

**TARBERT (LOCH FYNE) HARBOUR AUTHORITY
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

TARBERT (LOCH FYNE) HARBOUR AUTHORITY

OFFICERS AND ADVISORS

TRUSTEES

D. Cunningham - Chairman
H. Kok - Vice Chairman (Resigned 1 April 2017)
P. Robertson
A. Peden
M. Harty (Resigned 1 April 2017)
J. Hardie
C. MacDonald - Appointed Vice Chairman 1 April 2017
D. McAllister - Harbour Master & Port Manager
S. Bleasby (Appointed 1 April 2017)
M. MacDonald (Appointed 1 April 2017)

CLERKS TO TARBERT HARBOUR AUTHORITY

MacArthur Stewart
Boswell House
Argyll Square
Oban
PA34 4BD

AUDITORS

Welsh Walker Ltd
179A Dalrymple Street
Greenock
PA15 1BX

HARBOUR MASTER'S OFFICE

Garval Road
Tarbert
Argyll
PA29 6TR

BANKERS

Bank of Scotland
P.O. Box 1000
BX2 1LB

TARBERT (LOCH FYNE) HARBOUR AUTHORITY**REPORT OF THE TRUSTEES
for the year ended 31 March 2017**

The Trustees present their Report and Accounts for the year ended 31 March 2017.

Constitution

The Authority was set up by the Pier and Harbour Order Confirmation (No 1) Act 1912, in order to safeguard and maintain the harbour area of Tarbert (Loch Fyne) as gifted to it under that order, and following the making of the Tarbert (Loch Fyne) Harbour Revision (Constitution) Order 2007, is now governed by the Tarbert (Loch Fyne) Harbour Act and Order 1912 to 2007.

Principal Activity

The Authority's principal activity during the year continued to be the management and operation of Tarbert Harbour and its facilities.

Trustees

The following Trustees have held office since 1 April 2016:

D. Cunningham - Chairman
H. Kok - Vice Chairman (Resigned 1 April 2017)
P. Robertson
A. Peden
M. Harty (Resigned 1 April 2017)
J. Hardie
C. MacDonald - Vice Chairman
D. McAllister - Harbour Master & Port Manager
S. Bleasby (Appointed 1 April 2017)
M. MacDonald (Appointed 1 April 2017)

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

The Trustees are required to prepare financial statements for each financial year. The Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and Applicable Law). The Trustees 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 the surplus or deficit of the Authority for that period. In preparing those financial statements, the Trustees are required to:

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

TARBERT (LOCH FYNE) HARBOUR AUTHORITY**REPORT OF THE TRUSTEES (cont'd)
for the year ended 31 March 2017**

The Trustees 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 to enable them to ensure that the financial statements comply with relevant financial reporting standards. 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.

Statement of disclosure of information to Auditors

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

Re-appointment of Auditors

A resolution is to be proposed at the Annual General Meeting for re-appointment of Welsh Walker Limited as auditor of the Authority.

Small Company Rules

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

This report was approved by the Board of Trustees on 31 July 2017 and signed on its behalf.



**D. Cunningham
Chairman**

TARBERT (LOCH FYNE) HARBOUR AUTHORITY**INDEPENDENT AUDIT REPORT
For the year ended 31 March 2017****INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF TARBERT (LOCH FYNE) HARBOUR AUTHORITY
FOR THE YEAR ENDED 31 MARCH 2017**

We have audited the financial statements of Tarbert (Loch Fyne) Harbour Authority for the year ended 31 March 2017 which comprise of the Revenue Account, Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland".

This report is made solely to the Authority's Trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Authority's Trustees those matters we are required to state to them in an Auditors' 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 Authority's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and Auditors

As explained more fully in the Trustees responsibilities statement set out on page 1-2, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board (APB's) Ethical Standards for Auditors.

Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Authority's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements, or inconsistencies we consider the implications for our report.

Opinion on Financial Statements

In our opinion the financial statements:

- Give a true and fair view of the state of the Authority's affairs as at 31 March 2017 and of its surplus for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Practice; and
- Have been prepared in accordance with the requirements of the Tarbert (Loch Fyne) Harbour Authority Act and Order 1912 to 2007, the Harbours Act 1964 and the Companies Act 2006, as far as these are relevant to the Authority.

TARBERT (LOCH FYNE) HARBOUR AUTHORITY**INDEPENDENT AUDITORS REPORT (CONT'D)**

Opinions on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit, the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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;
- The financial statements are not in agreement with the accounting records or returns;
- Certain disclosures of Trustees remuneration specified by law are not made;
- We have not received all the information and explanations we require for our audit; or
- The Trustees were not entitled to prepare the financial statements in accordance with the small companies regime, and take advantage of the small companies exemption in preparing the Trustees' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.



Craig Lindsay
Senior Statutory Auditor

For and on behalf of
Welsh Walker Ltd
Statutory Auditors

Welsh Walker Ltd
Chartered Accountants
179A Dalrymple Street
Greenock PA15 1BX

Date: 31 July 2017

TARBERT (LOCH FYNE) HARBOUR AUTHORITY
**REVENUE ACCOUNT
for the year ended 31 March 2017**

	Notes	2017 £	2016 £
INCOME	1	619,020	660,205
Direct costs	1	(512,178)	(642,261)
Gross Surplus		<u>106,842</u>	<u>17,944</u>
Administration expenses	1	(132,312)	(75,381)
Operating Deficit	3	(25,470)	(57,437)
Capital Grants released	1 & 5	90,638	22,530
Surplus/(Deficit) before taxation		65,168	(34,907)
Taxation	6	(23,372)	2,306
NET SURPLUS/(DEFICIT) FOR YEAR	12	<u>41,796</u> =====	<u>(32,601)</u> =====

The notes on pages 7 to 15 form part of these financial statements.

TARBERT (LOCH FYNE) HARBOUR AUTHORITY

BALANCE SHEET
As at 31 March 2017

	Notes	2017		2016	
		£	£	£	£
TANGIBLE FIXED ASSETS	7		2,416,461		2,560,886
CURRENT ASSETS					
Stock		14,725		-	
Debtors	8	37,214		227,600	
Cash at Bank and in hand		<u>159,772</u>		<u>171,491</u>	
		211,711		399,091	
CREDITORS:					
Amounts falling due within one year	9	(141,007)		(435,221)	
NET CURRENT ASSETS / (LIABILITIES)			70,704		(36,130)
			<u>2,487,165</u>		<u>2,524,756</u>
DEFERRED LIABILITIES					
Deferred Tax	10		(48,926)		(25,554)
DEFERRED INCOME	11		(1,640,662)		(1,743,421)
			<u>797,577</u>		<u>755,781</u>
FINANCED BY:					
Revenue Account	12		797,577		755,781

The financial statements which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 were approved by the board of Trustees on 31 July 2017 and signed on their behalf.

Trustee.....  D. Cunningham (Chairman)

Trustee.....  P. Robertson

Trustee.....  D. McAllister (Harbour Master)

The notes on pages 7 to 15 form part of these financial statements.

TARBERT (LOCH FYNE) HARBOUR AUTHORITY**NOTES TO THE ACCOUNTS
for the year ended 31 March 2017****1. ACCOUNTING POLICIES****Authority Information**

Tarbert (Loch Fyne) Harbour Authority is a harbour authority with the Harbour Master's Office being based in Garvel Road, Tarbert.

1.1 Accounting Convention

These financial statements have been prepared in accordance with the Tarbert (Loch Fyne) Harbour Act and Order 1912 to 2007, the Harbours Act 1964 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the authority. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 March 2017 are the first financial statements of Tarbert (Loch Fyne) Harbour Authority prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going Concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the authority has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

Income represents amounts receivable for services from the users of the harbour and its facilities. It is measured at the fair value of consideration received or receivable and represents amounts receivable net of discounts and value added tax, where appropriate.

The authority recognises revenue when the amount of revenue can be measured reliably and when it is probable that future economic benefits will flow to the entity. This typically happens on completion of services performed.

1.4 Direct Costs & Administration Expenses

Direct Costs and Administration Expenses are shown net of Revenue Grants received and receivable during the year. In the year under review, Revenue Grants totalling £nil were credited to Costs (2016 - £48,534) as follows: £nil against Administration Expenses (2016 - £48,534).

TARBERT (LOCH FYNE) HARBOUR AUTHORITY**NOTES TO THE ACCOUNTS (cont'd)
for the year ended 31 March 2017****1.5 Government Grants - Capital**

Grants received towards the development of the Harbour's facilities have been deducted from the capital expenditure incurred in providing these facilities for accounting period up to 31 March 2011. From 1 April 2011 any capital grants are held in deferred income and released over the life of the asset.

1.6 Government Grants - Revenue

Grants received and receivable in respect of expenditure charged to the Revenue Account during the year have been included in the Revenue account under the same heading as the expenditure that it relates to.

1.7 Depreciation

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Land and Foreshore owned by Tarbert Harbour Authority have not been depreciated. Buildings and piers are being depreciated at a rate intended to write off their cost less their residual values over their estimated useful life. Depreciation has also been provided on plant and equipment at a rate intended to write off its cost less their residual values over their estimated useful life. The rates of depreciation are as follows:

Ferry Berth:	5% per annum reducing balance
Land & Buildings:	5%-25% per annum straight line
Plant & Equipment:	20% per annum on reducing balance
Gym Equipment & Marquee: (included in Plant & Equipment)	25% per annum straight line

1.8 Impairment of Fixed Assets

At each reporting period end date, the authority reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the authority estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.10 Cash and Cash Equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

TARBERT (LOCH FYNE) HARBOUR AUTHORITY**NOTES TO THE ACCOUNTS (cont'd)
for the year ended 31 March 2017****1.11 Financial Instruments**

The authority has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Basic Financial Assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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.

Financial assets classified as receivable within one year are not amortised.

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date. Any impairment loss is recognised in the profit and loss account. Subsequent reversals are reversed recognised in profit and loss but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years.

Classification of Financial Liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic Financial Liabilities

Basic financial liabilities, including creditors and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The authority's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

TARBERT (LOCH FYNE) HARBOUR AUTHORITY**NOTES TO THE ACCOUNTS (cont'd)
for the year ended 31 March 2017****Deferred Tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the authority has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.13 Employee Benefits

The costs of short-term employee benefits including holiday pay are recognised as a liability and an expense.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.15 Pensions

The Authority operates a defined contribution money purchase pension scheme for its employees. The charge in the year of £4,153 (2016 - £2,459) represents the amounts paid by the Authority to the scheme in the financial year.

2. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the authority's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical Judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Depreciation

Depreciation of fixed assets has been based on estimated useful lives and residual values deemed appropriate by the trustees. Estimated useful lives and residual values are reviewed annually and revised as appropriate.

TARBERT (LOCH FYNE) HARBOUR AUTHORITY

NOTES TO THE ACCOUNTS (cont'd)
for the year ended 31 March 2017**Bad Debts**

Bad debt provisions are provided at rates deemed appropriate by the trustees.

Specific allowances are provided for when it is known to the trustees that the debtor is not recoverable in part or in full.

General allowances are provided based on the trustees cumulative knowledge and experience of the industry, where it is deemed probable a portion of the debtors balance will become unrecoverable.

Stock Provisions

Stock provisions are provided at rates to write off stock for theft, spoilage, obsolescence or other damages to physical stock holdings. The provisions are reviewed annually by the trustees and revised accordingly. Provisions are made where it is probable current stock holdings, due to slow movements, are likely to become obsolete or spoiled.

3. SURPLUS/(DEFICIT) FOR THE YEAR

This is stated after charging:

	2017	2016
	£	£
Depreciation of owned tangible fixed assets	177,270	90,533
Lease Rental of Pontoons and Seabed	60,444	58,389
Auditors' Remuneration	4,115	4,015
Employment Costs	214,342	190,694
	=====	=====
and after crediting:		
Government Grants	90,638	71,064
	=====	=====

One of the Trustees received remuneration from the Board in the year. The Harbour Master, Donald McAllistair, received £42,042 (2016 - £40,800).

4. EMPLOYEES

The average monthly number of persons (including trustees) employed by the authority during the year was 12 (2016 - 10).

TARBERT (LOCH FYNE) HARBOUR AUTHORITY
**NOTES TO THE ACCOUNTS (Cont'd)
for the year ended 31 March 2017**
5. GOVERNMENT GRANTS

The Authority has received grants towards several projects which contained both capital and revenue elements. The details of the grants are as follows:

- (a) A new ferry berth was completed in the year to 31 March 2016. Part of the grant claims related to a contribution towards the management charge. There was no release of the grant with regards to management fees in 2017 (2016 - £48,534). The remainder of the grant is included in deferred income to be released at £50,569 per annum.
- (b) In the year to 31 March 2016, the Authority undertook the task of installing new pontoons within the harbour. This was carried out using grant support received from Coastal Communities Project and Big Lottery Fund.

In the year to 31 March 2016, the Authority spent £710,716 on the pontoons and claimed grants totalling £603,650. These grants were included in deferred income and are being released at a rate of 5% per annum.

- (c) The following is an analysis of the grants credited to the Revenue Account in the year:

	2017 £	2016 £
<u>Revenue Grants</u>		
Administration Expenses - Ferry Berth	-	48,534
	-----	-----
	-	48,534
	=====	=====
<u>Capital Grants Released</u>		
Chandlery Building	602	600
Pontoons	37,006	6,825
Marquee	2,461	2,463
Ferry Berth	50,569	12,642
	-----	-----
	90,638	22,530
	=====	=====

6. TAXATION

	2017 £	2016 £
Transfer from deferred Taxation reserve (note 10)	(23,372)	2,306
	-----	-----
	(23,372)	2,306
	=====	=====

TARBERT (LOCH FYNE) HARBOUR AUTHORITY

NOTES TO THE ACCOUNTS (Cont'd)
for the year ended 31 March 2017

7. FIXED ASSETS

	Ferry Berth £	Land & Buildings £	Plant and Equipment £	Total £
Cost				
At 1 April 2016	1,261,369	2,164,927	100,068	3,526,364
Additions	5,369	-	27,506	32,875
Disposals	-	-	(450)	(450)
At 31 March 2017	1,266,738	2,164,927	127,124	3,558,789
Depreciation				
At 1 April 2016	15,767	865,956	83,755	965,478
Charge in year	62,548	104,671	10,051	177,270
Eliminated in respect of disposals	-	-	(420)	(420)
At 31 March 2017	78,315	970,627	93,386	1,142,328
Net book value				
As at 31 March 2017	1,188,423	1,194,300	33,738	2,416,461
As at 31 March 2016	1,245,602	1,298,971	16,313	2,560,886

8. DEBTORS

	2017 £	2016 £
Trade debtors	12,259	10,184
VAT refundable	794	57,428
Prepayments and accrued income	24,161	10,726
Grants Receivable	-	149,262
	37,214	227,600

9. CREDITORS:

Amounts falling due within one year:

	2017 £	2016 £
Trade Creditors	30,272	310,753
Accrued expenses	110,735	124,468
	141,007	435,221

TARBERT (LOCH FYNE) HARBOUR AUTHORITY

NOTES TO THE ACCOUNTS (Cont'd)
for the year ended 31 March 2017

10. DEFERRED LIABILITIES

This represents deferred taxation:	Potential		Provided	
	2017 £	2016 £	2017 £	2016 £
Tax losses	(9,609)	(25,179)	(9,609)	(25,179)
Tax allowances in excess of depreciation	58,535	50,733	58,535	50,733
	<u>48,926</u>	<u>25,554</u>	<u>48,926</u>	<u>25,554</u>
	=====	=====	=====	=====

11. DEFERRED INCOME

	2017 £	2016 £
HIE Grant - Chandlery Building	8,406	9,008
Enterprise Growth Fund - Pontoons	108,176	115,001
Transport Scotland - Ferry Berth	948,149	998,718
Big Lottery - Marquee	2,463	4,924
Coastal Communities - Pontoons	573,468	615,770
	<u>1,640,662</u>	<u>1,743,421</u>
	=====	=====
Due for release within one year	<u>90,640</u>	<u>90,638</u>
	=====	=====

12. STATEMENT OF CHANGES IN EQUITY

Revenue account as at 1 April 2016	755,781
Revenue Surplus for year	41,796
	<u>797,577</u>
	=====
Revenue account as at 31 March 2017	797,577
	=====

TARBERT (LOCH FYNE) HARBOUR AUTHORITY**NOTES TO THE ACCOUNTS (Cont'd)
for the year ended 31 March 2017****13. LEASE RENTAL COMMITMENTS**

At 31 March 2017 the Authority had commitments under non-cancellable operating leases as follows:

2017	2016
£	£
860,241	899,935
=====	=====

The Authority have a lease over the pontoons on a fixed lease payment. The total commitment to this lease is £848,733 (2016 - £899,935). This lease expires on the 31st October 2028.

The Authority have also entered into two lease agreements for small pieces of machinery. The total commitment under these leases at the 31 March 2017 was £11,508.

The Authority also pay a fee to Crown Estates for rental of the sea bed. This figure is calculated as a proportion of income received for activities that take place on Crown Estates property and therefore the commitment cannot be quantified. This lease runs until the 31st October 2038.

14. CONTROL

The Authority is managed on a day to day basis by the Harbour Master who in return reports to the Board of Trustees. The Board of Trustees are responsible for the short and long-term decision making.

15. TRANSACTIONS WITH TRUSTEES

During the year five Trustees berthed their boats at the Harbour. The total fees for the berthing amounted to £11,601 (2016 - £13,011), charged at the normal market rate.

16. GOVERNMENT GRANTS

Note 5 to the accounts provides information in relation to the grants received by the authority and note 11 to the accounts details the balances of the grants which are being released to the income and expenditure account at the same rate that the assets they relate to are depreciated.

All the requirements of the grants have been met and the trustees are of the opinion that there is little risk of a clawback in relation to the grant income received.