

**Salcombe Harbour Board, 24 October 2006****FINAL ACCOUNTS 2005/2006****Report of the Head of Finance and the Salcombe Harbour Master.**

**Statutory Powers:** Local Government Act 1972, Section 151; The Pier and Harbour Order (Salcombe) Confirmation Act 1954

**Financial Implications:** A trading surplus of £1,963 was generated in 2005/2006

**Purpose**

This report advises Members of the Harbour's trading position in 2005/2006 together with brief details of the main variations from the original budget. A summary of harbour reserves and balances is also provided.

Budget considerations are directly linked to corporate priority six – “the improvement of core services in a cost effective way”.

**Recommendations**

**That the Board RESOLVES to note the final accounts for 2005/2006 as set out within Appendix A.**

**Introduction**

1. The Harbour's trading accounts for 2005/2006 have been finalised, and have been subject to external audit certification. The accounts show how funds have been used to deliver services and form an essential part of public accountability. In 2005/2006 a surplus of £1,963 was generated compared with the budgeted break-even position. Details are included at Appendix A.

**Actual expenditure in 2005/2006**

2. The following table identifies the main variations from budget.

<b>Type of expense</b>	<b>Details of variation</b>	<b>Amount (£)</b>
Inflation	Pay award 2.95%	9,500
Employees	Staff vacancies (Mainly due to Asst Harbour Master Post)	(22,200)

Type of expense	Details of variation	Amount (£)
Rent	The payment to the Duchy of Cornwall varies with income generation	7,100
Harbour Guide	Additional costs were incurred with a one-off change of format for the Harbour guide.	10,900
Other Misc. Items		5,300
		<u>(1,963)</u>

### Harbour balances

3. Following the closure of the accounts for 2005/2006, balances stand at the following levels (Appendix B):
- General/Revenue account reserve - £137,853
  - Renewals reserve - £132,411
  - Pontoon reserve - £22,813

### Risk Assessment

4. No risks have been identified, as the 2005/06 accounts are a statement of fact and have been subject to audit verification by the Council's external auditors.

### Conclusion

5. It is pleasing that the Harbour has once again been able to deliver against a budgeted break-even position. As we have seen in previous years, sufficient additional income has been generated through the year to offset additional costs as they have arisen.

Paul Bartlett  
Principal Accountant

Ian Gibson  
Harbour Master

Nick Hodgson  
Head of Property Services

Salcombe Harbour Board  
24 October 2006

**Background Documents:**  
Financial Services working papers