

The background of the entire page is a photograph of an offshore wind farm. Several wind turbines are visible, their dark silhouettes standing against a vibrant sky of orange, yellow, and pink, suggesting a sunset or sunrise. The water in the foreground is dark and reflects the light from the sky. The text is overlaid on the upper half of the image.

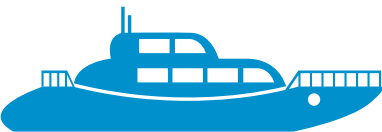
ANNUAL REPORT

AND ACCOUNTS 2020

PORT
of
TYNE

KEY FACTS AND FIGURES

NUMBER OF TEUS
46,000



ACTS OF PILOTAGE
1,320

NUMBER OF EMPLOYEES
348



BIGGEST SINGLE VESSEL
230 METRES

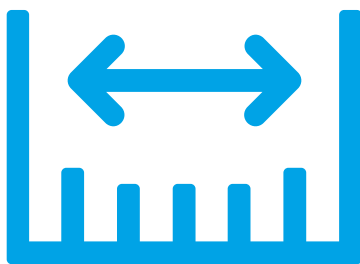
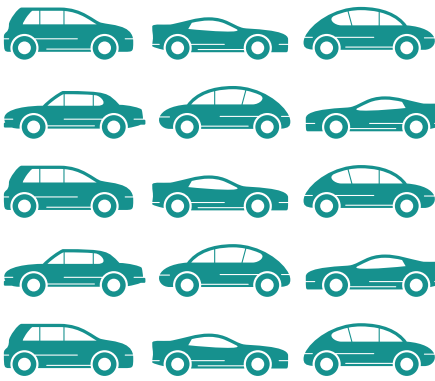


TOTAL NUMBER OF MOVEMENTS
1,920

13 TRANSIT SHEDS / WAREHOUSES



319,000
CARS HANDLED



TOTAL QUAY LENGTH
3,420 METRES



TURNOVER
£42.4m

BOARD OF DIRECTORS

NON-EXECUTIVE DIRECTORS

- L V W ARMSTRONG**
CHAIR
- M A PREECE**
DEPUTY CHAIR
- N A WEST**
(UNTIL 31 AUGUST 2020)
- S CROSLAND**
- G R BROWN**
- A C THAIN**
(UNTIL 13 MARCH 2020)
- M COMERFORD**
- J PRESCOT**
- T BURKE**
(FROM 14 MARCH 2020)
- J THOMAS**
(FROM 1 SEPTEMBER 2020)

EXECUTIVE DIRECTORS

- M H BEETON**
CHIEF EXECUTIVE OFFICER
- M G BROCKHOUSE**
CHIEF OPERATING OFFICER
(FROM 4 FEBRUARY 2020)
- M A STONER**
CHIEF FINANCIAL OFFICER

SECRETARY

A J DAVISON

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STATEMENT BY THE CHAIR



As our 2019 Annual Report went to press, we had entered the UK's first national lockdown as a result of Covid-19 and, some 12 months later, we are still feeling its impact. In common with other ports and businesses across the UK and globally, the Port experienced challenging market conditions in 2020 as a result of the pandemic whilst also dealing with significant changes brought about by the end of the Brexit transition period. This has highlighted the vital role of ports in keeping the country moving and supporting key sectors of the economy and I want to thank all my Port colleagues for their remarkable resilience and determination in keeping the Port fully open and operational throughout.

As a Trust Port we are proud of our rich history and heritage. The Port is the custodian of the River Tyne and serves a diverse community of stakeholders and these are responsibilities that we do not take lightly. However, we are also a Port with ambitious plans and we need to adapt and change if we are to secure our future prosperity. The challenges we faced last year have not diverted us from this focus on our future and the central vision of our Tyne 2050 strategy - to grow and develop the Port and the river for the benefit of the local, regional and national economies – remains unchanged.

Our aim is to be a catalyst for economic growth and to develop new industry clusters in renewable energy, electric vehicles and logistics. The launch of Tyne Clean Energy Park last year as a clean energy hub for the region was therefore a transformative moment for the Port and it will undoubtedly play an important role in supporting the Government's goal to power every UK home with offshore wind electricity.

In 2020 many of our customers were, inevitably, focused on day-to day operational challenges but this did not prevent us from working in partnership to develop more strategic relationships. Our 'Customer First' initiative was launched to develop relationships based on pro-active collaboration and continuous improvement, mutual trust and greater transparency and we were delighted to be the first port to be awarded the ISO 44001 standard for collaborative business relationships.

It is this sort of innovation and collaboration which lies at the heart of our Tyne 2050 strategy. Through our Innovation Hub we continue to engage in long-term collaborative projects and to embrace the digital technology which will underpin our future strategy. Strategic collaboration with our partners in industry, academia and Government is also vital if we are to present a coherent vision so that, as a region, we can seize opportunities to thrive and prosper. We have also sought meaningful collaboration with others in the maritime industry and in 2020 became the first UK port to join the 'Connected Ports' partnership, which includes leading international ports such as Rotterdam, Gdansk, Hamburg and Los Angeles.

In a year which brought hardship for so many the Port continued to support a number of community programmes. We worked with local organisations providing key life skills and promoting access to mental health services, and continued our support of breakfast clubs in local schools. We also donated PCs and laptops to a number of local schools to facilitate home learning during the pandemic. Our collaboration with shipping lines to match-fund a goodwill levy raised almost £15k through the Port's Welfare Fund, which will directly benefit the 40,000 or so seafarers that visit the Port each year.

We are lucky to have a team of committed and talented colleagues at the Port and we continue to invest in them. We welcomed our first ever cohort of graduates to the business and are investing in an innovative leadership development programme. We were also delighted to welcome two new Board members in 2020 - Terry Burke and Julia Thomas – whose extensive experience will provide invaluable support for the team.

The Port is in a good position to support economic recovery as lockdown restrictions are relaxed and we are excited about the opportunities ahead. The maritime sector is one of our biggest industries, facilitating over 95% of UK trade and, as the UK now lies outside the EU, the efficiency of our maritime industry is more important than ever. There will undoubtedly be opportunities in the post-Brexit trading landscape which we are ideally positioned to grasp.

Finally, I want to reiterate my heartfelt thanks to all my Port colleagues. This feels particularly important at the end of a year when every colleague has worked so hard to keep the Port open and to deliver vital services; I thank them all. Thank you also to our customers and stakeholders who have been steadfast in their support this year. I look forward to continuing to work with you all as we grow and develop the business in the year ahead.


Lucy Armstrong

Lucy Armstrong
Chair
12th July 2021

KEY FINANCIAL INDICATORS

ADJUSTED PROFIT BEFORE TAX
 £(1.1)m

 **9,300**
JOBS SUPPORTED
DIRECTLY AND INDIRECTLY

GROSS VALUE ADD TO THE ECONOMY
£557m 


250
HECTARES
OF DOCK ESTATE


EBITDA
£9.3m

STATUTORY RESPONSIBILITY FOR
17 MILES
OF THE RIVER TYNE 

STATEMENT BY THE CHIEF EXECUTIVE OFFICER

2020 was an extraordinary year in so many ways and it goes without saying that we have all felt the enormous impact of the Covid-19 pandemic – not only on ourselves, our families and our loved ones but also on virtually every aspect of our daily lives. I wanted first and foremost, therefore, to say a huge and heartfelt thank you to all of my colleagues for their hard work, resilience and commitment, which has kept the Port of Tyne open and operational throughout one of the most challenging periods in many generations. I am immensely proud that we have – quite literally – kept the lights on by supplying power stations in the North and maintained the supply of vital goods and services at a time when they were most needed.

The end of the Brexit transition period was a significant milestone for the Port and we worked very hard to support product and passenger movements and minimise delays. In the final days of the transition period, and after 10 months of challenging supply chain conditions as a result of the pandemic, we were able to increase our cargo handling volumes to assist operators from around the UK and avoid disruption to vital Christmas cargoes.

Despite the challenges of the past year, our ambitious vision for the Port of Tyne remains unchanged and there were some notable successes during the year. In Spring 2020, we were selected by Equinor as its operational and maintenance base for the world's largest offshore wind farm at Dogger Bank. Once fully operational, this will supply 5% of the UK's electricity and will mark the beginning of the Port's transformation as a clean energy industrial hub.

We also continue to invest in the infrastructure we need to achieve our ambitious goals. In November we launched Tyne Clean Energy Park, with 200 acres of development ready land and some of the deepest berths in the North, providing a convenient, versatile location for developers and suppliers in the renewables market. Tyne Clean Energy Park will undoubtedly

facilitate a 'green recovery' in our region as well as laying the foundations for a generation of new green businesses in the North East. It will also bring thousands of new and highly paid jobs to the region, allowing professionals to transition into the fast-expanding clean energy sector.

Sustainability lies at the heart of everything we do. In the first full year of our Tyne 2050 strategy, we reduced our carbon emissions by a staggering 17% and we are on the way to achieving our 'Net Zero' goal well in advance of our 2030 target. Our achievements were recognised nationally with two Maritime UK Awards last year – the 'Clean Energy Operator' and 'Clean Energy Enabler'. Presenting the awards, Admiral Tony Radakin CB ADC, Chief of Naval Staff at the Royal Navy commented that Port of Tyne is 'a role model for what is possible and for the potential of clean energy going forward'. Other work towards our net zero goal is progressing well as we convert our legacy assets from diesel to low carbon electricity. Once completed we will be the first UK port to convert a diesel powered Liebherr mobile harbour crane to be fully electric. We have also invested in a new fleet of electric vehicles and LED lighting across the Port as well as smart energy monitoring meters, and a team is currently evaluating the potential for installing solar panels on our warehouse buildings.

The Covid-19 pandemic caused major disruption to the travel industry and, although the cruise sector was clearly hit hard last year, we are already experiencing high demand for innovative 'staycation' cruises around the UK in 2021. During the coming summer season, we will be working with leading operators including Disney, Marella and Fred Olsen and we are really excited to be welcoming their ships back to the Tyne this year.

In spite of nationwide lockdowns, our 2050 Maritime Innovation Hub has continued its focus on collaboration to solve Industry 4.0 challenges, such as AI and Big Data, the circular economy, clean growth and future mobility. The team hosted over



20 virtual events and in Summer 2020 we marked the Hub's first anniversary with a very Covid-appropriate virtual sprint event. Our Hub events have now been attended by over 2,000 people from 350 businesses across the globe.

Of course, none of these achievements would have been possible without the commitment of our staff and, whilst health and safety is always our number one priority, it is perhaps inevitable that issues relating to the safety and wellbeing of colleagues have taken on added significance this year. I am particularly delighted, therefore, that we have achieved the best safety performance at the Port in a decade with no reportable injuries in a full year and we were also pleased to achieve the Royal Society for the Prevention of Accidents (RoSPA) Gold Award for the seventh successive year. In addition, we retained the Better Health at Work Continuing Excellence Award, having run a wide range of wellbeing initiatives.

It goes without saying that this has been a challenging time for us all and a difficult one for many businesses, but our vision to create opportunities for regional growth has not changed. We are emerging from this period in a much stronger position thanks to the hard work and dedication of our staff and we are ready to embrace the many challenges and opportunities which lie ahead of us. Now is the time to grasp these opportunities, to be ambitious and look to the future so that the Port continues to thrive as a catalyst for growth in the years ahead.

Matthew Beeton
Chief Executive Officer
12th July 2021

2020 BUSINESS REVIEW

OUR MISSION,
VISION AND
VALUES

The Port of Tyne is a Trust port. We are an independent statutory body, operating on a commercial basis for the benefit of our diverse community of stakeholders.

Our strategic decision-making and direction are guided by the needs and aspirations of our stakeholders.

Our board, leadership team and employees are custodians of the Port of Tyne, whose role it is to achieve our purpose of conserving, maintaining and future-proofing the Port for the benefit of generations to come.

Our mission is to create a vibrant and sustainable Port of Tyne contributing to the growth of the economy and to hand on the Port in a better condition to future generations.

Our vision is to be the UK's safest, most progressive, customer focused and environmentally sustainable port, and a great place to work.

Our values describe how we will achieve our vision. They reflect the culture of our company and are the guiding principles for how we do business; they are to be Open, Excellent, Respectful and Responsible.

STRATEGIC
OBJECTIVES

ECONOMY

We will grow and develop the business and our regional economic prosperity by supporting existing customers and using our expertise to help them do more. We will improve productivity, secure new market opportunities and funding, and deliver outstanding customer service for the benefit of the Port, the river and the region.

SAFETY

Our aim is Zero harm to employees. The target is to eradicate reportable injuries by 2022. Safety and support for our employees' health and well-being is our top priority. We will ensure a safe working environment for all and continue to build a constructive safety culture, refreshing and invigorating the safety message each year.

PEOPLE

We will continue to develop and reward our employees. We will listen to feedback, measure our progress against our vision of being a great place to work, and aim to develop a workplace culture that aligns with our values, supports flexibility and delivers productivity improvements. Port of Tyne is also committed to the health, well-being and education of our people in the region of all ages, and to developing an inclusive and diverse workforce.

ENVIRONMENT

In order to minimise our environmental impact, we will aim to reduce our carbon footprint by 5% by 2022, and be carbon neutral by 2030. We will act responsibly and will make positive environmental choices where we can, having due regard to commercial and competitive sustainability.

COMMUNITY IMPACT

The Port of Tyne is committed to supporting its local communities by working with organisations that:

- Help communities to thrive
- Support children and young people
- Improve health and wellbeing in the communities around us

In 2020 the Port continued to support a wide range of local organisations. Beneficiaries included Bright Futures, which enables families in an area of high need access to play and learn in a safe environment, mental health and wellbeing charities Tyneside and Northumberland Mind, the Greggs Foundation Breakfast Club, Children North East which provides families in areas of high need access to play and learning and South Shields Football Club's activity programme.

Clearly, the pandemic had a major impact on some of the projects that we had committed to funding in 2020 with many organisations unable to run events and community programmes as planned and therefore not claiming funding which had been allocated to them. However, other organisations, for example Tyneside and Northumberland Mind and Bright Futures, were able to deliver their programmes online.



2020 BUSINESS REVIEW

TYNE2050

Launched in 2019, Tyne 2050 is intentionally ambitious and we will manage our business to ensure we meet all our goals and realise our Port's and region's potential.

There are 7 key themes which support the UK's Maritime 2050 strategy and also reflect the specific opportunities and challenges that Port of Tyne has in its role in supporting our regional economic growth and communities.

OUR CUSTOMERS

Our customer plans focus on exceptional service and increased efficiency. We will continue to be a strategic advisor for our customers, developing collaborative relationships and integrated systems and processes.

OUR PEOPLE

We define high performance culture as consistently achieving excellence in all we do. To maintain and progress high performance, we will continue to develop and reward our employees, listen to feedback, measure our progress against being a 'Great Place to Work' and develop a workplace ethos that aligns with our values, supports flexibility and delivers productivity improvements.

OUR COMMUNITIES

The Port takes its commitment to all stakeholders very seriously and has provided ongoing support to local communities through community grants and sponsorship. We will continue to be a good neighbour for the communities who live and work near Port of Tyne and will contribute fully to the economic and social well-being of the wider region and the UK and global maritime sector.

INNOVATION & TECHNOLOGY

Technology brings a wealth of opportunities to innovate and create additional benefits for customers choosing the Port of Tyne, the communities we serve and our people. We plan to use digital solutions to add value, drive efficiencies and to continuously improve and progress the excellent levels of operational and safety standards and customer service that we pride ourselves on delivering.

SECURITY & RESILIENCE

Aligning physical security and resilience with cyber will be key to achieving our strategy as maritime moves further into the digital, connected world. This will bring opportunities to continuously improve efficiency and manage data in a positive, safe, secure environment.

HEALTH & SAFETY

To aid our growth ambitions and to support our employees, visitors, customers and stakeholders we will develop a Health and Safety culture that is integrated, co-ordinated and commercially responsible.

ENVIRONMENT

In support of the Government's 25-Year Environment Plan, the Clean Growth Strategy, the Clean Growth Grand Challenge, and the UK Maritime 2050 Strategy, the Port of Tyne commits to leading the maritime industry in environmental sustainability, and ensuring that our impact on the marine environment, climate and air quality will be negligible. Our ambition is to become an industry exemplar in green port services. We will leverage the increasing research, technology and innovations for achieving climate change mitigation and adaptation.

2050 INNOVATION HUB

The 2050 Innovation Hub is the first of its kind in the UK and is a partnership between a number of organisations including Port of Tyne, Nissan, Connected Places Catapult, Accenture, Royal HaskoningDHV, PD Ports and Ubisoft, dedicated to the advancement of trade and facilitation of the region and the wider UK economy.

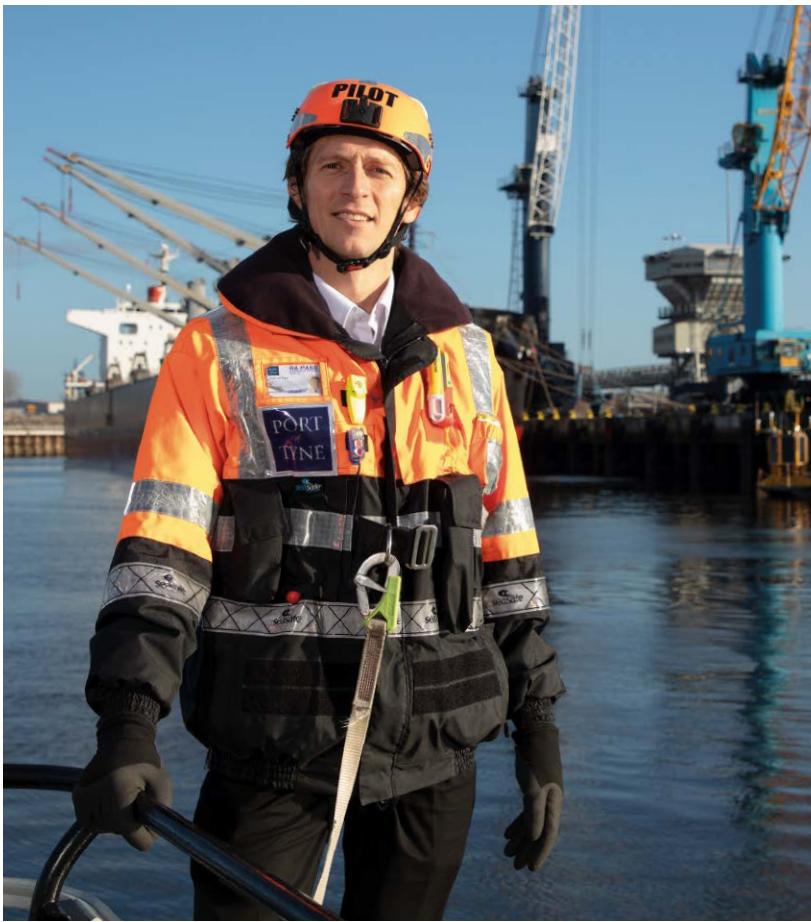
The 2050 Innovation Hub is fully aligned with the Government's Maritime 2050 Strategy and was announced by the Government as the first Maritime Innovation Hub of its kind. It works closely with the Department for Transport and MarRI-UK to ensure that it delivers for the benefit of the maritime sector as a whole and facilitates trade into the region.

The 2050 Innovation Hub celebrated its one year anniversary in summer 2020, with many achievements in its first year including:

- Creating a network involving business, academia and industry to help create new business opportunities
- Supporting start-ups by facilitating funding opportunities with an 'Innovation Live' pitch event where high tech start-ups presented their business ideas to investors
- Providing proof of concept testing opportunities for innovators looking to demonstrate value
- Providing an example of best practice and inspiration for other UK ports, raising awareness about how the maritime industry can benefit from advanced technology
- Continuing to operate throughout the COVID lockdown, moving events online and hosting numerous events for hundreds of delegates.

2020 BUSINESS REVIEW

HEALTH AND SAFETY



2020 was a challenging year from an Occupational Health perspective, as the priority was to maintain a safe workplace for our key workers in the face of a global pandemic.

Out of the 2 lost time injuries in 2020, only 1 was reportable under RIDDOR (the Reporting of Injuries, Disease and Dangerous Occurrences Regulations). This was a great improvement from 2019 where we had 9 lost time injuries, 5 of which were RIDDOR reportable and is in line with our aim to achieve Zero Harm by 2022.

In 2020 the Port was again certified to the internationally recognised Occupational Health and Safety Management Systems Standard OHSAS: 18001. This sets out the requirements for occupational health and safety management systems and best practice through effective policies, procedures and controls to ensure workplace health and safety.

In 2020, the Port was awarded the Royal Society for the Prevention of Accidents (RoSPA) Gold Award for the seventh year running which is testament to our positive Health and Safety performance.

Work continued through 2020 on the project to develop the Port safety culture.

KEY FACTS AND FIGURES



CERTIFIED TO

OHSAS 18001

FOR ALL PORT OPERATIONS



CERTIFIED TO

ISO 9001

FOR BULK HANDLING OPERATIONS



NUMBER OF
LOST TIME
INJURIES

2


(1 REPORTABLE UNDER RIDDOR)



7 CONSECUTIVE YEARS
OF RoSPA GOLD

KEY FACTS AND FIGURES


50k m²
OF WAREHOUSING


REDUCE CO₂
EMISSIONS BY
10% IN 2021

ALL ELECTRIC PORT BY
 **2040**

7,152
HOURS TRAINING

AVERAGE
NUMBER OF
TRAINING
HOURS **21**
PER PERSON

 AIM TO REDUCE USE OF GAS OIL BY
259,000 LITRES

 DEEPEST BERTH
13 METRES

 CHANNEL DEPTH
10 METRES


NET ZERO
GREENHOUSE
GAS EMISSIONS
BY 2030

 **COMMITMENT TO 1% OF EBITDA**
ON ENVIRONMENTAL IMPROVEMENTS

 CERTIFIED TO
ISO 14001
FOR ITS ENVIRONMENTAL MANAGEMENT SYSTEM

AIM TO REDUCE OUR
CARBON FOOTPRINT BY
700 TONNES

8  **HEALTH
AND WELLBEING
INITIATIVES**



2020 BUSINESS REVIEW
ENVIRONMENTAL

In 2020 the Port's Environmental Management System was recertified to the ISO:14001 (2015) environmental management standard. This requires organisations to demonstrate "continuously enhanced environmental performance" and to do this the Port of Tyne has incorporated key environmental improvement commitments:

- Spend a minimum of 1% of EBITDA on environmental improvement projects
- A 10% reduction in CO₂ emissions in 2021 against 2020 levels

We are on track to meet these targets with some significant electrification projects that when complete will reduce the Port's carbon footprint by an estimated 700 tonnes and reduce the use of gas oil by 259,000 litres. These projects form part of the Port's Tyne 2050 commitment to achieve Net Zero GHG Emissions by 2030 and to be an All Electric Port by 2040.

The Port also finalised its Stage 2 Air Quality Management Plan in accordance with the guidance set out by the Department for Transport. The outcome of the air quality impact assessment showed that air quality in the Tyne Estuary is good, averaging around 25% of the relevant National Air Quality Standards (NAQS) with the exception of NO₂ which is typically around 50% of the NAQS. It also showed that Port related activity accounts for typically 1-2% of the predicted pollutant concentrations which is trivial when compared to existing background concentrations.

STREAMLINED ENERGY AND CARBON REPORTING

The Port's total energy consumption in 2020 totalled 21.9M KWh, with location based CO₂ emissions totalling 5,432 tonnes and market based CO₂ emissions totalling 3,712 tonnes.

INTENSITY RATIOS

In 2020 the Port performed 189k TEUs movements and handled 2.6M tonnes of bulk cargoes.

The container handling operations (excluding HGV transport) consumed 2.5M kWh of energy which equates to 13.28kWh per TEU. In relation to CO₂, total emissions from this operation were 530 tonnes which equates to 2.81kg of CO₂ per TEU.

The bulk cargo handling operation consumed 8.3M kWh of energy which equates to 3.22kWh per tonne of cargo handled. In relation to CO₂, total emissions from this operation were 1,567 tonnes which equates to 0.6kg of CO₂ per tonne of cargo handled.

	kWh/TEU	kg CO ₂ /TEU
Containers Market Based	13.28	2.81
Containers Location Based	13.28	3.35
	kWh/T	kg CO ₂ /T cargo
Bulk Market Based	3.22	0.60
Bulks Location Based	3.22	0.80

METHODOLOGY

Emission factors are from taken from the UK Government GHG Conversion Factors for Company Reporting – Year 2020 Standard Set Version 1 and reporting is in line with the UK Government's Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting Guidance – March 2019. Emissions reported are CO₂e and based on the Gross CV of fuels.

2020 BUSINESS REVIEW

FINANCIAL REVIEW AND ACTIVITY STATISTICS

At the end of the year, the Port of Tyne encompassed two principal trading entities: the Port of Tyne Authority and a wholly owned subsidiary, Tyne Logistics Company Limited. The Group also owns a number of other subsidiaries, although these did not trade in the year.

Turnover reduced during the year by 13% to £42.4m, mainly due to reduced car volumes and no Cruise calls. Container volumes reduced (26)% and bulk volumes (8)%. There was a slight increase in revenue from Estates service line of £0.2m.

Adjusted profit before tax, which excludes revaluation of investment properties and exceptional items, reduced

from £0.8m to a loss of £(1.1)m. £1.9m of exceptional items were incurred during the year, principally relating to restructuring costs.

Operating cash flow reduced to £8.2m from £9.4m in 2019. Capital expenditure incurred was £2.5m, primarily relating to investment in land infrastructure development at Tyne Dock. These combined to deliver a 13% reduction in net borrowings to £33.9m.

A summary of our Key Financial Indicators are shown in the table below.

KEY FINANCIAL INDICATORS

	2020 (£m)	2019 (£m)	Change (£m)
Turnover	42.4	48.6	(6.2)
EBITDA	9.3	10.1	(0.8)
Adjusted Profit before Tax *	(1.1)	0.8	(1.9)
(Loss) / Profit Before Tax	(5.5)	(1.2)	(4.3)
(Loss) / Profit After Tax	(6.6)	(1.9)	(4.7)
Cash Flow from Operating Activities	8.2	9.4	(1.2)
Capital Expenditure	2.5	5.5	(3.0)
Net Borrowings	33.9	39.1	5.2
Net Assets	118.3	123.3	(5.0)

* ADJUSTED PROFIT BEFORE TAX ANALYSIS

	2020 (£m)	2019 (£m)	Change (£m)
(Loss) / Profit Before Tax	(5.5)	(1.2)	(4.3)
Less:			
Revaluation of Investment Properties	(2.5)	(0.2)	(2.3)
Exceptional items	(1.9)	(1.8)	(0.1)
Adjusted Profit before Tax	(1.1)	0.8	(1.9)
Less:			
Discontinued Operations	-	(0.5)	0.5
Adjusted Profit before Tax (Continuing Ops)	(1.1)	1.3	(2.4)

TURNOVER BY BUSINESS AREA

	2020 (£m)	2019 (£m)	Change (£m)
Conventional and Bulk Cargo	19.1	19.7	(0.6)
Car Terminals	5.5	7.0	(1.5)
Cruise and Ferry	1.4	4.4	(3.0)
Logistics	10.4	11.3	(0.9)
Estates	3.6	3.4	0.2
Income from Third Party Activities**	2.4	1.7	0.7
Continuing Operations Total	42.4	47.5	(5.1)
Discontinued Operations	-	1.1	(1.1)
Total	42.4	48.6	(6.2)

** Income from third party activities primarily consists of conservancy and pilotage income associated with traffic emanating from third party river users. Income from these sources attributable to the Port's five main business areas has been allocated accordingly.

The table below outlines the level of activity relating to the Port's business areas in metrics that are relevant to the performance of each.

Conventional and Bulk Cargoes activity decreased 8% to 2.7m tonnes in 2020 as a result of reduced tonnage for Drax and EMR. LPL tonnage increased slightly from 2019 by 0.1m tonnes.

The total volume of cars reduced to 319k, 27% less than in 2019, largely an impact of Covid-19.

113k passengers travelled through the Port of Tyne International Passenger Terminal, down 85% on 2019. No Cruise calls in 2020 (2019: 60 calls) as a result of Covid-19. No Ferry calls were recorded in the months of April, May and June reducing calls by 30% compared to 2019.

Containers reduced to 46k TEU, down 26% from 2019.

PORT OF TYNE BUSINESS AREA STATISTICS

	2020	2019	Change
Conventional and Bulk Cargoes (tonnes 000's)	2,715	2,946	(231)
Car Terminals (number of cars 000's)	319	436	(117)
Cruise and Ferry (passenger numbers 000's) Broken down by:	113	736	(623)
Cruise	-	140	(140)
Ferry	113	596	(483)
Cruise and Ferry (vessel numbers) Broken down by:	227	386	(159)
Cruise	-	60	(60)
Ferry	227	326	(99)
Logistics (containers – teu 000's)	46	62	(16)

2020 BUSINESS REVIEW

ECONOMIC IMPACT AND STAKEHOLDER BENEFIT

The Port of Tyne's stakeholders are its customers, employees, the Government, the business community and the local community.

The impact of the Port of Tyne on the regional economy is measured annually through an Economic Impact Assessment conducted by external consultants ARUP.

Their report showed that the Gross Value Added (GVA) by the Port to the regional economy was £557m (2019: £618m). The decrease is a result of many factors including the significant impact Covid-19 had on the Cruise and Ferry operations.

As a Trust Port, the Port of Tyne supports the community and provides a range of benefits to local organisations and charities alongside facilitating port tours, fund-raising events and staff volunteering.





REPORT OF THE BOARD

PRINCIPAL RISKS AND UNCERTAINTIES

The Board meets on a monthly basis to review financial information and matters reserved for the Board and to exercise full control over the business. The roles of Chairman and Chief Executive Officer are separate and clearly defined. The Non-Executive Chairman and Non-Executive Directors, who comprise the majority of the Board, are appointed by the Secretary of State for the Department for Transport and are subject to the process laid down in the Nolan Committee Report. The term of office is for a specified period, normally three years.

BOARD COMMITTEES

The Board operates a number of permanent committees:

- (i) The Audit Committee - principal duties are to assist the Board in discharging its responsibilities to maintain the integrity of the financial statements, to review financial information, financial plans and budget, and to monitor the effectiveness of the systems of internal control and risk management. It also reviews the effectiveness of the internal and external auditors and the objectivity of the external auditor.
- (ii) The Remuneration Committee - determines the remuneration and benefits of executive directors, and manages associated incentive schemes.
- (iii) The Nominations Committee - assists the Board in reviewing the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and makes recommendations to the Board with regard to any changes.

CORPORATE GOVERNANCE

The Directors are committed to high standards of corporate governance and have implemented systems of corporate governance compliant with the principles of the Ports Good Governance Guidance.

In 2001 the Port of Tyne was classified as a 'public corporation' by the Office of National Statistics and as a result, since that date, the Port's borrowings, albeit an insignificant part of the total, have been included within the Public Sector Borrowing Requirements.

The Ports Good Governance Guidance is based on a number of other documents, particularly the UK Corporate Governance Code and the Port Marine Safety Code, and reflects the 2016 Trust Port Study recommendations. It covers corporate governance, stakeholder engagement, provision of information, safety and commercial accountability and the ongoing review of the suitability of the Trust Port model.

INTERNAL CONTROL AND RISK MANAGEMENT

The Directors are responsible for the business's system of internal control. Such a system provides reasonable but not absolute assurance against material loss or misstatement.

Key procedures that have been established include an organisational structure with clear operating procedures, lines of responsibility and delegated authority. In particular, there are defined procedures for:

- capital investment covering appraisal and authorisation
- financial reporting within a comprehensive financial planning and accounting framework
- internal audit to monitor the system of internal control and risk management
- the procurement of goods and services

The Directors have reviewed the effectiveness of the system of internal control for the accounting year and the period to the date of the approval of the financial statements in accordance with recognised best practice.

INVESTMENT POLICY

The business's policy is to ensure that investments achieve long-term commercial viability and sustainability for the Port, its users, its employees and stakeholders.

The primary objective of the Port of Tyne is to generate commercial rates of returns on its investments, while maintaining security of assets.

Details of the primary 2020 capital investments are provided in the Business Review.

GOING CONCERN

After making due enquiries, including consideration of recent and forecast trading performance, cash flow forecasts and banking facilities, the Directors have reasonable expectation that the Port of Tyne Authority has adequate resources to continue in operational existence for the foreseeable future.

The Directors have undertaken activities to review the ongoing operational and financial impacts of Covid-19 for the period through to 31 July 2022 including operational continuity, employees, customer demand, supply chains and liquidity, and detailed plans are in place to mitigate the reducing impact. These plans include updated forecasts of trading performance and liquidity management, together with robust downside sensitivity analyses.

We have modelled the potential ongoing impact of the items identified above, both in terms of most likely and worst case scenarios, and have estimated the impact on trading performance, liquidity and net debt. We have subsequently tested these outcomes against the leverage and interest cover covenants in place as specified in our current loan facilities with Lloyds Bank. These indicate covenant compliance with appropriate headroom and liquidity, throughout the next 12 months.

For these reasons, the Directors continue to adopt the going concern basis in preparing the financial statements.

POLICY AND PRACTICE ON PAYMENT OF CREDITORS

The business is responsible for agreeing the terms and conditions under which business transactions with its suppliers are conducted. Payments to suppliers are made in accordance with these terms, provided that suppliers also comply with all other relevant conditions. At the end of the financial year, the weighted average payment term to the Port's suppliers was 45 days (2019 – 46 days).

POLITICAL AND CHARITABLE CONTRIBUTIONS

No political contributions were made during the year (2019: £nil). Charitable donations amounted to less than £1k (2019: £31k).



DISCLOSURE OF INFORMATION TO THE AUDITORS

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the business's auditors are unaware; and, having made enquiries of fellow Directors and the business's auditor, each member has taken all the steps that he/she ought to have taken as a member to make himself/herself aware of any relevant audit information and to establish that the Port of Tyne Authority's auditors are aware of that information.

RISK MANAGEMENT SYSTEM

The Port operates a risk management system that captures material and strategic regulatory, commercial, operational, financial and people risks. Mitigating controls are designed for all material risks identified with resulting actions incorporated into Business Area Business Plans and extended to senior management personal objectives as appropriate. Material risks are formally reviewed, scored and ranked with updates provided to the Board of any changes to these risks. The assessment of new risks arising is a standing item on each Board agenda.

KEY RISKS AND UNCERTAINTIES

Covid-19

The impact of Covid-19 continues to drive a range of risks including operational, financial, customer and economic, though these are well understood and the impact on many areas of the business have been mitigated. The Port's response to date has included adherence to UK government guidelines, employees operating with appropriate social distancing and working from home, and working with suppliers to ensure appropriate availability of parts and stocks. Passenger activity in cruise and ferry continue to be the areas most impacted and there is still a degree of uncertainty of when things will return to normal. The financial impact on majority of other areas is now much reduced.

Regulation and compliance

Regulatory risks are associated with energy and environmental requirements. Changes in policy and regulation can have a material impact upon the Port including the impact of new energy sources, compliance with new regulation and environmental requirements.

Economic changes

Risks to the Port include changes to economic conditions, customer markets, changes in the competitor set and failure to transition to new markets. This includes any long term impact from Brexit on the demand for import and export services to Europe, which remains unclear.

Operational continuity

Risks relating to operational continuity include safety of operation, resource availability, operational capacity levels and appropriate infrastructure and equipment.

Funding

Funding risk includes being able to access appropriate funding to allow business expansion, which is crucial if the Port is to exploit new and emerging opportunities such as offshore wind.

ATTENDANCE

Six Board meetings, four Audit Committee meetings, three Remuneration Committee meetings and two Nominations Committee meetings were held during the year.

The table below shows the number of meetings attended by each Board member.

Director	Board Meetings	Audit Committee Meetings	Remuneration Committee Meetings	Nominations Committee Meetings
M Beeton	6	3*	3*	1
M Stoner	6	4*		
M Brockhouse	5			
L Armstrong	6		3	2
N West	4	2		
M Preece	6			2
S Crosland	6		3	2
G Brown	6	4		
A Thain	1		1	
J Prescott	6			2
M Comerford	6	4		
T Burke	3	2		
J Thomas	2		1	

*In attendance, but not as a committee member.

REPORT OF THE BOARD

REMUNERATION

BOARD REMUNERATION

The Remuneration Committee determines the remuneration and benefits of Executive Directors. Fees for the Non-Executive Chairman and Non-Executive Directors’ duties are determined by the Board on the advice of the Remuneration Committee.

REMUNERATION POLICY

The Port aims to reward its people fairly and responsibly in a manner that will best serve the interests of its stakeholders.

The Port has a formal Remuneration Policy which is designed to attract, retain and motivate its leaders within a framework which will drive and support business strategy and promote the long term success of the business.

All elements of executive remuneration are periodically reviewed by the Remuneration Committee of the Board, consisting only of non-executive Board members (the Committee) against comparative benchmarked data and the organisation’s policy is to remunerate at the median of such data.

REMUNERATION FRAMEWORK

Element	Purpose and Strategy	Operation	Opportunity	Performance Measures
Executive Directors				
Base salary	To attract and retain high calibre individuals. Set to reflect the market.	Reviewed annually with changes effective from January each year, with benchmarking (along with all benefits) carried out every three years, or as appropriate, by the Committee against the remuneration packages for executives in similar roles in organisations of a comparable size. The next benchmarking exercise is planned for April 2022. Paid monthly in cash.	No prescribed maximum. Appropriate annual increases are determined by the Committee.	Performance Development Reviews are undertaken annually.
Benefits	To support a competitive remuneration package in the market place.	Benefits include provision of a car allowance cash equivalent payment, private medical health care and life assurance.	No maximum limit is prescribed as the cost of providing benefits fluctuates. However, the Committee carefully monitors, on an annual basis, the overall cost of the benefit provision.	None.
Pension	To support a competitive remuneration package in the market place.	The Port makes contributions into a defined contribution Group Personal Pension plan.	The Port contributes 15% of salary.	None.
Annual Incentive Plan	To reward individual achievement through a combination of a Corporate Financial Performance Target (CFPT) and the Common Objectives Performance Targets (COPTs) in line with the organisation’s strategic plan and objectives.	Paid annually after assessment of achievements of the CFPT and the COPT following the audit of the accounts.	30% of basic salary is available on the achievement of the CFPT and the COPTs. A further 30% of basic salary is available on over performance against the CFPT.	The CFPT is evaluated against adjusted Profit Before Tax and achievement of the COPT as agreed by the Committee at the beginning of the relevant year.

REMUNERATION FRAMEWORK CONTINUED

Element	Purpose and Strategy	Operation	Opportunity	Performance Measures
Non-Executive Directors				
Non-Executive Directors’ Fees	To attract and retain high quality and experienced Non-Executive Directors.	The remuneration of Non-Executive Directors, including the Chair and Deputy Chair is proposed by the Remuneration Committee for approval by the Board. The Chairs of the Audit Committee and Remuneration Committee are paid an additional fee to reflect the extra work involved, unless this role is fulfilled by the Chair / Deputy Chair. Non-Executive Directors are not eligible for pension scheme membership, or incentive arrangements.	Fees are set at levels which reflect the commitment and contribution expected from Non-Executive Directors and are appropriately benchmarked against peer organisations every three years, or as appropriate. The next benchmarking exercise is planned for April 2022.	Collective performance assessment carried out annually. Individual Performance Reviews are undertaken annually.

CONSIDERATION OF EMPLOYMENT CONDITIONS ACROSS THE PORT

The Port, through its focus on People, recognises the vital role of all of its employees and to train, develop and reward all those who work for the Port in a challenging, supportive and safe environment.

The Port’s policy is to reward its people fairly for their contribution to the organisation. This includes a competitive basic salary which is reflective of an employee’s skills, experience and responsibility and which is reviewed annually. The business operates a Profit Share Scheme, where a percentage of the organisation’s profit before tax is distributed to employees. This ensures that employees not only contribute to the performance of the business but also share in its success.

In setting its Remuneration Policy for Executive and Non-executive Directors, the Committee takes into consideration its impact and compatibility with remuneration across the Port. The Committee is provided throughout the year with information regarding pay and benefits for the wider workforce which gives appropriate context for the Committee to make informed decisions. Differences in salary levels and in the levels of potential reward are dependent upon seniority and responsibility. A proportion of the Executive Directors’ remuneration package is delivered through performance-related pay, which links to the strategy and key objectives of the business.

RECRUITMENT REMUNERATION

The Remuneration Committee will aim to set a new Executive Director’s remuneration package in line with the organisation’s approved policy at the time of appointment. The Committee will take into account the skills and experience of the candidate, the prevailing market rates and the importance of securing the best available candidate. The Committee may also structure an appointment package that it considers appropriate to recognise awards or benefits that may be forfeited on resignation from a previous position. Other payments may be made in relation to relocation expenses and other incidental expenses as appropriate.

Fees for new Non-Executive Directors will be set in accordance with approved levels at the time of appointment.

SERVICE CONTRACTS

It is the organisation’s policy that all executive directors have service contracts in place which detail the terms of their appointment and remuneration packages and which can be terminated by the organisation giving a minimum of 26 weeks’ notice by the organisation and 26 weeks’ notice by the executive director.

REPORT OF THE BOARD

REMUNERATION CONTINUED...

POLICY ON TERMINATION

If an Executive Director’s employment is to be terminated, the Port’s policy is to seek to agree a termination payment based on the value of base salary, contractual pension amounts and other benefits that would have accrued during the contractual notice period. As appropriate at the time, the departing director may work or be placed on garden leave for all or part of his notice period, or receive a payment in lieu of notice in accordance with the service agreement.

The Remuneration Committee will consider the circumstances in each case and has discretion to negotiate settlement terms with the Executive Director that the Committee considers to be reasonable and in the best interest of the organisation and to enter into a Settlement Agreement with the Executive Director to effect the terms agreed.

Non-executive Directors’ appointments may be terminated without compensation.

Details of remuneration (excluding employer pension contributions) are given below:

Information in this part of the annual report on remuneration is audited unless stated otherwise.

	Basic Salary (£)	Board Fees (£)	Other Benefits (£)	Total* 2020 (£)	Total* 2019 (£)
Non-Executive Directors					
L V W Armstrong	-	53,060	-	53,060	53,060
M Comerford	-	14,857	-	14,857	14,857
S Crosland	-	18,908	-	18,908	17,895
N A West (until 31 August 2020)	-	9,905	-	9,905	14,857
M Preece	-	26,530	-	26,530	26,530
G Brown	-	18,908	-	18,908	18,908
A Thain (until 12 March 2020)	-	2,988	-	2,988	14,857
J Prescott (from 1 September 2019)	-	14,857	-	14,857	4,952
T Burke (from 14 March 2020)	-	11,826	-	11,826	-
J Thomas (from 1 September 2020)	-	4,952	-	4,952	-
Executive Directors					
M H Beeton (from 7 Jan 2019)	240,000	-	23,931	263,931	248,190
S R Harrison**(until 2 Apr 2019)	-	-	-	-	256,425
M A Stoner	153,000	-	16,464	169,464	184,251
M G Brockhouse (from 4 Feb 2020)	138,638	-	9,096	147,734	-
Total for 2020	531,638	176,791	49,491	757,920	
Total for 2019	431,088	165,916	257,778		854,782

* Where applicable, totals include benefits earned in that year, but actually paid in the following year.

** 2019 remuneration includes payments in line with Mr Harrison’s contractual terms upon cessation as a director, together with £30,000 of a total compensation for loss of office of £55,500 (with the remaining £25,500 being included within pension contributions below). In addition, this also includes other benefits whilst in employment.

S R Harrison 2019 remuneration also include LTIP bonus payment relating to 2016-2018, paid in 2019. No other LTIP payments were earned in the current or prior year.

Other Benefits include incentive payments earned during the year, provision of company cars (or cash in lieu), pension allowance, private medical health care, life assurance and permanent health insurance, living accommodation and taxable expenses.

PENSIONS

In addition to the benefits outlined under ‘Service Contracts’ on page 23, all of the Executive Directors are also members of the Group Personal Pension Scheme, a defined contribution scheme, to which the business contributes a percentage of pensionable salary excluding death in service benefit, which is provided separately.

Further details are given in the table to the right.

Information in this part of the annual report on remuneration is audited unless stated otherwise.

	Employers contribution rate (%)	Total 2020 (£)	Total 2019 (£)
M H Beeton	15	36,000	35,448
S R Harrison*	15	-	31,413
M A Stoner	15	22,950	25,368
M G Brockhouse	15	20,796	-

* Employer pension contributions include a compensation for loss of office payment of £25,500 – for further details see remuneration section opposite.

DIRECTORS OF THE PORT OF TYNE

The Directors of the Port of Tyne are listed on page 03.

DIRECTORS’ INTERESTS IN CONTRACTS

Except as disclosed in note 29, there are no contracts subsisting with the Authority or its subsidiaries in which any member of the Authority is materially interested.

INCENTIVE SCHEMES

Two incentive schemes are in place for leadership team members. An annual performance-related incentive scheme linked to both business and personal objectives, and a long-term incentive plan, introduced in 2015, with financial targets, as well as targets relating to customer service and employee engagement. Under the long-term incentive plan, each potential annual award relates to a three year period.

A profit share scheme is in place for all employees, enabling them to share in the performance of the business.

By order of the Board of Directors

Andrew Davison LL.B OBE

Secretary
12th July 2021

Maritime House
Tyne Dock
South Shields
Tyne and Wear
NE34 9PT

STATEMENT OF BOARD OF DIRECTORS RESPONSIBILITIES



The Board of Directors is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

The Board of Directors of the Port of Tyne Authority are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the group and Authority and of the profit or loss of the group 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 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and Authority will continue in business.

The Board of Directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the group and Authority and enable them to ensure that the financial statements comply with Section 42 of the Harbours Act 1964, as amended by the Transport Act 1981. They are also responsible for safeguarding the assets of the group and Authority and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Authority's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PORT OF TYNE AUTHORITY

OPINION

We have audited the financial statements of the Port of Tyne Authority ('the parent authority') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise Group Income Statement, the Group and Authority Statement of Comprehensive Income, the Group and Authority Statement of Changes in Equity, the Group and Authority Balance Sheets, the Group Statement of Cash Flows and the related notes 1 to 30, 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 FRS 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 group's and of the parent authority's affairs as at 31 December 2020 and of the group's loss 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 Harbours Act 1964, as amended by the Transport Act 1981.

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 group 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 directors' 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 group and parent authority's ability to continue as a going concern for a period of 12 months to 31 July 2022 from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 course of 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 themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement set out on page 25 the directors 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 directors 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 directors are responsible for assessing the group's and the parent authority'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 directors either intend to liquidate the group or the parent authority 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.

EXPLANATION AS TO WHAT EXTENT THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

OUR APPROACH WAS AS FOLLOWS:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant are
 - Harbours Act 1964, as amended by the Transport Act 1981
 - FRS102
 - Tax legislation (governed by HM Revenue & Customs) and including furlough legislation
 - Health and Safety legislation
- We understood how the Port of Tyne is complying with those frameworks by reading internal policies and codes of conduct and assessing the entity level control environment. We made enquiries of the Group's senior management and head of internal audit of known instances of non-compliance or suspected non-compliance with laws and regulations, including any matters raised in whistleblowing. We corroborated our enquiries through our review of board minutes and papers provided to the Audit Committee.
- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur by making enquiries of senior management, including the Chief Financial Officer.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved a review of board meetings and other committee minutes and incident registers to identify any non-compliance with laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located 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 Authority's members, as a body, in accordance with Harbours Act 1964, as amended by the Transport Act 1981. Our audit work has been undertaken so that we might state to the Authority'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 Authority and the Authority's members as a body, for our audit work, for this report, or for the opinions we have formed.

Caroline Mulley

(Senior Statutory Auditor)

For and on behalf of Ernst & Young LLP (Statutory Auditor)
Newcastle upon Tyne
12th July 2021



FINANCIAL STATEMENTS

GROUP INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 Continuing Operations (£000's)	2020 Discontinued Operations (£000's)	2020 Total (£000's)	2019 Continuing Operations (£000's)	2019 Discontinued Operations (£000's)	2019 Total (£000's)
Turnover - continuing operations	2	42,360	-	42,360	47,534	1,109	48,643
Operating costs		(34,698)	-	(34,698)	(37,837)	(1,280)	(39,117)
Gross profit / (loss)		7,662	-	7,662	9,697	(171)	9,526
Administrative expenses		(7,488)	-	(7,488)	(7,362)	(364)	(7,726)
Gross operating profit / (loss) - before exceptional items		174	-	174	2,335	(535)	1,800
Exceptional items	6	(1,884)	-	(1,884)	(558)	(1,261)	(1,819)
Gross operating (loss) / profit – continuing operations		(1,710)	-	(1,710)	1,777	(1,796)	(19)
Loss on revaluation of investment properties	5	(2,481)	-	(2,481)	(227)	-	(227)
(Loss) / profit on disposal of fixed assets	10	(509)	-	(509)	103	-	103
(Loss) / profit before interest and taxation		(4,700)	-	(4,700)	1,653	(1,796)	(143)
Net interest and other expenses	4	(834)	-	(834)	(1,097)	-	(1,097)
(Loss) / profit on ordinary activities before taxation		(5,534)	-	(5,534)	556	(1,796)	(1,240)
Tax charge on profit on ordinary activities	8	(1,102)	-	(1,102)	(910)	229	(681)
Loss for the financial year		(6,636)	-	(6,636)	(354)	(1,567)	(1,921)



GROUP STATEMENT OF COMPREHENSIVE INCOME

	Notes	2020 (£000's)	2019 (£000's)
Loss for the financial year		(6,636)	(1,921)
Remeasurement gain / (loss) recognised on defined benefit schemes	23	243	(1,209)
Tax (charge) / credit relating to pension liability	8	(46)	230
Total other comprehensive income / (loss)		197	(979)
Total comprehensive loss for the year		(6,439)	(2,900)

AUTHORITY STATEMENT OF COMPREHENSIVE INCOME

	Notes	2020 (£000's)	2019 (£000's)
Loss for the financial year		(6,309)	(1,481)
Remeasurement gain / (loss) recognised on defined benefit schemes	23	243	(1,209)
Tax (charge) / credit relating to pension liability	8	(46)	230
Total other comprehensive income / (loss)		197	(979)
Total comprehensive loss for the year		(6,112)	(2,460)

GROUP STATEMENT OF CHANGES IN EQUITY

	P&L Reserve (£000's)	Non Distributable Reserve (£000's)	Total Reserves (£000's)
At 1 January 2019	86,558	39,673	126,231
Loss for the year	(1,694)	(227)	(1,921)
Other comprehensive loss	(979)	-	(979)
Total comprehensive loss for the year	(2,673)	(227)	(2,900)
At 31 December 2019	83,885	39,446	123,331
Loss for the year	(4,155)	(2,481)	(6,636)
Other comprehensive income	197	-	197
Total comprehensive loss for the year	(3,958)	(2,481)	(6,439)
At 31 December 2020	79,927	36,965	116,892

AUTHORITY STATEMENT OF CHANGES IN EQUITY

	P&L Reserve (£000's)	Non Distributable Reserve (£000's)	Total Reserves (£000's)
At 1 January 2019	77,938	42,919	120,857
Loss for the year	(1,254)	(227)	(1,481)
Other comprehensive loss	(979)	-	(979)
Total comprehensive loss for the year	(2,233)	(227)	(2,460)
At 31 December 2019	75,705	42,692	118,397
Loss for the year	(3,828)	(2,481)	(6,309)
Other comprehensive income	197	-	197
Total comprehensive loss for the year	(3,631)	(2,481)	(6,112)
At 31 December 2020	72,074	40,211	112,285



	Notes	2020 (£000's)	2019 (£000's)
Fixed assets			
Tangible assets	10	175,219	185,535
Current assets			
Stocks	12	538	564
Debtors	13	8,113	9,688
Cash at bank and in hand	14	6,073	1,945
Creditors: amounts falling due within one year	15	14,724 (6,344)	12,197 (6,200)
Net current assets		8,380	5,997
Total assets less current liabilities		183,599	191,532
Creditors: amounts falling due after more than one year	16	(40,000)	(41,001)
Provisions for liabilities	20	(15,700)	(14,974)
Deferred Income	21	(4,290)	(4,441)
Net assets excluding pension liability		123,609	131,116
Pension liability	23	(6,717)	(7,785)
Net assets including pension liability		116,892	123,331
Reserves			
Profit and loss account	24	79,927	83,885
Non distributable reserves	24	36,965	39,446
Reserves		116,892	123,331

The financial statements were approved and authorised for issue by:

L V W Armstrong
Chair
12th July 2021

M H Beeton
Chief Executive Officer
12th July 2021

	Notes	2020 (£000's)	2019 (£000's)
Fixed assets			
Tangible assets	10	175,323	184,950
Investment in subsidiary	11	1,280	1,280
Investment in joint venture	11	1	1
		176,604	186,231
Current assets			
Stocks	12	538	564
Debtors – due within one year	13	6,778	8,474
Cash at bank and in hand	14	3,303	1,458
Creditors: amounts falling due within one year	15	10,619 (8,001)	10,496 (9,813)
Net current assets		2,618	683
Total assets less current liabilities		179,222	186,914
Creditors: amounts falling due after more than one year	16	(40,000)	(41,000)
Provisions for liabilities	20	(15,930)	(15,291)
Deferred Income	21	(4,290)	(4,441)
Net assets excluding pension liability		119,002	126,182
Pension liability	23	(6,717)	(7,785)
Net assets including pension liability		112,285	118,397
Reserves			
Profit and loss account	24	72,074	75,705
Non distributable reserves	24	40,211	42,692
Reserves		112,285	118,397

The financial statements were approved and authorised for issue by:

L V W Armstrong
Chair
12th July 2021

M H Beeton
Chief Executive Officer
12th July 2021

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 (£000's)	2019 (£000's)
Net cash inflow from operating activities	25	8,225	9,394
Investing activities			
Interest received		5	12
Payments to acquire fixed assets		(3,207)	(6,412)
Receipts from sale of fixed assets		591	219
Net cash outflow from investing activities		(2,611)	(6,181)
Financing activities			
Interest paid		(698)	(923)
Interest element of finance lease payments		-	-
Grants received		213	-
New long term loans		-	-
Repayment of long term loans		(1,000)	(1,500)
Repayment of capital element of finance leases		(1)	(16)
Net cash outflow from financing activities		(1,486)	(2,439)
Increase in cash in the year		4,128	774
Cash and cash equivalents at 1 January	25	1,945	1,171
Cash and cash equivalents at 31 December	25	6,073	1,945



NOTES TO THE FINANCIAL STATEMENTS

AT 31 DECEMBER 2020

1. ACCOUNTING POLICIES

STATEMENT OF COMPLIANCE

Port of Tyne Authority is a Trust Port, established by an Act of Parliament. The registered office is Maritime House, Tyne Dock, South Shields, NE34 9PT. The Group's financial statements have been prepared in compliance with FRS102 as it applies to the financial statements of the Group for the year ended 31 December 2020.

BASIS OF PREPARATION AND CHANGE IN ACCOUNTING POLICY

The financial statements of Port of Tyne Authority were approved for issue by the Board of Directors on 12th July 2021. The financial statements have been prepared in accordance with applicable accounting standards. The financial statements are prepared in sterling which is the functional currency of the Group and rounded to the nearest £'000.

BASIS OF PREPARATION AND CHANGE IN ACCOUNTING POLICY

After making due enquiries, including consideration of recent and forecast trading performance, cash flow forecasts and banking facilities, the Directors have reasonable expectation that the Port of Tyne Authority has adequate resources to continue in operational existence for the foreseeable future.

The Directors have undertaken activities to review the ongoing operational and financial impacts of Covid-19 for the period through to 31 July 2022 including operational continuity, employees, customer demand, supply chains and liquidity, and detailed plans are in place to mitigate the reducing impact. These plans include updated forecasts of trading performance and liquidity management, together with robust downside sensitivity analyses.

We have modelled the potential ongoing impact of the items identified above, both in terms of most likely and worst case scenarios, and have estimated the impact on trading performance, liquidity and net debt. We have subsequently tested these outcomes against the leverage and interest cover covenants in place as specified in our current loan facilities with Lloyds Bank. These indicate covenant compliance with appropriate headroom and liquidity, throughout the next 12 months.

For these reasons, the Directors continue to adopt the going concern basis in preparing the financial statements.

BASIS OF CONSOLIDATION

The Group financial statements consolidate the financial statements of the Authority and its subsidiary undertakings made up to 31 December 2020. No income statement is presented for Port of Tyne Authority as permitted by section 408 of the Companies Act 2006.

Subsidiaries are consolidated from the date of their acquisition, being the date on which the Group obtains control and continue to be consolidated until the date that such control ceases. Control comprises the power to govern the financial and operating policies of the investee so as to obtain benefit from its activities.

Entities in which the Group holds an interest and which are jointly controlled by the Group and one or more other venturers under a contractual arrangement are treated as joint ventures. In the Group financial statements, joint ventures are accounted for using the equity method.

In the parent authority financial statements investments in subsidiaries and joint ventures are accounted for at cost less impairment.

JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements and estimates have had the most significant effect on amounts recognised in the financial statements:

• Revaluation of investment properties

The Group carries its investment property at fair value, with changes in fair value being recognised in the income statement. The Group engaged CBRE to determine fair value as at 31 December 2020. The determined value is most sensitive to estimated yield and void periods. The key assumptions used to determine the fair value are further explained in note 10. The valuation prepared by CBRE is subject to internal review by suitably qualified individuals, and is adjusted when considered to be materially different to management's expectation of property value.

Under the "removal of undue cost or effort exemptions" of FRS102 – we have elected in the Authority not to revalue investment properties rented to another group entity, instead they are held at deemed cost at the date of transition. This election has no impact at a Group level, where these properties were already held as Operational Properties.

• Categorisation of properties

A property will be classified as investment property if the intention is to let it to one or more third parties throughout the medium term or beyond. Investment properties are held

at fair value, with changes in value being recognised in the income statement. Operational properties are carried at depreciated historic cost. The categorisation of properties into these two categories therefore represents an area of judgement which may lead to material change in the value of the asset held on the balance sheet and the amounts recognised through the income statement.

• Pension benefits

The costs of defined benefit pension plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in note 23.

• Operating lease commitments

The Group has entered into property, vehicle and trailer operating leases and, as a lessee, it obtains use of property, plant and equipment. The classification of such leases as operating or finance lease requires the Group to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the statement of financial position.

• Taxation

Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies.



SIGNIFICANT ACCOUNTING POLICIES

A. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all property, plant and equipment, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Infrastructure
(including roads, piers and swing bridge)
15 to 100 years

Operational buildings
(including quays)
25 to 50 years

Dredging of a capital nature
25 to 100 years

Plant & Machinery
3 to 45 years

No depreciation is provided on freehold land.

The carrying value of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

B. INVESTMENT PROPERTIES

Certain of the Group’s properties are held for long term investment. Investment properties are accounted for as follows:

- Investment properties are initially recognised at cost which includes purchase cost and any directly attributable expenditure.
- Investment properties whose fair value can be measured reliably are measured at fair value. The surplus or deficit on revaluation is recognised in the income statement and accumulated in the profit and loss reserve unless a deficit below original cost or its reversal on an individual property is expected to be permanent, in which case it is recognised in the income statement for the year.

Further details are given within the Judgements and key sources of estimation uncertainty section on page 36.

C. REVENUE RECOGNITION

Revenue is recognised to the extent that the Group obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty.

Revenue is recognised when services are physically provided to the customer and represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of consideration due.

Amounts receivable under annual bulk handling contracts including Take or Pay guaranteed annual tonnage clauses are

recognised as physically handled. Any contractual amounts due as a result of a shortfall against the guaranteed tonnage due under these contracts in a given contractual period are recognised only when there is a contractual right to receive the amount due.

Amounts receivable under operating leases, including any benefits or incentives given, are recognised on a straight-line basis over the period of the lease to the first contractual break date, even if the payments are not made on such a basis.

Where payments are received in advance of services provided, the amounts are recorded as Deferred Income and are included as part of Creditors due within one year.

D. GOVERNMENT GRANTS, CAPITAL CONTRIBUTIONS AND RELOCATION CONTRIBUTIONS

Government grants and capital contributions are recognised when it is reasonable to expect that the grants will be received and that all related conditions will be met.

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

Grants and contributions of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

E. STOCKS

Stocks are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each item to its present location and condition. Provision is made for obsolete, slow-moving or defective items where appropriate.

F. PROVISIONS FOR LIABILITIES

A provision is recognised when the Group has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

G. CASH AND CASH EQUIVALENTS

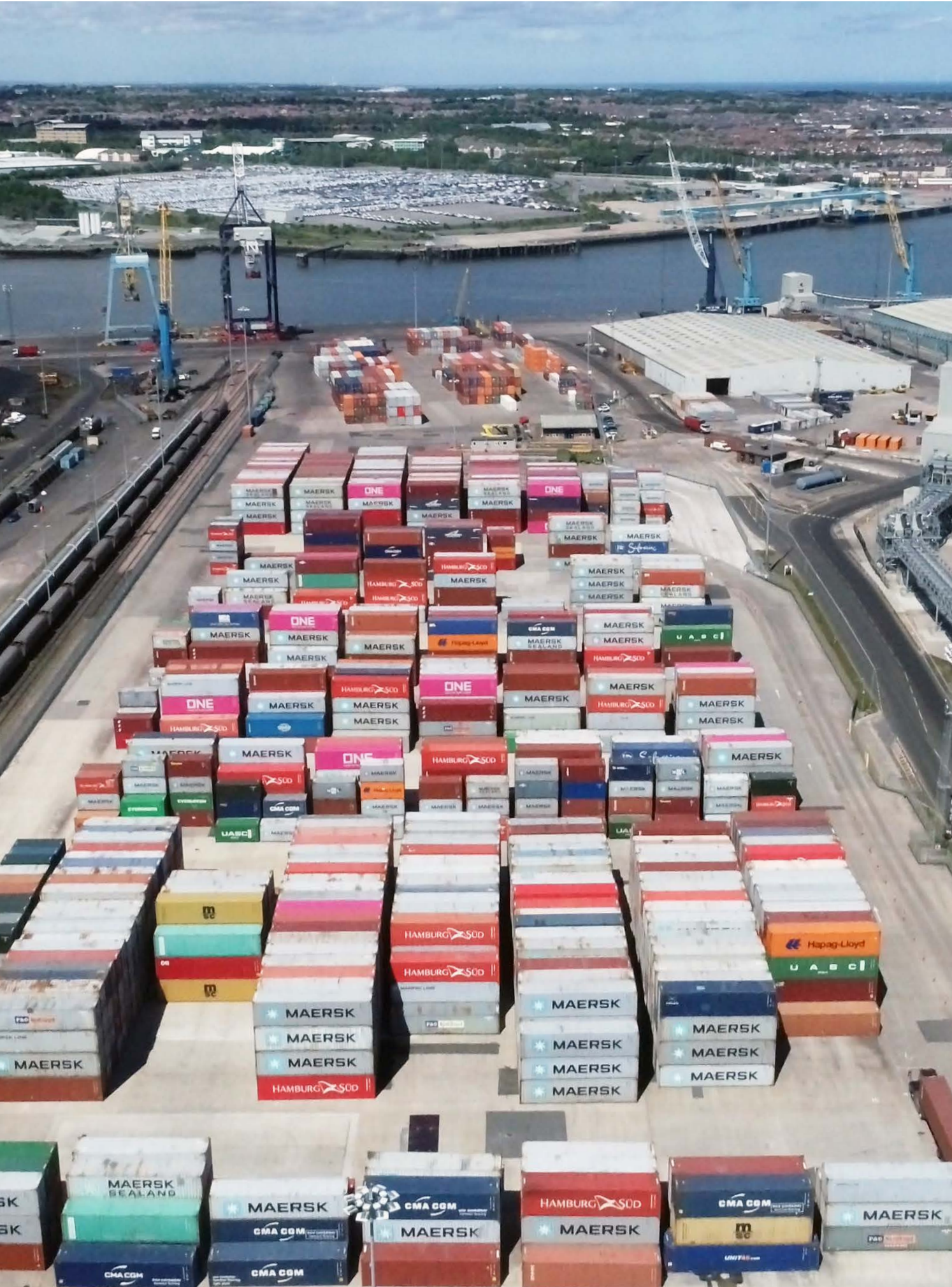
Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short term deposits with an original maturity date of three months or less. For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

H. SHORT TERM DEBTORS AND CREDITORS

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in operating costs.

I. EXCEPTIONAL ITEMS

The Group presents as exceptional items on the face of the income statement, those material items of income and expense that, because of the nature and expected frequency of the events giving rise to them, merit separate presentation to allow stakeholders to understand better the elements of financial performance in the period, so as to facilitate comparison with prior periods and to assess better trends in financial performance.



SIGNIFICANT ACCOUNTING POLICIES CONTINUED...

J. TAXATION

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

K. FOREIGN CURRENCIES

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction or, if hedged forward, at the rate of exchange under the related forward currency contract. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the income statement.

L. LEASING AND HIRE PURCHASE COMMITMENTS

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the Group, and hire purchase contracts are capitalised in the balance sheet and are depreciated over the shorter of the lease term and the assets useful lives. A corresponding liability is recognised for the lower of the fair value of the leased asset and the present value of the minimum lease payments in the balance sheet. Lease payments are apportioned between the reduction of the lease liability and finance charges in the income statement so as to achieve a constant rate of interest on the remaining balance of the liability.

Rentals payable under operating leases are charged in the income statement on a straight-line basis over the lease term. Lease incentives are recognised over the lease term on a straight-line basis.

M. POST-RETIREMENT BENEFITS

The Authority operates and participates in a number of funded and unfunded pension schemes.

For defined benefit schemes, the cost of providing benefits under the defined benefit plans is determined separately for each plan using the projected unit credit method which attributes entitlement to benefits to the current period (to determine current service cost) and to the current and prior periods (to determine the present value of defined benefit obligations) and is based on actuarial advice. When a settlement or curtailment occurs, the change in the present value of the scheme liabilities and the fair value of the plan assets reflects the gain or loss which is recognised in the income statement during the period in which it occurs.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, at the start of the period taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in profit or loss as other finance revenue or cost.

Re-measurements, comprising actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability (excluding amounts included in net interest) are recognised immediately in other comprehensive income in the period in which they occur. Re-measurements are not reclassified to the income statement in subsequent periods.

The defined net benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the benefits are to be settled directly. Fair value is based on market price information and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

For defined contribution schemes, contributions are recognised in the income statement in the period in which they become payable.

The capital cost of unfunded pensions is charged to the income statement in the accounting period in which those pensions are granted.

The Group participates in a number of multi-employer defined benefit pension schemes. Where the Group is unable to determine its share of the assets and liabilities on a consistent and reliable basis it accounts for these schemes as if defined contribution schemes.

2. TURNOVER

Turnover represents the amounts derived from the provision of goods and services which fall within the Group's ordinary activities, stated net of value added tax, including the sale of any property assets previously held by our Estates business.

The Group operates in a number of Port related activities which are listed below. Sales were all made within the UK.

	2020 (£000's)	2019 (£000's)
<i>Continuing operations</i>		
Conventional and Bulk	19,098	19,685
Car Terminals	5,512	6,970
Cruise and Ferry	1,437	4,448
Logistics	10,362	11,315
Estates	3,571	3,359
Income from third party activities	39,980 2,380	45,777 1,757
Total – Continuing operations	42,360	47,534
<i>Discontinued operations</i>		
Logistics	-	1,109
Total – Discontinued operations	-	1,109
Total Turnover	42,360	48,643

Income from third party activities primarily consists of conservancy and pilotage income associated with traffic emanating from third party river users. Income from these sources attributable to the Port's five main business areas has been allocated accordingly.

3. PILOTAGE

The following information is provided in accordance with the provisions of Statutory Harbour Undertakings (Pilotage Financial Statements) Regulations 1988:

	2020 (£000's)	2019 (£000's)
Income from pilotage (included in turnover):		
Pilotage services	2,566	3,291
Use of pilotage exemption certificates	162	215
	2,728	3,506
Expenditure:		
<i>Provision of pilotage services (included in operating costs)</i>	883	932

The pilotage income above includes £286,000 (2019 - £312,000) in relation to the PNPF levy, a surcharge introduced to recover the incremental costs associated with the Ports financial liabilities in connection with the Pilots National Pension Fund (PNPF).

This levy was introduced in 2013 and the total amount billed to date is £2,585,000 (2019 - £2,299,000).

4. NET INTEREST AND OTHER EXPENSES

	Notes	2020 (£000's)	2019 (£000's)
Interest receivable - other	23	5	12
Other finance costs		(141)	(186)
Interest payable: – on bank loans		(698)	(923)
Net interest and other expenses		(834)	(1,097)

5. OPERATING (LOSS) / PROFIT

	Notes	2020 (£000's)	2019 (£000's)
Auditors' remuneration – Ernst & Young LLP: Group – audit		56	54
Authority - audit (included above)		46	44
Depreciation and other amounts written off tangible fixed assets: Depreciation - owned		9,271	8,447
Hire of plant and machinery – rentals payable under operating leases		721	1,296
Furlough income	21 21	(584)	-
Release of grants		(302)	(335)
Release of relocation contribution		(62)	(67)
Foreign exchange differences		(3)	12

6. EXCEPTIONAL ITEMS

	Group 2020 (£000's)	Group 2019 (£000's)	Authority 2020 (£000's)	Authority 2019 (£000's)
Cessation of trade of Port of Tyne Distribution	-	1,013	-	-
Restructuring costs	1,884	806	1,656	806
	1,884	1,819	1,656	806

Cessation of Trade of Port of Tyne Distribution

Due to pressure on margins and an increasing cost base, the decision was taken in January 2019 to withdraw from this sector. Exit costs relate to redundancy and operating lease termination payments.

Restructuring costs

Organisation changes in the year led to redundancy payments of the value shown.

7. STAFF COSTS

	Group 2020 (£000's)	Group 2019 (£000's)	Authority 2020 (£000's)	Authority 2019 (£000's)
Wages and salaries	12,987	14,768	10,845	11,730
Social security costs	1,366	1,466	1,161	1,173
Other pension costs:				
- Net current service cost within operating profit (note 23)	428	474	428	474
- Past service cost within operating profit (note 23)	4	-	4	-
- Other pension costs	966	881	845	726
	15,751	17,589	13,284	14,103

The average number of persons, excluding contractors, employed by the Group (including directors) during the year was as follows:

	Group 2020 (No.)	Group 2019 (No.)	Authority 2020 (No.)	Authority 2019 (No.)
Directors of the Authority	11	10	11	10
General management and administration	51	59	51	59
Engineering	37	42	37	42
Marine services & security	52	58	52	58
Bulk cargo	50	57	50	57
Cruise and ferries	20	25	20	25
Logistics	127	151	61	63
	348	402	282	314

Including Contractors, the average number of Full Time Equivalents (FTEs) employed by the Group in 2020 was 351 (2019: 421). At the end of the year the number of FTEs was 326 (2019: 375).

Details of the emoluments of the directors of the Authority are given in the Report of the Board on pages 22 and 23.

8. TAX

(a) Tax charge on ordinary activities

The tax charge is made up as follows:

	Notes	2020 (£000's)	2019 (£000's)
Current Tax:			
UK corporation tax on the profit for the year		563	268
Adjustments in respect of prior periods		16	4
Total current tax		579	272
Deferred tax:			
Origination and reversal of timing differences		523	409
Adjustment in respect of previous years		-	-
Total deferred tax	20	523	409
Tax charge on profit on ordinary activities		1,102	681

(b) Tax included in Group statement of comprehensive income

The tax charge is made up as follows:

	Notes	2020 (£000's)	2019 (£000's)
Current Tax:			
UK corporation tax relating to pension liability		(157)	(91)
Total current tax		(157)	(91)
Deferred tax:			
Movement on deferred tax relating to pension liability	20	203	(139)
Total deferred tax	20	203	(139)
Total tax charge / (credit)		46	(230)

(c) Factors affecting the total tax charge for the year:

The tax assessed for the year is more than the rate of corporation tax in the UK of 19% (2019 – 19%). The differences are explained below:

	Notes	2020 (£000's)	2019 (£000's)
Loss on ordinary activities before tax		(5,534)	(1,240)
Tax on ordinary activities multiplied by the rate of corporation tax in the UK of 19% (2019 – 19%)		(1,052)	(236)
Effects of:			
Expenses not deductible for tax purposes/income not taxable		145	64
Fixed asset differences		103	866
Adjustment in respect of prior periods – current tax		16	(9)
Adjustment in respect of prior periods – deferred tax		(19)	15
Adjust closing deferred tax to prevailing rate		-	(1,839)
Adjust opening deferred tax to prevailing rate		1,845	1,809
Not recognised		64	11
Total tax expenses for the year	8a	1,102	681

(d) Factors affecting future tax charges

On 11 March 2020, the Government announced that the UK Corporation tax from 1 April 2020 would remain at 19% rather than reduce to the previous enacted rate of 17%.

In the Chancellor's March 2021 Budget, it was announced the rate of UK corporation tax will remain at 19% for the next two years before increasing to 25% from April 2023. As the future increase in the tax rate was not enacted at the balance sheet date, all current and deferred tax assets and liabilities continued to be calculated and stated at the 19% rate. This change was substantively enacted on 24 May 2021 and deferred tax assets and liabilities will be recalculated and recorded at the tax rate at which they are expected to unwind in the next financial year. It is anticipated the tax rate increase will increase the tax charge and deferred tax liability in future years c.£5m in total.

The budget also introduced an acceleration of capital allowances for expenditure on new qualifying assets in the period April 2021 to April 2023, with a 130% super-deduction for plant and machinery and a 50% first year allowance for other qualifying assets. This is expected reduce the current tax charge in the next two financial years, however it will be offset by an increase in deferred tax charges and liabilities for the acceleration of tax relief and the higher corporate tax rate applicable to future timing differences.

9. INTANGIBLE FIXED ASSETS

The directors consider each acquisition separately for the purpose of determining the amortisation period of any goodwill that arises. Goodwill associated with the acquisition of Tyne Logistics Company Limited was amortised over five years. Group cost of £682K has been fully amortised, unchanged since 2019.

10. TANGIBLE FIXED ASSETS

Group	Freehold land and buildings (£000's)	Investment property (£000's)	Infrastructure (£000's)	Dredging (£000's)	Craft, plant and machinery (£000's)	Capital works in progress (£000's)	Total (£000's)
Cost or valuation: At 1 January 2020	120,670	73,372	6,942	10,939	75,495	1,620	289,038
Additions	219	-	-	-	206	2,065	2,490
Transfers	479	174	-	-	-	(653)	-
Disposals	(1,931)	-	(87)	-	(1,199)	-	(3,217)
Reclassification	(92)	-	-	-	92	-	-
Revaluation	-	(2,481)	-	-	-	-	(2,481)
At 31 December 2020	119,345	71,065	6,855	10,939	74,594	3,032	285,830
Depreciation: At 1 January 2020	45,707	-	4,087	3,863	49,846	-	103,503
Charge for the year	4,175	-	196	366	4,534	-	9,271
On disposals	(927)	-	(80)	-	(1,156)	-	(2,163)
Reclassification	(1)	-	-	-	1	-	-
At 31 December 2020	48,954	-	4,203	4,229	53,225	-	110,611
Net book value: At 31 December 2020	70,391	71,065	2,652	6,710	21,369	3,032	175,219
At 1 January 2020	74,963	73,372	2,855	7,076	25,649	1,620	185,535
Leased assets included in the above: Net book value at 31 December 2020	-	-	-	-	2	-	2
Net book value at 1 January 2020	-	-	-	-	16	-	16

Authority	Freehold land and buildings (£000's)	Investment property (£000's)	Infrastructure (£000's)	Dredging (£000's)	Craft, plant and machinery (£000's)	Capital works in progress (£000's)	Total (£000's)
Cost or valuation: At 1 January 2020	117,891	79,531	6,942	10,939	66,172	1,621	283,096
Additions	151	67	-	-	206	2,065	2,489
Transfers	479	174	-	-	-	(653)	-
Disposals	(1,931)	-	(87)	-	(1,144)	-	(3,162)
Reclassification	(92)	-	-	-	92	-	-
Revaluation	-	(2,481)	-	-	-	-	(2,481)
At 31 December 2020	116,498	77,291	6,855	10,939	65,326	3,033	279,942
Depreciation: At 1 January 2020	45,038	-	4,086	3,862	45,159	-	98,145
Charge for the year	4,032	-	196	366	3,991	-	8,585
On disposals	(927)	-	(80)	-	(1,104)	-	(2,111)
Reclassification	(1)	-	-	-	1	-	-
At 31 December 2020	48,142	-	4,202	4,228	48,047	-	104,619
Net book value: At 31 December 2020	68,356	77,291	2,653	6,711	17,279	3,033	175,323
At 1 January 2020	72,853	79,530	2,856	7,076	21,014	1,621	184,950
Leased assets included in the above: Net book value at 31 December 2020	-	-	-	-	2	-	2
Net book value at 1 January 2020	-	-	-	-	16	-	16

The Group and Authority have elected to adopt early the transition to amended FRS102 with a transition date of 1 January 2017.

Under the “removal of undue cost or effort exemptions” – we have elected in the Authority not to revalue investment properties rented to another group entity, instead they are held at deemed cost at the date of transition.

This election has no impact at a Group level, where these properties were already held as Operational Properties.

Included within land and buildings is an amount of £18,277,780 (2019 – £17,194,452) relating to land which is not depreciated.

Freehold land and buildings (other than investment properties), which include owner occupied property assets and specialised marine assets, are held at historic cost.

Investment properties, which are all freehold, continue to be valued on an open market existing use basis and a full revaluation was performed as at 31 December 2020 by CBRE.

The critical assumptions made relating to the valuations are set out below:

	2020	2019
Yield range – Industrial	7-15%	5.5-12%
Yield range – Offices	9-12.5%	9-12.5%
Yield range – Land, including surfaced and unsurfaced areas	5-13%	5-12.5%
Current void (based on anticipated demand)	12-24 mths	3-24 mths

10. TANGIBLE FIXED ASSETS CONTINUED...

Movements in the fair value of investment properties are as follows:

	Group (£000's)	Authority (£000's)
Fair value: At 1 January 2020	73,372	79,531
Additions	-	67
Transfers	174	174
Deficit on valuation	(2,481)	(2,481)
Reclassification	-	-
At 31 December 2020	71,065	77,291

The depreciated historic cost of investment properties held at fair value is as follows:

	Group (£000's)	Authority (£000's)
At 31 December 2020	26,441	28,476
At 1 January 2020	26,338	28,448

11. FIXED ASSET INVESTMENTS

Authority	Subsidiary Undertakings (£000's)	Joint Ventures (£000's)	Total (£000's)
Cost and net book value: At 31 December 2019 and 31 December 2020	1,280	1	1,281

The undertakings in which the Group's interest at the year end is more than 20% are as follows:

	Country of Incorporation	Principal activity	% of ord. shares held by Group	% of ord. shares held by Authority
Subsidiary undertakings				
Tyne Logistics Company Limited	UK	Container handling	100%	100%
Port of Tyne Logistics Limited	UK	Dormant	100%	100%
North East Ports Limited	UK	Dormant	100%	100%
Port of Tyne Plc	UK	Dormant	100%	100%
Howdon Green Energy Park	UK	Dormant	88%	88%

12. STOCKS

	Group 2020 £000's	Group 2019 £000's	Authority 2020 £000's	Authority 2019 £000's
Raw materials and consumables	538	564	538	564
	538	564	538	564

13. DEBTORS

	Group 2020 £000's	Group 2019 £000's	Authority 2020 £000's	Authority 2019 £000's
Trade debtors	6,448	7,690	5,214	6,638
Other debtors	1,017	1,253	1,018	1,235
VAT	-	24	-	24
Prepayments	648	721	546	577
	8,113	9,688	6,778	8,474

14. CASH AND SHORT-TERM DEPOSITS

	Group 2020 £000's	Group 2019 £000's	Authority 2020 £000's	Authority 2019 £000's
Cash at bank and in hand	6,073	1,945	3,303	1,458

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2020 £000's	Group 2019 £000's	Authority 2020 £000's	Authority 2019 £000's
Trade creditors	905	351	813	209
Taxation and social security	489	469	443	415
Other creditors	410	720	410	720
Accruals and deferred income	4,027	4,561	3,622	4,274
Corporation tax	513	99	279	85
Amounts owed to Group undertakings	-	-	2,434	4,110
	6,344	6,200	8,001	9,813

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

	Group 2020 £000's	Group 2019 £000's	Authority 2020 £000's	Authority 2019 £000's
Bank loans	40,000	41,000	40,000	41,000
Obligations under finance leases	-	1	-	-
	40,000	41,001	40,000	41,000

17. LOANS

Loans repayable, included within creditors may be analysed as follows:

	Group 2020 £000's	Group 2019 £000's	Authority 2020 £000's	Authority 2019 £000's
Wholly repayable within five years	40,000	41,000	40,000	41,000

In late 2018 a £60m refinancing package was secured with Lloyds Bank Commercial Banking. This was signed in early January 2019. This five-year agreement comprises a £30m RCF and a £30m term loan. RCF interest is LIBOR + 1.45% pa, term loan interest is LIBOR +1.2% for years 1 to 3, and LIBOR + 1.4% in years 4-5.

The purpose of the Lloyds facilities is to refinance existing loans and to finance current and future expansion plans of the business. Monies drawn are secured on a number of assets at Tyne Dock, South Shields.

18. OBLIGATIONS UNDER LEASES AND HIRE PURCHASE CONTRACTS

The maturity of obligations under finance leases is as follows:

	Group 2020 £000's	Group 2019 £000's	Authority 2020 £000's	Authority 2019 £000's
Within one year	-	-	-	-
In the second to fifth years	-	1	-	-
	-	1	-	-
Less: future finance charges	-	-	-	-
	-	1	-	-

19. BORROWING POWERS

Authority

In July 2008 a Harbour Revision Order granted Port of Tyne Authority unlimited borrowing powers.

20. PROVISIONS FOR LIABILITIES

(a) Group and Authority - Deferred Tax

The amounts provided for deferred tax and the full potential charge calculated at 19% (2019 – 17%) are set out below:

	Group 2020 £000's	Group 2019 £000's	Authority 2020 £000's	Authority 2019 £000's
At the beginning of the year	14,974	14,704	15,291	14,943
Charge to income statement	523	409	436	487
Charge / (credit) to statement of total other comprehensive income	203	(139)	203	(139)
At the end of the year	15,700	14,974	15,930	15,291

The elements of deferred tax are as follows:

	Group 2020 £000's	Group 2019 £000's	Authority 2020 £000's	Authority 2019 £000's
Difference between accumulated depreciation and amortisation and capital allowances	8,596	8,541	8,161	8,129
Tax losses carried forward	-	(64)	-	-
Other short term timing differences	(1,625)	(1,608)	(1,625)	(1,608)
Capital Gains	8,729	8,105	9,394	8,770
Deferred tax liability	15,700	14,974	15,930	15,291

(b) Group - Share of loss retained by Joint Venture

	2020 (£000's)	2019 (£000's)
At the beginning of the year	-	615
JV reclassified as wholly owned subsidiary	-	(615)
At the end of the year	-	-

(c) Total provisions for liabilities

	Group 2020 £000's	Group 2019 £000's	Authority 2020 £000's	Authority 2019 £000's
Deferred Tax	15,700	14,974	15,930	15,291
At the end of the year	15,700	14,974	15,930	15,291

21. DEFERRED INCOME

Group and Authority

(a) Grants and capital contributions		
	2020 (£000's)	2019 (£000's)
At the beginning of year	3,123	3,458
Grants received	213	-
Released to income statement (note 5)	(302)	(335)
At end of year	3,034	3,123
(b) Relocation contributions - grants		
At the beginning of the year	1,318	1,385
Released to income statement (note 5)	(62)	(67)
At end of year	1,256	1,318

	2020 (£000's)	2019 (£000's)
Total	4,290	4,441

22. COMMITMENTS

(a) Capital commitments at the end of the financial year, for which no provision has been made, are as follows:

	Group 2020 £000's	Group 2019 £000's	Authority 2020 £000's	Authority 2019 £000's
Contracted	254	132	251	132

(b) Future minimum rentals payable under non-cancellable operating leases are as follows:

Group	2020 (£000's)	2019 (£000's)
Future minimum rentals payable:		
Within one year	257	557
In the second to fifth years inclusive	283	480
	540	1,037

Authority	2020 (£000's)	2019 (£000's)
Future minimum rentals payable:		
Within one year	50	50
In the second to fifth years inclusive	149	160
	199	210

(c) Operating Lease agreements where the Group is lessor:

The Group holds a proportion of its estate as investment properties, as disclosed in note 10, which are let to third parties. Future minimum rentals receivable under non-cancellable operating leases are as follows:

	2020 (£000's)	2019 (£000's)
Not later than one year	3,209	4,151
After one year but not more than five years	8,124	9,366
After five years	11,059	8,281
	22,392	21,798

23. PENSION SCHEMES

The Authority participates in a number of pension schemes of the defined benefit type. The assets of these schemes are held in separate trustee administered funds and contributions are made in accordance with the advice of qualified actuaries.

(a) i - Funded schemes – The Authority’s defined benefit schemes

The major single employer schemes are the Port of Tyne Authority Superannuation Pension Scheme (PTASPS) and the Port of Tyne Authority Docks Pension Scheme (PTADPS). Contributions to these schemes are determined on the basis of triennial valuations using the projected unit method.

The most recent actuarial valuations of the PTASPS and the PTADPS submitted to the regulator were as at 31 December 2019. These valuations show the PTASPS with a deficit of £51,000 and the PTADPS with a deficit of £1,670,000. These equate to a funding ratio for the schemes of 100% and 85% respectively. The agreed recovery plans commit the Port to

contributions for the PTASPS towards the shortfall in funding on the secondary funding objective of £90,000 from 2021 to 2027; and for the PTADPS towards the deficit and the shortfall in funding on the secondary funding objective of £347,000 from 2021 to 2027.

There was £20,171 of outstanding contributions relating to the Port’s defined benefit pension schemes at the year-end (2019: £26,284).

At the year end, the schemes also owed the Port £102,107 (2019: £102,328), which primarily includes the monthly pensioner payrolls which are processed by the Port and recharged to the schemes, offset by the outstanding contributions referred to above.

The results of these calculations have been updated to 31 December 2020 by a qualified independent actuary. The major assumptions used by the actuary were as follows:

	2020 PTASPS	2020 PTADPS	2019 PTASPS	2019 PTADPS
Discount rate	1.20%	1.20%	2.00%	2.00%
Inflation (RPI) pre 2030	3.00%	3.00%	3.00%	3.00%
Inflation (RPI) post 2030	2.70%	2.70%	3.00%	3.00%
Inflation (CPI) pre 2030	2.00%	2.00%	2.00%	2.00%
Inflation (CPI) post 2030	2.70%	2.70%	2.00%	2.00%
Rate of salary increase	1.55%	2.75%	1.55%	2.75%
Rate of pension increase pre 2030	3.00%	2.05%	3.00%	2.00%
Rate of pension increase post 2030	2.70%	2.65%	3.00%	2.00%
Life expectancy (yrs)				
Retiring today - Male	21.7	21.7	21.6	21.6
Retiring today - Female	24.0	24.0	23.8	23.8
Retiring in 20 yrs - Male	22.7	22.7	22.6	22.6
Retiring in 20 yrs - Female	25.2	25.2	25.0	25.0

(a) ii - Funded schemes – multi employer defined benefit scheme – Pilots National Pension Fund (PNPF)

The PNPF is a centralised multi-employer defined benefit scheme for non-associated employers. It provides benefits for employed and self-employed maritime pilots upon retirement and also on death before or after retirement.

The Fund is administered by a separate Trustee company which is legally separate from the Port. The Trustee Directors are required by law to act in the interests of all relevant beneficiaries and are responsible for the Fund’s investment policy and day to day administration.

The organisation is responsible for its own share of the total liabilities of the Fund, together with a proportionate share of the

orphan liabilities of the Fund, i.e. those liabilities that cannot be attributed to another participating company.

The most recent actuarial valuation of the PNPF submitted to the regulator was as at 31 December 2019. This valuation showed a deficit of £159m, which equates to a funding ratio for the scheme of 67%. The Port of Tyne share of this deficit was 2.0776%. The participating bodies of the scheme have agreed a recovery plan with the Trustees lasting until 2028, the Port of Tyne contribution to this increases annually, with £418k due to be paid in 2021, rising to £578k in 2028.

The results of these calculations have been updated to 31 December 2020 by a qualified independent actuary. The major assumptions used by the actuary were as follows:

	2020	2019
Discount rate	1.4%	2.0%
Inflation (RPI)	2.6%	2.7%
Inflation (CPI)	2.0%	2.0%
Rate of salary increase	2.0%	3.0%
Rate of pension increase	2.6%-3.4%	2.7%-3.4%
Life expectancy (yrs)		
Retiring today - Male	21.4	21.2
Retiring today - Female	23.3	23.1
Retiring in 20 yrs - Male	22.4	22.3
Retiring in 20 yrs - Female	24.5	24.3

Following the most recent regulatory valuation, the organisation has also agreed with the Trustees of the PNPF to make £418,608 of deficit reduction payments in 2021 (2020 - £392,124).

The assets and liabilities of the schemes at 31 December 2020 are:

	PNPF (£000’s)	PTASPS (£000’s)	PTADPS (£000’s)	2020 (£000’s)	2019 (£000’s)
Equities	2,718	3,420	2,285	8,423	9,792
Government bonds	1,910	3,945	4,803	10,658	6,441
Corporate bonds	730	5,725	1,200	7,655	8,896
Property	-	5,633	1,877	7,510	7,797
Index linked bonds	-	11,025	-	11,025	10,157
Other	1,665	1,863	459	3,987	3,800
Fair value of scheme assets	7,023	31,611	10,624	49,258	46,883
Present value of funded defined benefit obligations	(10,366)	(31,114)	(14,495)	(55,975)	(54,668)
(Deficit) / Surplus	(3,343)	497	(3,871)	(6,717)	(7,785)

The pension plans have not invested in any Group properties or any other assets used by the Group.

23. PENSION SCHEMES CONTINUED...

The amounts recognised in the Group income statement and in the Group Statement of Comprehensive Income are analysed as follows:

Recognised in the income statement

	PNPF (£000's)	PTASPS (£000's)	PTADPS (£000's)	2020 (£000's)	2019 (£000's)
Current service cost (net of members contributions)	(83)	(173)	(172)	(428)	(474)
Past service cost	-	(3)	(1)	(4)	-
Admin charge	(34)	-	-	(34)	(43)
Recognised in arriving at operating profit	(117)	(176)	(173)	(466)	(517)
Net interest on defined benefit pension plan obligation	(69)	(9)	(63)	(141)	(186)
Total recognised in the income statement	(186)	(185)	(236)	(607)	(703)

Taken to other comprehensive income

	PNPF (£000's)	PTASPS (£000's)	PTADPS (£000's)	2020 (£000's)	2019 (£000's)
Actuarial gain / (loss) on the liabilities	714	(1,460)	(1,205)	(1,951)	(4,615)
Return on assets excluding interest income	(604)	2,414	384	2,194	3,406
Remeasurement gain / (loss) recognised in other comprehensive income	110	954	(821)	243	(1,209)

Movements in present value of defined benefit obligation

	PNPF (£000's)	PTASPS (£000's)	PTADPS (£000's)	2020 (£000's)	2019 (£000's)
At 1 January	(11,374)	(30,148)	(13,146)	(54,668)	(50,719)
Current service cost	(83)	(173)	(172)	(428)	(474)
Past service cost	-	(3)	(1)	(4)	(-)
Interest cost	(221)	(590)	(260)	(1,071)	(1,396)
Contributions by members	(31)	-	(2)	(33)	(36)
Actuarial gains / (losses)	714	(1,460)	(1,205)	(1,951)	(4,615)
Benefits paid	629	1,260	291	2,180	2,572
At 31 December	(10,366)	(31,114)	(14,495)	(55,975)	(54,668)

Movements in fair value of plan assets

	PNPF (£000's)	PTASPS (£000's)	PTADPS (£000's)	2020 (£000's)	2019 (£000's)
At 1 January	7,668	29,523	9,692	46,883	43,661
Interest income on scheme assets	152	581	197	930	1,210
Return on assets excluding interest income	(604)	2,414	384	2,194	3,406
Contributions by employer	439	353	640	1,432	1,185
Contributions by members	31	-	2	33	36
Benefits paid	(629)	(1,260)	(291)	(2,180)	(2,572)
Expenses paid	(34)	-	-	(34)	(43)
At 31 December	7,023	31,611	10,624	49,258	46,883

(b) Funded schemes - Former Registered Dock Workers Pension Scheme (FRDWPS):

A number of Port of Tyne Authority employees have previously been members of the former Registered Dock Workers Pension Scheme. This was a national scheme providing defined benefits based on pay near retirement. The fund was wound up during 2019 after the trustees secured the benefits of all members' benefits through the purchase of a bulk annuity with L&G and Pensions Insurance Corporation.

(c) Funded schemes – defined contribution schemes

The Group operates and participates in a number of defined contribution schemes for which the charge for the year was £670,991 (2019 – £740,054).

There were £102,630 outstanding contributions at the end of the year relating to these defined contribution schemes (2019 – £115,142). All employer contributions were paid over in the month following the period to which they relate.

(d) Unfunded arrangements

The Authority has commitments for unfunded pension liabilities in respect of former employees. The charge for the year was £5,077 (2019 – £5,341).

24. RESERVES

Profit and loss account

This records cumulative profit and loss.

Non distributable reserves

This reserve records any excess of fair value over depreciated historic cost for investment properties.

25. NOTES TO THE STATEMENT OF CASH FLOWS

a) Reconciliation of operating profit to operating cash flows

	2020 (£000's)	2019 (£000's)
Group operating loss	(1,710)	(19)
Depreciation, amortisation and impairment charges	9,271	8,447
Release of grants and capital contributions (note 5)	(301)	(335)
Release of relocation contribution (note 5)	(62)	(67)
Decrease in stocks	27	94
Decrease in debtors	1,529	5,108
Decrease in creditors	(270)	(2,840)
Corporation tax paid	(9)	(687)
Non cash element of pension charge	(250)	(307)
Net cash inflow from operating activities	8,225	9,394

b) Cash and cash equivalents

	Group 2020 £000's	Group 2019 £000's	Authority 2020 £000's	Authority 2019 £000's
Cash	6,073	1,945	3,303	1,458
Cash and cash equivalents	6,073	1,945	3,303	1,458

26. CONTINGENT LIABILITIES

Defined Benefit Pension Schemes

The Port of Tyne currently makes, or in due course may be required to make, contributions to two industry wide defined benefit pension schemes which have various funding levels. The Port's ability to control these schemes is limited and therefore any impact on the Port's future cash flows and cost base from these schemes is uncertain. Further details on these schemes are set out in note 23, sections (a)ii and (b).

27. OFF BALANCE SHEET ARRANGEMENTS

The Group and parent entity enters into operating lease arrangements for the hire of buildings, plant and equipment as these arrangements are a cost effective way of obtaining the short term benefits of these assets. The Group lease rental expense is disclosed in note 5 and the future Group and entity commitments under these arrangements are disclosed in note 18. There are no other material off-balance sheet arrangements.

28. FINANCIAL INSTRUMENTS

	Group 2020 £000's	Group 2019 £000's	Authority 2020 £000's	Authority 2019 £000's
Financial assets that are debt instruments measured at amortised cost				
Cash (note 14)	6,073	1,945	3,303	1,458
Trade debtors (note 13)	6,448	7,690	5,214	6,638
Other debtors (note 13)	1,017	1,253	1,018	1,235
Financial liabilities measured at amortised cost				
Loans (note 17)	40,000	41,000	40,000	41,000
Finance leases (notes 15, 16)	-	1	-	-
Trade creditors (note 15)	905	351	813	209

29. RELATED PARTY DISCLOSURES

The port made no related party transactions.

The key management personnel are considered to be those directors listed on page 18 of the Report of the Board.

30. CONTROLLING PARTY

Control of the Port of Tyne Authority is vested in the Board of Directors.





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