

PORTLAND HARBOUR AUTHORITY LIMITED
REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

TUESDAY



A29 *A6FSKW4X* 26/09/2017 #151
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**DUNCAN
& TOPLIS**
CHARTERED ACCOUNTANTS
AND BUSINESS ADVISERS

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FOR THE YEAR ENDED 31 DECEMBER 2016**

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PORTLAND HARBOUR AUTHORITY LIMITED

COMPANY INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2016

DIRECTORS:

J C Langham
R T N Best
J M Langham (Jnr)
W T Reeves

SECRETARY:

A D Deves

REGISTERED OFFICE:

Bingham's Melcombe
Dorchester
Dorset
DT2 7PZ

REGISTERED NUMBER:

03002686 (England and Wales)

SENIOR STATUTORY AUDITOR:

Michael Argyle BSc ACA

AUDITORS:

Duncan & Toplis Limited, Statutory Auditor
3 Castlegate
Grantham
Lincolnshire
NG31 6SF

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2016**

The directors present their report with the financial statements of the company for the year ended 31 December 2016.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of acting as the Statutory Harbour Authority at Portland, and to provide harbour and towage services.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2016 to the date of this report.

J C Langham
R T N Best
J M Langham (Jnr)
W T Reeves

Other changes in directors holding office are as follows:

J M Langham (Deceased) ceased to be a director after 31 December 2016 but prior to the date of this report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

PORTLAND HARBOUR AUTHORITY LIMITED (REGISTERED NUMBER: 03002686)

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2016**

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

ON BEHALF OF THE BOARD:



.....
A D Deves - Secretary

Date: 15/9/17

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PORTLAND HARBOUR AUTHORITY LIMITED

We have audited the financial statements of Portland Harbour Authority Limited for the year ended 31 December 2016 on pages six to eighteen. 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the company's members, 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 company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors 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 and express an opinion on 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'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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors 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 company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit, the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements, and has been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the company and its environment, we have not identified any material misstatements in the Report of the Directors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
PORTLAND HARBOUR AUTHORITY LIMITED**

Matters on which we are required to report by exception

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; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Duncan & Toplis Ltd.

Michael Argyle BSc ACA (Senior Statutory Auditor)
for and on behalf of Duncan & Toplis Limited, Statutory Auditor
3 Castlegate
Grantham
Lincolnshire
NG31 6SF

Date: *15 September 2017*

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2015 £
REVENUE	3	2,365,046	2,326,517
Cost of sales		<u>1,602,918</u>	<u>1,464,048</u>
GROSS PROFIT		762,128	862,469
Administrative expenses		<u>534,396</u>	<u>699,635</u>
OPERATING PROFIT		227,732	162,834
Interest receivable and similar income	5	<u>18,650</u>	<u>16,414</u>
		246,382	179,248
Interest payable and similar expenses	6	<u>1,246</u>	<u>1,303</u>
PROFIT BEFORE TAXATION	7	245,136	177,945
Tax on profit	8	<u>35,073</u>	<u>11,740</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>210,063</u></u>	<u><u>166,205</u></u>

The notes form part of these financial statements

PORTLAND HARBOUR AUTHORITY LIMITED (REGISTERED NUMBER: 03002686)

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016**

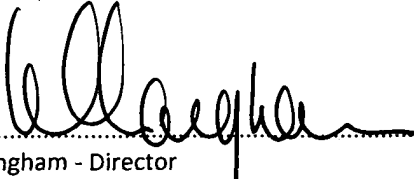
	Notes	2016 £	2015 £
PROFIT FOR THE YEAR		210,063	166,205
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>210,063</u>	<u>166,205</u>

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2016

	Notes	2016 £	2015 £
FIXED ASSETS			
Property, plant and equipment	9	50,000	50,000
Investments	10	3	3
		<u>50,003</u>	<u>50,003</u>
CURRENT ASSETS			
Inventories	11	70,871	50,620
Debtors	12	757,008	959,867
Cash at bank - repair fund		1,710,000	1,710,000
Cash at bank		1,004,921	640,426
		<u>3,542,800</u>	<u>3,360,913</u>
CREDITORS			
Amounts falling due within one year	13	769,598	795,444
NET CURRENT ASSETS		<u>2,773,202</u>	<u>2,565,469</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,823,205</u>	<u>2,615,472</u>
CREDITORS			
Amounts falling due after more than one year	14	40,047	42,377
NET ASSETS		<u><u>2,783,158</u></u>	<u><u>2,573,095</u></u>
CAPITAL AND RESERVES			
Called up share capital	18	497,778	497,778
Capital redemption reserve	19	22,222	22,222
Retained earnings	19	2,263,158	2,053,095
SHAREHOLDERS' FUNDS		<u><u>2,783,158</u></u>	<u><u>2,573,095</u></u>

The financial statements were approved by the Board of Directors on15/9/17..... and were signed on its behalf by:


J C Langham - Director

PORTLAND HARBOUR AUTHORITY LIMITED

**STATEMENT OF CHANGES IN EQUITY
for the Year Ended 31 December 2016**

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
Balance at 1 January 2015	497,778	1,886,890	22,222	2,406,890
Changes in equity				
Total comprehensive income	-	166,205	-	166,205
Balance at 31 December 2015	<u>497,778</u>	<u>2,053,095</u>	<u>22,222</u>	<u>2,573,095</u>
Changes in equity				
Total comprehensive income	-	210,063	-	210,063
Balance at 31 December 2016	<u>497,778</u>	<u>2,263,158</u>	<u>22,222</u>	<u>2,783,158</u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. GENERAL INFORMATION

Portland Harbour Authority Limited is a limited company incorporated in England and Wales. The address of the registered office is given in the company information on page one of these financial statements. The nature of the company's operations and principal activities are detailed in the report of the directors on page two.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention.

Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

The company is a subsidiary of Langham Industries Limited. Consolidated financial statements of Langham Industries Limited can be obtained from:

Companies House
Crown Way
Cardiff
CF14 3UZ

Significant judgements and estimates

In the application of the Company's accounting policies, management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods if the revision affects both current and future periods.

There are no significant accounting judgements or estimation uncertainties that, in the opinion of the directors, will have a material effect on the financial statements.

Revenue

Revenue represents sales at invoice value less trade discounts allowed and excluding value added tax. Revenue is recognised in the period in which services are performed.

Property, plant and equipment

The company's only fixed asset consists of freehold property. In the opinion of the directors any depreciation charge would not be significant.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2016

2. ACCOUNTING POLICIES - continued

Inventories

Inventory is valued at the lower of cost and fair value less costs to complete and sell. Stocks are accounted for on a first-in-first-out basis.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Pension costs and other post-retirement benefits

The company is a member of the Langham Industries Limited Pension Plan and the Langham Industries Group Personal Pension Plan.

The Langham Industries Limited Pension Plan was closed from 1 January 2004 and since that date contributions on behalf of members have been made into the Langham Industries Group Personal Pension Plan. In addition to this, the company has made contributions to the Langham Industries Limited Pension Plan in order to eliminate the deficit on that Plan. These contributions are charged to the income statement. Assets for both Plans are held in separate trustee administered funds.

The Langham Industries Limited Pension Plan provides benefits based on final pensionable pay. Contributions to the scheme are charged to the income statement so as to spread the cost of pensions over employees' working lives within the company. The underlying assets of the scheme are not specifically allocated to individual companies and therefore the company is unable to identify its share of the underlying assets of the scheme. There is no contractual agreement or stated policy for allocating the net defined benefit cost to the individual group entities. Accordingly, the net defined benefit cost for the plan as a whole is recognised in the individual financial statements of the parent company, Langham Industries Limited, as the entity that is legally responsible for the plan. The company therefore accounts for the scheme as a defined contribution scheme and contributions payable for the year are charged to the income statement. Full details of the scheme are included in the consolidated accounts of Langham Industries Limited.

The Langham Industries Group Personal Pension Plan is a money purchase scheme and contributions payable for the year are charged to the income statement.

The company is also a member of an industry wide defined benefit scheme. Further details are recorded in note 23.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. ACCOUNTING POLICIES - continued

Consolidated accounts

Consolidated accounts have not been prepared since the company is a subsidiary of Langham Industries Limited and is exempted from the requirement to prepare group accounts under Section 400 of the Companies Act 2006.

Financial instruments

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

Basic financial assets, including trade and other debtors and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

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

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 receipts discounted at a market rate of interest.

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. Accounts 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.

3. REVENUE

The revenue and profit before taxation are attributable to the one principal activity of the company.

The company's principal activity was carried on within the United Kingdom.

4. EMPLOYEES AND DIRECTORS

	2016 £	2015 £
Wages and salaries	905,757	774,392
Social security costs	81,371	72,949
Other pension costs	33,743	19,157
	<u>1,020,871</u>	<u>866,498</u>

The average monthly number of employees during the year was as follows:

	2016	2015
Direct	18	19
Administration	7	6
Directors	5	4
	<u>30</u>	<u>29</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2016**

4. EMPLOYEES AND DIRECTORS - continued

As stated in note 22, a group company operates a payroll facility and payroll costs as above have been recharged from that company.

Other pension costs include £Nil (2015 - £nil) paid into the Langham Industries Limited Pension Plan in order to eliminate the deficit on that Plan - further details are shown in note 23 to the financial statements.

	2016	2015
	£	£
Directors' remuneration	88,940	40,653
Directors' pension contributions to money purchase schemes	6,375	1,369
Compensation to director for loss of office	-	9,369
	<u> </u>	<u> </u>

The number of directors to whom retirement benefits were accruing was as follows:

	1	2
Money purchase schemes	1	2
Defined benefit schemes	-	1
	<u> </u>	<u> </u>

Retirement benefits are accruing to one director under a money purchase pension scheme.

No pension contributions are made by the company for the remaining directors.

In accordance with the pensions accounting policy, the above figure for Directors' pension contributions to money purchase schemes includes £Nil (2015 - £nil) payments to the Langham Industries Limited Pension Plan in order to eliminate the deficit on that Plan.

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2016	2015
	£	£
Bank interest receivable	18,650	16,414
	<u> </u>	<u> </u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2016	2015
	£	£
Other interest payable	1,246	1,303
	<u> </u>	<u> </u>

7. PROFIT BEFORE TAXATION

The profit is stated after charging:

	2016	2015
	£	£
Auditors' remuneration	12,400	11,910
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2016

8. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2016 £	2015 £
Current tax:		
UK corporation tax	-	2,400
Adjustment in respect of previous years: corporation tax	(2,400)	-
Adjustment re previous year - group relief	36,660	8,052
Total current tax	34,260	10,452
Deferred tax	813	1,288
Tax on profit	35,073	11,740

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2016 £	2015 £
Profit before tax	245,136	177,945
Profit multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20.250%)	49,027	36,034
Effects of:		
Expenses not deductible for tax purposes	-	4,559
Effect of change in tax rate	1,062	1,258
Adjustment in respect of previous years	34,260	8,052
Group loss relief (claimed) / surrendered	(49,276)	(38,163)
Total tax charge	35,073	11,740

The taxable profit for the year has been reduced by £246,000 (2015 - £181,000) due to the availability of group loss relief.

9. PROPERTY, PLANT AND EQUIPMENT

	Freehold property £
COST	
At 1 January 2016 and 31 December 2016	50,000
NET BOOK VALUE	
At 31 December 2016	50,000
At 31 December 2015	50,000

• **NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 DECEMBER 2016

10. FIXED ASSET INVESTMENTS

During the year the company held 2 ordinary shares of £1 each in Portland Pilotage Limited, a company registered in England and Wales, being 100% of the issued share capital. Portland Pilotage Limited did not trade during the year.

During the year the company held 80 ordinary shares of £1 each in Portland Towage Limited, a company registered in England and Wales, being 80% of the issued share capital which was acquired for a consideration of £1. Portland Towage Limited did not trade during the year.

11. INVENTORIES

	2016	2015
	£	£
Consumables	<u>70,871</u>	<u>50,620</u>

Inventories recognised as an expense in the period were £53,662 (2015 - £45,393).

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Trade debtors	372,988	482,818
Other debtors and prepayments	102,804	149,076
Amounts owed by group undertakings	274,012	319,956
Deferred tax asset		
Deferred pension payments	7,204	8,017
	<u>757,008</u>	<u>959,867</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Trade creditors	35,908	44,918
Corporation tax	-	2,400
Other creditors and accruals	115,242	94,537
Amounts owed to group undertakings	618,448	653,589
	<u>769,598</u>	<u>795,444</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016	2015
	£	£
Other creditors	<u>40,047</u>	<u>42,377</u>

Included within other creditors is £28,788 relating to pension obligations which is due in annual instalments after five years. Interest is charged at 2.8%.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2016

15. LEASING AGREEMENTS
Operating leases - lessor

Total future minimum lease payments receivable under non-cancellable operating leases are as follows:

	2016 £	2015 £
Within one year	76,700	66,800
Between one and five years	320,000	316,700
In more than five years	20,000	100,000
	<u>416,700</u>	<u>483,500</u>

16. FINANCIAL INSTRUMENTS

The company has the following financial instruments:

	2016 £	2015 £
Financial assets that are debt instruments measured at amortised cost		
Trade debtors	372,988	482,818
Other debtors	102,804	149,076
Amounts owed by group undertakings	274,012	319,956
Financial liabilities measured at amortised cost		
Trade creditors	35,908	44,918
Other creditors	115,242	136,914
Amounts owed to group undertakings	618,448	653,589

The total interest income and interest expense for financial assets and financial liabilities that are not measured at fair value through profit or loss was £nil (2015 - £nil) and £nil (2015 - £nil) respectively.

17. DEFERRED TAX

	£
Balance at 1 January 2016	(8,017)
Transfer to income statement	813
Balance at 31 December 2016	<u>(7,204)</u>

A deferred tax asset has been recognised in respect of pension obligations to an industry wide pension plan as described in note 23.

The expected reversal of the deferred tax asset during the following period is not expected to be significant, based on the recovery plan contributions.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2016

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2016	2015
Number:	Class:		£	£
432,534	'A' Ordinary	£1	432,534	432,534
65,244	'B' Ordinary	£1	65,244	65,244
			<u>497,778</u>	<u>497,778</u>

Each class of share capital holds equal voting rights.

19. RESERVES

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 January 2016	2,053,095	22,222	2,075,317
Profit for the year	210,063		210,063
At 31 December 2016	<u>2,263,158</u>	<u>22,222</u>	<u>2,285,380</u>

20. ULTIMATE PARENT COMPANY

The ultimate parent company is Langham Industries Limited which is registered in England and Wales.

The ultimate controlling party of Langham Industries Limited is the Langham family.

21. CONTINGENT LIABILITIES

The purchase price of the former naval base is subject to further payments which are conditional on certain events occurring.

The company also has a possible obligation to contribute towards the costs of maintaining the breakwaters. It is not possible to quantify the potential costs that would be incurred, should the obligation arise.

22. RELATED PARTY DISCLOSURES

During the year Portland Harbour Authority Limited was charged £591,262 for plant hire (2015 - £581,231) and £94,602 (2015 - £93,061) for management levies by group companies.

One of the group companies operates a payroll facility for both itself and Portland Harbour Authority Limited. These costs are shown in note 4 to the accounts. Other sundry amounts are recharged as appropriate.

The total amount due to group companies at the year end was £344,436 (2015 - £333,633). All loans are repayable on demand.

During the year, one of the directors charged the company £7,250 (2015 - £13,250) in consultancy fees.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2016

23. PENSION SCHEMES

The company is a member of the Langham Industries Limited Pension Plan and the Langham Industries Group Personal Pension Plan.

The Langham Industries Limited Pension Plan is a defined benefit scheme and is separately funded and administered. Further details of the scheme can be found in the financial statements of Langham Industries Limited.

From 1 January 2004 all active members of the Langham Industries Limited Pension Plan and the Langham Pension Savings Scheme were transferred to a new money purchase scheme, the Langham Industries Group Personal Pension Plan. This is separately funded and administered and open to all employees.

The Pilots National Pension Fund is an industry-wide defined benefits scheme. The company's share of the pension deficit was assessed at 0.023% at 1 January 2013, and under the deficit recovery plan Portland Harbour Authority Limited is making payments towards the funding of the deficit over a 16 year period starting from January 2013.

As the directors do not regard the company's share of the pension liability to be material to the financial statements, the pension liability is accounted for as a defined contribution plan. The total liability that arises from the company's obligations to make contributions towards the funding of the deficit, adjusted for the time value of money and assuming a discount factor of 2.8%, is included within other creditors.

A deferred tax asset has been recognised in respect of the pension liability.