



Bembridge Harbour Trust



Reports and Accounts
2010 / 2011



Front Cover: *Sunset over Bembridge Harbour. Photograph courtesy of Nick Hewitt*



Notice of Annual General Meeting.

Notice is hereby given that the fifth Annual General Meeting of the Bembridge Harbour Trust will be held at the Brading Haven Yacht Club at 6 pm on Friday, 26th August, 2011 for the following purposes:

To receive the Trustees' Report and Accounts and the Independent Examiners' report for the year ended 30th June, 2011.

To re-elect Mr Chris Attrill who retires by rotation as a Trustee.

To re-elect Mr Tony Tutton who retires by rotation as a Trustee.

To appoint Moore Stephens South LLP as Independent Examiners.

To discuss the work of the Bembridge Harbour Trust to date and its future strategy.

By order of the Trustees,

Jill Attrill, Secretary

By H.Attrill & Sons (IW) Ltd.,

The Duver,

St. Helens,

Isle of Wight PO33 1YB.

Tel.: 01983 872319.

Email: jill.attrill@bembridgeharbourtrust.org.



Chairman's Letter.

Dear Members,

This is our fifth annual Report and Accounts. The Notice of the Annual General Meeting is set out on Page 5 and the Trustees' Report follows my letter.

Since I took over the Chairmanship of the Trust from Donald Biddle at the beginning of the year, we have had, to say the least, an eventful few months!

On behalf of all our Members, I would like to thank Donald for his dedication as Chairman over the four years since the Trust was established and for guiding the Trust to this crucial time when it may achieve its main aim. I am delighted that he has agreed to stay on as a Trustee as his wise counsel is invaluable. I would also like to thank the Attrill family for allowing us to use their facilities as our "office" and, in particular, our hard working Trust Secretary, Jill Attrill, for all she does to keep everything running so smoothly. Many others have helped us as well which we much appreciate, including members of the Trust's Advisory Board on whose local knowledge we rely.

As predicted the companies that own and ran the Harbour, Maritime and Leisure Investments Ltd and Bembridge Harbour Improvements Company Ltd, were finally placed in administration by their bankers, Handelsbanken, in April 2011. The Administrators from the accounting firm RSM Tenon are preparing a sales document which will combine the assets of both the Harbour companies. This document is likely to be made public after this Report has been printed. The fact that the Administrators have announced publicly that they will market the assets of both companies together is very important to the Trust as the Harbour cannot be run efficiently without use of certain properties currently owned by Maritime and Leisure.

I have been in weekly contact with the Administrators since their appointment to make sure they are aware of the Trust's presence and our intention to bid for the Harbour and its properties. They have welcomed our interest and I have taken the opportunity, while talking to them, to raise some of the Trust's concerns particularly with regard to various third-party claims on property assets and threatened legal actions together with the physical state of the Harbour.

In May, through the good offices of our local MP, Andrew Turner, a meeting was arranged in the House of Commons with the Ports Minister, Mike Penning MP to discuss the future of our Harbour. Those accompanying our MP included Councillor Edward Giles from the Island Council and one of his key officials; Robin Powell, the Chairman of the Bembridge Harbour Users Group; and two of our Trustees. We informed the Minister of our plans to bid for the Harbour and the importance of this once-in-a-lifetime opportunity to acquire the Harbour on behalf of the local community in perpetuity. Mr Penning was most encouraging about the community involvement in the Trust. He confirmed that the Secretary of State for Transport would have to approve the successful bidder under the 1963 Harbour Act and this was subsequently confirmed by the Minister in writing to the Administrators. We believe this will make it much more likely that whoever buys the Harbour will be required to have the interests of the community and the environment at heart - which favours the Trust - and may help to deter any inappropriate purchasers.

As many of you will know, we held a successful "Saving Bembridge Harbour" public meeting, our first in a series, in the Village Hall in Bembridge on 15th July. Clearly the Trust and our plans are of great interest locally as the Hall was packed to the rafters and some thirty people had to listen to our presentation standing outside in the rain. For the Trustees it was a good opportunity to understand the views of the local communities towards the Trust and its intended purchase of the Harbour. Although there were some tough questions our overall feeling was of broad community support. Questions covered such issues as the use of any non-charitable third party funds to assist over the short term in the purchase of the

harbour properties, and the way the Trust could give local people a more direct say in the running of the Trust. The airing of these local concerns was most useful to the Trustees. We will be looking into the constitution of the Trust and the ways other similar Trusts operate so that this topic could be discussed at our AGM. We realise it is vital that we do everything we can to involve all members of our local communities – Bembridge, St. Helens, Brading, Nettlestone and Seaview.

Our appeal for pledges to help fund our bid was also launched at that meeting.

Thank you for your continuing support and I look forward to seeing you all at the AGM.

Michael MacInnes, Chairman.

Date: 29th July, 2011.



Trustees' Report for the year ended 30 June, 2011

Bembridge Harbour Trust is a registered charity number 1120225. It was registered in July, 2007. The Trust is also a Company limited by guarantee and is governed by its Memorandum and Articles of Association under company number 05671595.

The objectives of the Trust are:

To preserve and enhance Bembridge Harbour; its approaches and setting, for the benefit of the public including the users of the Harbour and the communities of Bembridge and St. Helens on the Isle of Wight.

The principle aim is:

To purchase the Harbour when the opportunity arises, and own it in perpetuity on behalf of the local community and its many varied users.

Other aims following acquisition are:

- to provide continued access for all members of the community and for visitors to the amenities that this Harbour offers;
- to protect the wildlife and their habitats in the Harbour;
- to protect the scenery of the Harbour and to be vigilant in seeing that over-exploitation or neglect does not occur;
- to preserve the Harbour's unique mixed character as a working Harbour and recreational amenity;
- to ensure that facilities for water-based sports, such as sailing and angling, are improved for all;
- to increase opportunities for bird watching and walking;
- to maintain the area as a well-kept and desirable residential and commercial Harbour; and
- to restore and improve the fabric of the marinas and the facilities they offer so that the Harbour regains its position as a premier destination for visiting yachtsmen.

However prior to acquisition, the Trust's aim is to protect the Harbour from further deterioration through neglect and to ensure that those responsible for preserving the Harbour's amenities and its maintenance, including dredging, navigation marks and sewage disposal, meet their statutory obligations.

Trustees are selected for the individual skills and interests they bring to the Trust. They have in their meetings given due regard to the Charity Commission's guidance on public benefit. Meetings of the Trustees were held nine times in the past year. The Trustees have insured the Trust against negligence claims brought by third parties.

Trustees' activities:

In his Chairman's Letter, Mr MacInnes explained that he is in regular contact with the Administrators who are now running the Harbour. Once the sales details are available the Trust will carry out its formal due diligence prior to making a bid although in the meantime it will prepare itself by monitoring activities in the Harbour and updating its business plan.

Members may like to be reminded that in formulating a bid the Trust will be guided by three main principles which will ensure that its bid is in line with best practice in the charities' world. Given that the Trust has always had as its principal aim the wish by Members for the Trust to buy the Harbour and own it in perpetuity on behalf of the local community, the three are:

- Being a charity the Trust must evaluate carefully any bid to ensure the price offered is commercially justifiable.
- The Trustees, all of whom have first-hand knowledge of the Harbour, are aware of significant costs that will have to be met by whoever is the successful bidder or by the existing companies. These costs must be factored into any bid. They are: the pressing need for dredging (as confirmed in Chris Attrill's report on water levels in the Harbour) and the urgent requirement to repair and where necessary refurbish the pontoons, groynes, navigation aids and quay walls.
- And, finally, should our bid be accepted, scrupulous due diligence will be carried out using the latest, up-to-date accounts and forecasts of the Harbour companies.

The Administrators have advised the Trust that the sales document should be ready shortly. The date has already slipped on a number of occasions which indicates that, like the Trust, the Administrators have experienced considerable difficulties in unravelling the affairs of the Maritime and Leisure and the Bembridge Harbour Improvement companies.

The Trustees have been pleased to note that the Administrators in their recent report disclosed their intention of selling the assets of the two Harbour companies together. This decision is particularly important to the Trust as some of the properties are essential for the efficient management of the Harbour.

The Trustees will not be able to form a view about how much the Trust should bid for the Harbour and its properties until the sales prospectus is made public. The old harbour companies failed to file annual reports, the latest ones being in respect of the year ended March 2009, and such information that was provided last year to enable the Trust to make its three bids was incomplete and continually complicated by changes to what was on offer by the owner and the selling agents.

Nonetheless, the Trustees have made definite moves to ensure that it is ready to bid when the occasion arises. The Trust has in place substantial charitable pledges from supporters towards the appeal target I discuss below, as well as a property consortium which may, if no more attractive alternative is available, acquire the properties on behalf of the Trust and over time permit the Trust to buy them back on favourable terms when the Charity has the funds available, or is able to borrow the funds in its own name.

The commercial value of the Harbour is low in view of the substantial investment required for renovation, reinstatement and repairs. The Trustees and their advisers estimate that some £500,000 will be required to dredge the channels in the Harbour and pontoon areas and a similar sum will be needed for renovating the pontoons, new navigation aids and repairs to the Harbour walls and groynes. Given these estimated costs, the Trustees have launched an appeal for not less than £1m for the purchase and renovation of the Harbour. At this stage, the Trust is asking for pledges which in the event of a successful bid by the Trust will be called upon.

As reported in the Chairman's letter our MP, Andrew Turner, led a delegation to see the Ports Minister, Mike Penning MP. The Minister showed considerable interest in the formation of the Trust and its plans to buy the Harbour on behalf of the community. He reassured the delegation that

any bidder for the Harbour would need to be approved by the Secretary of State for Transport before the transaction could be completed. This requirement has also been recognised by the Administrators as an essential step in the sale of the Harbour.

At a successful first public meeting convened by the Trust in Bembridge Village Hall on 15th July, 2011 a number of questions were asked including the wish that Trustees find ways to involve members of the local community more directly in the Trust. The Trustees are looking into this and the constitutions of other similar organisations so that they may make recommendations to their Members. The aim will be to widen support for the bid and to engage closely with the communities of Bembridge, St. Helens, Brading, Nettlestone and Seaview. Mr MacInnes told the public meeting that the Trust would welcome all help from these communities whether it was as pledges or in kind.

The Trust has already received wide support from many quarters for its proposed bid. The Island MP, Andrew Turner, has been especially positive as have members of the Isle of Wight Council and local Parish Councillors. The Solent Protection Society, whose aim is to ensure the ecological and environmental well-being and wise management of the national beauty and amenities of the Solent area, has given the Trust its support and has written to the Minister to confirm this. The Trust has also received offers of management and technical help from other south coast harbour operators.

Other initiatives undertaken during the year have included:

Water levels in the Harbour.

The owner of the Harbour appears to have taken no specific action following Chris Attrill's report last year of falling water levels in the Harbour. The Trust remains concerned about the impact this will have, deterring yachtsmen from visiting Bembridge. There are some early-season reports that the numbers of visiting yachts have declined this year. The Trust has learned that the Administrators do plan some dredging but as yet no start date for the work or any idea of the scope of the dredging has been given. The Trust will continue to highlight the urgency of the need for dredging in its public statements.

Fisherman's Wharf.

The Trust is also concerned that Fisherman's Wharf remains in a poor state of repair. There have been reports of near accidents with planking giving way when walked on but with no resulting injury. Speedy renovation is required before somebody is seriously injured.

Harbour dues.

As Harbour boat owners will know, the Inspector from the Department of Transport found in favour of the Bembridge Harbour Improvement Company in his Harbour Dues Inquiry. Many Harbour users felt this was a surprising decision in view of the fact that the Inspector, like the Trust, had no up-to-date information on the finances of running the Harbour and he also appeared to ignore the strong representations by the Harbour users that no investment had been made in the Harbour to justify any increase in dues.

Business Plan.

The Trust's business plan for the Harbour is being reviewed as events unfold. However given the lack of audited accounts, figures are based on estimates. Also the apparent decline in visitors this year may mean these estimates will need revision. The business plan will again be revised once the terms of the proposed sale are published by the Administrators. This business plan will form part of the due diligence conducted by the Trustees when deciding how to structure their bid for the Harbour and the surrounding properties.

Website.

The Trust's website – www.bembridgeharbourtrust.org - is updated regularly and is an excellent source of information about the Trust and its activities for Members and the public alike.

Media interest.

The Trust wishes to record its gratitude to the media which has given generous coverage to its activities during the past year. There has been extensive and regular coverage in the County Press and on Isle of Wight Radio and Vectis Radio. ITV Meridien recently ran a news item about the Trust's first public meeting in Bembridge, and the yachting press has also regularly reported on the Trust's progress.

Your Trustees, Patrons and Advisers.

Trustees.

Michael MacInnes. Chairman. Chartered Accountant. Formerly Chairman of Moore Stephens International. Trustee and former Commodore of Bembridge Sailing Club (BSC).

Donald Biddle. Former Chairman. Chartered Accountant, formerly a partner with Smith and Williamson. Lately Trustee of BSC.

Chris Attrill. Director of H.Attrill & Sons (IW) Ltd., boatyard whose family has for generations been boat building in the Harbour. A member of the Ocean Cruising Club.

Felix Hetherington. Solicitor. Chairman of Cowes Waterfront Trust (owners of Cowes Yacht Haven) and the Classic Boat Museum. Formerly Chairman of Cowes Harbour Commission. Formerly Chief Executive of the Isle of Wight Council, Trustee and past Commodore of Brading Haven Yacht Club (BHYC).

John Raymond. Owner and Managing Director of a film distribution company. Past Captain of the Bembridge Illusion Class.

Arthur Robinson. Founder of Bembridge Outboards in 1969. Formerly with Harbour Engineering and former Chairman of Bembridge Parish Council. Chairman of St. Helens and Bembridge Harbour Working Group on the Eastern Yar Strategy.

Tony Tutton. Isle of Wight Property Manager of the National Trust.

Jill Attrill Secretary to the Bembridge Harbour Trust.

Patrons

Lord Brabazon of Tara DL. Former Minister of State for Transport. Deputy Chairman of the Foundation for Sports and the Arts and a Deputy Lieutenant of the Isle of Wight. Trustee and former Commodore of BSC.

Maldwin Drummond OBE, DL, Hon. DSC, FSA. Landowner, farmer and author (including books on "The Solent" and "West Highland Shores".)

Sir Robin Knox-Johnston CBE, RD. Eminent yachtsman and author.

Peter Nicholson CBE. Formerly Chairman of Camper and Nicholson, Director of Crest Nicholson and Lloyds Bank. Lately Chairman of the RNLI. President of the Solent Protection Society and the Solent Cruising and Racing Association.

Advisory Board

The Advisory Board has met during the past year. The members that have served during this period are:

John Askham. Vice-Chairman, Bembridge and St. Helens Harbour Association.

James Bullin. Owner of the Mill Ponds and properties on the Duver.

Graham Hall MBE. Formerly Master of Trinity House vessel Patricia. Former Bembridge Harbour Master and currently Bembridge Lifeboat Operations Manager.

Peter Knight. Secretary of the Bembridge Angling Club.

Bill Mitchell. Proprietor of AA Coombes.

Gordon Osborne. Former Commodore of BHYC.

Robin Powell. Former Commodore of BHYC and Chairman of Bembridge Harbour Users Group.

Mike Samuelson. Secretary of BSC.

Paul Sanderson. Former Chairman of the St. Helens and Bembridge Harbour Working Group on the Eastern Yar Strategy.

Robert Simmonds, Professional fisherman.

Michael Spiers. Owner of St. Helens Mill.

Peter White. Former Director of Hovertravel Ltd.

