, the GYPA Board entered into an agreement with International Port Holdings (IPH) to create a new operating company for the port, the Great Yarmouth Port Company (GYPC). Pursuant to Section 43 of the Great Yarmouth Harbour Act 1986, IPH constructed a new outer harbour port facility in return for a 99 year lease on GYPA's property and the control of commercial port operations through GYPC.

GYPC acts as agent for GYPA in the discharge of its statutory duty as the harbour authority and is the employer of the port operational staff and, from 1 June 2018, the pilots. The pilots were transferred to GYPC on 1 June 2018 following a consultation exercise.

The Harbours Act 1964 determines the functions that GYPA cannot delegate to their agent as the making of byelaws, the levying of ships dues, the appointment of the Harbour Master and decisions relating to the laying down of navigation buoys and the erection of lighthouses.

IPH was established by Global Infrastructure Partners in order to invest in the ports industry. In December 2015, GYPC was sold to Peel Ports Group, one of the UK's premier port operating companies. GYPA retains a share in GYPC.

Board constitution

In 2015, the GYPA Board was reduced and modernised following the making of The Great Yarmouth Port Authority (Constitution) Harbour Revision Order 2015.

The Board members who served during the year and to the date of this report are:

R D Arundale	(Chairman)
A Smith	(Clerk)
R Smith	(Independent Board)
A C Harrison	(Independent Board)
P J McNamara	(Independent Board)
M J Swinley	(Independent Board)
G Doyle	(Harbour Master)

Roger Arundale was appointed as Chairman on 25th March 2020.

Covid-19

The global coronavirus pandemic has had a significant effect on people around the world, as well as on businesses and the economy.

Health and safety is the port's, and the Authority's, number one priority. The port's employees have been designated as 'key workers' and the port has taken measures to ensure that its employees, and others who work within the port, are as safe as possible while allowing the port to continue operating and fulfilling the important role that it plays.

Stakeholder engagement

Since the last annual report GYPA planned to hold a public meeting on 25th March 2020, however, due to the government restrictions in place regarding the Covid-19 outbreak, the meeting had to be cancelled. The Board concluded that because of future uncertainty it would not be feasible to arrange a public meeting later in the year. The Board is committed to hold annual public meetings in order to appraise our stakeholders of the latest developments at the port in future years.

Investment in the port and its infrastructure is ongoing. The resilience of the pilotage support service is now enhanced with acquisition of the Puffin; its efficiency in cargo handling has been increased by employing new Grabs, improvements to Weighbridge and Welfare facilities.

Support has been provided to Norfolk County Council for them to secure approval for a Third River Crossing. This development is expected to underpin significant benefits and potential for the port and the community of Great Yarmouth.

Direct engagement of the port with its Stakeholder groups has been impaired since February 2020. The port has observed restrictions imposed by Government as a direct consequence of Covid-19. The port is committed to mitigation of the risks presented by Covid-19 and has continued to deliver quality service and levels of engagement.

CHAIRMAN'S REPORT

Shipping movements and acts of pilotage

During the year ended 31 March 2020, there were 7,749 (2019: 7,232) commercial vessel movements and 3,114 (2019: 3,367) acts of pilotage.

Marine safety and environment

The port maintains a Marine Safety Management System and conformance with the Port Marine Safety Code. There were no Marine Casualties during the period. Eight Marine Incidents were reported during the period. None of these resulted in harm to persons or any significant damage to property or the environment.

Requirements necessary to support Oil Spill Response remain fully in place and with Regulatory approval. The port undertook its 3 yearly Exercise with Stakeholder participation in July 2019.

Responsibility of the Port to ships, providing waste reception facilities, is ongoing. The port has enhanced its focus on ensuring recycling opportunities are maximised and has secured re-approval by the Regulator of the Port Waste Management Plan. It continues to explore measures likely to improve a green footprint for the port and minimise potential waste.

Port activity

The year has been particularly eventful for the port; the Outer Harbour areas engaged in supporting Windfarm installation and an expansion of its expertise to assist a project decommissioning of the Viking and Vulcan Offshore oilfield structures. Phase 2 of the decommissioning project is anticipated to start in May 2020 and the port is fully prepared again to undertake its role.

There was a visit in September 2019 by the cruise vessel "Balmoral", bringing cruise passengers to Norfolk and the town of Great Yarmouth. The port anticipates this business may not repeat in 2020 due significantly to the effects of Coronavirus. A downturn in cruise industry activity levels is likely to affect all ports.



R D Arundale
Chairman
20 May 2020

REPORT OF THE BOARD MEMBERS

The members present their report and the audited financial statements of the Authority for the year ended 31 March 2020. The Report of the Board Members has been prepared in accordance with the special provisions relating to small companies under section 414B of the Companies Act 2006. Accordingly, a strategic report has not been prepared.

Principal activity

The principal activity of the Authority during the period was to act as the Statutory Harbour Authority and Competent Harbour Authority for the port of Great Yarmouth. The discharge of its statutory duty is undertaken by Great Yarmouth Port Company Limited as agent.

Financial results

At 31 March 2020, the Authority had net assets of £156,091 (2019: £154,136). The movement in net assets related to a loss before taxation of £401 (2019: profit of £28,769), and a corporation tax credit of £2,356 (2019: charge of £3,114).

Going concern

As referred to in note 3 to the financial statements, the Board have concluded that the Authority has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The Board

The Board Members meet on a regular basis to review financial information and matters reserved for the Board and exercise full control over the Authority. The chairman and non-executive Members are appointed in accordance with the requirements of The Great Yarmouth Port Authority (Constitution) Harbour Revision Order 2015. The term of office is for a specified period, normally of three years.

Board Members' remuneration

The Combined Code of best practice on directors' remuneration does not apply to the Authority. However, the Board Members approve the spirit of its recommendations and are, in general, compliant with it.

Fees for Board Members' duties are determined by a remuneration committee comprising three Board Members and one independent person and are set for the lifetime of the current Board.

Details of remuneration are given below for the year ended 31 March 2020:

		Basic salary	Board fees	Expenses and benefits	Total 2020	Total 2019
		£	£	£	£	£
<i>Non-executive Board Members:</i>						
R Smith	Appointed 1 May 2011	-	13,500	94	13,594	13,629
A Smith (Clerk)	Appointed 1 May 2016	-	9,600	16	9,616	9,627
RD Arundale (Chairman)	Appointed 1 November 2015	-	4,500	162	4,662	4,661
A C Harrison	Appointed 1 November 2015	-	9,000	-	9,000	9,000
Capt. P J McNamara	Appointed 1 November 2015	-	4,500	-	4,500	4,500
M J Swinley	Appointed 1 February 2018	-	4,500	-	4,500	4,500
G Doyle (Harbour Master)	Appointed 23 May 2017	-	-	-	-	-
Total for the year ended 31 March 2020		-	45,600	272	45,872	45,917
Total for the year ended 31 March 2019		-	45,600	317	45,917	

REPORT OF THE BOARD MEMBERS

Statement of Board Members' responsibilities

The Board Members are responsible for preparing the annual report and audited financial statements in accordance with applicable law and regulations.

Company law requires the Board Members to prepare financial statements for each financial year. Under that law the Board Members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the Board Members 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 Authority and of the profit or loss of the Authority for that period. In preparing these financial statements, the Board Members are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Authority will continue in business.

The Board Members are responsible for keeping adequate accounting records that are sufficient to show and explain the Authority's transactions and disclose with reasonable accuracy at any time the financial position of the Authority and enable them to ensure that the financial statements comply with the Harbours Act 1964, as amended by the Transport Act 1981, which requires that the financial statements be prepared in accordance with the requirements of the Companies Act 2006, and the Statutory Harbour Undertakings (Pilotage Accounts) Regulations 1988. 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.

The Board Members are responsible for the maintenance and integrity of the corporate and financial information included on the Authority's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor and the disclosure of information to the auditor

In so far as the Board Members are aware:

- there is no relevant audit information of which the Authority's auditor is unaware; and
- the Board Members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Approved by the Board Members and signed by order of the Board:



RD Arundale
Chairman
20 May 2020

Vanguard House
South Beach Parade
Great Yarmouth
NR30 3GY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREAT YARMOUTH PORT AUTHORITY

Report on the audit of the financial statements

Opinion

In our opinion the financial statements Great Yarmouth Port Authority ("the Authority"):

- give a true and fair view of the state of the Authority's affairs as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the United Kingdom Harbours Act 1964, as amended by the United Kingdom Transport Act 1981.

We have audited the financial statements of the Authority which comprise:

- the profit and loss account;
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 20.

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).

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 Financial Reporting Council's ("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

We are required by ISAs (UK) to report in respect of the following matters where:

- the members' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Authority's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREAT YARMOUTH PORT AUTHORITY (CONTINUED)

Other information

The members are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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 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 respect of these matters.

Responsibilities of members

As explained more fully in the Statement of Board Members' Responsibilities, the members 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 members determine 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 members 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 members either intend to liquidate the Authority or to cease operations, or have no realistic alternative but to do so.

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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinions on other matters

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

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

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 any material misstatements in the members' report.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREAT
YARMOUTH PORT AUTHORITY (CONTINUED)**

Matters on which we are required to report by exception

We have nothing to report on in respect of the following matters where we are required 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 members remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the members were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Use of our report

This report is made solely to the Authority's members, as a body, in accordance with the United Kingdom Harbours Act 1964, as amended by the United Kingdom Transport Act 1981. Our audit work has been undertaken so that we might state to the Authority's members 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 Port Authority's members as a body, for our audit work, for this report, or for the opinions we have formed.



Rachel Argyle (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Manchester, United Kingdom
22 May 2020

GREAT YARMOUTH PORT AUTHORITY

PROFIT AND LOSS ACCOUNT For the year ended 31 March 2020

	Note	2020 £	2019 £
Turnover	5	58,726	90,950
Cost of sales	6	(59,315)	(77,950)
GROSS (LOSS) / PROFIT		(589)	13,000
Administrative expenses		-	(58,307)
Other operating income	7	188	76,076
OPERATING (LOSS) / PROFIT	8	(401)	30,769
Net interest expense	12	-	(2,000)
(LOSS) / PROFIT BEFORE TAXATION		(401)	28,769
Taxation	13	2,356	(3,114)
PROFIT FOR THE FINANCIAL YEAR		1,955	25,655

The above results are derived from continuing operations.

STATEMENT OF OTHER COMPREHENSIVE INCOME For the year ended 31 March 2020

		2020 £	2019 £
PROFIT FOR THE FINANCIAL YEAR		1,955	25,655
Remeasurement of net defined benefit pension liability	19	-	487,000
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,955	512,655

GREAT YARMOUTH PORT AUTHORITY

BALANCE SHEET
As at 31 March 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible fixed assets	14	2,465	2,465
Investments	15	1	1
		2,466	2,466
CURRENT ASSETS			
Debtors: amounts falling due within one year	16	14,339	8,793
Investments	17	25,682	25,494
Cash at bank and in hand		133,374	134,865
		173,395	169,152
CREDITORS: amounts falling due within one year	18	(19,770)	(17,482)
NET CURRENT ASSETS		153,625	151,670
TOTAL ASSETS LESS CURRENT LIABILITIES, AND NET ASSETS		156,091	154,136
RESERVES			
Profit and loss account		156,091	154,136
TOTAL RESERVES		156,091	154,136

The financial statements of Great Yarmouth Port Authority were approved and authorised for issue by the Board Members and were signed on its behalf by:



RD Arundale
Chairman
20 May 2020

GREAT YARMOUTH PORT AUTHORITY

STATEMENT OF CHANGES IN EQUITY For the year ended 31 March 2020

	Profit and loss account £	Total £
Balance as at 31 March 2018	(358,519)	(358,519)
Total comprehensive income for the financial year	512,655	512,655
	<hr/>	<hr/>
Balance as at 31 March 2019	154,136	154,136
Total comprehensive income for the financial year	1,955	1,955
	<hr/>	<hr/>
Balance as at 31 March 2020	156,091	156,091
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2020

1. GENERAL INFORMATION

The nature of the Authority's operations and its principal activities are set out in the Chairman's report on page 2.

2. STATEMENT OF COMPLIANCE

The financial statements of Great Yarmouth Port Authority have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard FRS 102, "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102") as issued by the Financial Reporting Council, and in accordance with section 1A of FRS102.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the principal accounting policies, which have been applied consistently throughout the current and prior financial years, is set out below.

Basis of preparation

The financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

Going concern

In considering the appropriateness of the going concern basis of preparation the Board have considered the following factors:

- the Authority has net assets of £156,091 (2019: £154,136) including a cash balance of £133,374 (2019: £134,865) and an investment in the Public Sector Deposit Fund of £25,682 (2019: £25,494), which can be redeemed at any point;
- the Authority has no borrowings (2019: none); and
- forecast income and expenditure for the next twelve months from the date of signing the 2020 financial statements, including an assessment of any potential impact of the Covid-19 pandemic, together with the available cash balances, show that sufficient resources remain available to the Authority for the next twelve months.

After making enquiries, the Board has formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Authority has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Board continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Cash flow statement

The Authority has taken advantage of the available exemption under FRS 102 to not present a cash flow statement on the grounds that it is a small entity.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of discounts and value added taxes.

Investment income is recognised when the right to receive payment is established.

Tangible fixed assets

Tangible fixed assets are initially measured at cost. Assets, which consist of paintings, photographs and memorabilia, have not been depreciated since 2007 as, in the opinion of the Board, their net book value is equivalent to their residual value.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2020

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fixed asset investments

Fixed asset investments are stated at cost to the Authority less any provision for impairment.

Financial instruments

The Authority has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt is measured at the present value of the future receipts discounted at a market rate of interest.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Employee benefits

Defined benefit pension plans

On 1 June 2018, the Authority entered into Flexible Apportionment Arrangements ("FAA") in respect of its share of the net liabilities in, and responsibilities to, the Norfolk Pension Fund and the Pilots' National Pension Fund. The FAA, with Great Yarmouth Port Company Limited ("the Company"), saw the Company assume those net liabilities and responsibilities.

As a consequence, the Authority derecognised its share of the net liabilities of the Norfolk Pension Fund in the prior year (note 19).

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception:

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2020

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation (continued)

- deferred tax assets are recognised only to the extent that the members consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

4. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(i) Critical judgements in applying the Authority's accounting policies

The Authority does not consider there to be any critical accounting judgements that must be applied.

(ii) Key accounting estimates and assumptions

The Authority makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

5. TURNOVER

	2020	2019
	£	£
Pilotage	-	90,950
Recharged direct costs	58,726	-
	<u>58,726</u>	<u>90,950</u>

Following the cessation of pilotage activities during the previous year, items previously recognised in other operating income are now recognised in turnover.

6. COST OF SALES

	2020	2019
	£	£
Operating and maintenance – pilotage (note 9)	-	107,950
Other direct costs	59,315	-
Defined benefit pension scheme – current service cost (note 19)	-	15,000
Defined benefit pension scheme – pension contributions paid	-	(45,000)
	<u>59,315</u>	<u>77,950</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2020

7. OTHER OPERATING INCOME

	2020	2019
	£	£
Recharged administrative expenses	-	75,915
Investment income (note 17)	188	161
	<u>188</u>	<u>76,076</u>

Following the cessation of pilotage activities during the previous year, items previously recognised in other operating income are now recognised in turnover.

8. OPERATING (LOSS)/PROFIT

The operating (loss)/profit is stated after charging:

	2020	2019
	£	£
Auditor's remuneration in respect of:		
- audit fees	5,400	5,000
Defined benefit pension scheme – administrative expense (note 19)	-	2,000
	<u>-</u>	<u>2,000</u>

Auditor's remuneration forms part of the administrative expenses that are recharged to another party. That party pays remuneration of £nil (2019: £3,000) directly to the auditor.

9. PILOTAGE

Compliance with the Statutory Harbour Undertakings (Pilotage Accounts) Regulations 1988 requires that revenue and expenditure applicable to pilotage activities be separately identified. This is summarised as follows:

	2020	2019
	£	£
Revenue		
Revenue from pilotage services (note 5)	-	90,950
	<u>-</u>	<u>90,950</u>
Expenditure		
Pilotage staff (note 6)	-	107,950
	<u>-</u>	<u>107,950</u>

The above items of revenue and expenditure are included in turnover and cost of services in the profit and loss account of the Authority.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2020

10. EMPLOYEE INFORMATION (EXCLUDING BOARD MEMBERS)

On 1 June 2018, the six pilots who were employed by the Authority were transferred to the Company under the Transfer of Undertakings (Protection of Employment) regulations, following a consultation exercise. The information for the year ended 31 March 2019, shown below, includes the period of employment of the pilots from 1 April 2018 to 1 June 2018.

	2020	2019
	£	£
Staff costs		
Wages and salaries	-	54,516
Social security costs	-	4,072
Pension contributions	-	49,212
Other	-	150
	<u>-</u>	<u>107,950</u>
	<u>-</u>	<u>107,950</u>

The average number of persons employed by the Authority, excluding Board Members, during the year was nil (2019: 1).

Pension costs included in the table above include contributions paid to defined benefit pension schemes and employer contributions in respect of a money purchase pension scheme. Payments to the money purchase pension scheme totalled £nil (2019: £1,000).

11. BOARD MEMBERS' EMOLUMENTS

	2020	2019
	£	£
Fees	45,600	45,600
Mileage and expenses	272	317
	<u>45,872</u>	<u>45,917</u>
Social security costs	786	942
	<u>46,658</u>	<u>46,859</u>
	<u>46,658</u>	<u>46,859</u>

No Board Members (2019: none) accrued benefits under defined benefit pension schemes.

12. NET INTEREST EXPENSE

	2020	2019
	£	£
Net interest expense in respect of defined benefit pension schemes:		
PNPF interest expense on defined benefit pension (note 19)	-	5,000
PNPF interest income on debtor relating to defined benefit pension (note 19)	-	(5,000)
	<u>-</u>	<u>-</u>
PNPF net finance costs	-	-
Norfolk Pension Fund interest expense on defined benefit pension (note 19)	-	2,000
	<u>-</u>	<u>2,000</u>
Net interest expense in respect of defined benefit pension schemes (note 19)	<u>-</u>	<u>2,000</u>
	<u>-</u>	<u>2,000</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2020

13. TAXATION

	2020	2019
	£	£
Current year	(76)	3,114
Prior year	(2,280)	-
	<u>(2,356)</u>	<u>3,114</u>

Factors affecting the tax charge

The tax assessed for the year is lower (2019: lower) than the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below:

	2020	2019
	£	£
(Loss) / Profit on ordinary activities before taxation	(401)	28,769
(Loss) / Profit on ordinary activities multiplied by the standard rate of corporation tax of 19% (2019: 19%)	(76)	5,466
Non-taxable defined benefit pension adjustments	-	(4,420)
Deferred tax movement not recognised	-	(575)
Differences in tax rates	-	(588)
Defined benefit pension scheme deficit funding	-	3,231
Prior year - corporation tax	(2,280)	-
	<u>(2,356)</u>	<u>3,114</u>

14. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
Cost or valuation	
As at 1 April 2019 and 31 March 2020	2,465
Depreciation	
As at 1 April 2019 and 31 March 2020	-
Net book value	
As at 1 April 2019 and 31 March 2020	<u>2,465</u>

15. FIXED ASSET INVESTMENTS

	2020	2019
	£	£
Other investment	1	1
	<u>1</u>	<u>1</u>

The other investment represents 1 Ordinary B share of £1 in Great Yarmouth Port Company Limited, which carries no voting rights.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2020

16. DEBTORS

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	3,483	1,993
Prepayments and accrued income	10,780	6,800
Corporation tax	76	-
	<u>14,339</u>	<u>8,793</u>

17. CURRENT ASSET INVESTMENTS

	2020	2019
	£	£
Public Sector Deposit Fund	<u>25,682</u>	<u>25,494</u>

Investment income of £188 (2019: £161) was earned in the year (note 7).

The Public Sector Deposit Fund is a money market fund for public sector organisations. The investment in this Fund can be redeemed at any time.

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	3,581	740
Corporation tax	-	3,114
Other tax and social security	5,409	6,828
Accruals and deferred income	10,780	6,800
	<u>19,770</u>	<u>17,482</u>

19. DEFINED BENEFIT PENSION LIABILITIES

Prior to 1 June 2018, the Authority was a Participating Employer in two multi-employer defined benefit pension schemes, which pay benefits based on final pensionable pay.

On 1 June 2018, the Authority entered into Flexible Apportionment Arrangements (“FAA”) in respect of its share of the net liabilities in, and responsibilities to, the Norfolk Pension Fund and the Pilots’ National Pension Fund. The FAA, with Great Yarmouth Port Company Limited (“the Company”), saw the Company assume those net liabilities and responsibilities.

As a consequence, the Authority derecognised its share of the net liabilities of the Norfolk Pension and the Pilots’ National Pension Fund. There are no amounts recognised in the balance sheet in respect of defined benefit pension schemes (2019: £nil).

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2020

19. DEFINED BENEFIT PENSION LIABILITIES (CONTINUED)

Amounts recognised in the profit and loss account are as follows:

	2020	2019
	£	£
Norfolk Pension Fund		
-Current service cost	-	8,000
Pilots' National Pension Fund		
-Current service cost	-	7,000
-Scheme administrative costs	-	2,000
	<u>-</u>	<u>17,000</u>
Total charge in operating loss	-	17,000
Interest expense – Norfolk Pension Fund	-	2,000
Interest expense – PNPf	-	5,000
Interest income – PNPf debtor	-	(5,000)
	<u>-</u>	<u>(5,000)</u>
Total charge in the profit and loss account	<u>-</u>	<u>19,000</u>

Amounts recognised in other comprehensive income relating to the remeasurement of the net defined benefit liability are as follows:

	2020	2019
	£	£
Norfolk Pension Fund	-	481,000
Pilots' National Pension Fund	-	1,065,000
Loss on PNPf receivable from GYPC	-	(1,059,000)
	<u>-</u>	<u>(1,059,000)</u>
	<u>-</u>	<u>487,000</u>

20. RELATED PARTY TRANSACTIONS

The Authority has transactions in the normal course of Port business with entities in which some Board Members may have interests. Board Members are required to declare their interests in any such transactions and in some circumstances they are required to retire from the meeting during the discussion relating thereto and in all cases they are not permitted to participate in any vote in relation thereto.

The Authority did not trade with any related parties in the year ended 31 March 2020.