BUSINESS OVERVIEW 2009

[Image: Huelin Dispatch escorted by the States Tug]

PORT OF JERSEY
JERSEY MARINAS
JERSEY COASTGUARD

Jersey Harbours
Providing modern port, marina and coastguard services with guaranteed long-term viability.
2008 has seen significant activity within Jersey Harbours. Competition is at the heart of Economic Development Department policy and the successful award of the first non-exclusive Stevedore Licence to Channel Logistics demonstrably opened up some areas of St Helier Harbour for users to a choice of stevedore provider. This is achieved whilst also protecting our strategic freight services with the comfort of an exclusive single licence.

The benefits of competition, in terms of choice and low fares for Islanders, on our essential sea routes are not always easy to deliver or maintain in comparison to the dynamic nature of airline operations. The changing economic climate with rising operational costs for ferry companies contributed to the sudden unwelcome news that HD Ferries were suspending their services from September. A new Car Ferry Permit was issued on the terms that a year round reliable service would be provided, and the sudden withdrawal let Islanders down badly. In light of the deteriorating economic climate, we have asked for a review of the previous studies of the impact of competition on the southern route. If competition can't be delivered for 2009, we may need to consider regulating the route to provide the year round reliable services that the Island expects.

Alternative power and energy is an important aspect of port development plans. Jersey Harbours have already achieved some good objectives through, for example, completing in 2008 the programme for converting all floating navigation aids to solar power.

In 2009, I want the port to become even more efficient in all respects, in order to ensure that we continue to provide better, simpler and cheaper facilities and services to our customers, particularly with regard to alternative energy.

The inaugural Jersey Boat Show exceeded all expectations and delivered a showcase maritime event, which I expect to be a long-term feature of Island life. I was especially delighted at how so many local businesses derived measurable benefits from the event, which I am pleased to confirm will be continued in 2009. Marketing the Show further afield is of significant importance to its success. We aim to see more event-led off-island visitors and intend to strengthen our presence at the Southampton, London and Paris Boat Shows to market both the 2009 Show, our growing marine leisure industry and, of course, the Island of Jersey.

The new brand for the Jersey Coastguard helped see a step change in performance, and this will be continued through the development of the Port of Jersey and Jersey Marinas brands in 2009. Overall, I am intent on ensuring that Jersey Harbours can guarantee long-term viability. We operate separate P&L accounts for these areas, and in line with stated States of Jersey objectives intend to publish these in GAAP format in 2009.

Senator Paul Routier
Assistant Minister for Economic Development

‘Overall, I am intent on ensuring that Jersey Harbours can guarantee long-term viability.’
Providing Modern Port, Marina and Coastguard Services with Guaranteed Long-Term Viability

Introduction

The Port of Jersey is the Island’s lifeline and whilst it is easy to casually state that nearly 99% of the Island’s goods arrive through the Port, the reality of this is often missed. Freight is quite literally our ‘bread and butter’ and is vital to our economy and to our daily life.

Improvements to our freight facilities and services are continuous, and it is pleasing to note how the new mobile harbour crane has brought benefits to stevedores and their customers, bringing significant efficiencies in terms of speed, logistics and costs. 2009 will see, subject to planning approvals, additional warehousing being created that increases volume, increases competition and meets the long-term needs of port users.

Our sea transport links for passengers to France has lost two separate operators over the last few years. Passenger facilities are being enhanced with the refurbishment of the Elizabeth Terminal following that of the Albert Terminal in 2007. We are dedicated to improving further our customer services, and developing partnerships with our key operators in marketing Jersey, particularly focused on island event-led tourism and regional tourism on both sides of the channel.

Jersey Marinas continue to build on its great strengths, and will become even more dedicated to service delivery with the publication of new customer charters. Accreditation of our marinas to the coveted 5 Gold Anchor status indicates yet again a very solid foundation of high quality service and facilities, which we are dedicated to continuously improving. Our business plan, revolving around ‘more berths, more boats and more business’, was successful in creating additional berths in 2008, and we are investing and re-configuring in 2009 to create a similar amount again. The Jersey Boat Show provided a very successful arena to market and fill the new berths, and generate a significant amount of sales for the industry. In 2009, we hope the Show will succeed in becoming a trade show that provides good economic stimulus in challenging times, specifically for the marine trade.

The Jersey Coastguard continues to improve its performance as a result of a significant re-brand, with all indicators showing that we are delivering significantly improved performance ensuring safer, more secure and cleaner seas, especially for the local boat owner. One operational review has already taken place and 2009 will see us assess, for the first time, value for money in providing the service to the States of Jersey and an enhancement of inshore safety regulations. The funding policy, which is currently being reviewed, must secure effective and transparent funding for the Coastguard, to ensure this service remains sustainable and of a high quality.

Overall, we aim to be clearly recognised for providing modern port, marina and coastguard services, with guaranteed long-term viability. We do that across our business primarily by ensuring that our activities are:

- Keeping the Port Open and Safe
- Looking After Our Customers
- Self Funding and Sustainable

Captain Howard Le Cornu
Chief Executive Officer and Harbour Master, Jersey Harbours
Our framework legislation

**JERSEY HARBOURS - STATES TRADING OPERATION**
Jersey Harbours has been designated a States Trading Operation. As such, the organisation is charged with the administration, management, operation, financing, development and maintenance of the harbours of Jersey and their associated facilities.

*Public Finances (Transitional Provisions – States Trading Operations (Jersey) Regulations 2005*

**PORT OF JERSEY**
Within the harbours and territorial waters of Jersey, Jersey Harbours (and the Harbour Master) is entrusted with the:
- Administration of harbours and territorial waters
- Carrying into effect legislation relating to shipping and sea navigation
- The same power of detention and arrest and enforcing the maintenance of public order as possessed by a Centenier

*Harbours (Administration) Law 1961, as amended*

Further operational responsibilities of the Port are to:
- Restrict access to the harbour
- Remove vessels from the harbour
- Regulate vessel movements within the harbour
- Loading and discharge of cargo
- Circulation of traffic and parking on any harbour
- Maintain order and control the movements of persons and vehicles on any harbour

*Harbours (Jersey) Regulations 1962, as amended*

**JERSEY MARINAS**
Jersey Marinans encompasses the Five Gold Anchor award winning Elizabeth Marina, St Helier Marina and La Collette Marinans – totalling 980 berths. We offer a boat parking service to both boat owners and Marine Traders by providing the services of 65 and 25 tonne hoists.

*Jersey Marinans*’ staff are responsible for the day-to-day management of the marinas, allocating berths monthly, issuing winter and annual contracts, maintaining waiting lists and managing the arrival of 7,000 plus visiting boats; assisting them in berthing and providing tourist information.

Our staff monitor moorings and pontoons as well as maintaining safety and security for all users.

Jersey Marinans are also responsible for the 2,000 plus moorings in the Island’s outlying harbours, such as Gorey, Rozel and St Aubin. We work closely with the local boat owners associations and ensure the overall upkeep of the outlying harbours as part of our planned maintenance programme undertaken through our Service Level Agreement with Transport and Technical Services.

The organisation has a responsibility to make a contribution back to the income of the States of Jersey, as agreed with the States Treasury.

*Public Finances (Jersey) Law 2005*

**JERSEY COASTGUARD**
In addition and differing from some other jurisdictions, Jersey Harbours is also entrusted with the role of the Coastguard, namely:
- Preservation of life and vessels at sea
- Take or co-ordinate measures to prevent, reduce and minimise the effects of marine pollution
- Receiver of wreck – salvage, jetsam, flotsam, lagan and derelict etc

*Shipping (Jersey) Law 2002 (articles 185, 186 and 188)*

- Competent authority for maritime security, applying measures to enhance maritime security
- Community Provisions (Ship and Port Facility–Security) (Jersey) Regulations 2004 (Regulations 4 and 5)*

**ECONOMIC DEVELOPMENT DEPARTMENT**
Under Ministerial Government, the Economic Development Department has responsibility for all areas of economic policy and development in Jersey, including agriculture, fisheries, tourism and finance. It also has an overview of policies that may affect the harbours and airport, air and sea links, and postal and telecommunications services. It also oversees consumer and regulatory services.
Policy framework

The primary role of Jersey Harbours is to ensure the provision of a modern Port, Marina and Coastguard facility for the Island.

In order to achieve this, a number of policies have been set by the States, the Minister and by the organisation’s Executive.

1) Trading Operation
As a Trading Organisation, Jersey Harbours is required to make a financial return to the States, and to maintain a Trading Fund. Jersey Harbours aims to be self funding with long-term sustainability, which we achieve by:
- Effectively managing P&L accounts for each business area
- Funding a capital expenditure programme from the Trading Fund
- Operating within clear commercial, and other policies
- Delivering the expected financial return to the States

2) Commercial Policy
Tariffs are charged in order to ensure self funding and long-term sustainability against the services and facilities provided. Taking into account the policy guidelines outlined below, tariffs are set with consideration primarily for:
- The legislative requirements of the Public Finances Law and the obligation to make a return to the States of Jersey
- Financial targets and performance indicators for Jersey Harbours
- The cost and levels of service or facility provision
- The guidelines of Schedule 1 of the Harbours (Jersey) Regulations 1962, as amended
- Market demand

3) Sea Transport Policy – Direction to the Harbour Master
a) Under Regulation 4(4) of the Harbours (Jersey) Regulations 1962, as amended, the Minister for Economic Development has designated combined passenger and private vehicles services as services that require a Car Ferry Permit, and comply with all the items detailed in the Port of Jersey’s Car Ferry Permit checklist. The Harbour Master is instructed to aim to maintain and develop year round, long-term, reliable and robust passenger car ferry services. These must include a reasonable winter service of sufficient quality and frequency to meet the travel needs of Island residents, the business community and tourists.

b) The Joint (with Guernsey) Channel Island Passenger Car Ferry Transport Policy Statement states that unless there is demonstrable market or operator failure, neither administration will proactively seek new operators on any existing route in the period prior to 31 December 2013, but the option to do either of these things or to run a tender process will be retained and exercised in the event of operator or market failure.

In the current economic climate, government policy aims to assist market growth, focusing on partnership with our existing operators.

4) Permit and Agreement Policy Guidelines:

Schedule 1, Harbours (Jersey) Regulations 1962, as amended
When granting a permit or negotiating an agreement, including the setting of fees:
- To protect and further the long-term interests of end-users of the services and facilities
- To satisfy all current and prospective demands for the services and facilities
- To promote competition, efficiency, economy and effectiveness in commercial activities connected with port and shipping services
- To impose the minimum of restriction on persons engaged in commercial activities connected with port and shipping services
- To ensure that persons engaged in commercial activities connected with port and shipping services have sufficient expertise and financial and other resources to conduct the activities
- Not to show undue preference or unfairly discriminate

Currently, the following services are subject to the issue of permits:
- Car Ferry Permits
- Commercial Freight Facilities

Normal practice is to secure a bond as security against any agreement made of significant value.
- Terms of credit for all customers is 30 days, as defined in the Harbours Administration Law

5) Property and Estate
a) Standing Order 168
The Assistant Minister for Economic Development makes recommendations to the Minister for Treasury and Resources, Assistant Minister for Treasury and Resources or Director of Property Holdings, as appropriate, under Standing Order 168 as a ‘body established by the States to manage land and buildings owned by the Public of Jersey’.

Policy is to seek Open Market Value for all property transactions and identify and document individual discounts only where they demonstrate a contribution towards Jersey Harbours’ objectives through commercial negotiation. Where this is not possible but wider economic contribution may be achieved, Jersey Harbours will refer any business opportunity to Jersey Enterprise.

b) Planning and Building Law 2002
The Planning and Building Law 2002 states that the Planning Minister ‘shall take into account in determining the application, any comment made by the Minister for Economic Development in respect of the possible effect the proposed development could have on the operation of a harbour or airport’.

c) Island Plan: TT35
The operational area of the port is identified on the Town Proposals Map, and to achieve financial and operational viability, is considered irreducible. Within this area the existing and anticipated operational functions of the port will be carried out. Uses that are not related or ancillary to the operation of the port will not normally be permitted within the defined harbour operational area.
Policy framework

[B] MINISTERIAL POLICIES

1) Coastguard and Beach Lifeguard Funding
   In the UK and most other jurisdictions, the government funds Coastguard activities directly, and local councils fund Beach Lifeguard activities. In Jersey, Jersey Harbours fund Coastguard activities from Port of Jersey revenues, which result in increased Harbour charges relative to other ports. Transparency is achieved by sourcing funding requirements directly from freight charges (this impacts all taxpayers since 99% of all freight goods on the Island are sourced through the port).

   The Beach Lifeguards provision is operated by Jersey Coastguard, and funded by Jersey Tourism, more closely mirroring the UK approach. An SLA is signed annually.

2) Security Charges
   The Port of Jersey follows International Ship and Port Security (ISPS) requirements enacted under Jersey legislation. The charge for ISPS security is transparent and separate within Harbour dues for cruise vessels.

   Domestic security for Jersey Marinas is covered within an integrated charge for each mooring or marina berth.

3) Heritage
   In line with recommendation of the Fisher Associated Report ‘Review of the Harbours Owned and Operated by the States of Jersey’, the policy regarding the future administration and funding of outlying harbours and all heritage/municipal property is currently being reviewed.

4) Effectiveness, efficiency and value for money
   Service benchmarking and internal audits will be undertaken to review:
   - Effectiveness
   - Efficiency
   - Value for money

   Transport and Technical Services (TTS) Service Level Agreement
   A service level agreement is in place with TTS for the provision of professional engineering services. The policy is to use TTS for engineering and maintenance works to drive efficiency and value for money. If TTS are unable to provide an appropriate level of service to meet the needs of the Port and its users, alternative service providers may be considered.

5) Customer Service - March 2009
   Customer charters, in accordance with SLAs, are published (from March 2009) for all business units with allocated client managers to ensure dedication to customer service, measured against the charters and SLAs.

   If a complaint cannot be concluded by a line manager or PLT (Performance Leadership Team) member then the Chief Executive will be consulted. Ministerial involvement is seen as a last resort – only if the Chief Executive cannot resolve a matter to the satisfaction of the customer.
Policy framework

ORGANISATION CHART

[C] EXECUTIVE POLICIES (ACCOUNTING OFFICER AND HARBOUR MASTER)

1) Incentivising Business, Grants and Industry Support
   Business
   Whilst our commercial policy aims to ensure that our business customers are charged appropriately for the facilities or services they make use of, there are a variety of ways in which we aim to support business and industry to meet Jersey Harbours’ objectives, including specifically:
   - New route discount on Harbour Dues (typically 50% for first year) subject to Sea Transport Policy
   - Commercial incentives for operators to encourage additionality on special packages (e.g. day trips or 72 hour returns)
   - A 50% discount on marina berths for commercial fishermen on pontoons
   - Commercial discounts on agreements for leases
   Industry Support
   Jersey Harbours refer to Jersey Enterprise for support to industry where commercial arrangements are insufficient for political or business reasons, e.g. supporting an industry above and beyond the discounts Jersey Harbours are capable of offering.
   Grants and Sponsorship
   Under the States of Jersey Financial directions, and in pursuit of our commercial and business objectives, Jersey Harbours allocates time and or funding to certain organisations including CIAS, RNLI, Variety Sailing Trust and Jersey Heritage.

2) Marketing
   From 2009, Jersey Harbours will lead all marketing activities for all business areas, sourcing marketing support and expertise through an SLA with Jersey Tourism and the Economic Development Department (EDD) to be developed in early 2009; this aims to develop business particularly through marketing.
   - Jersey as a destination by sea
   - Event-led tourism
   - Partnership arrangements for sea industry support (with EDD)
   - All other products, as described in the Jersey Harbours Marketing plan

3) Memorandum of Understanding
   Maritime Compliance
   The purpose of this MOU is to define the discrete areas of responsibility in the operation and administration of maritime regulation and compliance between officers of Jersey Harbours and those employed by its parent department, Economic Development.
   It is intended to ensure that there is a common understanding as to the responsibilities of Jersey Harbours in these matters and the degree of oversight that the Economic Development Department needs to exercise on behalf of the Minister.
   It aims to ensure that Jersey Harbours acts as the enforcement agency and has the powers it needs for that duty on the one hand and that on the other, Regulatory Services is assured that those duties are carried out effectively and that the Island meets its maritime statutory obligations.

4) Memorandum of Understanding
   Boat Owners Associations
   In 2009, Jersey Harbours aims to give a greater share of the care and administration of moorings, ground sites, barraques and parking for outlying harbours to the appropriate Boat Owners Association. The association will aid their administration within the terms of their constitution and rules.
   Jersey Harbours maintains responsibility for the structure of the harbour, ground chains and any equipment owned by them including cranes, navigation aids, marks and buoys for the areas defined.
5) What is the Jersey Boat Show 09?

Local Trade Show
It is already seen as a major sales platform supporting, sustaining and growing the Jersey Marine Leisure industry and ancillary businesses – approximately 160 associated full-time employees.

The 2009 show will generate additional sales for small local businesses (Source – Marine Traders questionnaire February 2009).

Turnover and Tax
Opportunity for business cascade to industry including:
- Insurance brokers, engineers, chandlers, registration, finance, training, apprenticeships, maintenance, repair and marina berths

Showcase
High quality infrastructure and offering, branded and positioned appropriately.

3-day Event
In and around St Helier Harbour – more than just boats including: Jersey Heritage, Genuine Jersey, local fishermen and supporting local charities.

2009 Boat Show Targets
- Positive International PR and media coverage
- Footfall of up to 15,000 over 3 days including 10% off island visitors and 10,000 visitors on to the pontoons.
- To develop into one of Jersey’s premier annual trade events: stimulus for the economy and event-led tourism
- 75% local marine traders attracted to the event

2009 Boat Show Theme:
“Securing the Future”
The 2009 Boat Show aims to recognise and secure the future of:
- The Marine leisure industry, as an international showcase and sales platform for goods and services
- Maritime careers and lifestyle by promoting job opportunities, apprenticeships and marine leisure activities
- The safety and security of the lifeline Port and of our Island waters through our links with:
  - Jersey Coastguard
  - Trinity House
  - Her Majesty's Royal Navy

‘The 2009 show will generate additional sales for small local businesses’
Policy framework

[D] HEALTH AND SAFETY POLICIES

1) Approved Code of Practice
This Code of Practice entitled “Health and Safety in the Port of St Helier Jersey” has been approved by the Employment and Social Security Committee, under Article 10 of the Health and Safety at Work (Jersey) Law 1989. The Code provides practical guidance for all persons who have duties under Part II of the Law and who are involved in the activities referred to in Section 3 of the Code.

The Health and Safety at Work (Jersey) Law 1989 places general duties on all employers, employees and owners of premises in Jersey, in respect of health and safety at work. Although of a general nature, the Law applies to all activities and approved premises within St Helier Harbour. However, the Law clearly provides for codes of practice to be developed for specific industries or activities which would detail the more precise application of those general duties.

The Code applies to all listed activities when undertaken with the Port of Jersey, Jersey Marinas and outlying Harbours, where they involve employers, employees, the general public; it also includes cargo operations onboard vessels and reflects international standards.

2) Corporate Risk and Safety
The Corporate Management System aims to ensure that compliance against applicable legislation, guidelines policies, and directions is monitored and proved with continuous improvement. This applies to Marine Safety, Operational and Occupational Health and Safety, Finance, Security, Data Protection and Customer Relationship Management. Each of these areas has a risk based policy with a designated person and system for monitoring, testing and improving operating procedures, which reports to the Performance Leadership Team on a monthly basis, and informs the corporate risk register. All operating procedures must be controlled and published in a publicly accessible form.

(See pages 20 - 21 for Our Safety Policy)
OUR VISION
To be recognised for providing Modern Port, Marina and Coastguard Services with guaranteed long-term viability

OUR PURPOSE
• Keeping the Port open and safe
• Looking after our customers
• Self funding and sustainable

OUR POLICIES FOR HEALTH AND SAFETY AT WORK AND FOR PORT MARINE SAFETY ARE:

HEALTH AND SAFETY POLICY
Jersey Harbours, on behalf of the States of Jersey, will provide a safe working environment for all its employees and take reasonable steps within its powers to ensure the safety, health and welfare of all persons, including visitors and members of the public, affected by any act.

Jersey Harbours will ensure that, as far as reasonably practicable, for all premises under its control, access to and egress from those premises and any plant or equipment used in those premises, are safe and without risk to health.

Jersey Harbours will:
1. Comply with the requirements and the spirit of the Health and Safety at Work (Jersey) Law 1989 and all associated Regulations and Codes of Practice;
2. Use risk assessment techniques to identify hazards and risks within the port and the workplace and put in place suitable control measures;
3. Ensure sufficient information, instruction, training and supervision are given to all employees to avoid hazards and to contribute positively to their own Health and Safety;
4. Consult widely with employees, Port Users and stakeholders in respect of Health and Safety at Work and where appropriate, port marine safety issues;
5. Develop and maintain an effective Port Marine Safety Management System to safeguard the port, its users, the public and the environment;
6. Monitor and manage the safe navigation of all vessels within port limits;
7. Ensure that an efficient safe and appropriate level of pilotage is available;
8. Undertake hydrographic surveys and maintenance dredging to keep the port open;
9. Place and maintain appropriate navigational marks;
10. Promulgate relevant marine safety information to Port Users;
11. Regularly review the effectiveness of the port’s legal powers and directions in respect of marine safety;
12. Evaluate the safety performance of the port;
13. Employ suitably qualified personnel and provide the necessary training;
14. Ensure that craft used within the port have the required certification, are fit for purpose and the crew are trained and qualified.

PORT MARINE SAFETY POLICY
By adopting The Port Marine Safety Code, Jersey Harbours will enhance the Health and Safety at Work policy and, in addition, will:
1. Develop and maintain an effective Port Marine Safety Management System to safeguard the port, its users, the public and the environment;
2. Monitor and manage the safe navigation of all vessels within port limits;
3. Ensure that an efficient safe and appropriate level of pilotage is available;
4. Undertake hydrographic surveys and maintenance dredging to keep the port open;
5. Place and maintain appropriate navigational marks;
6. Promulgate relevant marine safety information to Port Users;
7. Regularly review the effectiveness of the port’s legal powers and directions in respect of marine safety;
8. Evaluate the safety performance of the port;
9. Employ suitably qualified personnel and provide the necessary training;
10. Ensure that craft used within the port have the required certification, are fit for purpose and the crew are trained and qualified.
## OPERATING ACCOUNT

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<th>2007 ACTUAL</th>
<th>2008 ESTIMATED</th>
<th>2009 ESTIMATE</th>
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<td><strong>INCOME</strong></td>
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<tr>
<td>Passenger Port and Terminal</td>
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<td>£3,273,900</td>
<td>£2,504,800</td>
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<tr>
<td>Commercial Port</td>
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<td>Marine Leisure</td>
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<td>£3,016,850</td>
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<td>Port Estate</td>
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<td>£2,310,400</td>
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<td>Coastguard</td>
<td>£289,887</td>
<td>£240,000</td>
<td>£286,500</td>
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<tr>
<td><strong>Total Income</strong></td>
<td>£13,582,006</td>
<td>£13,480,000</td>
<td>£13,643,000</td>
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| **EXPENDITURE** |              |                |               |
| Passenger Port and Terminal | £2,150,028 | £2,162,100 | £2,378,800 |
| Commercial Port | £3,360,920 | £2,993,900 | £3,379,400 |
| Marine Leisure | £1,649,277 | £1,944,100 | £2,187,300 |
| Port Estate | £955,778 | £1,078,600 | £1,128,100 |
| Coastguard | £1,196,377 | £1,225,300 | £1,409,900 |
| **Total Expenditure** | £9,312,380 | £9,404,000 | £10,483,500 |

| **Gross Operating Surplus** | £4,269,626 | £4,076,000 | £3,159,500 |

| **LESS: PAYMENTS MADE TO THE STATES** |              |                |               |
| Transport and Technical Services Capital Repayment | £450,000 | £450,000 |               |
| Other Repayments |              |                |               |
| Capital Return paid to the States | £1,397,508 | £1,287,131 | £977,425 |
| Revenue Return paid to the States | £366,000 | £452,400 | £232,440 |
| Net Surplus | £2,506,118 | £1,886,469 | £1,499,635 |

| **TRANSFER TO TRADING FUND** | £2,506,118 | £1,886,469 | £1,499,635 |

## TRADING FUND

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<tr>
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<th>2007 ACTUAL</th>
<th>2008 ESTIMATED</th>
<th>2009 ESTIMATE</th>
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<tr>
<td><strong>BALANCE BROUGHT FORWARD 1ST JANUARY</strong></td>
<td>£4,908,430</td>
<td>£6,952,917</td>
<td>£6,792,386</td>
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Add:  
- Transfer of Operating Surplus | £2,506,118 | £1,886,469 | £1,499,635 |

Financing Requirement  
- Sale of Assets | £59,932 | £250,000 |               |
- Interest | £381,885 | £50,000 | £200,000 |

**Total Additions** | £2,947,935 | £2,186,469 | £1,699,635 |

Less:  
- Capital Expenditure (St Catherine's Breakwater) | £402,964 |               |               |
- Other Capital Expenditure | £500,648 | £2,347,000 | £3,738,000 |

**Total Expenditure** | £903,448 | £2,347,000 | £3,738,000 |

**BALANCE CARRIED FORWARD 31ST DECEMBER** | £6,952,917 | £6,792,386 | £4,754,021 |

Providing Modern Port, Marina and Coastguard Services with Guaranteed Long-Term Viability

Keeping the Port Open and Safe
Looking After Our Customers
Self Funding and Sustainable
Key objectives and performance criteria

OBJECTIVE 1
To keep the Port open and safe
- Compliance with the Port Marine Safety Code, and security and other maritime legislation
- Reviewed organisational risk register that also demonstrates effective contingency and crisis management
- To maintain, so far as is viable, an open port, berths and associated facilities
- Quality operational management that secures the asset base to ensure long-term viability, and an open and safe port
- Repositioning and public awareness of the role of the Coastguard

States Strategic Plan Commitments: 1.6, 6.5

OBJECTIVE 2
To provide competitive commercial and community services which best respond to the different needs of all customers
- To increase the number of boats, berths and associated ancillary businesses in support of the marine leisure industry
- Customer user groups and relationship management for each business segment to ensure good customer engagement, adding value to all services
- Reviewed tariff structure in line with the commercial objectives and economic criteria, with appropriate and balanced tariffs
- Alignment with the UK Coastguard through audits and benchmarking
- Develop and train staff skills to UK Coastguard and VTS standards

States Strategic Plan Commitments: 1.6, 6.5

OBJECTIVE 3
To maintain robust financial management to achieve self-sufficiency, and positively contribute to Jersey’s Economic Development
- Development and optimisation of existing and new business streams, encouraging new enterprise with innovation and entrepreneurship
- Clear financial management plans indicating long-term view on sustainability and funding
- Funding review of Coastguard and other community functions with agreed policies
- Established effective governance, leadership structure and accountability with Economic Development Department and Treasury and Resources ensuring commercial separation, economic partnership and operating effectiveness

States Strategic Plan Commitments: 1.6, 6.5
Summary of our key services

PORT OF JERSEY: PASSENGERS

What is it?
St Helier Harbour’s passenger handling role began in the late 18th century when people were able to sail across the Channel to the Islands on mail packets. Reliability and therefore greater frequency of service followed in the early part of the 19th century when the first paddle steamers including the Ariadne, on which the Steam Clock located by St Helier Marina is based, operated services from the UK.

What it does?
The Port of Jersey have always been responsible for the shore side operations linked to these services. This role is continued today by ensuring that the passenger handling facilities at the Elizabeth Harbour and Albert Terminals meet customers expectations, providing modern and safe facilities for the embarkation and disembarkation of passengers and their vehicles to the Island both visitors and locals alike.

Why it does it?
Today’s passenger ferry operators require a modern, fast, safe and efficient turnaround of their vessels, with the provision of appropriate security and Customs and Immigration services.

How much does it cost?
Income from the passenger port is forecast to be £2.5m in 2009, with expenditure of £2.4m.

PORT OF JERSEY: FREIGHT AND FUEL

What is it?
The commercial operations of the Port of Jersey ensure that the port’s freight and fishing operators are able to run their activities efficiently, with an appropriate financial return supporting the re-investment in facilities and infrastructure.

What it does?
The Port of Jersey was kept busy last year handling freight movements with imports of 315,590 and exports of 81,893. The fishing industry continues to be a significant factor in the economic life of the Island.

Why it does it?
The Port of Jersey is Jersey’s lifeline to the outside world with 99% of all goods arriving in the Island entering through the port.

How much does it cost?
The total income derived from freight dues in 2009 is budgeted as £5.5m with expenditure of £3.5m.

KEY PROJECTS 2009
- CCTV upgrade
- Refurbishment of Elizabeth Terminal
- Replacement of RoRo berth fendering
- Additional New North Quay Tower lighting
- Marine Survey multi beam echo sounder for conservancy work

FACTS AND FIGURES

<table>
<thead>
<tr>
<th>PASSENGER BREAKDOWN</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK</td>
<td>183,500</td>
<td>184,500</td>
<td>170,000</td>
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<tr>
<td>Inter-Island</td>
<td>113,500</td>
<td>115,500</td>
<td>98,500</td>
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<tr>
<td>France</td>
<td>452,500</td>
<td>482,500</td>
<td>460,000</td>
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<tr>
<td>Other</td>
<td>1,000</td>
<td>1,500</td>
<td>3,500</td>
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<tr>
<td>Total</td>
<td>750,500</td>
<td>784,000</td>
<td>732,000</td>
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<thead>
<tr>
<th>CAR BREAKDOWN</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
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<tbody>
<tr>
<td>UK</td>
<td>48,500</td>
<td>53,000</td>
<td>50,000</td>
</tr>
<tr>
<td>Inter-Island</td>
<td>8,000</td>
<td>9,000</td>
<td>8,000</td>
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<tr>
<td>France</td>
<td>53,000</td>
<td>65,000</td>
<td>63,500</td>
</tr>
<tr>
<td>Total</td>
<td>109,500</td>
<td>127,000</td>
<td>121,500</td>
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</table>

<table>
<thead>
<tr>
<th>FREIGHT MOVEMENTS (TONS)</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freight: RoRo</td>
<td>295,000</td>
<td>280,500</td>
<td>273,500</td>
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<tr>
<td>Freight: LoLo</td>
<td>123,000</td>
<td>116,500</td>
<td>136,000</td>
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<tr>
<td>Fuel</td>
<td>122,000</td>
<td>129,500</td>
<td>124,500</td>
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<tr>
<td>Total</td>
<td>540,000</td>
<td>526,500</td>
<td>534,000</td>
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</table>
JERSEY MARINAS

What is it?
The growing popularity of boating as a major leisure activity has provided Jersey Harbours with one of its main areas of growth – revenue from this sector has doubled over the last ten years.
To meet this demand, Jersey Harbours provides berths and moorings for both local and visiting craft as well as facilities for marine trade businesses and a large boat park at La Collette.

What it does?
Jersey Marinas staff is responsible for the day-to-day running of the marinas, allocating berths to visiting and local craft, checking and monitoring moorings and pontoons and maintaining safety and security for all users. They are also responsible for operating the two modern boat hoists at La Collette. These cope with vessels up to 28 metres in length and 65 tonnes in weight. 1,484 lifts were carried out in 2007. The hoists can operate approximately three hours either side of high water and during busy winter months can perform up to 20 lifts each day.

A growing number of French and UK craft are coming to Jersey for a major overhaul or maintenance work, taking advantage of VAT-free prices as well as the modern facilities.

Why it does it?
Marine leisure plays a vital role in the Island’s economy, both by bringing visitors to the Island and directly supporting many local businesses. More berths, more boats, more business!

How much does it cost?
The total operating income derived from marina dues in 2009 is budgeted as £3m with expenditure of £2m.

KEY PROJECTS 2009
- Recycling and enhanced waste management
- Reconfiguration and additional supply of pontoons to create more berths
- Berth electricity supply system
- Development of the Business Park at La Collette

FACTS AND FIGURES
With new marina facilities being built on the French coast, visiting vessels are set to rise. On average, visiting yachts stay for just over two days, spending €94 per crew member, per visit.

<table>
<thead>
<tr>
<th>NUMBER OF YACHT VISITS</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Visiting Yachtsmen</td>
<td>24,000</td>
<td>21,000</td>
<td>19,900</td>
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<tr>
<td>Visiting Vessels</td>
<td>6,200</td>
<td>5,300</td>
<td>5,300</td>
</tr>
<tr>
<td>Visitor Vessel Days</td>
<td>14,800</td>
<td>13,000</td>
<td>12,800</td>
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<tr>
<td>Average Days Stayed</td>
<td>2.36</td>
<td>2.44</td>
<td>2.40</td>
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</table>
Summary of our key services

Jersey Coastguard

What is it?
On behalf of the States of Jersey, Jersey Harbours is entrusted with the preservation of life and vessels at sea, undertaking Coastguard services, including the 999 emergency service. The responsibilities continue a maritime tradition that goes back to the very first days of St Helier Harbour in the 18th century.

What it does?
The operations room at Maritime House provides a 24 hour service to both commercial and leisure vessels within port and coastal waters through scheduled information broadcasts and ad hoc communications.

The Watch Officer on duty at the centre is also responsible for the effective implementation of emergency procedures in response to all incidents at sea - search and rescue, fire, medical or pollution - and act as the communications link between the casualty and the various emergency agencies. The officers co-ordinate the various assets available for use in search and rescue operations including managing the RNLI lifeboats based at St Helier and St Catherine, the Beach Lifeguard Service and the Fire and Rescue Service inshore rescue craft. They can also call on the services of the other Channel Islands and French lifeboats, the Channel Island Air Search spotter plane based in Guernsey and rescue helicopters based in Granville and England.

Jersey Coastguard

Why it does it?
Jersey Harbours is tasked with keeping the port and our territorial waters open and safe to meet the Island's needs and is also responsible for maritime security - an area that has demanded considerable investment in recent years in the face of increasing global terrorism.

Unlike other jurisdictions, Jersey's Coastguard Centre is also charged with the control and monitoring of all vessels entering and exiting through the main harbour entrance, providing for the safe movement of all craft within the harbour and the marinas: The Beach Lifeguard Service became the responsibility of Jersey Harbours in 2003, enabling the team of professional lifeguards to play a fuller role in sea rescue operations and ensuring that their skills and resources are used to best possible effect.

How much does it cost?
The Jersey Coastguard is budgeted to cost £1m in 2009.

Key Projects 2009

- Upgrade of SAR predication system (SARS)
- Upgrade of data logging systems for SAR working
- Radar Unit for Corbiere
- Replacement Beach Lifeguard land rover
- Replacement of wave rider buoy

Jersey Coastguard

Number of Incidents

<table>
<thead>
<tr>
<th>Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incidents</td>
<td>97</td>
<td>119</td>
<td>133</td>
</tr>
</tbody>
</table>

Number of Incidents: 97, 119, 133
For further details on any of the information raised in this Business Overview, please contact Jersey Harbours.

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