



THE LONDONDERRY PORT &  
HARBOUR COMMISSIONERS

ANNUAL REPORT &  
FINANCIAL STATEMENTS FOR  
THE YEAR ENDED 31 MARCH

2015









# WELCOME TO THE ANNUAL REPORT OF THE LONDONDERRY PORT & HARBOUR COMMISSIONERS

Londonderry Port & Harbour Commissioners was first established by Act of Parliament in 1854. As an Independent Statutory Authority the Port has a duty to develop, maintain and operate to the highest standards of efficiency, financial prudence, environmental awareness, safety and security. The Port is independent of Government and is self-financing. All financial surpluses are reinvested in the business for the benefit of future generations of stakeholders. Londonderry Port & Harbour Commissioners operate under the Foyle brand.



## Members of the Board

Ms B Anley	Chair
Mr B McGrath	Chief Executive
Dr D O'Reilly	(reappointed 01/04/2015)
Mr P Sheridan	(reappointed 01/04/2015)
Mr B Dougherty MBE	(appointed 01/04/2015)
Mrs H McCartan	(appointed 01/04/2015)
Mr G Diver	(appointed 01/08/2015)
Mr D Hussey	(appointed 01/08/2015)
Mr M Devenney	(retired 31/03/2015 and re-appointed 01/08/2015)
Mr R Devine	(retired 31/01/2015)
Mr J McKeever	(retired 31/01/2015)
Mrs E McCallion	(retired 31/03/2015)
Mr J Miller	(retired 31/03/2015)

## Principal Officer

Mrs A Thompson, Financial Controller

## Auditors

Moore Stephens (NI) LLP  
Chartered Accountants & Statutory Auditors  
21/23 Clarendon Street  
Londonderry  
BT48 7EP

## Bankers

Ulster Bank  
Da Vinci's Complex  
Culmore Road  
Londonderry  
BT48 8JB

## Solicitors

Tughans  
Marlborough House  
30 Victoria Street  
Belfast  
BT1 3GG





# CONTENTS

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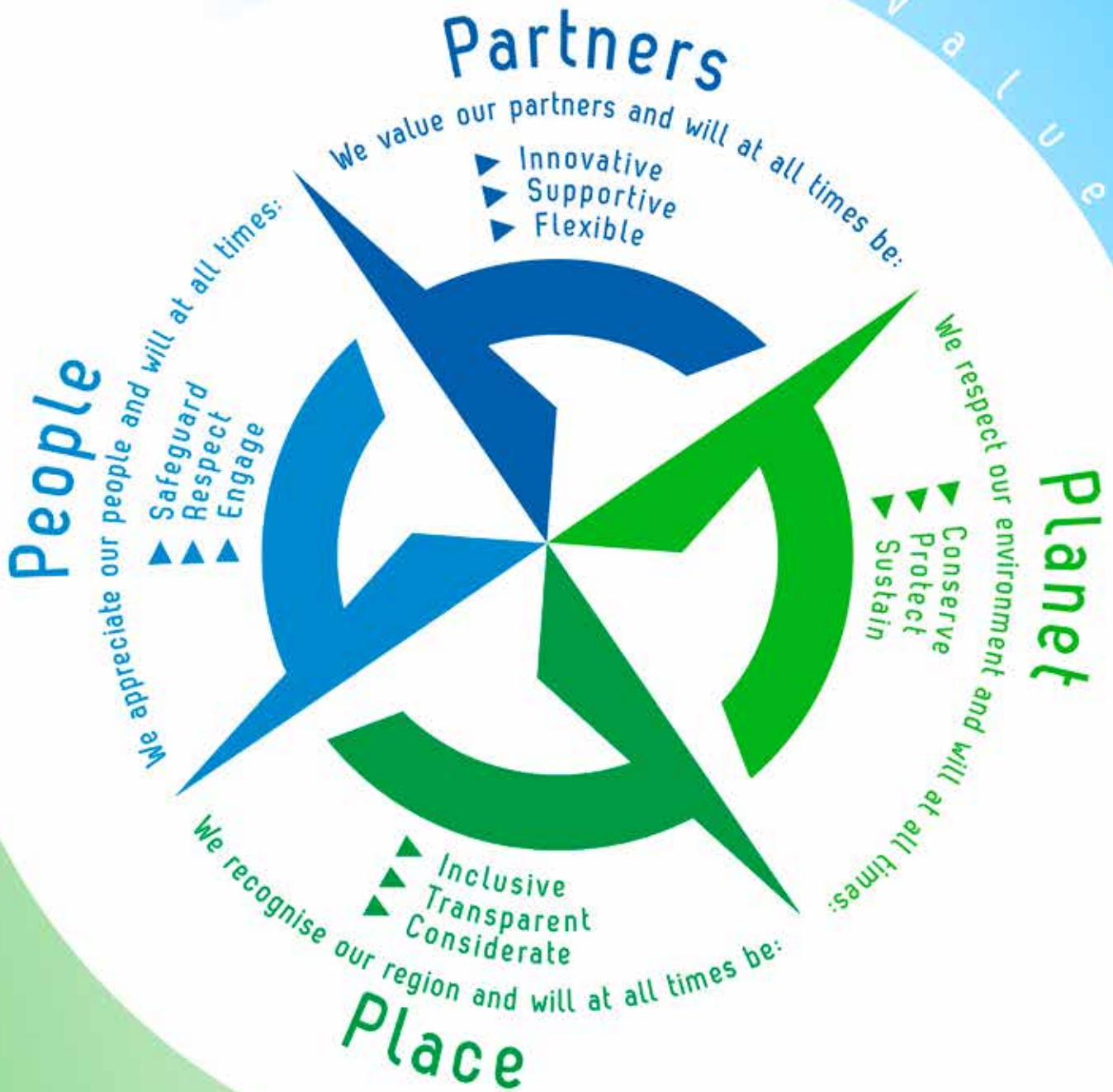
Duty, Vision & Values	6
Chair's Statement	7
The Board	10
The Executive Team	12
Chief Executive's Report	13
Statement of Commissioners' Responsibilities	15
Independent Auditor's Report	16
Profit and Loss Account	18
Balance Sheet	20
Cash Flow Statement	21
Notes to the Cash Flow Statement	22
Notes to the Financial Statements	23



## OUR STATUTORY DUTY

To improve, maintain, regulate and manage the Port to facilitate the development of the harbour undertaking

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## OUR VISION

To grow and constantly improve the business and reinvest our profits for the benefit of future generations of stakeholders

# CHAIR'S STATEMENT

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This Annual Report for the year ended 31st March 2015 marks my first full year as Chair of the Commissioners. It also marks the end of an extremely successful trading year for Foyle Port following on from our record financial performance in 2013/14.

On behalf of the Commissioners I would like to begin my Statement by thanking both the Department for Regional Development for their support throughout the year and the whole hard-working Foyle Port family for their contribution to these positive results. The Executive Team, our Port operations staff, the Port agents and our much valued customers have each played their part in growing and strengthening Foyle Port as a flexible, efficient and diverse facility that plays a vital role as a significant employer and as a unique gateway to the region of the North West.

Foyle Port facilitates the import of essential commodities including coal, oil, animal feed and fertiliser and is estimated to support in the region of 20,000 farms in the rural north west of Ireland. The value of trade handled by the Port is estimated at £1 billion per annum including 39% of Northern Ireland's oil imports and 21% of its coal imports. Foyle Port also supports an estimated 1,000 jobs representing wages of approximately £26million per annum.

Despite the strategic location of the Port and the dependence of the hinterland area on our facility, we are classified by Europe as a 'Comprehensive Port' rather than as a 'Core Port'. This has implications for the Port in relation to the availability of European funding going forward. When coupled to other borrowing limitations (relating to our status as a Public Corporation), our classification status is a further challenge to our strategic aims and investment plans needed to achieve a sustainable future.

## Financial Performance

I am delighted to report that, overarching challenges aside, our turnover increased year on year to just under £7million with a consistently strong operating profit generated in excess of £1.5million. During the year the Port handled bulk trade of approximately 1.8million tonnes with 10% growth generated in our export trade. The Commissioners continued to invest in Port infrastructure to maintain our reliable and diverse service offering with a capital expenditure programme in the region of £2.6million including a modern material handler and extended warehousing. This year has also seen the construction of the Evermore Renewable Energy Biomass Power Station on Port lands with the plant being commissioned during the summer of 2015.





# CHAIR'S STATEMENT

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## Strategic Review

2014/15 has been a transitional year for the Commissioners with the successful delivery of the last strategic plan in March 2014 and the imminent approval of our next strategic framework intended to direct the development of the organisation until 2020. As part of the strategic process we undertook a comprehensive and inclusive review of our Duty, Vision and Values that embraced feedback from Port operatives and key stakeholders. Furthermore, as part of this process, we also clarified our purpose as an Independent Statutory Corporation with a duty to improve, maintain and regulate the harbour undertaking.

## Stakeholder Benefit

2014 was also a significant year for Londonderry Port and Harbour Commissioners in that it was the year we celebrated 160 years since our foundation. The occasion was marked by an anniversary celebration that was attended by family and friends. As a new Chair, I personally very much enjoyed the opportunity to meet with the people who work at Foyle Port and to hear their stories, sometimes stretching across several generations.

Our 160th Anniversary celebration coincided with the Clipper event where the Port plays a key role in marine management and facility provision. Clipper brought an estimated 250,000 visitors to Derry and showcased the River Foyle and the Foyle Port Marina.

During the year Foyle Port has also facilitated a number of school visits and supported several community sporting initiatives. The Port looks forward to extending its reach throughout the locality by connecting with other community groups to assist in education programmes, career development and leisure activities.

## Governance

The usual cycle of Board membership and the transition to the new arrangements for local government has created a significant governance challenge for the workings of the Board this year. I would like to pay tribute to Mr Joe McKeever and Mr Roy Devine who both retired from the Board having served with distinction over two, four year terms as Commissioners. They both made significant contributions to the work of the Board and as the Chairs of the Safety and Environmental Committee and the Risk and Audit Committee respectively.





This year has also seen the resignations of the three political representatives from the Board. Councillor Elisha McCallion, Councillor Joe Miller and Councillor Maurice Devenney resigned due to the transitional arrangements for the new Derry City and Strabane District Council. The Board benefited greatly from their insight and experience and I wish them well in their future careers particularly Councillor McCallion in her role as the first Mayor of Derry City and Strabane District Council.

Finally, a number of new Members have been appointed to the Board. Mrs Hilary McCartan and Mr Brian Dougherty MBE have been appointed as Board Members for their first term while Mr Peter Sheridan and Dr Dolores O'Reilly have been reappointed to the Board for a second term. Two new Councillors have also been appointed as Board Representatives of the new Derry City and Strabane District Council. Mr Gerard Diver and Mr Derek Hussey have been appointed for their first term while Mr Maurice Devenney has been reappointed for a second term. I extend a warm welcome to all our Board Members

and look forward to benefiting from their knowledge and experience over the coming years.

I would also like to extend my personal thanks to all the above named Commissioners for their hard work and commitment to their role with Londonderry Port and Harbour Commissioners.

### Outlook

I am delighted to announce that the Port will shortly be rolling out its new Strategy entitled 'Port+ 2020 Defend & Grow'. The new Strategy anticipates development in key areas such as extending cruise facilities, renewable energy and continued diversification. Port+ 2020, Defend & Grow is mindful of the development challenges facing the North West region and the essential nature of joining together with key regional stakeholders to raise the profile of the North West and improve investment opportunities. We look forward to the challenges that lie ahead and to playing a positive role in the generation of overall growth.

## COMMISSIONERS' ATTENDANCE

### 2014/15 BOARD MEETINGS

NAME	POSSIBLE	ACTUAL
Anley, B	10	10
Devenney, M	10	9
Devine, R	8	7
McCallion, E	10	8
McGrath, B	10	9
McKeever, J	8	8
Miller, J	10	9
O'Reilly, D	10	9
Sheridan, P	10	8

# THE BOARD

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## Ms Bonnie Anley MA MSc - Chairman

Ms Anley was appointed as Chairman of the Board in February 2014 and also Chair of the Port's Pension and Remuneration Committee. Bonnie is a Director of Mourne Country Park Limited and a Director of Friends of the Earth Limited. She is also Trustee of Friends of the Earth Trust.



## Dr Dolores O'Reilly - Commissioner

Dr O'Reilly was appointed as a Harbour Commissioner in February 2011 and was reappointed for a second term in April 2015. Dolores is Professor Emerita of International Business and Strategy at the University of Ulster. She is also an Independent Board Member of the Department of Finance and Personnel (DFP) and is Chair of the Audit and Risk Committees of Northern Ireland Statistics and Research Agency and Land and Property Services. Dolores is also a Member of the Audit and Risk Committee of Enterprise Shared Services and a Director of Northern Ireland Opera and Derry Theatre Trust. Dolores is a Member of the Port's Risk and Audit Committee.



## Mr Peter Sheridan - Commissioner

Mr Sheridan was appointed as a Harbour Commissioner in February 2011 and was reappointed for a second term in April 2015. Peter is Chairman of the Port's Safety and Environmental Committee and is also a Member of the Pension and Remuneration Committee. Peter is the Chief Executive of Co-Operation Ireland and a former Member of the Board of the Equality Commission.



## Mr Brian Dougherty MBE - Commissioner

Mr Dougherty was appointed as a Harbour Commissioner in April 2015 and is a member of the Port's Safety and Environmental Committee. Brian is a Partner in Symes Global and a Partner in Hummingbird (NI) Community Interest Company. He is also a Board Member of Apex Housing Association and a Trustee of the Community Foundation for Northern Ireland. He is currently studying for a PHD at the University of Ulster, Magee.



# THE BOARD

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**Mrs Hilary McCartan - Commissioner**

Mrs McCartan was appointed a Harbour Commissioner in April 2015. She is Chairperson of the Port's Risk and Audit Committee and a Member of the Port's Pension and Remuneration Committee. Hilary is a Fellow of Chartered Accountants Ireland and has held a number of senior management posts in the private sector including the role of Finance Director. Hilary is currently a Board member of the Agri-Food and Biosciences Institute (DARD) and a Non-Executive Director of the Business Services Organisation (DHSSPS).



**Mr Maurice Devenney - Commissioner**

Mr Devenney was appointed as a Harbour Commissioner in December 2011 and was reappointed for a second term in August 2015 as one of the three nominations from Derry City and Strabane District Council. Maurice is a DUP representative for the Rural Wards and served as an MLA in the Northern Ireland Assembly in 2014.



**Mr Gerard Diver - Commissioner**

Mr Diver was appointed as a Harbour Commissioner in August 2015 as one of the three nominations from Derry City and Strabane District Council. Gerard is the SDLP group leader on the Council and the SDLP representative for the Waterside. He is also a Board Member of the City of Derry Airport and ERNACT (European Regional Network for the Application of Communications Technology). Gerard is the UK Chair of the Association for Public Service Excellence and a Board Member of the Derry Theatre Trust.



**Mr Derek R Hussey - Commissioner**

Mr Hussey was one of three nominations from Derry City & Strabane District Council appointed as a Harbour Commissioner in August 2015. Derek is the Ulster Unionist Party Group Leader on the Council and has represented the Derg Electoral Area as a Councillor since 1989. The former Head of Business Studies at Castlederg High School also served as an MLA for West Tyrone in the Northern Ireland Assembly from 1998 to 2007.

# THE EXECUTIVE TEAM

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## **Mr Brian McGrath** - Chief Executive/Commissioner

Brian was appointed as the Chief Executive and Harbour Commissioner in March 2003. A Former Director of Harland and Wolff, Brian has many years' experience in ship design and maritime economics. He is a Chartered Director, a Fellow of the Institute of Directors and a Fellow of the Royal Institution of Chartered Surveyors. Brian also has experience as a Board Member of the Londonderry Chamber of Commerce and a Council Member of the British Ports Association and the Confederation of British Industries Northern Ireland.



## **Captain Bill McCann** – Harbour Master

Bill was appointed as Harbour Master in July 1996. He is a Class 1 Master Mariner and spent 16 years in the Merchant Navy with BP Shipping, Souter Shipping and P&O Irish Sea Ferries. He is a Member of the Nautical Institute and a Member of the Institute of Directors. Bill is also the Chairman and Port Security Officer for the Londonderry Port Security Authority.



## **Mr George Cuthbert** – Port Engineer

George was appointed as Port Engineer in April 2004. Previously a Senior Engineer at Harland and Wolff, George has over 20 years project management experience in the engineering, marine and infrastructure sectors. He is a Chartered Engineer and a Chartered Director, a Member of the Institute of Mechanical Engineers and a Fellow of the Institute of Directors.



## **Mrs Arlene Thompson** – Financial Controller

Arlene was appointed as Financial Controller in May 2013 having worked in the role of Assistant Financial Controller since 2005. She is a Fellow of Chartered Accountants Ireland and holds a Master of Business Administration. Arlene trained and qualified with Moore Stephens Chartered Accountants and gained five years' experience in Public and Private sector audit.





## CHIEF EXECUTIVE'S REPORT

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The year ending 31st March 2015 had many business and stakeholder highlights, starting with our 160th Anniversary celebrations during the Clipper festival, with an estimated 250,000 visitors to the city quays, and finishing with a strong financial and operational performance.

It is fair to say that without the commitment and expertise of the Foyle Port marine team and the Port's infrastructure the "on the water" side of the event could not take place. We wish to thank the Council for their substantial backing of the Clipper event and look forward to the next festival in the summer of 2016.

From a business perspective our customers continue to support the regional economy by utilising the deep water of the Foyle Port gateway which offers an alternative for the North and West of Ireland beyond the Belfast / Dublin corridor. Further growth requires joined up infrastructure and the Commissioners continue to press for investment, local and cross border, in the A5 and A6 road systems together with improved facilities for cruise development.

This year has seen the Port participate in two significant industrial projects for the North West with Dalradian Gold Limited and ERE Developments Limited.

Foyle Port developed a partnership in 2014 with gold development and exploration company Dalradian Gold. Time was a major factor and a dedicated specialised building was required to meet their specific requirements. We delivered a custom-built state of the art bulk storage building in four months from contract signing. The 20,000ft<sup>2</sup> building will allow Dalradian to deliver their project over the next three years and LPHC will have a valuable asset to offer as capacity for future customers' logistical requirements.

The Evermore project is housed on ten acres of Port land on a long term lease arrangement. This dedicated wood fuelled combined heat and power (CHP) plant is now fully commissioned and regular shipments of the biomass fuel have commenced. The plant will generate up to 18 MWe, the equivalent of 10% of all renewable energy in Northern Ireland. The project represented a c£80m investment by Northern Ireland based Evermore Renewable Energy (Evermore). The Commissioners invested a further £1.7m in a state of the art material handler and completed the access road to the plant. The material handler has already made a positive and fuel efficient impact to the port's infrastructure.

## Health and Safety

Londonderry Port and Harbour Commissioners continue to prioritise and maintain the highest standards in health and safety management to ensure the wellbeing of our staff and others who may be affected by our activities.

Throughout the reporting period the integrated safety management system was validated against internationally recognised OHSAS 18001 and ISO 9001 standards resulting in zero non-conformances. The Port continues to invest in employee wellbeing by supporting the ongoing health and wellbeing program by delivering a general health and lifestyle screening program for members of staff.

## Environment

We are committed to the prevention of pollution and are dedicated to creating a cleaner, safer environment for everyone. To ensure we meet these obligations the Port maintains the internationally recognised ISO 14001 standard, which is externally validated on a twice yearly basis. We recorded zero non-conformances for this reporting period.

We are continually striving to reduce our environmental impact and have made considerable improvements lessening the effects of fugitive emissions from the cargo handling process. We have recorded zero pollution incidents for the year 2014-2015 and the number of complaints received continues to be reduced.

## Port Security Authority

The Port Security (Port of Londonderry) Designation Order was ratified on the 11th August 2014 under the Port Security Regulations 2009. The Port Security Committee carried out a training exercise with the committee members and security advisors. The Port Facility Security Plan and associated documentation have been reviewed by the Department for Transport and updated to reflect the changes within the Port security operations.

## Port Marine Safety Code

Londonderry Port and Harbour Commissioners as the Competent Harbour Authority (CHA) and duty holder under the Port Marine Safety Code (PMSC) recognise a responsibility to publicly report on PMSC performance.

The main requirements of the Code are to carry out risk assessments for marine operations, implement a safety management system, employ properly qualified marine personnel and ensure that sufficient powers and resources are provided to manage marine operations safely.

Internal compliance audits are carried out on an annual basis on the Port's Safety Management System to ensure that the standards as detailed in the PMSC and associated guide to good practice are met. External independent audits are carried out every three years and the results of the audits are reported by the designated person to the Safety Committee and the Board of Commissioners. A letter of compliance has been sent to the Maritime and Coastguard Agency in 2014 confirming the Port's continued compliance with the Code.

The Port's duty is to manage, maintain and develop the Harbour undertaking for the benefit of future generations. To ensure that we embed this into our decision making and operations the Commissioners and the Executive team have undertaken a comprehensive review of our risk management system which will inform our corporate risk appetite and strategic direction in the years ahead.

I would like to express my sincere thanks to the Chair and the Commissioners for their support and encouragement and to the Executive team who manage the complexities and pressures of Harbour life on a daily basis with tremendous professionalism. As ever my gratitude goes to the entire workforce who handled over £1 billion of commodities through this gateway this year. A special word of thanks to our customers, both long established and new, who continue to battle in the highly competitive world of business.





## STATEMENT OF COMMISSIONERS' RESPONSIBILITIES

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The Commissioners are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations which require the Commissioners to prepare financial statements for each financial year. The Commissioners must not approve the financial statements unless they are satisfied that they give a true and fair view of the statement of affairs of The Londonderry Port & Harbour Commissioners ('LPHC') and of its profit or loss for that period. In preparing these financial statements the Commissioners are required to:

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

The Commissioners are responsible for keeping adequate accounting records that are sufficient to show and explain LPHCs' transactions and disclose with reasonable accuracy at any time the financial position of LPHC and enable them to ensure that the financial statements comply with the appropriate statutory requirements. They are

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

The financial statements are published on LPHCs' website. The Commissioners are responsible for the maintenance and integrity of the corporate and financial information included on LPHCs' website. The Commissioners' responsibilities also extend to the on-going integrity of the financial statements contained therein.

### Statement of disclosure of information to Auditors

So far as the Commissioners are aware, there is no relevant audit information of which the auditors are unaware. Additionally, the Commissioners have taken all the necessary steps that they ought to have taken as Commissioners in order to make themselves aware of all relevant audit information and to establish that the auditors are aware of that information.

Ms B. Anley  
Chair

24th June 2015

# INDEPENDENT AUDITOR'S REPORT TO THE LONDONDERRY PORT & HARBOUR COMMISSIONERS

We have audited the financial statements of The Londonderry Port & Harbour Commissioners ('LPHC') for the year ended 31 March 2015 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Commissioners, as a body, in accordance with The Londonderry Port & Harbour Acts. Our audit work has been undertaken so that we might state to the Commissioners those matters we are required to state to them in the 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 LPHC and the Commissioners as a body, for our audit work, for this report, or for the opinions we have formed.

## Respective Responsibilities of Commissioners and Auditors

As explained more fully in the Statement of Commissioners' Responsibilities on page 15, the Commissioners 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 and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's (APB'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 LPHCs' circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Commissioners; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Chair's Statement and Chief Executive's Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent misstatements or inconsistencies we consider the implications for our report.

## Opinion on the Financial Statements

In our opinion the financial statements:

- give a true and fair view of the state of LPHCs' affairs as at 31 March 2015 and its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with The Londonderry Port & Harbour Acts.



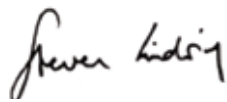
## Opinion on other matters

In our opinion the information in the Chair's Statement and Chief Executive's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

We have nothing to report in respect of the following matters where we are required to report 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 or returns; or
- certain disclosures of Commissioners' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Steven Lindsay FCA  
Senior Statutory Auditor

For and on behalf of  
**Moore Stephens (NI) LLP**  
Chartered Accountants and Statutory Auditors  
21-23 Clarendon Street  
Londonderry BT48 7EP

24th June 2015



# LONDONDERRY PORT & HARBOUR COMMISSIONERS

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2015

		<b>2015</b>	<b>2014</b>
	<b>NOTES</b>	<b>£</b>	<b>£</b>
<b>Turnover</b>	<b>2</b>	6,932,144	6,908,454
Cost of Sales		<u>(3,764,073)</u>	<u>(3,824,809)</u>
<b>Gross Profit</b>		3,168,071	3,083,645
Administrative Expenses		<u>(1,639,850)</u>	<u>(1,550,017)</u>
<b>Operating Profit</b>	<b>5</b>	1,528,221	1,533,628
Profit on Disposal of Fixed Assets		8,909	1,412
Profit on Disposal of 3 1/2% Consolidated Loan Stock		<u>20</u>	<u>15</u>
<b>Profit on ordinary activities before interest</b>		1,537,150	1,535,055
Other Interest Receivable and Similar Income	<b>3</b>	33,784	42,720
Foreign Exchange Loss		(8,201)	(8,087)
Interest Payable and Similar Charges	<b>4</b>	<u>(136,815)</u>	<u>(131,138)</u>
<b>Profit on Ordinary Activities Before Taxation</b>		1,425,918	1,438,550
Tax on Profit on Ordinary Activities	<b>6</b>	<u>(360,849)</u>	<u>(415,646)</u>
Profit for the Year		<u>1,065,069</u>	<u>1,022,904</u>
<b>Retained Profit for the Year</b>	<b>16</b>	<u>1,065,069</u>	<u>1,022,904</u>

All activities derive from continuing operations.

The notes on pages 22 to 32 form part of these financial statements and should be read in accordance therewith.



# LONDONDERRY PORT & HARBOUR COMMISSIONERS

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 MARCH 2015

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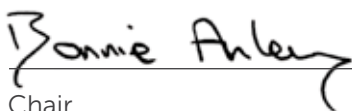
	<b>2015</b>	<b>2014</b>
<b>NOTES</b>	<b>£</b>	<b>£</b>
Profit for the financial year	1,065,069	1,022,904
Prior year adjustment	-	993,080
<b>Total gains and losses recognised since last financial statements</b>	<u>1,065,069</u>	<u>2,015,984</u>

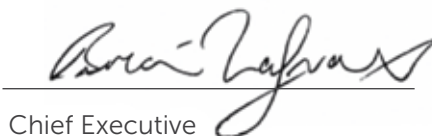
# LONDONDERRY PORT & HARBOUR COMMISSIONERS

## BALANCE SHEET AS AT 31 MARCH 2015

		2015		2014	
	NOTES	£	£	£	£
<b>Fixed Assets</b>					
Tangible Assets	8a		24,202,647		22,627,755
<b>Current Assets</b>					
Stock	9	205,240		244,989	
Debtors	10	2,061,288		1,988,496	
Cash at Bank and on Hand		5,730,910		6,986,807	
		<u>7,997,438</u>		<u>9,220,292</u>	
<b>Creditors</b>					
Amounts falling due within one year	11	<u>(1,944,493)</u>		<u>(2,005,465)</u>	
<b>Net Current Assets</b>			<u>6,052,945</u>		<u>7,214,827</u>
<b>Total Assets Less Current Liabilities</b>			<u>30,255,592</u>		<u>29,842,582</u>
<b>Creditors</b>					
Amounts falling due after more than one year	12		(4,321,130)		(5,064,689)
Provisions for Liabilities and Charges	15		<u>(311,900)</u>		<u>(220,400)</u>
<b>Net Assets</b>			<u><u>25,622,562</u></u>		<u><u>24,557,493</u></u>
<b>Reserves</b>					
Profit and Loss Account	16		<u>25,622,562</u>		<u>24,557,493</u>
<b>Total Reserves</b>	17		<u><u>25,622,562</u></u>		<u><u>24,557,493</u></u>

These financial statements were approved at a meeting of the Commissioners held on 24th June 2015.

  
Chair

  
Chief Executive

The notes on pages 22 to 32 form part of these financial statements and should be read in accordance therewith.



# LONDONDERRY PORT & HARBOUR COMMISSIONERS

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2015

	2015		2014	
	£	£	£	£
<b>Net Cash Inflow from Operating Activities</b>		2,460,000		2,648,741
<b>Returns on Investments and Servicing of Finance</b>				
Interest Received	33,784		42,720	
Interest Paid	(136,815)		(131,138)	
		(103,031)		(88,418)
<b>Taxation</b>				
Corporation Tax Paid	(292,353)		(657,917)	
		(292,353)		(657,917)
<b>Capital Expenditure and Financial Investment</b>				
Payments to acquire Tangible Fixed Assets	(2,586,480)		(283,937)	
Disposal Proceeds from Fixed Assets (Net of Costs)	24,970		39,595	
Capital Grants Received	-		143,515	
		(2,561,510)		(100,827)
<b>Financing</b>				
Capital Elements of Hire Purchase		(21,667)		(65,000)
(Decrease)/Increase in Existing Debt		(737,336)		1,042,588
<b>Net Cash (Outflow)/Inflow for the year</b>		<u>(1,255,897)</u>		<u>2,779,167</u>

The notes on pages 22 to 32 form part of these financial statements and should be read in accordance therewith.

# LONDONDERRY PORT & HARBOUR COMMISSIONERS

## NOTES TO THE CASHFLOW STATEMENT

### 1. Reconciliation of Operating Profit to Net Cash Inflows from Operating Activities

	2015	2014
	£	£
Operating Profit before Interest	1,528,221	1,533,628
Depreciation (Net of Capital Grant Released)	995,547	943,014
Foreign Exchange Loss	(8,201)	(8,087)
Decrease in Stock	39,749	50,250
(Increase) in Debtors	(72,792)	(131,928)
(Decrease)/Increase in Creditors	(22,524)	261,864
	<u>2,460,000</u>	<u>2,648,741</u>

### 2. Analysis of Net Funds

	2014	Cashflow	Other non-	2015
	£	£	cash changes	£
Cash at Bank and In Hand	6,986,807	(1,255,897)	-	5,730,910
	<u>6,986,807</u>	<u>(1,255,897)</u>	<u>-</u>	<u>5,730,910</u>
Debt Due Within One Year	(645,782)	16,693	-	(629,089)
Debt Due After One Year	(3,200,647)	644,161	-	(2,556,486)
Hire Purchases	(21,667)	21,667	-	-
Pilots' National Pension Fund Debt	(1,940,523)	76,481	-	(1,864,042)
	<u>(5,808,619)</u>	<u>759,002</u>	<u>-</u>	<u>(5,049,617)</u>
Net Funds	<u>1,178,188</u>	<u>(496,895)</u>	<u>-</u>	<u>681,293</u>

### 3. Reconciliation of net cash flow to movement in net funds

	2015	2014
	£	£
(Decrease)/Increase in cash in the year	(1,255,897)	2,779,167
Cash Outflow/(Inflow) from Movement in Debt	759,002	(977,588)
Other non-cash changes	-	-
Movement in net funds in the year	(496,895)	1,801,579
Opening Net Funds/(Debt)	<u>1,178,188</u>	<u>(623,391)</u>
Closing Net Funds	<u>681,293</u>	<u>1,178,188</u>

# LONDONDERRY PORT & HARBOUR COMMISSIONERS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

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### 1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

#### (a) Basis of Accounting

The financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### (b) Turnover

Turnover comprises revenue due in respect of services and rentals provided within the Commissioners' ordinary activities, net of value added tax and is recognised when the service has been provided and the contractual obligation has been met.

#### (c) Grants

Grants that relate to specific capital expenditure are deducted from the cost of the asset and released to the profit and loss account on the same basis as depreciation is charged on the related assets. Other grants are credited to the profit and loss account in the period to which they relate.

#### (d) Tangible Fixed Assets and Depreciation

The cost of fixed assets comprises the purchase price of land, structures, plant and machinery, etc acquired, plus costs of construction and installation. European Regional Development Fund and other grants and contributions are deducted.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset systematically over its expected useful life as follows:

##### Work and Improvements comprising:

Buildings	20 years	-	100 years
Tools and Equipment	5 years	-	10 years

##### Other assets:

Pontoon	10 years	-	20 years
Cranes	10 years	-	20 years
Plough Boat and Dredging Plant	10 years	-	30 years
Tug Boat and Launch	5 years	-	30 years
Pilot Boat and Station	5 years	-	20 years
Plant, Machinery and Equipment	3 years	-	50 years
Dry Dock	5 years		
Motor Vehicles	4 years		



# LONDONDERRY PORT & HARBOUR COMMISSIONERS

## NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

### (e) Hire Purchase Commitments

Assets obtained under hire purchase contracts are capitalised as tangible fixed assets and depreciated over their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding each period.

### (f) Stocks

Stocks are valued at the lower of cost and net realisable value.

### (g) Taxation

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

### (h) Deferred Taxation

Full provision for deferred tax assets and liabilities is provided at current rates on differences that arise between the recognition of gains and losses in the financial statements and their recognition in the tax computation, except for differences arising on the revaluation of fixed assets (if no commitment to sell), or gains on any asset sold that will benefit from rollover relief, or in circumstances where it is not expected that the timing difference will reverse.

### (i) Pension Costs

The pension entitlements of pensionable employees arise under defined contribution pension schemes. These schemes are maintained by contributions from the Commissioners and employees to an independently administered fund. Annual contributions are charged to the Profit and Loss Account on an accruals basis.

### (j) Foreign Currency

Assets and liabilities in foreign currencies are translated at the rate of exchange at the Balance Sheet date. Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transactions. All differences in foreign currency are taken to the Profit and Loss Account.

## 2. TURNOVER

	2015	2014
	£	£
Revenue from Port Customers	5,522,451	5,639,860
Rents Receivable	458,556	369,238
Storage Receipts	951,137	899,356
	<u>6,932,144</u>	<u>6,908,454</u>

# LONDONDERRY PORT & HARBOUR COMMISSIONERS

## NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

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### 3. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Bank Interest	33,784	42,720
	<u>33,784</u>	<u>42,720</u>

### 4. INTEREST PAYABLE AND SIMILAR CHARGES

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Bank Interest & Charges	89,624	79,371
Interest on Pilots' National Pension Fund Deficit	46,442	48,074
3 1/2% Consolidated Loan Stock	697	1,609
Finance Leases and Hire Purchase Contracts	52	2,084
	<u>136,815</u>	<u>131,138</u>

### 5. OPERATING PROFIT

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Operating Profit is stated after charging:		
Depreciation of tangible fixed assets	1,387,440	1,335,078
Auditor's Remuneration	7,567	7,500
Commissioners' Remuneration	79,645	79,786
and after crediting:		
Capital Grant Release	<u>391,893</u>	<u>392,064</u>

# LONDONDERRY PORT & HARBOUR COMMISSIONERS

## NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

### 6. TAX ON PROFIT ON ORDINARY ACTIVITIES

The taxation charge is based on the profit for the year and comprises :-

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
<b>Current year tax</b>		
UK Corporation Tax	269,349	407,146
	<u>269,349</u>	<u>407,146</u>
<b>Deferred Tax (note 15)</b>		
Domestic Deferred Tax Charge	91,500	8,500
	<u>360,849</u>	<u>415,646</u>
<b>Factors Affecting the Tax Charge for the Year</b>		
Profit on Ordinary Activities Before Taxation	<u>1,425,918</u>	<u>1,438,550</u>
Profit on Ordinary Activities Before Taxation multiplied by Large Companies' Rate of UK Corporation Tax of 21% (2014: 23%)	<u>299,443</u>	<u>330,867</u>
Effects of :		
Non Deductible Expenses-		
PNPF	(16,061)	(16,669)
Other	3,345	1,400
Depreciation	198,253	216,893
Capital Allowances	(213,756)	(125,017)
(Profit) on Disposal	<u>(1,875)</u>	<u>(328)</u>
Current Tax Charge	<u>269,349</u>	<u>407,146</u>

### 7. PARTICULARS OF EMPLOYEES

The average number of persons employed by the Commissioners during the year was 70 (2014:67).

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
The Total Remuneration (excluding Commissioners) was:		
Wages and Salaries	1,996,445	1,806,712
Social Security Costs	211,273	203,720
Pension Costs	<u>80,772</u>	<u>58,511</u>
	<u>2,288,490</u>	<u>2,068,943</u>
	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Commissioners' Remuneration	<u>79,645</u>	<u>79,786</u>



# LONDONDERRY PORT & HARBOUR COMMISSIONERS NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

## 8a. TANGIBLE FIXED ASSETS

	Works & Improvements		Pontoon		Cranes		Plough Boat & Dredging Plant		Tug Boat & Launch		Pilot Boat & Station		Motor Vehicles		Plant, Machinery & Equipment		TOTAL		
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	
<b>Cost or Valuation</b>																			
At 1 April 2014:																			
Cost	40,975,345	2,051,266	6,735,846	3,814,177	1,950,451	460,190	124,840	2,070,372	-	-	-	-	-	-	-	-	-	-	58,182,487
Grants	(18,705,421)	(2,009,663)	(2,620,034)	(337,500)	(15,395)	(134,240)	-	(382,665)	-	-	-	-	-	-	-	-	-	-	(24,204,918)
Additions – costs	22,269,924	41,603	4,115,812	3,476,677	1,935,056	325,950	124,840	1,687,707	-	-	-	-	-	-	-	-	-	-	33,977,569
Disposals – costs	685,282	1,001	1,206,096	-	22,500	33,678	63,197	240,886	333,840	2,586,480	-	-	-	-	-	-	-	-	2,586,480
Additions – grants	-	-	-	-	-	-	(48,945)	(12,598)	-	-	-	-	-	-	-	-	-	-	(61,543)
Disposals – grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2015 – cost	41,660,627	2,052,267	7,941,942	3,814,177	1,972,951	493,868	139,092	2,298,660	333,840	60,707,424	-	-	-	-	-	-	-	-	60,707,424
- grants	(18,705,421)	(2,009,663)	(2,620,034)	(337,500)	(15,395)	(134,240)	-	(382,665)	-	(24,204,918)	-	-	-	-	-	-	-	-	(24,204,918)
	22,955,206	42,604	5,321,908	3,476,677	1,957,556	359,628	139,092	1,915,995	333,840	36,502,506	-	-	-	-	-	-	-	-	36,502,506
<b>Depreciation</b>																			
At 1 April 2014:																			
Accumulated Depreciation	(12,021,631)	(345,748)	(5,274,050)	(1,345,177)	(689,296)	(277,191)	(73,246)	(1,340,303)	-	(21,366,642)	-	-	-	-	-	-	-	-	(21,366,642)
Accumulated Amortised Grants	6,381,831	322,927	2,620,034	313,594	4,834	83,458	-	290,150	-	10,016,828	-	-	-	-	-	-	-	-	10,016,828
Charge for Year	(5,639,800)	(22,821)	(2,654,016)	(1,031,583)	(684,462)	(193,733)	(73,246)	(1,050,153)	-	(11,349,814)	-	-	-	-	-	-	-	-	(11,349,814)
Grants Release	(677,919)	(129,017)	(191,630)	(113,316)	(71,469)	(25,323)	(25,857)	(101,422)	(51,487)	(1,387,440)	-	-	-	-	-	-	-	-	(1,387,440)
Disposals – accum depreciation	236,134	125,940	-	16,875	513	6,559	-	5,872	-	391,893	-	-	-	-	-	-	-	-	391,893
Disposals – grants	-	-	-	-	-	-	-	-	-	45,502	-	-	-	-	-	-	-	-	45,502
At 31 March 2015 – depreciation	(12,699,550)	(474,765)	(5,465,680)	(1,458,493)	(760,765)	(302,514)	(62,543)	(1,432,783)	(51,487)	(22,708,580)	-	-	-	-	-	-	-	-	(22,708,580)
- grants	6,617,965	448,867	2,620,034	330,469	5,347	90,017	-	296,022	-	10,408,721	-	-	-	-	-	-	-	-	10,408,721
	(6,081,585)	(25,898)	(2,845,646)	(1,128,024)	(755,418)	(212,497)	(62,543)	(1,136,761)	(51,487)	(12,299,859)	-	-	-	-	-	-	-	-	(12,299,859)
Net Book Value																			
31 March 2015 - tangible assets	28,961,077	1,577,502	2,476,262	2,355,684	1,212,186	191,354	76,549	865,877	282,353	37,998,844	-	-	-	-	-	-	-	-	37,998,844
- grants	(12,087,456)	(1,560,796)	-	(7,031)	(10,048)	(44,223)	-	(86,643)	-	(13,796,197)	-	-	-	-	-	-	-	-	(13,796,197)
	16,873,621	16,706	2,476,262	2,348,653	1,202,138	147,131	76,549	779,234	282,353	24,202,647	-	-	-	-	-	-	-	-	24,202,647
31 March 2014 (net)	16,630,124	18,782	1,461,796	2,445,094	1,250,594	132,217	51,594	637,554	-	22,627,755	-	-	-	-	-	-	-	-	22,627,755

# LONDONDERRY PORT & HARBOUR COMMISSIONERS

## NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

### 8b. TANGIBLE FIXED ASSETS – continued

Included on previous page are assets held under HP contracts or finance leases as follows:-

	<b>Cranes</b>	<b>Total</b>
<b>Net Book Values</b>	<b>£</b>	<b>£</b>
At 31 March 2015	-	-
At 31 March 2014	<u>438,188</u>	<u>438,188</u>
<b>Depreciation charged for the year</b>		
31 March 2015	-	-
31 March 2014	<u>42,750</u>	<u>42,750</u>

### 9. Stock

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Consumables	<u>205,240</u>	<u>244,989</u>
	<u>205,240</u>	<u>244,989</u>

### 10. DEBTORS (Amounts falling due within one year)

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Trade Debtors	1,767,276	1,575,486
Other Debtors	83,140	115,796
Prepayments	<u>210,872</u>	<u>297,214</u>
	<u>2,061,288</u>	<u>1,988,496</u>

# LONDONDERRY PORT & HARBOUR COMMISSIONERS

## NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

### 11. CREDITORS (Amounts falling due within one year)

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Bank Loans	255,419	281,744
Obligations under Hire Purchase Contracts (note 13)	-	21,667
Trade Creditors	104,041	231,390
Other Creditors	227,692	169,482
Corporation Tax	125,359	148,364
Accruals	748,021	693,647
Government Loan	373,670	364,038
VAT	10,893	18,652
Pilots' National Pension Fund (note 14)	99,398	76,481
	<u>1,944,493</u>	<u>2,005,465</u>

### 12. CREDITORS (Amounts falling due after more than one year)

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
3 ½% Consolidated Loan Stock (Undated)	15,757	50,492
Bank Loans	364,344	612,727
Government Loan	2,176,385	2,537,428
Pilots' National Pension Fund (note 14)	1,764,644	1,864,042
	<u>4,321,130</u>	<u>5,064,689</u>
<b>Analysis of Loans</b>	<b>£</b>	<b>£</b>
Not wholly repayable within five years other than by instalments:		
Bank Loans	619,763	894,471
Other Loans	2,565,812	2,951,958
	<u>3,185,575</u>	<u>3,846,429</u>
Included in current liabilities	<u>(629,089)</u>	<u>(645,782)</u>
	<u>2,556,486</u>	<u>3,200,647</u>
<b>Loan Maturity Analysis</b>	<b>£</b>	<b>£</b>
In more than one year but not more than two years	627,984	616,464
In more than two years but not more than five years	1,179,664	1,511,081
In more than five years	748,838	1,073,102
	<u>2,556,486</u>	<u>3,200,647</u>

Bank of Ireland hold a letter of comfort dated 27/09/02 as security for bank loans.



# LONDONDERRY PORT & HARBOUR COMMISSIONERS

## NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

### 13. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Amounts payable		
Within one year	-	21,667
	<u>-</u>	<u>21,667</u>
Analysis of Changes in Hire Purchase Contracts during the year:		
At 1 April	21,667	86,667
Capital element of Hire Purchase Payments	(21,667)	(65,000)
At 31 March	<u>-</u>	<u>21,667</u>
Hire Purchase contracts shown as:		
Current obligations	-	21,667
	<u>-</u>	<u>21,667</u>

### 14. PILOTS' NATIONAL PENSION FUND ANALYSIS

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Amounts payable		
Within one year	99,398	76,481
Within two to five years	448,845	427,983
In more than five years	1,315,799	1,436,059
	<u>1,864,042</u>	<u>1,940,523</u>
Included in current liabilities	99,398	76,481
Included non-current liabilities	1,764,644	1,864,042
	<u>1,864,042</u>	<u>1,940,523</u>

# LONDONDERRY PORT & HARBOUR COMMISSIONERS

## NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

### 15. PROVISIONS FOR LIABILITIES AND CHARGES

	<b>Deferred Taxation</b>
	<b>£</b>
Opening balance 1 April	220,400
Movement in year	91,500
Closing balance 31 March	<u>311,900</u>

The deferred tax liability is made up as follows:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Accelerated capital allowances	703,349	686,820
Reversible timing difference (PNPF)	(391,449)	(466,420)
	<u>311,900</u>	<u>220,400</u>

### 16. RESERVES

	<b>Profit &amp; Loss A/c</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
At 1 April 2014	24,557,493	24,557,493
Retained profit for the year	1,065,069	1,065,069
At 31 March 2015	<u>25,622,562</u>	<u>25,622,562</u>

### 17. RECONCILIATION OF MOVEMENT IN RESERVES

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Opening position 1 April	24,557,493	23,534,589
Profit/(Loss) for the financial year	1,065,069	1,022,904
Closing position 31 March	<u>25,622,562</u>	<u>24,557,493</u>

# LONDONDERRY PORT & HARBOUR COMMISSIONERS

## NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

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### 18. PENSION COSTS

The Commissioners operate a defined contribution pension scheme for all employees. Employees are automatically enrolled in this scheme once mandatory registration criteria are met. Employees who meet these criteria have the option of opting out of the scheme. The amount charged in the profit and loss account for pension costs under the above scheme was £80,772 (2014: £58,511).

### 19. CAPITAL COMMITMENTS

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Capital Expenditure contracted for or authorised by the Commissioners but not provided in the financial statements	940,000	1,977,039

### 20. RELATED PARTIES

There were no transactions with related parties during the year.



# LONDONDERRY PORT & HARBOUR COMMISSIONERS

## TRADE AND SHIPPING STATISTICS FOR THE YEAR ENDED 31 MARCH 2015

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### GROSS TONNAGE OF VESSELS

	<b>2015</b>	<b>2014</b>
Home Trade	295,625	385,496
Foreign Trade	<u>1,736,737</u>	<u>1,663,491</u>
	<u>2,032,362</u>	<u>2,048,987</u>

### GROSS TONNAGE OF CARGO

	<b>2015</b>	<b>2014</b>
Imports	1,735,253	1,783,711
Exports	<u>105,100</u>	<u>95,973</u>
Total Trade	<u>1,840,353</u>	<u>1,879,684</u>

This page does not form part of the statutory financial statements





# SUPPORTING OUR COMMUNITY

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THE LONDONDERRY PORT &  
HARBOUR COMMISSIONERS

HARBOUR OFFICE, PORT RD  
LISAHALLY, LONDONDERRY BT47 6FL

TEL: (028) 7186 0555  
WWW.LONDONDERRYPORT.COM

