

**GREAT YARMOUTH PORT AUTHORITY**

**Annual Report and Financial Statements**

**For the year ended 31 March 2019**

## GREAT YARMOUTH PORT AUTHORITY

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# GREAT YARMOUTH PORT AUTHORITY

## MEMBERS AND PROFESSIONAL ADVISERS

### MEMBERS

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

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

### BANKERS

Barclays Bank PLC

### SOLICITORS

Winckworth Sherwood LLP

### AUDITOR

Deloitte LLP

## **CHAIRMAN'S REPORT**

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

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

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

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

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

### *Board constitution*

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

The current Board Members are:

Robert Smith (Chairman)  
Anna Smith (Clerk)  
Ashley Harrison  
Roger Arundale  
Patrick McNamara  
Martin Swinley  
Gary Doyle (Harbour Master)

Nigel Pryke retired as Chairman of the Board on 1 April 2018.

### *Stakeholder engagement*

Since the last annual report GYPA continues to hold annual public meetings in order to appraise our stakeholders of the latest developments at the port. Investment in the port infrastructure by Peel Ports Group has continued, including the procurement of a new crane to improve the port's handling capabilities and a new, more fuel-efficient pilot boat.

### *Shipping movements and acts of pilotage*

During the year ended 31 March 2019, there were 7,232 commercial vessel movements and 3,367 acts of pilotage.

### *Marine safety and environment*

There were two marine incidents reported to the Marine Accident Investigation Branch (MAIB) throughout the year. There were no fatalities or serious injuries as a result of marine operations.

### *Brexit*

The port has not yet encountered any material adverse impacts that might be directly attributable to Brexit. However, as negotiations regarding post-Brexit trading arrangements remain ongoing there will continue to be economic uncertainty. The Peel Ports Group is well diversified both by geography and by commodity and the fundamentals of the Group are robust. This provides a resilient base from which it can respond to challenges and opportunities as they arise.

**CHAIRMAN'S REPORT (CONTINUED)**

*Future port activity*

The coming financial year will see the port host another offshore wind marshalling project (EA One) which will see components delivered to the Outer Harbour and assembled prior to load-out to field via large installation vessels. The port is also anticipating an increase in decommissioning activity over the summer period.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

R Smith  
Chairman  
29 May 2019

**REPORT OF THE BOARD MEMBERS**

The members present their report and the audited financial statements of the Authority for the year ended 31 March 2019. The Report of the Board Members has been prepared in accordance with the special provisions relating to small companies under section 414B of the Companies Act 2006. Accordingly, a strategic report has not been prepared.

**Principal activity**

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

**Flexible Apportionment Arrangement**

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

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

As a consequence, the Authority has derecognised its share of the net liabilities of the Norfolk Pension Fund (see note 19(a)) and the Pilots’ National Pension Fund (see note 19(b)). In addition, the Authority has also derecognised a debtor of the same amount as the net liability in the Pilots’ National Pension Fund in respect of the anticipated reimbursement of contributions towards this liability from Great Yarmouth Port Company Limited.

**Financial results**

At 31 March 2019, the Authority had net assets of £154,136, having previously recorded net liabilities of £358,519 at 31 March 2018. The movement from net liabilities to net assets is due to the profit for the year of £25,655 and other comprehensive income of £487,000. Other comprehensive income relates to the two defined benefit pension scheme liabilities, the Norfolk Pension Fund and the Pilots’ National Pension Fund, both of which were derecognised during the year.

**Going concern**

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

**The Board**

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

**Board Members’ remuneration**

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

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

**REPORT OF THE BOARD MEMBERS (CONTINUED)**

**Board Members' remuneration (continued)**

Details of remuneration are given below for the year ended 31 March 2019:

		<b>Basic salary</b>	<b>Board fees</b>	<b>Expenses and benefits</b>	<b>Total 2019</b>	<b>Total 2018</b>
		£	£	£	£	£
<i>Non-executive Board Members:</i>						
N R Pryke*	Resigned 1 April 2018	-	-	-	-	13,897
R Smith (Chairman)	Appointed 1 May 2011	-	13,500	129	13,629	9,246
A Smith (Clerk)	Appointed 1 May 2016	-	9,600	27	9,627	9,600
R D Arundale	Appointed 1 November 2015	-	4,500	161	4,661	4,705
A C Harrison	Appointed 1 November 2015	-	9,000	-	9,000	4,500
Capt. P J McNamara	Appointed 1 November 2015	-	4,500	-	4,500	4,500
M J Swinley	Appointed 1 February 2018	-	4,500	-	4,500	750
G Doyle (Harbour Master)	Appointed 23 May 2017	-	-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total for the year ended 31 March 2019		-	45,600	317	45,917	47,198
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total for the year ended 31 March 2018		-	46,350	848	47,198	
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

\* N R Pryke was Chairman prior to his resignation from the Board.

**Employees**

On 1 June 2018, the six pilots who were employed by the Authority were transferred to the Company under the Transfer of Undertakings (Protection of Employment) regulations, following a consultation exercise.

Prior to the transfer, it was the policy of the Authority to ensure that, where practicable, full and fair consideration was given to disabled employees and that every effort should be made to ensure that continued employment and training was offered to employees who became disabled.

The Authority maintained its practice of keeping employees informed of matters affecting them as employees and of financial and economic factors affecting the performance of the Authority. This was achieved through literature, meetings and consultations with employees' representatives.

**Statement of Board Members' responsibilities**

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

Company law requires the Board Members to prepare financial statements for each financial year. Under that law the Board Members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the Board Members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Authority and of the profit or loss of the Authority for that period. In preparing these financial statements, the Board Members are required to:

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

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

**REPORT OF THE BOARD MEMBERS (CONTINUED)**

**Statement of Board Members' responsibilities (continued)**

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

**Auditor and the disclosure of information to the auditor**

In so far as the Board Members are aware:

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

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

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



R Smith  
Chairman  
29 May 2019

Vanguard House  
South Beach Parade  
Great Yarmouth  
NR30 3GY



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

**Report on the audit of the financial statements**

**Opinion**

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

- give a true and fair view of the state of the Authority’s affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland”; and
- have been prepared in accordance with the requirements of the United Kingdom Harbours Act 1964, as amended by the United Kingdom Transport Act 1981.

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

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

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (United Kingdom Generally Accepted Accounting Practice).

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council’s (“the FRC’s”) Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

We have nothing to report in respect of these matters.

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

**Other information**

The members are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

**Responsibilities of members**

As explained more fully in the Statement of Board Members' Responsibilities, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the authority or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

**Report on other legal and regulatory requirements**

**Opinions on other matters**

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

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

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

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

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

We have nothing to report on in respect of the following matters where we are required to report to you, if in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of members remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the members were not entitled to take advantage of the small companies' exemptions in preparing the members' report and from the requirement to prepare a strategic report.

**Use of our report**

This report is made solely to the Authority's members, as a body, in accordance with the United Kingdom Harbours Act 1964, as amended by the United Kingdom Transport Act 1981. Our audit work has been undertaken so that we might state to the Authority's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the authority and the Port Authority's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Deloitte LLP*

Rachel Argyle (Senior statutory auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
Manchester, United Kingdom  
29 May 2019

**GREAT YARMOUTH PORT AUTHORITY**

**PROFIT AND LOSS ACCOUNT**  
**For the year ended 31 March 2019**

	Note	2019 £	2018 £
Turnover	5	90,950	582,037
Cost of sales	6	(77,950)	(517,037)
<b>GROSS PROFIT</b>		<u>13,000</u>	<u>65,000</u>
Administrative expenses		(58,307)	(74,132)
Other operating income	7	76,076	60,636
<b>OPERATING PROFIT</b>	8	<u>30,769</u>	<u>51,504</u>
Net interest expense	12	(2,000)	(16,000)
<b>PROFIT BEFORE TAXATION</b>		<u>28,769</u>	<u>35,504</u>
Taxation	13	(3,114)	-
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u><u>25,655</u></u>	<u><u>35,504</u></u>

The above results are derived from continuing operations.

**STATEMENT OF OTHER COMPREHENSIVE INCOME**  
**For the year ended 31 March 2019**

		2019 £	2018 £
<b>PROFIT FOR THE FINANCIAL YEAR</b>		25,655	35,504
Remeasurement of net defined benefit pension liability	19	487,000	156,000
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u><u>512,655</u></u>	<u><u>191,504</u></u>

**GREAT YARMOUTH PORT AUTHORITY**

**BALANCE SHEET**  
**As at 31 March 2019**

	Note	2019 £	2018 £
<b>FIXED ASSETS</b>			
Tangible fixed assets	14	2,465	2,465
Investments	15	1	1
		2,466	2,466
<b>CURRENT ASSETS</b>			
Debtors: amounts falling due within one year	16	8,793	172,507
Debtors: amounts falling due in more than one year	16	-	971,200
Investments	17	25,494	25,333
Cash at bank and in hand		134,865	117,202
		169,152	1,286,242
<b>CREDITORS: amounts falling due within one year</b>	18	(17,482)	(80,227)
<b>NET CURRENT ASSETS</b>		151,670	1,206,015
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		154,136	1,208,481
<b>DEFINED BENEFIT PENSION LIABILITIES</b>	19	-	(1,567,000)
<b>NET ASSETS/(LIABILITIES)</b>		154,136	(358,519)
<b>RESERVES</b>			
Profit and loss account		154,136	(358,519)
<b>TOTAL RESERVES</b>		154,136	(358,519)

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



R Smith  
Chairman  
29 May 2019

## GREAT YARMOUTH PORT AUTHORITY

### STATEMENT OF CHANGES IN EQUITY For the year ended 31 March 2019

	<b>Profit and loss account £</b>	<b>Total £</b>
<b>Balance as at 31 March 2017</b>	(550,023)	(550,023)
Total comprehensive income for the financial year	<u>191,504</u>	<u>191,504</u>
<b>Balance as at 31 March 2018</b>	(358,519)	(358,519)
Total comprehensive income for the financial year	<u>512,655</u>	<u>512,655</u>
<b>Balance as at 31 March 2019</b>	<u><u>154,136</u></u>	<u><u>154,136</u></u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2019**

**1. GENERAL INFORMATION**

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

**2. STATEMENT OF COMPLIANCE**

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

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**Basis of preparation**

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

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

**Going concern**

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

- the Authority has net assets of £154,136 including a cash balance of £134,865 (2018: £117,202) and an investment in the Public Sector Deposit Fund of £25,494 (2018: £25,333), which can be redeemed at any point;
- the Authority has no borrowings (2018: none); and
- forecast income and expenditure for the next twelve months from the date of signing the 2019 financial statements, together with the available cash balances, show that sufficient resources remain available to the Authority for the next twelve months.

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

**Cash flow statement**

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

**Revenue recognition**

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

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

**Tangible fixed assets**

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2019****3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Fixed asset investments**

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

**Financial instruments**

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

*(i) Financial assets*

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

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

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

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

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

*(ii) Financial liabilities*

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

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

**Employee benefits**

During the year, the Authority provided a range of benefits to employees, including paid holiday arrangements and pension schemes.

*(i) Short-term benefits*

Short term benefits, including holiday pay and other similar non-monetary benefits, were recognised as an expense in the period in which the service was rendered.

*(ii) Defined contribution pension plans*

The Authority operated a defined contribution plan for its employees. A defined contribution plan is a plan under which the Authority pays fixed contributions into a separate entity. Once the contributions had been paid the Authority had no further payment obligations. Pension costs were charged to the profit and loss account as they fell due. The amount charged to the profit and loss account in respect of pension costs was the contributions payable in the year up to the date that the employees were transferred. Any amounts not paid were shown in accruals in the balance sheet. The assets of the plan were held separately from the Authority in independently administered funds.



**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2019**

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Employee benefits (continued)**

*(iii) Defined benefit pension plans*

Until 1 June 2018, the Authority was a Participating Employer in two multi-employer defined benefit pension schemes, administered by the Norfolk Pension Fund and the Pilots' National Pension Fund (see note 19).

A defined benefit pension plan defines the pension benefit that the employee will receive on retirement, usually dependent on several factors including age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets at the reporting date.

The defined benefit obligation is calculated using the projected unit credit method. In previous years, the Authority engaged independent actuaries to calculate the obligation at the balance sheet date. In the year ended 31 March 2019, an independent actuarial valuation was obtained at 1 June 2018. The present value was determined by discounting the estimated future payments using market yields on high quality corporate bonds denominated in sterling and with terms approximating the estimated period of the future payments ('discount rate').

The fair value of plan assets was measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Authority's policy for similarly held assets. This included the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- a) The increase in pension liability arising from employee service during the period; and
- b) The cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as 'Finance expense'.

Deferred tax on the pension scheme deficits would have been accounted for at the Authority's standard rate and taken straight to the net pension scheme liabilities in accordance with FRS 102 but, in the opinion of the Board, the deferred tax asset is not likely to be recovered in the foreseeable future. Consequently, no such provision has been made.

The deficit that the Authority previously held in the Pilots' National Pension Fund was to be reimbursed to the Authority by a third party, as it was cleared in accordance with the deficit reduction plan, and as such a debtor equal to the deficit was recognised in the accounts.

**Taxation**

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2019**

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Taxation (continued)**

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

**4. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY**

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

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

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

*(ii) Key accounting estimates and assumptions*

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

*Defined benefit pension liabilities (note 19)*

Until 1 June 2018, the Authority had obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depended on a number of factors including: life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimated these factors in determining the net pension obligation in the prior period balance sheet and at the date on which the liabilities were transferred to a third party. The assumptions reflect historical experience and current trends.

**5. TURNOVER**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Pilotage	90,950	582,037
	<u>90,950</u>	<u>582,037</u>

**6. COST OF SALES**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Operating and maintenance – pilotage (note 9)	107,950	679,037
Defined benefit pension scheme – current service cost (note 19)	15,000	104,000
Defined benefit pension scheme – pension contributions paid (note 19)	(45,000)	(266,000)
	<u>77,950</u>	<u>517,037</u>

**7. OTHER OPERATING INCOME**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Recharged administrative expenses	75,915	60,571
Investment income (note 17)	161	65
	<u>76,076</u>	<u>60,636</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2019**

**8. OPERATING PROFIT**

The operating profit is stated after charging:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Auditor's remuneration in respect of:		
- audit fees	5,000	5,000
- non-audit fees	-	-
Defined benefit pension scheme – administrative expense (note 19)	<u>2,000</u>	<u>12,000</u>

Auditor's remuneration forms part of the administrative expenses that are recharged to another party. That party pays remuneration of £3,000 (2018: £3,000) directly to the auditor.

**9. PILOTAGE**

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

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Revenue</b>		
Revenue from pilotage services (note 5)	<u>90,950</u>	<u>582,037</u>
<b>Expenditure</b>		
Pilotage staff (note 6)	<u>107,950</u>	<u>679,037</u>

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

**10. EMPLOYEE INFORMATION (EXCLUDING BOARD MEMBERS)**

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

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Staff costs</b>		
Wages and salaries	54,516	354,335
Social security costs	4,072	39,357
Pension contributions	49,212	284,462
Other	150	883
	<u>107,950</u>	<u>679,037</u>

The average number of persons employed by the Authority, excluding Board Members, during the year was 1 (2018: 6).

Pension costs included in the table above include contributions paid to defined benefit pension schemes and employer contributions in respect of a money purchase pension scheme. Payments to the money purchase pension scheme totalled £1,000 (2018: £5,000).

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2019**

**11. BOARD MEMBERS' EMOLUMENTS**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Fees	45,600	46,350
Mileage and expenses	317	848
	<u>45,917</u>	<u>47,198</u>
Social security costs	942	1,052
	<u>46,859</u>	<u>48,250</u>

No Board Members (2018: none) accrued benefits under defined benefit pension schemes.

**12. NET INTEREST EXPENSE**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Net interest expense in respect of defined benefit pension schemes:		
PNPF interest expense on defined benefit pension (note 19)	5,000	32,000
PNPF interest income on debtor relating to defined benefit pension (note 19)	(5,000)	(32,000)
	<u>-</u>	<u>-</u>
PNPF net finance costs	-	-
Norfolk Pension Fund interest expense on defined benefit pension (note 19)	2,000	16,000
	<u>2,000</u>	<u>16,000</u>
Net interest expense in respect of defined benefit pension schemes (note 19)	<u>2,000</u>	<u>16,000</u>

**13. TAXATION**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Tax charge for the year	3,114	-
	<u>3,114</u>	<u>-</u>

**Factors affecting the tax charge**

The tax assessed for the year is lower (2018: lower) than the standard rate of corporation tax in the UK of 19% (2018: 19%). The differences are explained below:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Profit on ordinary activities before taxation	28,769	35,504
	<u>28,769</u>	<u>35,504</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax of 19% (2018: 19%)	5,466	6,746
Non-taxable defined benefit pension adjustments	(4,420)	(22,272)
Deferred tax movement not recognised	(575)	(254)
Differences in tax rates	(588)	(2,650)
Defined benefit pension scheme deficit funding	3,231	18,430
	<u>3,114</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2019**

**13. TAXATION (CONTINUED)**

**Deferred tax**

The deferred tax asset not recognised at 31 March is as follows:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Tax losses	-	575
Post-employment benefits	-	266,390
	<u>-</u>	<u>266,965</u>
	<u>-</u>	<u>266,965</u>

The unprovided deferred tax asset on post-employment benefits was eliminated on 1 June 2018 when the Authority entered into Flexible Apportionment Arrangements with Great Yarmouth Port Company Limited (see note 19).

**14. TANGIBLE FIXED ASSETS**

	<b>Fixtures and fittings</b>
	<b>£</b>
<b>Cost or valuation</b>	
As at 1 April 2018 and 31 March 2019	<u>2,465</u>
<b>Depreciation</b>	
As at 1 April 2018 and 31 March 2019	<u>-</u>
<b>Net book value</b>	
As at 1 April 2018 and 31 March 2019	<u>2,465</u>

**15. FIXED ASSET INVESTMENTS**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Other investment	<u>1</u>	<u>1</u>

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

**16. DEBTORS**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Amounts falling due within one year:		
Trade debtors	1,993	62,707
Prepayments and accrued income	6,800	10,000
Other debtors	-	99,800
	<u>8,793</u>	<u>172,507</u>
	<u>8,793</u>	<u>172,507</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2019**

**16. DEBTORS (CONTINUED)**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Amounts falling due in more than one year:		
Other debtors	-	971,200
	<u>          </u>	<u>          </u>

Other debtors represent amounts recoverable by the Authority in respect of the reimbursement of contributions towards the deficit on the Pilots' National Pension Fund. On 1 June 2018, the Authority entered into Flexible Apportionment Arrangements with Great Yarmouth Port Company Limited and these amounts were derecognised (see note 19).

**17. CURRENT ASSET INVESTMENTS**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Public Sector Deposit Fund	25,494	25,333
	<u>          </u>	<u>          </u>

Investment income of £161 (2018: £65) was earned in the year (note 7).

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

**18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade creditors	740	-
Corporation tax	3,114	-
Other tax and social security	6,828	35,067
Other creditors	-	35,160
Accruals and deferred income	6,800	10,000
	<u>          </u>	<u>          </u>
	<u>17,482</u>	<u>80,227</u>

**19. DEFINED BENEFIT PENSION LIABILITIES**

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

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

As a consequence, the Authority has derecognised its share of the net liabilities of the Norfolk Pension Fund (note 19(a)) and the Pilots' National Pension Fund (note 19(b)).

*Amounts recognised in the balance sheet in respect of the defined benefit pension schemes are as follows:*

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Norfolk Pension Fund deficit (note 19(a))	-	496,000
Pilots' National Pension Fund deficit (note 19(b))	-	1,071,000
	<u>          </u>	<u>          </u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2019**

- 1,567,000

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**19. DEFINED BENEFIT PENSION LIABILITIES (CONTINUED)**

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

	2019	2018
	£	£
Norfolk Pension Fund		
-Current service cost (note 19(a))	8,000	46,000
Pilots' National Pension Fund		
-Current service cost (note 19(b))	7,000	58,000
-Scheme administrative costs (note 19(b))	2,000	12,000
	<hr/>	<hr/>
Total charge in operating loss	17,000	116,000
Interest expense – Norfolk Pension Fund (note 19(a))	2,000	16,000
Interest expense – PNPf (note 19(b))	5,000	32,000
Interest income – PNPf debtor (note 19(b))	(5,000)	(32,000)
	<hr/>	<hr/>
Total charge in the profit and loss account	19,000	132,000
	<hr/>	<hr/>

Of the total amount charged in operating profit, £15,000 (2018: £104,000) has been charged to cost of sales (note 6) and £2,000 (2018: £12,000) has been charged to administrative expenses (note 8).

*Employer contributions paid in the year*

Total employer contributions of £45,000 were paid in the year ended 31 March 2019 (2018: £266,000), of which £25,000 (2018: £145,000) relates to the Norfolk Pension Fund (note 19(a)) and £20,000 (2018: £121,000) relates to the Pilots' National Pension Fund (note 19(b)).

*Remeasurement of net defined benefit liability*

	2019	2018
	£	£
Norfolk Pension Fund (note 19(a))	481,000	110,000
Pilots' National Pension Fund ("PNPF") (note 19(b))	1,065,000	264,000
Loss on PNPf receivable from GYPC (see below)	(1,059,000)	(218,000)
	<hr/>	<hr/>
	487,000	156,000
	<hr/>	<hr/>

In addition to derecognising the PNPf net pension liability following the FAA referred to above, the Authority has also derecognised a debtor of the same amount (note 16) in respect of the anticipated reimbursement of contributions towards this liability from Great Yarmouth Port Company Limited.

The net loss on the movement of the PNPf receivable from the Company of £1,059,000 (year ended 31 March 2018: £218,000) includes a loss of £32,000 (year ended 31 March 2018: £218,000) from the movement in the receivable taking into account contributions paid and received and a corresponding financing charge for the period to 1 June 2018 and a loss of £1,027,000 (year ended 31 March 2018: £nil) from the derecognition of the receivable on 1 June 2018.

**a) Norfolk Pension Fund (NPF)**

During the period to 1 June 2018, the Authority had two (year ended 31 March 2018: two) employees who were members of the Norfolk Pension Fund. The fund is administered by Norfolk County Council in accordance with the Local Government Pension Scheme Regulations 1997, as subsequently amended.

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2019**

**19. DEFINED BENEFIT PENSION LIABILITIES (CONTINUED)**

**a) Norfolk Pension Fund (NPF) (continued)**

On 1 June 2018, the Authority entered into a Flexible Apportionment Arrangement (“FAA”) with Great Yarmouth Port Company Limited (“the Company”) that saw the Company assume the Authority’s share of net liabilities in, and responsibilities to, the Fund. Therefore, the Authority has derecognised its share of the assets and liabilities in the Fund.

*Most recent actuarial valuation*

The most recent actuarial valuation, completed by an independent actuary, is as at 31 March 2016. Adjustments to the valuations as at that date have been made based on the assumptions set out below.

As at 31 March 2016, the NPF had assets with a market value of £2.9 billion, representing 80% of the benefits accruing to members. The main assumptions in the actuarial valuation were that the discount rate would be 3.8%, benefit increases on a CPI basis would be 2.2% and that pensionable salary increases would be 2.5%.

The actuarial valuation set a primary contribution rate of 28.1% for GYPA, to fund the cost of new benefits accruing in the Fund, and a secondary contribution rate of £112,000 per annum, to target a fully funded position with a set time horizon for GYPA. These rates applied from 1 April 2017. The secondary contribution rate increased to £114,000 from 1 April 2018 and to £117,000 from 1 April 2019.

*Employer contributions*

The employer contributions paid and payable to the Fund during the year amounted to £7,000 (2018: £36,000) of regular contributions together with a further £19,000 (2018: £112,000) in relation to deficit reduction contributions.

*Assumptions*

A valuation was carried out at 1 June 2018 by a qualified independent actuary for the purposes of these financial statements. The main assumptions used by the actuary were:

	<b>1 June 2018 %</b>	<b>31 March 2018 %</b>
Inflation/pension increase rate assumption	2.3	2.4
Salary increase rate	2.6	2.7
Discount rate	2.7	2.6

The mortality assumptions used were as follows:

	<b>1 June 2018 Years</b>	<b>31 March 2018 Years</b>
Longevity at age 65 for current pensioners:		
-Men	22.1	22.1
-Women	24.4	24.4
Longevity at age 65 for future pensioners (currently aged 45)		
-Men	24.1	24.1
-Women	26.4	26.4

The assumptions used by the actuary are the best estimates chosen from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice.



**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2019**

**19. DEFINED BENEFIT PENSION LIABILITIES (CONTINUED)**

**a) Norfolk Pension Fund (NPF) (continued)**

*Reconciliation of net pension liability*

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Fair value of share of assets	-	5,533,000
Present value of funded liabilities	-	(6,029,000)
	<hr/>	<hr/>
Net pension liability	-	(496,000)
	<hr/> <hr/>	<hr/> <hr/>

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Net pension liability at the beginning of the year	(496,000)	(689,000)
<i>Movement in period:</i>		
Current service cost	(8,000)	(46,000)
Employer contributions	25,000	145,000
Contributions in respect of unfunded benefits	1,000	3,000
Net interest on defined benefit liability	(2,000)	(16,000)
Remeasurement gains	480,000	107,000
	<hr/>	<hr/>
Net pension liability at the end of the year	-	(496,000)
	<hr/> <hr/>	<hr/> <hr/>

*Total cost recognised as an expense*

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Current service costs	8,000	46,000
Net interest on defined benefit liability	2,000	16,000
	<hr/>	<hr/>
	10,000	62,000
	<hr/> <hr/>	<hr/> <hr/>

*Amounts recognised in other comprehensive income*

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Remeasurement gains on defined benefit obligations	152,000	79,000
Remeasurement gains on fair value of share of assets	180,000	28,000
	<hr/>	<hr/>
Total remeasurement gains	332,000	107,000
Contributions in respect of unfunded benefits	1,000	3,000
Gains arising on Flexible Apportionment Arrangement	147,000	-
	<hr/>	<hr/>
	480,000	110,000
	<hr/> <hr/>	<hr/> <hr/>

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2019**

**19. DEFINED BENEFIT PENSION LIABILITIES (CONTINUED)**

**a) Norfolk Pension Fund (NPF) (continued)**

*Fair value of plan assets as a percentage of total assets*

	<b>1 June 2018 %</b>	<b>31 March 2018 %</b>
Equities	55	55
Bonds	33	31
Property	11	12
Cash	1	2
	<u>100</u>	<u>100</u>

*Return on plan assets:*

	<b>2019 £</b>	<b>2018 £</b>
Interest income	24,000	136,000
Return on plan assets less interest income	180,000	28,000
	<u>204,000</u>	<u>164,000</u>

**b) Pilots' National Pension Fund (PNPF)**

During the period to 1 June 2018, the Authority had three (year ended 31 March 2018: three) employees who were members of the Pilots' National Pension Fund.

On 1 June 2018, the Authority entered into a Flexible Apportionment Arrangement ("FAA") with Great Yarmouth Port Company Limited ("the Company") that saw the Company assume the Authority's share of net liabilities in, and responsibilities to, the Fund. Therefore, the Authority has derecognised its share of the assets and liabilities in the Fund.

In addition, the Authority has derecognised a debtor of the same amount (note 16) in respect of the anticipated reimbursement of contributions towards this liability from Great Yarmouth Port Company Limited.

*Most recent actuarial valuation*

The most recent formal actuarial valuation, completed by an independent actuary, is as at 31 December 2016. Adjustments to the valuation as at that date have been made based on the assumptions set out below.

As at that date, the scheme had assets with a market value of £327m, representing 66% of the benefits accruing to members. The main assumptions in the actuarial valuation were that long-term investment rates, and the discount rate, would be 6.3% per annum pre-retirement and 2.8% per annum post-retirement, pension salary increases would be 3.0% per annum and price inflation would be 3.0% per annum on a RPI basis and 2.0% on a CPI basis.

The employer contribution rate is currently 25.6% of pensionable salary plus a monthly deficit reduction contribution totalling £99,800 per annum.

*Employer contributions*

The employer contributions paid and payable to the Fund during the period amounted to £4,000 (2018: £24,000) of regular contributions together with a further £16,000 (2018: £97,000) in relation to deficit reduction contributions.

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2019**

**19. DEFINED BENEFIT PENSION LIABILITIES (CONTINUED)**

**b) Pilots' National Pension Fund (PNPF) (continued)**

*Assumptions*

A valuation was carried out at 1 June 2018 by a qualified independent actuary for the purposes of these financial statements. The main assumptions used by the actuary were:

	<b>1 June 2018</b>	<b>31 March 2018</b>
	%	%
Inflation/pension increase rate assumption	3.1	3.1
Salary increase rate	3.1	3.1
Discount rate	2.7	2.6
	<u>          </u>	<u>          </u>

The mortality assumptions used were as follows:

	<b>1 June 2018</b>	<b>31 March 2018</b>
	Years	Years
Longevity at age 65 for current pensioners:		
-Men	21.6	21.6
-Women	23.5	23.5
Longevity at age 65 for future pensioners (currently aged 45)		
-Men	22.9	22.9
-Women	25.0	25.0
	<u>          </u>	<u>          </u>

The assumptions used by the actuary are the best estimates chosen from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice.

*Reconciliation of net pension liability*

	<b>2019</b>	<b>2018</b>
	£	£
Fair value of share of assets	-	2,082,000
Present value of funded liabilities	-	(3,153,000)
	<u>          </u>	<u>          </u>
Net pension liability	-	(1,071,000)
	<u>          </u>	<u>          </u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2019**

**19. DEFINED BENEFIT PENSION LIABILITIES (CONTINUED)**

**b) Pilots' National Pension Fund (PNPF) (continued)**

*Reconciliation of net pension liability (continued)*

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Net pension liability at the beginning of the year	(1,071,000)	(1,354,000)
<i>Movement in period:</i>		
Current service cost	(7,000)	(58,000)
Employer contributions	20,000	121,000
Net interest on defined benefit liability	(5,000)	(32,000)
Administrative expenses	(2,000)	(12,000)
Remeasurement gains	1,065,000	264,000
	<u>                    </u>	<u>                    </u>
Net pension liability at end of the year	<u>                    </u> -	<u>                    </u> (1,071,000)

*Total cost recognised as an expense*

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Current service costs	<u>                    </u> 7,000	<u>                    </u> 58,000

The net interest on the defined benefit liability of £5,000 (2018: £32,000) is offset by an equal and opposite adjustment in the carrying amount due from Great Yarmouth Port Company Limited.

*Amounts recognised in other comprehensive income*

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Remeasurement gains on defined benefit obligations	46,000	272,000
Remeasurement losses on fair value of share of assets	(8,000)	(8,000)
	<u>                    </u>	<u>                    </u>
Total remeasurement gains	38,000	264,000
Gains arising on Flexible Apportionment Arrangement	1,027,000	-
	<u>                    </u>	<u>                    </u>
	<u>                    </u> 1,065,000	<u>                    </u> 264,000

*Fair value of plan assets as a percentage of total assets*

	<b>2019</b>	<b>2018</b>
	<b>%</b>	<b>%</b>
Equities	-	17
Hedge funds	-	17
Diversified growth funds	-	16
Bonds	-	32
Gilts	-	17
Cash	-	1
	<u>                    </u>	<u>                    </u>
	<u>                    </u> -	<u>                    </u> 100

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2019**

**19. DEFINED BENEFIT PENSION LIABILITIES (CONTINUED)**

**b) Pilots' National Pension Fund (PNPF) (continued)**

*Return on plan assets*

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Interest income	9,000	49,000
Return on plan assets less interest income	(8,000)	(8,000)
	<u>1,000</u>	<u>41,000</u>

**20. RELATED PARTY TRANSACTIONS**

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

The Authority did not trade with any related parties in the year ended 31 March 2019.