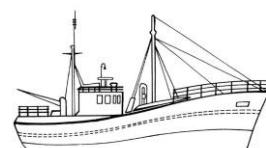


Report and Accounts
y.e. 31 March 2015



NIFHA

Report and Accounts year ended 31 March 2015

CONTENTS

	PAGE
General Information	1
Report of the Authority	2 - 8
Foreword to the Accounts	9 - 10
Statement of Members' and Chief Executive's Responsibilities	11
Governance Statement	12 - 16
Remuneration Report	17 - 18
Independent Auditors' Report	19 - 20
Net expenditure account	21
Statement of financial position	22
Statement of cash flows	23
Statement of changes in taxpayers' equity	24
Notes to the accounts	25 - 43

STATUTORY EQUALITY DUTY

In accordance with its Equality Scheme the Authority is committed to providing information in accessible formats.

Copies of this report can be made available in alternative formats by contacting the Authority at the address and telephone number given on page 1.

GENERAL INFORMATION

Board Members

H Henderson
H Henning
T Jarvis (Chairman)
M McDonald M.B.E.
G McIlroy
I Morris M.B.E.
R Teggarty

Chief Executive / Secretary

K Quigley

Independent Auditors

RSM McClure Watters
1 Lanyon Quay
Belfast

Solicitors

Pinsent Masons Belfast LLP
Soloist
1 Lanyon Place
Belfast
BT1 3LP

Consulting Engineers

Doran Consulting Limited
Norwood House
96-102 Great Victoria Street
Belfast
BT2 7BE

Bankers

First Trust Bank
15 Market Street
Downpatrick
Co Down
BT30 6LP

Danske Bank
P.O Box 183
Donegal Square West
Belfast
BT1 6JS

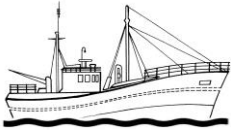
Santander Business Banking
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Merseyside
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REPORT OF THE AUTHORITY

Chairman's Statement

I am pleased to support the Annual Report and Accounts for the Northern Ireland Fishery Harbour Authority for the period 2014/15 as presented.

The overall environment in which the Authority operates remains very challenging. In response to these difficulties the Authority has adopted a more conservative approach to the management of its operations while at the same time being more proactive in exploiting commercial opportunities. The combination of these two approaches has enabled the Authority to again deliver and improve its services. Our operatives, office staff, harbour masters and management have all contributed to the smooth and effective running of the Organisation. My sincere thanks and appreciation goes to everyone.

Despite difficult trading and economic conditions the Authority has again recorded a satisfactory trading position. Turnover increased and tight financial management kept costs below last year's level. However we continue to remain highly dependent on prawn landings, a product subject to significant cyclical demand in terms of both quantity and price. In view of this and increasing cost pressures it remains the view of the Authority that it must remain vigilant and proactive in reducing costs wherever possible while continuing to develop commercial opportunities.

With regard to large scale capital projects the Authority had an exceptionally busy year with seven projects started within the year. All of these projects are scheduled to complete early in 2015/16 and represent a total investment across all three harbours of over £3m. I would like to thank the fishermen of all three harbours but particularly Portavogie where disruption was most pronounced for their patience and support while the projects were being delivered.

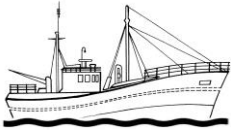
There were no changes in the composition of the board during the year.

I would particularly like to thank our sponsoring department, the Department of Agriculture and Rural Development, for their continuing support and significant funding received during the year from the European Fisheries Fund (EFF).

Finally, I would like to thank all my fellow Board members who have served with me, for their support, guidance and contribution to the ongoing development of the Authority. I am confident that the Board will continue to positively address the many challenges that lie ahead and will guide the Authority in the best interests of all its varied stakeholders.

A handwritten signature in black ink, appearing to read 'Terry Jarvis'.

TERRY JARVIS
CHAIRMAN



Chief Executive's Review

Challenging conditions are the new norm and for the Authority the year just past was certainly that. While operational Revenue showed some growth, the increase in landings revenue which accounts for the bulk of this growth was primarily invoicing related to prior years. The overall outlook remains subdued reflecting both economic and environmental conditions. The Authority sees increasing risk to its primary income stream namely landings revenue and this can be exemplified by changes in the pelagic fleet to larger vessels which puts the Authority's revenue from Pelagic landings at risk. For these reasons the Authority has adopted a very cautious attitude to operational spending. However while operating under tighter financial constraints the Authority continues to strive to deliver an excellent service to all its stakeholders.

The Authority was pleased to see its overall income from landings rise from £585k to £648k, an increase of 11%. Despite this increase the Authority remains concerned that it has little control over its primary income streams. For the year the Authority reported a deficit after tax of £476k as opposed to a deficit after tax of £253k for 2013/14. Revenue before capital grant and revenue grant income increased from £1,209k to £1,304k. The increase amounts to £95k or 7.9% of income.

The Authority's revenue streams remain largely controlled by factors outside its control and therefore there is a significant risk that in some years revenue received may not be sufficient to meet the demands for resources placed on the Authority. In response to this with the support of DARD during the year an amendment to the Harbours Act (Northern Ireland) 1970 was made enabling the payment of deficit funding to the Authority if and when required.

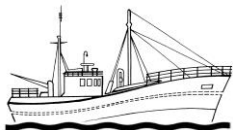
I would wish to join the Chairman in expressing appreciation to DARD and to the EFF Selection Panel for their continued financial support for projects promoted by the Authority which are aimed at enabling the local sea fishing industry to operate as competitively and sustainably as possible.

The Authority is made up of an excellent team of people serving all its stakeholders including port users and our many visitors. The safety and welfare of its staff, users and visitors are the key concern of the Authority and hence we continue to prioritise the key areas of health and safety, environmental performance, equality and good relations.

Health, Safety and Environmental Issues

The Authority operates two separate but integrated safety management systems – one for onshore safety and one for marine safety. Both these systems are based on a risk assessment approach. Last year the Authority reviewed its method of recording incidents and accidents and consequently introduced a more robust procedure. This led to an increase in the number of reported accidents especially near miss incidents.

On-shore accidents are recorded on a property damage only and an 'over' and 'under 3 day' basis i.e. over or under '3 days off work'. While overall there was a significant reduction in the total number of accidents tragically in April 2014 a young fisherman lost his life in a drowning accident in Portavogie Harbour.



There were a total of 8 other accidents reported in 2014/15 and the following table provides a breakdown of these;

	<3 Days	>3 Days
Staff	0	1
Port User	5	1
Visitor	1	0
Total	6	2

The Authority is concerned that despite the improvement in reporting procedures not all on-shore incidents are reported and would appeal to users to report all incidents promptly including near misses.

On the marine side there were no incidents recorded. This compares with three recorded incidents in the previous year. As required the Authority will continue to report any incidents to the MAIB and to cooperate fully with any enquiry. The Authority is concerned that not all marine incidents are reported to it and would appeal to users to report all incidents.

The Authority's Environmental Improvement Plan is based on a series of prioritised recommendations from an independent environmental audit which was completed in May 2010. These recommendations which are now substantively implemented were aimed at, and have delivered significant improvements in key areas such as waste handling procedures and storage facilities, pollution control systems and procedures as well as reducing resource consumption (primarily electricity and water).

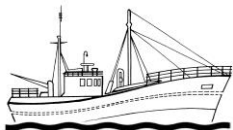
Improvements in environmental performance will only be achieved with the full co-operation of all Port Users and this requires some further improvement in working practices. I am pleased that waste handling by Port Users continues to improve and on behalf of the Authority I would wish to thank them for their efforts. Further improvements are possible and I would appeal for Port Users to re-double their efforts to improve waste handling in the harbours. However waste generated by both visitors and fly tipping continues to place a significant demand on the Authorities resources.

During the year, with the ongoing support of the Department of the Environment the Authority extended its "Fishing for Litter" scheme and this now includes both Kilkeel and Portavogie.

Capital Works Projects

Capital works projects are undertaken with the assistance of European Fisheries Fund and National funding. Normally the Authority will deliver in excess of £1m per annum in planned grant funded projects. However 2014/15 was an exceptionally busy year with 7 grant assisted projects (total value in excess of £3m) commencing during the year.

Three of these projects; quay wall repairs, sediment removal and outer pier refurbishment were undertaken in Portavogie and were designed to ensure that the basic infrastructure of the harbour will continue to meet the needs of the fleet for the foreseeable future. These projects commenced and completed in year. In Ardglass a new bait store was installed and became operational in year. While in Kilkeel an entirely new containerised Ice Plant was installed and became operational shortly after the year end. Four further projects; Portavogie Small Vessel Pontoons, Kilkeel Pier Tips and River Training Repair, CCTV for all harbours and Wifi for all harbours



commenced during the year and are scheduled to complete during 2015/16.

Operational Review

Key operational issues relating to 2014/2015 were as follows:-

Vessel Numbers

The number of over 10m vessels based in the 3 harbours decreased by 5 vessels (4%) in comparison to the prior year. Detailed figures on a port by port basis as at 31 March for the last 5 years are as follows:-

	2015	2014	2013	2012	2011
Ardglass	30	32	33	35	31
Kilkeel	54	52	51	48	40
Portavogie	37	42	41	39	35
Total	121	126	125	122	106

The number of 10m and under vessels in the 3 harbours at 31 March 2015 was 79 which compares with 86 last year. The number of these smaller vessels varies seasonally. The pontoon facility in Kilkeel was almost fully occupied throughout the year.

Maintenance Dredging

In total 12,552 tonnes of sediment was dredged from Kilkeel Harbour compared to 30,492 tonnes in the prior year. A dredging scheme was also undertaken in Ardglass where 4,488 tonnes of sediment was removed.

During the year two commercial contracts were completed. The first of these was in Warrenpoint harbour and the second was delivered on behalf of Phennick Cove Marina based in Ardglass. The revenue from these contracts helped offset the total dredging cost which was £77,890 as against £80,443 in the prior year.

Fishmarket

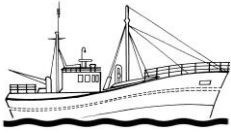
The Authority is owner and operator of the fish markets at the three harbours and as such has the legal responsibility for ensuring compliance with food safety regulations. The fish markets are licenced food premises and the Authority operates and maintains these, to approved standards.

Slipway Facilities

During the year 171 vessels were slipped; 111 in Kilkeel and 60 in Portavogie. This compares with a total of 182 vessels in the previous year of which 110 were slipped in Kilkeel and 72 in Portavogie. During the year a decision was taken to close the small slipway in Portavogie due to increasing obsolescence of the slipway equipment.

Ice Supplies

The total tonnage of ice supplied in the three ports in 2014/2015 was 3,271 tonnes which represented a very marginal decrease of 12 tonnes on the previous year. On a port by port basis sales decreased by 8.9% in Kilkeel and 4.1% in Ardglass but increased by 9.3% in Portavogie.



Estate Management

Activity in the Princess Anne Road Industrial Estate in Portavogie remains subdued. The Authority has agreed to take a reasonably flexible approach with regard to the use of the premises but is conscious that any usage needs to be compatible with the existing food processing facilities which are located in this area. A substantive number of rent reviews were completed during the year and this is reflected in the increase in rental revenue.

Port User Consultation

Three Port Users meetings were held during the year, one in each of the ports. These meetings continue to provide an invaluable forum for consulting with Port Users on operational issues (including safety and environmental issues), on capital works priorities and on equality, good relations and disability issues. However we take the view that good communication is largely dependent on a robust informal network. To that end considerable effort continues to be made to meet regularly on an informal basis with a wide range of stakeholders.

Equality, Good Relations and Disability Duties

Throughout the year the Authority continued to implement its revised Equality Scheme, its Good Relations policy and the Disability Action Plan. As a matter of course disability issues are considered in all new capital works projects. The annual Equality Report, which details the progress made by the Authority in achieving its annual equality, good relations and disability targets, was submitted to the Equality Commission by the due date of 31 August 2014.

Personnel

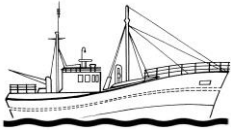
The Authority is justifiably proud of all its employees. I of course want to extend my thanks for the staffs hard work and dedication. In what was at times a very challenging year their commitment to the values of the organisation has enabled the Authority to continue to improve the quality of its work on behalf of its many customers. It remains the opinion of the Authority that one of the chief ways it can improve the quality of its service is through enhancing the skills of its workforce. The Authority has in place an enhanced training programme based on the development plans that have been put in place for all members of staff. The dedication of our staff is reflected in the length of tenure of many of the team. This year it gave me particular pleasure to be able to celebrate 25 years of service completed by both Andrew Donnan and George McCormick.

Financial Review

The Authority recorded a deficit before tax of £633k which compares with a previous year deficit of £331k. Depreciation rose to £1,564k from £1,383k an increase of £181k.

Expenditure excluding depreciation fell to £1,235k from £1,284k as the Authority implemented a strict cost control programme.

Total income before capital and revenue grants of £1,304k is a 7.9% increase on last year. Landing revenues were up nearly 11% (£63k) from the prior year however all of this can be accounted for by out of period invoices arising from clearing the backlog of data matching issues. Slipway revenue was up 7% (£10k). Ice sales were virtually static compared to the previous year. On a port by port basis revenue was down 11% in Ardglass,



up 17% in Kilkeel and up 11% in Portavogie compared to the previous year. The increase in Kilkeel is partly accounted for by revenue generated from the commercial operations of the dredger.

The Authority had a positive cash balance at year end of £187k which compares with an opening balance of £557k.

Revision of Pay and Grading System

Following the withdrawal of the original proposal for a revised pay and grading system the board commissioned a new grading review of the roles of the Authority's staff. Work was completed on this during the year. However for a number of reasons but primarily related to the difficult economic conditions the whole Northern Ireland economy is facing it was decided that it would be inappropriate for the board to pursue changing the pay and grading system at this time.

Data Matching

Using Data provided by DARD under a data sharing agreement the Authority has been cross checking landings as declared to the Authority against those declared to DARD. The Authority is now invoicing on a current basis. Although much reduced there continues to be discrepancies between the two sets of data. There are a number of reasons why one would not expect the two sets of data to match exactly. Where these reasons do not adequately explain the difference between the two sets of data the Authority raises invoices for amounts that are considered to be recoverable and owed to it.

Sickness /Absence data

The average number of working days lost due to sickness per employee was 2.95 days for 2014/2015. The equivalent figure for the previous year was 8 days. With just 21 staff any period of significant absence for any one employee will have a major impact. During the year there were no employees who were absent in excess of 20 days (2 in 2013/14).

Data Handling

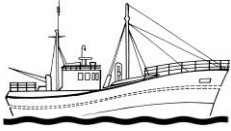
The Northern Ireland Fishery Harbour Authority has not had any personal data related incidents during the current or previous years.

Key Objectives and Performance Targets

The Authority agreed six key objectives for 2014/15. These are linked to the core values of the organisation as outlined in the corporate plan and are designed to assist in the ongoing delivery of the said plan. Under each of these targets a number of key performance targets were set. I outline below these targets and provide information on how we performed. Where a significant target was not met further information is provided.

- **Key Objective 1: To provide safe and modern harbour facilities which are efficiently managed, well maintained and effective.**

This objective was substantively met. However despite continuing efforts to improve, the level of accidents occurring within the harbours remains unacceptably high.



- **Key Objective 2: To be a customer centred organisation engaging and communicating with NIFHA's stakeholders.**

This objective was substantively met however the media strategic plan was not prepared and will now be included as part of the digital strategy to be prepared in 2015/16.

- **Key Objective 3: To develop NIFHA as a learning and innovative organisation that values staff and builds capacity.**

This objective was substantively met.

- **Key Objective 4: To ensure the business of NIFHA is conducted in an open and fully accountable manner by delivering best practice in corporate governance, accountability and effectively addressing all legal responsibilities.**

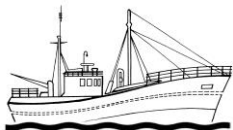
This objective was substantively met.

- **Key Objective 5: To provide value for money for Government, customers and stakeholders while delivering our statutory and other duties.**

This objective, which included maintaining expenditure within approved budget limits, was substantively met.

- **Key Objective 6: To ensure the work of NIFHA builds wider socio-economic prosperity for the coastal communities which it serves while ensuring that concern for the environment is at the heart of what we do.**

This objective was substantively met. However the design of the primary school education programme was deferred until funding was obtained. Work is underway to ensure delivery of this objective in 2015/16.



FOREWORD TO THE ACCOUNTS

Background Information

The Northern Ireland Fishery Harbour Authority (NIFHA) is an executive Non-Departmental Public Body (NDPB) sponsored by the Department of Agriculture and Rural Development for Northern Ireland (DARD). The Authority was established in 1973 under the Northern Ireland Fishery Harbour Authority Order (Northern Ireland) 1973. Its statutory functions are to manage, maintain and improve the fishing harbours and harbour estates of Ardglass, Kilkeel and Portavogie and to operate such facilities as may be provided at these harbours.

The following report and accounts have been prepared in accordance with the Northern Ireland Fishery Harbour Authority (Accounts) Regulation (Northern Ireland) 1998 and in accordance with the Accounts Direction given by the Department of Agriculture and Rural Development with the approval of the Department of Finance and Personnel.

Business Review

A full review of the Northern Ireland Fishery Harbour Authority is given on pages 2 to 8 of the Report and Accounts.

Results for the Year

The results of the Northern Ireland Fishery Harbour Authority are set out in detail in the accounts on pages 21 to 43. The deficit for the year before tax was £633,165 which compares with a previous year deficit before tax of £330,925. This deficit has been taken to reserves. Other transfers to and from reserves are detailed in the Statement of changes in taxpayers' equity.

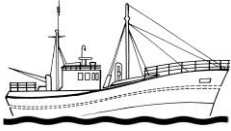
Fixed Assets

Details of the movement of fixed assets are set out in note 11 to the accounts.

Future Developments

Key Development goals for 2015/2016 are as follows:-

- To operate, maintain and monitor the performance of the Navigational Safety Information System at Kilkeel Harbour.
- To have the marine and onshore Safety Management Systems externally reviewed.
- To implement the capital works plans as detailed in the Authority's 2015/2016 Business Plan (subject to the availability of grant funding).
- To achieve Investors in People award.



- To submit a draft budget to DARD by 31 January 2016.
- To prepare a digital strategy.
- To implement the 2014/15 Equality Scheme programme.

Important events occurring after year end

There have been no significant events since the year end which would affect these accounts.

Board Members

Membership of the Board is as noted on page 1.

Disabled Employees

The Authority gives full and fair consideration to applications for employment from disabled persons, having regard to their particular aptitude and abilities and Health and Safety factors.

Employee Involvement

It is the policy of the Authority to promote the understanding and involvement of all its employees in its aims and performance and it is committed to the continuing development of effective employee communication and consultation.

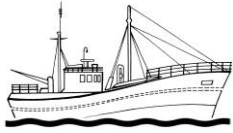
Independent Auditors

RSM McClure Watters are the external auditors of the Northern Ireland Fishery Harbour Authority. Refer to Note 5 for the audit fee.

Payment to Suppliers

The NIFHA is committed to the prompt payment of bills for goods and services received in accordance with the British Standard for Achieving Good Payment Performance in Commercial Transactions (BS 7890). Unless otherwise stated in the contract, payment is due within 30 days of the receipt of the goods or services, or presentation of a valid invoice or similar demand, whichever is later.

During 2014/15 the Authority paid 98% (2013/14: 96%) of bills paid within this standard with 77% (2013/14 84%) being paid within 14 days.



STATEMENT OF MEMBERS' AND CHIEF EXECUTIVE'S RESPONSIBILITIES

Under the Northern Ireland Harbour Authority (Accounts) Regulation (Northern Ireland) 1998, the Members are required to prepare a statement of accounts for each financial year in the form and on the basis determined by the Department of Agriculture and Rural Development for Northern Ireland with approval of the Department of Finance and Personnel. The accounts are prepared on an accruals basis and must give a true and fair view of the Authority's state of affairs at the year end and of its income and expenditure, recognised gains and losses and cash flow for the financial year.

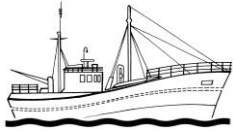
In preparing the accounts the Members are required to:

- observe the accounts direction issued by the Department of Agriculture and Rural Development for Northern Ireland including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual (FReM) have been followed, and disclose and explain any material departures in the accounts; and
- prepare the accounts on the going concern basis.

As the senior full time official of the Authority the Chief Executive carries the responsibilities of an Accounting Officer for the Authority. His relevant responsibilities as Accounting Officer, including his responsibility for the propriety and regularity of the public finances and for the keeping of proper records, are set out in the Non-Departmental Public Bodies' Accounting Officer Memorandum, issued by the Department of Finance and Personnel.

By Order of the Members

K QUIGLEY
CHIEF EXECUTIVE / SECRETARY



GOVERNANCE STATEMENT

The Northern Ireland Fishery Harbour Authority (NIFHA) is an executive Non-Departmental Public Body (NDPB) sponsored by the Department of Agriculture and Rural Development (DARD) and constituted under the Harbours Act (Northern Ireland) 1970 and the Northern Ireland Fishery Harbour Authority Order (Northern Ireland) 1973. The Authority's relationship with the Department is set out in the Management Statement and Financial Memorandum documents which are reviewed and agreed between the two parties on a regular basis.

The Authority is committed to high standards of corporate governance. The Board directs the Authority's risk assessment, resource management, strategic planning, financial, project and operational management to ensure that the aims and objectives as set out in the corporate plan are met. The Board members scrutinise the performance of management in order to be satisfied as to the integrity and strength of financial information, controls and risk management.

Governance Framework

The Authority is managed by a Board consisting of a Chairman, the Chief Executive and between 4 and 8 other Members. The Chairman and Members are appointed by DARD and are non-executive.

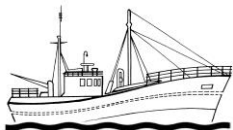
The Board has four sub-committees – Corporate Planning, Finance and General Purposes, Remuneration and Risk and Assurance. The Risk and Assurance sub-committee provides objective advice to the Chief Executive and the Board on corporate governance, risk management and internal control issues.

The Authority is headed by a Chief Executive who is also the Accounting Officer. As at 31 March 2015 the Authority employed 13 operational and maintenance staff and 8 administrative staff. The Authority's head office is located in Downpatrick and there are offices at each of the three harbours.

The Chairman and Board members have overall responsibility for the corporate strategy and governance of the Authority and for setting aims and objectives. A corporate plan is in place and there are processes to ensure that there is continuous monitoring and review of performance to confirm that the objectives are achieved. Annual business plans are derived from, and are consistent with, the corporate plan. Attendance records of meetings are maintained.

During the year the Board held four meetings. The attendance record was as follows:

Board	Number of Meetings attended
Terry Jarvis (Chairman)	4
Helen Henderson	3
Harold Henning	3
Ian Morris	4
Martin McDonald	4
George McIlroy	4
Roy Teggarty	3



The Risk and Assurance Committee met three times during the year.

Risk and Assurance	Number of Meetings attended
Martin McDonald (Chairman)	3
Helen Henderson	3
Ian Morris	3
Roy Teggarty	3

The Finance and General Purposes committee met four times during the year, attendances were as follows;

Finance and General Purposes	Number of Meetings attended
Terry Jarvis (Chairman)	4
Ian Morris	4
Martin McDonald	3
Roy Teggarty	4

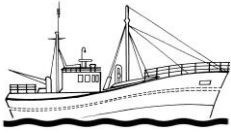
The Remuneration committee did not meet during the year and the Corporate Planning committee met once. Attendance for this meeting was as follows;

Corporate Planning	Number of Meetings attended
Terry Jarvis (Chairman)	1
Helen Henderson	1
Harold Henning	1
George McIlroy	1

The Chief Executive Mr Quigley attended all meetings of the Board and its committees.

Board Performance

The chairman and members believe that on the whole the Board has operated effectively, with meetings generally including constructive and challenging debate. The Board for the first time this year conducted an annual review. While some areas were identified for improvement the Board is content that it is delivering to a high standard. The Board has continued to maintain a good relationship with its sponsoring body through the timely sharing of information. Those members of senior management who had been invited to attend the Board indicated that they valued the experience.



The Authority operates under and complies with a Management Statement and Financial Memorandum. The Board is confident that it is compliant with the corporate Governance Code.

Members of the Board meet regularly with its stakeholders. During the year a port user meeting was held in each port. These meetings were well attended by members of the Board.

During the year matters considered by the Board and its committees included

- The Authority's strategy, business plan, budgets and financing requirements
- Health and Safety both on-shore and marine
- Environmental issues
- Capital works and management Projects
- Annual and interim financial statements
- Estate Management and Development
- Governance
- Data Matching
- Job Evaluation and Pay review

The 2014/15 business plan had 6 key business objectives linked to those of the corporate plan. Overall while some development objectives were not met there was no failure to deliver key objectives. Overall the objectives were substantially achieved. The Board is content that where objectives were not fully met this was due to factors beyond the control of the Authority.

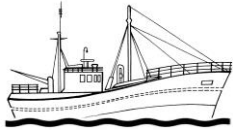
Fishing Harbours are by their nature work environments where the risk of an accident is significant. Tragically this year there was an accident in Portavogie which led to the death of a young fisherman through drowning. The Authority continues to devote considerable effort and resource to provide as far as reasonably possible a safe working environment within its harbour facilities.

This was an exceptionally busy year for capital projects - nine projects with a value in excess of £3m commencing during the year. Four of these projects were completed before the year end while the remaining five are progressing well and were all on schedule at the year end. These projects included substantive repairs and refurbishment in Portavogie and Kilkeel, a new Ice Plant for Kilkeel, Pontoons for Portavogie, a Bait store for Ardglass and CCTV and Wi-Fi for all harbours.

The Board has worked with the management of the Authority to ensure financial and budgetary controls remain robust and it is pleased both that operational revenue was above forecast and that tight control over costs ensured that this benefit was retained.

Last year the board agreed to a significant level of part funding from its reserves of the new Ice Plant in Kilkeel. The Board is pleased that the surplus generated this year will help restore its reserves which are needed both for operational purposes and are required for the self-funded ongoing Minor works programme.

The Board believes that good communication with its sponsoring body DARD is not only a requirement of good governance but essential to its goal of delivering a quality service to its customers. To this end copies of the papers and minutes of all meetings are forwarded to DARD. The Board regularly welcomes representatives of



DARD to attend its board meetings and Internal Audit to attend Risk and Assurance committee meetings. In addition during the year two accountability meetings attended by the CEO were held with DARD. The Board was particularly pleased to have been invited along with the CEO to present to the DARD board.

The Risk and Assurance committee's role is to provide independent assurance to the Board and Chief Executive as Accounting Officer on the effectiveness of NIFHA's risk management and internal control systems. The three meetings held had full attendance by board members. In addition the CEO and a representative from DARD and Internal Audit attended meetings.

The Risk and Assurance committee considered and approved the internal audit review. The risk register was reviewed regularly and was updated during the year. In addition to its ongoing work the committee considered a risk appetite statement and a new hospitality policy.

The Risk and Assurance Committee completed an internal self-assessment during the year. The Committee was content that it was providing the board a satisfactory service and a plan is in the process of preparation to ensure implementation of actions identified in the review.

The Chair of the Risk and Assurance Committee attended a meeting of DARD's Arm's Length Bodies and reported back to the Board and Risk and Assurance committee on any relevant policy issues.

The Finance Committee met four times during the year. The CEO attended all meetings. The committee considered both management accounts and the statutory accounts. It also considered the proposed budget for 2015/16, Estate Management and the Job Evaluation report.

There were no ministerial directions given during the year.

The Board relies on financial and other reports prepared by the Authority's management team. These reports while well-established are regularly reviewed and updated as required. The Board is content through its experience that the quality of these reports remains high. The Board further relies on the work of DARD's internal Auditor and the external auditor provides further assurance as to the quality of these reports.

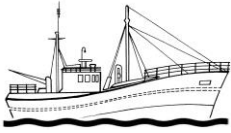
Internal Audit Opinion

An internal audit is performed annually by the internal audit branch of our sponsor the Department of Agriculture and Rural developments. The overall opinion was stated as "Satisfactory". No major areas of concern were identified within the review.

Risk Management

With due consideration to its scale NIFHA has a well embedded and robust risk management framework in place with the direct involvement of the Senior Management Team and oversight from the Board and its committees.

NIFHA's risk register is reviewed at all Board and Risk and Assurance Committee Meetings. The risk register itself is considered to be a live document and is reviewed on a monthly basis by the senior management team.



Information Risk

NIFHA's approach to the management of information security risk is proportionate to the nature of the risks and the limited amount of personal or sensitive information handled by the Authority. As NIFHA's Information Risk Owner I have received assurances from the Accounts Administrator that the information governance policy framework is both adequate and effective.

Conflicts of Interest

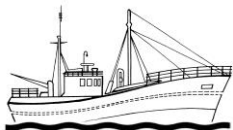
On appointment Board members are required to provide a list of any interests which may give rise to a conflict of interest. At all Board meetings a standing item on declarations of interest is included and brought to the attention of the members by the Chair. This standing item is also included for all committee meetings. There were no conflicts of interests declared during the year.

Conclusion

As Accounting Officer based on the work of our Accounts Administrator, DARD Internal Audit and our External Auditors I consider the overall system of risk management, internal control and governance provides satisfactory assurance to me in relation to the ability of NIFHA to effectively discharge its governance responsibilities. I also confirm that this Governance Statement is compliant with the code of good practice.

A handwritten signature in black ink, appearing to read 'K. Quigley', with a stylized flourish at the end.

K QUIGLEY
CHIEF EXECUTIVE



REMUNERATION REPORT

The pay award for staff in the Northern Ireland Fishery Harbour Authority is guided by the NICS Pay Remit Process and is based on performance. Although the Authority is a public body, salaries and wages are not based on any public sector scale comparator e.g. the NICS or Local Government pay scales. During the year a new Job Evaluation and Pay Review Report was prepared by an independent expert. While it recommended increases for some staff the Board decided that due to the poor financial environment in which the NIFHA is operating that it would not take the review any further forward at this time.

Service Contracts

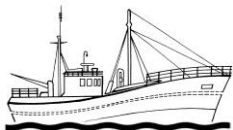
The Authority does not have any service contracts with members of its staff and staff appointments are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Authority's policy on its discretionary powers under the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations (Northern Ireland) 2007.

Salary and Pension Entitlements

The following sections provide details of the remuneration and pension interests of the Board Members and the Chief Executive of the Authority.

Remuneration (Audited)

	2014-15			2013-14		
	Number of people	Salary	Benefits in Kind £ (to nearest £1,000)	Number of people	Salary	Benefits in Kind £ (to nearest £1,000)
Chairman	1	£5,000 - £9,999	-	1	£5,000 - £9,999	-
Board Member	6	Nil - £4,999	-	6	Nil - £4,999	-
Chief Executive	1	£50,000-£55,000	£1,000	1	£50,000-£55,000	£1,000
Median Staff Salary		£18,279			£18,098	
Ratio of Highest-Paid Director Salary to Median Salary		2.9			2.9	



Salary

'Salary' includes gross salary, overtime and any other allowance to the extent that it is subject to UK taxation and any gratia payments.

Bonuses

No bonuses were paid in the year.

Benefits in Kind

The monetary value of benefits in kind covers any benefits provided by the Authority and treated by HMRC as a taxable emolument. The benefit in kind for the Chief Executive is a premium on a health insurance policy.

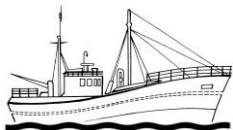
Pension Benefits (Audited)

Board Members have no pension entitlement from the Authority. The Chief Executive is a contributory member of the NILGOSC pension scheme. The NILGOSC scheme is a statutory scheme which provides benefits on a final salary basis at a normal retirement age of 65. Benefits accrue at the rate of 1/60 of pensionable salary for each year of service.

Name and Title	Total Accrued Pension as at 31/03/15 and related Lump Sum £'000	Real increase in Pension & related Lump Sum £'000	CETV at 31/03/15 £'000	CETV at 31/03/14 £'000	Real increase in CETV £'000
K J Quigley (CEO)	5 - 10	0 - 2.5	94	80	13

The Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. It is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

Real increase in CETV reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTHERN IRELAND FISHERY HARBOUR AUTHORITY

We have audited the financial statements of the Northern Ireland Fishery Harbour Authority for the year ended 31 March 2015 under the Northern Ireland Harbour Authority (Accounts) Regulation (Northern Ireland) 1998. These comprise the net expenditure account, the statement of financial position, the statement of cash flows, the statement of changes in taxpayers' equity and the related notes. These financial statements have been prepared under the accounting policies set out within them. We have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Members' and Chief Executive and auditor

As explained more fully in the Statement of Members' and Chief Executive's Responsibilities, the Members and Chief Executive are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require we comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Northern Ireland Fishery Harbour Authority's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Northern Ireland Fishery Harbour Authority; and the overall presentation of the financial statements.

In addition, we are required to obtain evidence sufficient to give reasonable assurance that the expenditure and income reported in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions conform to the authorities which govern them.

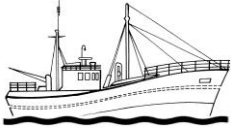
Opinion on Regularity

In our opinion, in all material respects the expenditure and income have been applied to the purposes intended by the Assembly and the financial transactions conform to the authorities which govern them.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view, of the state of the Northern Ireland Fishery Harbour Authority as at 31 March 2015 and of its net expenditure, changes in taxpayers' equity and cash flows for the year then ended; and
- the financial statements have been properly prepared in accordance with Northern Ireland Harbour Authority (Accounts) Regulation (Northern Ireland) 1998 and the Accounts Direction made by the Department of Agriculture and Rural Development with the approval of the Department of Finance and Personnel.



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTHERN IRELAND FISHERY HARBOUR AUTHORITY (continued)

Opinion on other matters

In our opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Northern Ireland Fishery Harbour Authority (Accounts) Regulation (Northern Ireland) 1998; and
- the information given in the Report of the Authority and the Foreword to the Accounts for the financial year which the financial statements are prepared is consistent with the financial statements.

Matters on which we report by exception

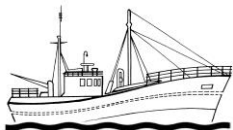
We have nothing to report in respect of the following matters which we will report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records; or
- We have not received all of the information and explanations we require for our audit; or
- the Governance Statement does not reflect compliance with Department of Finance and Personnel's guidance.

RSM McClure Watters

Chartered Accountants and Registered Auditors
1 Lanyon Quay
Belfast
BT1 3LG

4 November 2015

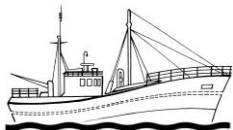


Net expenditure account for the year ended 31 March 2015

	Notes	2015 £	2014 £
Income - continuing operations			
Income from activities	4	2,183,103	2,362,612
Expenditure			
Staff and related costs	6	642,569	652,895
Depreciation	11	1,563,974	1,383,241
Other operating charges	5	592,368	630,815
		2,798,911	2,666,951
Operating deficit		(615,808)	(304,339)
Finance income	7	643	1,414
Other finance income/(costs)	8	(18,000)	(28,000)
Finance and other income - net		(17,357)	(26,586)
Surplus/(Deficit) before income tax		(633,165)	(330,925)
Income tax credit/(charge)	10	157,169	77,786
Surplus/(Deficit) for the year		(475,996)	(253,139)

All amounts above relate to continuing operations of the Northern Ireland Fishery Harbour Authority.

The notes on pages on pages 25 to 43 are an integral part of these financial statements.



Statement of financial position as at 31 March 2015

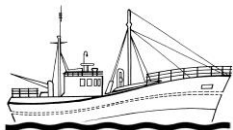
	Notes	2015 £	2014 £
Assets			
Non-current assets			
Property, plant and equipment	11	28,688,874	26,173,798
Deferred income tax assets	17	268,704	247,504
		28,957,578	26,421,302
Current assets			
Trade and other receivables	12	1,230,723	333,327
Cash and cash equivalents	13	187,376	557,281
		1,418,099	890,608
Total assets		30,375,677	27,311,910
Current liabilities			
Trade and other payables	14	743,111	303,507
Government grants	16	840,092	719,234
		1,583,203	1,022,741
Non-current assets plus net current assets		28,792,474	26,289,169
Non-current liabilities			
Deferred income tax liabilities	17	2,607,530	2,337,828
Government grants	16	14,719,546	13,653,731
Pension liabilities	15	584,000	478,000
		17,911,076	16,469,559
Assets less liabilities		10,881,398	9,819,610
Reserves			
Income and expenditure account		646,734	744,548
Revaluation reserve		9,793,673	8,634,071
Capital reserve		440,991	440,991
Total taxpayers' equity		10,881,398	9,819,610

The notes on pages on pages 25 to 43 are an integral part of these financial statements.

The financial statements on pages 21 to 24 were authorised for issue by the Board Members of the Authority on 04 November 2015 and were signed on its behalf by:

T JARVIS
Chairman

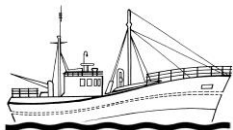
K QUIGLEY
Chief Executive/Secretary



Statement of cash flows for the year ended 31 March 2015

	Notes	2015 £	2014 £
Cash flows from operating activities			
Operating deficit before income tax and finance costs		(615,808)	(304,339)
Adjustments for:			
Depreciation of property, plant and equipment		1,563,974	1,383,241
Movement in trade and other receivables		(897,396)	265,193
Movement in trade and other payables		431,302	16,263
Notional charges		6,071	6,997
Difference between pension charge and cash contributions		26,000	37,000
Release of deferred capital grant		(799,724)	(1,075,859)
Net cash (used in)/generated from operating activities		(285,581)	328,496
Cash flows from investing activities			
Interest received		643	1,414
Purchases of property plant and equipment		(2,071,364)	(351,286)
Net cash used in investing activities		(2,070,721)	(349,872)
Cash flows from financing activities			
Capital Grants received from Department of Agriculture & Rural Development		1,986,397	64,325
Net cash generated from financing activities		1,986,397	64,325
Movement in cash and cash equivalents		(369,905)	42,949
Cash and cash equivalents at the beginning of the year		557,281	514,332
Cash and cash equivalents at the end of the year	13	187,376	557,281

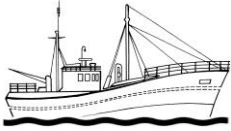
The notes on pages on pages 25 to 43 are an integral part of these financial statements.



Statement of changes in taxpayers' equity for the year ended 31 March 2015

	Capital Reserves £	Revenue Reserves £	Revaluation Reserve £
Balance at 1 April 2013	440,991	618,685	6,682,744
Deficit for the year		(253,139)	
Revaluation as at 1 April 2013	-	-	1,991,355
Actuarial gain on retirement benefit obligations	-	271,000	-
Deferred tax on actuarial gain on retirement benefit obligations	-	(54,200)	-
Back log depreciation	-	-	-
Other notional charges	-	6,997	-
Transfer from net expenditure account to unrealised revaluation reserve	-	194,006	(194,006)
Deferred taxation on transfer from unrealised revaluation reserves to net expenditure account	-	(38,801)	38,801
Indexation uplift on property, plant and equipment	-	-	641,810
Deferred tax on indexation uplift on revaluation of property, plant and equipment	-	-	(526,633)
At 31 March 2014	440,991	744,548	8,634,071
Deficit for the year		(475,996)	
Actuarial loss on retirement benefit obligations	-	(62,000)	-
Deferred tax credit on actuarial loss on retirement benefit obligations	-	12,400	-
Back log depreciation	-	-	(124,179)
Other notional charges	-	6,071	-
Transfer from net expenditure account to unrealised revaluation reserve	-	527,139	(527,139)
Deferred taxation on transfer from unrealised revaluation reserves to net expenditure account	-	(105,428)	105,428
Indexation uplift on property, plant and equipment	-	-	2,131,865
Deferred tax on indexation uplift on revaluation of property, plant and equipment	-	-	(426,373)
At 31 March 2015	440,991	646,734	9,793,673

The notes on pages on pages 25 to 43 are an integral part of these financial statements.



Notes to the financial statements for the year ended 31 March 2015

1 Accounting policies, financial risk management & critical accounting estimates/judgements

General information

The Authority's principal activity during the year was the improvement, management and maintenance of the three fishery harbours and harbour estates of Ardglass, Kilkeel and Portavogie. The Authority is registered and domiciled in Northern Ireland.

The financial statements are presented in Sterling. All of the Authority's assets and liabilities are denominated in Sterling.

Statement of accounting policies

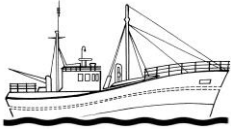
These financial statements have been prepared in accordance with the 2014/15 Government Financial Reporting Manual (FRoM) issued by DFP Northern Ireland. The accounting policies contained in the FRoM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FRoM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Authority for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Authority for its principal activity is described below. They have been applied consistently in dealing with items that are considered material to the accounts. These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment.

Income

Income comprises the fair value of the consideration received or receivable in respect of berthing, landing and buyer dues, revenue from services and rental income. Income also includes release from deferred government capital grants received from DARD. Income is shown net of value-added tax. Income is recognised over the period for which services are provided, using a straight line basis over the term of the service provided. The Authority recognises income when the amount of income can be reliably measured and it is probable that future economic benefits will flow to the Authority.

Property, plant and equipment

Freehold property is shown at fair value, based on periodic, but at least every 5 years, valuations by Land and Property Services, less subsequent depreciation for buildings. In intervening years these valuations are subject to annual indexation using relative price indices. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment, with the exception of freehold property, is stated at cost less depreciation and accumulated impairment losses. The initial cost of an asset comprises cost plus any costs directly attributable to bringing the asset into operation and an estimate of any decommissioning costs.



Notes to the financial statements for the year ended 31 March 2015

1 Accounting policies, financial risk management & critical accounting estimates/judgements (continued)

Property, plant and equipment (continued)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred. The charge for depreciation is calculated so as to write off the depreciable amount of assets over their estimated useful economic lives on a straight line basis. The rates of each major class of depreciable asset are as follows:

Freehold property	-	Nil%
Harbour property and equipment	-	2 - 25%
General equipment	-	4 - 33 ¹ / ₃ %

The assets' residual values and useful economic lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. An asset is derecognised upon disposal or when no future economic benefit is expected to arise from the asset.

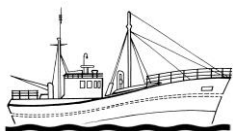
Impairment of non-financial assets

The Authority assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Authority makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses of continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset.

Loans and receivables (financial instruments)

(a) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the entity will not be able to collect all amounts due according to the original terms of the receivables.



Notes to the financial statements for the year ended 31 March 2015

1 Accounting policies, financial risk management & critical accounting estimates/judgements (continued)

(a) Trade and other receivables (continued)

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default in payments are considered indicators that the trade and other receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within 'operating costs'. When a trade and other receivable is uncollectible, it is written off against the allowance account for trade and other receivables. Subsequent recoveries of amounts previously written off are credited against 'other operating costs' in the income and expenditure account.

(b) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

Other financial liabilities at amortised costs (financial instruments)

Trade and other payables

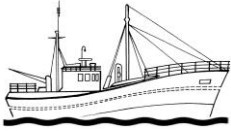
Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Income tax and deferred income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the statement of financial position date.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the net expenditure account. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither an accounting nor a taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.



Notes to the financial statements for the year ended 31 March 2015

1 Accounting policies, financial risk management & critical accounting estimates/judgements (continued)

Income tax and deferred income tax (continued)

Income tax is charged or credited directly to equity if it relates to items that are credited or charged to equity. Otherwise income tax is recognised in the net expenditure account.

Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Authority will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the net expenditure account over the period necessary to match them with the costs they are intended to compensate.

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the net expenditure account on a straight line basis over the expected useful economic lives of the related assets.

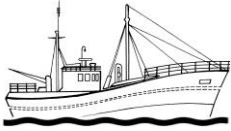
Operating lease commitments

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the net expenditure account on a straight-line basis over the period of the lease.

Pension liabilities

The Authority provides a defined benefit pension scheme for employees through NILGOSC. The assets of the scheme are held separately from those of the Authority. The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised past-service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to reserves in the statement of changes in taxpayers' equity in the period in which they arise.



Notes to the financial statements for the year ended 31 March 2015

1 Accounting policies, financial risk management & critical accounting estimates/judgements (continued)

Pension liabilities (continued)

Past-service costs are recognised immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

A revised version of IAS 19 came into effect for accounting periods commencing on or after 1 January 2013. Disclosures within note 15 have been calculated under the revised IAS19.

Financial risk factors

(a) *Market risk*

The Authority has no interest rate risk as it has no borrowings and it has a minimal exchange rate risk as almost all of its transactions are denominated in Sterling.

(b) *Credit risk*

The Authority's main exposure to credit risk is the non-payment of landing dues and other service charges by port users. Where the Authority's trade and other receivables are deemed to be impaired or past due, management has made a reasonable provision for non-performance by its customers.

(c) *Liquidity risk*

The Authority is financed primarily by levy and commercial income. The extent to which levies may be raised and retained for use in operations is set out in statute. The Authority is not exposed to significant liquidity risks.

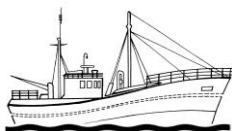
Capital risk management

The Authority has no obligation to increase reserves as it is a public sector organisation.

Critical accounting estimates and judgements

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.

The Authority makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year are discussed below:



Notes to the financial statements for the year ended 31 March 2015

1 Accounting policies, financial risk management & critical accounting estimates/judgements (continued)

Estimate of useful economic life of assets

The entity assesses the useful economic life of fixed assets on an annual basis. If the useful economic life had been increased by one year, depreciation would have decreased by £104k and if the useful economic life had been decreased by one year depreciation would have increased by £138k.

2. Method of financing capital works

Capital works have been financed by grants mainly from the Department of Agriculture and Rural Development at varying rates with the balance funded internally.

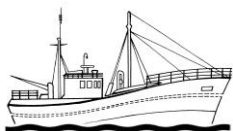
3. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive with the Members of the Board making strategic decisions.

The Authority's sole activity is the improvement, management and maintenance of fishery and harbours and harbour estates. As such, in the opinion of the Members, the Authority has only one operating segment, and all income, expenditure, assets and liabilities relate to the Authority's sole activity.

4 Income

	2015	2014
	£	£
Berthing dues	76,350	72,557
Landing and market dues	647,727	585,170
Revenue from services:		
Ice Sales	215,889	216,684
Slipways	155,647	145,747
Sundry, telephone and power	45,204	58,442
Water	15,498	14,416
Rental income	123,071	115,883
Hire of Kilmourne Dredger	24,500	-
Release of deferred Government Grant	799,724	1,075,859
Building Sustainable Prosperity/European Fisheries Fund – note 6(a)	79,493	77,854
	2,183,103	2,362,612



Notes to the financial statements for the year ended 31 March 2015

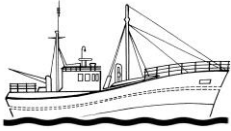
5 Other operating charges

	2015	2014
	£	£
Repairs and general upkeep	185,432	219,384
Training	7,364	11,376
Insurance	107,447	94,224
Rent and rates	20,422	20,242
Electricity and water	178,901	147,119
Lease payments for equipment	10,271	10,271
Audit and accountancy	7,250	10,000
Telephone, printing stationery and postage	10,592	9,819
Travelling and subsistence	11,828	12,851
Sundries	10,436	12,117
Legal and professional fees	21,095	49,935
Health and safety	4,873	7,510
Advertising	358	1,169
Bad debt	10,028	17,801
Internal Audit fee (Notional cost)	6,071	6,997
	592,368	630,815

6 Employee benefit expense

	2015	2014
	£	£
Wages and salaries	498,513	496,394
Social security costs	30,076	30,801
Pension costs	87,980	88,700
	616,569	615,895
IAS 19 – Actuarial Valuation		
Current service cost	115,000	125,000
Past service cost/(gain)		-
Contributions by the employer	(89,000)	(88,000)
	642,569	652,895

Note (a) – A related revenue grant of £79,493 (2014: £77,854) has been agreed and accrued in note 4.



Notes to the financial statements for the year ended 31 March 2015

6 Employee benefit expense (continued)

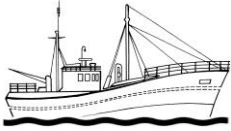
	Number	Number
The average number of persons employed by the Authority during the year was:		
Operation and Maintenance	13	13
Administration	8	8
	21	21

All staff employed by the Authority in 2014 and 2015 had permanent contracts of employment. Two additional temporary staff members were employed in the year to cover maternity leave/staff holidays.

	2015	2014
	£	£
Analysis of Remuneration was as follows:		
Chief Executive's total remuneration	52,614	52,392
Members' salaries	28,990	28,990
Operating and Maintenance	281,757	278,386
Administration	135,152	136,626
	498,513	496,394

	Number	Number
Chief Executive to whom retirement benefit is accruing under defined benefit scheme	1	1

	2015	2014
	Number	Number
Number of board members whose emoluments fell within the following bands:		
Nil - £4,999	6	6
£5,000 - £9,999	1	1
	7	7



Notes to the financial statements for the year ended 31 March 2015

7 Finance income

	2015	2014
	£	£
Interest income:		
Short-term bank deposits	643	1,414
Interest expense:		
Bank borrowings	-	-
Finance costs - net	643	1,414

8 Other finance cost

	2015	2014
	£	£
Interest on pension scheme liabilities	18,000	28,000

9 Performance against key financial targets

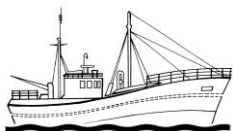
The following key financial target was agreed with the Department of Agriculture and Rural Development for 2014/2015:

- To achieve an operating surplus of £45,958 after revenue grant but before capital charges, interest, IAS 19, tax and notional adjustments.

The Authority actually recorded a surplus of £180,513 on this basis (2013/14 surplus was £55,110).

10 Income tax

	2015	2014
	£	£
Current income tax:		
Current income tax charge at 20% (2014:20%)	8,302	-
Total current income tax	8,302	-
Deferred income tax:		
Origination and reversal of temporary differences	(165,471)	(77,786)
Total deferred income tax	(165,471)	(77,786)
Income tax credit	(157,169)	(77,786)



Notes to the financial statements for the year ended 31 March 2015

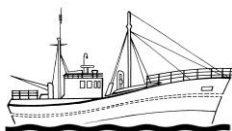
10 Income tax (continued)

Factors affecting the corporation tax charge for the year:

	2015	2014
	£	£
Deficit before income tax	(633,165)	(330,925)
Tax calculated at the UK standard rate of corporation tax for small companies of 20% (2014: 20%)	(126,633)	(66,185)
Effects of:		
Expenses not deductible for tax purposes/(income not taxable)	(158,825)	(213,772)
Timing differences	293,760	221,744
Tax losses carried forward	-	58,213
Utilised tax losses	-	-
Total current income tax	8,302	-

11 Property, plant and equipment

	Harbour Property and Equipment			General	Total
	Kilkeel	Ardglass	Portavogie	Equipment	
	£	£	£	£	£
Cost or valuation					
At 31 March 2014	18,184,442	4,141,397	5,197,574	33,626	27,557,039
Additions	588,714	33,362	1,448,237	1,051	2,071,364
Indexation	1,432,879	320,420	378,566	-	2,131,865
At 31 March 2015	20,206,035	4,495,179	7,024,377	34,677	31,760,268
Depreciation					
At 31 March 2014	787,651	222,511	364,588	8,491	1,383,241
Provided during the year	876,520	242,711	436,553	8,190	1,563,974
Back log depreciation	57,683	19,330	47,166	-	124,179
At 31 March 2014	1,721,854	484,552	848,307	16,681	3,071,394
Net book amount					
At 31 March 2015	18,484,181	4,010,627	6,176,070	17,996	28,688,874
At 31 March 2014	17,396,791	3,918,886	4,832,986	25,135	26,173,798



Notes to the financial statements for the year ended 31 March 2015

11 Property, plant and equipment (continued)

Depreciation expense of £1,563,974 (2014: £1,383,241) has been fully charged to expenditure.

Indexation has been charged at a rate of +8.40% according to the BCIS index. The Accounting Officer is not aware of any material change in the value of fixed assets other than that which has been fully reflected above and therefore the valuation has not been updated.

If land and buildings were stated on the historical cost basis, the amounts would be as follows

	2015	2014
	£	£
Cost	38,100,416	36,029,052
Accumulated depreciation	(26,485,322)	(25,447,724)
Net book amount	11,615,094	10,581,328

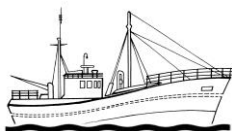
12 Trade and other receivables

	2015	2014
	£	£
Trade receivables	136,771	119,787
Grant receivables	769,922	97,823
Other receivables – VAT	300,115	47,424
Prepayments and accrued income	23,915	68,293
	1,230,723	333,327

None of the Authority's trade and other receivables are impaired or past due. The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The fair value of the Authority's trade and other receivables is not materially different to their carrying values.

13 Cash and cash equivalents

	2015	2014
	£	£
Cash at bank and on hand	187,376	557,281



Notes to the financial statements for the year ended 31 March 2015

14 Trade and other payables

	2015	2014
	£	£
Trade payables	605,292	157,803
Other tax and social security	11,034	10,665
Other payables	47,766	47,740
Corporation tax	8,302	-
Accruals and Deferred Income	70,717	87,299
	743,111	303,507

15 Pension liabilities

The Authority operates a funded scheme of the defined benefit type with assets held in separate trustee administered funds.

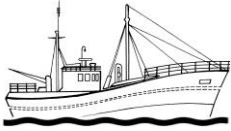
An actuarial valuation of the scheme using the projected unit basis was carried out at 31 March 2013. The valuation was carried out by Scott Campbell FIA of Aon Hewitt Limited.

The financial assumptions used by the actuary were:

	2015	2014
Rate of increase in salaries	3.3%	3.9%
Rate of increase in pensions in payment	1.8%	2.4%
Discount rate	3.2%	4.3%
Inflation assumption (RPI)	2.9%	3.4%
Inflation assumption (CPI)	1.8%	2.4%

The mortality assumptions used were as follows:

	2015	2014
Longevity at age 65 for current pensioners (in years):		
- Men	22.2	22.1
- Women	24.7	24.6
Longevity at age 65 for future pensioners (in years)		
- Men	24.4	24.3
- Women	27.0	26.9



Notes to the financial statements for the year ended 31 March 2015

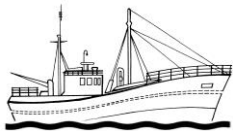
15 Pension liabilities (continued)

The assets in the scheme and the expected rate of return were:

	Value at 2015 £	Value at 2014 £
Equities	2,458,000	2,202,000
Bonds	424,000	356,000
Property	411,000	333,000
Cash	67,000	77,000
Other	7,000	-
Total market value of assets	3,367,000	2,968,000
Present value of scheme obligations	(3,945,000)	(3,440,000)
Present value of unfunded obligations	(6,000)	(6,000)
Deficit in scheme	(584,000)	(478,000)

Reconciliation of present value of scheme liabilities

	2015 £	2014 £
At 1 April 2014	3,446,000	3,388,000
Current service cost	115,000	125,000
Past service (gain)/cost	-	-
Interest cost	146,000	150,000
Contributions by members	28,000	28,000
Benefits paid	(107,000)	(104,000)
Actuarial (gains)/losses	323,000	(141,000)
At 31 March 2015	3,951,000	3,446,000



Notes to the financial statements for the year ended 31 March 2015

15 Pension liabilities (continued)

Reconciliation of fair value of scheme assets

	2015	2014
	£	£
At 1 April 2014	2,968,000	2,704,000
Interest income on assets	128,000	122,000
Actuarial gains/(losses)	261,000	130,000
Benefits paid	(107,000)	(104,000)
Contributions paid by members	28,000	28,000
Contributions paid by the employer	89,000	88,000
At 31 March 2015	3,367,000	2,968,000

Analysis of the amount charged to net expenditure account are as follows:

	2015	2014
	£	£
Current service cost (excluding administration expense)	114,000	124,000
Administration expense	1,000	1,000
Past service (gain)/cost	-	-
Interest on pension scheme liabilities	18,000	28,000
Total operating charge	133,000	153,000

The total current service cost of £115,000 (2014: £125,000) is included within staff costs. The total contributions expected to be made to the scheme by the Northern Ireland Fishery Harbour Authority in the year to 31 March 2016 are £92,000.

Actuarial gains and losses

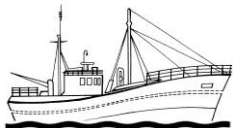
The cumulative amount of actuarial losses recognised in the statement of changes in taxpayers' equity is (£358,000).

Sensitivity analysis

IAS19R requires the disclosure of the sensitivity of the results to the methods and assumptions used.

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below.

On materiality grounds the sensitivity of unfunded benefits has not been included.



Notes to the financial statements for the year ended 31 March 2015

15 Pension liabilities (continued)

Changes in assumptions at year ended 31 March 2015	Approximate % increase to employer liability	Approximate monetary amount (£'000)
0.1% decrease in Real Discount Rate	1.7%	67
1 year decrease in member life expectancy	2.7%	106
0.1% increase in the Salary Increase Rate	0.6%	23
0.1% increase in the Pension Increase Rate	1.3%	5

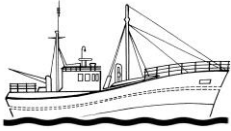
Amounts for current and previous four years:

	2015	2014	2013 (restated)	2012	2011
	£	£	£	£	£
Fair value of scheme assets	3,367,000	2,968,000	2,704,000	2,280,000	2,237,000
Present value of defined benefit obligation	(3,951,000)	(3,446,000)	(3,388,000)	(2,897,000)	(2,655,000)
Deficit	(584,000)	(478,000)	(684,000)	(617,000)	(418,000)
Experience gains/(losses)	261,000	130,000	287,000	(138,000)	107,000
Experience gains/ (losses) on liabilities	(323,000)	141,000	(307,000)	(51,000)	(595,000)

16 Government grants

	£
At 1 April 2013	15,384,499
Grant received and receivable	64,325
Amortised during the year	(1,075,859)
At 31 March 2014	14,372,965
Grant received and receivable	1,986,397
Amortised during the year	(799,724)
At 31 March 2015	15,559,638

The grants were provided to the Authority for the purpose of its expenditure on its property, plant and equipment. The current portion of the government grants is £840,092 (2014: £719,234) and the non-current portion is £14,719,546 (2014: £13,653,731).



Notes to the financial statements for the year ended 31 March 2015

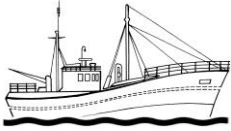
17 Deferred income tax

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

	2015	2014
	£	£
Deferred income tax assets to be recovered after more than 12 months	(116,800)	(95,600)
Deferred income tax assets to be recovered within 12 months	(151,904)	(151,904)
	(268,704)	(247,504)
Deferred income tax liabilities to be recovered after more than 12 months	2,455,626	2,185,924
Deferred income tax liabilities to be recovered within 12 months	151,904	151,904
	2,607,530	2,337,828
Deferred income tax liabilities - net	2,338,826	2,090,324

The gross movement on the deferred income tax account is as follows:

	£
At 1 April 2013	1,587,277
Credited to the net expenditure account	(77,786)
Charged directly to the statement of changes in taxpayers' equity	580,833
At 31 March 2014	2,090,324
Credited to the net expenditure account	(165,471)
Charged directly to the statement of changes in taxpayers' equity	413,973
At 31 March 2015	2,338,826



Notes to the financial statements for the year ended 31 March 2015

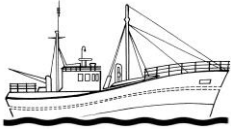
17 Deferred income tax (continued)

The movement in deferred tax assets and liabilities during the year is as follows:

	Valuation of property, plant & equipment	Tax losses	Pension provision	Total (restated)
	£	£	£	£
At 1 April 2013	1,817,768	(93,691)	(136,800)	1,587,277
Credited/(charged) to the net expenditure account	(6,573)	(58,213)	(13,000)	(77,786)
Credited/(charged) directly to the statement of changes in taxpayers' equity	526,633	-	54,200	580,833
At 31 March 2014	2,337,828	(151,904)	(95,600)	2,090,324
Credited/(charged) to the net expenditure account	(156,671)	-	(8,800)	(165,471)
Credited/(charged) directly to the statement of changes in taxpayers' equity	426,373	-	(12,400)	413,973
At 31 March 2015	2,607,530	(151,904)	(116,800)	2,338,826

18 Borrowing powers

The Department of Agriculture and Rural Development has confirmed that under Article 26(2) of the Northern Ireland Fishery Harbour Authority Order (Northern Ireland) 1973, the Authority's conditional borrowing limit to 31 December 2016 is £1,000,000.



Notes to the financial statements for the year ended 31 March 2015

19 Operating lease commitments

The Authority leases various tangible assets under non-cancellable operating lease arrangements.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	Land and buildings		Plant and equipment	
	2015	2014	2015	2014
	£	£	£	£
No later than one year	7,750	7,750	7,071	10,191
Later than one year and no later than five years	27,125	31,000	2,261	9,332
Later than five years	-	3,875	-	-
	34,875	42,625	9,332	19,523

20 Contingent liabilities

The Northern Ireland Fishery Harbour Authority has a contingent liability to repay grants received, if certain conditions are not fulfilled.

21 Related party transactions

Northern Ireland Fishery Harbour Authority is a Non-Departmental Public Body sponsored by the Department of Agriculture and Rural Development for Northern Ireland.

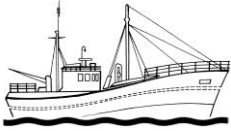
The Department of Agriculture and Rural Development for Northern Ireland is regarded as a related party. During the year, the Authority had various material transactions with the Department.

Apart from this no other members, the Chief Executive, key management staff or other related parties have undertaken any material transactions with the Authority during the year.

As at 31 March the entity had the following balances with the Department of Rural Development for Northern Ireland: -

The Authority's related party transactions during the year with the Department of Rural Development for Northern Ireland were as follows:

	2015	2014
	£	£
Grants received and receivable	2,065,890	142,179
Rents received and receivable	12,955	12,955
	2,078,845	155,134



Notes to the financial statements for the year ended 31 March 2015

21 Related party transactions (continued)

At 31 March the entity had the following trade and other receivables balances with government entities, all falling due within one year.

	2015	2014
	£	£
Grants receivable from related parties	769,941	97,823

22 Financial instruments

The entity's financial instruments are classified as follows:

Assets and liabilities	Category of financial instrument
Trade and other receivables	Loans and other receivables
Cash and cash equivalents	Loans and other receivables
Borrowings	Other financial liabilities at amortised cost
Trade and other payables	Other financial liabilities at amortised cost

23 Ultimate controlling party

The Northern Ireland Fishery Harbour Authority has no ultimate controlling party.