Docusign Envelope ID: 12430DE1-9D1C-85B8-8312-2F815E7DA33E

Scrabster Harbour Trust

Board members' report and financial statements for the year ended 31 March 2026

Docusign Envelope ID: 12430DE1-9D1C-85B8-8312-2F815E7DA33E

Scrabster Harbour Trust

Trust information

Board members	Alexander Anderson	(Vice Chairman)
	Douglas Mackay	(Chairman - appointed September 2025)
	Ryan Maclean	
	Thomas Pottinger	(Chairman - retired September 2025)
	Struan Mackie	
	Tanya Sutherland	
	Catriona Whitfield	
	Heather Calder	
	Iain MacPhee	
Clerk to the Board	Ewan Thoms	
Business address	Harbour Office Scrabster Caithness KW14 7UJ	
Independent auditors	Saffery LLP Torridon House Beechwood Park Inverness IV2 3BW	
Solicitors	Young Robertson & Co 29 Traill Street Thurso Caithness KW14 8EQ	
	Burness Paull LLP 50 Lothian Road Festival Square Edinburgh EH3 9WJ	

Docusign Envelope ID: 12430DE1-9D1C-85B8-8312-2F815E7DA33E

Scrabster Harbour Trust

Contents

	Page
Board report	1 - 2
Board members' responsibilities statement	3
Independent auditor's report	4 - 6
Profit and loss account	7
Balance sheet	8
Statement of cash flows	9
Notes to the financial statements	10 - 21

Docusign Envelope ID: 12430DE1-9D1C-85B8-8312-2F815E7DA33E

Scrabster Harbour Trust

Board report
For the year ended 31 March 2026

The Board present their report and financial statements for the year ended 31 March 2026.

Principal activities
The Trust was established under the Scrabster Harbour Act 1841 with the power to build and operate a harbour in Scrabster. Since that date various amendments to the original Act have taken place, which have allowed the Harbour to be developed and expanded.

The Trust plans in 2026-27 to advance a new Harbour Revision Order to consolidate and modernise its legislation.

Business review
The financial year 2025-26 was a further successful trading period for the Trust, with record revenues achieved across the Trust's wider commercial activities.

Statutory turnover amounted to £5,300,729 for the year, an increase of 0.6% on the previous year. The increase reflected stronger ferry, fishing, and offshore energy activity, partly offset by reduced fish cargo, cruise and general cargo revenues.

Property income also continued to make an important contribution to the Trust's overall commercial performance. For statutory reporting purposes, property income is presented separately from turnover as rent receivable/other operating income. This distinction explains the difference between statutory turnover and the broader management accounts revenue presentation.

The financial statements show a pre- tax profit of £2,330,991. The profit position reflects the increased revenues, partly offset by a higher level of administrative costs. Staff costs, insurance, rates, water and energy costs increased during the year.

The Trust reduced its term loans by £400,000. The outstanding debt at the year end amounted to £2.5 million. All the remaining debt is hedged using an interest rate swap arrangement, providing the Trust with protection from interest rate changes.

Results
The Profit before taxation for the year was £2,330,991 (2025 - £3,119,409) on a turnover of £5,300,729 (2025: £5,270,996).

Net operating costs increased from £2,754,793 in the previous year to £2,933,892 reflecting higher operational expenditure, including wage costs, investment in machinery, repairs and maintenance.

Board members
The members who held office during the year and up to the date of signature of the financial statements were as follows:

Alexander Anderson	Vice Chair
Heather Calder	
Douglas Mackay	Chair - appointed September 2025
Struan Mackie	
Ryan Maclean	
Iain MacPhee	
Thomas Pottinger	Chair - retired September 2025
Tanya Sutherland	
Catriona Whitfield	

Docusign Envelope ID: 12430DE1-9D1C-85B8-8312-2F815E7DA33E

Charitable donations

During the year, the Trust donated £8,475 (2025: £12,879) to local charities.

The Scrabster Harbour Revision (Constitution) Order 2005

The Scrabster Harbour Revision (Constitution) Order 2005 (the "Order") reconstituted Scrabster Harbour Trust. The grant of the Order on 2 March 2005 provided the Trust with a modernised constitution which complies with the Government's document 'Modernising Trust Ports - A Guide to Good Governance'. The new constitution date was 7 November 2005, being the date of the first Annual General Meeting of the Trust occurring more than three months after the coming into force of the Order.

Under the new constitution the Trust is managed by the Board of between six and eight persons with experience in relevant matters.

On the new constitution date, all the powers and duties of the Trustees vested in the Board except those given to Trust Body by Article 12 of the Order, all assets and liabilities of the Trustees vested in the Trust and the Trustees were extinguished, but the Body Corporate established by the Act of 1841 remains a Body Corporate with perpetual succession.

The Order includes provisions with regard to the establishment of a Trust Body designed to maintain and develop the links with the community by encouraging continuing stakeholder interest. The Trust Body came into being on 12 September 2005.

The Order also extends the seaward limit of the Harbour and repeals or revokes certain statutory provisions.

Auditor

Saffery LLP have expressed their willingness to remain in office as auditors of the Trust.

Statement of disclosure to auditor

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

On behalf of the board

Signed by:
Douglas Mackay
AACD3087E25E49A...

Douglas Mackay
Chairman
08 September 2026

Docusign Envelope ID: 12430DE1-9D1C-85B8-8312-2F815E7DA33E

Scrabster Harbour Trust

Board members responsibilities statement
For the year ended 31 March 2026

The Board members are responsible for preparing the Board's Report and financial statements in accordance with applicable laws and United Kingdom Generally Accepted Accounting Practice.

The Scrabster Act 1841, as amended by The Scrabster Harbour Order 1897 and the Scrabster Harbour Revision (Constitution) Order 2005 requires the Board to prepare financial statements for each financial year. The Board is required to submit its annual statement of accounts to the annual general meeting of the Trust. These financial statements should give a true and fair view of the state of affairs of the Trust and of the profit or loss of the Trust for that period.

In preparing those financial statements, the Board members are required to:

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

The Board is responsible for keeping adequate accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Scrabster Harbour Act 1841. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board

Signed by:
Douglas Mackay
AACD9087E25E49A...
Douglas Mackay
Chairman
08 September 2026

Docusign Envelope ID: 12430DE1-9D1C-85B8-8312-2F815E7DA33E

Scrabster Harbour Trust

Independent auditor's report
To the members of Scrabster Harbour Trust

Opinion

We have audited the financial statements of Scrabster Harbour Trust for the year ended 31 March 2026 which comprise the profit and loss account, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 March 2026 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 Scrabster Harbour Act 1841.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the board members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the board members with respect to going concern are described in the relevant sections of this report.

Other information

The members are responsible for the other information. The other information comprises the information included in the board report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Docusign Envelope ID: 12430DE1-9D1C-85B8-8312-2F815E7DA33E

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Members' Report.

We have nothing to report in respect of the following matters where we are required 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 Board members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of board members
As explained more fully in the Board Members' Responsibilities Statement, set out on page 4, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the Trust's financial statements to material misstatement and how fraud might occur, including through discussions with the members, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the Trust by discussions with the members and by updating our understanding of the sector in which the Trust operates.

Laws and regulations of direct significance in the context of the trust include UK Tax legislation, The Scrabster Harbour Act 1841, as amended by the Scrabster Harbour Order 1987, the Scrabster Harbour Revision (Constitution) Order 2005 and the Statutory Harbour Undertakings (Pilotage Accounts) Regulations 1988.

Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed minutes of meetings, reviewed legal fees incurred and correspondence with solicitors to identify potential material misstatements arising. We discussed the Trust's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

Docusign Envelope ID: 12430DE1-9D1C-85B8-8312-2F815E7DA33E

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Trust's Board, in accordance with the Scrabster Harbour Act 1841, as amended. Our audit work has been undertaken so that we might state to the Trust's members those matters we are required to state to them in an auditor's 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 Trust and the Trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Eunice McAdam
6789AAAA701549B...

Eunice McAdam (Senior Statutory Auditor)
For and on behalf of Saffery LLP

Date: 08 September 2026

Statutory Auditors

Torridon House
Beechwood Park
Inverness
IV2 3BW

Docusign Envelope ID: 12430DE1-9D1C-85B8-8312-2F815E7DA33E

Scrabster Harbour Trust

Profit and loss account
For the year ended 31 March 2026

	Notes	2026 £	2025 £
Turnover	**4**	5,300,729	5,270,996
Administrative expenses		(4,257,939)	(4,129,196)
Other operating income		1,324,047	1,374,403
Operating profit	**5**	2,366,837	2,516,203
Interest receivable and similar income		89,775	63,752
Interest payable and similar expenses		(83,272)	(111,549)
Other gains and losses	**6**	(42,349)	651,003
Profit before taxation		2,330,991	3,119,409
Taxation	**7**	(611,317)	(802,580)
Profit for the financial year	**16**	1,719,674	2,316,829

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains or losses other than those passing through the profit and loss account.

The notes on pages 10 to 21 form part of these financial statements.

Docusign Envelope ID: 12430DE1-9D1C-85B8-8312-2F815E7DA33E

Scrabster Harbour Trust

Balance sheet
As at 31 March 2026

	Notes	£	2026 £	£	2025 £
Fixed assets					
Tangible assets	**8**		39,139,923		40,217,175
Investment properties	**9**		2,410,000		2,410,000
			41,549,923		42,627,175
Current assets					
Debtors falling due after one year	**11**	213,606		255,955	
Debtors falling due within one year	**11**	568,096		650,294	
Cash at bank and in hand		6,112,349		4,392,116	
		6,894,051		5,298,365	
Creditors: amounts falling due within one year	**12**	(1,169,776)		(1,127,982)	
Net current assets			5,724,275		4,170,383
Total assets less current liabilities			47,274,198		46,797,558
Creditors: amounts falling due after more than one year	**13**		(2,100,000)		(2,500,000)
Provisions for liabilities	**14**		(1,038,422)		(1,026,273)
Grants and deferred income	**15**		(24,396,322)		(25,251,505)
Net assets			19,739,454		18,019,780
Trust funds					
Profit and loss account	**16**		19,739,454		18,019,780

The notes on pages 10 to 21 form part of these financial statements.

The financial statements were approved by the Board and authorised for issue on 08 September 2026 and are signed on its behalf by:

Signed by:
Douglas Mackay
AACD5087E25E49A...
Douglas Mackay
Chairman

Signed by:
Alexander Anderson
E6B3B99F7DBG4F7...
Alexander Anderson
Vice Chairman

Docusign Envelope ID: 12430DE1-9D1C-85B8-8312-2F815E7DA33E

Scrabster Harbour Trust

Statement of cash flows
For the year ended 31 March 2026

	Notes	£	2026 £	£	2025 £
Cash flows from operating activities					
Cash generated from operations	**21**		3,035,274		2,850,036
Interest paid			(83,272)		(111,549)
Corporate taxes paid			(737,113)		(872,939)
Net cash inflow from operating activities			2,214,889		1,865,548
Investing activities					
Purchase of tangible fixed assets		(184,431)		(130,269)	
Proceeds on disposal of tangible fixed assets		-		15,003	
Interest received		89,775		63,752	
Net cash used in investing activities			(94,656)		(51,514)
Financing activities					
Government grants received		-		23,487	
Repayment of bank loans		(400,000)		(400,000)	
Net cash used in financing activities			(400,000)		(376,513)
Net increase in cash and cash equivalents			1,720,233		1,437,521
Cash and cash equivalents at beginning of year			4,392,116		2,954,595
Cash and cash equivalents at end of year			6,112,349		4,392,116

Docusign Envelope ID: 12430DE1-9D1C-85B8-8312-2F815E7DA33E

1 Accounting policies

Trust information

Scrabster Harbour Trust is a trust established under the Scrabster Harbour Act 1841 with the power to build and operate a harbour in Scrabster. Since that date various amendments to the original Act have taken place, which have allowed the Harbour to be developed and expanded. The registered office is Harbour Office, Scrabster, Caithness, KW14 7UJ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Scrabster Harbour Revision (Constitution) Order 2005. The exemptions available under FRS 102 section 1A have been applied as the Trust qualifies as a small entity.

The financial statements are prepared in sterling, which is the functional currency of the Trust. 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 certain financial instruments and investment properties at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1.3 Tangible fixed assets

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

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Harbour and buildings	20 - 60 years
Crafts, equipment and floating plant	10 - 20 years
Office equipment	10 years
Motor vehicles	10 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the Trust 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 Trust estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Docusign Envelope ID: 12430DE1-9D1C-85B8-8312-2F815E7DA33E

1 Accounting policies (continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

1.6 Financial instruments

The Trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Trust's balance sheet when the Trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors, 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.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one of more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. 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.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

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 Trust after deducting all of its liabilities.

Docusign Envelope ID: 12430DE1-9D1C-85B8-8312-2F815E7DA33E

1 Accounting policies (continued)

Basic financial liabilities, including trade and other 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 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 'creditors: amounts falling due within one year' if payment is due within one year or less. If not, they are presented as 'creditors: amounts falling due after more than one year'. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities
Financial liabilities are derecognised when the Trust's contractual obligations expire or are discharged or cancelled.

1.7 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.8 Taxation

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

Current tax
The tax currently payable is based on the 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 nor deductible in other years and it further excludes items that are never taxable or deductible. The Trust's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax
Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not they will be recovered. Deferred tax assets and liabilities are not discounted.

Docusign Envelope ID: 12430DE1-9D1C-85B8-8312-2F815E7DA33E

1 Accounting policies (continued)

1.9 Employee benefits

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

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

The Trust contributes to a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rule of the scheme.

1.11 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.12 Government grants

Grants in respect of capital expenditure are credited to a deferred income account and are released to the profit and loss account over the expected useful lives of the relevant assets by equal instalments.

Grants of a revenue nature are credited to the profit and loss account in the period to which they relate.

1.13 Cash at bank and in hand

Cash held on deposit is included in cash in hand.

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Trust's accounting policies, the Trust Board 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.

A key estimate in the accounts is the valuation of the investment properties. These are accounted for at a fair value, based on an open market value valuation carried out by CBRE.

Docusign Envelope ID: 12430DE1-9D1C-85B8-8312-2F815E7DA33E

3 Employees

The average monthly number of persons (including board members) employed by the trust during the year was:

	2026 Number	2025 Number
Total	30	31

4 Turnover and other revenue

An analysis of the Trust's turnover is as follows:

	2026 £	2025 £
Turnover		
Dues receivable	5,099,870	5,028,353
Car parking	16,634	12,145
Service sales	144,071	130,796
Miscellaneous sales	40,154	99,702
	5,300,729	5,270,996

All of the turnover was earned in the United Kingdom in both years.

	2026 £	2025 £
Other operating income		
Grants received and released	836,312	858,918
Rental income	487,735	515,485

5 Operating profit

	2026 £	2025 £
Operating profit for the year is stated after charging:		
Fees payable to the Trust's auditors for the audit of the financial statements	20,250	19,500

6 Other gains and losses

	2026 £	2025 £
Fair value gains/(losses)		
Loss on hedges	(42,349)	(87,058)
Gain on investment properties	-	738,061

Docusign Envelope ID: 12430DE1-9D1C-85B8-8312-2F815E7DA33E

7 Taxation

	2026	2025
	£	£
Current tax		
UK corporation tax on profits for the current period	599,229	614,249
Adjustments in respect of prior periods	(61)	-
Total current tax	599,168	614,249
Deferred tax		
Origination and reversal of timing differences	12,149	188,331
Total tax charge / (credit)	611,317	802,580

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2026	2025
	£	£
Profit before taxation	2,330,991	3,119,409
Expected tax credit based on the standard rate of corporation tax in the UK of 25.00% (2025: 25.00%)	582,748	779,852
Tax effect of expenses that are not deductible in determining taxable profit	6,830	3,150
Change in unrecognised deferred tax assets	1,555	-
Adjustments in respect of prior years	(61)	-
Fixed asset differences	20,245	19,578
Tax expense for the year	611,317	802,580

Docusign Envelope ID: 12430DE1-9D1C-85B8-8312-2F815E7DA33E

8 Tangible fixed assets

	Harbour and buildings	Crafts, equipment and floating plant	Total
	£	£	£
Cost			
At 1 April 2025	61,423,032	2,535,811	63,958,843
Additions	-	184,431	184,431
At 31 March 2026	61,423,032	2,720,242	64,143,274
Depreciation and impairment			
At 1 April 2025	22,190,602	1,551,066	23,741,668
Depreciation charged in the year	1,132,937	128,746	1,261,683
At 31 March 2026	23,323,539	1,679,812	25,003,351
Carrying amount			
At 31 March 2026	38,099,493	1,040,430	39,139,923
At 31 March 2025	39,232,430	984,745	40,217,175

9 Investment property

	2026
	£
Fair value	
At 1 April 2025 and 31 March 2026	2,410,000

Investment property comprises both commercial and residential properties. The fair value of the investment property has been arrived at on the basis of a valuation carried out by CBRE as at 31 March 2025. The valuation method was calculated on income yield based on comparable market evidence. The Board have assessed the fair value at 31 March 2026 to be the same as at 31 March 2025.

10 Financial instruments

	2026	2025
	£	£
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	213,606	255,955

All other financial assets and liabilities are measured at amortised cost.

Docusign Envelope ID: 12430DE1-9D1C-85B8-8312-2F815E7DA33E

11 Debtors

	2026	2025
Amounts falling due within one year:	**£**	**£**
Trade debtors	316,694	401,681
Other debtors	147,575	158,561
Prepayments and accrued income	103,827	90,052
	568,096	650,294
Amounts falling due after one year:		
Interest rate swap	213,606	255,955
Total debtors	781,702	906,249

12 Creditors: amounts falling due within one year

	2026	2025
	£	**£**
Loans and overdrafts	400,000	400,000
Trade creditors	190,808	139,436
Corporation tax payable	145,436	283,381
Other taxation and social security	32,550	29,723
Accruals and deferred income	400,982	275,442
	1,169,776	1,127,982

Docusign Envelope ID: 12430DE1-9D1C-85B8-8312-2F815E7DA33E

13 Creditors: amounts falling due after more than one year

	2026	2025
	£	£
Loans and overdrafts	2,100,000	2,500,000
	2,100,000	2,500,000

Loan maturity analysis

Due within one year	400,000	400,000
Due in greater than one year but not more than five years	1,950,000	1,950,000
Due in greater than five years	150,000	550,000
	2,500,000	2,900,000

All bank facilities are secured by a legal charge over certain buildings and land owned by the Trust.

14 Deferred taxation

The following is the analysis of the deferred tax liabilities and assets recognised by the Trust, and movements thereon:

	Liabilities 2026	Liabilities 2025
Balances:	£	£
Fixed asset timing differences	657,964	647,378
Capital gains/ losses	380,458	380,458
Short term timing differences	-	(1,563)
	1,038,422	1,026,273

	2026
Movements in the year:	£
Liability at 1 April 2025	1,026,273
Charge to profit or loss	12,149
Liability at 31 March 2026	1,038,422

Docusign Envelope ID: 12430DE1-9D1C-85B8-8312-2F815E7DA33E

15 Grants and deferred income

	Government grants £
Balance at 1 April 2025	25,009,973
Grants additions during the year	-
Amortisation in the year	(832,323)
Balance at 31 March 2026	24,177,650

	Deferred income £
Rental income	22,411
Other income	196,261
	218,672
Balance at 31 March 2026	24,396,322
Balance at 31 March 2025	25,251,505

16 Profit and loss reserves

	2026 £	2025 £
At beginning of year	18,019,780	15,702,951
Profit for the year	1,719,674	2,316,829
At end of year	19,739,454	18,019,780

Docusign Envelope ID: 12430DE1-9D1C-85B8-8312-2F815E7DA33E

17 Pilotage activities

Statement under regulation 4 of the Statutory Harbour Undertakings (Pilotage Accounts) Regulations 1988 in respect of pilotage activities.

	2026 £	2025 £
Revenue from pilotage activities	30,819	41,041
Expenses incurred in:		
Providing the services of pilots	10,793	10,140
Providing a pilot boat and crew	39,663	41,255

The foregoing items of income and expenditure have been included in the Profit and Loss Account of the Trust.

18 Controlling party

The operations and activities of the Trust are controlled by the Board members. There is no single controlling party.

19 Analysis of changes in net funds

	1 April 2025 £	Cash flows £	31 March 2026 £
Cash at bank and in hand	4,392,116	1,720,233	6,112,349
Borrowings excluding overdrafts	(2,900,000)	400,000	(2,500,000)
	1,492,116	2,120,233	3,612,349

20 Related party transactions

During the year the Trust carried out transactions with related parties. Sales and purchases on normal commercial terms were carried out with the following businesses. These transactions are deemed to be with related parties because directors of the companies listed served on the Board of the Trust during the year.

Young Robertson & Co - services of £16,474 (2025: £14,208) were provided to the Trust. At the year end there was £1,373 (2025: nil) owed by the Trust to Young Robertson & Co. The related party is Clerk to the Board Ewan Thoms, who is a partner of Young Robertson & Co.

Docusign Envelope ID: 12430DE1-9D1C-85B8-8312-2F815E7DA33E

21 Cash generated from operations

	2026	2025
	£	£
Profit for the year	1,719,674	2,316,829
Adjustments for:		
Corporation tax	611,317	802,580
Finance costs	83,272	111,549
Investment income	(89,775)	(63,752)
Gain on disposal of tangible fixed assets	-	(2,618)
Depreciation and impairment of tangible fixed assets	1,261,683	1,261,970
Government grant received and released	(836,312)	(858,918)
Other gains and losses	42,349	(651,003)
Movements in working capital:		
Decrease/(increase) in debtors	82,198	(23,764)
Increase/(decrease) in creditors	160,868	(42,837)
Cash generated from operations	**3,035,274**	**2,850,036**