

River Hamble Harbour Authority

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



River Hamble Harbour Authority
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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