



ANNUAL REVIEW 2011

PORT OF
LONDON
AUTHORITY

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ABOUT THIS REVIEW

We prepare our Annual Review to provide a short summary of our activities each year. We include in it the main statistics on PLA performance and service provision.

This report will continue to evolve over time. If you have any comments on this report and how we might improve, please let us know at: corporateaffairs@pla.co.uk

Readers and stakeholders may also wish to read our Vision, Mission and Strategy document. For this publication and other information on the Port of London Authority and its operations, visit our website: www.pla.co.uk or call the Corporate Affairs team on 01474-562364.

Copies of this Annual Review and the full Annual Report & Accounts can be downloaded from our website.

ABOUT US

THE PORT OF LONDON AUTHORITY (PLA) IS A SELF-FINANCING STATUTORY AUTHORITY.

Our prime responsibility is safety of navigation and conservancy on the Thames, from Teddington in west London out to the sea – a distance of 95 miles – where there are more than 30,000 commercial vessel and 200,000 leisure craft movements a year.

Our operations are financed principally by the fees paid by users; we receive no funding from government. Our main income streams are:

Conservancy fees: 37% • Pilotage operations: 33% •
River works licences: 15% • Services provided: 8% •
Other: 7%

Our charges are reviewed annually and, after consultation with stakeholders, considered and approved by the PLA Board.

REPLACEMENT OF WEIR CABLES AT RICHMOND LOCK & WEIR

£65,000



Every November the annual 'draw off' sees the weirs at Richmond raised to allow routine checking, service and repair, which can only be carried out at low tide. With the weir gates raised, the river between Richmond Lock and Teddington returns to its natural tidal state. During the 2011 work, programmed checks identified the need to replace the main wires which support one of the weir gates. In order to carry out this extra work the draw off was extended for three weeks. Similar work will be done in this year's draw off, for the other two weir gates.

REFIT OF UPPER DISTRICT LAUNCHES WITH PETROL ENGINES

£39,500



Specially designed, low wash patrol launches were introduced for patrol duties upriver of Putney in 2007. After five years of service, the diesel outboard engines on the launches needed replacement. In the project, the existing motors were replaced with petrol engines, giving improvements in incident response speeds and a quieter ride, for crew comfort. During the refit the vessels' hulls were also given a non-biocidal reduced friction hull coating, to help them slip through the water, thus reducing fuel consumption and emissions.

PLA STRATEGY

VISION:

A vibrant, safe and sustainable river.

MISSION:

A leading harbour and pilotage authority – safe, sustainable and accountable.

STRATEGY:

Ensure the safe and sustainable use of the river and the port, supporting growth in freight and passenger traffic and enjoyment of the Thames for leisure, tourism, sport and amenity.

STRATEGIC PRIORITIES:

- The safety of navigation on the river
- Conserving the environment of the river
- Supporting the development of the use of the river
- Partnerships with river users and accountability to stakeholders

In this review we report progress against each of these priority areas.

PLA DEVELOPMENTS : 2011

DEVELOPMENT OF A NEW MOORING MAINTENANCE VESSEL

£5.9 MILLION



During 2011 a team of PLA managers, engineers and salvage vessel crew established the specification and layout for a new Mooring Maintenance Vessel.

The vessel is needed to replace the PLA's two salvage ships – Crossness and Hookness – both of which are over 40 years old. Although versatile in their day, the 'Ness' boats were not designed for their current work on the river, or the challenges that might come in the future, and spare parts are no longer easily available. The design and specification of the MMV drew heavily on the expertise of the crews of the existing vessels and the innovation of our engineers. Consequently they will be more flexible, able to operate along the river up to Richmond, safely and more efficiently.

2011 IN NUMBERS

PLA FINANCIAL

- £46.5 million turnover
- £5.7 million operating profit

PORT TRADE

- 48.8 million tonnes
- 9,396 ship arrivals

NAVIGATIONAL INCIDENTS

- 30 navigational incidents

HEALTH & SAFETY

- 2 Lost Time Accidents

PILOTAGE SERVICE

- 11,589 pilotage acts

ENVIRONMENTAL

- 248 tonnes of material recovered
- 56 Thames21 clean-ups

COMMUNITY

- 10,000 children learnt about safety in our Riverside Code trailer

COMPLETION OF DENTON WHARF DEVELOPMENT £700,000



Denton Wharf was acquired as the PLA's Marine Services base in 1993. Since then a progressive programme of development has included rebuilding the jetty, installing a boat lift, building a new office, additional warehousing and shot blasting facility. The latest £700,000 project, which involved strengthening the quay wall and expanding the boat storage/working area, brings the total invested at the site over the last ten years to more than £10 million. Denton Wharf is the base for the PLA's Marine Services operation which provides salvage, diving, mooring and navigation lights maintenance services. The base is also used by river companies for boat maintenance and lift out for projects, alongside the core PLA work.





CHAIRMAN'S STATEMENT

2011 was a year of some notable progress both for operations along the river and for the PLA itself. Across trade, travel and recreation, use of and interest in the river continued to grow. This is progress towards our vision of a vibrant, safe and sustainable river and estuary.

RIVER USE

Port trade increased during 2011 by 0.7 million tonnes (1.5%) to 48.8 million tonnes (2010: 48.1 million tonnes). The mix of cargoes passing through the port continued to evolve.

Tonnages of building materials, such as cement and aggregates, recovered strongly (up by 1.7 million tonnes to 8.6 million tonnes). The volume of unitised traffic through the port edged up (1%) to 14.5 million tonnes, 0.2 million tonnes more than in 2010. Fuel volumes fell due to the ending of coal imports at Tilbury Power Station, as did the tonnage of many other bulk cargoes, reflecting the continuing difficult economic climate.

The number of chargeable vessel arrivals in the port during 2011 was 9,396 (2010: 9,438).

The use of the river for passenger transport continued to develop through the year. We welcomed the addition to the passenger pier network of St George's Wharf in Vauxhall, and City Cruises' order of a new £3 million River Liner. Already in 2012 the extension of Tower Pier marks another step in the extensive preparation of the river for the London Olympics.

While developments in river use were positive, we also remember with sadness the three deaths on the river last year, in three different incidents. We will make sure we embed the lessons learnt from these tragedies, further to improve safety on the river.

FINANCES

Our operating profit for 2011 fell by £2.0m to £5.7m compared with 2010, when we benefited from two one-off items: the licensing of the works over the Thames at Blackfriars station, and the sale for development of our land at Greenwich promenade. Operating revenue increased 5.0% to £46.5m. In 2011 we recruited and trained more pilots in preparation for the opening of the London Gateway Port in 2013. While we had to cover other additional costs, such as the pensions deficit repair payments and Pilots National Pension Fund-related legal costs, we continued to keep all costs under very close control.

Our surplus was achieved even after paying an additional £2.6m into the main PLA pension scheme, in accordance with the deficit reduction agreement. Some progress has been made in the legal proceedings surrounding the Pilots National Pension Fund, with the withdrawal of the final appeal during the final quarter of 2011. We will now get a better understanding of the size of the liabilities facing ports in the UK and the PLA in particular.

OUR PROSPECTS

The Port of London's location and market access continue to attract business and investment to the banks of the river and estuary. Business on the Thames is nevertheless not immune to the difficult economic times.

We saw this in January 2012 when the Coryton oil refinery, the PLA's single largest customer, was placed in administration. We are working with other stakeholders to find a long term solution for this important business.



CHAIRMAN'S STATEMENT

In spite of the uncertainty, other operators continue to have the confidence to invest. This is clear at the Port of Tilbury which is set to undertake its £120 million northern extension scheme, and at DPWorld, whose London Gateway container port on the Essex coast is expected to open late in 2013.

The river plays an essential role keeping two million tonnes of freight off the capital's roads every year. We provided technical advice to the Mayor of London in the review of safeguarded wharves and are closely following its progress towards finalisation. We believe that the statutory protection of wharves in London is important for the port community, keeping pressure off London's roads and to support the most sustainable form of freight transport.

River use for moving freight is set for a continued renaissance. Crossrail will use the river for moving up to five million tonnes of tunnelling spoil and construction materials, and Thames

Water is using the river for the Lea Tunnel project and for their Thames Tunnel scheme.

OUR PEOPLE

Planning for the Queen's Diamond Jubilee river pageant is well under way. Navigationally its scale will be challenging and we have already been planning with the organisers for some eighteen months. In the weeks leading up to the event we will lay an unprecedented number of moorings and our hydrographers will complete surveys in support. For this and for other events the commitment of our people is essential, and impressive. I would like publicly to thank them not only for everything achieved in 2011, but also for their professional planning for the summer of 2012, whilst supporting the day-to-day business of the port.

DAME HELEN ALEXANDER
CHAIRMAN
30 APRIL 2012

FINANCIAL HIGHLIGHTS £M

	2009	2010	2011
Turnover	43.6	44.3	46.5
Operating profit (including joint venture)	1.8	7.7	5.7
Net cash inflow from operating activities	3.5	7.8	4.4





CHIEF EXECUTIVE'S OPERATIONAL REVIEW

The year was one in which the level of activity in the port was stable and one in which a number of major decisions were made by port operators and the PLA which are a strong vote of confidence for the medium term.

The investments in the Oikos site on Canvey Island, London Gateway, Tilbury Power Station, the expansion of Tilbury Port through the "NEXT" project and new jetties at Vopak, CdMR Purfleet and Ford are indicators of future opportunities for the port as is the opening of new wharves and terminals in London.

It is in that context that we continue to invest in our people, sites and equipment to secure a safe and sustainable river. Our goal is also to ensure that the services that we provide to port users are competitive and provide good value for money. To achieve this we need to consistently have the right people, in the right place, with the right equipment at the right time. It is something that cannot be achieved without changes in the way that we work, nor can it be achieved without investment. That is why we have committed to ordering a new Mooring and Maintenance Vessel to give us greater operational capability and efficiency than the vessels it will replace. It is also the thinking behind our plans to better use the space in our Gravesend office complex, getting as many people as possible working together in a single, modern building.

The recent difficulties at Coryton, while not attributable to the port, underline the importance of ensuring that London remains commercially attractive to shipping companies and terminal operators. After consultation in the autumn with operators we decided to

implement a charges increase for 2012 well below the prevailing level of inflation. This will support them in a period of fragile economic confidence and underpin the investment we see in many operations along the river.

During 2011 we continued to support major schemes on the river with our marine expertise and the services we offer on the river, including our working wharf at Denton, hydrographic surveys, salvage recovery, diving and simulations of operations.

The coming year will see the river through central London become a stage for global events, with the unprecedented river pageant for the Queen's Diamond Jubilee followed just six weeks later by the final leg of the Olympic torch relay. Operationally the river pageant will see all capabilities of the PLA put to full use. We will have 30 vessels on the river marshalling the flotilla, 100 staff working afloat and the Thames barrier navigation control centre overseeing the event, which will stretch for seven miles along the river. While we plan for that unique day, we are also overseeing operations in the UK's second biggest port and helping plan for the opening of the UK's first purpose built container port in over 30 years.

With the level of challenge we face this year keeping focused on safety is going to be key. Last year we had a 300-day plus period without a Lost Time Accident. That's a good baseline for 2012; we will continue to put safety first in everything that we do.

RICHARD EVERITT
CHIEF EXECUTIVE
30 APRIL 2012

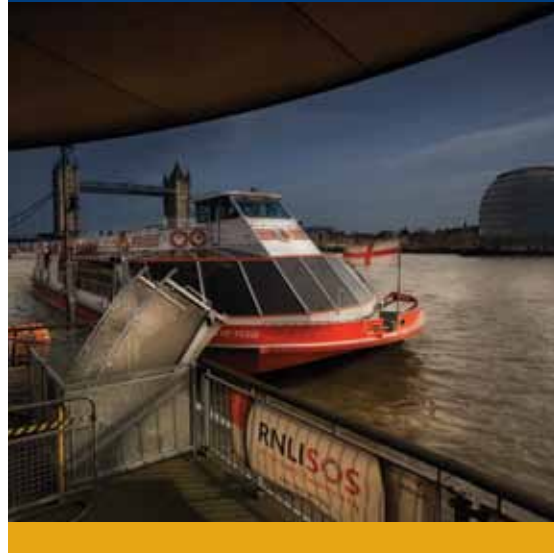
2011 THAMES HIGHLIGHTS

PORT TRADE



- Port trade up by 1.5% to 48.8 million tonnes
- The biggest increases in throughputs were in cement, up by 54% and aggregates, up by 26%. Trades in steel and other metals increased by 15.4% and 11% respectively
- Port of Tilbury received consent for its £120 million northern extension project
- DP World confirmed that the first berth at its new London Gateway Port will open in the fourth quarter of 2013
- Operations started at the new river-fed waste-to-energy plant at Belvedere and FM Conway's asphalt plant in Erith

TRAVEL/TOURISM



- 6.7 million people travelled on the river (2010: 6.5 million)
- New passenger pier installed and opened at St George Wharf, Vauxhall
- Work on the Tower Pier extension continued ahead of the 2012 London Olympics
- Greenwich Promenade developed for opening before the Olympics
- City Cruises ordered a new £3 million River Liner for delivery in summer 2012



OVER 500,000

...vehicles are moved through the port every year



OVER 3 MILLION TOURISTS

...travel on Thames sightseeing and charter vessels every year

INLAND WATERWAYS FREIGHT



- Thames operations moved more than 2 million tonnes of goods/materials within the port area
- Network Rail's Blackfriars Station development is using the river to move the majority of construction and demolition materials
- Crossrail signed contracts covering tunnelling and the removal of tunnelling spoil by river
- Thames Water started using the river for spoil removal from the Lea Tunnel scheme and undertook to use construction materials handled at local wharves

SPORT/LEISURE



- Nine major sporting events on the river, with 35 other regular sporting events
- Plans for a river pageant on 3 June 2012 to mark the Queen's Diamond Jubilee were announced
- The London Organising Committee of the Olympic Games confirmed plans for the last leg of the Olympic torch relay to be along the Thames
- Building began of a cable car from the O2 to Excel



458,000 TONNES OF WASTE

...are moved by river every year



5000 PEOPLE

...are members of Thames rowing clubs



SAFETY OF NAVIGATION

The PLA's main responsibility is navigational safety along the tidal Thames. We do this by complying with the Port Marine Safety Code, which requires that we review regularly the hazards and risks presented to safe navigation of the tidal Thames, and put in place suitable safety measures. To monitor safety of navigation for all mariners our staff are on duty 24 hours a day, 365 days a year, at our control centres and patrolling the river.

MAIN DEVELOPMENTS DURING 2011

- Started preparations for the major river events of 2012: the Queen's Diamond Jubilee river pageant and the London Olympics
- Improved leisure users' information to help them enjoy the river in safety; three new films shot during the year for release in early 2012 and the Tidal Thames Navigators' Club is to be launched (see www.boatingonthethames.co.uk to view the films and for more details)
- Upgrade of vessel traffic display systems and Thames Barrier Navigation Control ops room
- Started developing new Thames Freight Vessel standard with the Maritime & Coastguard Agency (MCA)
- Qualified as an MCA Certifying Authority for the Small Commercial Vessel Code
- Developed in-house VTS training capabilities, including professional courses for VTS operators from outside the PLA
- Hydrographic team supported major construction projects: Thames Tunnel, Crossrail and the new Blackfriars Bridge Station
- New edition of central London charts published, covering the Boat Masters Licence Local Knowledge endorsement area
- The final two of our four new launches, Kew and Barnes delivered; the first in class prototype, Lambeth, refitted to the new production standard
- Small patrol vessel, Crane, and new RIB, Gunfleet, acquired in time for the Diamond Jubilee river pageant and the Olympics



CHIEF HARBOUR MASTER'S STATEMENT



Sadly, there were three fatalities on the river during 2011, one in the accident involving the tug, Chiefton, one on the Woolwich ferry and one during a kayak race up river of Richmond.

Each of these deaths on the river were shocking and tragic for all involved and, having assisted in each of the accident investigations, we identified a number of lessons that we must learn, to improve safety in future.

These distressing events underline the importance of the work we continuously do to identify and eliminate risks on the river, or, where we can't eliminate them, manage them appropriately.

Safe navigation on the tidal Thames and the estuary is our focus, which we take very seriously. That's why we encourage anyone with a new proposal for using the river to get in touch with the PLA at an early stage. Advice from our harbour masters, planning and environment teams is invaluable for helping you or your organisation to develop practical, safe and sustainable plans.

DAVID PHILLIPS
CHIEF HARBOUR MASTER

NAVIGATIONAL SAFETY STATISTICS

	2009	2010	2011
Navigational safety			
Navigational incidents	49	32	30
Marine hazards	n/a	1	1
Hydrographic surveys completed	292	320	275
Diving operations	178	118	137



CONSERVING THE ENVIRONMENT

At the PLA we have two main areas of environmental focus. We protect and conserve the unique marine environment of the tidal Thames by assessing the potential environmental impact of any new river developments, licensing them with necessary conditions. We are also working continuously to improve the environmental performance of our own operation.

MAIN DEVELOPMENTS DURING 2011

- Long-term management plans for Oliver's Ait developed, consulted on and started; the plans feature community involvement in the maintenance of the Ait
- Long-term management programme for trees on an eight-kilometre stretch of river bank around Beverley Brook continued
- Mutual co-operation with the Marine Management Organisation developed as the new marine licensing regime was introduced
- Called for changes in the proposed designation of 58 miles of tidal Thames as a Marine Conservation Zone through the regional stakeholder group

PLA CARBON FOOTPRINT

During 2011 we calculated our carbon footprint for the first time. The data, calculated using Carbon Trust's carbon calculator, showed that our carbon footprint in 2010 was 2,716 CO₂ equivalent tonnes, 12% less* than it was in our base year, 2005. In 2011 the total carbon emissions from the PLA were 2,477 tonnes. The bulk of emissions were from vessels' fuel use. We have set an objective of reducing our carbon emissions by a further 15% by 2020.

* The reduction was 32% allowing for our switch to a 'green' electricity tariff during this period.

ENVIRONMENTAL STATISTICS			
	2009	2010	2011
PLA carbon footprint (CO₂ equivalent tonnes)			
Carbon emissions	-	2,716	2,477
PLA Energy Use (kilowatt hours)			
Electricity	1,466,565	1,513,632	1,506,822
Gas*	246,787	616,463	607,736
PLA waste generation and recycling (tonnes)			
Pre-segregated recyclable	15.52	16.06	20.62
General waste	34.44	32.44	29.34
Hazardous waste	0.2	6.52	5.6
Driftwood recovered (tonnes)			
Tonnage of material recovered from the river	438	314	248

* figures for 2009 and 2010 restated from 2010 Annual Review after data verification



THAMES OIL SPILL CLEARANCE ASSOCIATION

We run the Thames Oil Spill Clearance Association (TOSCA) on behalf of the river's oil terminal operators. TOSCA provides an immediate response to any incidents or spills in the Thames of either mineral or vegetable oil. The Association is funded through a charge on all oil transshipments in the port.

MAIN DEVELOPMENTS DURING 2011

- There was one reportable spill during the year
- TOSCA was deployed when the vessel Nina 1 spilt oil into the river whilst transferring fuel for the ship's bow thruster; the vessel owners were prosecuted and fined £10,000
- During the year exercises were completed at TDG, Littlebrook Power Station, Pura Foods and for estuary bunkering response from Ramsgate

TOSCA STATISTICS

	2009	2010	2011
Call-outs	7	7	11
Reportable spills	0	2	1
Oil encountered (including sheen)	3	0	8
False alarms (nothing found)	3	0	6
False alarms (eg. spill contained)	0	0	0
Other call outs (safety of life, etc.)	0	0	0



PARTNERSHIP AND ACCOUNTABILITY

We look after navigational safety on 95 miles of the tidal Thames, working with a range of partners and stakeholders along the river, from rowers to passenger boat skippers, developers to local councils. We are committed to helping people make the most of the river in safety and aim to be open and accessible to everyone. Our open public meetings along the length of the river give people an opportunity to raise any questions or concerns with us.

MAIN DEVELOPMENTS DURING 2011

- Some 80 people attended our first Stakeholder Forum, held onboard HQS Wellington, our first AGM-like event giving stakeholders direct access to the Board and Executive team
- During the year we held four public meetings, seven river user consultative forums and attended the Mayor's Thames Festival
- Over 5,000 school children learnt about the port and the river through our education programme, run by Thames Explorer Trust
- Working with Thames21, we supported 56 foreshore clear-ups along the river
- More than 10,000 children visited our Riverside Code Safety trailer at thirteen public events
- Cygnet Rowing Club won the Rowing Code Prize for the second year in a row; most improved club was American School in London and runners-up were HSBC Rowing Club
- We instigated an independent review of the method for calculating River Works Licences fees for residential use (fees for houseboats); our goal is to deliver an approach to charging that is fair, robust and transparent for all concerned

COMMUNITY ACTIVITY STATISTICS

	2009	2010	2011
Riverside code trailer			
No of events attended by Riverside Code Trailer	15	13	13
No of children who visited Riverside Code Trailer (estimated)	9,000	7,000	10,000
Public Meetings			
No of public meetings held	4	3	4
No of people attending public meetings	211	111	110
Sporting events			
No of sporting events held on river	45	44	60



PLA PEOPLE

The essential services of the PLA are delivered by a core workforce of some 350 people. A large number of our employees have been to sea and their marine expertise is complemented by that of skilled electrical and marine engineers, planners, civil engineers, hydrographers and environmental experts. We invest continuously in developing the knowledge and skills of employees to ensure they can maximise their contribution to the organisation.

MAIN DEVELOPMENTS DURING 2011

- Longest Lost Time Accident (LTA)-free run since 2004 recorded between 12 February 2011 and 24 January 2012
- Two LTA's reported, down from six in 2010
- Near-miss reporting a continued focus (18 in 2011)
- Almost £1,000 invested in training each employee
- Staff 'well-being' days, flu jabs and physio consultations continued, attracting over 100 staff members
- PLA teams competed in river events, including the Admiral of the Port Challenge, Great River Race and Thames Sailing Barge race
- PLA marine trainee, Sarah Kember, completed her three-year training programme with the PLA and subsequently secured a Trinity House cadetship


HEALTH & SAFETY STATISTICS

	2009	2010	2011
Lost Time Accidents	9	6	2
Near miss reports	3	17	18

PORT TRADE

TOTAL TRADE ▲


48.8 MILLION TONNES



Total trade through the port rose by 734,000 tonnes in 2011 to 48.8 million tonnes. Trade slowed markedly in the last months of the year as economic uncertainty again increased.

FUEL ▼

19.0 MILLION TONNES



The tonnage of fuel handled in the port declined by 0.8 million tonnes, principally due to the ending of coal imports at Tilbury power station. The volumes of crude oil and refined petroleum products remained stable at around 19 million tonnes.

AGGREGATES ▲

8.1 MILLION TONNES



Movements of aggregates in the port picked up markedly in 2011, rising by 1.7 million tonnes (26%) as construction activity in London and the south east picked up and the major infrastructure projects started in the capital.

PORT TRADE			
	2009	2010	2011
Port trade (million tonnes)	45.4	48.1	48.8

AT THE PLA WE OVERSEE OPERATIONS IN THE UK'S SECOND BIGGEST PORT.

We keep the main shipping channels open, co-ordinate shipping movements and provide expert ships' pilots.


Vessels calling at more than 70 terminals on the Thames provide trade connections with over 80 countries around the world. They carry everyday essentials that keep us warm, clothed, fed and entertained including: oil, meat, fruit, building materials, timber, cars and electronic goods.

Research shows that the Port's economic contribution to the capital and surrounding regions amounts to over 46,000 full-time jobs and £3.7 billion to the economy each year.

The tidal River Thames is attracting investment of almost £2.5 billion in new passenger piers, cargo handling terminals and vessels.

VEHICLES ▼

OVER 500,000 VEHICLES



Terminals on the Thames again handled the import and export of over half a million vehicles. In total, 651,000 tonnes of vehicles moved through the port, down by 20,000 tonnes on 2010.

CONTAINERS & TRAILERS ▲


14.5 MILLION TONNES



The volume of unitised traffic through the port edged up marginally in 2011 to 14.5 million tonnes, 124,000 tonnes more than in 2010. The increase in unitised traffic was spread across the principal terminals on the river.

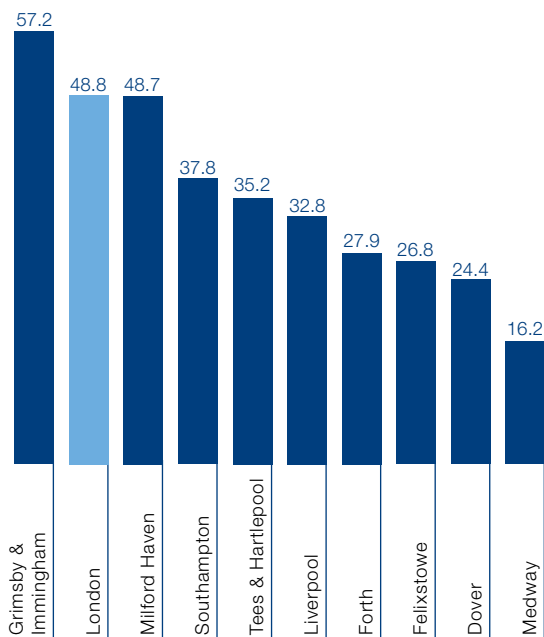
OTHER CARGO ▼

6.5 MILLION TONNES

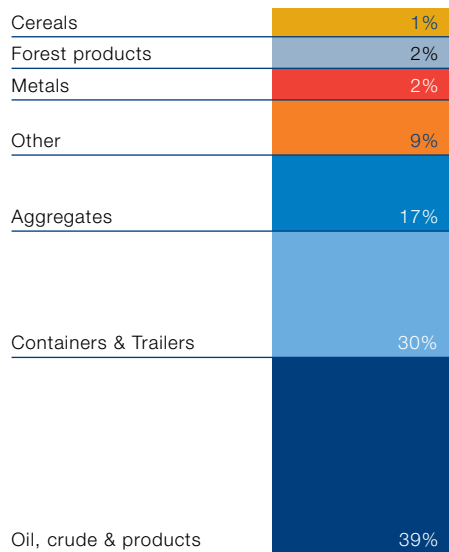


The volume of other categories of cargo – cereals, sugar, vegetable oils, metals, chemicals and general cargo – handled in the port dropped by 300,000 tonnes.

UK PORT TRAFFIC 2011



LONDON TRADE STATISTICS 2011



BOARD & COMMITTEES

THE PORT OF LONDON AUTHORITY IS OVERSEEN BY A 10-MEMBER BOARD MADE UP OF THREE EXECUTIVE MEMBERS AND SEVEN NON-EXECUTIVES, PLUS THE SECRETARY TO THE BOARD. BOARD MEMBERS SIT ON SIX COMMITTEES. MEMBERSHIP OF THE BOARD AND COMMITTEES AS AT 30 APRIL 2012 IS LISTED BELOW

BOARD MEMBERS

Chairman

- Dame Helen Alexander (N*, R*)

Vice Chairman

- J F Mills, CBE (A, L*, N, C*, R)

Non-executive members

- P K Sarwal (A*)
- W D Everard, CBE (A, R, P*)
- R D M Lenthall (L, C, P)
- R S Steedman, CBE (L, P)
- A J Quinlan (A)

Executive members

- R L Everitt (Chief Executive) (L, C, P)
- B Chapman (Chief Financial Officer) (P)
- D G Phillips (Chief Harbour Master) (L)

Secretary to the Board

- R D Crighton MCMI, Barrister

Committees of the board

Audit Committee (A)

Licensing Committee (L)

Nominations Committee (N)

Charitable Donations Committee (C)

Remuneration Committee (R)

Pensions Committee (P)

Chairman (*)

MANAGEMENT EXECUTIVE COMMITTEE

Chief executive • R L Everitt

Chief financial officer • B Chapman

Chief harbour master • D G Phillips

Secretary and general counsel • R D Crighton

Director of corporate affairs • A F Gale

Director of human resources • G W Witham

Director of marine operations • P Steen

SUMMARISED REPORT & ACCOUNTS

THE FOLLOWING PAGES CONTAIN A SUMMARISED VERSION OF THE ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2011.

The information is only a summary of the information contained in the PLA's consolidated financial statements as set out in the Annual Report and Accounts. It does not contain sufficient information to allow for as full an understanding of the results of the group or of its financial position as would be provided by the Annual Report and Accounts. The Annual Report and Accounts are available via the PLA website (www.pla.co.uk). The auditors' report on the Annual Report and Accounts for the year ended 31 December 2011 was unqualified.

STATEMENT OF MEMBERS' RESPONSIBILITIES

The members are responsible for preparing the Annual Report and Accounts in accordance with applicable law and regulations.

The members of the Port of London Authority are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the PLA and of the profit or loss of the PLA for that period. In preparing those financial statements, the members are required to:-

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

The members confirm that they have complied with the above requirements in preparing the financial statements.

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

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

CONSOLIDATED PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2011

	2011 £000	2010 (RESTATED) £000
Turnover including share of joint venture	46,546	44,324
Less: share of joint venture	599	561
Turnover excluding share of joint venture	45,947	43,763
Operating expenditure	40,435	36,246
Operating profit excluding joint venture	5,512	7,517
Share of operating profit of joint venture	170	218
Operating profit including joint venture	5,682	7,735
Net interest	(306)	(349)
Other financial income / (costs)	623	(1,398)
Profit on ordinary activities before taxation	5,999	5,988
Taxation	(1,847)	(1,635)
Profit for the financial year	4,152	4,353

All results are in respect of continuing activities.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the financial year stated above and their historical cost equivalents.

The comparative information has been restated to present certain interest costs as Other financial costs, previously these were included within Operating expenditure.

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES (STRGL)

FOR THE YEAR ENDED 31 DECEMBER 2011

	2011 £000	2010 £000
Profit for the financial year	4,152	4,353
Actuarial (loss) / gain on pension schemes	(33,503)	2,758
Current UK corporation tax on defined benefit pension schemes	669	0
Movement in deferred tax relating to pension schemes	171	2,812
	(28,511)	9,923
Share of actuarial (loss) / gain on joint venture defined benefit pension scheme (net of deferred tax)	(500)	146
Total recognised (losses) / gains relating to the year	(29,011)	10,069

BALANCE SHEETS

AS AT 31 DECEMBER 2011

	CONSOLIDATED		PLA	
	2011 £000	2010 £000	2011 £000	2010 £000
Fixed assets				
Intangible assets	254	261	254	261
Tangible assets	27,128	27,228	27,128	27,228
Investments	0	0	2	2
Joint venture:-				
Share of gross assets	1,218	1,090	0	0
Share of gross liabilities	(312)	(243)	0	0
Share of pension deficit	(838)	(418)	0	0
	68	429	0	0
	27,450	27,918	27,384	27,491
Current assets				
Stocks	169	141	169	141
Debtors - amounts due less than and more than one year	20,095	19,776	7,169	6,849
Liquid resources	35,000	24,891	29,707	19,629
Cash and bank balances	4,070	13,111	4,070	13,111
	59,334	57,919	41,115	39,730
Current liabilities				
Creditors: amounts falling due within one year	5,503	6,729	5,479	6,697
Net current assets	53,831	51,190	35,636	33,033
Total assets less current liabilities	81,281	79,108	63,020	60,524
Creditors: amounts falling due after more than one year	2,507	2,607	2,507	2,607
Provisions for liabilities and charges	17,439	16,965	17,439	16,965
	19,946	19,572	19,496	19,572
Net assets excluding pension deficit	61,335	59,536	43,074	40,952
Pension deficit	(47,677)	(16,867)	(47,677)	(16,867)
Net assets / (liabilities) including pension deficit	13,658	42,669	(4,603)	24,085
Reserves				
Profit and loss account	13,658	42,669	(4,603)	24,085

These summarised report and accounts were approved by the Board of Members on 23 March 2012 and were signed on its behalf on 30 April 2012 by:-

Dame Helen Alexander
Chairman

R L Everitt
Chief Executive

B Chapman
Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2011

	2011		2010	
	£000	£000	£000	£000
Net cash inflow from operating activities		4,429		7,782
Returns on investment and servicing of finance				
Interest received	251		321	
Net cash inflow from returns on investments and servicing of finance		251		321
Taxation				
U.K. Corporation tax paid	(1,742)		(106)	
		(1,742)		(106)
Capital expenditure and financial investment				
Purchase of tangible fixed assets	(2,522)		(3,704)	
Sale of tangible fixed assets	267		0	
Net cash outflow from capital expenditure and financial investment		(2,255)		(3,704)
Net cash inflow before use of liquid resources and financing		683		4,293
Management of liquid resources				
Increase in short term investments		(10,109)		(9,891)
Decrease in cash in the year		(9,426)		(5,598)

WORKING IN PARTNERSHIPS

PARTNERSHIP WITH RIVER USERS AND ACCOUNTABILITY TO STAKEHOLDERS IS ONE OF THE PLA'S STRATEGIC PRIORITIES. AS PART OF OUR PARTNERSHIP WORK WE HAVE SET UP A NUMBER OF CONSULTATIVE AND LIAISON GROUPS; WE ALSO ACTIVELY PARTICIPATE IN GROUPS SET UP BY OTHERS.

Listed on this page are the principal consultative and liaison committees run by the PLA, together with the outside bodies on which we are represented.

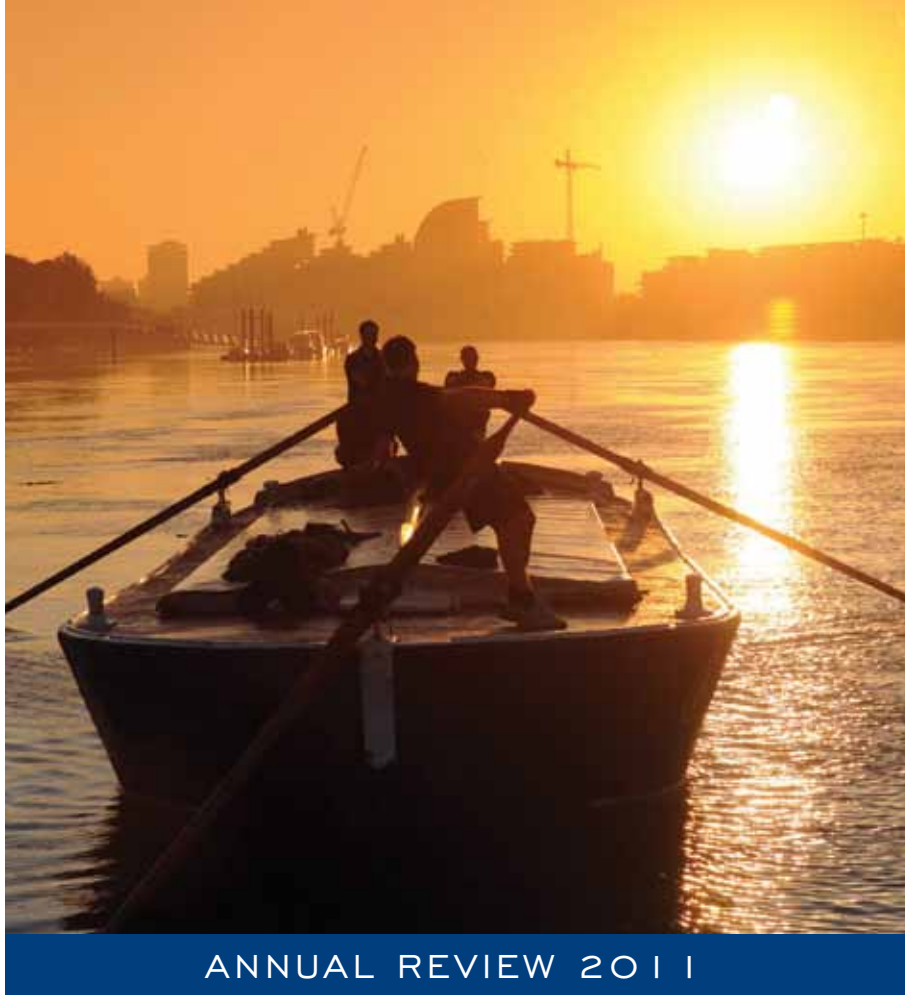
PLA CONSULTATIVE AND LIAISON COMMITTEES

Major Customers Forum
 PLA Safe Mooring Group
 PLA/PetroPlus Marine Liaison Group
 PLA/Environment Agency (EA) Liaison
 PLA/London River Services (LRS) Liaison
 PLA/Maritime and Coastguard Agency (MCA) Liaison
 PLA/Medway/Harwich Tripartite Group
 PLA/Metropolitan Police Liaison
 PLA/London Port Health Authority Liaison
 PLA/Watermen and Lightermen's Company Liaison
 PLA Harbour Masters Recreation and Navigational Group
 Port of London Health and Safety Liaison Group
 Port Security Committee
 River Users Consultative Forum (Estuary)
 River Users Consultative Forum (Lower)
 River Users Consultative Forum (Upper)
 River Users Strategic Advisory Panel
 Thames Oil Spill Clearance Association (TOSCA)
 Thames Strategy Group

PLA REPRESENTATION ON OUTSIDE BODIES

Allhallows Business Houses Council
 Association of Diving Contractors
 Association of Police Health & Safety Advisors
 (London & South East Group)
 Bexley Emergency Planning and Liaison Group
 Central London Local Resilience Forum
 Cliffe Conservation and Community Partnership
 Steering Group
 Committee on Shipping Hydrography (MCA)
 Cory Environmental Trust in Thurrock
 Defra/DfT Marine Consents Liaison Group
 Defra Water Framework Directive Stakeholder Groups
 Defra Ports Liaison Group
 District Marine Safety Committee
 Dredging Liaison Group
 Emergency Planning Society Oil Pollution Professional
 Interest Group
 Essex Resilience Forum
 Freight Transport Association
 Gravesham Chamber of Commerce
 Gravesham Local Business Partnership Steering Group
 Greater London Authority (GLA) Working Groups
 Greenwich Emergency Planning and Liaison Group
 Havering and Thurrock Riverside Environmental
 Strategy Group
 Health and Safety Executive and Statutory Harbour
 Authorities Committee (HESHA)
 IMarEST Small Ships Group Integrated Coastal
 Hydrography Steering Group (UKHO)
 International Association of Lighthouse Authorities
 International Harbour Masters Association
 Kent and Medway Oil Pollution Group
 Kent & Medway Ports Resilience Group
 Kent Resilience Forum
 London Borough of Richmond Emergency Planning Forum
 London Borough of Southwark Emergency Planning Forum

London Chamber of Commerce and Industry
 London Emergency Services Liaison Panel (LESLP)
 London Home and Water Safety Council
 London Resilience Forum
 London Resilience Media Group
 London Resilience Transport Group
 London & SE Port Welfare Committee
 London Waterways Commission
 Maritime Advisory Group
 Maritime London
 Maritime Olympic Safety Forum
 MCA/DfT MARPOL Consultative Panel
 MCA Hire Boat Licensing Working Group
 MCA Inland Waterways Freight Vessel Standards Technical
 Working Group
 MCA Seagoing and Inland Waterways Commercial Vessel
 Regulatory Working Parties
 MCA Sunk Users Group
 Medway Partners Emergency Planning Group
 National Inland Waterways Freight Standards Steering Group
 National Marine Safety Co-ordinating Committee
 National Maritime Security Committee (Ports Panel)
 National Offshore Renewable Energy Liaison Group
 National Sea Training Trust
 North Central London Local Resilience Forum
 North East London Local Resilience Forum
 North Kent Chamber of Commerce
 North West Kent College Training Trust
 North West Kent College Corporate Board
 ODA Transport Security Working Group
 OFCOM/MCA Maritime Advisory Technical Committee
 Olympic Safety, Security and Resilience Strategy Committee
 Olympic Transport Regulators Forum
 Parliamentary Maritime Group
 Port Skills and Safety Limited
 River Basin Liaison Panel
 River Users Health & Safety Forum
 SITPRO Ports and Borders Group
 South East London Local Resilience Forum
 South Essex Environmental Protection Group
 South West London Local Resilience Forum
 Thames21
 Thames Counter Terrorism Partnership
 Thames Estuary Partnership
 Thames Estuary Research Forum
 Thames Estuary Standing Environment Group
 Thames Landscape Strategy Hampton – Kew
 Thames Strategy Kew – Chelsea
 Thames Traditional Rowing Association
 Thurrock District Association of Industries
 UK Delegation to International Maritime Organisation (IMO)
 UK Harbour Masters Association
 United Kingdom Major Ports Group
 UKMPG/BPA Environmental Policy Group
 University College London Geomatics Faculty
 Westminster Biodiversity Action Plan Steering Group
 Veolia Havering Riverside Trust



ANNUAL REVIEW 2011

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