

River Hamble Harbour Authority

Report of the Board and unaudited financial statements
for the year ended 31 March 2022



River Hamble Harbour Authority
Contents of the Financial Statements
for the period ended 31 March 2022

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River Hamble Harbour Authority

Report of the Board for the year ended 31 March 2022

Hampshire County Council is the statutory Harbour Authority for the River Hamble Harbour. Responsibility for the governance of the River Hamble was transferred to Hampshire County Council in 1970 and the harbour has operated as a municipal port ever since.

Section 42 of the Harbours Act 1964, as amended by paragraph 10 of Schedule 6 to the Transport Act 1981, requires every statutory Harbour Authority to prepare an annual statement of accounts for the harbour activities in accordance with the requirements of the Companies Act 2006, for submission to the Secretary of State for Transport.

All harbour undertakings carried out by Hampshire County Council are part of the County Council's service provision to residents, and there is no separate legal entity in place to which the provisions apply. As such these accounts have been prepared for the River Hamble Harbour Authority in a style which is consistent with the reporting requirements of the Companies Act 2006.

Hampshire County Council delegates its executive decision making function to the River Hamble Harbour Board. The County Council and the representatives on the Harbour Board form a democratically accountable body responsible for overseeing the operation of the harbour and the impacts from it. The following members served on the Harbour Board during the year:

- Hampshire County Council:
 - Councillor Seán Woodward (Chairman)
 - Councillor Keith House
 - Councillor Michael Ford
- Independent Board Members:
 - David Jobson (Recreation)
 - Chris Moody (Marine Industry)
 - Nikki Hiorns (Environment)
- Marine Director:
 - Jason Scott (Harbour Master)

In addition, the River Hamble Management Committee (constituted in accordance with the River Hamble Harbour Revision Order 1969, as subsequently amended) provides policy advice to the Harbour Board and is responsible for scrutinising the Harbour Board's decisions. The Management Committee is comprised nineteen members: ten County Councillors (one of whom acts as the Committee Chairman),

three District Council Councillors (one from Eastleigh, one from Fareham and one from Winchester) and representatives from each of the following interested parties: Associated British Ports; Association of River Hamble Yacht Clubs; British Marine Federation; Hamble River Boatyard and Marine Operators Association; the Berth and Mooring Holders; and the Royal Yachting Association.

Principal Activities:

The principal activities of the Harbour Authority during the period under review were the management of moorings, pontoons and associated harbour facilities, and ensuring the safe and efficient operation of the River Hamble Harbour.

Political and Charitable donations:

No charitable donations were made during the year (2020/21 £nil).

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with Financial Reporting Standard 102 Section 1A *Small Entities* and in keeping with the requirements of Section 42 of the Harbours Act 1964.

The financial statements were approved and authorised for issue by the Board on 15 July 2022 and signed on its behalf by Councillor Seán Woodward.

River Hamble Harbour Authority

Harbour Master's report for the year ended 31 March 2022

Since my last Annual Report, Hampshire County Council has appointed new Chairmen of both the Harbour Board and Management Committee. Councillor Sean Woodward now leads the Harbour Board and the vacancy created by his departure from the Chairmanship of the Management Committee has been filled by Councillor Hugh Lumby. Councillors Mike Ford and Pal Hayre have also been newly appointed as the Deputy Chairpersons of the respective committees. All are closely connected with the River and fully supportive of what we need.

This year's set of annual accounts demonstrate the positive impact of the steps taken to increase Harbour Dues by 5% two years ago. The level of income now much more accurately matches the needs of the Harbour Authority. It also means that we are in a position to look after future operational expenditure in a more agile way.

It will not have escaped those sailing around the Solent last Summer that visitors' berthing in most harbours was more difficult to come by. Post COVID, boating's popularity has surged. We, like every other Solent Harbour have experienced increase in visitors' numbers which has had a positive bearing on our income. It is possible but uncertain that this position will continue because other factors may yet influence customers' decision making. The lifting of some travel restrictions may mean that a desire to revisit travel overseas and the wider financial impact of world events are likely to be among factors having a bearing on Harbour Authority income next year. In a constantly changing environment, next year's accounts will give a greater degree of planning confidence in providing an indication of whether the situation witnessed in 2021/22 will continue.

Our expenditure levels have been in line with expectations. Some important but modest improvements have been made in-house, realising savings. Among these are the refreshing of the River Hamble Country Park Jetty. Here, the jetty has not only been renewed but also returned to its original size. The benefit is the doubling in space on this well-used facility for a fifth of the cost budgeted. This was realised by the use of in-house resource and some modern pontoons secured for free thanks to the generosity of Premier Marinas during their recent marina refurbishment. Next, our project to replace our black water pump-out capability at Warsash approaches completion. This not only offers River Users a much-needed service but has been achieved in the main by collaboration with Southern Water, which has met the bulk of the funding requirement. New jetty decking at Warsash has been installed at a fraction of the commercial cost, again in-house. That this has been achieved is

testimony to hard work and skill of patrol team members who have delivered this in addition to meeting their unbroken core patrol duties.

Lastly, I would highlight the decision made to increase our annual contribution to the Asset Replacement Review. This prudent step has been taken to ensure that we set aside sufficient capital to replace essential operational assets as that becomes necessary. Volatility in manufacturing and raw material costs are likely to continue over the coming years and the increase now in our annual contribution and the adoption of a minimum holding policy of £100,000 will give us confidence that our cyclical renewal process will be achieved.

Jason Scott

Marine Director and Harbour Master River Hamble Harbour Authority

Accountant's report
for the year ended 31 March 2022

These accounts have been prepared in accordance with the requirements of the Companies Act 2006 and comprise the Income Statement, the Statement of Financial Position and related notes.

The River Hamble Harbour Authority meets the small company criteria contained in section 382 of the Companies Act 2006.

Under section 477 of the Companies Act 2006, a company that qualifies as a small company is exempt from the requirements of the Act relating to the audit of accounts for that year. These accounts are therefore presented unaudited.

The financial transactions, assets and liabilities of the River Hamble Harbour Authority are also included within the statutory accounts of Hampshire County Council. These are presented in accordance with the Accounts & Audit Regulations 2015 and are published at

<https://www.hants.gov.uk/aboutthecouncil/budgetspendingandperformance/accounts>

Signed:

Date:

Anne Hibbert
Head of Finance, Hampshire County Council

River Hamble Harbour Authority

**Income and Expenditure statement
for the year ended 31 March 2022**

| | Notes | 2021/22 £ | 2020/21 £ |
|--|-------|----------------------|----------------------|
| Turnover | 2 | 643,208 | 580,224 |
| Other operating income | 3 | 75,890 | 77,907 |
| | | <u>719,098</u> | <u>658,131</u> |
| Staff costs | 4 | | |
| Salaries | | 364,645 | 340,664 |
| National Insurance | | 35,230 | 33,379 |
| Pension Contributions | | 61,825 | 59,900 |
| Other employee expenses | | 3,220 | 1,922 |
| | | <u>464,920</u> | <u>435,865</u> |
| Depreciation and other amounts written off tangible and intangible fixed assets | 11 | 32,417 | 37,569 |
| Other operating charges | | | |
| Rent/Rates/Leases | 5 | 36,915 | 28,745 |
| Utilities | | 3,913 | 3,286 |
| Other Premises Costs | | 3,637 | 4,986 |
| Boats - Repairs & Expenses | 6 | 11,097 | 9,058 |
| Staff Travel | | 194 | 251 |
| Insurance | | 1,600 | 1,600 |
| Office Expenses | 7 | 40,962 | 36,416 |
| Environmental Maintenance | 8 | 2,598 | 3,828 |
| Public Jetties & Navigational Safety | | 15,679 | 556 |
| Services provided by Hampshire County Council | 9 | 37,198 | 40,295 |
| Other Services (including Designated Person) | | 9,570 | 9,570 |
| Oil Spill Response | | 4,366 | 4,366 |
| CCTV | | 146 | 130 |
| Projects funded by Reserves | 10 | 7,480 | 15,368 |
| | | <u>175,355</u> | <u>158,455</u> |
| Profit/(loss) for the financial year | 14 | <u>46,406</u> | <u>26,241</u> |

River Hamble Harbour Authority

Statement of Financial Position
as at 31 March 2022

| | Notes | 2021/22 | | 2020/21 | |
|---|-------|------------------|----------------|------------------|----------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 11 | | 310,361 | | 322,386 |
| Current assets | | | | | |
| Debtors | 12 | 23,016 | | 23,825 | |
| Cash at bank and in hand | | <u>1,078,626</u> | | <u>1,014,380</u> | |
| | | 1,101,642 | | 1,038,205 | |
| Creditors: Amounts falling due within one year | 13 | 452,446 | | 447,440 | |
| Net current assets | | | <u>649,196</u> | | <u>590,765</u> |
| Total assets less current liabilities | | | 959,557 | | 913,151 |
| Net assets | | | <u>959,557</u> | | <u>913,151</u> |
| Reserves | | | | | |
| Profit and loss account | 14 | | <u>959,557</u> | | <u>913,151</u> |
| | | | <u>959,557</u> | | <u>913,151</u> |

For the year ended 31 March 2022 the River Hamble Harbour Authority was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

No notice has been received in accordance with section 476 of the Companies Act 2006 that requires the River Hamble Harbour Authority to obtain an audit.

The Board acknowledges its responsibilities for complying with the requirements of the Act with respect to accounting records and for preparing accounts which give a

true and fair view of the state of affairs of the River Hamble Harbour and of the profit or loss for the financial year.

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with Financial Reporting Standard 102 Section 1A *Small Entities*.

The financial statements were approved and authorised for issue by the Harbour Board and signed on its behalf by

_____ on _____
Councillor Seán Woodward
Chairman of the Board

The notes on pages 11 to 17 form an integral part of these financial statements.

River Hamble Harbour Authority

Notes to the financial statements
for the year ended 31 March 2022

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with Financial Reporting Standard 102 Section 1A *Small Entities*.

1.2 Turnover

Turnover represents the total value, excluding value added tax, of sales made during the year and derives from the provision of goods and services falling within the River Hamble Harbour Authority's ordinary activities.

1.3 Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, on a straight line basis. A full year of depreciation is applied in the year of purchase.

2 Turnover

The total turnover for the year has been derived from the River Hamble Harbour Authority's principal activity, wholly undertaken in the UK.

| | 2021/22 | 2020/21 |
|-------------------------------|----------------|----------------|
| | £ | £ |
| Marinas and Boatyards | 466,904 | 441,594 |
| River Moorings | 105,289 | 103,702 |
| Jetty Charges | 26,532 | 13,768 |
| Mooring and Towing Charges | 457 | 1,018 |
| Commercial and Pleasure craft | 12,087 | 7,226 |
| Total Harbour Dues | 611,269 | 567,308 |
| Visitors | 31,939 | 12,916 |
| Total turnover | 643,208 | 580,224 |

3 Other operating income

| | 2021/22 | 2020/21 |
|------------------------------|----------------|----------------|
| | £ | £ |
| Crown Estate Management Fee | 71,275 | 71,228 |
| Miscellaneous Income | 3,310 | 6,055 |
| Interest | 1,305 | 624 |
| Other Funding | 0 | 0 |
| Total other operating income | <u>75,890</u> | <u>77,907</u> |

4 Employees

| | 2021/22 | 2020/21 |
|---------------|----------------|----------------|
| Staff numbers | 12 | 12 |

5 Rent Rates Leases

| | 2021/22 | 2020/21 |
|--|----------------|----------------|
| | £ | £ |
| Rent - Oil Spill Response Equipment Unit | 4,380 | 4,380 |
| Rent - Crown Estates | 8,593 | 4,002 |
| Rent - Warsash Jetty | 2,243 | 1,829 |
| Rent - Visitors Pontoon | 2,243 | 1,829 |
| Rent - Hamble Jetty | 2,243 | 1,829 |
| Rent - Fishermans Pontoon | 2,243 | 1,829 |
| Business Rates - River Hamble Harbour | 14,970 | 13,047 |
| | <u>36,915</u> | <u>28,745</u> |

6 Boat repairs & expenses

| | 2021/22 | 2020/21 |
|--|----------------|----------------|
| | £ | £ |
| Repair, Maintenance and Boat Refurbishment | 3,955 | 4,362 |
| Vehicle Running Expenses (Fuel) | 5,829 | 3,324 |
| Tools (including Chandlery) | 1,313 | 1,372 |
| | <u>11,097</u> | <u>9,058</u> |

7 Office expenses

| | 2021/22 | 2020/21 |
|--|----------------|----------------|
| | £ | £ |
| Equipment | 1,364 | 1,623 |
| First Aid Supplies/Health & Safety | 202 | 454 |
| Printing & Stationery | 1,934 | 1,486 |
| Catering/General | 946 | 1,618 |
| Retail (Crabbing Equipment) | 0 | 0 |
| Protective Clothing and Safety Equipment | 3,785 | 3,139 |
| IT Charges | 6,906 | 7,984 |
| Postage | 201 | 203 |
| Subscriptions | 1,817 | 1,718 |
| Promotional Events/Publicity/Publications | 3,793 | 2,549 |
| Credit Card Charges (re Income Collection) | 20,014 | 15,642 |
| | <u>40,962</u> | <u>36,416</u> |

8 Environmental Maintenance

| | 2021/22 | 2020/21 |
|---|----------------|----------------|
| | £ | £ |
| Waste Collection | 1,642 | 1,718 |
| Clearance of Warsash Slipway | 860 | 2,110 |
| Miscellaneous Environmental Maintenance Expenditure | 96 | 0 |
| | <u>2,598</u> | <u>3,828</u> |

9 Services provided by Hampshire County Council

| | 2021/22 | 2020/21 |
|------------------------------|----------------|----------------|
| | £ | £ |
| Accountancy | 21,600 | 21,600 |
| Transaction processing | 2,488 | 2,488 |
| Tax/cash management | 200 | 0 |
| Internal audit | 3,410 | 3,410 |
| Legal Services | 2,044 | 2,647 |
| Democratic Services | 6,499 | 9,200 |
| | <u>36,241</u> | <u>39,345</u> |
| Contribution to Solent Forum | 957 | 950 |
| | <u>37,198</u> | <u>40,295</u> |

No separate charge is currently levied for the following:

- Rent and general repair costs associated with the Harbour Office

- Access to and use of the County Council's IT infrastructure and systems
- Insurance, apart from a nominal premium of £1,600 relating to the Patrol Boats

10 Projects funded by Reserves

| | 2021/22 | 2020/21 |
|-------------------------|---------|---------|
| | £ | £ |
| Navigation Lights | 1,908 | 1,594 |
| Boat Engine Maintenance | 5,572 | |
| Boat Control Mechanisms | | 10,485 |
| Hamble Jetty | | 1,052 |
| Tow of Donated pontoons | | 2,237 |
| | 7,480 | 15,368 |

11 Tangible fixed assets

| | Marks, Beacons, Lights, Piles, Buoys | Bridges, Walkways, Jetties | Boats | Other | Total |
|-------------------------|--|----------------------------------|--------|---------|-----------|
| | £ | £ | £ | £ | £ |
| Cost | | | | | |
| At 1 April 2021 | 181,568 | 678,725 | 77,725 | 127,744 | 1,065,762 |
| Additions | 0 | 10,265 | 0 | 10,127 | 20,392 |
| Disposals | 0 | 0 | 0 | 0 | 0 |
| Transfers | 0 | 0 | 0 | 0 | 0 |
| At 31 March 2022 | 181,568 | 688,990 | 77,725 | 137,871 | 1,086,154 |
| Depreciation | | | | | |
| At 1 April 2021 | 144,846 | 431,321 | 51,764 | 115,445 | 743,376 |
| Charge for the year | 3,842 | 18,622 | 5,432 | 4,521 | 32,417 |
| On disposals | 0 | 0 | 0 | 0 | 0 |
| At 31 March 2022 | 148,688 | 449,943 | 57,196 | 119,966 | 775,793 |
| Net book values | | | | | |
| At 31 March 2022 | 32,880 | 239,047 | 20,529 | 17,905 | 310,361 |
| At 31 March 2021 | 36,722 | 247,404 | 25,961 | 12,299 | 322,386 |

12 Debtors

| | 2021/22 | 2020/21 |
|--------------------------------|----------------|----------------|
| | £ | £ |
| Trade debtors | 21,516 | 22,325 |
| Prepayments and accrued income | 1,500 | 1,500 |
| | <u>23,016</u> | <u>23,825</u> |

No debtor amounts fall due after more than one year

13 Creditors: amounts falling due within one year

| | 2021/22 | 2020/21 |
|------------------------------|----------------|----------------|
| | £ | £ |
| Trade creditors | 26,086 | 14,036 |
| Accruals and deferred income | 426,360 | 433,404 |
| | <u>452,446</u> | <u>447,440</u> |

No creditor amounts fall due after more than one year

14 Profit and Loss Account

| | Total |
|---|----------------|
| | £ |
| At 1 April 2021 | 913,151 |
| Transfers to/(from) Profit and Loss account | <u>46,406</u> |
| At 31 March 2022 | <u>959,557</u> |

15 Movement in reserves

| | Cash backed Reserves | | | Total cash backed Reserves £ | Asset backed Reserves £ | Total Reserves £ |
|---------------------|----------------------|--------------------------|--------------------------|---------------------------------|----------------------------|---------------------|
| | General Reserve £ | Asset Enhance 'ment £ | Asset Replace 'ment £ | | | |
| As at 1 April 2021 | 43,829 | 67,361 | 479,575 | 590,765 | 322,386 | 913,151 |
| Movement: | | | | | | |
| 2021/22 surplus | 46,406 | 0 | 0 | 46,406 | 0 | 46,406 |
| Transfers: | | | | | | |
| Asset additions | (20,392) | 0 | 0 | (20,392) | 20,392 | 0 |
| Depreciation | 32,417 | 0 | 0 | 32,417 | (32,417) | 0 |
| Asset contribution | (35,000) | 0 | 35,000 | 0 | 0 | 0 |
| Projects | 7,480 | 0 | (7,480) | 0 | 0 | 0 |
| Interest | (1,035) | 128 | 907 | 0 | 0 | 0 |
| Total movement | 29,876 | 128 | 28,427 | 58,431 | (12,025) | 46,406 |
| As at 31 March 2022 | 73,705 | 67,489 | 508,002 | 649,196 | 310,361 | 959,557 |

16 Reserves Policy

The Harbour Board approved a reserves policy on 18 May 2007 which provided for the following three reserves:

- Asset Enhancement Reserve (AER) – £320,000 for a programme of future opportunities.
- Asset Replacement Reserve (ARR) – to replace all Harbour Authority Assets and provide maintenance dredges over a 25-year cycle. An Annual contribution of £43,000, later reduced to £35,000, to be received from revenue.
- Revenue Reserve (RR, also known as the General Reserve) – to hold annual surpluses totalling no more than 10% of the gross revenue budget (for 2021/22 this equates to £62,200). Any excess to be transferred to the AER, returned to mooring holders or to fund one-off revenue budget pressures as approved by the Board.

On 1 April 2022 the Harbour Board approved the following changes to the reserves policy in relation to the Asset Replacement Reserve:

- Increase the annual revenue contribution from £35,000 to £42,000, with future increases linked to the Asset Replacement register reporting agreed in principle.

- Introduction of a £100,000 minimum reserves balance policy to improve future resilience.

The reserves policy is kept under continuous review, to ensure the reserves continue to be at the level the River Hamble needs to operate effectively in accordance with its aims, needs and objectives and taking into account potential risks and contingencies that may arise from time to time, and in the context of a separate risk management policy.

The Board review the level of Harbour Dues annually in the context of the Revenue Reserve balance and expected income and expenditure, revising the rates as required to maintain an appropriate balance in the Revenue Reserve.

The Board also annually reviews the fixed asset register to ensure that the contribution to the Asset Replacement Reserve is appropriate to meet all anticipated expenditure on the replacement or maintenance of assets, revising the contribution when necessary.

The Asset Enhancement Reserve is used for exceptional, non-essential expenditure to enhance the enjoyment of the River Hamble for river users, and funds are therefore transferred into this reserve from time to time as funds allow.

| River Hamble Harbour Authority Management Accounts | 2021/22 Year End Position | | | |
|---|---------------------------|---------------------------------|---------------------|-----------------------|
| | Revised Budget | Period 6 Forecast Outturn | Year End Actuals | Variance to Budget |
| | £ | £ | £ | £ |
| EXPENDITURE | | | | |
| Staff Related | | | | |
| Salaries | 460,000 | 472,000 | 461,700 | 1,700 |
| Training | 5,000 | 2,000 | 1,357 | (3,643) |
| Professional Subscriptions | 2,000 | 2,000 | 1,863 | (137) |
| Sub-Total Staff Related | 467,000 | 476,000 | 464,920 | (2,080) |
| Premises | | | | |
| Rent / Rates | 33,000 | 36,000 | 36,915 | 3,915 |
| Electricity | 2,000 | 2,000 | 2,106 | 106 |
| Gas | 1,000 | 1,000 | 943 | (57) |
| Water / Sewerage | 1,000 | 1,000 | 864 | (136) |
| Repair & Maintenance (including Health & Safety Modifications) | 2,000 | 2,000 | 3,782 | 1,782 |
| Sub-Total Premises | 39,000 | 42,000 | 44,610 | 5,610 |
| Transport | | | | |
| Repair, Maintenance & Boat Refurbishment | 3,000 | 4,000 | 3,955 | 955 |
| Vehicle Running Expenses (Fuel) | 3,000 | 5,000 | 5,829 | 2,829 |
| Tools (including Chandlery) | 2,000 | 2,000 | 1,313 | (687) |
| Car Allowances / Staff Travel | 1,000 | 1,000 | 194 | (806) |
| Insurance | 2,000 | 2,000 | 1,600 | (400) |
| Sub-Total Transport | 11,000 | 14,000 | 12,891 | 1,891 |
| Supplies & Services | | | | |
| Office Expenses | 38,000 | 38,000 | 40,962 | 2,962 |
| Environmental Maintenance | 4,000 | 4,000 | 12,725 | 8,725 |
| Public Jetties & Navigational Safety | 6,000 | 9,000 | 25,944 | 19,944 |
| Central Department Charges | 43,000 | 43,000 | 37,198 | (5,802) |
| Designated Person | 10,000 | 10,000 | 9,570 | (430) |
| Oil Spill Response | 4,000 | 4,000 | 4,366 | 366 |
| Sub-Total Supplies & Services | 105,000 | 108,000 | 130,765 | 25,765 |
| GROSS EXPENDITURE | 622,000 | 640,000 | 653,186 | 31,186 |
| | | | | |
| | | | | |

| River Hamble Harbour Authority Management Accounts | 2021/22 Year End Position | | | |
|---|---------------------------|---------------------------------|---------------------|-----------------------|
| | Revised Budget | Period 6 Forecast Outturn | Year End Actuals | Variance to Budget |
| | £ | £ | £ | £ |
| INCOME | | | | |
| Harbour Dues | (551,000) | (556,000) | (572,193) | (21,193) |
| Crown Estate Funding | (71,000) | (71,000) | (71,275) | (275) |
| Visitor Income | (45,000) | (58,000) | (70,558) | (25,558) |
| Miscellaneous Income | (3,000) | (3,000) | (3,310) | (310) |
| Towing Charges | (9,000) | (9,000) | (457) | 8,543 |
| Other Funding | (1,000) | - | - | 1,000 |
| Interest | (1,000) | - | (269) | 731 |
| GROSS INCOME | (681,000) | (697,000) | (718,062) | (37,062) |
| NET REVENUE FUNDED EXPENDITURE | (59,000) | (57,000) | (64,876) | (5,876) |
| Contribution to Asset Replacement Reserve | 35,000 | 35,000 | 35,000 | - |
| NET SURPLUS TO GENERAL RESERVE | 24,000 | 22,000 | 29,876 | 5,876 |
| INCOME / EXPENDITURE ON RESERVES | | | | |
| Projects Funded by Reserves | | | | |
| Asset Enhancement | 12,000 | 12,000 | - | (12,000) |
| Asset Replacement | - | 2,000 | 7,480 | 7,480 |
| Revenue Reserve | - | - | - | - |
| Expenditure from Reserves | 12,000 | 14,000 | 7,480 | (4,520) |
| Interest on Reserves | | | | |
| Asset Enhancement Interest | - | - | (128) | (128) |
| Asset Replacement Interest | (3,000) | (1,000) | (907) | 2,093 |
| Income on Reserves | (3,000) | (1,000) | (1,035) | 1,965 |
| NET RESERVES FUNDED EXPENDITURE | 9,000 | 13,000 | 6,445 | (2,555) |
| TOTAL NET EXPENDITURE | (50,000) | (44,000) | (58,431) | (8,431) |
| | | | | |
| | | | | |
| | | | | |

| River Hamble Harbour Authority Management Accounts | 2021/22 Year End Position | | | |
|---|---------------------------|---------------------------------|---------------------|-----------------------|
| | Revised Budget | Period 6 Forecast Outturn | Year End Actuals | Variance to Budget |
| | £ | £ | £ | £ |
| RESERVES | | | | |
| Contribution to Asset Replacement Reserves | 35,000 | 35,000 | 35,000 | - |
| Transfer To / (From) Revenue Reserve | 24,000 | 22,000 | 29,876 | 5,876 |
| Transfer To / (From) Asset Enhancement Reserve | - | - | - | - |
| | 59,000 | 57,000 | 64,876 | 5,876 |
| Transfer Interest to Reserves | 3,000 | 1,000 | 1,035 | (1,965) |
| Transfers from Reserves - Projects | (12,000) | (14,000) | (7,480) | 4,520 |
| Total Transfers To / (From) Reserves | (9,000) | (13,000) | (6,445) | 2,555 |
| | | | | |
| TOTAL TRANSFERS TO / (FROM) RESERVES | 50,000 | 44,000 | 58,431 | 8,431 |
| | | | | |

| River Hamble Harbour Authority | | | | |
|--|----------------------------------|----------------------------------|------------------|---------------------------|
| Further detail on Harbour Dues, Visitors Income, Office Expenses and Central Department Charges | | | | |
| | 2021/22 Year End Position | | | |
| | Revised Budget | Period 6 Forecast Outturn | Actuals | Variance to Budget |
| | £ | £ | £ | £ |
| Harbour Dues Income | | | | |
| Marinas and Boatyards | (443,000) | (444,000) | (466,904) | (23,904) |
| River Moorings | (108,000) | (112,000) | (105,289) | 2,711 |
| Total Harbour Dues Income | (551,000) | (556,000) | (572,193) | (21,193) |
| | | | | |
| | | | | |
| Visitor Income | | | | |
| Mid Stream Visitors Pontoon | (17,000) | (25,000) | (31,939) | (14,939) |
| Warsash Jetty | (18,000) | (18,000) | (23,104) | (5,104) |
| Hamble Jetty | (3,000) | (3,000) | (3,428) | (428) |
| Commercial and Pleasure Craft Income | (7,000) | (12,000) | (12,087) | (5,087) |
| Total Visitor Income | (45,000) | (58,000) | (70,558) | (25,558) |
| | | | | |
| | | | | |
| Office Expenses | | | | |
| Equipment | 1,000 | 1,000 | 1,364 | 364 |
| First Aid Supplies / Health & Safety | 1,000 | 2,000 | 202 | (798) |
| Printing & Stationery | 2,000 | 2,000 | 1,934 | (66) |
| Catering / General | 1,000 | 1,000 | 946 | (54) |
| Protective Clothing and Safety Equipment | 3,000 | 3,000 | 3,785 | 785 |
| IT Charges | 7,000 | 7,000 | 6,906 | (94) |
| Postage | 1,000 | 1,000 | 201 | (799) |
| Subscriptions | 2,000 | 2,000 | 1,817 | (183) |
| Promotional Events / Publicity /Publications | 3,000 | 3,000 | 3,793 | 793 |
| Retail (Crabbing Equipment) | 1,000 | - | - | (1,000) |
| Credit Card Charges (re Income Collection) | 16,000 | 16,000 | 20,014 | 4,014 |
| Total Office Expenses | 38,000 | 38,000 | 40,962 | 2,962 |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

| River Hamble Harbour Authority | | | | |
|--|----------------------------------|----------------------------------|----------------|---------------------------|
| Further detail on Harbour Dues, Visitors Income, Office Expenses and Central Department Charges | | | | |
| | 2021/22 Year End Position | | | |
| | Revised Budget | Period 6 Forecast Outturn | Actuals | Variance to Budget |
| | £ | £ | £ | £ |
| Central Department Charges | | | | |
| Operational Finance | 22,000 | 22,000 | 21,600 | (400) |
| Integrated Business Centre / Audit / Tax Team / Finance | 6,000 | 6,000 | 6,098 | 98 |
| Democratic Services (Including Venue Costs) | 9,000 | 9,000 | 6,499 | (2,501) |
| Legal Services | 5,000 | 5,000 | 2,044 | (2,956) |
| Solent Forum Contribution | 1,000 | 1,000 | 957 | (43) |
| Total Central Department Charges | 43,000 | 43,000 | 37,198 | (5,802) |

Notes to Appendices 2 and 3

The details of significant variations are as follows:

1. Staff related expenditure was £2,080 lower than the budget, with training requirements being lower than expected and therefore costs were £3,643 lower than budgeted. Salary costs were £1,700 higher than budgeted with the cost of the 2021/22 pay award being partially offset by savings on seasonal staff and lower overtime requirements.
2. Premises costs were £5,610 higher than budgeted, due to high levels of visitor income attracting higher turnover rental charges and also yard fencing work being carried out during the year.
3. Vehicle running expenses were £2,829 higher than budgeted due to increased fuel costs.
4. Office expenses were £2,962 higher than budgeted. Primarily this was due to income collection costs being £4,014 higher than budget, which resulted from increased levels of income. Retail costs were zero, and therefore £1,000 under budget as, due to the Covid-19 pandemic, the sale of crabbing equipment etc did not resume during the year.
5. Environmental Maintenance related costs were £8,725 higher than budgeted due to the cost of a replacement pump at Warsash jetty.
6. Public Jetties & Navigational Safety costs were £19,944 higher than the budget and due to the mesh decking at Warsash jetty being replaced and a reconfiguration of the River Hamble Country Park jetty being carried out.
7. Central Department Charges

The basis for the central department charges is as follows:

- Operational Finance - £21,600 based on an assessment of the time devoted to the River Hamble. This is reviewed regularly.
- Corporate Resources central charges - based on volumes and reviewed regularly. A more detailed breakdown of these services is listed below:

| | |
|------------------------------------|---------------|
| ○ Integrated Business Centre (IBC) | £2,688 |
| ○ Audit Services | <u>£3,410</u> |
| | £6,098 |
- The charge for Audit Services is an SLA to cover audit requirements, both for specific site visits to the River Hamble and to cover systems and processes used by the River Hamble, such as payroll and IT systems.

- Legal Services and Democratic Services support costs – these charges are based on actual hours worked multiplied by an hourly rate which has been benchmarked to ensure best value. £2,044 was incurred for legal advice, £2,956 lower than budget. Democratic services charges, including venue hire costs, totalled £ 6,499 and were £2,501 lower than budget. Both were lower than respective budgets as they reflected lower meeting requirements through the year.
- A charge of £957 was received from Economy, Transport & Environment for the annual Solent Forum membership contribution.

The following costs are not currently borne by the Harbour Office:

- Notional rent and general repair costs associated with the Harbour Office.
 - Access to and use of the County Council's Information Technology infrastructure and systems.
 - Insurance, apart from a nominal fee relating to the Patrol Boats.
8. Total income for 2021/22 was £718,062, £37,062 above the budget of £681,000.
 9. Visitor income was £25,558 higher than budget due to a rise in yachting popularity following the relaxation of Covid-19 restrictions, larger boats staying longer and demand from boats displaced by dredging.
 10. Income relating to towing charges was £8,543 below budget due to displaced Crown Estate vessels being moored on vacant Crown Estate moorings rather than Harbour Authority moorings, and boat movements being made by vessel owners, and therefore had no associated towing charge.
 11. Annual harbour dues were £21,193 higher than budget. Whilst there were several vacant eight metre mid stream moorings, with no demand to fill the moorings, there were increased marina charges resulting from an increase in dry stack income and marina meterage.
 12. No retail income was received due to there being no sales during the year as a result of the Covid-19 pandemic.

River Hamble Harbour Authority – Reserves 2021 – 2023

| | Revenue Reserve £ | Asset Enhance 'ment Reserve £ | Asset Replace 'ment Reserve £ | Total £ |
|--|----------------------|-------------------------------------|-------------------------------------|----------------|
| Balance as at 31 March 2021 | 43,829 | 67,361 | 479,575 | 590,765 |
| Transfer to ARR from Revenue | (35,000) | 0 | 35,000 | 0 |
| Asset Replacement - Boat engines and navigation lights | 0 | 0 | (7,480) | (7,480) |
| Annual Interest Receivable | 0 | 128 | 907 | 1,036 |
| Net Surplus for the year | 64,876 | 0 | 0 | 64,876 |
| Balance at 31 March 2022 | 73,705 | 67,489 | 508,002 | 649,196 |
| Transfer to ARR from Revenue | (42,000) | 0 | 42,000 | 0 |
| Asset Replacement - Boat engines | 0 | 0 | (16,000) | (16,000) |
| Asset Enhancement - River Hamble Games | 0 | (3,000) | 0 | (3,000) |
| Annual Interest Receivable | 0 | 0 | 1,000 | 1,000 |
| Net Surplus for the year | 37,000 | 0 | 0 | 37,000 |
| Balance at 31 March 2023 | 68,705 | 64,489 | 535,002 | 668,196 |

Interest is generated on revenue reserves and is included in the net transfer to / (from) revenue reserves

Reconciliation of profit and loss to surplus generated on general revenue activities

| | 2021/22 |
|---|----------------|
| | £ |
| Profit/(loss) for the financial year from Income Statement | 46,406 |
| Add back: | |
| Depreciation Charge for Year | 32,417 |
| Projects funded from reserves | 7,480 |
| Less: | |
| Interest on AER and ARR | (1,035) |
| Agreed transfer to ARR | (35,000) |
| Additional one-off transfer to ARR re works to improve and replace assets | (20,392) |
| Net surplus to Revenue Reserve | <u>29,876</u> |

| River Hamble Harbour Authority Management Accounts | 2022/23 Revised Budget | | | |
|---|--------------------------------|-------------------------------|------------------|------------------------------|
| | 2021/22 Year End Actuals | 2022/23 Original Budget | Adjust' ments | 2022/23 Revised Budget |
| | £ | £ | £ | £ |
| EXPENDITURE | | | | |
| Staff Related | | | | |
| Salaries | 461,700 | 486,000 | - | 486,000 |
| Training | 1,357 | 3,000 | - | 3,000 |
| Professional Subscriptions | 1,863 | 2,000 | - | 2,000 |
| Sub-Total Staff Related | 464,920 | 491,000 | - | 491,000 |
| | | | | |
| Premises | | | | |
| Rent / Rates | 36,915 | 35,000 | - | 35,000 |
| Electricity | 2,106 | 2,000 | - | 2,000 |
| Gas | 943 | 1,000 | - | 1,000 |
| Water / Sewerage | 864 | 1,000 | - | 1,000 |
| Repair & Maintenance (including Health & Safety Modifications) | 3,782 | 3,000 | - | 3,000 |
| Sub-Total Premises | 44,610 | 42,000 | - | 42,000 |
| | | | | |
| Transport | | | | |
| Repair, Maintenance & Boat Refurbishment | 3,955 | 4,000 | - | 4,000 |
| Vehicle Running Expenses (Fuel) | 5,829 | 5,000 | - | 5,000 |
| Tools (including Chandlery) | 1,313 | 2,000 | - | 2,000 |
| Car Allowances / Staff Travel | 194 | 1,000 | - | 1,000 |
| Insurance | 1,600 | 2,000 | - | 2,000 |
| Sub-Total Transport | 12,891 | 14,000 | - | 14,000 |
| | | | | |
| Supplies & Services | | | | |
| Office Expenses | 40,962 | 38,000 | - | 38,000 |
| Environmental Maintenance | 12,725 | 4,000 | - | 4,000 |
| Public Jetties & Navigational Safety | 25,944 | 5,000 | - | 5,000 |
| Central Department Charges | 37,198 | 43,000 | - | 43,000 |
| Designated Person | 9,570 | 10,000 | - | 10,000 |
| Oil Spill Response | 4,366 | 4,000 | - | 4,000 |
| Sub-Total Supplies & Services | 130,765 | 104,000 | - | 104,000 |
| | | | | |
| GROSS EXPENDITURE | 653,186 | 651,000 | - | 651,000 |
| | | | | |
| | | | | |
| | | | | |

| River Hamble Harbour Authority Management Accounts | 2022/23 Revised Budget | | | |
|---|--------------------------------|-------------------------------|------------------|------------------------------|
| | 2021/22 Year End Actuals | 2022/23 Original Budget | Adjust' ments | 2022/23 Revised Budget |
| | £ | £ | £ | £ |
| RESERVES | | | | |
| Contribution to Asset Replacement Reserves | 35,000 | 35,000 | 7,000 | 42,000 |
| Transfer To / (From) Revenue Reserve | 29,876 | 2,000 | (7,000) | (5,000) |
| Transfer To / (From) Asset Enhancement Reserve | - | - | - | - |
| | 64,876 | 37,000 | - | 37,000 |
| Transfer Interest to Reserves | 1,035 | 1,000 | - | 1,000 |
| Transfers from Reserves - Projects | (7,480) | (28,000) | 9,000 | (19,000) |
| Total Transfers To / (From) Reserves | (6,445) | (27,000) | 9,000 | (18,000) |
| | | | | |
| TOTAL TRANSFERS TO / (FROM) RESERVES | 58,431 | 10,000 | 9,000 | 19,000 |
| | | | | |

| River Hamble Harbour Authority | | | | |
|--|---|--|--------------------------|---------------------------------------|
| Further detail on Harbour Dues, Visitors Income, Office Expenses and Central Department Charges | | | | |
| | 2022/23 Revised Budget | | | |
| | 2021/22 Year End Actuals | 2022/23 Original Budget | Adjust' ments | 2022/23 Revised Budget |
| | £ | £ | £ | £ |
| Harbour Dues Income | | | | |
| Marinas and Boatyards | (466,904) | (446,000) | - | (446,000) |
| River Moorings | (105,289) | (113,000) | - | (113,000) |
| Total Harbour Dues Income | (572,193) | (559,000) | - | (559,000) |
| | | | | |
| | | | | |
| Visitor Income | | | | |
| Mid Stream Visitors Pontoon | (31,939) | (17,000) | - | (17,000) |
| Warsash Jetty | (23,104) | (18,000) | - | (18,000) |
| Hamble Jetty | (3,428) | (3,000) | - | (3,000) |
| Commercial and Pleasure Craft Income | (12,087) | (7,000) | - | (7,000) |
| Total Visitor Income | (70,558) | (45,000) | - | (45,000) |
| | | | | |
| | | | | |
| Office Expenses | | | | |
| Equipment | 1,364 | 1,000 | - | 1,000 |
| First Aid Supplies / Health & Safety | 202 | 1,000 | - | 1,000 |
| Printing & Stationery | 1,934 | 2,000 | - | 2,000 |
| Catering / General | 946 | 1,000 | - | 1,000 |
| Protective Clothing and Safety Equipment | 3,785 | 3,000 | - | 3,000 |
| IT Charges | 6,906 | 7,000 | - | 7,000 |
| Postage | 201 | 1,000 | - | 1,000 |
| Subscriptions | 1,817 | 2,000 | - | 2,000 |
| Promotional Events / Publicity /Publications | 3,793 | 3,000 | - | 3,000 |
| Retail (Crabbing Equipment) | - | 1,000 | - | 1,000 |
| Credit Card Charges (re Income Collection) | 20,014 | 16,000 | - | 16,000 |
| Total Office Expenses | 40,962 | 38,000 | - | 38,000 |
| | | | | |
| | | | | |
| | | | | |

| River Hamble Harbour Authority | | | | |
|--|---|--|--------------------------|---------------------------------------|
| Further detail on Harbour Dues, Visitors Income, Office Expenses and Central Department Charges | | | | |
| | 2022/23 Revised Budget | | | |
| | 2021/22 Year End Actuals | 2022/23 Original Budget | Adjust' ments | 2022/23 Revised Budget |
| | £ | £ | £ | £ |
| Central Department Charges | | | | |
| Operational Finance | 21,600 | 22,000 | - | 22,000 |
| Integrated Business Centre / Audit / Tax Team / Finance | 6,098 | 6,000 | - | 6,000 |
| Democratic Services (Including Venue Costs) | 6,499 | 9,000 | - | 9,000 |
| Legal Services | 2,044 | 5,000 | - | 5,000 |
| Solent Forum Contribution | 957 | 1,000 | - | 1,000 |
| Total Central Department Charges | 37,198 | 43,000 | - | 43,000 |