



THE GENERAL LIGHTHOUSE FUND 2003 - 2004



Department for
Transport



THE GENERAL LIGHTHOUSE FUND **2003 - 2004**

Report and Accounts for the year ended 31 March 2004
(in continuation of the House of Commons Paper No 921 of 2002/2003)

Presented by the Secretary of State for Transport pursuant to
Section 211(5) of the Merchant Shipping Act 1995

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FOREWORD TO THE ACCOUNTS

for the year ended 31 March 2004

The report and accounts of the General Lighthouse Fund (the Fund) are prepared pursuant to Section 211(5) of the Merchant Shipping Act 1995.

Accounting for the Fund

The Companies Act 1985 does not apply to all public bodies but the principles that underlie the Act's accounting and disclosure requirements are of general application: their purpose is to give a true and fair view of the state of affairs of the body concerned. The Government therefore has decided that the accounts of public bodies should be prepared in a way that conforms as closely as possible with the Act's requirements and also complies with Accounting Standards where applicable. The accounts are prepared in accordance with accounts directions issued by the Secretary of State for Transport. The Fund's accounts consolidate the General Lighthouse Authorities' (GLAs) accounts and comply as appropriate with this policy. The notes to the accounts contain further information. Section 211(5) of the Merchant Shipping Act 1995 requires the Secretary of State to lay the Fund's accounts before Parliament.

Fund Activities

Section 195 of the Merchant Shipping Act 1995 and Section 634 of the Merchant Shipping Act 1894, in respect of the Republic of Ireland, state that:

Responsibility for the provision and management of lighthouses, buoys and beacons on the coasts and sea areas around the British Isles is vested in the three General Lighthouse Authorities (GLAs):

- Corporation of Trinity House (TH);
- Commissioners of Northern Lighthouses (known as the Northern Lighthouse Board) (NLB);
- Commissioners of Irish Lights (CIL).

The Authorities also have wreck removal powers under Section 253 of the 1995 Act and the Merchant Shipping (Salvage and Wrecks) Act 1995 in respect of the Republic of Ireland.

Trinity House is currently responsible under Section 193(5) of the Merchant Shipping Act 1995 for Europa Point Lighthouse in Gibraltar. In addition, as a purely administrative arrangement, the Corporation discharges the responsibilities of the Department for Transport (DfT) at Sombrero (Anguilla) and Cape Pembroke (Falkland Islands). The Authority meets residual pension liabilities in respect of former employees of the Imperial Lighthouse Service in the West Indies and Sri Lanka.

The Merchant Shipping and Maritime Security Act 1997 gives the GLAs the powers to establish contracts to exploit spare capacity.

The General Lighthouse Authorities (Beacon: Maritime Differential Correction System) Order 1997 came into force on 12 January 1998 and states that the definition of "Beacon" in the Merchant Shipping Act includes equipment for a Differential Global Positioning System.

Code of Practice for Board Members

The GLAs have adopted codes of best practice for Commissioners and Board Members, which is based on the Model Code of Best Practice for Public Bodies issued by the HM Treasury. The Code is underpinned by the Seven Principles of Public Life set out in the Committee of Standards in Public Life.

Source of Finance

The GLAs are financed by advances made by the Department for Transport from the Fund, whose principal income is from light dues levied on shipping using ports in the United Kingdom and the Republic of Ireland. The Fund receives additional income from the Republic of Ireland Exchequer following an agreement entered in 1985 (see note 4, page 24) and from sundry receipts generated by the GLAs, from buoy and property rental, workshop service and the sale of assets. The Fund also receives income from investments. All three GLAs contained their



Bishop Rock Lighthouse

running cost expenditure within levels approved by Ministers. The level of light dues in the United Kingdom is determined by the Secretary of State for Transport under Section 205 of the Merchant Shipping Act 1995. The Minister for the Department of Communications, Marine and Natural Resources sets light dues in the Republic of Ireland. Light dues rates and regulations remained unchanged during the year.

Results

In 2003/2004 the income of the Fund was £81.7m(2002/2003 £77.2m) including light dues of £74.7m (2002/2003 £71.9m). Total operating expenditure of the Fund was £62.1m (2002/2003 £58.0m) before interest charges.

The surplus in 2003/2004 was £2.9m(2002/2003 deficit £0.6m (restated)).

Investments

In April 2000 the investment fund was split between two investment houses, Morgan Stanley Quilter and HSBC Asset Management. In addition to the investment portfolio, Morgan Stanley Quilter also manages the Fund's Cash Reserve. All light dues income is paid into the Cash Reserve. The imprest transfers to the GLAs are paid out of the cash reserve.

Investments analysis by Investment House

		Market Value 31/03/2004 £M	Cost 31/03/2004 £M
HSBC	Investments	31.1	33.9
	cash for investments	1.3	1.3
MSQ	Investments	24.5	25.1
	cash for investments	0.2	0.2
Total		57.1	60.5
Cash reserve		25.9	25.9
Total Reserve*		83.0	86.4

*Includes euro cash reserve of £0.8m, excludes £1.9m cash held by GLAs.

During the year light dues collected in Euros by the Republic of Ireland were held in a Euro account and used to partially meet the running costs for CL.

In 2003/2004 the value of the investments recovered in line with the general market recovery from £45.5m to £55.6m.

Activities

The Marine Navigation Plan

The current provision of aids to navigation is based on the Marine Navigation Plan to 2005, published in 1997. This projected a mix of aids based on the technology mix of the late 1990s. In the intervening period, the GLAs' marine Differential Global Positioning System (DGPS) has been commissioned. The Decca Navigator closed in 2000. Debate continues on the future of the Loran C system post-2004. Automatic Identification Systems will become a mandatory fitment to all vessels over 300 gross tons registered in SOLAS states.

In the light of these developments, the GLA's consulted users during 2003/2004 on the mix of traditional and radionavigation aids required for the foreseeable future. The 1997 plan had assumed that a Loran C system would be available around 2000 but UK coverage had not in fact become fully available. The GLAs suggested the current provision of traditional aids to navigation was still required. However the adoption of the Automatic Identity System as an aid to navigation combined with a ground based back up the satellite navigation, such as Loran C, might be expected to lead to a progressive reduction in the number of traditional aids to navigation. The conclusion received wide support and was formally accepted by Ministers as UK policy in July 2004 and published in October 2004.

Loran C

UK and GLA policy since 1996 has been to seek the adoption of Loran C as a backup to satellite navigation. While the UK had not been a member of the North West Europe Loran C

system since 1991, the GLAs' policy was to rejoin the group when full UK system coverage was available. It seemed likely that the European system would be discontinued in 2005 as coverage had not been completed. The events of 11 September 2001 rekindled interest in the system with major investment in the US system. The GLAs, with support from the Department for Transport, have decided to establish an experimental Loran C signal from a trial site at Rugby. A contract to provide the signal until March 2007 was signed with BT in August 2004. A trial signal is expected to be available in 2005.

Automatic Identity Systems (AIS)

The GLAs have established experimental AIS installations for possible use as aids to navigation and to monitor the operation and position of floating aids. The GLAs intend to work with the Maritime and Coastguard Agency to establish a UK AIS network. If this policy is accepted, a change in secondary legislation will be required to establish AIS as an aid to navigation under Section 223(3) of the Merchant Shipping Act 1995.

Operational Performance

The performance indicator used to measure operational performance is "Aids to Navigation Availability". This indicator is a measure of the quality of the primary service – the effectiveness of Aids to Navigation and their availability as a contribution to safe navigation at sea. Availability is measured by dividing total time available to the Mariner (i.e. the sum of the total number of hours in a year multiplied by the number of Aids to Navigation in each category) by the total number of hours that the Aids were available to the mariner. This calculation is then expressed as a percentage.

Methods of measurement and recommended standards are set for each category of Aid by the International Association of Aids to Navigation and Lighthouse Authorities (IALA) and included in its publication IALA Aids to Navigation Guide (Navguide – Edition 4: December 2001).

Pages 7, 8 and 9 set out the results for 2003/2004. All Standards have been achieved.

Ships

A full review of the operation of the GLAs fleet of ships was carried out in 2002. The Department had agreed with the GLAs that there would be no significant investment in the fleet before a full review was carried out. Only 2 of the 5 ships had modern dynamic positioning systems. Experience with the Commissioners of Irish Lights Granuaile, launched in 2000, indicated that modern tonnage would reduce the overall fleet requirement. Two of the existing ships would require major investment around 2005 to 2007 if they were to remain in service.

The review concluded that a fleet of 3 modern multi function tenders (MFTs), supported by a small buoy tender could carry out the workload. A smaller rapid intervention vessel (RIV) was proposed to meet the exacting requirement of the English Channel where early intervention to wreck mark is considered essential (see pictures). The proposal would require the early replacement of 2 of the older ships with new MFTs.

Ministers have approved the proposal. Work to design replacement MFTs and the RIV has been carried out. The RIV is expected to come into operation late in 2005. This will replace 2 smaller vessels currently operated by Trinity House from Harwich. The GLAs propose to replace the Northern Lighthouse Board's "Pharos" around the middle of 2006. An almost identical vessel is planned to replace the Trinity House "Mermaid" later in 2006/2007. One of the older MFTs, the Trinity House "Patricia" will continue in service while the vessels are procured and experience gained in their operation. A decision on the future of that vessel will be made around 2008.

Lighthouse Depots

The basic depot structure dates back to the era of manned lighthouses when the primary function was to support the keepers themselves. A number of depots have closed and functions have been rationalised but major investment was required. The Northern Lighthouse Board's Oban base was rebuilt in December 2002. NLB have now closed both Granton and Stromness Depots, so activities are now centred on the Edinburgh headquarters and the single depot at Oban.

Trinity House has carried out a full review of their office and depot structure. Ministers accepted a recommendation that the Harwich depot should be redeveloped. A new buoy yard is to be built on the site of the Harwich gas works, with a purpose built office block replacing the



Multi Function Tender



Rapid Intervention Vessel

existing buoy yard. The new facility is expected to be operational in mid 2005. The Yarmouth depot has already closed. The Depots at Penzance and East Cowes will close over the next year or so. Trinity House operations will be centred on Harwich (see pictures on page 5) with a buoy yard at Swansea and a small headquarters function in London. As part of the process, a full business process review has been carried out and savings in staffing levels of the order of 30% are proposed.

The Commissioners of Irish Lights propose to centre all operations on a purpose built combined headquarters and depot, to be built on the site of the existing depot. A business process review is underway and UK Ministers have agreed that a combined depot and office complex should be built at Dun Laoghaire.

Light Dues.

Light dues rates were reduced in April 2002 when the rate was 40p per net ton with a new ceiling to the charge set at 40,000 tons or £16,000 per visit. These rates remained unchanged in 2003/2004. The Department had carried out a consultation exercise in 2002 to seek views on possible reforms to the charging structure. This produced a lively debate on the major users of the aids to navigation provided by the GLAs. There was little agreement on changes to the charging structure. In March 2003, the Department announced that it would undertake a review of the economic effect of light dues. This review was carried out by consultants, assisted by representatives from all users forming a steering committee

The Report was published in May 2004. It concluded that overall, if light dues were abolished the most likely impact would be a reduction in costs for shipping lines and fishing craft owners. If all the reduction in costs for shipping lines were passed onto UK businesses it would lead to a 0.003% reduction in their costs. It identified a number of areas for possible action including a flattening of the charging regime. The Department responded to the review during 2004/2005.

A further reduction in light dues was made on 1 April 2004 when a 35,000-ton ceiling was introduced combined with a rate of 39p per net ton. That makes a maximum charge of £13,650 per voyage.

Electronic Collection of Light Dues.

A new e-collection system was developed during 2003/04 and became operational on 1 April 2004. It opens up the opportunity to increase the number of paid voyages which would flatten out the charging structure as recommended by the Economic Review (see above) without an unacceptable increase in collection costs. The system continues to be enhanced during 2004/2005 with replacement office and accounting systems.

GLA pensions

The Secretary of State for Transport determines pension arrangements for staff in the GLAs. He has determined that the provisions of the Principal Civil Service Pension Scheme shall apply. As note 18 to the Accounts makes clear, these are unfunded pension schemes with pension costs met from income to the GLF. The actuarial deficit was estimated at £210.6m as at 31st March 2002. Pension expenditure was £11.5m (£10.9m in 2002/2003).

The adoption of FRS 17 for the 2003/2004 accounting year has resulted in the net asset balance of £134.7 million (restated under FRS 17 to a deficit of £97.9 million) for 2002/2003 moving to a £90.5 million deficit in 2003/2004. The GLAs' pension scheme is a statutory scheme in accordance with Section 214 of the Merchant Shipping Act 1995, which states:

“Pension rights of certain employees.

There shall be payable to or in respect of persons whose salaries are paid out of the General Lighthouse Fund such pensions, allowances and gratuities as may be determined in accordance with

- (a) in the case of such of those persons as are employed by the Secretary of State, arrangements made by him, and*
- (b) in the case of other such persons, arrangements made by a general lighthouse authority and approved by the Secretary of State;*

and those benefits shall be charged on and payable out of that Fund”.

As a statutory pension scheme, there is no requirement to fund the scheme as costs are met from the statutory levy of light dues. The Secretary of State for Transport has undertaken to take the requirement to meet pension expenditure into account when setting the level of light dues.

The DfT and the GLAs appointed actuaries in 1997 to advise on the operation and forecast costs of the 3 pension schemes. They have also supported work on alternative pension schemes. The actuarial deficit is fully re-assessed every 3 years. The work includes a projection of forecast costs for each GLA covering a 20-year period. This indicates that annual pension expenditure is forecast to remain in the order of 15% to 18% of total annual expenditure. At the last full actuarial valuation in 2002 there were 807 active members, 701 deferred pensioners, and 2267 pensioners in payment. Active members represent about 36% of the total, demonstrating the mature profile of the 3 schemes. This reflects the efficiency savings achieved over the last 20 years, notably the de-manning and automation of the lighthouses and the reduction in depots and ships.

DfT, in conjunction with the GLAs and the Lights Advisory Committee (the Secretary of State's advisors on marine aids to navigation and light dues) are considering the best approach to meet future pension expenditure. This will include the possibility of primary legislation changes to permit the establishment of a separate funded pension scheme.

Research and Development

The research programme is reviewed annually in consultation between the Authorities, the Lights Advisory Committee and the Department for Transport. The programme includes research into lighthouses, the automation of light vessels, buoy design, radionavigation and equipment standardisation and reliability. The GLAs have extended their activity to include work in support of EU research into the provision of Global Navigation Satellite Systems, the next generation of satellite navigation and the use of Automatic Identification Systems as an aid to navigation and as a system for monitoring the operation of aids. This is designed to ensure that the navigation requirements of the mariner are taken into account as systems are developed. The cost of the research programme for 2003/2004 was £0.7m (2002/2003 £0.6m).

Significant events after 31 March 2004

Ships

In November 2004 Trinity House and the Northern Lighthouse Board agreed a contract with the Remontowa yard in Poland to build replacement multi function tenders for the NLB "Pharos" and the THLS "Mermaid". These vessels are expected to be brought into service late in 2006. In addition THLS have ordered a smaller rapid intervention vessel from the same yard for delivery late in 2005. Significant costs are anticipated in relation to the early termination of the existing leases on the 'Pharos' and 'Mermaid'. These will be reflected in the 2004/2005 accounts.

Loran C

The GLAs reached agreement with BT in August 2004 to transmit an experimental Loran C signal until March 2007.

Commissioners of Irish Lights, Dun Laoghaire project.

In March 2005 the Ministers approval was given on the planning of the combined depot and office to be developed at Dun Laoghaire.

Merchant Navy Officers Pension Fund

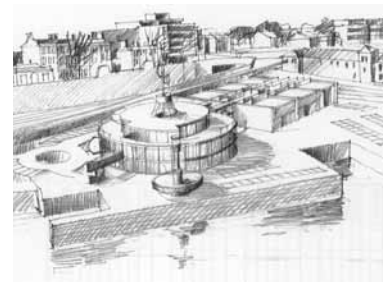
The MNOPF has a deficit of £194 million. A court case held in March 2005 concluded that;

- all employers who have paid into the Post-1978 section of the fund must contribute to the deficit;
- additionally employers who contributed to the Pre-1978 section must also contribute.

Following the court case, NLB plan to include a provision in their 2004/05 accounts rather than a contingent liability. MNOPF have provided NLB with estimates of their contribution in previous years based only on the number of Post-1978 contributors.

Surplus Properties

The GLAs carried out a review during 2004/05 in order to establish the status of their investment properties. Any properties categorised as such as a result of this review will need to



New Dun Laoghaire Depot –
Artist Impression



Harwich Buoy Shed



Harwich Depot

be shown at open market value. Any increases in valuation will be reflected in the 2004/2005 accounts.

THLS Depots

Trinity House Lighthouse Service will be closing the Cowes depot during 2005 and the property has been sold. The depots at Penzance and Great Yarmouth have been closed and their future is under consideration. The existing depot buildings at Harwich was closed in June 2005. Their future will be considered as part of the proposed redevelopment of the sea front area at Harwich.

Other matters

Accounts Direction

Under Section 218(2) of the Merchant Shipping Act 1995 the Secretary of State has the power to direct the General Lighthouse Authorities in the format of their accounting records. The GLF accounts are a combination of the accounts of all 3 GLAs, the accounts maintained by the Department in combination with the two investment managers and the light dues collection accounts maintained by Trinity House. Discussions between the GLAs, DfT, Treasury and the National Audit Office on the content of an Accounts Direction that would set out and clarify the application to the GLF of Generally Accepted Accounting Practice (GAAP) and additional disclosure requirements have been completed. The Accounts Direction came into operation with effect from 1 April 2002.

Payment of creditors' policy

The Authorities seek to comply with the CBI Prompt Payment Code and arrange payment to creditors by the due date in accordance with the contract or suppliers terms of credit. Suppliers are advised that complaints in respect of settlement of accounts should be made in writing to the relevant Authority.

The proportion of the amount owed to trade creditors at 31 March 2004 compared to the amount invoiced by suppliers during the year equated to the following proportions of days:

- Trinity House Lighthouse Service 11 days;
- Northern Lighthouse Board 22 days;
- Commissioners of Irish Lights 30 days.

Employees with disabilities

The policy of the Authorities towards the employment of disabled people is that, in general, disablement is of itself no bar to recruitment or advancement; but the nature of the duties of some occupations, such as lighthouse maintenance staff, necessarily imposes some limitations.

Employee involvement

The Authorities, using a long established mechanism of joint committees covering all grades, continue to inform their employees of matters of concern to them and to consult them regularly so that account can be taken of their interests.

Environmental issues

The GLAs operate in full support of Government initiatives and broad public opinion on more proactive consideration of the environment. Thus, measures to protect the environment and sustainable development figure strongly in the GLAs consideration of modernisation, improvement and future technologies.

Auditors

The accounting records of the GLAs and the consolidated General Lighthouse Fund are examined by the Comptroller and Auditor General. This is under the terms of Section 211(4) of the Merchant Shipping Act 1995, Section 679 of the Merchant Shipping Act 1894 in respect of the Republic of Ireland.

David Rowlands 15 July 2005
Accounting Officer

PERFORMANCE INDICATORS

for the General Lighthouse Authorities

Trinity House Lighthouse Service

Actual Performance of aids to navigation against the International Association of Aids to Navigation and Lighthouse Authorities (IALA) minimum standard

A to N Type	Category	IALA Minimum %	1999/2000 Actual %	2000/2001 Actual %	2001/2002 Actual %	2002/2003 Actual %	2003/2004 Actual %
Lights (Major)	1	99.80	99.85	99.88	99.90	99.92	99.91
Racones	1	99.80	99.92	99.91	99.91	99.94	99.96
Lights (Other)	2	99.00	99.92	99.91	99.93	99.93	99.90
Fog Signals	3	97.00	99.64	99.91	99.93	99.94	99.94
Lights (Buoys)	3	97.00	99.95	99.97	99.92	99.90	99.86

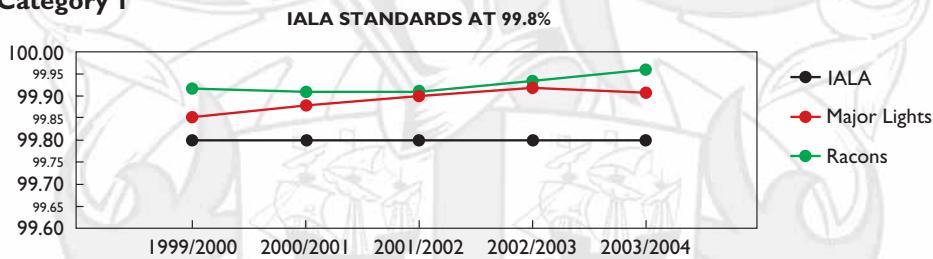
Three Year Rolling Average.

All Aids were recategorised from 2000/2001 in accordance with IALA policy. The previous designations are shown in brackets.

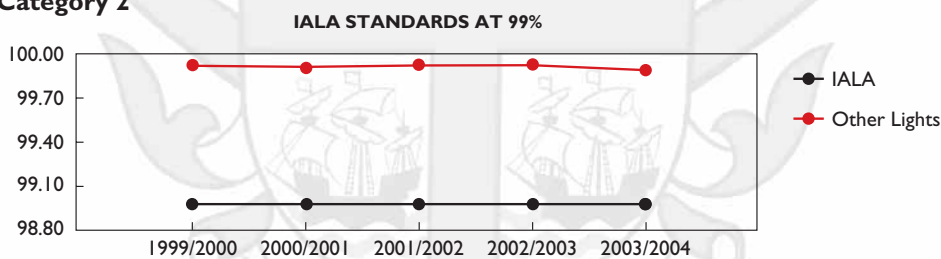


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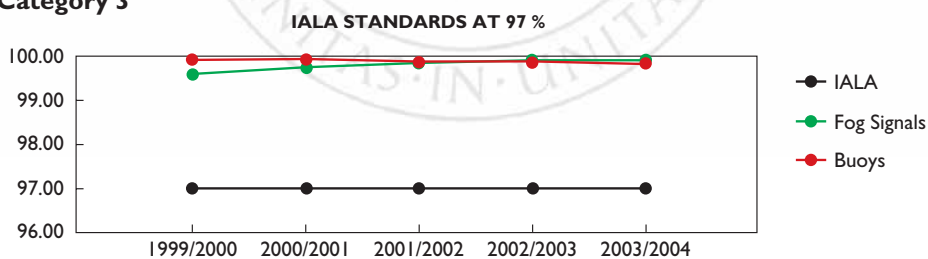
Category 1



Category 2



Category 3



Northern Lighthouse Board

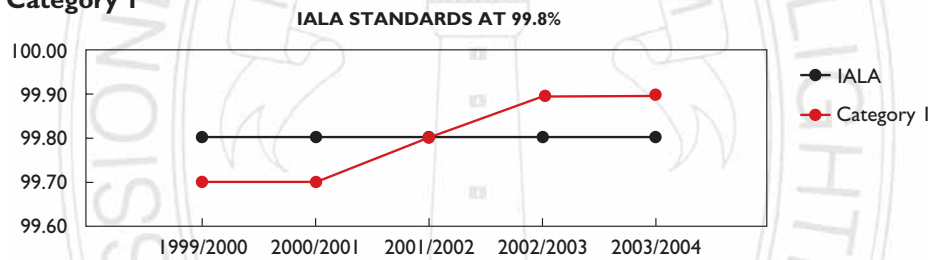
Actual Performance of aids to navigation against the International Association of Aids to Navigation and Lighthouse Authorities (IALA) minimum standard

A to N Type	Category	IALA Minimum %	1999/2000 Actual %	2000/2001 Actual %	2001/2002 Actual %	2002/2003 Actual %	2003/2004 Actual %
Buoys	1					99.9	99.9
Lights	1					99.8	99.8
Racons	1					99.5	99.5
Total	1	99.8	99.7	99.7	99.8	99.9	99.9
Buoys	2					100.0	100.0
Lights	2					99.9	99.9
Total	2	99.0	99.9	99.9	99.9	100.0	100.0
Buoys	3					99.9	99.9
Beacons	3				100.0	100.0	100.0
Total	3	97.0	100.0	100.0	100.0	99.9	99.9

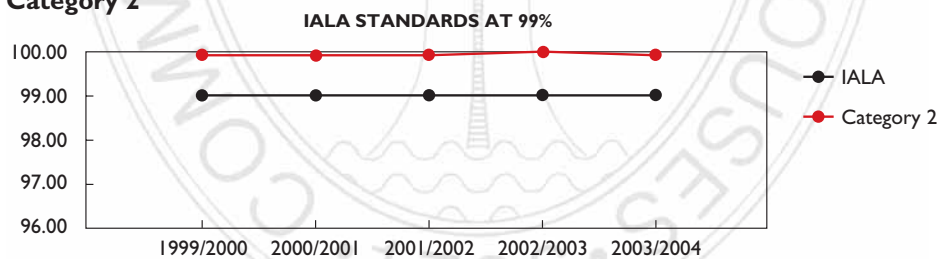
Three Year Rolling Average.

In moving towards the internationally-agreed performance criteria, it has proved impossible to back-calculate statistics for previous years for Commissioners of Northern Lighthouse Board, because of the necessary changes to the groupings of aids to navigation.

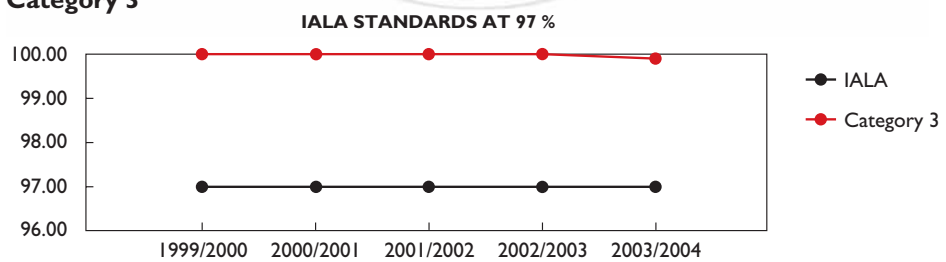
Category 1



Category 2



Category 3



Commissioners of Irish Lights

Actual Performance of aids to navigation against the International Association of Aids to Navigation and Lighthouse Authorities (IALA) minimum standard

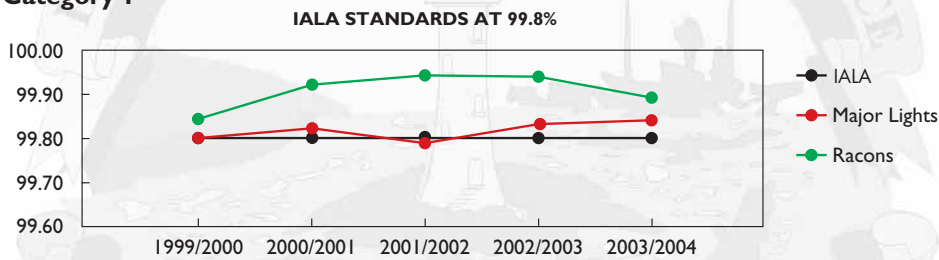
A to N Type	Category	IALA Minimum %	1999/2000 Actual %	2000/2001 Actual %	2001/2002 Actual %	2002/2003 Actual %	2003/2004 Actual %
Major Lights	1	99.80	99.80	99.82	99.79	99.83	99.84
Racons	1	99.80	99.84	99.92	99.94	99.94	99.89
Other Lights	2	99.00	99.76	99.73	99.72	99.75	99.78
Fog Signals	3	97.00	99.47	99.61	99.62	99.72	99.88
Buoys	3	97.00	99.53	99.48	99.51	99.64	99.73

Three Year Rolling Average.

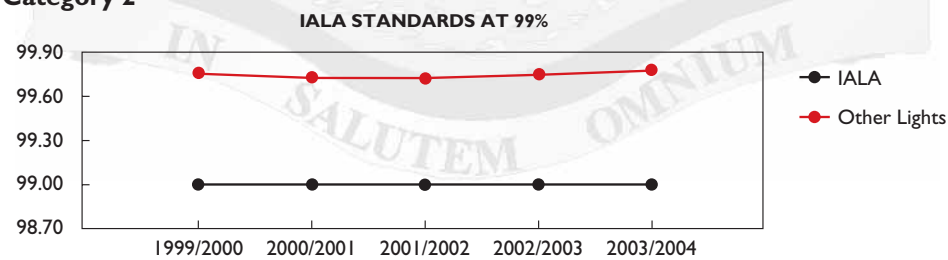


Mine Head

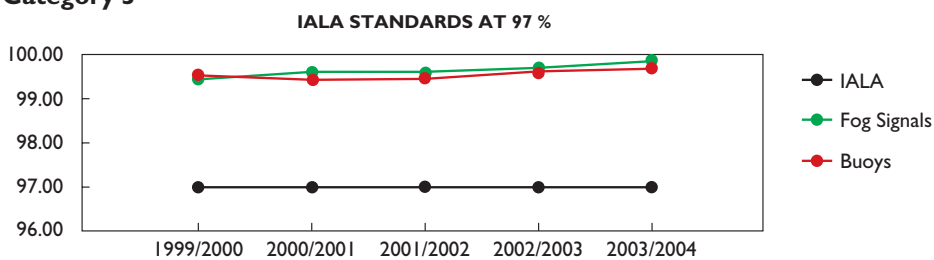
Category 1



Category 2



Category 3



CONSTITUTIONS

of the General Lighthouse Authorities and their Board Members

Trinity House

Trinity House became a chartered corporation in 1514 and is managed by its active Elder Brethren under the chairmanship of the Deputy Master. Its statutory responsibilities as a General Lighthouse Authority are exercised by the Trinity House Lighthouse Board, which was established in its present form on 1 January 1985. The voting members of the Board currently include the Deputy Master, three Elder Brethren and three nominees of the Secretary of State for Transport. In addition three senior officials of Trinity House are non-voting members of the Board.

The membership of the Trinity House Lighthouse Board during 2003 – 2004 was as follows:

Elder Brethren

Rear Admiral Jeremy de Halpert – *Executive Chairman*

Commodore P. J. Melson – *Director of Operations*

Captain D. C. Glass – *Director of Navigational Requirements*

Mr D. Potter – *Non Executive*

Nominees of the Secretary of State for Transport (DfT)

W. A. C. Thomson – *Non Executive*

P. R. A. Bainbridge – *Non Executive*

D. Coltman – *Non Executive*

Non Voting Directors

J. S. Wedge – *Director of Finance*

D. I. Brewer (Retired 1 April 2004) – *Director of Administration*

D. M. Golden – *Director of Engineering*

Northern Lighthouse Board

The Commissioners were established as a corporate body in 1786. Their incorporation is set out in Section 193 and Schedule 8 of the Merchant Shipping Act 1995 and, is as follows:-

- (a) The Lord Advocate and the Solicitor-General for Scotland;
- (b) The Lords Provosts of Edinburgh, Glasgow and Aberdeen and the Conveners of Highland and of Argyll & Bute Councils;
- (c) The Sheriffs Principal of all the Sheriffdoms in Scotland;
- (d) A person nominated by the Lieutenant Governor of the Isle of Man and appointed by the Secretary of State;

In addition, the Commissioners may elect;

- (e) Up to five other persons elected by the Commissioners under, and subject to the proviso set forth in, Paragraphs 2 and 3 of Schedule 8 to the Act;
- (f) The convener of any council whose area includes any part of the coast of Scotland.

The ex-officio appointments are for duration of the occupancy of the qualifying office.

Persons appointed under (d) and (e) above hold office for three years but may be re-appointed for further terms. The Commissioners have determined that they will not hold office beyond 70 years of age.

The Commissioners have also agreed with the Department for Transport that the Secretary of State will nominate one person for election under (e) above.

Department for
Transport

The membership of the Northern Lighthouse Board in 2003/2004 was as follows:-

Law Officers for Scotland

The Rt Hon Colin Boyd QC – *The Lord Advocate*
Elish Angiolini QC – *Solicitor General for Scotland*

Sheriffs Principals of the Sheriffdoms in Scotland

Sheriff Principal Edward F Bowen QC – *Sheriff Principal of Glasgow and Strathkelvin*
Sheriff Principal Bruce A Kerr QC – *Sheriff Principal of North Strathclyde*
Sheriff Principal John McInnes QC – *Sheriff Principal of South Strathclyde, Dumfries & Galloway*
Sheriff Principal R Alastair Dunlop QC – *Sheriff Principal of Tayside, Central & Fife*
Sheriff Principal Sir Stephen Young Bt QC – *Sheriff Principal of Grampian, Highland and Islands*
Sheriff Principal I MacPhail QC – *Sheriff Principal of Lothian & Borders*

Nominated by the Lieutenant-Governor of the Isle of Man and appointed by the Secretary of State

Captain David M Cowell – *Formerly Chief Harbour Master of the Isle of Man*

Elected by the Commissioners

Admiral Sir Michael Livesay KCB CCMI – *Formerly Second Sea Lord and Chief of Naval Personnel (deceased)*
The Lord Maclay DL – *Formerly Group Marketing Executive Acomarit (UK) Ltd (resigned 31 July 2003)*
Captain Kenneth MacLeod – *Chief Executive Northern Marine Management Ltd*
Peter Mackay CB – *Formerly Secretary and Chief Executive of the Scottish Office Industry Department*
Captain George Sutherland – *Formerly Director of Marine Operations, Shetland Islands Council*

Nominated by the Secretary of State and elected by the Commissioners

Dr Andrew Cubie CBE FRSE

Lord Provosts

The Rt Hon Eric Milligan JP – *Lord Provost of Edinburgh (to 7 May 2003)*
The Rt Hon Alex Mosson JP – *Lord Provost of Glasgow (to 14 May 2003)*
The Rt Hon Margaret Smith JP – *Lord Provost of Aberdeen (to 13 May 2003)*
The Rt Hon Lesley Hinds JP – *Lord Provost of Edinburgh (Commissioner since 8 May 2003)*
The Rt Hon Liz Cameron JP – *Lord Provost of Glasgow (Commissioner since 15 May 2003)*
John Reynolds JP – *Lord Provost of Aberdeen (Commissioner since 14 May 2003)*

Member of Highland Council

Bill Smith – *(Commissioner since 31 May 1999)*

Convener of Argyll & Bute Council

William Petrie OBE JP DL – *(Commissioner since 1 April 2001)*

Patron

Her Royal Highness The Princess Royal KG KT GCVO QSO continues to act as the Patron of the Northern Lighthouse Board.

The Department for Transport and the Northern Lighthouse Board wish to place on record their appreciation of the contribution made by Captain David Cowell, who retired as a Commissioner on 31 March 2004 and the late Admiral Sir Michael Livesay KCB CCMI.

Senior management

The Board has appointed a Chief Executive and three Directors to manage day-to-day activities:

James Taylor FRIN FCMI – *Chief Executive*
Moray Waddell B.Sc.(Hons) MSc MIEE MIMechE MCIBSE – *Director of Engineering*
Guy Platten AFRIN – *Director of Operations and Navigational Requirements*
Douglas Gorman ACMA MIIA FIIA – *Director of Finance and Administration*

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Commissioners of Irish Lights

The Commissioners of Irish Lights were established in that name by the Dublin Port Act 1867, but derive their origin and constitution from an Act of the Irish Parliament of 1786 for developing the Port of Dublin. The Commissioners of Irish Lights are a statutory body of 21 members, with perpetual succession, to provide and maintain Aids to Navigation around the coast of Ireland.

The original number of Commissioners was 22, the constitution of the Board being the Lord Mayor and the High Sheriff of Dublin, three Aldermen elected by the Municipal Corporation of Dublin annually and 17 co-opted members vacancies filled by the Board as they occur. The office of High Sheriff of Dublin having been abolished, the maximum number of Commissioners is now 21. The Board agreed on 1st January 1996 that the number of co-opted members be reduced from 17 to 12.

The membership of the Board in 2003/2004 was as follows:

Mr Terence Johnson – *Chairman*
Ms Sheila M. Tyrrell – *Vice-Chairman*
Mr Frank J. Boland – *Deputy Vice-Chairman*
Mr. Richie Ryan, B.A.
Mr Michael A. O'Neill
Mr Michael W. S. Maclaran, B.A.
Mr John Gore-Grimes, B.A., LL.B.
The Lord Glentoran, C.B.E., D.L.
Ms Mary Gallagher
Commodore John J. Kavanagh NS
Ms Elizabeth Shanks
Mr John Kidney, FCA
Member of Audit Committee
Mrs Alexandra Bedlow – *Secretary to the Board*

Ex-officio Commissioners (Representatives of Dublin City Council)

Councillor Eamonn O'Brien
Councillor Claire Wheeler

Executive Members

The Board endorses and complies with the principle of separation of the roles of Chairman and Chief Executive.

The Commissioners have appointed a Chief Executive and five Executive Heads of Departments to run the day to day activities of the Service:

Mel Boyd, C. Eng. B.A., B.A.I., D.I.C., M.I.C.E., F.C.I.T. – *Chief Executive*
Stuart Ruttle, M.A., B.A.I., PhD., C.Eng., M.I.E.I., F.R.I.N. – *Head of Engineering*
Captain Shay Hickey, M.N.I. – *Head of Marine*
Martin Dyas, F.C.M.A. – *Head of Finance*
Tom Elliott – *Head of Human Resources*
John Burke, MSc (IT), BAgrSc (Econ) – *Head of Information Systems*

On 23 April 2004 the Commissioners appointed the Chief Executive and Heads of Departments as Executive Board members without voting rights.

STATEMENT OF THE RESPONSIBILITIES OF THE GENERAL LIGHTHOUSE AUTHORITIES' BOARDS, THE SECRETARY OF STATE FOR TRANSPORT AND THE ACCOUNTING OFFICER

General Lighthouse Fund

Under Section 218 of the Merchant Shipping Act 1995 and Section 664 of Merchant Shipping Act 1894 (Republic of Ireland) the General Lighthouse Authorities are each required to prepare a statement of accounts in such form and at such times as instructed by the Secretary of State for Transport. The accounts, which also include certain functions administered by the DfT, namely Investments and Light dues receipts, are prepared annually on an accruals basis. Their purpose is to give a true and fair view of each Authority's affairs at the year-end and of its income, expenditure and cash flows for the financial year. Section 211(5) of the Merchant Shipping Act 1995 requires the Secretary of State for Transport to lay the accounts of the General Lighthouse Fund (the Fund), which consolidates the Authorities' accounts, Investment activity and Lightdues Income, before Parliament. The Department for Transport prepares these accounts.

HM Treasury appointed the Permanent Secretary of the Department for Transport (DfT), David Rowlands as Principal Accounting Officer of the Department, with effect from 2 June 2003.

In preparing these accounts the Department:

- Observes the accounts direction issued by the Secretary of State, which sets out accounting and disclosure recommendations, and apply suitable accounting policies on a consistent basis;
- Makes judgements and estimates on a reasonable basis;
- States whether applicable accounting standards have been followed, and discloses and explains any material departures in the financial statements; and
- Prepares the financial statements on a going concern basis, unless it is inappropriate to assume that the Fund will continue in operation.

The Accounting Officer for the Department for Transport is the Fund's Accounting Officer. The responsibilities of Accounting Officers, including those for the propriety and regularity of the public finances for which they are answerable, and for the keeping of proper records, are set out in the Accounting Officers' Memorandum issued by the Treasury and published in "Government Accounting".



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STATEMENT ON INTERNAL CONTROL

Scope of responsibility

As Accounting Officer, I acknowledge my responsibility for ensuring that a sound system of internal control is maintained in:

- the bodies whose activities are financed by the General Lighthouse Fund (GLF) and
- certain functions of the Department for Transport

The bodies whose activities are financed by the GLF are:

- Trinity House Lighthouse Service;
- the Northern Lighthouse Board and
- the Commissioners of Irish Lights.

The system of internal control supports the achievement of policies, aims and objectives, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Government Accounting.

The purpose of the system of internal control

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve the above objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

I carry out this responsibility in conjunction with the Boards of the individual General Lighthouse Authorities. Each of these Boards has vested their Chief Executive (Executive Chairman in the case of Trinity House) with the responsibility for ensuring that a sound system of internal control is maintained and operated. The system of internal control is based on an ongoing process designed to identify the principal risks to the achievement of the Department's policies, aims and objectives; to evaluate the nature and extent of those risks; and to manage them efficiently, effectively and economically. The processes detailed in the following paragraphs have been in place throughout the year ended 31 March 2004 and up to the date of approval of the annual report and accounts, and I consider that these accord with Treasury guidance.

Capacity to handle risk and risk control framework

A triennial risk review was undertaken in October 2003 by external risk management consultants on behalf of the three GLAs, which was submitted to the Lighthouse Finance Committee. An immediate review would be commissioned if there were any perceived significant changes in risk.

The system of internal control is based on a framework of regular management information, administrative procedures including the segregation of duties, and a system of delegation and accountability. In particular, it includes:

- A Financial Memorandum setting out the financial authority delegated by the Department for Transport to the individual GLAs;
- Comprehensive budgeting systems with a Corporate Plan incorporating three years' budgets which are reviewed and endorsed by the Boards for submission to the Secretary of State;
- Budgets delegated to the individual GLAs, which are reviewed by the Boards;
- Setting targets and performance indicators to monitor performance;
- Guidelines on procedures for capital investment and the proper assessment of cost benefit analyses where appropriate and

Department for
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- A system of formal project management disciplines, which are applied to each major capital project.

Review of effectiveness

The GLAs use the independent services of Audit and Risk Assurance (ARA) of the Department for Transport. This operates to the standards defined in Government Internal Audit Standards. The work of the ARA is informed by an analysis of the risk to which the body is exposed, and annual internal audit plans are based on this analysis. The analysis of risk and the internal audit plans are endorsed by the bodies' Audit Committees and approved by their Boards. At least annually, the Head of ARA provides me with a report on internal audit activity in the body. The report includes the ARA's independent opinion on the adequacy and effectiveness of the bodies' systems of internal control.

The Secretary of State for Transport is responsible for the administration of the Fund under Section 211 of the Merchant Shipping Act 1995. The Department has established a number of procedures to monitor and forecast the operation of the Investment and Light dues activities of the Fund including:

- Monthly reports from the two investment managers on investment performance;
- Monthly reports from Trinity House on light dues income and trends;
- Monitoring of the GLAs' delegated budgets;
- Ten-year forecasts of income and expenditure revised annually;
- A triennial actuarial valuation of the pension schemes, including a 20-year forecast of trends in expenditure and
- An annual report to Ministers and the Lights Advisory Committee, the Minister's advisers on light dues and aids to navigation, on the Fund operation in support of the required level of light dues.

Key elements of the ongoing review of controls at the GLA's include :

- Regular meetings of strategic committees to decide policy review progress against plans;
- Audit committees which operate in line with the 'Audit Committee Handbook';
- Regular reports from managers on the steps they are taking to manage risks in their areas of responsibility and
- Annual reviews of key business risks and how they are managed.

On the basis of the assurances noted in this statement, I have reviewed, as far as practicable, the effectiveness of the system of internal control informed by the work of the internal auditors, the Audit Committees which oversee the work of the internal auditors, the executive managers within the bodies who have responsibility for the development and maintenance of the control framework, and comments made by the external auditors in their management letter and other reports.

David Rowlands
Accounting Officer

Department for
Transport

CERTIFICATE OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT

I certify that I have audited the financial statements on pages 18 to 39 under the Merchant Shipping Act 1995. These financial statements have been prepared under the historical cost convention and the accounting policies set out on pages 22 to 24.

Respective responsibilities of the General Lighthouse Authorities' Boards, the Secretary of State for Transport and Accounting Officer, and Auditor

As described on page 13, the Department for Transport and Accounting Officer are responsible for the preparation of the financial statements in accordance with the Merchant Shipping Act 1995 and directions made thereafter.

The Department and Accounting Officer are also responsible for the preparation of the Foreword. My responsibilities, as independent auditor, are established by statute, and I have regard to the standards and guidance issued by the Auditing Practices Board and the ethical guidance applicable to the auditing profession.

I report my opinion as to whether the financial statements give a true and fair view and are properly prepared under the Merchant Shipping Act 1995 and directions made thereunder, and whether, in all material respects, the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. I also report if, in my opinion, the Foreword is not consistent with the financial statements, if the General Lighthouse Fund, has not kept proper accounting records, or if I have not received all the information and explanations I require for my audit.

I review whether the statement on pages 14 and 15 reflects the General Lighthouse Fund's compliance with Treasury's guidance 'Corporate Governance: statement on internal control'. I report if it does not meet the requirements specified by Treasury, or if the statement is misleading or inconsistent with other information I am aware of from my audit of the financial statements. I am not required to consider, nor have I considered whether the Accounting Officer's Statement on Internal Control covers all risks and controls. I am also not required to form an opinion on the effectiveness of corporate governance procedures or its risks and control procedures.

Basis of audit opinion

I conducted my audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Department for Transport and Accounting Officer in the preparation of the financial statements, and of whether the accounting policies are appropriate to the General Lighthouse Fund's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by error, or by fraud or other irregularity and that, in all material respects, the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. In forming my opinion I have also evaluated the overall adequacy of the presentation of information in the financial statements.

Department for
Transport

Opinion

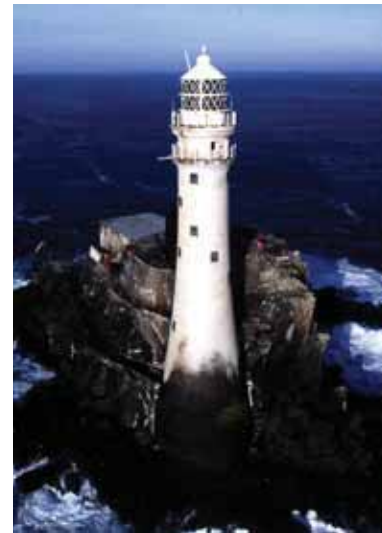
In my opinion:

- The consolidated financial statements give a true and fair view of the state of affairs of the General Lighthouse Fund at 31 March 2004 and of the surplus, total recognised gains and losses and cash flows for the year then ended and have been properly prepared in accordance with the Merchant Shipping Act 1995; and
- In all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

John Bourn 15 July 2005

Comptroller and Auditor General

National Audit Office, 157-197 Buckingham Palace Road, Victoria, London SW1W 9SP



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INCOME AND EXPENDITURE ACCOUNT

for the year ended 31 March 2004

	Notes	2003/2004 £'000	(Restated) 2002/2003 £'000
Income:			
Light dues	2	74,663	71,894
Other operating income	3	1,516	829
Irish Government contribution	4	2,851	2,202
EEDA grant	17	40	–
		<u>79,070</u>	<u>74,925</u>
Expenditure:			
Staff costs	5a	26,384	24,053
Pensions	5c	3,657	3,175
Depreciation	9	9,256	8,704
Other operating costs	7b	22,794	22,021
Total operating costs	7a	<u>62,091</u>	<u>57,953</u>
		<u>16,979</u>	<u>16,972</u>
Operating surplus			
Notional (cost)/credit on capital	1j	(3,297)	1,343
Interest on Pension scheme liability	18	(13,771)	(13,872)
Loss on sale of fixed assets		(343)	(173)
Income from listed investments		1,708	1,563
Loss on sale of listed investments		(1,030)	(3,989)
Other interest receivable		898	677
Interest payable	8	(1,580)	(1,814)
		<u>(17,415)</u>	<u>(16,265)</u>
Net operating (deficit)/surplus		(436)	707
Reversal of notional credit/(cost) on capital	1j	3,297	(1,343)
Surplus/(deficit) for the financial year		<u>2,861</u>	<u>(636)</u>

Statement of total recognised gains and losses

Surplus/(deficit) for financial year		2,861	(636)
Unrealised surplus/(deficit) on Investments	16	10,191	(13,526)
Actuarial (loss)	18	(5,605)	(9,318)
Net pension transfers	18	(83)	(100)
Total recognised gain/(loss) for the year		<u>7,364</u>	<u>(23,580)</u>
Prior year adjustment		(232,621)	–
Total recognised gains and losses since last annual report		<u>(225,257)</u>	<u>(23,580)</u>

Prior year figures have been restated following the adoption of FRS 17 "Retirement Benefits" (See note 18, page 32-35).

All amounts relate to continuing activities

The notes on pages 22-39 form part of these accounts

Department for
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BALANCE SHEET

as at 31 March 2004

	Notes	31/03/04 £'000	(Restated) 31/03/03 £'000
Fixed Assets:			
Tangible assets	9	95,744	97,697
Investment in related company	23	600	440
		<u>96,344</u>	<u>98,137</u>
Current Assets:			
Stocks		1,838	2,039
Debtors	10	6,657	5,835
Investments	11	55,653	45,550
Cash at bank and in hand		29,385	21,223
		<u>93,533</u>	<u>74,647</u>
Creditors: amounts falling due within one year	12	(9,140)	(8,275)
Net current assets		<u>84,393</u>	<u>66,372</u>
Total assets less current liabilities		180,737	164,509
Creditors: amounts falling due after more than one year	13	(27,047)	(29,833)
Net assets excluding pension liabilities		153,690	134,676
Pension Liabilities	18	(244,164)	(232,621)
Total assets less liabilities		<u>(90,474)</u>	<u>(97,945)</u>
Financed by:			
Reserves			
Accumulated reserve	16a	(88,217)	(85,473)
Revaluation reserve	16b	(3,336)	(13,526)
Other reserves (grants)	9b, 16b	1,079	1,054
Total		<u>(90,474)</u>	<u>(97,945)</u>

David Rowlands
Accounting Officer

Department for
Transport

CASH FLOW STATEMENT

	Notes	2003/2004	2002/2003
Net cash in flow from operating activities	1	18,182	18,030
Return on investments and servicing of finance	2	1,010	306
Capital expenditure	3	(7,483)	(7,938)
Management of liquid resources	4	(943)	(2,218)
Financing	5	(2,604)	(706)
Increase in cash		8,162	7,474
Reconciliation of net cash in/(out) flow to movement in net funds/(debt)			
Increase in cash		8,162	7,474
Cash outflow from lease financing		2,630	739
		10,792	8,213
Net debt at 1 st April 2003		(10,825)	(19,038)
Net debt at 31st March 2004		(33)	(10,825)

Notes to the cash flow statement

Note 1

Reconciliation of operating surplus to net cash in flow from operating activities

Operating surplus	16,979	16,972
Net pension expenditure	(11,504)	(10,926)
Current service cost	3,633	3,159
Depreciation	9,256	8,704
Decrease/(increase) in stocks	201	(198)
Increase/(decrease) in debtors	(822)	36
Increase in creditors	439	283
Net cash in flow from operating activities	18,182	18,030

Note 2

Returns on investments and servicing of finance

Interest received	2,615	2,256
Interest paid	(1,605)	(1,950)
	1,010	306

Note 3

Capital expenditure

Payments to acquire tangible fixed assets	(7,793)	(7,832)
Receipts from sales of tangible fixed assets	470	34
Movements in Trinitas investments	(160)	(140)
	(7,483)	(7,938)

Note 4

Management of liquid resources

Purchase of investments	(9,159)	(12,776)
Sale proceeds from investments	8,216	10,558
	(943)	(2,218)

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Notes	2003/2004 £'000	(Restated) 2002/2003 £'000
Note 5		
Financing		
Advances from DCMNR	–	21
Advances from EU	(80)	12
Capital element of finance lease rentals	(2,630)	(739)
EEDA grant	106	–
	(2,604)	(706)

Note 6
Analysis of the changes in net debt

	1 April 2003 £'000	Cashflow £'000	31 March 2004 £'000
Cash at bank	21,223	8,162	29,385
Finance leases	(32,048)	2,630	(29,418)
Net debt	(10,825)	10,792	(33)



NOTES TO THE ACCOUNTS

I. ACCOUNTING POLICIES

a) Accounting Convention

The accounts have been prepared in accordance with the revised accounts direction issued by the Secretary of State for Transport in March 2003. They meet the accounting and disclosure requirements of the Companies Acts and Accounting and Financial reporting standards issued or adopted by the Accounting Standards Board, so far as those requirements are appropriate. The accounts directions require Fixed Assets to be shown at depreciated replacement cost. This does not comply with the disclosure requirements of the Treasury Guidance for executive NDPB's which requires the inclusion of fixed assets at their value to the business with reference to the current costs. As noted in note 1d below it is considered impractical to re-value such assets.

b) Going Concern

The balance sheet at 31 March 2004 shows net liabilities of £90,475,000. This reflects the inclusion of pension liabilities falling due in future years. The Secretary of State, with the agreement of the Treasury, issued a letter of comfort in December 2001 (see appendix 2). The letter states that in the unlikely event of insufficient money being available from the General Lighthouse Fund to pay pension liabilities, the Department will request funds from Parliament to make the necessary payments.

It has accordingly been considered appropriate to adopt a going concern basis for the preparation of these financial statements

c) Pension Benefits

The Accounting Standards Board (ASB) issued a new Financial Reporting Standard (FRS) on retirement benefits, FRS 17. The effective date is for accounting periods ending on or after 22 June 2005, although early adoption encouraged for public sector bodies.

These Accounts comply with FRS17 and the figures for 2002/2003 have been restated for comparative purposes (see note 18).

d) Fixed Assets and Depreciation

Fixed Assets are shown at cost less depreciation. Depreciation is calculated on a monthly basis and commences in the month after original purchase or when the asset is brought into use and is continued up to the end of the month during which assets are sold. Assets in the course of construction are not depreciated.

Whilst sales of former lighthouse keepers' houses can produce returns in excess of book values, it is considered impractical to value such assets in view of their remoteness and lack of comparative market values. Book values have therefore been retained and no revaluation undertaken.

All depreciation is charged on a straight-line basis having regard to the estimated operating lives and residual values as follows:

*Department for
Transport*

<i>Categories</i>	<i>Depreciation Lives</i>
Land & Buildings	
Land	Not depreciated
Lighthouse (building structures)	50 years
Lighthouse improvements	25 years or remaining life if less.
Buildings	50 years
Tenders & Ancillary Craft	
Tenders	25 years or remaining life if less.
Tenders (Dry Dock and Repair)	From 24 months until next dry docking
Launches	
Workboats	10 years
Light vessels (Hulls)	50 years
Light vessels (Hull conversions)	15 years
Light vessels (Dry Dock and Repair)	5 years
Lanbys	25 years
Buoys	
Buoy bodies	25 years or remaining life if less
Solarisation costs	10 years
Plant & Machinery	
Lighthouses and light vessels	15 years
Automation equipment	15 years
Racons & radio beacons	15 years
Depots and workshops	10 years
Office equipment	10 years
Vehicles	5 years
Computers – major systems	5 years
Computers – other	3 years
Assets held under finance leases	25 years, being the expected useful life. The primary lease periods are less than this but secondary periods sufficient to cover the balance are available.

e) Stocks

Stocks of consumable stores at depots and workshops, and fuel stocks on tenders are valued at weighted average cost.

f) Research and Development

Research and development expenditure is written off as incurred.

g) Leasing Commitments

Assets obtained under finance leases are capitalised in the balance sheet and depreciated as if they were owned. The interest element of the rental obligation is charged to the income and expenditure account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding at the beginning of the year. The capital element of the future lease payments is stated separately under Creditors, falling due within one year and after more than one year (see notes 12 and 13).

Expenditure incurred in respect of operating leases is charged to income and expenditure as incurred. Rentals received under operating leases are credited to income.

h) Foreign Currency

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at an average rate ruling during the period in which the transaction occurred. All differences are taken to the income and expenditure account.



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i) Taxation

The Fund is exempt from taxation under the provisions of Section 221 of the Merchant Shipping Act 1995. The Authorities are liable to account for VAT on charges rendered for their services and are able to reclaim VAT on all costs under the provisions of the Value Added Tax Act 1983.

j) Notional Cost of Capital

The income and expenditure account includes a notional cost of capital at 3.5% of the average net assets during the year (6% 2002/2003). This amount is reversed after the line showing the surplus or deficit for the year.

k) Irish Government Grant – Loran C

Amounts received have been treated as a deferred credit and released to the income and expenditure account over the life of asset. No further grant was received in 2003/04 from the Department of Communication, Marine and Natural Resources in respect of the Loran C capital project.

l) East of England Development Agency – (EEDA) grants

East of England Development Agency (EEDA) grants received in respect of eligible expenditure charged to the income and expenditure account during the year, for the project on the redevelopment of the THLS depot at Harwich, have been included in grant income. The EEDA grant received in respect of the eligible expenditure capitalised in the balance sheet for the redevelopment of the THLS depot at Harwich has been included in a deferred grant reserve. Once the redeveloped Harwich depot is brought into use this reserve will be released to the income and expenditure account by instalments over the life of the related assets.

m) Investments

Investments are stated at market value at the balance sheet date.

2. INCOME FROM LIGHT DUES

This includes £3.5m (2002/2003 £3.4m) relating to the Irish Republic light dues collections.

3. OTHER OPERATING INCOME

	2003/2004 £'000	2002/2003 £'000
Rentals		
Property	186	179
Buoys	253	196
Tenders	233	87
Sundry receipts	603	267
Exchange gain	241	100
	1,516	829

4. IRISH GOVERNMENT CONTRIBUTION

The GLF income is supplemented by an annual contribution from the Irish Government under the terms of an agreement reached in 1985 for the sharing of certain costs incurred by CIL in the Republic. The payment in respect of costs incurred in 2003/2004 falls due in January 2005. This sum represents, after taking account of light dues, the amount needed to meet 50% of the relevant expenditure in that year.

5. COSTS

a) Staff Costs

	2003/2004 £'000	2002/2003 £'000
Wages and salaries	24,054	22,429
Social security costs	1,745	1,467
Redundancy	989	549
Total staff costs	26,788	24,445
Costs capitalised in fixed assets	(404)	(392)
Charged to the Income and Expenditure account	26,384	24,053

b) The average monthly number of employees during the year

	THLS £'000	NLB £'000	CIL £'000	Total 2003/2004	Total 2002/2003
Lighthouse attendants*	–	106	78	184	201
Light floats	–	–	4	4	4
Tenders	115	72	31	218	220
Depots & workshops	274	45	79	398	419
Head office	33	90	59	182	177
Coast tradesmen	–	–	24	24	21
Total	422	313	275	1,010	1,042

*Part-time staff

Included above	15	106	82	203	219
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*Lighthouse Attendants are part-time staff. They carry out basic maintenance, repairs and cleaning at automatic lighthouses, usually on one day per week or month depending on the type of installation. In some cases they also act as boatmen to provide access to the lighthouse. They may also be required to observe its performance and to report any failures.

c) Pension costs

	THLS £'000	NLB £'000	CIL £'000	2003/2004 £'000	2002/2003 £'000
Operating costs	1,713	923	997	3,633	3,159
Employers contribution to other pension schemes	4	20	–	24	16
Total	1,717	943	997	3,657	3,175

d) Senior Management Remuneration

Trinity House

Name	Salary inc Performance Pay £'000	Benefits £'000
J. M. de Halpert – Executive Chairman	85-90	
J. S. Wedge	70-75	15,833
D. I. Brewer	65-70	–
P. J. Melson	75-80	*23,902
D. C. Glass	65-70	240
D. Golden	60-65	*12,814
W. A. C. Thomson	5-10	1,915
D. A. Coltman	5-10	1,436
P. R. A. Bainbridge	5-10	799
D. F. Potter	5-10	47

The Executive Chairman's only emolument is a salary of £87,007 (2002/2003 – £66,699) which included performance related element of £8,000 (2002/2003 – £5,470). He is a member of the Trinity House Lighthouse Service Pension Scheme and is entitled to compensation for permanent loss of office under the terms of the Trinity House compensation scheme, which is analogous to the Civil Service compensation scheme. His contract is ongoing until the age of 65, subject to satisfactory performance.

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Non-Executive Directors are employed on fixed term contracts for a period of 3 years. Benefits represent travel and subsistence expenses (including tax), relocation expenses and reimbursement of subscriptions to professional bodies in respect of Executive Directors.

*These benefits are part of the operational costs required to run a two-site operation, which involves travel to and the management of two separate locations.

Pensions

All Executive Board Members of Trinity House Lighthouse Service (including the Executive Chairman) are ordinary members of the Trinity House Pension scheme. They are entitled to compensation for permanent loss of office under the terms of the Trinity House compensation scheme, which is analogous to the civil service compensation scheme. Their contracts are ongoing until the age of 65, subject to satisfactory performance.

	Real increase in pension since 31/03/03 column 1 £'000	Real increase in lump sum since 31/03/03 column 2 £'000	Accrued pension to 31/03/04 column 3 £'000	Accrued lump sum at 31/03/04 column 4 £'000	Cash equivalent transfer value as at 31/03/03 column 5 £'000	Cash equivalent transfer value as at 31/03/04 column 6 £'000	Real increase in cash equivalent transfer value column 7 £'000
J. M. de Halpert	0-2.5	–	0-5	–	14	33	16
J. S. Wedge	10-12.5	30-35	10-15	30-35	1	145	31
D. I. Brewer	0-2.5	0-5	20-25	70-75	314	353	22
P. J. Melson	0-2.5	–	5-10	–	62	84	17
D. C. Glass	0-2.5	–	5-10	–	52	69	13
D. Golden	0-2.5	0-5	5-10	5-10	15	27	10

See explanation at end of note (p.28)

Northern Lighthouse Board

Pay structure

The Remuneration Committee has agreed the following structure with the DfT:

1. The Chief Executive has a spot salary and the opportunity to earn an annual, non-consolidated and performance-related bonus.
2. The three Directors have been allocated to one of three Directors' Pay Bands based on the results of a job evaluation process which was conducted jointly with Trinity House Lighthouse Service in 1998. Progression within the Pay Band is made on the results of an annual, performance-related salary review.
3. There are agreed differentials between
 - The Pay Band maximum for NLB7 (the highest Pay Band outside the Directors) and the minimum of the lowest Directors' Pay Band
 - The Chief Executive's spot salary plus available bonus and the maximum of the highest Directors' Pay Band

Remuneration of Executive Directors	Salary inc Performance Pay £'000	Benefits £'000
J. Taylor – Chief Executive	75-80	–
G. Platten	60-65	–
D. Gorman	60-65	–
M. Waddell	55-60	–

The Chief Executive's only emolument is a salary of £78,142 (2002/2003 – £73,012) which included a performance-related element of £5,142 (2002/2003 – £4,456). He is a member of the Northern Lighthouse Pension Scheme, operated by direct analogy with the Principal Civil Service Pension Scheme and is entitled to compensation for premature loss of office in accordance with the provisions of the Northern Lighthouse Compensation Scheme operated by direct analogy with the Civil Service Compensation Scheme 1994. His contract is ongoing until normal retirement age of 60 years subject to satisfactory performance.

Pensions	Real	Real	Accrued	Accrued	Cash	Cash	Real
	increase in pension since 31/03/03	increase in lump sum since 31/03/03	pension to 31/03/04	lump sum as at 31/03/04	equivalent transfer value as at 31/03/2003	equivalent transfer value as at 31/03/2004	increase in cash equivalent transfer value
	column 1	column 2	column 3	column 4	column 5	column 6	column 7
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
J. Taylor	0-2.5	2.5-5.0	10-15	30-35	157	192	25
G. Platten	0-2.5		15-20		113	132	12
D. Gorman	0-2.5	2.5-5.0	5-10	20-25	79	101	17
M. Waddell	0-2.5	0.2.5	10-15	40-45	144	168	14

See explanation at end of note (p.28)

Service contracts

Each of the Executive Directors has a Service Contract which can be terminated by either the Board serving twelve months' notice or the Executive Director serving six months' notice.

Commissioners:

1. elected by the Board under, and subject to the proviso set forth in, Paragraphs 2 and 3 of Schedule 8 to the Merchant Shipping Act 1995 (the "Co-opted Commissioners");
or
2. nominated by the Lieutenant-Governor of the Isle of Man and appointed by the Secretary of State;

were each paid total fees of £8,568 per annum and were eligible for an additional payment of £429 pro rata for each day exceeding 20 days in the year unless he/she is Chairman when a total fee of £16,200 per annum is payable. The total amount paid in the year, including social security costs, was £50,758 (2002/2003 – £60,898).

Co-opted Commissioners' remuneration is set by the Board as a whole on the advice of the Department for Transport and who approved an increase of 2.25% with effect from 1 April 2003. Co-opted Commissioners are appointed for three years but may be re-appointed for further terms up to a normal limit of 10 years. Ex-Officio Commissioners hold office for the duration of their qualifying office. The Board has determined that co-opted Commissioners will not serve beyond 70 years of age. The Chairman of the Northern Lighthouse Board in 2003/2004 was an ex-officio Commissioner. Commissioners are not members of the Northern Lighthouse Pension Scheme and are not entitled to receive compensation for loss of office. Commissioners are entitled to reclaim travel and subsistence costs at the same rates and under the same regulations that apply to employees.

The remuneration of the Commissioners is analysed as follows:

	Remuneration 2003/2004 £'000	Remuneration 2002/2003 £'000
Lord Maclay (Chairman in 2002/03) retired on 31 July 2003	2,856	15,840
Admiral Sir Michael Livesay KCB died on 6 October 2003	4,422	8,376
Captain David Cowell	8,568	8,376
Captain George Sutherland retired on 13 January 2003 and re-appointed on 1 August 2003	5,712	6,575
Captain Kenneth MacLeod	8,568	8,376
Peter Mackay CB	8,568	8,376
Dr Andrew Cubie co-opted commenced on 14 January 2003	8,568	1,824

The Commissioners of Irish Lights

Remuneration of Chief Executive and Heads of Departments

	2003/2004 Salary £'000
T. M. Boyd – Chief Executive	105-110
S. G. R. Ruttle	80-85
J. J. Hickey	70-75
M. A. Dyas	65-70
T. A. Elliott	65-70
J. M. Burke	50-55

Department for
Transport

The Chief Executive is a member of the Commissioners of Irish Lights Pension Scheme.

All Heads of Departments are members of the CIL Pension Scheme.

The CIL Pension Scheme is analogous to the Principal Civil Service Pension Scheme (PCSPS).

The Chief Executive and Heads of Departments do not receive performance-related payments or benefits in kind.

The Board members of CIL including the Chairman receive no remuneration.

The remuneration of senior management is based on conditions pertaining in the Republic of Ireland. These can differ from those in the United Kingdom in terms of inflationary trends, income tax and social security rates, National Pay Agreements and general employment market forces.

CIL senior management pay and conditions are based on those in the Irish Civil Service. Pay determination is reserved to the Department for Transport in consultation with the Department of Communications, Marine and Natural Resources.

Pensions	Real increase in pension since 31/03/03 column 1 £'000	Real increase in lump sum since 31/03/03 column 2 £'000	Accrued pension to 31/03/04 column 3 £'000	Accrued lump sum as at 31/03/04 column 4 £'000	Cash equivalent transfer value as at 31/03/03 column 5 £'000	Cash equivalent transfer value as at 31/03/04 column 6 £'000	Real increase in cash equivalent transfer value column 7 £'000
T. M. Boyd	5-7.5	12.5-15	45-50	130-135	–	–	–
S. G. R. Ruttle	5-7.5	15-17.5	25-30	80-85	370	463	93
J. J. Hickey	2.5-5	12.5-15	20-25	70-75	336	455	119
M. A. Dyas	2.5-5	10-12.5	15-20	45-50	209	269	60
T. A. Elliott	5-7.5	17.5-20	30-35	100-105	490	611	121
J. M. Burke	0-2.5	–	0-5	–	17	30	13

The executive directors are members of the GLA Pension Schemes, which are unfunded defined benefit schemes. Columns 5 and 6 of the above table shows the cash equivalent transfer value (CETV) of the director's pension benefit accrued at the beginning and the end of the reporting period. A CETV is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. It is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the pension benefits they have accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total pensionable service in the GLA Pension Scheme, not just their current appointment. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries. Column 7 reflects the real increase in the value of the CETV. It takes account of the increase in accrued pension due to inflation and contributions paid by the director and is calculated using common market valuation factors for the start and end of the period.

6. OPERATING SURPLUS

The operating surplus is stated after charging amounts under operating leases, which are:

	2003/2004 £'000	2002/2003 £'000
Plant	4	25
Other	1619	1174

7a). TOTAL OPERATING COSTS

	THLS £'000	NLB £'000	CIL £'000	2003/2004 £'000	Restated 2002/2003 £'000
Lighthouses	3,329	2,556	3,792	9,677	8,722
Lightvessels	579	–	119	698	723
Buoys and Beacons	1,067	46	484	1,597	1,400
Heliports	20	–	–	20	33
Lanbys	–	–	197	197	79
Tenders	5,205	3,721	1,447	10,373	9,821
Depots	9,261	748	2,271	12,280	11,879
Workshop	–	1,376	–	1,376	1,212
Head office	2,010	4,297	3,222	9,529	8,350
Stores write off	3	–	–	3	16
Salary costs capitalised (CIL)	–	–	227	227	256
Redundancy	528	66	284	878	471
Running costs	22,002	12,810	12,043	46,855	42,962
Depreciation	4,198	3,237	1,821	9,256	8,704
Pension costs	1,717	943	997	3,657	3,175
NLB – Provision for liab. and charges	–	111	–	111	130
CIL – Capital pay exc. from op costs	–	–	(227)	(227)	(256)
NLB – MV Pharos project costs	–	21	–	21	23
Total	27,917	17,122	14,634	59,673	54,738
GLF Costs					
Fund management				49	32
Light dues collection costs				908	959
Lighthouses abroad (Pension costs)				15	18
Research & development				684	570
AIS study				118	–
Galileo project				114	15
Wreck removal				3	25
Sombrero				2	5
Administration expenses of the Secretary of State				167	112
Actuarial valuation				42	17
Provision for bad debts				9	5
Audit fee				141	135
Loss on foreign exchange				166	1,322
Total				62,091	57,953

7b). TOTAL OPERATING COSTS

	THLS £'000	NLB £'000	CIL £'000	GLF Costs	Total £'000 2003/2004	Total £'000 2002/2003
Communications	477	259	233		969	1,122
Services & Energy	2,178	2,178	1,723		6,079	12,613
Travel & Subsistence	964	982	1,040		2,986	2,601
Others	8364	2,496	1,654	246	12,760	5,685
Total	11,983	5,915	4,650	246	22,794	22,021

8. INTEREST PAYABLE ON FINANCE LEASES FOR:

THV Mermaid £'000	MV Pharos £'000	MV Pole Star £'000	ILV Granuaile £'000	2003/2004 £'000	2002/2003 £'000
117	549	396	518	1,580	1,814



9. TANGIBLE FIXED ASSETS

a)	Land & Buildings	Light Vessels/ Lanbys	Tenders Ancillary & Craft	Buoys & Beacons	Plant & Equipmt	IT Equipmt	Assets in Course of Construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Costs								
Balance at 01/04/03	36,236	8,987	63,031	6,930	59,816	2,477	3,934	181,411
Additions	863	410	472	484	1,292	134	4,462	8,117
Disposals	(2,320)	–	(77)	(79)	(1,056)	(133)	–	(3,665)
Transfers	477	134	–	166	1,575	23	(2,375)	–
Balance at 31/03/04	35,256	9,531	63,426	7,501	61,627	2,501	6,021	185,863
Depreciation								
Balance at 01/04/03	13,558	6,222	26,292	3,606	32,767	1,269	–	83,714
Provided during the year	1,089	759	3,191	361	3,428	428	–	9,256
Disposals	(1,567)	–	(77)	(94)	(996)	(117)	–	(2,851)
Balance at 31/03/04	13,080	6,981	29,406	3,873	35,199	1,580	–	90,119
Net Book Value								
at 01/04/03	22,678	2,765	36,739	3,324	27,049	1,208	3,934	97,697
at 31/03/04	22,176	2,550	34,020	3,628	26,428	921	6,021	95,744

Assets held under finance leases at the year end included above at cost were £59.1m.

The net book value of these assets were £32.7m. The accumulated depreciation was £26.4m and the depreciation charge for the year was £2.6m.

It is not possible to establish whether the GLF has freehold or leasehold interests in much of the estate due to the age of many of the properties.

b)

Assets in the course of construction have been funded as follows :

- £963k (2002/2003 £929k) in respect of the Loran C station in the Republic of Ireland funded wholly from a grant received from the Irish Government;
- £10k received in respect of the Differential Global Positioning System and
- a grant of £106k received from the EEDA to develop the THLS depot in Harwich. A total grant of £2.5m has been made available for this purpose.

Unreleased deferred credit (included in grant reserve)

	31/03/04 £'000	31/03/03 £'000
CIL Loran C	963	963
CIL DGPS	10	91
THLS EEDA	106	–
	1,079	1,054

10. DEBTORS

	31/03/04 £'000	31/03/03 £'000
Trade and other debtors	5,433	4,627
Prepayments and accrued Income	743	469
VAT recoverable	481	739
	6,657	5,835

11. INVESTMENTS

Cost	MSQ £'000	HSBCAM £'000	Total £'000
01/04/03	24,779	34,297	59,076
Additions	2,690	6,469	9,159
Disposals	(2,375)	(6,871)	(9,246)
31/03/04	25,094	33,895	58,989

All Investments are listed and managed by Morgan Stanley Quilter (MSQ) and HSBC Asset Management Limited (HSBCAM).

In addition cash is held by Morgan Stanley Quilter of £0.20m Capital Account, £25.14m cash reserve, £0.8m Euro reserve and by HSBCAM of £1.35m totalling £27.49m (31/03/03 £18m). The capital accounts are included as cash in the balance sheet and are used as capital reserves for investments.

The market value of the investments is as follows:

	MSQ £'000	HSBCAM £'000	31/03/04 £'000	31/03/03 £'000
Government securities	5,221	–	5,221	5,149
Equities	19,311	31,121	50,432	40,401
	24,532	31,121	55,653	45,550

The movement in revaluation reserve is reflected in note 16b (see page 32).

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/03/04 £'000	restated 31/03/03 £'000
Trade and other creditors	3,894	3,186
Taxes and social security costs	756	663
Accruals	1,805	1,980
Provisions for liabilities and charges	243	132
Obligations under finance leases (note 14)	2,442	2,314
	9,140	8,275

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

	31/03/04 £'000	restated 31/03/03 £'000
Obligations under finance leases (note 14)	26,977	29,735
Trade and other creditors	70	98
	27,047	29,833

14. OBLIGATIONS UNDER FINANCE LEASES

Amounts payable:	31/03/04 £'000	31/03/03 £'000
Within one year	2,442	2,314
In one to two years	2,586	2,447
In two to five years	7,369	7,954
Over five years	17,022	19,334
	29,419	32,049

The Trinity House vessel:

Mermaid – The interest is charged on a variable rate based upon the London Interbank Offer Rate (LIBOR).

The Northern Lighthouse Board vessels:

MV Pharos – interest rate was fixed at time of entering the agreement build date. A new fixed rate was set from May 2003 to May 2006.

MV Pole Star – interest rate was fixed at the time of entering the agreement.

The Commissioners of Irish Lights vessel:

ILV Granuaile – interest rate was fixed at the time of entering the agreement.

The average rates of interest charged are as follows:

	2003/2004	2002/2003
Trinity House vessel Mermaid	4.22%	4.22%
Commissioners of Irish Lights vessel Granuaile	4.59%	4.59%
Northern Lighthouse Board vessel Pharos	6.21%	6.19%
Northern Lighthouse Board vessel Pole Star	5.31%	5.31%

The amounts due under finance leases are secured on the individual vessels.

15. OBLIGATIONS UNDER OPERATING LEASES

Annual commitments under non-cancellable operating leases are as follows:

Leases expiring	31/03/04 £'000	31/03/03 £'000
Within one year	785	491
Within two to five years	681	799
After five years	23	17
	1,489	1,307

16. RESERVE MOVEMENTS

a) Accumulated Reserve

	2003/2004 £'000	2002/2003 £'000
Accumulated Reserve		
Opening balance 01/04/03	(85,473)	110,982
Elimination of pension reserve on full compliance of FRS 17	–	29,716
Transfer from/(to) pension reserve	–	982
Creation of pension liability	–	(217,199)
Actuarial Loss	(5,605)	(9,318)
Surplus/(deficit) for the year	2,861	(636)
Balance as at 31/03/04	(88,217)	(85,473)

Pension Reserve

The methodology used in calculating the Pension Reserve was revised following discussion between the General Lighthouse Authorities, the actuarial advisers and the auditors. At present members of the General Lighthouse Authorities Pension Scheme contribute 1.5% of pensionable salaries towards the cost of providing spouses' pensions in the event of their death. However it is estimated the actual cost is 2.2%. The Pension Reserve will equal the estimated value of employee contributions to date. Following full compliance with Financial Reporting Standard 17 the pension reserve has been written back to the accumulated reserve.

b) Other Reserves

	2003/2004 £'000	2002/2003 £'000
Revaluation reserve		
Balance at 01/04/03	(13,526)	–
Revaluation of Investments	10,191	(13,526)
Balance at 31/03/04	(3,336)	(13,526)
Grants reserve		
Balance at 01/04/03	1,054	1,021
Movement in year	25	33
Balance at 31/03/04	1,079	1,054

Revaluation reserve – movements that are not considered permanent are charged to the revaluation reserve as opposed to the income and expenditure account.

17. CAPITAL COMMITMENTS

	31/03/04 £'000	31/03/03 £'000
Amounts contracted for but not provided in the accounts	859	749

18. PENSION COMMITMENTS

There are internally financed defined benefit pension schemes operated by each of the Authorities. The pension benefits are determined by the Secretary of State under Section 214 of the Merchant Shipping Act 1995. The Secretary of State has determined that the rules of the Principal Civil Service Pension Scheme shall apply.

The schemes fall within the definitions of a “Public Service Pension Scheme” in Section 66 of the Social Security Pensions Act 1975 and are not required to be separately funded. The schemes are operated on a non-contributory basis. There is a facility for employees to make additional contributions in respect of benefits for widows and children and added years; these are also defined benefits and unfunded.

The pension liabilities of the three General Lighthouse Authorities are charged to the General Lighthouse Fund as they fall due on the following basis:

- i) Payments to pensioners/spouses/children for the financial year under review;
- ii) Lump sums paid to new pensioners and preserved lump sums coming into effect during the year;
- iii) Annual compensation payments (ACP) paid to those members who are made redundant in advance of normal retirement age (60); and
- iv) Accrued benefits due to employees who leave and who opt to have such benefits transferred to another scheme;
- v) Injury benefits;
- vi) Refunds of spouses’ pension contributions at leaving and/or age 60/65.

Reduced by:

- a) Contributions made by employees during the year in respect of spouses and dependent relatives and added years;
- b) Accrued benefits transferred from other pension schemes in respect of new employees.

No specific provision for early retirement has been made but the GLAs have made provision for these costs in their overall bid to DfT.

The GLAs obtain professional actuarial valuations at 3 yearly intervals and updated each year for FRS17 purposes. The last valuation was completed in May 2002, valued as at 31 March 2002.

The actuary used the Projected Unit Credit Method and a 'best estimate' approach of future experience i.e. one that includes no margin for caution. The valuation assumed an investment return of 8.0% (pre-retirement) and 6.0% (post retirement), salary growth of 4.25%, price inflation 2.75% and the rate of increase for pensions in payment and deferred pensioners 2.75%. It also applied standard actuarial tables for mortality rates.

The accumulated liability in respect of all current employees of the three Authorities was in the order of £45.6m. The estimated liability for pensions in payment and deferred pensions of former employees was £165m.

Included in the valuation as at 31 March 2002 was an amount of £3.97m relating to future liability for ACP. This liability measures all ACP payable up to each individual’s 60th birthday.

The actuary’s updated estimate of the liability for ACPs at 31 March 2004 is £1.53m.

The following has been provided in accordance with the Financial Reporting Standard 17 Retirement Benefits:

	31/03/2004 £'000	31/03/2003 £'000
Active members	63,648	58,991
Deferred pensioners	27,582	25,726
Pensioners	152,934	147,904
Total liability at projected unit method	244,164	232,621
Inflation rate	3.0%	2.5%
Discount rate	6.5%	6.0%
Salary increase assumption	4.5%	4.0%
Rate of increase for pensions in payment	3.0%	2.5%
Rate of increase for pensions in deferment	3.0%	2.5%



	£'000	31/03/2004 £'000	31/03/2003 £'000
Scheme liability at 31 March 2003			232,621
Current service cost		3,633	
Past service costs		–	
Interest on pension scheme liability		13,771	17,404
Benefits payable			
Pensions or annuities to retired Employees and dependants		(10,860)	
Commutations and lump sum benefits:			
On retirement	(1,114)		
On death	(216)		
Injury benefits	(1)		
		(12,191)	
Pension payments to and on account of leavers			
Refunds to members leaving service	(5)		
Group transfers to other schemes	–		
Individual transfers to other schemes	(10)		
		(15)	(12,206)
Income received in respect of enhancements			
Employees:			
Purchase of added years	160		
WPS contributions	375		
Employers:			
Bringing forward the payment of accrued lump sums	–		
Enhancement to pensions on departure	–		
Enhancement to pensions on retirement	–		
		535	
Pension transfers in			
Group transfers in from other schemes	–		
Individual transfers in from other schemes	122		
		122	657
Actuarial gains and losses			
Experience arising on scheme liabilities	4,621		
Changes in assumptions underlying the present value of Scheme liabilities	3,573		
Impact of change in exchange rate	(2,589)		
		5,605	
Club transfers in		140	
Club transfers out		(57)	
			5,688
Scheme liability at 31 March 2004			244,164
Opening balance			232,621
Closing balance			244,164
			11,543
Operating cost			3,633
Financing costs			13,771
Pension payments			(11,549)
Statement of recognised gains and losses			5,688
			11,543

The Department for Transport has reported the contingent liability for the General Lighthouse Authorities' pensions for inclusion in the Consolidated Fund and National Loans Fund accounts for 2003/2004 and a liability of £210.6m has been disclosed.

On 17 December 2001 the then Department of Transport, Local Government and the Regions, gave the General Lighthouse Authorities a “Letter of Comfort” (see Appendix 2) in respect of contingent pension liabilities. The letter states that in the unlikely event of insufficient money being available from the General Lighthouse Fund to pay pension liabilities, the Department will request funds from Parliament to make the necessary payments. In November 1998 it was agreed together with the GLAs and the Lights Advisory Committee that a full actuarial valuation would be completed at three yearly intervals. AoN Consulting Limited have been engaged to provide actuarial support and have completed two valuations.

The principal revenues of the Fund are light dues, which are fixed by the Secretary of State by orders under Section 205(5) of the Merchant Shipping Act 1995 (which are subject to negative resolution by Parliament). Subject to Parliament’s approval of such orders, the Secretary of State will seek to ensure that annual revenues are maintained at a sufficient level to meet the pensions’ liabilities.

Merchant Navy Officers’ Pension Fund

The Northern Lighthouse Board is a Participating Employer of the Merchant Navy Officers’ Pension Fund (MNOFP) which is a defined benefit scheme providing benefits based on final pensionable salary. The MNOFP is a funded multi-employer scheme but the Northern Lighthouse Board is unable to identify its share of the underlying assets and liabilities. A full actuarial valuation was carried out as at 31 March 2003 and identified a deficit of £194,000,000. Officers who start employment with the Northern Lighthouse Board and are members of the MNOFP are given the option of continuing MNOFP membership or joining the Northern Lighthouse Pension Scheme. The assets of the scheme are held separately from the General Lighthouse Fund, being held in separate funds managed by trustees of the scheme. Contributions to the scheme (11.9% of pensionable salaries) are charged to the income and expenditure account when they are paid.

For 2003/2004 employers’ contributions of £19,000 were payable to the MNOFP (2002/2003 £16,000). The employer contribution rate is reviewed each year. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

19. POST RETIREMENT BENEFITS

In common with many employers the General Lighthouse Authorities have paid for career counselling and advice for staff made redundant under restructuring. Normally this advice is provided prior to retirement.

20. FINANCIAL REPORTING STANDARD 17

The application of FRS 17 has had the following effects:

	<i>GLF</i> 2003/2004 £’000	<i>GLF</i> 2002/2003 £’000
Surplus/(deficit) for the year	2,861	(636)
Deficit for the year before application FRS 17	(14,543)	(17,667)
Effect of FRS 17 on deficit for the year	17,404	17,031
Statement of total recognised gains and losses		
Entries for the year	(5,688)	(9,418)
Entries before application of FRS 17	–	–
Effect of FRS 17	(5,688)	(9,418)
Profit and loss reserve excluding pension liability	155,945	147,148
Pension reserve	(244,164)	(232,621)
Profit and loss reserve	<u>(88,219)</u>	<u>(85,473)</u>

Department for
Transport

21. CONTINGENT LIABILITIES

Protection and Indemnity

The authorities' marine protection and indemnity risks are insured through the Standard Steamship Owners' Protection and Indemnity Association (London) Limited which is a member of the international group of protection and indemnity clubs.

The club has adopted a conservative underwriting policy and concentrates on insuring vessels operating in European inland waterways, harbours and coastal trades.

The mutual method of insuring these risks includes a re-assurance programme and the pooling arrangements of the International Group. However, in common with all members with International Group Clubs the Authorities could be liable for additional premium payments (supplementary calls) to cover any claims which cannot be met from funds available. The Standard Club has closed the years up to and including 2000/2001 and there will be no supplementary calls for these years. The Club has advised the authorities that it does not anticipate supplementary calls for the years 2001/2002, 2002/2003 and 2003/2004. As a result, the authorities have made no provision in the accounts.

Litigation

The NLB has one outstanding dispute arising out of its normal activities. The legal opinion obtained by the NLB indicates that in the event of litigation the NLB is likely to succeed. Therefore no provision has been made in the Accounts.

Merchant Navy Officers' Pension Fund – Northern Lighthouse Board

The MNOFP has a deficit of £194,000,000 identified at an actuarial valuation as at 31 March 2003. The rules of the MNOFP state that Participating Employers may be called to make lump sum payments to make up deficits. With effect from 8 June 2000 the rules were amended to state that an employer will not be regarded as ceasing to be a Participating Employer as a result of ceasing to employ Active Members or other eligible employees. The MNOFP has stated that it intends to make an application to the Court to obtain confirmation that the position that applies from 8 June 2000 also applied before. As a Participating Employer, the Northern Lighthouse Board can be required to contribute to the deficit. However, the amount will depend on the decision of the Trustee Board and the decision of the Court. As a result, the Board has made no provision in the accounts.

22. INTER GLA TRANSACTIONS

During the year, the services of MV Pharos, MV Pole Star (NLB) were provided for 12 days to the other GLAs under the terms of the Inter GLA ship agreement dated 12 December 2000. While there would be no transfer of funds between the GLAs in respect of this service, this transaction would give rise to notional expenditure – 2003/2004 £NIL (2002/2003 – £39,000) and notional income of £70,000. THV Mermaid, THV Patricia (THLS) and ILV Granuaile (CIL) were not provided to the other GLAs.

During the year an arrangement was made for the refurbishment of buoys to be carried out by Trinity House on behalf of the Commissioners of Irish Lights. This arrangement is initially for a trial period and will require an Inter GLA Service Level agreement if the arrangement continues on a long term basis. Whilst there is no transfer of funds between the two GLAs in respect of this service, the work undertaken in the year would give rise to a notional income of £7,571 (2002/2003 £13,337).

23. RELATED PARTIES

The Fund is administered by the Department for Transport who sponsor the three Authorities. For this purpose each is considered to be a Non-Departmental Public Body (NDPB).

The Authorities are regarded to be related parties.

Neither the Secretary of State for Transport and any key officials with responsibilities for the Fund or any of the Authorities' Board members, key managerial staff or other related parties has undertaken any material transactions with the Fund during the year.

Trinitas Services Ltd

THLS has entered into an agreement to lease with Trinitas Services Limited, a wholly owned subsidiary of the Corporation. The agreement provides for some 34 lighthouse keepers cottages at 14 locations to be leased to Trinitas for 25 years. Trinitas is refurbishing the cottages and entering a contract with Rural Retreats to let them as holiday cottages.

The investment in bringing the cottages to material state together with the legal costs of this agreement are in the order of £490,000.

The freehold interest in the properties remains with THLS. The potential uplift in value at the end of the lease period arising from the refurbishment is uncertain. A ground rent is payable during the currency of each lease but there is no premium.

In order to finance the refurbishment THLS has made a loan facility available to Trinitas Services Ltd up to £1,000,000. At the Balance Sheet date £600,000 had been drawn down. The loan has a fixed interest rate of 5% payable after three years.

Mr P.R. Bainbridge, a Non-Executive Director of THLS, has been appointed to the Board of Trinitas Services Ltd as nominee of THLS.

Corporation of Trinity House

The Corporation of Trinity House owns Trinity House Tower Hill and provides rent-free accommodation for the use of the Trinity House Lighthouse Service. The Lighthouse Service reimburses the Corporation for service charges in proportion to the floor area occupied. During 2003/04 THLS paid £247,515 to The Corporation of Trinity House in respect of service charges incurred in using office space and facilities at Trinity House, London (£202,324 in 2002/03).

Conversely, the Corporation of Trinity House reimburses The Trinity House Lighthouse Service for the provision of services during the year. The Corporation paid £32,866 to THLS in respect of these services during the year (£34,852 in 2002/03).

East of England Development Agency

In accordance with the accounts direction the East of England Development Agency (EEDA) is deemed to be a related party of THLS since both organisations are sponsored by government departments. The redevelopment of the Harwich depot is part funded by a grant from EEDA. In the grant offer letter of 5 March 2003 EEDA agreed to fund 29% of the eligible costs of redevelopment up to a maximum of £2.5 million. Certain conditions are attached to the grant such that it may be repayable if THLS closes operations in Harwich before 2013 or if the expected increase in employment at the Harwich depot is not achieved. During 2003/04 THLS received grant funding of £146,023 from EEDA.

The North Ronaldsay Trust

The North Ronaldsay Trust is a company limited by guarantee and registered in Scotland. The Trust has been established to promote the island and, in particular, the built and natural heritage. The Trust has six nominated members including the Northern Lighthouse Board. The Director of Finance and Administration has been appointed as a Director of the Company. The Board's liability to the Trust is limited to £1 and the only transaction in the year has been the sale of the former light keepers' accommodation at North Ronaldsay to the Trust. The sale value of the transaction was £60,000.

Scotland's Lighthouse Museum Ltd

Scotland's Lighthouse Museum (SLM) Ltd is a registered charity whose primary purpose is to advance and promote the education of the general public, to establish and preserve a Museum of the history and operation of lighthouses in Scotland and to aid their physical preservation. The Chief Executive and Director of Engineering are SLM's Board Members. To date the only transactions between the Museum and the Board have been the gifting or loan of artefacts. However, it is hoped in the future to explore synergies between the museum and the Board's policy for extended public access to lighthouses and general public relations activities.



Department of Communications, Marine and Natural Resources (DCMNR)

The Republic of Ireland's Department of Communications, Marine and Natural Resources (DCMNR) is considered to be a related party of the Commissioners of Irish Lights. During the year material transactions took place between the Commissioners of Irish Lights and the DCMNR.

24. POST BALANCE SHEET EVENTS

The post balance sheet events are covered in the foreword to the accounts (page 5).

25. FINANCIAL INSTRUMENTS

Financial Reporting Standard 13 Derivatives and other Financial Instruments (FRS 13) requires disclosure of the role which financial instruments have had during the year in creating or changing the risks the GLAs face in undertaking their activities. Because of the largely non-trading nature of their activities and the method of funding by the General Lighthouse Fund, they are not exposed to the degree of financial risk faced by other business entities. The GLAs have borrowing powers under the Merchant Shipping Act 1995, but very limited powers to invest surplus funds.

As permitted by FRS 13, debtors and creditors which mature or became payable within 12 months from the balance sheet date have been omitted from the profile.

Liquidity Risk

The GLAs rely primarily on advances from the GLF for its cash requirements and are therefore not exposed to significant liquidity risks although it is dependent on the liquidity of the GLF.

There is no significant liquidity risk for the GLF. The Fund has significant cash balances, and maintains a portfolio of investments, which could be liquidated if the need arose.

Interest Rate Risk

Trinity House Lighthouse Service

The finance leases for the ships THV Patricia and THV Mermaid present a potential exposure to interest rate risk. The lease in regard to THV Patricia has expired its primary term and is now on a fixed peppercorn rent. The lease on THV Mermaid has an interest rate that is variable in accordance with the London Interbank Offered Rate (LIBOR). Whilst the initial rate and lease repayments were set in 1988, the current interest rates are at a much lower level and repayments are being obtained against each payment. In addition, the lease is also subject to change as a result of a change in the main rate of Corporation Tax. However, both these adjustments are not considered significant and do not therefore pose any material risk. The rate of interest on the loan to Trinitas Ltd by THLS is fixed which therefore presents no risk against interest fluctuations.

Northern Lighthouse Board

The finance lease for NLB's MV Pole Star is a fixed interest rate and there is no exposure to interest rate risks. The finance lease for MV Pharos is at a fixed interest rate until May 2006. On expiry of the interest rate Swap in May 2006, there will be an exposure to an interest rate risk. The decision to refinance until May 2006 was taken following an evaluation of the likely date of replacement of MV Pharos with a new Multi Function Tender. The only other exposure on the leases is to a change in the main rate of Corporation Tax. During the setting up of the finance lease for MV Pole Star, NLB evaluated the option of eliminating this exposure. However, it was found that the financial risks were not significant.

Commissioners of Irish Lights

The finance lease for ILV Granuaile is at a fixed interest rate and there is no exposure to interest rate risk.

The GLAs hold monies in interest earning deposit accounts and money market accounts, which are exposed to interest rate fluctuations. However, these accounts are managed so that monies retained are held at minimum levels.

Currency Risks

The introduction of the Euro account in London where Euro income is retained for CIL General Lighthouse Fund advances has reduced the level of currency exposure. The balance held as at 31 March 2004 was £0.8m.

Fair Values

Set out below is a comparison by category of the book values and fair values of the Fund's financial assets and liabilities as at 31 March 2004.

	<i>Book Value</i> £'000	<i>Fair Value</i> £'000
Financial assets		
Investments	58,989	55,653
Cash at bank and in hand	29,385	29,385
Bank guarantees	225	225
Loan to Trinitas Services Ltd	600	600
Financial Liabilities		
Finance lease obligations	29,419	29,402

26. THIRD PARTY ASSETS

The Commissioners of the Northern Lighthouse Board operate two Charitable Trusts. Individual Commissioners and Directors are appointed to act as Trustees but neither the Commissioners of Northern Lighthouses (as a corporate body) nor the General Lighthouse Fund has a direct beneficial interest. The Trusts were established from donations and are used to provide support to former lightkeepers and their dependants and for assisting young people starting careers as Merchant Navy Officer Cadets. At 31 March 2004 the cash and investment balances were £47,000.

In addition assets are held by the Board on behalf of the Commissioners. These assets are a collection of furniture, books, maps, paintings and silver and do not form part of the General Lighthouse Fund. They were last valued for insurance purposes on 14th December 2003 at £602,980.

27. FURTHER INFORMATION

a) Numbers of fixed assets:

	<i>THLS</i>	<i>NLB</i>	<i>CIL</i>	<i>31/03/04</i>	<i>31/03/03</i>
Lighthouses	71	200	81	352	354
Lightvessels	14	–	–	14	14
Lightfloats	2	–	3	5	5
Lanby Buoys	–	–	3	3	3
Buoys and Beacons	577	291	306	1,174	1,195
Tenders & Ancillary Craft	16	2	2	20	21
Lighthouses abroad	1	–	–	1	1
	681	493	395	1,569	1,593

b) Number of fixed assets deployed:

	<i>THLS</i>	<i>NLB</i>	<i>CIL</i>	<i>31/03/04</i>	<i>31/03/03</i>
Lighthouses	70	198	80	348	351
Lightvessels	11	–	2	13	13
Lightfloats	2	–	–	2	2
Lanby Buoys on station	–	–	2	2	2
Buoys & Beacons on station	467	175	203	845	804
Tenders & Ancillary Craft	7	2	2	11	11
Lighthouses abroad	2	–	–	2	2
	559	375	289	1,223	1,185

Department for
Transport

FIVE YEAR SUMMARY

	2004 £'000	Restated 2003 £'000	Restated 2002 £'000	2001 £'000	2000 £'000
Light dues and Irish Government contributions	77,514	74,096	77,196	73,035	70,425
Other operating Income	1,556	829	967	634	682
	79,070	74,925	78,163	73,669	71,107
Staff costs	(26,384)	(24,053)	(24,025)	(22,242)	(22,313)
Pensions	(3,657)	(3,175)	(10,585)	(10,264)	(9,901)
Depreciation	(9,256)	(8,704)	(8,123)	(7,426)	(6,578)
Other operating costs	(22,794)	(28,021)	(20,117)	(20,451)	(20,419)
Operating surplus	16,979	16,972	15,313	13,286	11,896
Interest on pension scheme liability	(13,771)	(13,872)	–	–	–
Gain/(loss) on sale of fixed assets	(343)	(173)	623	177	60
Income from Investments	1,708	1,563	1,493	2,105	1,939
(Loss)/profit on sale of investments	(1,030)	(3,989)	(1,529)	86	4,042
Other Interest receivable	898	677	788	480	614
Interest payable	(1,580)	(1,814)	(2,035)	(1,989)	(1,433)
Surplus for the financial year	2,801	636	14,653	14,145	17,118
Fixed assets	96,343	98,137	99,207	95,661	90,966
Net current assets	84,393	66,372	74,412	65,471	49,759
Long term creditors, capital & reserves	(117,522)	(127,778)	(173,619)	(195,237)	(168,568)
Pension liability	(244,164)	(232,621)	–	–	–
Purchase of tangible fixed assets	8,116	7,701	11,469	12,539	20,038
Average number of employees (inc Part time)	1,010	1,042	1,087	1,116	1,140

APPENDIX I

Accounts direction given by the United Kingdom Secretary of State for Transport with the consent of Her Majesty's Treasury, in accordance with Section 218(1) of the Merchant Shipping Act 1995 (Section 664 of the Merchant Shipping Act 1894 for Ireland).

1. The annual accounts of Trinity House Lighthouse Service, [Northern Lighthouse Board], [The Commissioners of Irish Lights] (hereafter in this accounts direction referred to as "the Authority") shall give a true and fair view of the income and expenditure and cash flows for the year and the state of affairs at the year end. Subject to this requirement, the annual accounts shall be prepared in accordance with:
 - (a) the accounting and disclosure requirements given in the Treasury guidance Executive Non-Departmental Public Bodies Annual Reports and Accounts Guidance (issued July 2000), as amended or augmented from time to time, and subject to Schedule 1 to this direction;
 - (b) any other relevant guidance that the Treasury may issue from time to time in respect of accounts that are required to give a true and fair view;
 - (c) any other specific disclosure requirements of the Secretary of State;
 - (d) any particular provisions that may be required under legislation or accounting standards applicable to the Republic of Ireland.
insofar as these requirements are appropriate to the Authority, do not contradict Merchant Shipping Act Legislation and are in force for the year for which the accounts are prepared, and except where agreed otherwise with the Secretary of State, in which case the exception shall be described in the notes to the accounts.
2. Schedule 1 to this direction gives clarification of the application of the accounting and disclosure requirements of the Companies Act 1985 and also gives any exceptions to standard Treasury requirements. Additional disclosure requirements of the Secretary of State are set out in Schedule 2.
3. This direction shall be effective from the accounting period starting 1 April 2002.
4. This direction shall be reproduced as an appendix to the annual accounts.

Signed by authority of the Secretary of State for Transport.

S. REEVES

Date 10.03.2003

A grade 5 officer in the Department for Transport

SCHEDULE I

1. Expenditure in the income and expenditure account shall include a notional cost of capital, at 6% of the average net assets during the year. This amount shall be reversed after the line showing the surplus or deficit for the year.
2. Stocks are recorded in the accounts at weighted average cost. Stocks are however continually reviewed for potential obsolescence and are adjusted to reflect net realisable cost where this is lower
3. The Directors Report [foreword] [Commissioners Report] shall be signed and dated by the:

THLS: The Executive Chairman.
[NLB: Chairman]
[CIL: Chairman]

The Balance Sheet shall be signed by:
THLS: The Executive Chairman and Director of Finance
[NLB: The Chairman and Chief Executive]
[CIL: The Chairman and Chief Executive]
4. The Statement on Internal Control shall be signed by:

The Executive Chairman [Chief Executive].
5. Tangible Fixed Assets in use are valued at Depreciated Historic Cost. Land and assets under construction are not depreciated.

SCHEDULE 2

Additional Disclosure Requirements

The following information shall be disclosed in the annual accounts, as a minimum, and in addition to the information required to be disclosed by paragraph 1 of this direction.

1. The income and expenditure account

Income shall be analysed between funding from the General Lighthouse Fund and income.
2. The balance sheet

Part of the accumulated reserves shall be designated as a pension reserve. The balance on the pension reserve shall represent accumulated staff contributions in respect of widows' benefit. An updated valuation of these liabilities shall be made every three years, in line with the General Lighthouse Authorities' policy on actuarial valuations. In the intervening years, an approximate valuation shall be made, based on a formula provided by the actuaries.
- 3 The notes to the annual accounts
 - *(a) a report on the emoluments of the chief executive and of each individual board member and senior manager during the year (with separate disclosure where more than one person occupied an office). The report shall include full details of all elements in the remuneration package of each person, such as fees, salary, annual bonuses, payment on termination of office, other taxable benefits, pension contributions, and the performance related elements of these (for which the basis on which the performance is measured shall be explained). For each paid board member, the report shall also show the time commitment in terms of days per month.
 - *(b) if a board member, the chief executive or a senior manager has been appointed for a fixed term or is on a fixed-term service contract, the term shall be stated together with details of any predetermined compensation on termination of office;

- **(c)* a statement of the pension entitlements earned by the chief executive and by each individual board member and senior manager during the year, disclosed on a basis agreed with the Treasury;
 - (d)* details of employees, other than board members, showing:
 - (i)* the average number of persons employed during the year, including part-time employees and secondees, analysed between appropriate categories;
 - (ii)* the total amount of loans to employees.
 - (e)* an analysis of liquid resources, as defined by United Kingdom accounting standard FRS1 (revised);
 - (f)* in the note on debtors, prepayments and payments on account shall each be identified separately;
 - (g)* particulars of any transaction, arrangement or contract (other than a contract of service or of employment with the Authority), including transactions at arm's length, entered into by the Authority with another party, exceeding £5,000 in value, in which party a board member, an executive, a senior employee, or a person connected with any of the foregoing, at any time during the year, had a direct financial interest that was notified to the Authority. For these purposes, a senior employee means someone whose emoluments in the year (excluding pension contributions but including the other elements mentioned in sub-paragraph 3(a), above) exceeded £50,000 [EURO 80,000]; and a connected person shall be as defined in Section 839 of the United Kingdom Income and Corporation Taxes Act 1988 or superseding legislation and including a member of the same household;
 - (h)* a statement of losses and special payments during the year, being transactions of a type which the United Kingdom parliament cannot supposed to have contemplated. Disclosure shall be made of the total of losses and special payments if this exceeds £100,000 [EURO 160,000], with separate disclosure and particulars of any individual amounts in excess of £100,000 [EURO 160,000]. Disclosure shall also be made of any loss or special payment of £100,000 [EURO 160,000] and below if it is considered material in the context of the Authority's operations.
- 3(a), 3(b) and 3 (c)

Under the United Kingdom Data Protection Act 1998 and the Republic of Ireland Data Protection Act 1998, individuals may need to give their consent for some of the information in these sub-paragraphs to be disclosed.

If so, and if consent is withheld, this should be stated next to the name of the individual.

APPENDIX 2

The Department for Transport, Local Government and the Regions

Letter of Comfort in respect of General Lighthouse Fund Pensions, contingent liabilities, given to the General Lighthouse Authorities

The pensions in respect of the beneficiaries of the Pensions Schemes of the General Lighthouse Authorities (GLAs) are safe. This is recognised by the fact that the pensions liability of the General Lighthouse Fund (GLF) is reported to Parliament annually as a contingent liability of the Department for Transport, Local Government and the Regions (DTLR). This is a form of early warning to Parliament that it may be asked to authorise expenditure on this item. Any liability which a GLA might not be able to meet from its own resources (which in the GLA's case is the GLF) would fall to DTLR as the sponsor department.

DTLR has therefore already given the strongest public assurance that the pensions of the beneficiaries of the Pension Schemes of the GLAs will be paid by the inclusion of the liabilities of the GLF in their departmental contingent liability return to Parliament. Therefore in the unlikely event of insufficient money being available, DTLR will request funds from Parliament to ensure that the pensions are paid to the beneficiaries of the Pensions Schemes of the GLAs. The pensions of the GLAs are therefore assured by this Letter of Comfort.

Signed by:

DAVID JAMIESON

On behalf of the Secretary of State

For Transport, Local Government and the Regions

Date 17.12.2001

Department for
Transport

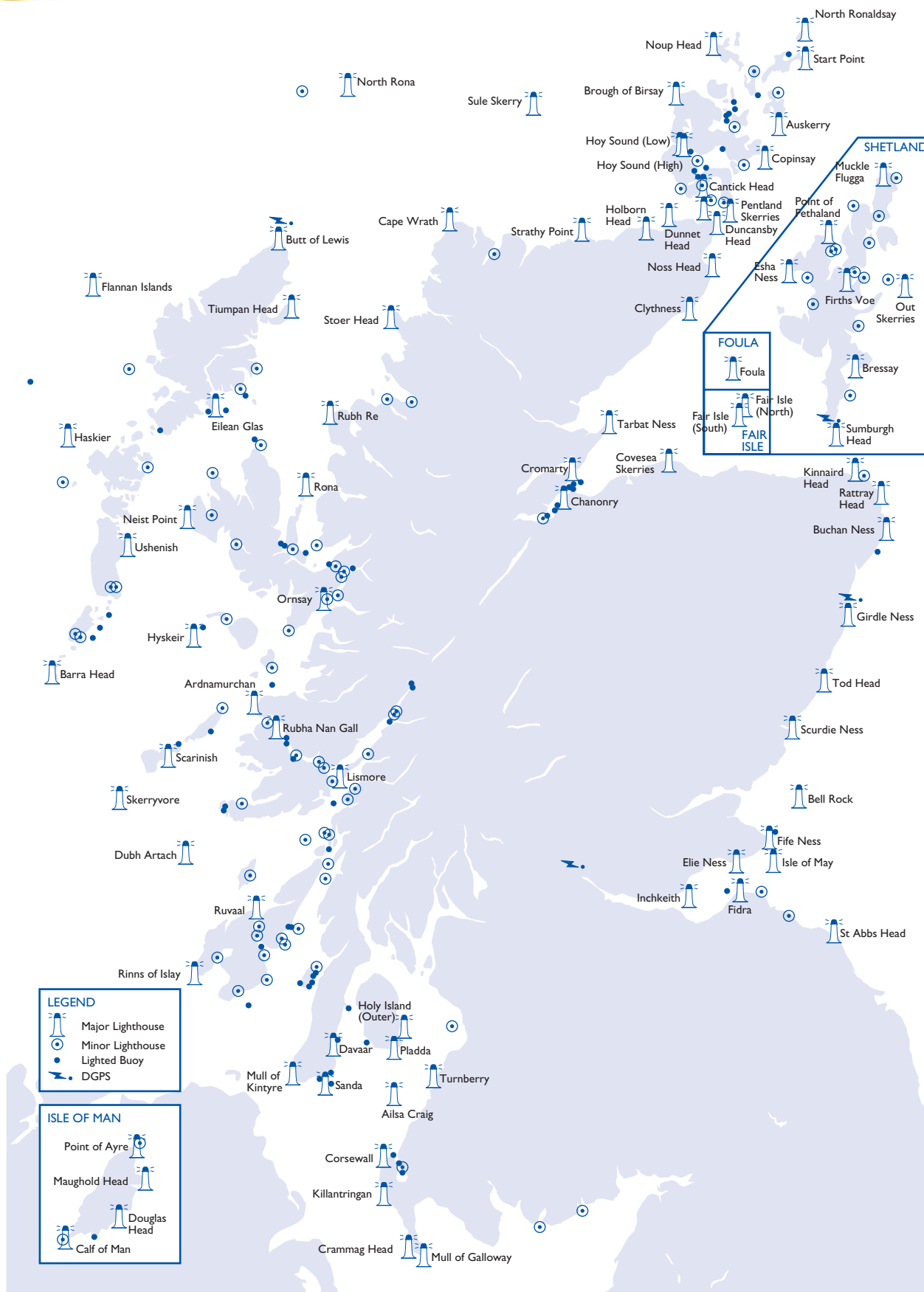


Trinity House Lighthouse Service



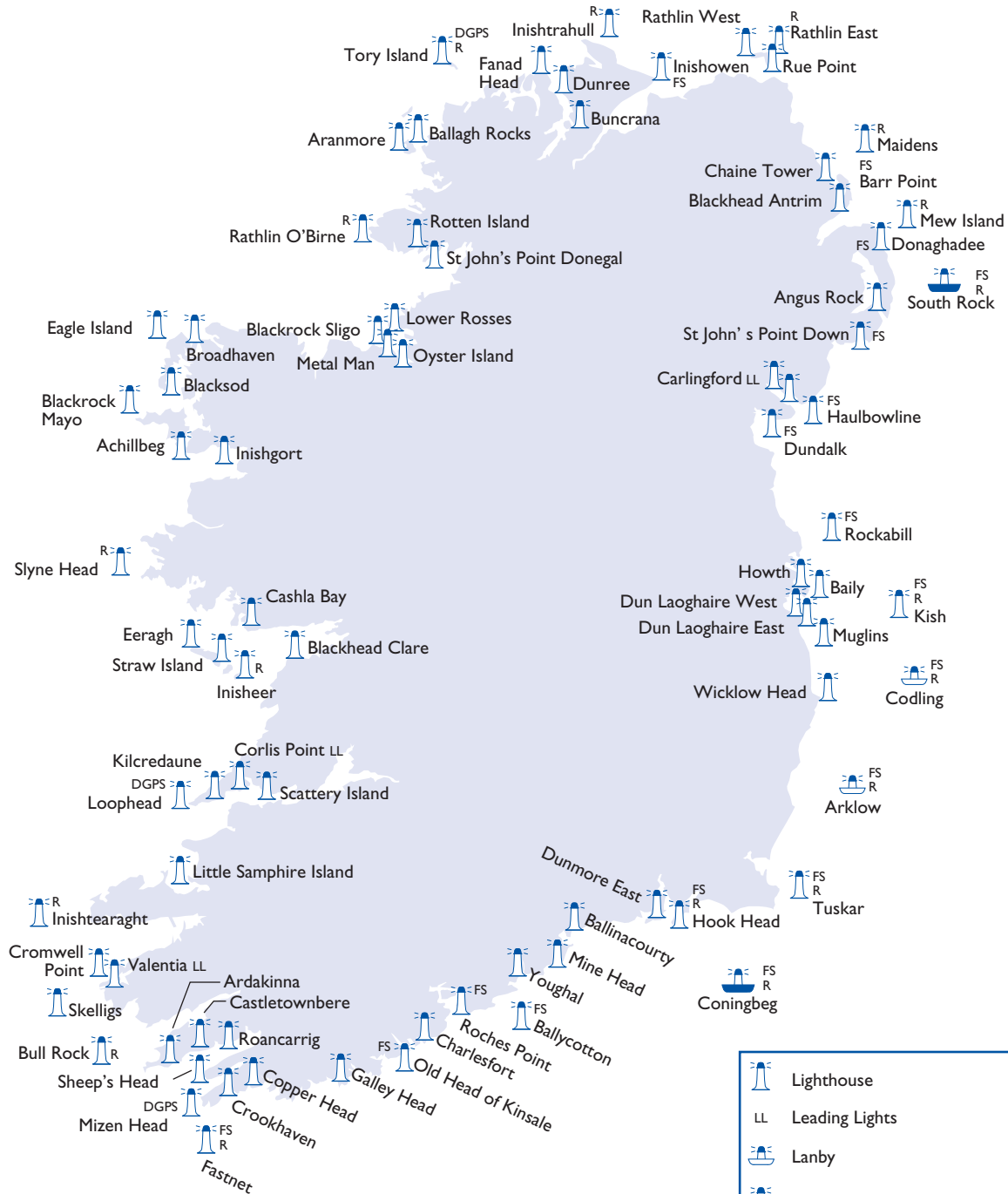


The Northern Lighthouse Board





Commissioners of Irish Lights



	Lighthouse
LL	Leading Lights
	Lanby
	Lightfloat
DGPS	Differential GPS Ref. Station
FS	Fog Signal
R	Racon

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