



# Financial Statements

## Port of Waterford Company

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**For the financial year ended 31 December 2022**

**Registered number: 299445**

## Company Information

**Directors**

Des Whelan (Chairman) (resigned 5 October 2022)  
David Sinnott (appointed 3 October 2022)  
Derry O'Sullivan (Chairman) (resigned 12 December 2021, reappointed 1 February 2022)  
John Kehoe  
William Johnston (resigned 12 December 2021, reappointed 1 February 2022)  
Joe Dreelan (resigned 24 June 2022)  
Marian Walsh (appointed 1 February 2022)  
Karen Hennessy (appointed 1 February 2022)  
Frank Ronan (resigned 30 September 2022)

**Company secretary**

Tony McDonnell (resigned 7 February 2022)  
Brian Moore (appointed 7 February 2022)

**Registered number**

299445

**Registered office**

3rd Floor,  
Marine Point  
Belview Port  
Waterford

**Independent auditor**

Grant Thornton  
Chartered Accountants & Statutory Audit Firm  
6th Floor  
Penrose One  
Penrose Dock  
Cork

**Bankers**

Allied Irish Bank  
72/74 The Quay  
Waterford

**Solicitors**

MJ O'Connor Solicitors  
Drinagh  
Wexford

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# Statement of Internal Control

As at 31 December 2022

## **Scope of responsibility**

On behalf of Port of Waterford Company ('Port of Waterford '), we acknowledge the Board's responsibility for ensuring that an effective system of internal control is maintained and operated. This responsibility takes account of the requirements of the Code of Practice for the Governance of State Bodies (2016).

## **Purpose of the system of internal control**

The system of internal control is designed to manage risk to a tolerable level rather than to eliminate it. The system can therefore only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded and that material errors or irregularities are either prevented or detected in a timely way.

The system of internal control, which accords with guidance issued by the Department of Public Expenditure and Reform has been in place in Port of Waterford for the year ended 31 December 2022 and up to the date of approval of the financial statements.

## **Capacity to handle risk**

Port of Waterford has an Audit and Risk Committee (ARC) comprising three Board members and one external member with financial and audit expertise. The ARC met four times in 2022.

Port of Waterford outsources its internal audit function which conducts a programme of work agreed with the ARC.

The ARC has developed a risk management policy which sets out its risk appetite, the risk management processes in place and details the roles and responsibilities of staff in relation to risk. The policy has been issued to all staff who are expected to work within Port of Waterford 's risk management policies, to alert management on emerging risks and control weaknesses and assume responsibility for risks and controls within their own area of work.

## **Risk and control framework**

Port of Waterford has implemented a risk management system which identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate those risks.

A risk register is in place which identifies the key risks facing Port of Waterford and these have been identified, evaluated and graded according to their significance. The register is reviewed and updated by the ARC on an ongoing basis where required. The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level.

The risk register details the controls and actions needed to mitigate risks and responsibility for operation of controls assigned to specific staff. We confirm that a control environment containing the following elements is in place:

- procedures for all key business processes have been documented,
- financial responsibilities have been assigned at management level with corresponding accountability,
- there is an appropriate budgeting system with an annual budget which is kept under review by senior management,
- there are systems aimed at ensuring the security of the information and communication technology systems,
- there are systems in place to safeguard the Port's assets.

## Statement of Internal Control (continued)

As at 31 December 2022

### **Ongoing monitoring and review**

Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to management and the Board, where relevant, in a timely way. We confirm that the following ongoing monitoring systems are in place:

- Key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies
- Reporting arrangements have been established at all levels where responsibility for financial management has been assigned
- There are regular reviews by senior management of periodic and annual performance and financial reports which indicate performance against budgets/forecasts.

### **Procurement**

We confirm that Port of Waterford has procedures in place to ensure compliance with current procurement rules and guidelines and that during 2022 Port of Waterford complied with those procedures.

### **Review of effectiveness**

We confirm that Port of Waterford has procedures to monitor the effectiveness of its risk management and control procedures. Port of Waterford's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the internal and external auditors, the Audit and Risk Committee which oversees their work and the senior management within Port of Waterford responsible for the development and maintenance of the internal financial control framework.

We confirm that the Board conducted an annual review of the effectiveness of the internal controls for 2022.

### **Internal control issues**

No weaknesses in internal control were identified in relation to 2022 that require disclosure in the financial statements.

# Chairman's statement

**For the financial year ended 31 December 2022**

The chairman presents his statement for the period.

## **Introduction**

Port of Waterford is the Commercial State Company with responsibility for the operation and development of Waterford Port under the Harbours Acts. The State is the sole shareholder in the company.

The company's remit as set down in Sc.11 of the Harbours Act 1996 and underscored by the Constitution of the Company, is to manage, control, operate and develop its harbour.

## **Vision**

Our vision is to be the preferred cargo gateway for the South East Region.

## **Mission statement**

Our mission is to provide infrastructure and marine related services to enable greener trade and economic development in the South East Region and National Economy.

## **Performance**

1.67M tonnes of bulk cargo was handled in 2022, 1% ahead of 2021 and 3% below budget for the year. Increased throughputs of animal feedstuffs offset by reduced cement imports were the main influencers of the overall bulk tonnage handled at the Port. Fertilizer imports declined affected by increased prices of wholesale natural gas.

60K tonnes of Refuse Derived Fuel (RDF) was exported in 2022. There are plans to diversify the bulk portfolio at the Port in the future with a planned shipment of scrap metal in early 2023 and some good potential in another cargo type.

Bulk related turnover constituted 47% of overall turnover in 2022.

Revenues from container and related activity declined by 5% during the year. The company continues to explore opportunities for further expansion in lo-lo services in order to exploit available capacity and changes in demand patterns.

	<b>2022</b>	<b>2021</b>
Lo-lo	50K teu	50K teu
Bulk	1.67M tonnes	1.66M tonnes

Operating profit for 2022 was €2.2M (2021: €1.1M). Profit after tax amounted to €2,107K (2021: €1,144K). Financial performance reflects trading improvements in car parking and cruise traffic following lifting of Covid-19 restrictions, as well as investment asset gains following revaluation of property.

Investment in fixed assets in the year amounted to €1.0M.

The net pension surplus now stands at €545K. This is accounted for in accordance with the FRS 102 valuation prepared by the scheme actuaries as at 31 December 2022. The company exited its formal funding proposal with the Pensions' Board at the end of 2020.

# Chairman's statement

**For the financial year ended 31 December 2022**

## **Development**

The Directors understand the importance of the Port to the economy of the South East Region and the country as a whole. The Board looks forward to expanding the range and extent of port activity. Confidence for the future is underpinned by the location of the port, the available capacity, our efficient operations, flexible workforce and the motorway and rail network.

The port has finalised its Masterplan to 2044 in line with ports policy. The plan facilitates our mission to provide infrastructure and services to enable trade and economic development in the region over the next 25 years.

Infrastructure options form the main pillar of the masterplan which has evolved through study and evaluation of market demand, environmental factors, capacity needs and river management requirements. In terms of river management Port of Waterford incurred maintenance dredging costs of €1.4M in 2022 (2021: €1.2M). This is a significant cost, and options and opportunities to manage and mitigate this situation are dealt with in the Masterplan.

The Board continues to maximise the contribution of non-core assets and consider other investments and possible incomes that can positively contribute to our activities and objectives.

## **Corporate social responsibility**

The Board is conscious of the social responsibilities of the Port and the business actively engages with our neighbours and fellow users of the harbour (whether for pleasure or business) in a positive and transparent manner. We endeavour to support the communities in which we operate in practical ways and we fully appreciate the support we in turn receive from those communities.

## **Estuary Heritage**

The Passage East 'Spider' Light has been an important navigation beacon in the estuary for about 150 years. However, over the years the structure had deteriorated to such an extent that it was in imminent danger of collapse. To preserve the Heritage value of the 'Spider' in the estuary the Port commenced a project to strengthen and conserve the structure assisted with grant funding from Waterford City & Council Historic Structures Fund.

## **Donations**

During 2022 the company supported the following community projects and organisations:-

Cheekpoint Boat Owners Association  
Winterval Festival  
Waterford Sail Training  
Waterford Harbour Sailing Club  
WLR Christmas Hamper Appeal  
Junior Achievement Ireland

## **Ukraine**

Although the COVID-19 virus still persists within our community it is now considerably less effective thanks to the great success of the country wide vaccination programme and our economy has, to a large extent, returned to normal.

However, in February of 2022 Russia invaded Ukraine resulting in a terrible war which continues to this day with devastating effects for the people of Ukraine and the infrastructure of their country.

The war plunged the global economy into economic turmoil resulting in major spike in prices of energy and commodities such as grain, feedstuffs and fertilizer. This has had a direct impact on the profitability of our business in the Port of Waterford in 2022 and unfortunately it seems this impact will continue into 2023.

## **Chairman's statement**

**For the financial year ended 31 December 2022**

### **Acknowledgements**

I would like to take this opportunity to acknowledge the leadership and direction provided by Des Whelan, as former Chairman, and Frank Ronan, as former CEO, to the Port of Waterford over the last eight years or so.

I would also like to thank the management and employees of our company who through difficult and challenging times continually demonstrate great ability and determination to sustain and grow our business.

Finally, I would also like to thank my fellow directors for their valued advice and support throughout 2022.

Name Derry O'Sullivan  
Chairman



Date 03/04/23



# Directors' report

For the financial year ended 31 December 2022

The directors present their annual report and the audited financial statements for the financial year ended 31 December 2022.

## **Principal activities**

The principal activity of the company continued to be that of the management, control, operation and development of the Port of Waterford.

### **Marine Operations**

Marine operations, including the pilotage service, are conducted by port personnel under the supervision of the Harbour Master.

Extensive maintenance dredging is organised by and supervised by the Harbour Master.

### **Stevedoring Operations**

Port bulk operations are carried out by licensed stevedores. The port company itself acts as the stevedore for container terminal activities.

### **Other Income Streams**

Car Parking revenue from the Company's property on the South Quays in Waterford City provide an income stream for the business. 12% of operational car parking capacity was removed under Compulsory Purchase Order during 2022. Negotiations are ongoing with Waterford City & County Council in respect of compensation under the CPO.

There is rental income from the office buildings at Belview (Marine Point Building and the Terminal Building). These properties along with small stock of development land are carried under investment properties on the balance sheet.

Exceptional income arose in respect of provision of a safe berth for a stricken vessel during the year.

## **Health & Safety**

### **Health**

Health promotion and employee well-being is important at Port of Waterford and we run a number of sessions on these topics. The company has appointed an Occupational Health Provider and an Occupational Physician. There are 11 certified First Aiders and 5 Psychological First Aiders.

Completed activities in 2022:

- Employee Medicals and Referrals
- Post-Accident Case Review
- Pre-Employment Medicals
- Completion of Seafarers' Medicals (2 during 2022)
- Flu Vaccination Programme (November 2022)
- Completed baseline occupational hygiene survey both in static and personnel monitoring
- Employee Health Assessment with 80% participation
- Trained 6 Psychological First Aiders
- First Aider Certifications are up to date.

## Directors' report (continued)

For the financial year ended 31 December 2022

### **Health & safety (continued)**

#### **Safety**

There were three first aid cases with one reportable accident to the HSA (Health & Safety Authority). The employee has returned fully fit to work.

The HSA were on site as part of a nationwide ports inspection regime. There were 2 recommendations that were fully implemented.

Port of Waterford successfully completed the year 3 recertification audit with NSAI for the ISO 45001: 2018 Occupational Health and Safety Management System, with no non-conformances.

Communications: a number of EHS (Environment, Health & Safety) meetings (internal EHS committee and Port Users EHS Forum) were held during 2022.

Port of Waterford plays an active role in the Irish Ports Safety Forum and had a full programme of events for National Ports Safety Week in October 2022.

### **Human resources**

The average number of people employed in the company in 2022 was 45 (2021: 45).

#### **Notable items**

- 2 long standing employees retired during the year. Appropriate recruitment and training have been implemented to support orderly succession.
- There is 1 apprentice in a trade apprenticeship programme at the port.
- The company has satisfied the public sector minimum requirements for employees with a disability under the Disability Act 2005.
- An internal audit of HR practices was carried out with no issues reported.

Port of Waterford is committed to its statutory obligation under the Irish Human Rights Equality Act 2014 to eliminate discrimination, promote equality of opportunity and protect the human rights of staff and of those to whom it provides services. We are cognizant of our responsibility to provide diversity and inclusion in the workplace and seek to better address gender balance within our workforce.

## Directors' report (continued)

For the financial year ended 31 December 2022

### **Operational**

#### **Security**

The Port is compliant with ISPS (International Ship and Port Facility Security) regulations. The Port's security plan was fully revised and updated in 2021 and was subsequently approved by the Marine Survey Office.

Four security drills and one port security exercise were carried out in the year as required by the ISPS Code.

The Port regularly liaised with An Garda Síochána and Customs and Excise during the year.

#### **Port Emergency Plan**

The plan was revised and updated in October 2016. It remains fully compatible with the requirements of the Major Emergency Management Framework 2006 and will undergo a full review in 2023. The Port continues to engage with senior officers from both Kilkenny's and Waterford's Fire and Rescue Services and also engages with Waterford City Rescue.

#### **Cybersecurity**

Port of Waterford comes under the Operator of Essential Services (OSE) category of the NIS 2018 Directive (NIS 1).

Upgrades and investment in cybersecurity training and other actions have taken place during the year.

The Company reported directly to the NCSC Engagement Team, participated in National Cybersecurity Strategy 2019 – 2024 and is on the communications list for the DECC national cybersecurity matters.

#### **Environmental**

The Port successfully completed a 3 year recertification audit with NSAI for the ISO 14001:2015 Environmental Management System with no non conformances noted.

The Port maintains ongoing monitoring programmes for noise and dust.

The Port is interested in the biodiversity of the Estuary and conducts Estuarial Ecological Studies.

The main environmental management activities in 2022 can be summarized as follows:

- ECOPORTS – completion of SWOT Peer Review which resulted in the recommendation from this process is for Port of Waterford to process with PERS registration (Port Environmental Review System).
- ECOMERIT – the Port maintained its certification.
- Work commenced at the end of 2022 to connect the Port to Irish Water fresh water and effluent discharge systems. Until such time as the connection is fully operational, fresh water will continue to be sourced from on-site boreholes and the monitoring regime for the two discharge licenses (ENV/W/64 and ENV/W/104) will remain in place.

#### **Information Communications Technology**

Upgrades of key business systems and component modules have taken place, along with extending electronic data interchange (EDI) services to provide better integration with 3rd parties.

## Directors' report (continued)

For the financial year ended 31 December 2022

### Operational (continued)

#### Climate & Sustainability

- There was active consideration of the Climate Action Plan at the Board with the Board clearly signaling its intention to adopt the Framework.
- Completed a critical assessment of the Master Plan in order to prioritise an Offshore Renewable Energy project and a Decarbonisation Project.
- Commissioned a report on Flood Risk at the Port.
- The Company has regard to Green Procurement Principles when tendering and procuring.
- The Company is in the process of selecting a Climate Related Disclosure Framework and will take care that one will be adopted prior to the required CSRD timeline.
- Joined the All Ireland Pollinator Plan as a Business Supporter.
- Ambassadorial role with local schools.

#### Energy Management

- The Port adopted the government's "Reduce your Use" campaign.
- 50% of motor vehicles at the Port are electric vehicles (2021: 42%).
- The company is continuing to actively measure its energy consumption by way of data capture, reporting and training.
- Energy consumption data for indirectly controlled activities (scope 3 emissions) such as dredging and channel maintenance had a 2% increase as reported in annual statutory SEAI Energy Reporting.
- The company recorded the following energy consumption in 2022:

	2022 GWh	2021 GWh
Electricity	1.47	1.53
Fossil Fuels (operational activities)	0.30	0.35
Renewable Fuels	0.02	0.02
Fossil Fuels (dredging and channel maintenance)	6.23	n/a
	<b>8.02</b>	<b>1.90</b>

### Performance management

The key performance indicators reported by management are:

- Monitoring of accidents and incidents and other Health & Safety reporting.
- Monthly financial accounts and weekly cost and throughput information with comparatives.
- Analysis of volumes / revenues by category and margin against prior year and budget.
- Monthly review under each cost heading against budget.
- Measurement of carbon footprint.
- Analysis of capacity utilisation and occupancy for rental properties and car parks.
- Measurement of ROCE.
- Monitoring of employee statistics.
- Assessment of Port throughput in context of national market trends.
- Monitoring of cash flows and balance sheet position.
- Monitoring of capital investment.
- Monitoring of performance versus corporate plan.

## Directors' report (continued)

For the financial year ended 31 December 2022

### Governance

The Board of Port of Waterford was established under the Harbours Act 1996. The functions of the Board are set out in section 11 of this Act. The Board is accountable to the Minister for Transport and is responsible for ensuring good governance and performs this task by setting strategic objectives and targets and taking strategic decisions on all key business issues. The regular day-to-day management, control and direction of Port of Waterford is the responsibility of the Chief Executive and the management team. The Chief Executive and the management team must follow the broad strategic direction set by the Board, and must ensure that all Board members have a clear understanding of the key activities and decisions related to the entity, and of any significant risks likely to arise.

### Board structure

The Board consists of a Chairperson and five non-executive directors, an employee nominated director and the Chief Executive all of whom are appointed by the Minister for Transport. Seven meetings of the board are held in the calendar year.

The table below details the appointment details for members who served during the period.

Board member	Role	Date appointed	Expiry date
Frank Ronan	CEO	1 October 2015	30 September 2022
David Sinnott	CEO	3 October 2022	2 October 2029
Des Whelan	Chairperson	6 October 2014	5 October 2022
Joe Dreelan	Ordinary member	25 June 2014	25 June 2022
William Johnston	Ordinary member	13 December 2018	31 January 2026
John Kehoe	Ordinary member	2 July 2015	14 August 2025
Karen Hennessy	Ordinary member	1 February 2022	31 January 2027
Marian Walsh	Ordinary member	1 February 2022	31 January 2027
Derry O'Sullivan	Ordinary member/Interim chairperson	13 December 2018	31 January 2026

### Company secretaries:

Tony McDonnell	Company secretary	11 September 2017	7 February 2022
Brian Moore	Company secretary	7 February 2022	N/A

\*Derry O'Sullivan assumed the role of Interim Chairperson on 6 October 2022 pending appointment of a Chairperson by the Minister of Transport

### Directors' interests

The directors and secretary have no interests in the shares of the company.

## Directors' report (continued)

For the financial year ended 31 December 2022

### **Board Responsibilities**

The work and responsibilities of the Board are set out in The Code of Practice for the Governance of State Bodies 2016, which also contain the matters specifically reserved for Board decision.

In preparing these financial statements, the Board of Port of Waterford is required to:

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that it will continue in operation, and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Board is responsible for keeping adequate accounting records which disclose, with reasonable accuracy at any time, its financial position and enables it to ensure that the financial statements comply with Section 27 of the Harbours Act, 1996.

The company's directors are aware of their responsibilities, under sections 281 to 285 of the Companies Act 2014 as to whether in their opinion, the accounting records of the company are sufficient to permit the financial statements to be readily and properly audited and are discharging their responsibility by:

- implementation of necessary policies and procedures for recording transactions,
- employment of competent accounting personnel with appropriate expertise,
- the provision of adequate resources to the financial function.

The accounting records are held at the company's registered address, 3rd Floor, Marine Point, Belview Port, Waterford.

The Board is responsible for approving the annual budget and rolling five-year plan. The Business Plan for the period 2022-2026 has been approved by the Board and has been submitted for approval to the Department of Transport. An evaluation of the performance of Port of Waterford by reference to its plan and budget has been carried out.

The Board is also responsible for safeguarding its assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board considers that the financial statements of Port of Waterford give a true and fair view of the financial performance and the financial position of Port of Waterford at 31 December 2022.

The directors are committed to maintaining high standards of corporate governance including compliance with the guidelines in the Code of Practice for Governance of State Bodies.

The main areas covered by the corporate governance framework are as follows:

#### Directors' code of conduct

It is the company's aim to ensure that all directors are aware of, and are in compliance with, the code of conduct for directors.

#### Procurement procedures, advertising and awards of contracts

The company has procedures in place to ensure compliance with public procurement guidelines.

#### Travel policy

The company has procedures in place to achieve economy and efficiency in expenditure on official travel.

## Directors' report (continued)

For the financial year ended 31 December 2022

### Board Responsibilities (continued)

#### Chief Executive's remuneration

The Chief Executive's salary and benefits package is subject to ratification by the Board of Directors with the consent of the Minister for Transport given with the approval of the Minister for Finance by virtue of Section 35 (5) of the Harbours Act 1996.

#### Investment appraisal procedures

Robust and effective systems and procedures are in place to ensure compliance as appropriate, with the relevant principles, requirements and guidelines of the Public Spending Code. Port of Waterford gives due regard to appropriate models for investment appraisal within its sector and seeks to apply the best practice financial and economic appraisal principles contained in the Public Spending Code for the appraisal and management of investment proposals.

#### Procedure for the disposal of fixed assets

Appropriate procedures are in place to ensure that the disposal of assets or the granting of access to property or infrastructure for commercial arrangements, e.g. joint ventures with third parties, are at a fair market-related price.

#### Reporting arrangements and requirements

The company complies with the agreed reporting requirements of the Department of Transport and other government departments in a timely and accurate manner.

#### Supplier payments policy

In accordance with the Prompt Payments of Accounts Act 1997 and the European Communities (Late Payment in Commercial Transactions) Regulations, 2002 it is company policy to pay all creditors within the limits prescribed in legislation or limits agreed in advance with suppliers. Invoices are recorded on receipt and payment is issued as required to ensure timeliness. The system of internal financial control incorporates such controls and procedures as are considered necessary to ensure compliance with the legislation.

### Committees

The Board has established three committees, as follows:

**Audit & Risk Committee:** comprises three Board members and one independent member. The role of the Audit & Risk Committee (ARC) is to support the Board in relation to its responsibilities for issues of risk, control and governance and associated assurance. The ARC is independent from the financial management of the organisation and has its own terms of reference. In particular the Committee ensures that the internal control systems including audit activities are monitored actively and independently. The ARC reports to the Board after each meeting, and formally in writing annually.

There are two other committees within the company that have board representation: Green Committee and Heritage Committee.

### Internal audit

The establishment of an internal audit function is considered inappropriate in the context of the size of the organisation. In order to meet the requirements of the code in relation to internal audit, a three year rolling programme (as approved by the Audit & Risk Committee) covering various aspects of the business has been put in place. The programme is complete, with audits of Internal Controls and Compliance with Code of Practice concluding Q1 2023. All reviews were carried out independently. All reports were reviewed by the Audit & Risk Committee who concluded, on the basis of the reports, that the controls operating and the level of compliance in these specific areas were satisfactory. The Audit & Risk Committee reported accordingly to the main Board.

## Directors' report (continued)

For the financial year ended 31 December 2022

### Risks and uncertainties

The company maintains a risk register which is reviewed regularly by the Board and the Audit and Risk Committee as well as the management team. Risk is a standing item on the board's agenda. To this end all of the company's risks are considered and managed appropriately on an ongoing basis. Therefore the residual ratings on the risk register are maintained to an appropriate and manageable level in accordance with the company's low risk appetite.

### Legal costs and settlements

There were no legal costs or settlements recognised as expenditure in 2022 that require disclosure in these financial statements.

The company is currently involved in one legal case relating to the sale of land in 2006/2007. At this stage the outcome of the case is uncertain. There may be some costs relating to this case, however it is impracticable to estimate the financial effect of the case, to provide an indication of the timing of any outflows or to provide details of whether there would be the possibility of any reimbursement of these costs.

### Capital commitments

There are currently no material capital commitments to report.

### Statement of compliance

The Board has adopted the Code of Practice for the Governance of State Bodies (2016) and has put procedures in place to ensure compliance with the Code. Port of Waterford was in full compliance with the Code of Practice for the Governance of State Bodies in 2022.

### Results and dividends

The profit for the financial year, after taxation, amounted to €2,107,440 (2021 - €1,144,327).

A dividend of €266,135 was paid in 2022 in respect of 2021 trading.

Included in the profit for the financial year are a number of non-operating gains/(losses). A reconciliation of these has been included below which presents a fairer reflection of the trading performance and working capital requirements of the business.

	2022	2021
	€	€
<b>Total comprehensive income for the financial year</b>	<b>2,642,950</b>	928,585
<b>Non-operating adjustments:</b>		
Revaluation of investment property	<b>(985,000)</b>	(65,000)
Actuarial gain/(loss) on defined benefit pension schemes	<b>(643,178)</b>	232,946
Tax relating to other comprehensive income	<b>107,668</b>	(17,204)
<b>Trading surplus</b>	<b>1,122,440</b>	1,079,327

### Political contributions

Port of Waterford did not make any political donations during the year.



## Directors' report (continued)

For the financial year ended 31 December 2022

### Future developments

The company intends submitting applications for planning and foreshore consents for a 250m quay extension with Offshore Renewable Wind capability to the bulk wharves at Belview.

### Statement on relevant audit information

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### Branches outside the state

There are no branches of the company outside the State.

### Post balance sheet events

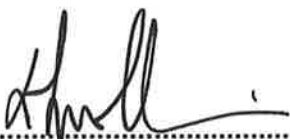
No matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in financial years subsequent to the financial period ended 31 December 2022.

### Auditor

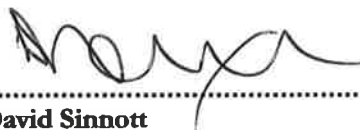
The auditor, Grant Thornton, continues in office in accordance with section 383(2) of the Companies Act 2014.

This report was approved by the board on

and signed on its behalf.



.....  
**Derry O'Sullivan (Chairman)**  
Director



.....  
**David Sinnott**  
Director

## Directors' responsibilities statement

For the financial year ended 31 December 2022

The directors are responsible for preparing the Directors' report and the financial statements in accordance with Irish law and regulations.

Irish company law requires the directors to prepare the financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date, of the profit or loss for that financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

On behalf of the board



.....  
**Derry O'Sullivan (Chairman)**  
Director



.....  
**David Sinnott**  
Director

# Independent auditor's report to the members of Port of Waterford Company

## **Opinion**

We have audited the financial statements of Port of Waterford Company, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of cash flows, the Statement of changes in equity for the financial year ended 31 December 2022, and the related notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and accounting standards issued by the Financial Reporting Council including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (Generally Accepted Accounting Practice in Ireland).

In our opinion, Port of Waterford Company's financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the assets, liabilities and financial position of the Company as at 31 December 2022 and of its financial performance and cash flows for the financial year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the 'Responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities, and the responsibilities of the directors, with respect to going concern are described in the relevant sections of this report.

## Independent auditor's report to the members of Port of Waterford Company (continued)

### **Other information**

Other information comprises information included in the Annual Report, other than the financial statements and our auditor's report thereon, including the Directors' report. The directors are responsible for the other information. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies in the financial statements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Matters on which we are required to report by the Companies Act 2014**

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' Report is consistent with the financial statements. Based solely on the work undertaken in the course of our audit, in our opinion, the Directors' Report has been prepared in accordance with the requirements of the Companies Act 2014.

### **Matters on which we are required to report by exception**

Based on our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

Under the Companies Act 2014, we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of the Act have not been made. We have no exceptions to report arising from this responsibility.

## Independent auditor's report to the members of Port of Waterford Company (continued)

### **Responsibilities of management and those charged with governance for the financial statements**

As explained more fully in the directors' responsibilities statement, management is responsible for the preparation of the financial statements which give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland, including FRS102, and for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## Independent auditor's report to the members of Port of Waterford Company (continued)

### **Responsibilities of the auditor for the audit of the financial statements**

The auditor's objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (Ireland), the auditor will exercise professional judgment and maintain professional scepticism throughout the audit. They will also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

The Auditor shall communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during the audit.



## Independent auditor's report to the members of Port of Waterford Company (continued)

### **The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink that reads "Michael Nolan".

Michael Nolan

for and on behalf of

**Grant Thornton**

Chartered Accountants

Statutory Audit Firm

Cork

Date:

24 April 2023

## Statement of comprehensive income


For the financial year ended 31 December 2022

	Note	2022 €	2021 €
Turnover	4	8,453,745	7,737,584
Cost of sales		(5,512,606)	(5,132,830)
<b>Gross profit</b>		<b>2,941,139</b>	<b>2,604,754</b>
Administrative expenses		(2,276,076)	(2,173,657)
Other operating income	5	603,086	628,557
Revaluation of investment property	10	985,000	65,000
<b>Operating profit</b>	6	<b>2,253,149</b>	<b>1,124,654</b>
Interest payable and similar charges		(14,249)	(954)
<b>Profit before taxation</b>		<b>2,238,900</b>	<b>1,123,700</b>
Tax on profit	9	(131,460)	20,627
<b>Profit for the financial year</b>		<b>2,107,440</b>	<b>1,144,327</b>
<b>Other comprehensive income</b>			
Actuarial gain/(loss) on defined benefit pension schemes		643,178	(232,946)
Tax relating to other comprehensive income		(107,668)	17,204
<b>Other comprehensive income for the financial year</b>		<b>535,510</b>	<b>(215,742)</b>
<b>Total comprehensive income for the financial year</b>		<b>2,642,950</b>	<b>928,585</b>


All turnover relates to continuing operations.

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of comprehensive income.

Signed on behalf of the board:

  
 .....  
**Derry O'Sullivan (Chairman)**

Director

  
 .....  
**David Sinnott**

Director

Date: 03/04/23



## Balance sheet

As at 31 December 2022

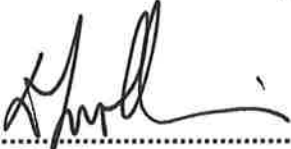
	Note	2022 €	2021 €
<b>Fixed assets</b>			
Tangible assets	11	26,428,709	26,794,098
Investment property	10	8,951,031	7,846,001
		<u>35,379,740</u>	<u>34,640,099</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	12	1,662,012	1,607,919
Cash at bank and in hand	13	7,728,885	7,058,029
		<u>9,390,897</u>	<u>8,665,948</u>
Creditors: amounts falling due within one year	14	(1,538,419)	(1,411,933)
		<u>7,852,478</u>	<u>7,254,015</u>
<b>Net current assets</b>		<u>7,852,478</u>	<u>7,254,015</u>
<b>Total assets less current liabilities</b>		<u>43,232,218</u>	<u>41,894,114</u>
<b>Provisions for liabilities</b>			
Deferred tax	16	(107,668)	-
		<u>(107,668)</u>	<u>-</u>
Deferred grants	17	(7,368,000)	(7,653,037)
<b>Net assets excluding pension liability/asset</b>		<u>35,756,550</u>	<u>34,241,077</u>
Pension asset/liability	21	545,186	(316,156)
<b>Net assets</b>		<u>36,301,736</u>	<u>33,924,921</u>
<b>Capital and reserves</b>			
Called up share capital presented as equity	18	18,675,803	18,675,803
Capital redemption reserve	19	92,523	92,523
Profit and loss account	19	17,533,410	15,156,595
<b>Shareholders' funds</b>		<u>36,301,736</u>	<u>33,924,921</u>

## Balance sheet (continued)

As at 31 December 2022

These financial statements have been prepared in accordance with the small companies regime.

The financial statements were approved and authorised for issue by the board:



.....  
**Derry O'Sullivan (Chairman)**  
Director



.....  
**David Sinnott**  
Director

Date: 03/04/23

The notes on pages 27 to 44 form part of these financial statements.

## Statement of changes in equity

For the financial year ended 31 December 2022

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	€	€	€	€
At 1 January 2022	18,675,803	92,523	15,156,595	33,924,921
<b>Comprehensive income for the financial year</b>				
Profit for the financial year	-	-	2,107,440	2,107,440
Actuarial profit on defined benefit plans	-	-	643,178	643,178
Tax relating to other comprehensive income	-	-	(107,668)	(107,668)
<b>Total comprehensive income for the financial year</b>	-	-	2,642,950	2,642,950
<b>Contributions by and distributions to owners</b>				
Dividends: Equity capital	-	-	(266,135)	(266,135)
<b>At 31 December 2022</b>	<b>18,675,803</b>	<b>92,523</b>	<b>17,533,410</b>	<b>36,301,736</b>

The notes on pages 27 to 44 form part of these financial statements.

## Statement of changes in equity

For the financial year ended 31 December 2021

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	€	€	€	€
At 1 January 2021	18,675,803	92,523	14,228,010	32,996,336
<b>Comprehensive income for the financial year</b>				
Profit for the financial year	-	-	1,144,327	1,144,327
Actuarial loss on defined benefit plans	-	-	(232,946)	(232,946)
Tax relating to other comprehensive income	-	-	17,204	17,204
<b>Total comprehensive income for the financial year</b>	-	-	928,585	928,585
<b>At 31 December 2021</b>	<b>18,675,803</b>	<b>92,523</b>	<b>15,156,595</b>	<b>33,924,921</b>

The notes on pages 27 to 44 form part of these financial statements.

## Statement of cash flows

For the financial year ended 31 December 2022

	2022 €	2021 €
<b>Cash flows from operating activities</b>		
Profit for the financial year	2,107,440	1,144,327
<b>Adjustments for:</b>		
Depreciation of tangible assets	1,346,467	1,251,571
Interest paid	(14,249)	(954)
Taxation charge	131,460	(20,627)
(Increase)/decrease in debtors	(54,093)	187,190
Increase in creditors	149,817	345,090
(Decrease) in provisions	(1,146,379)	(194,809)
Increase/(decrease) in net pension assets/liabilities	643,179	(232,946)
Net fair value (gains) recognised in P&L	(985,000)	(65,000)
Corporation tax (paid)/received	(154,791)	-
<b>Net cash generated from operating activities</b>	<b>2,023,851</b>	<b>2,413,842</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(1,016,861)	(1,844,129)
Sale of tangible fixed assets	35,783	86,703
Purchase of investment properties	(120,030)	(51,006)
<b>Net cash from investing activities</b>	<b>(1,101,108)</b>	<b>(1,808,432)</b>
<b>Cash flows from financing activities</b>		
Dividends paid	(266,136)	-
Interest paid	14,249	954
<b>Net cash used in financing activities</b>	<b>(251,887)</b>	<b>954</b>
<b>Net increase in cash and cash equivalents</b>	<b>670,856</b>	<b>606,364</b>
Cash and cash equivalents at beginning of financial year	7,058,029	6,451,665
<b>Cash and cash equivalents at the end of financial year</b>	<b>7,728,885</b>	<b>7,058,029</b>
<b>Cash and cash equivalents at the end of financial year comprise:</b>		
Cash at bank and in hand	7,728,885	7,058,029
	<b>7,728,885</b>	<b>7,058,029</b>

The notes on pages 27 to 44 form part of these financial statements.

## Analysis of Net Debt

For the financial year ended 31 December 2022

	At 1 January 2022 €	Cash flows €	At 31 December 2022 €
Cash at bank and in hand	7,058,029	670,856	7,728,885
	<u>7,058,029</u>	<u>670,856</u>	<u>7,728,885</u>

The notes on pages 27 to 44 form part of these financial statements.

# Notes to the financial statements

For the financial year ended 31 December 2022

## **1. General information**

Port of Waterford Company is a limited company domiciled and incorporated in Republic of Ireland with registration number 299445. The registered office is 3rd Floor, Marine Point, Belview Port, Waterford.

## **2. Accounting policies**

### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and Irish statute comprising of the Companies Act 2014.

The company qualifies as a small company as defined by section 280A of the Act, in respect of the financial year and has applied the rules of the 'Small Companies Regime' in accordance with section 280C of the Act and section 1A of FRS 102.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

### **2.2 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

### **2.3 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

# Notes to the financial statements

For the financial year ended 31 December 2022

## 2. Accounting policies (continued)

### 2.4 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

### 2.5 Current and deferred taxation

The tax expense for the financial year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

### 2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

# Notes to the financial statements

For the financial year ended 31 December 2022

## 2. Accounting policies (continued)

### 2.6 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Land, wharves & buildings	- 30-50 years
Motor vehicles, cranes and plant	- 5-15 years
Office equipment	- 5 years
Capital dredging	- 5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

### 2.7 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in profit or loss.

### 2.8 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

### 2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

### 2.10 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.



# Notes to the financial statements

For the financial year ended 31 December 2022

## 2. Accounting policies (continued)

### 2.11 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

### 2.12 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

### 2.13 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

# Notes to the financial statements

For the financial year ended 31 December 2022

## 3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### Critical judgements

The directors are of the view that there are no judgements (apart from those involving estimates) in applying their accounting policies that have had a significant effect on amounts recognised in the financial statements.

### Key sources of estimation uncertainty

The directors are of the view that there are no estimates or assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

### Useful lives of depreciable assets

The annual depreciation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of fair values and residual values. The directors annually review these asset lives and adjust them as necessary to reflect current thinking on remaining lives in light of technological change, prospective economic utilisation and physical condition of the assets concerned. Changes in asset lives can have significant impact on depreciation charges for the period. It is not practical to quantify the impact of changes in asset lives on an overall basis, as asset lives are individually determined, and there are a significant number of asset lives in use. The impact of any change would vary significantly depending on the individual changes in assets and the classes of assets impacted.

## 4. Turnover

An analysis of turnover by class of business is as follows:

	2022 €	2021 €
Sales	8,453,745	7,737,584
	<u>8,453,745</u>	<u>7,737,584</u>

All turnover arose in Ireland.

# Notes to the financial statements

For the financial year ended 31 December 2022

## 5. Other operating income

	2022 €	2021 €
Other operating income	270,566	256,916
Government grants receivable	332,520	332,443
Profit on disposal of fixed asset investments	-	39,198
	<u>603,086</u>	<u>628,557</u>

## 6. Profit on ordinary activities before taxation

The operating profit is stated after charging:

	2022 €	2021 €
Depreciation of tangible fixed assets	1,346,467	1,251,571
Defined contribution pension cost	301,888	287,881
Defined benefit pension cost	36,570	40,462
	<u>1,684,925</u>	<u>1,580,914</u>

### External Support & Special Advisory costs

These include the cost of external advice to management and exclude outsourced 'business-as-usual' functions.

	2022 €	2021 €
<b>Charged to the Profit and loss account</b>		
Pension advice	24,881	22,877
Business development	19,482	38,781
	<u>44,363</u>	<u>61,658</u>

### Capitalised costs

	2022 €	2021 €
Masterplanning	209,211	156,500
	<u>209,211</u>	<u>156,500</u>

# Notes to the financial statements

For the financial year ended 31 December 2022

## 7. Employees

Staff costs, including directors' remuneration, were as follows:

	2022 €	2021 €
Wages and salaries	2,201,656	2,116,820
Social insurance costs	239,279	228,588
Cost of defined benefit scheme	36,570	40,462
Cost of defined contribution scheme	301,888	287,881
	<u>2,779,393</u>	<u>2,673,751</u>

The average monthly number of employees, including the directors, during the financial year was as follows:

	2022 No.	2021 No.
Administration	10	10
Operations and maintenance	35	35
	<u>45</u>	<u>45</u>

### Employees' short term benefits breakdown

Employees' short-term benefits in excess of €50,000 are categorised in the following bands:

	2022 No. of Employees in Band	2021 No. of Employees in Band
€50,000 - €75,000	15	17
€75,001 - €100,000	2	1
€100,001 - €125,000	1	1
€125,001 - €150,000	-	-
	<u>18</u>	<u>19</u>

The above table does not include the value of retirement benefits earned in the period.

# Notes to the financial statements

For the financial year ended 31 December 2022

## 7. Employees (continued)

### Key management personnel

	2022 €	2021 €
Salary	601,330	563,793
Employers PRSI	66,447	62,299
Superannuation	106,284	100,794
	<u>774,061</u>	<u>726,886</u>

### Travel and subsistence

	2022 €	2021 €
<b>Domestic</b>		
Board	-	-
Employee	18,221	23,078
	<u>18,221</u>	<u>23,078</u>
<b>International</b>		
Board	-	-
Employee	-	-
	<u>-</u>	<u>-</u>

### Hospitality expenditure

The profit and loss account includes the following hospitality expenditure:

	2022 €	2021 €
Internal hospitality	16,358	1,974
External hospitality	1,928	2,391
	<u>18,286</u>	<u>4,365</u>

Internal hospitality includes all catering for events and meetings hosted by the company as well as canteen facilities.

# Notes to the financial statements

For the financial year ended 31 December 2022

## 8. Directors' remuneration

	2022 €	2021 €
Directors' emoluments	<u>55,630</u>	<u>56,878</u>

	2022 €	2021 €
<b>CEO remuneration</b>		
CEO Salary	112,500	110,000
CEO Benefit in Kind	5,068	4,756
Pension contributions	28,125	27,500
	<u>145,693</u>	<u>142,256</u>

Frank Ronan resigned as Chief Executive Officer on 30 September 2022.

David Sinnott was appointed as Chief Executive Officer on 3 October 2022.

<b>Director</b>	<b>Board meetings attended *</b>	<b>Audit &amp; risk committee attended *</b>	<b>Fees €</b>
Des Whelan (Chairman) (resigned 05/10/2022)	4/5	1/4	9,637
Frank Ronan (CEO) (resigned 30/09/2022)	5/5	2/2	-
David Sinnott (CEO) (appointed 03/10/2022)	2/2	2/2	-
William Johnston (resigned 12/12/2021 & reappointed 01/02/2022)	7/7	4/4	7,016
Derry O'Sullivan (resigned 12/12/2021 & reappointed 01/02/2022)	7/7	4/4	8,087
Joe Dreelan (resigned 24/06/2022)	3/3		3,939
John Kehoe	7/7		8,100
Karen Hennessy (appointed 01/02/2022)	6/7	1/2	7,425
Marian Walsh (appointed 01//02/2022)	7/7		7,425
William Halley (AR Committee Member only)		4/4	4,000

\* Meetings attended / meetings eligible

# Notes to the financial statements

For the financial year ended 31 December 2022

## 9. Taxation

	2022 €	2021 €
<b>Corporation tax</b>		
Current tax on profits for the year	131,460	77,856
	<u>131,460</u>	<u>77,856</u>
<b>Total current tax</b>	<u>131,460</u>	<u>77,856</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	-	(98,483)
<b>Total deferred tax</b>	<u>-</u>	<u>(98,483)</u>
<b>Taxation on profit/(loss) on ordinary activities</b>	<u>131,460</u>	<u>(20,627)</u>

### Factors affecting tax charge for the financial year

The tax assessed for the financial year is lower than (2021 - lower than) the standard rate of corporation tax in Ireland of 12.5% (2021 - 12.5%). The differences are explained below:

	2022 €	2021 €
Profit on ordinary activities before tax	2,238,900	1,123,700
Profit on ordinary activities multiplied by standard rate of corporation tax in Ireland of 12.5% (2021 - 12.5%)	279,863	140,463
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	(210,028)	(76,112)
Capital allowances for financial year in excess of depreciation	30,851	21,391
Higher rate taxes on estate and investment income	42,704	34,805
Unrelieved loss on carried forward	(12,390)	(43,151)
Income tax withheld	460	460
Deferred tax	-	(98,483)
<b>Total tax charge for the financial year</b>	<u>131,460</u>	<u>(20,627)</u>

### Factors that may affect future tax charges

There were no factors that may affect future tax charges.

## Notes to the financial statements

For the financial year ended 31 December 2022

### Other comprehensive income

In addition to the amount (credited) / charged to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2022 €	2021 €
Actuarial differences recognised as other comprehensive income	107,668	(17,204)
	<u>107,668</u>	<u>(17,204)</u>

### 10. Investment property

	Freehold investment property €
<b>Valuation</b>	
At 1 January 2022	7,846,001
Additions at cost	120,030
Surplus on revaluation	985,000
<b>At 31 December 2022</b>	<u><u>8,951,031</u></u>

The 2022 valuations were made by REA O'Shea O'Toole, on an open market value for existing use basis.



## Notes to the financial statements

For the financial year ended 31 December 2022

### 11. Tangible fixed assets

	Land, wharves and buildings €	Motor vehicles, cranes and plant €	Office equipment €	Other fixed assets €	Total €
<b>Cost or valuation</b>					
At 1 January 2022	41,979,167	15,876,846	298,186	1,945,268	60,099,467
Additions	308,592	432,193	51,814	224,262	1,016,861
Disposals	-	(94,262)	(3,885)	-	(98,147)
At 31 December 2022	<u>42,287,759</u>	<u>16,214,777</u>	<u>346,115</u>	<u>2,169,530</u>	<u>61,018,181</u>
<b>Depreciation</b>					
At 1 January 2022	18,019,551	14,175,498	154,491	955,829	33,305,369
Charge for the financial year on owned assets	860,805	327,876	59,249	98,537	1,346,467
Disposals	-	(62,364)	-	-	(62,364)
At 31 December 2022	<u>18,880,356</u>	<u>14,441,010</u>	<u>213,740</u>	<u>1,054,366</u>	<u>34,589,472</u>
<b>Net book value</b>					
At 31 December 2022	<u><u>23,407,403</u></u>	<u><u>1,773,767</u></u>	<u><u>132,375</u></u>	<u><u>1,115,164</u></u>	<u><u>26,428,709</u></u>
At 31 December 2021	<u><u>23,959,616</u></u>	<u><u>1,701,348</u></u>	<u><u>143,695</u></u>	<u><u>989,439</u></u>	<u><u>26,794,098</u></u>

## Notes to the financial statements

For the financial year ended 31 December 2022

### 12. Debtors

	2022 €	2021 €
Trade debtors	1,534,077	1,538,063
VAT recoverable	76,172	-
Prepayments	51,763	69,856
	<u>1,662,012</u>	<u>1,607,919</u>

All debtor balances are due within one year.

### 13. Cash and cash equivalents

	2022 €	2021 €
Cash at bank and in hand	7,728,885	7,058,029
	<u>7,728,885</u>	<u>7,058,029</u>

### 14. Creditors: Amounts falling due within one year

	2022 €	2021 €
Trade creditors	670,401	297,184
Corporation tax	54,525	77,856
Taxation and social insurance	82,059	77,164
Other creditors	40,312	34,113
Accruals	691,122	925,616
	<u>1,538,419</u>	<u>1,411,933</u>

	2022 €	2021 €
<b>Other taxation and social insurance</b>		
PAYE/PRSI control	82,059	73,701
VAT control	-	3,463
	<u>82,059</u>	<u>77,164</u>

# Notes to the financial statements

For the financial year ended 31 December 2022

## 15. Financial instruments

	2022 €	2021 €
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	<u>7,728,885</u>	<u>7,058,029</u>

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

## 16. Deferred taxation

	2022 €
Charged to profit or loss	<u>(107,668)</u>
<b>At end of year</b>	<u><u>(107,668)</u></u>

The deferred taxation balance is made up as follows:

	2022 €	2021 €
Accelerated capital allowances	<u>(107,668)</u>	-
	<u><u>(107,668)</u></u>	<u><u>-</u></u>

## 17. Deferred income

	2022 €	2021 €
At the beginning of the year	7,653,037	7,985,480
Grants received	47,483	-
Grants amortised	<u>(332,520)</u>	<u>(332,443)</u>
	<u><u>7,368,000</u></u>	<u><u>7,653,037</u></u>

Prior to vesting date, Waterford Harbour Commissioners had received capital grants amounting to €21,152,622.

# Notes to the financial statements

For the financial year ended 31 December 2022

## 18. Share capital

	2022 €	2021 €
<b>Authorised</b>		
32,000,000 (2021 - 32,000,000) Ordinary shares of €1.25 each	<u>40,000,000</u>	<u>40,000,000</u>
<b>Allotted, called up and fully paid</b>		
14,940,642 (2021 - 14,940,642) Ordinary shares of €1.25 each	<u>18,675,803</u>	<u>18,675,803</u>

## 19. Reserves

### Capital redemption reserve

Capital redemption reserve is the nominal value of the company's own shares acquired and cancelled by the company out of profits available for distribution. It constitutes undenominated capital of the company and is a non-distributable reserve.

### Profit and loss account

The profit and loss account includes all current and prior periods retained profits and losses.

## 20. Contingent liabilities

As detailed in the directors report the company is currently involved in one legal case relating to the sale of land in 2006/2007. At this stage, the outcome of the case is uncertain. There may be some costs relating to this case, however at this stage it is impracticable to estimate the financial effect of the case, to provide an indication of the timing of any outflows or to provide details of whether there would be the possibility of any reimbursement of these costs. Any ongoing costs relating to the case have been expensed as incurred.

# Notes to the financial statements

For the financial year ended 31 December 2022

## 21. Pension commitments

### Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The advice of a professional actuary was taken in the setting up and maintenance of the schemes.

The charge to profit or loss in respect of defined contribution schemes during 2022 was €301,888 (2021: €287,881).

### Defined benefit schemes

The company operates defined benefit schemes for certain of its permanent employees, including employees and former employees of the company's predecessor entity Waterford Harbour Commissioners. Contributions to the scheme are based on the advice of an independent qualified actuary. The scheme is funded by the payment of contributions to a separate administered fund.

In previous years, the company had agreed with the Pensions Board, the funding of the scheme over a period which is longer than the maximum normally allowed. At the end of 2020 the company exited its formal funding proposal with the Pensions' Board.

Reconciliation of present value of plan liabilities:

	2022 €	2021 €
<b>Reconciliation of present value of plan liabilities</b>		
At the beginning of the year	12,254,391	13,101,610
Current service cost	36,569	36,556
Interest cost	148,040	107,387
Actuarial gains/losses	(2,757,899)	(53,571)
Contributions	4,965	4,841
Benefits paid	(829,864)	(839,546)
Settlements	-	(102,886)
<b>At the end of the year</b>	<b>8,856,202</b>	<b>12,254,391</b>

# Notes to the financial statements

For the financial year ended 31 December 2022

## 21. Pension commitments (continued)

Reconciliation of present value of plan assets:

	2022 €	2021 €
At the beginning of the year	11,938,235	12,923,088
Interest income	145,690	106,433
Return on plan assets (excluding amounts included in net interest)	(2,114,720)	(286,517)
Contributions by scheme members	4,965	4,841
Contributions by the employer	257,084	136,726
Benefits paid	(829,866)	(839,546)
Gain/loss on settlement or curtailment	-	(106,790)
<b>At the end of the year</b>	<b>9,401,388</b>	<b>11,938,235</b>
	2022 €	2021 €
Fair value of plan assets	9,401,388	11,938,235
Present value of plan liabilities	(8,856,202)	(12,254,391)
<b>Net pension scheme asset / liability</b>	<b>545,186</b>	<b>(316,156)</b>

The amounts recognised in profit or loss are as follows:

	2022 €	2021 €
Current service cost	36,570	36,558
Net interest on net defined benefit liability / (asset)	2,350	954
<b>Total</b>	<b>38,920</b>	<b>37,512</b>

The cumulative amount of actuarial gains and losses recognised in the Statement of comprehensive income was €634,178 (2021: €232,946 loss).

# Notes to the financial statements

For the financial year ended 31 December 2022

## 21. Pension commitments (continued)

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2022	2021
	%	%
Discount rate	4.15	1.25
Future salary increases	3.05	2.55
Future pension increases	0.50	0.50
Proportion of employees opting for early retirement	2.55	2.05
Mortality rates		
- for a male aged 65 now	23.1	23.0
- for a female aged 65 now	24.5	24.4

## 22. Related party transactions

Mr. Des Whelan, a director of the company, is managing director/shareholder of Southeast Broadcasting Co Ltd T/A WLR FM, with which the company had transactions on normal commercial terms amounting to €Nil in 2022 (2021: €1,800 plus VAT).

Mr. John Kehoe is a full time employee of Port of Waterford Company. Mr. Kehoe's terms of employment are the same as those applying to other employees in a similar position.

The only other transaction between the company and its directors were the payment for services as executive, director or chairman.

## 23. Controlling party

The company's immediate and ultimate controlling party is the Minister for Transport.

## 24. Approval of financial statements

The board of directors approved these financial statements for issue on

## Detailed profit and loss account

For the financial year ended 31 December 2022

	2022	2021
Note	€	€
Turnover	8,453,745	7,737,584
Cost Of Sales	<b>(5,512,606)</b>	(5,132,830)
<b>Gross profit</b>	<b>2,941,139</b>	2,604,754
Other operating income	<b>603,086</b>	628,557
<b>Less: overheads</b>		
Administration expenses	<b>(2,276,076)</b>	(2,173,657)
Revaluation of investment property	<b>985,000</b>	65,000
<b>Operating profit</b>	<b>2,253,149</b>	1,124,654
Interest payable	<b>(14,249)</b>	(954)
Tax on profit on ordinary activities	<b>(131,460)</b>	20,627
<b>Profit for the financial year</b>	<b>2,107,440</b>	1,144,327



## Schedule to the detailed accounts

For the financial year ended 31 December 2022

	2022 €	2021 €
<b>Turnover</b>		
Sales	8,453,745	7,737,584
	<u>8,453,745</u>	<u>7,737,584</u>
	2022 €	2021 €
<b>Cost of sales</b>		
Wages and salaries	2,028,908	1,945,186
National insurance	239,279	228,588
CoS staff pens costs - defined contribution scheme	301,888	287,881
CoS directors pens costs - defined benefit schemes	36,570	40,462
Subcontract labour	5,313	3,825
Consumables	624,462	642,008
Hire of plant and equipment	29,474	31,114
Light, heat and power	258,299	250,378
Rent and rates	278,226	245,001
Dredging costs	1,413,256	1,195,189
Security costs	258,622	212,487
Travelling expenses	38,309	50,711
	<u>5,512,606</u>	<u>5,132,830</u>
	2022 €	2021 €
<b>Other operating income</b>		
Rental income arising from investment properties	270,566	256,916
Government grants amortised	332,520	332,443
Profit on disposal of fixed assets	-	39,198
	<u>603,086</u>	<u>628,557</u>

## Schedule to the detailed accounts

For the financial year ended 31 December 2022

	2022 €	2021 €
<b>Administration expenses</b>		
Directors fees	55,630	56,878
Staff salaries	117,118	114,756
Staff training	17,530	16,619
Motor running costs	32,163	26,148
Hotels, travel and subsistence	45,585	21,898
Consultancy	143,648	127,787
Printing and stationery	13,034	12,613
Telephone and fax	28,354	31,404
Computer costs	131,271	157,116
General office expenses	2,290	-
Advertising and promotion	31,415	17,563
Trade subscriptions	20,096	26,478
Charity donations	71,792	5,700
Legal and professional	30,537	16,725
Auditors' remuneration	29,390	26,196
Bank charges	33,070	24,810
Bad debts	1,974	-
Light and heat	1,945	10,358
Cleaning	12,925	7,171
Insurances	221,844	212,073
Sundry establishment expenses	7,392	7,091
Depreciation - plant and machinery	1,346,467	1,251,570
Profit/loss on sale of tangible assets	(27,052)	2,703
Exceptional income	(92,342)	-
	<u>2,276,076</u>	<u>2,173,657</u>
	2022 €	2021 €
<b>Revaluation surplus</b>		
Revaluation of investment property	985,000	65,000
	<u>985,000</u>	<u>65,000</u>

**Port of Waterford Company**

**Schedule to the detailed accounts**

**For the financial year ended 31 December 2022**

	2022	2021
	€	€
<b>Interest payable</b>		
Bank interest payable	11,899	-
Other interest - on defined benefit liability	2,350	954
	<u>14,249</u>	<u>954</u>
	<u><u>14,249</u></u>	<u><u>954</u></u>