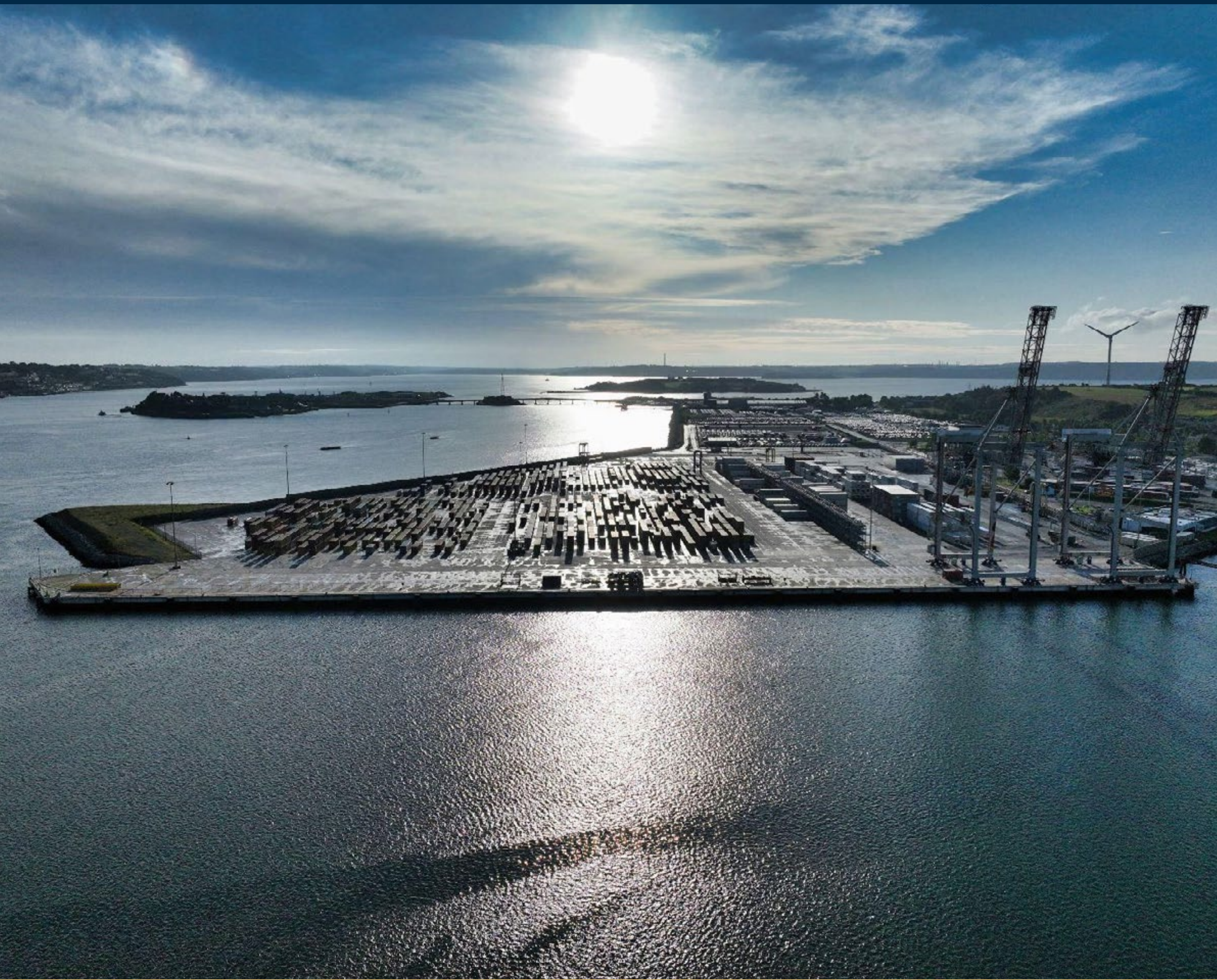
PORT of CORK

DEEPWATER MULTI-MODAL PORT



Annual Report 2023

Port of Cork Company Annual Report 2023

Comprising of the Consolidated Financial Statements for the financial year ended 31 December 2023, the Chairperson's Statement and the Port of Cork Company Chief Executive's Report.

Port of Cork Company Annual Report Contents

Board of Directors

Dr. Michael Walsh *(Chairperson)*

Mr. David Browne

Ms. Gillian Keating

Ms. Joan McGrath

Dr. Celine McInerney

Mr. Philip Smith

Mr. Finbarr Synnott

Management Team

Mr. Eoin McGettigan *Chief Executive*

Mr. Donal Crowley
Deputy Chief Executive, Chief Financial Officer and Company Secretary

Capt. Paul O'Regan
Harbour Master and Chief Operations Officer

Mr. Conor Mowlds
Chief Commercial Officer

Mr. Henry Kingston
Chief Land Development Officer

Mr. Peter O'Shaughnessy
Head of Human Resources

Mr. Tim Murphy
Head of Port Engineering

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Cork

O'Flynn Exhams
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Dublin 4

European Investment Bank
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Actuaries

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Albert Quay,
Cork

Port of Cork Company Board of Directors

Michael Walsh
Chairperson

Donal Crowley
Interim CEO and Company Secretary

David Browne
Director

Gillian Keating
Director

Joan McGrath
Director

Michael Walsh

Michael was appointed Chairperson of the Port of Cork Company in 2021 on a five-year term. He has a wealth of executive management experience governing major infrastructure projects, as well as extensive board experience.

Michael is currently working with two early-stage companies with technology breakthroughs in the energy sector, he is also Chair of the DSO Supervisory Board at UK Power Networks.

Before this he held senior leadership positions in Smart Wires, EirGrid, ESB, IWEA as well as a lecturer in UCD. He is a Fellow of Engineers Ireland with a PhD in Engineering and a Masters in Business Administration.

Donal Crowley

Donal is Interim CEO and Chief Financial Officer of the Port of Cork Company and subsidiary companies. He previously held senior management positions with a number of multi national companies.

After qualifying as an accountant and specialising in Pension Fund Management, Donal worked as a Senior Auditor with Ernst & Young for four years before advancing in his financial career. He has previously held financial positions at Showerlux Ireland Limited and Bourns. He is a director of Belvelly Marino Development Company DAC, Cork Port Terminal Services DAC, Aniram MDA DAC and Cobh Maritime Development Company CLG.

David Browne

David is a Business Development Support Manager and has been working with the Port of Cork Company for 23 years.

David began his career as an Electrician with Dornan Engineering, and since joining the port in 2001, David has worked in a variety of roles including Engineering and Health & Safety before starting his current role in the Commercial Department in 2021.

David also has responsibility for stakeholder engagement.

David has been a member of the Port of Cork Company Board of Directors since 2017.

David studied Occupational Health & Safety in UCD, and in recent years has obtained a HDip in Safety Health and Welfare at Work, as well as a M.Sc. in Occupational Health from University College Cork (UCC). He also has a Diploma in Employment Law from Technological University Dublin and is currently studying an MBA in UCC.

Gillian Keating

Gillian is a Partner with one of Ireland's leading law firms, RDJ and leads their Corporate and Commercial Department. With over 25 years' experience Gillian is ranked in Legal 500 and Chambers for her transaction and advisory work.

Gillian is an Adjunct Professor in the College of Business and Law at University College Cork (UCC) and in 2017 received an Alumni Achievement Award from UCC.

Gillian is a co-founder of the highly successful and award winning I WISH (Inspiring Women in Stem) social enterprise. I WISH is an initiative to inspire young women to consider careers in Science, Technology, Engineering and Maths (STEM).

From 2013 to 2019, Gillian was a member of the Governing Body of UCC and chaired the Audit Committee. Gillian is a past president of Cork Chamber of Commerce. As well as being a board member of Port of Cork Company, Gillian currently chairs the Board of the South Infirmary Victoria University Hospital.

Joan McGrath

Joan was appointed as a Director of the Board in 2021 and brings her many years of Board experience, as an executive director and non-executive director. Her expertise includes organisation strategy, mergers and acquisitions and people strategy over the course of her professional career, along with her experience as a current board member of the Irish Aviation Authority and Tobin Consulting Engineers.

Port of Cork Company Board of Directors

Celine McInerney
Director

Philip Smith
Director

Finbar Synnott
Director

Celine McInerney

Celine spent her early career as an investment banker specialising in Mergers and Acquisitions in London and New York with Deutsche Bank and Lehman Brothers.

On returning to Ireland in the early 2000s, her focus moved to renewable energy finance with SWS Energy and then Merrion Capital where she was a founding partner

of the Cork office.

In 2010, she took up a role in University College Cork where she ran a successful research group focused on renewables investment and was a Senior Lecturer in Finance. She has published widely and is a regular speaker at conferences. She is a guest lecturer on a number of sustainable leadership programmes with a focus on Environment, Social and Governance.

Celine is a director of University College Cork's 1,500-bed campus accommodation company since 2018. She chaired the board of the Money Advice and Budgeting Service in Cork and Kerry from 2018-2021 and sat on the Audit and Risk committee. She chaired the Audit, Finance and Risk committee of Cork charity Deaf Enterprises from 2015 to 2018. She is a member of the Audit and Risk committee of ComReg the Irish electronic communications regulator since May 2023. She is owner-director of family businesses in the energy sector.

Celine holds an undergraduate finance degree from Dublin City University, a master's degree in finance and a post graduate diploma in Statistics from Trinity College Dublin and a PhD in energy finance from UCC. Celine completed the Institute of Directors diploma in company direction with distinction in 2020.

Philip Smith

Philip owns a corporate finance firm, Penrick Advisors and was appointed to the Board at the Port of Cork Company at the beginning of 2018. Philip is also an Advisor for global investment banking and asset management firm, Atlantra. Prior to this, Philip worked as Managing Director for C.W Downer & Co. for 18 years.

Barry Synnott

Barry is Group CEO, Member of the Board of Directors of Boyne Valley Group (2018-present) a Branded FMCG company. He was appointed as a Director to the Board of Port of Cork Company in 2019. Barry worked with Kerry Group for 16 years in Managing Director roles across EMEA and 10 years with International Flavours and Fragrances (IFF) in CEO/Managing Director roles across Europe and North America.

Port of Cork Company Chairperson's Report

Port of Cork Company Chairperson's Statement

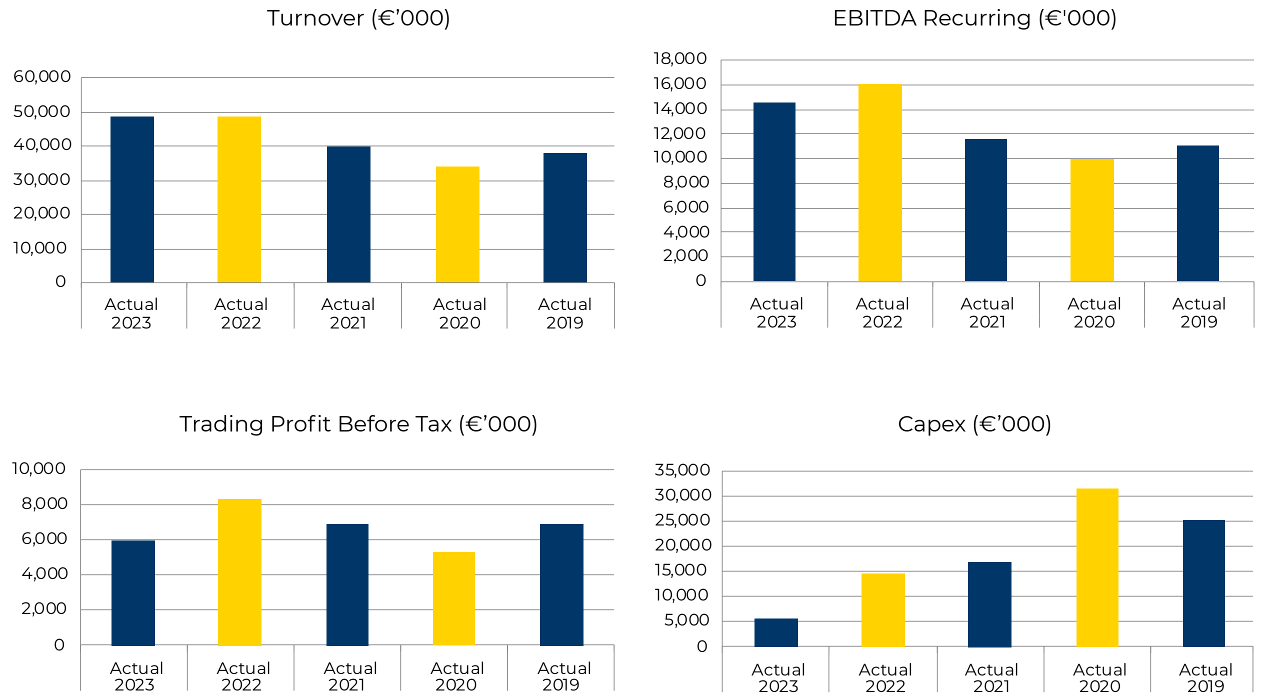
Michael Walsh
Chairperson

Port of Cork (PoC) is the second largest port in the State in terms of turnover handling all cargo types including lift-on lift-off (LoLo), liquid, solid, break bulk, roll-on roll-off (RoRo) and cruise. 2023 was a very satisfactory year for the Ports of Cork and Bantry reporting a total consolidated traffic throughput of 9.5 million tonnes (2022: 10.2 million). Unfortunately, with the exception of the tourist trade, in particular cruise liners which increased by 16%, all other port traffic declined slightly as the economy emerged from the Covid pandemic and the Company coped with the shipping impacts of rising interest rates, inflation and the events in the Ukraine. The liquid, dry and break bulk, containers lift on lift off and Con-Ro all declined in 2023, while trade car imports remained in line with prior year and the number of Cruise liners visiting the Port of Cork increased to 95 (2022: 82).

Table 1: Port of Cork and Bantry
Summary of Trade Figures to December

Metric Tonnes '000	2023	2022	Var	%
Port of Cork	9,240,933	9,915,449	(674,516)	-(6.8%)
Bantry Bay Port	226,797	326,943	(100,146)	-(30.6%)
Total	9,467,730	10,242,392	(774,662)	-(7.6%)

In 2023, the Port of Cork Company (PoCC) returned a Group turnover was €48.4m (2022: €48.4m), an Operating profit from continuing operations €7.5m (2022: €9.2m), a profit on ordinary activities before taxation and including the gain on disposal of fixed assets amounted to €5.9m (2022: €13.3m). After applying a corporation tax credit of €0.08m (2022 charge €1.7m) a profit for the financial year of €6m (2022: €11.4m) was achieved. The twelve month continuing EBITDA was a very satisfactory €14.6m (2022: €16.1m). The operating profit before tax in 2022 included a gain on disposal of €4.9m following the sale of the Buckeye building in July 2022. The decline in operating profit before tax in 2023 is explained by an increase in interest charges €1m, a decline in storage revenue €0.9m and additional cost incurred by operating dual Container Terminals in Tivoli and Ringaskiddy €1m, offset by a strong focus on efficiency.



Graph 1: Turnover was in line with 2022 while Profit before taxation and EBITDA have decreased due to an increase in interest charges, reduced storage income and additional cost of operating 2 Terminals. Capital expenditure has declined following the completion of CCT.

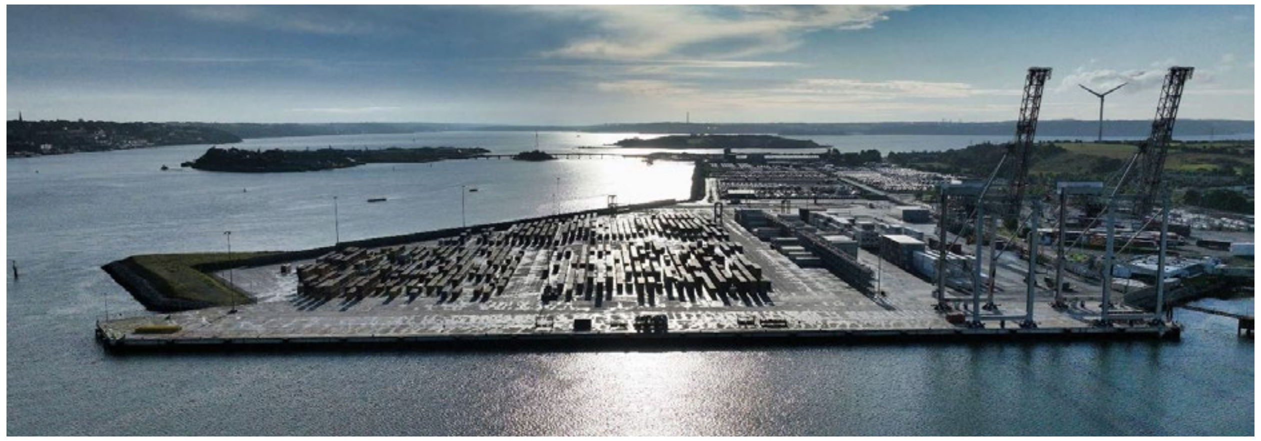
Container storage revenue in 2022 was significantly higher than normal as a result of uncertainty in the market place with congestion at large European hub ports, covid, the situation in the Ukraine and rising energy prices. As the markets settled in 2023, especially the cost of energy and congestion eased, port trade revenues softened, especially container storage revenues. The Company, to maintain its financial sustainability will continue to take action such as reducing its cost base, sourcing additional income and reduction in under-performing non-core assets.

PoCC achievements in 2023 include:

- The Company officially opened the Ringaskiddy **Cork Container Terminal** (CCT) in September 2022. This marked a momentous day for PoCC as it will ensure that for the next five decades and more, ships will arrive from distant ports to collect or discharge their cargoes at this amazing facility. Following a number of months of container transition and planning, CCT was fully operational in 2023.
- This investment of €94 million in CCT in Ringaskiddy delivers, an Optimised 360m Single Berth, two new Liebherr ship to shore cranes, a new straddle carrier maintenance building and new Customs & Excise facilities. It also includes a Recreation Area at Paddy's Point and new Deepwater Berth entrance and internal port roads network.

  The PoCC agreed a funding structure in 2017 for the CCT Ringaskiddy Port Redevelopment with the EIB, AIB and ISIF, following receipt of the approval from the relevant Ministers.

  The completion of the M28 to connect Ringaskiddy to the state's motorway network is now more critical than ever. Without this vital link, CCT cannot operate to its design capacity.



The €94m Cork Container Terminal in Ringaskiddy was fully operational in 2023, with the two Ship to Shore Cranes, a new maintenance and Customs & Excise building and a Straddle Carrier Operating System.

- The port also realised the following additional sources of funds to finance current and future essential port developments:,
  - PoCC sold and vacated the Custom House property located at Custom House Quay in the centre of Cork Docklands on the 31st January 2021.
  - The Company successfully donated art works formerly held in the Custom House, to the State and received in return, tax relief under section 1003 Taxes Consolidation Act 1997 from the Department of Arts, Heritage and the Gaeltacht.
  - The sale of the Buckeye Warehouse Building in Ringaskiddy was approved by the Ministers for Transport and Public Expenditure & Reform on Thursday 16th June 2022 for €16m which significantly reduced the PoCC net borrowing position.
  - Discussions to agree heads of terms for the port to vacate the City Quays on an acceptable basis over the next few years are at an advanced stage with Cork City Council representatives.
- Achieving a throughput of 9.5m tonnes, Consolidated Turnover of €48.4m, Profit before Tax of €6m and a bank balance of €28.8m and Net borrowing reduced to €12.7m. The Company reduced it's borrowing by €8m in Q2, 2023 by way of a voluntary loan pre-payment to save on interest charges.
- Liquid Bulk traffic at Whitegate amounted to 4.5m tonnes.
- Total Container Traffic amounted to 263,859 TEU.
- Imports of Dry Bulk Cargos amounted to 1.3 million tonnes.
- There were 106 Cruise liner calls to the ports of Cork and Bantry, carrying 190,000 visitors in 2023, with 106 cruise calls scheduled to call to Cork and 24 to Bantry in 2024.
- Paddy's Point was utilised to store additional trade car imports in December 2023.
- Health & Safety is a priority for the PoCC and our Safety Management System is certified to ISO 45001:2018 the international Occupational H&S Standard. The trends for reportable incidents and lost time due to accidents at work has continued to decline as a result of the continued focus to improve the H&S environment.
- The Company adopted the Government's Climate Action Plan and environmental sustainability will be a consideration for all future capital investments.
- A Diversity & Inclusion (D&I) ESG Committee was formed by the Board and a Board approved policy statement was published to all employees in Q1, 2023. D&I key performance indicators were set for achievement over the period of the Corporate strategy.
- A Marino Point master plan was finalised by Belvelly Marino Development Company DAC (BMDC). An enabling works planning application was approved by Cork County Council (CCoC) and An Bord Pleanala. A further planning application by Gouldings to construct a bulk import facility was approved by CCoC on the 17th February 2022 and appealed to An Bord Pleanala with a decision expected in 2024.
- The PoCC increased its BMDC shareholding to 51% following approval by the Ministers for Transport and Public Expenditure & Reform, as it is strategically important for the PoCC to have a controlling interest in this key port asset.
- With Phase 1 of the Bantry Inner Harbour Development completed, further developments in Bantry continue to be considered.
- The Company made an application to the Department of Agriculture for the establishment of a Border Inspection Post in Cork which would increase overall transport efficiency of operations by circa €1m per annum and reduce the carbon CO2 pollutant impact of trade by an estimated 166 tonnes per annum.
- A new wage Agreement was agreed with all trade unions covering the period from 1st October 2023 to 31st December 2025, securing IR stability.
- Discussions are on-going with the LDA under the terms of the Land Development Agency Act 2021, with the assistance of the Department of Transport (DoT), with a view to promoting the future re-development of Tivoli.
- PoCC received €3.49m in EU grant aid in December 2023 following the submission of the final account to CINEA in respect of the CCT Ringaskiddy re-development.
- PoCC made a Board approved detailed submission on the Department of Transport National Ports Policy questionnaire in advance of the public consultation 15th January 2024 deadline.
- Constant engagement with Key Customers.
- OHSAS 18001 (H&S), ISO14001 (Environment), ISO 50001 (Energy), IPSEM and ISPO (Marine Pilotage) continued accreditations.

Financial challenge:

PoCC drew down loans from EIB (€30m) and AIB (€30m) to finance the Ringaskiddy CCT re-development. These loans require annual repayments of interest and capital each year of circa. €5m per annum over the next 5 years, alongside the requirement to replace cargo handling equipment and finance further critical port infrastructure. The Company has planning consent for an extension to the CCT and deepwater berths in Ringaskiddy expiring in Q4, 2025. In 2023, PoCC commenced the engineering and financial process to extend these berths which along with accommodating future forecast growth in container traffic will also be multi-purpose berths and may include accommodation of Off-shore Renewable Energy projects, in the short term in line with Government policy.

EY carried out a valuation of the PoCC as at 31st December 2020 for DoT based on future cashflows and it valued the Company at €99m despite a balance sheet asset value of circa €163m at that date. An updated valuation may be carried out as at December 2024.

The servicing of this debt burden and future debt is one of the critical issues facing the PoCC which can only be addressed by continuing to reduce costs, by operating our business as efficiently as possible, by reviewing our asset base to reduce under-performing non-core assets, by adding value to our services and gaining new business. In this context timely ministerial approvals on the Freehold of Tivoli and of a customs BIP facility at Ringaskiddy, would all be very helpful.

Port of Cork 2050 Masterplan:

The PoC Masterplan 2050, was approved by the Board on the 27th March 2023 and launched by the Minister for Transport Eamonn Ryan T.D. on Friday 19th May 2023. It outlines the future port critical infrastructure required, with estimated cost, as the port moves from being a river port to a sea port. The plan identifies the potential future port traffic growth based on GDP and increased population, along with the key constraints and sustainable opportunities to meet customer requirements and the economic demands of the region. This plan provides an integrated framework for strategic planning for the Port of Cork, the Local Authorities and planning authorities. The Masterplan was complete following a full public consultation, having received input from port users, local communities and employees.

Dividends to Department of Finance:

It is the policy of the Board of Directors of the PoCC to support the Shareholder and pay an annual dividend taking into account the capital expenditure programme and pension deficit facing the Company when declaring the annual dividend. PoCC will have incurred a capital expenditure programme in excess of €100m over the past six year period, to the benefit of the state, local, regional and national economies and customers. The Board of Directors at a meeting on the 27th March 2023 approved the payment of a dividend in 2023 of €260,000 (2022: €250,000) taking the current Company gearing levels into account.

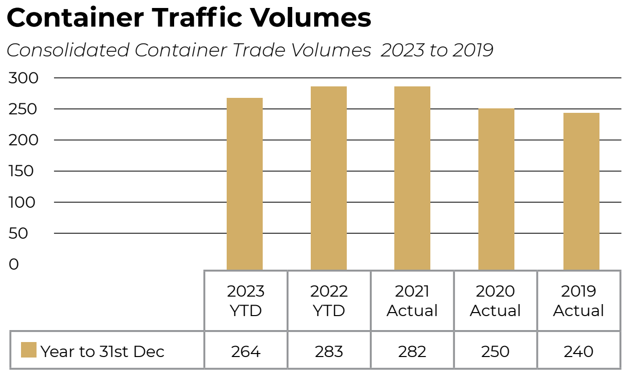
Trade performance:

In 2023, Oil traffic at the Irving Whitegate Oil Refinery amounted to 4.54 million tonnes (2022: 4.82m tonnes), a decrease of 0.3m tonnes or 5.9% from 2022. Oil traffic at the Zenith Whiddy Oil Storage Facility in Bantry Bay amounted to 229,000 tonnes, a decrease of 98,000 tonnes (or 31%) from 327,000 tonnes in 2022. Trading through Zenith at Whiddy has declined significantly since 2019. PoCC was disappointed in June 2023 to learn that Irving, the Canadian owners of Whitegate oil refinery indicated that they will consider a possible sale of the facility. During 2023, PoC non-oil traffic excluding containers amounted to 1.76 million tonnes compared to 1.95 million tonnes in 2022, a decrease of 0.19 million tonnes or 10% primarily due to a decrease in dry bulk trades i.e. animal feed and fertiliser.

Port of Cork Trade Volumes (Metric Tonnes '000)	Dec-23	Dec-22	Dec-21
Oil Traffic	4,763	5,150	5,528
Non-Oil Traffic (excl containers)	1,759	1,947	1,983
Containerised Traffic (Lo-Lo & Ro-Ro)	2,946	3,146	3,065
Total PoC Traffic Volumes	**9,468**	**10,242**	**10,577**
Containerised Traffic (TEUs)	263,859	282,781	281,816

Table 2: Port of Cork Company Consolidated Trade Volumes to 31st December

In 2023, the Port's container traffic amounted to 263,859 TEU's, a decrease of 18,992 or 7% from 282,781 TEU's in 2022. As the markets settled in H1, 2023, following congestion at European ports due to Covid and the situation in the Ukraine, demand returned to a "just in time" model and trade reduced. The CLDN services linking directly to Belgium continued in 2023. The Brittany Ferries freight service to northern France had two calls per week March to October with one weekly call continuing for November and December 2023. These services enhance the use of the significant RoRo facilities in Ringaskiddy and assist direct routes to the Continent. The ICL and Maersk service links direct to America also continued in 2023.



Graph 2: Port of Cork TEU throughput 2023-2019.

There were 95 Cruise liner calls (2022: 82) to Cork, carrying 186,426 (2022: 115,062) visitors, and 11 Cruise calls to Bantry. Brittany Ferries returned to normal pre-covid trading levels with 118,256 passengers (2022: 117,353) in 2023.

ORE – Offshore Renewable Energy:

In December of 2021 the Government (through the DoT) published a Policy Statement setting out the strategy for commercial ports to facilitate offshore renewable energy (ORE) activity in the seas around Ireland. The Policy Statement will assist the PoCC in applying for funding to develop new infrastructure. This move is part of a series of Government measures to prepare for the anticipated expansion of ORE. The Government has also decided that a multi-Port approach will be adopted, with a number of Ports being required to provide facilities for the different activities at several locations around the country, and at different times for the various phases of the fixed and floating ORE developments. In support of this approach the DoT has established a Ports Co-ordination Group to coordinate Port responses and maintain policy alignment, the group is attended by both Ports and relevant state bodies with the PoCC being represented on this group by the CEO.

The PoCC has been active in business development / networking activity in the ORE sector (wind & hydrogen) with attendance at various networking events & conferences and direct engagements. Currently the Port is dealing with enquiries from numerous offshore wind developers including EDF, Inis Offshore/Temporis, Orsted, DP Energy and Simply Blue. The company has also engaged with relevant industry bodies such as Wind Energy Ireland and the Marine Renewable Industry Assoc (MRIA) and government agencies such as Eirgrid, the IMDO, DoT & DECC. The Port's Masterplan, has thoroughly evaluated the requirements to support ORE from both an 'assembly & marshalling' and O&M perspective, identifying the areas in both Cork Harbour and Bantry (Leahill Quarry) that may be suitable, with investment, to support Ireland's future ORE sector. Going forward, the PoCC will collaborate with DSG to explore what possibilities may lie with 3rd party investment in this area.

At the Board meeting held on the 15th May 2023, the Directors agreed to commission the preparation of a business case by EY to review the approach by the POCC to facilitate fixed ORE. We received a detailed Business Case outlining the required Capital Investment by the PoCC, funding shortfall, funding options and potential revenue streams to be achieved from ORE etc.

The DoT have requested the European Investment Bank Advisory to assist them in reviewing the capacity of Irish ports to accommodate ORE. PoCC will work with the DoT and the EIB Advisory on this process. Independently we are working with EY on a funding proposal to fund the CCT extension only and also with ISIF the Ireland Strategic Investment Fund.

Environmental Sustainability:

Sustaining the quality of the environment in Cork Harbour, particularly in areas which have the potential to be affected or influenced by Port Operations remains a priority for the Company. We are committed to the highest standards of environmental management through the implementation of our environmental management programme, operated to global best practices and standards consistent with the renewed ISO14001 and ESPO / EcoPorts foundation accreditation.

As part of an on-going commitment to a more sustainable future, the PoCC encouraged a companywide transition to electric vehicles (EVs) and announced plans to invest in more sustainable equipment. During a recent tendering process, for four new straddle carriers, costing €4.3m, the efficiency of the equipment, the reduction in the associated CO2 that will be emitted by the equipment and the shadow price of carbon were taken into account. The Port is therefore committed in future to aim to procure the most environmentally sustainable equipment available subject to normal economic assessments in tenders. PoCC purchased a new fully electric van for its operations and maintenance team and plans to add further EVs to its fleet, as part of this transition.

PoCC is committed to switch to EVs and support and implement conservation measures for the Common Tern population.

PoCC have continued to support and implement conservation measures for the renesting of the Common Tern population breeding in Cork Harbour, leading to record numbers of chicks for this breeding season. PoCC in co-operation with UCC monitor the Tern population and provide pontoons for nesting, designed to protect the birds and their young from predators.

In January 2023, PoCC adopted the NewERA designed **Climate Action Framework** for commercial semi-state bodies. This Framework reflects the exemplar role commercial semi-state bodies are to play in decarbonisation, while also recognising the need for commercial independence in their respective operating environments. The framework contains a series of five commitments by companies in relation to their climate action objectives. PoCC is fully supportive of these objectives and is working with the DoT and NewEra to ensure compliance with the targets. By signing up to the Framework, the company has formally adopted the government's emission reduction target for the public sector i.e. a 51% reduction in GHG emissions by 2030. The PoCC climate ambition is to achieve this 51% reduction in overall greenhouse gas emissions by 2030 which will set the port on a path to reach net-zero emissions by 2050.

The Corporate Sustainability Reporting Directive (CSRD) came into effect on the 5th January 2023 and will form a compulsory part of the PoCC annual financial report. The PoCC consolidated turnover and total assets exceed the relevant threshold set out in the CSRD guidelines and the company is therefore required to report on FY2025 data in 2026. There are twelve binding European Sustainability Reporting Standards to apply, requiring disclosures on environmental, social, governance matters and general Company considerations, with mandatory non-financial KPI's and additional qualitative disclosures. PoCC is actively working on ensuring that it will be CSRD compliant.

Container Handling Facilities – Urgent requirement to complete the M28:

In the past five years, the Board approved over €100m of capital investments primarily in container terminal facilities, at both CCT in Ringaskiddy and Tivoli, to accommodate port container traffic growth of over 30% in the period since 2017. These investments included the construction of CCT in Ringaskiddy, installation of additional reefers, accommodating the movement of adjacent licence tenants, the purchase of straddle carriers, digitation with the implementation of a new automatic truck gate operating system and vehicle booking system. These measures resulted in improved container facilities, quicker truck turn-around and less congestion at both Container Terminals.

Urgent Requirement for M28:

TII (Transport Infrastructure Ireland) January 2022 plans say that the construction work on the M28 dual carriageway to Ringaskiddy will commence in "2026-2030". With this timing it is most likely that the M28 will not be complete post 2030. However, recent newspaper reports suggest it may be complete by 2028 as advance works are currently under way. The M28 will see 10.9km of dual-carriage motorway constructed from the N40 Bloomfield Interchange to Barnahely and 1.5km of single carriageway from Barnahely to the eastern side of Ringaskiddy port. The road corridor itself is part of the EU TEN-T Transport Network, accessing the Tier 1 Port at Ringaskiddy, which requires the port to be served by a high-quality road. However, the delay in delivering this road has implications for the capacity of CCT which is constrained by conditions in the CCT planning consent to not exceed 320k TEUs. The Port 2050 Master Plan shows that PoC could reach this capacity in 2025 / 2026 and therefore, PoC will need to continue to operate the Tivoli Container Terminal to meet the customer capacity demand until the M28 is complete.

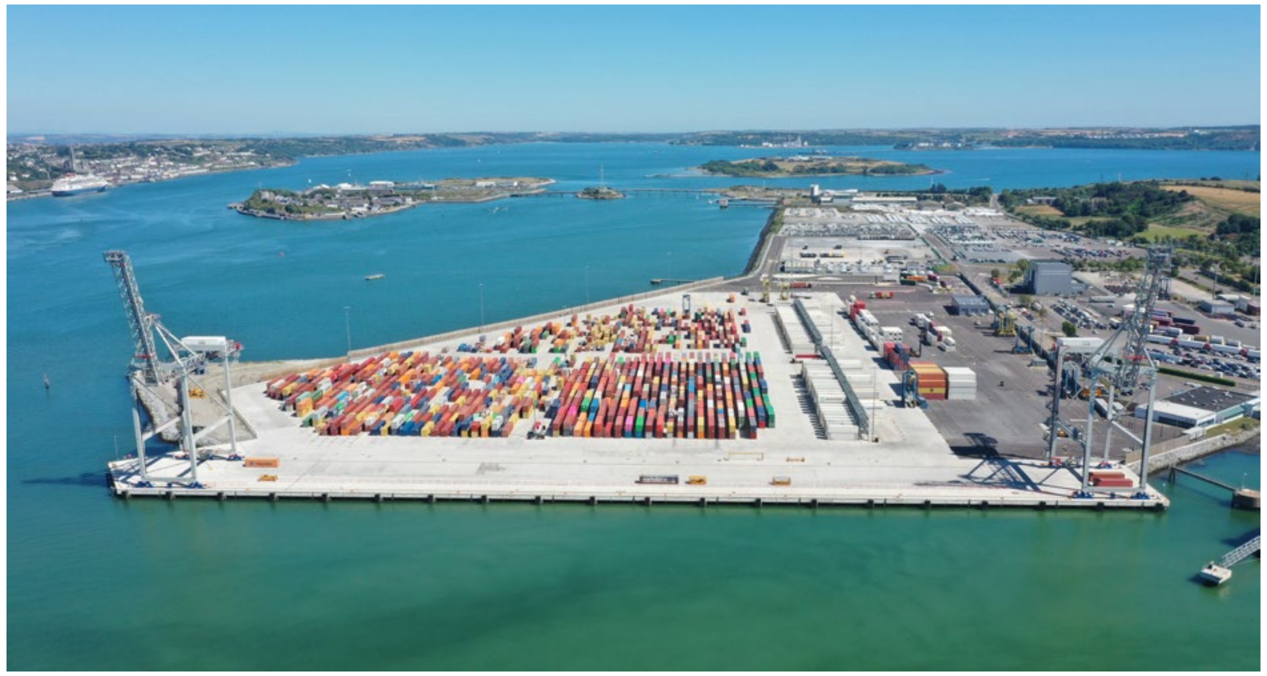
The PoCC investments in accommodating the Container business in CCT in Ringaskiddy and Tivoli demonstrate the PoC's commitment to continue to grow the container business and in turn, provide a much needed stimulus in Ireland's import and export trade. The container vessels being accommodated in Ringaskiddy are the largest which can be accommodated in Ireland, thus highlighting the deep-water capabilities of the PoC with available LoLo, ConRo and RoRo capacity.

Cork Container Terminal (CCT) Port Redevelopment at Ringaskiddy:

The limitations of the Tivoli Container Terminal (water depth, width for vessel swinging, landside terminal capacity) required the relocation of the container business downstream to the lower harbour at Ringaskiddy. Maritime traders want to enter and exit the harbour as quickly as possible. The Port 2018 – 2022, CCT re-development in Ringaskiddy will benefit the Port, Port Customers, the City, the wider Cork Community and the Region.

CCT delivers, an Optimised 360m Single Berth, two new ship to shore cranes, a Straddle Carrier Operating System, new straddle carriers maintenance and Customs & Excise buildings and a digitised vehicle booking system. It also includes a Recreation Area at Paddy's Point, new Deepwater Berth entrance and internal port road network.

The CCT development cost €94m including infrastructure and Superstructure (cranes / straddle carriers). In addition to utilising Company cash reserves and EU CEF financial support, the Company, with Ministerial consent agreed a funding structure for the Ringaskiddy CCT Port Redevelopment with the EIB (€30m), AIB (€30m) and unutilised additional funding from the Ireland Strategic Investment Fund ISIF.



The recently developed Cork Container Terminal (CCT)

This CCT development represents the first phase of the implementation of the PoCC's Strategic Development Plan, the core principles of which were endorsed in the 2013 National Ports Policy, which designated Cork as a Tier 1 port of national significance.

Community liaison:

Following completion and commencement of the CCT project, PoCC took the decision to appoint a dedicated Community Liaison Resource. This resource now has open lines of communication to all community representative associations, and together with the CEO, they meet community representatives on a quarterly basis. This current arrangement was very well received and successful in developing and maintaining a positive relationship between the PoCC and our local communities.

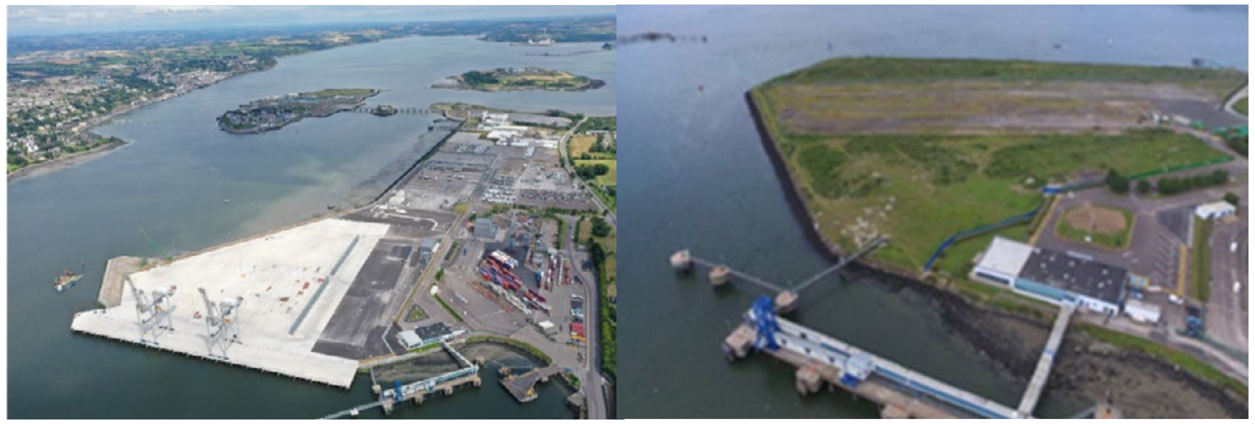
CCT Commencement:

An internal staff official opening ceremony was held on Thursday 22nd September and an external official opening ceremony was held on Friday 23rd September 2022. Ministers Hildegarde Naughton T.D., Michael McGrath T.D., Simon Coveney T.D. assisted by children representing Crosshaven Boys' N.S. officially cut the tape. As part of the CCT journey and to help welcome the new colossal cranes to the Cork harbour community, PoCC hosted a competition with local primary schools to 'Name the Cranes'. The winning names for the two giant 50m ship-to-shore Liebherr cranes, as chosen by Crosshaven Boys' National School were 'Mahain' and 'Binne', inspired by the old Irish folklore story about two giants who lived in Cork harbour.

The CCT development includes Paddy's Point Marine Recreation Area, a new Deep-Water Berth entrance and significantly advanced internal port roads.

This CCT development in the PoC, translates into significant economic benefits for Cork and the Munster region, as well as the national economy. 98% of goods imported or exported from Ireland are moved by ship, estimated at the time of the planning application to be over €14 billion annually in Cork alone, highlighting the importance of ports to the economy of the region.

CCT will allow the port to fully relocate its container business from the current city centre Tivoli location to Ringaskiddy once the M28 is complete and will enable the Port to future proof Cork as an international gateway for trade. PoCC intend to maintain some Container operating capacity in Tivoli in the medium term to ensure that the Port will be in a position to continue to meet the capacity needs of our customers, the local and national economies until the M28 is complete and also to meet any additional national capacity shortfall.



CCT Berth and Terminal Area- July 2021. Commencement January 2018.

Connecting Europe Facility (CEF) TEN-T funding application:

At a European level, PoC is included within the new TEN-T Regulation as a ‘core’ port on the North Sea Mediterranean and Atlantic Corridors, along with being identified as a Tier 1 Port in the 2013 National Ports Policy. In line with this TEN-T designation the port secured funding under the Ten-T and the Connecting Europe Facility (CEF) grant aid schemes for its CCT Ringaskiddy developments.

PoCC was successful with an application for TEN-T Transport Section CEF Funding to the European Commission DG-Move (Directorate General for Mobility and Transport) during 2015 following DoT endorsement. PoCC received a total of €12.2m (17.47% of eligible expenditure) towards the CCT Ringaskiddy development with €3.49m being received in December 2023 following the submission of the final account to CINEA in the EU earlier in Q4, 2023. The Port is very thankful to the DoT and CINEA for all their assistance in obtaining this EU grant aid assistance.

In January 2024 PoCC submitted, with the approval of the DoT, a new works grant application to CINEA in the EU to extend the current port CCT and deepwater berths infrastructure facilities at the Ringaskiddy deep-water port. These two berths along with accommodating future forecast growth in container traffic and bulk trades will also be multi-purpose berths and should include accommodation of Off-shore Renewable Energy projects, in the short term. Having secured all the necessary consents, for an extension to CCT and deepwater berths in Ringaskiddy, these projects are ‘shovel ready’. A result of this EU funding application is expected in July 2024.

Bantry Bay Port Company DAC:

The amalgamation and consolidation of the Bantry Bay Harbour Commissioners assets with the PoCC was completed on the 1st January 2014 and a 100% subsidiary Bantry Bay Port Company DAC (BBPC) was created to manage the Bantry Bay operation. BBPC opened the new Bantry Harbour Marina at a cost of €9.4m, for local and visiting tourists boats in 2017. This Inner Harbour Development provides improved access and car parking facilities for tourists on the town pier. It has allowed existing businesses to promote and increase commercial and leisure activity in Bantry harbour and town.

The BBPC objectives include:

- To have in place the appropriate facilities and plant for all port users;
- To grow port trade, cruise activity, leisure and tourism;
- To ensure that BBPC continues to comply with all regulatory matters including H&S, Security, Environmental, Governance and Risk Management;
- To continue to promote marine activity and be supportive of relevant community initiatives in Bantry Bay including full co-operation with the Bantry Business community.

Bantry Harbour Marina.

The former owner of the Whiddy Island oil terminal in Bantry Bay was Zenith Energy, who announced plans to sell the strategic facility in March 2020. The Whiddy Island oil terminal was purchased by Sunoco LP from Zenith on the 13th March 2024. Whiddy has 17 oil storage tanks with capacity to store almost nine million barrels including a significant portion of the State's oil reserves.


Zenith Energy Whiddy Island Oil Storage Facility located in Bantry Bay

Marino Point:

PoCC entered into a JV – Belvelly Marino Development Company DAC (BMDC) - with Lanber Holdings which purchased Marino Point in June 2017 with the objective of developing the site for port related purposes.

It is envisaged that Marino Point will become an integral part of the PoC infrastructure into the future. The minority shareholding in BMDC represented a weakness in these plans and on this basis, following the submission of a detailed business case to the DoT, an agreement with Lanber to increase the PoCC shareholding in BMDC to 51% was approved on 2nd June 2022 by the Ministers. It is strategically important for the PoCC to have a controlling interest 51% in this key port asset.

The Marino Point site has, for a long time, been identified as a suitable Port site to complement facilities in Ringaskiddy. The site has:

- Rail connectivity;
- An Existing Jetty – 10m draft – Access and Berthage;
- Seveso designation; and
- Significant development potential as a Cork Harbour Port site.

However, the site also has a number of potential challenges related to planning, foreshore licence consents, bridge and road access and the cost of redevelopment.

BMDC completed legal documents to sell a 15-acre portion of the Marino Point Facility to Origin (subject to planning) for a Seveso compliant site to relocate its Seveso Goulding fertiliser business from Cork City Centre Docklands. Cork City Council want all Seveso facilities moved out of the city centre to facilitate Docklands re-development and Goulding is the last Seveso site in the docks area. There is no other Seveso site in the South West region which will give Origin its requirement of 15 acres with port facility access.

A Marino Point master plan was finalised by BMDC and an enabling works planning application was approved by both CCoC and ABP. A further planning application by Gouldings to construct a bulk import facility was approved by CCoC on the 17th February 2022, but subsequently appealed to ABP. These are very welcome positive developments at Marino Point and a final ABP Planning decision is expected in 2024. Discussions are on-going with the Department of the Environment regarding an extension to the foreshore licence and taxation relief previously available from 2009 to 2014 for the re-location of certain industries remains under review.

Cork City Docklands Development:

PoCC maintains its support for the Cork Docklands redevelopment potential being realised. It is an objective of the PoCC that all Port City Centre business will relocate downriver towards Tivoli, Marino Point and Ringaskiddy. This should result in the City Quays site becoming vacant for redevelopment. However, the City Quays are currently not surplus assets as these quays accommodated circa 365 ships in 2023, (81 trading vessels and 284 other vessels including trawlers, navy, Commissioner of Irish Lights and research vessels etc.).

The purchase of the Marino Point by the JV Company BMDC, should facilitate the redevelopment of the Docklands by allowing the transfer of the Gouldings, Seveso activity from the docklands downriver to Marino Point. The upgrade of the Belvelly bridge and the R624 road to Cobh are priorities for the Marino Point developments.

PoCC management were discussing the future operation of the City Quays with Cork City Council (CCiC) for a number of years. At a meeting with CCiC on 28th January 2022, CCiC and POC discussed plans for POC to vacate the quays over a period to be agreed by both parties. The PoCC Board of Directors are confident that an agreement on this matter can be achieved and they agreed at a Board meeting in February 2022 that both parties should:

(i) Agree Heads of Terms, including an agreement on a period over which the PoCC and the stevedores could continue to use the City Quays emphasizing that the port and stevedores can only vacate the City Quays when the M28 dual carriageway to Ringaskiddy is complete which would allow the Port ensure alternative arrangements are put in place for customers, and

(ii) Then prepare a Business case for submission to the DoT to consider allowing PoCC to dispose of the City Quays, in compliance with the Code of Practice for the Governance of State Bodies, reflecting that inflation and interest rates have increased since the initial 2022 offer.

The negotiations with CCiC are at an advanced stage expected to be completed and a business case submitted to the DoT by mid-2024.

Urban Design Process Tivoli Dock & Industrial Estate:

The Tivoli Dock and Industrial Estate is a 61.5 Ha south facing docklands site, facing Blackrock castle on the River Lee, with short, medium and long term development potential as the PoCC begins to move some of its operations to deeper water locations in lower Cork Harbour. In anticipation of the future redevelopment of the Tivoli site, the PoCC commissioned the Royal Institute of Architects to consider the potential future uses of this estate. This 'New Perspective for Tivoli' Design Review was completed in 2017 and presented to the Department of Housing, Planning, and Local Government (DHPLG) and the Irish Strategic Investment Fund (ISIF).

In January 2019, with the support of the Urban Regeneration and Development Fund (URDF), PoCC announced the appointment of urban design (Tyrens Reddy) and property specialists (Savills) to prepare options for the potential development of the Tivoli Dock & Industrial Estate, in line with the Government Policy objectives set for the Docklands in the National Planning Framework – Ireland 2040. A comprehensive Business case including applications to form a TivDevCo 100% subsidiary Company and obtain freehold title were submitted to the DoT and are still under review. The future redevelopment of the Tivoli estate must play a key role in funding future port critical infrastructure whilst presenting a marquee urban redevelopment opportunity.

In 2021, this Tivoli re-development project was successful in attracting 75% of €1.3m in funding from the URDF. This application was successful in respect of technical design, environmental studies, stakeholder engagement and bringing to planning stage, the following infrastructure for the Tivoli Dock & Industrial Estate:

- Upgrade of the western access road (near Silversprings),
- An additional eastern access road junction into the site over the railway track,
- A commuter rail station on the Tivoli site, and
- A cycleway / walkway through the site.

These access design works have now been substantially progressed and POCC is engaging in advanced consultations with CCiC and TII with the view to initiating pre-planning and planning processes in 2024 for access upgrades. This will also involve engagement with the Department and Minister for Transport and local community stakeholders.

Tivoli Docks are recognised as a "Key Development Area" in the 2022 City Development Plan. This plan proposed a phased urban regeneration as a key employment generation / sustainable mixed use development for the city.

Discussions are also being held with the LDA under the terms of the Land Development Agency Act 2021 and POCC and the LDA are broadly aligned with the long term vision for Tivoli as set out in the Cork City Development Plan. We are collaborating to progress the future development of the Tivoli site taking into account the significant challenges presented by the site.

As the development of Tivoli is successfully progressed, the POCC capital investment plan envisages that the sales proceeds from any Tivoli lands will be directed to finance future critical port infrastructure e.g. CCT East to accommodate projected container growth, Ringaskiddy Deepwater berth to replace City Quay facilities, potentially accommodation of Offshore Renewable Energy (ORE), Marino Point port redevelopment, and the purchase of additional land in Ringaskiddy for port expansion, etc.

Ringaskiddy lands and properties:

With the opening of CCT, the PoCC has a severe shortage of land in Ringaskiddy to facilitate international container LoLo, RoRo, ConRo and bulk trades. The Company has tried to identify suitable available land close to the port with little success. The sourcing of additional land near Ringaskiddy is now a Corporate Strategic Plan priority for the Company.

As part of the original IMERC (Irish Maritime and Energy Research Cluster) project at Ringaskiddy, the PoCC was committed to the transfer of lands (16 acres) under its control, in consideration for IDA lands, to UCC for the construction of a Maritime Research & Development Centre to unlock the country's maritime and energy potential. However, this agreement fell through when UCC and MTU did not proceed. PoCC was therefore, disappointed in particular having already transferred 3.5 acres to UCC in respect of this project.

In H2, 2023 PoCC re-opened discussions with the IDA (the primary land owner in the area) to outline the urgent requirement for additional port land in Ringaskiddy. PoCC also signed an MOU with trade car importers to consider the construction of a multi-story car park to accommodate expected growth in car trade imports. In the meantime, PoCC has obtained planning permission to store cargo off-dock on the remaining Paddy's Point 12 acres adjacent to the Maritime College.

Land purchase 19.5 acres Corkbeg, Whitegate, Co. Cork:

PoCC purchased 19.5 acres with waterfront access adjacent to Whitegate Oil Refinery in December 2023, with the consent of the Minister. This is a site that can support future and transition energy cargoes in the form of LNG bunkering and a Floating Storage Regasification Unit (FSRU). The location is near (1km) the main gas pipeline and has potential to be a multipurpose terminal for other liquid bulks to meet Ireland's future energy requirements.

Sale of Ringaskiddy Warehouse:

As part of the Corporate Plan process, the Board and management are tasked with identifying non-core port assets. Following a detailed review by management, with the assistance of the Company Property advisers, the Buckeye Warehouse building in Ringaskiddy was put on the market for sale. The Ministers approved this sale on Thursday 16th June 2022 for €16m and this transaction was complete in early July 2022 and significantly reduced the PoCC net borrowing position and the gain on disposal is included in the 2022 comparative numbers.

M28 – land CPO:

CCoC, in co-operation with TII, issued a CPO on critical limited dockside PoCC lands in Ringaskiddy to facilitate the completion of the M28. PoCC continues to be in satisfactory discussion with TII and CCoC on the completion of these CPO's.

Tourism & Cruise:

Cobh is synonymous with the Harbour's history and today boasts that it is home to Ireland's only dedicated Cruise terminal with vessels of up to 340m in length being accommodated. 106 cruise liners (2022: 91) called to the ports of Cork and Bantry during 2023 carrying over 190,000 cruise tourists to visit the South West region. The Cobh Deepwater Cruise Berthing Facilities have been expanded and improved over a number of years to provide sufficient mooring infrastructure and water depth to accommodate the largest Quantum Class cruise vessels at the Cobh cruise terminal.

The Ports of Cork and Bantry are active participants in a number of initiatives aimed at developing the tourism potential in Cork and Bantry Harbours. These include participating in Cruise Ireland, the Cork County Council (CCoC) Spike Island working group, the Cork Harbour Management Group, working with the Cobh and Harbour Chamber of Commerce, the Bantry Bay User Forum and the Whiddy Island Association.

The combination of Spike Island, Cobh, Titanic, Lusitania and Harbour Forts represents a unique tourism opportunity for the region. The Port is actively involved in these projects and believes the experiences they offer are complimentary to Cruise traffic.

It is the PoCC view that considerable potential exists for commercial tourism opportunities in both Cork and Bantry Harbours which would support the growth of the established cruise and other tourism related businesses. PoCC continues to play a leading role in the promotion of the rich maritime, emigration and trading heritage and history of Cork and Bantry Harbours.

The PoCC and CoCC are continuously investigating potential additional access points across the Harbour and jointly purchased Lynch's Quay in Cobh a number of years ago for this purpose. Both parties are currently discussing required improvements at Lynch's Quay. Cobh Maritime Development Company Limited is a non-trading Company, involving CCoC, CCiC and PoCC to develop an area in the Cobh Railway Station to offer tourists and cruise passengers additional facilities and exhibition accommodation.

A cruise ship at the Cobh Deepwater Berth with over 20 tourist buses alongside waiting to take passengers on shore excursions to key attractions located in Cork City, Blarney, Kinsale, Midleton and Killarney etc.

Leisure and Recreation Strategy:

The Port Leisure and Recreation Strategy, for Cork and Bantry Harbours, has identified a number of marine recreation initiatives for further development. The implementation of this strategy will help and support an important source of enjoyment and economic gain for local residents and visitors alike.

Spike Island was voted as Europe's leading Tourist Attraction at the prestigious World Travel Awards in 2017. Subsequently, the Board of Directors, with agreement and financial assistance from CCoC, approved the procurement and installation of a new Pontoon and Gangway at the JFK Pier in Cobh to accommodate visitors to Spike Island, in particular by person's with mobility issues. JFK Pier is now the primary access used for Spike Island visitors, harbour tours, leisure, fishing and public access to the water.

The Company, through its Corporate Social Responsibility Policy continues to have wide involvement and support all Port stakeholders and Harbour Community Groups including Cork Harbour Missing Persons Search & Rescue, Sail Training Ireland and developments at Shanbally, Monkstown and Aghada. Bantry Bay Port Company DAC, continued to support local leisure, recreation and tourism activities.

Shareholder Expectation Letter and Board Evaluation:

I acknowledge receipt of the Shareholder Expectation Letter from Minister Chambers dated 20th February 2024, which will be discussed by the Board. The Board is also in the process of commencing an external board evaluation. I confirm that the Board and management will engage with the Department and NewEra in the near term to discuss these matters in more detail.

Defined Benefit Pension Fund Deficit:

PoCC operates defined benefit pension schemes for employees who joined the Company prior to the 6th March 2006. For employees recruited after 6th March 2006, the Company operates a Defined Contribution Pension Scheme.

The FRS valuation confirmed a deficit at the 2023 year end of €0.60m (2022: €0.57m) due to the increased corporate bond rates with matching port pension bond assets.

A Funding Agreement is in place between the Trustees and the Company, approved by the Pensions Authority on a programme to fund the Pension Fund by the end of 2025. A full triannual Actuarial valuation will be carried out at the 1 January 2024. During 2022, the Actuary Mercer confirmed that the valuation was on track and the current estimated funding position was circa 96% by the end of December 2023.

Immediate Priorities:

The immediate priorities of the PoCC, are to:

- Ensure the PoCC continues on its transformational journey to maximise revenue, focus on cost reduction and cash generation in a challenging economic environment;
- Continue to implement the PoCC Dignity, Diversity and Inclusion policy;
- Prioritise Health & Safety,
- Finalise the 2024 – 2028 PoC Corporate Plan following submission to the Department of Transport in March;
- Commence the implementation of the PoCC 2050 Masterplan with a view to accommodating Off-shore Renewable Energy Projects in line with Government policy;
- Emphasise efficiency of service to all customers;
- Continue to highlight the PoC as a Port suitable for additional direct LoLo, RoRo or ConRo links to Europe;
- Continue to pursue Tivoli lands development;
- Complete and implement a Heads of Terms agreement with CCiC regarding the City Quays;
- Review and complete the reduction in non-core and under-performing assets;
- Continue to develop Marino Point now with a majority shareholding in BMDC;
- Continue to grow the business for the betterment of the South of Ireland and the State through promotion of our heritage, tourism, maritime research and industrial expansion.

Affirmation of procedures:

I confirm that all appropriate procedures for financial reporting, internal audit, travel, procurement, asset purchases and disposals have been complied with during 2023 in accordance with the Code of Practice and the Public Spending Code.

I confirm that the requirements of the Harbours Acts 1996-2015 or any other enactment in relation to the accounts of the company and statements as to the financial affairs of the company have been complied with during 2023.

Statement of the system of internal financial control for year under review:

I confirm compliance with the Guidance Document on Business and Financial Reporting requirements as follows:

1. I acknowledge that the Board is responsible for the company's system of internal financial control as outlined on page 12 of the 2023 Financial Statements in the "Directors' Responsibilities Statement".
2. The Directors have overall responsibility for the company's systems of internal control and for reviewing their effectiveness. These systems are designed to ensure that transactions are executed in accordance with management's authorisation that reasonable steps are taken to safeguard assets and to prevent fraud, and that proper financial records are maintained. These systems are designed to manage risk and can give reasonable, but not absolute, assurance against material error.
3. The principal procedures which have been put in place by the Board to provide effective internal control include:
    - Clearly defined management responsibilities have been established throughout the company and the services of qualified personnel have been secured and duties properly allocated among them;
    - A formal budgeting process is in operation, culminating with the annual budget approved by the Audit & Risk Committee and the Board;
    - Actual performance against budget is reported to each Board meeting;
    - Management at all levels are responsible for internal control over their business function;
    - Internal control procedures are continuously updated and monitored by management and are audited by an independent internal auditor – Grant Thornton;
    - External Audit by the international firm of Chartered Accountants, Deloitte, who concluded that the Port of Cork Company's internal financial controls and systems were operating satisfactorily.
    - An Audit & Risk Committee is established to review and discuss, with the internal and external auditors, the Company's internal accounting procedures and controls, choice of accounting policies, statutory auditors' report, financial accounts, budgets and other related matters.

4. I confirm that the company has engaged appropriate external expertise to carry out its internal audit function, which operates in accordance with section 7 of the Code of Practice for the Governance of State Bodies. During 2023 the company had an independent internal audit carried out by Grant Thornton, Chartered Accountants, which concluded that the company's internal control systems were operating satisfactorily.
5. I confirm that the requirements for procurement, in accordance with Section 8 of the Code, have been fulfilled. I confirm adherence to the relevant procurement policy and procedures and the development and implementation of the Company Procurement Policy and that procedures are in place to ensure compliance with procurement policy and guidelines.
6. I confirm that there were no weaknesses in internal financial control that have resulted in material losses, contingencies or uncertainties, which require disclosure in the financial statements or the auditors' report on the financial statements.
7. I confirm that this statement of internal financial control has been reviewed by external auditors.
8. The Board carried out an assessment of the Company's principle risks during 2023 and identified associated mitigation measures.

Disposal and acquisition of assets:

I confirm compliance with the requirements of Section 8 of the Code with regard to the 'Disposal of Assets and Access to Assets by Third Parties' and with the provisions of Section 15 of the Act relating to land transactions. The Company during 2023 received the consent from the Minister for Transport to purchase 19.4 acres in Whitegate.

Establishment of subsidiaries, participation in joint ventures and the acquisition of shares by state bodies:

I confirm that the Port of Cork Company did not establish any Subsidiaries or Associated JV Companies during 2023 and did not engage in any diversification without the consent of the Minister.

PoCC received the consent of the Minister to increase its Shareholding in BMDC from 40% to 51% and also make an additional investment into BMDC, as outlined above.

There is full disclosure with regard to subsidiaries and associated companies of the Port of Cork Company contained in note 13 page 34 of the Financial Statements, all of which continue to operate solely for the purpose of which it was established, and remains in full compliance with the terms and conditions of consent under which they were established.

Codes of conduct and protected disclosures:

I confirm that the Port of Cork Company has complied with and adhered to Codes of Conduct for Directors and members of staff of State Enterprises issued by the Government and the Minister for Finance. A copy of the Codes of Conduct are available on the Company web-site.

I confirm that the Port of Cork Company has a Protected Disclosures (Whistle Blowing) Policy in compliance with the Protected Disclosures Acts 2014-22 and no disclosures were received which required publication.

I confirm that each board member and each person holding a designated position of employment in the company has complied with the statutory obligations imposed by the Ethics in Public Office Act, 1995 and the Standards in Public Office Act, 2001.

Remuneration:

I confirm that the Port of Cork Company has complied with and adhered to the statutory obligations under the Harbours Acts 1996-2015 and notified applicable Government policy and guidelines in relation to the remuneration of the Chief Executive and all State body employees in 2023.

I confirm that the Port of Cork Company has complied with and adhered to the Code of Practice and the Government Guidelines on the payment of fees to the Chairperson and directors of the Boards of State bodies.

I confirm that the company's annual Consolidated Financial Statements for the year ended 31 December 2023 include details of fees paid to the directors and the expenses paid to the board (page 4) and the salary of the Chief Executive Officer (in note 9 page 30).

Significant post balance sheet events:

There were no significant events affecting the company since the year end that require disclosure.

Capital investment:

I confirm that during 2023, the Port of Cork Company has complied with the Guidelines for the Appraisal and Management of Capital Expenditure Proposals in the Public Sector, the Public Sector Spending Code.

Code of practice for the governance of state bodies:

I confirm that the Port of Cork Company has adopted and complied with the Code of Practice for the Governance of State Bodies dated August 2016. I confirm the Government travel policy requirements are being complied with in all respects. The Company has put in place practices and internal control procedures to comply with this Code of Practice for the Governance of State Bodies and supplied all required information including the Compliance Checklist requested by the Department of Transport.

Gender balance requirements:

I confirm that Government guidelines on Board appointments in assisting the Department of Transport in drawing up the specification for the Board appointment, with due regard for the benefits of diversity on the Board including gender, have been complied with.

The future:

Looking ahead to 2024, the Port of Cork Company will continue to meet future challenges by maintaining cost control and the Port's high level of facilities, services and customer service. I confirm that the Port of Cork Company will provide an interim report to the relevant Minister and NewERA on significant commercially sensitive developments in the preceding six months and likely developments for the rest of the year, as well as six monthly unaudited accounts.

Tax compliance:

I confirm that the company complied with its obligations under tax law in 2023 and our taxation advisers carried out a comprehensive review to confirm same.

I have outlined above the significant commercially sensitive developments at the Port of Cork Company during 2023 and so far in 2024. The Port of Cork Company will remain in continuous contact with the Department of Transport who we will update regularly on commercial developments. I trust this report is of assistance and please contact the Company Secretary or myself with any questions.

Acknowledgements:

I would like to thank Minister Eamon Ryan T.D. Minister for Transport and Minister for Climate Action and Communications Networks and Minister Jack Chambers T.D. Minister of State with responsibility for International and Road Transport and Logistics for their continued support, help and advice. I acknowledge the dedicated manner in which all staff at the Department of Transport and NewEra, engage with the Port of Cork Company.

PoCC will continue to require the support of the Minister and the Department of Transport, during the most transformational period for the Port of Cork in its history and the transition from a River Port to a Sea Port.

I would like to thank the Chief Executive, Mr. Eoin McGettigan, the management and all the employees for their continued dedication and contribution to the company during 2023. Eoin has decided to leave the Company during 2024 and I would like to thank him for his contribution to the Company over the past number of years. I wish him every success and happiness in the future.

Finally, I would like to thank my fellow Directors, for their commitment and interest in the affairs of the Company together with their loyal support and diligence in attending board, committee, subsidiary company, trustee meetings both in person and remotely.

Dr. Michael Walsh,
Chairperson,
27th May 2024

Port of Cork Company Chief Executive's Report

Port of Cork Company Chief Executive's 2024 Report

Donal Crowley
Interim CEO

The financial year 2023 was a very satisfactory year for the Ports of Cork and Bantry reporting a total consolidated traffic throughput of 9.5 million tonnes (2022: 10.2 million) which is analysed in detail in Table 1 below. Unfortunately, with the exception of the tourist trade, in particular cruise liners which increased by 16%, all other port traffic declined slightly as the economy emerged from the Covid pandemic and the Company coped with the shipping impacts of rising interest rates, inflation and the events in the Ukraine.

In summary, the 2023 Consolidated turnover of €48.4m (2022: €48.4m) and Operating profit from continuing activities amounted to €7.5m (2022: €9.2m) which reflected the decline in trade, other than the cruise liners, a positive pension FRS outcome and a strong focus on efficiency. During the 2023 tourist season, 95 Cruise liners called to Cork (2022: 82 cruise liners) and 11 calling to Bantry (2022: 9) along with a twice weekly Brittany Ferry service to Rosscoff. In 2024, the Port of Cork is scheduled to host 106 liners and Bantry is scheduled to host 25 liners.

The profit before taxation amounted to €5.9m (2022: €13.28m, after taking into account the gain on disposal of a warehouse in Ringaskiddy amounting to €4.9m.) After crediting / deducting taxation, profit for the financial year attributable to the equity shareholders of the Company amounted to €6.2m (2022: €11.66m).

Group capital expenditure in 2023 amounted €5.6m, which included the cost of replacement plant, a 19 acre land purchase, information technology upgrades, down payment on a new Pilot boat and Tivoli and Ringaskiddy port estate upgrades. The group cash balance at the 31st December amounted to €28.8m (2022: €33.4m), a reduction of €4.6m as the Company made an €8m voluntary loan prepayment to reduce company interest charges in May 2023. Capital debt amounted to €41.5m (2022: €53.3m), a decrease of €11.8m due to the noted voluntary prepayment plus the annual repayments which reduced the net debt to €12.7m (2022: €19.9m.)

The Recurring Consolidated EBITDA amounted to €14.54m (2022: €16.08m) which exceeds the post project completion EBITDA required under the Bank Covenants. I expect the Company will need to generate a sustainable annual recurring EBITDA of €12m, in order to:-

- finance and repay existing loans commitments of circa €5m per annum,
- generate enough cash to replace our aging operating assets, and
- fund other key strategic investments identified in the Port of Cork 2050 Masterplan.

These key strategic investments are also outlined in the Corporate Strategy 2024-2028 submitted to the Department of Transport in March 2024, which sets out the initial steps required to achieve the Company objectives.

Consolidation:

Port of Cork Company Consolidated Financial Statements were produced as at 31st December 2023 incorporating its' 100% subsidiaries Aniram MDA DAC, Bantry Bay Port Company DAC, Cork Port Terminals Services DAC and it's 51% subsidiary Belvelly Marino Development Company DAC (BMDC) (PoCC increased its interest by 11% to 51% during 2022). Cork Port Terminals Services DAC is the subsidiary with responsibility for Lift on Lift off and Roll on Roll off stevedoring and Aniram MDA DAC is the 100% owner of the ADM Jetty. BMDC is a jointly owned subsidiary with Lanber owning 49% and the Port of Cork Company owning 51% as of July 2022 which purchased Marino Point in June 2017 with the objective of developing this site for port related purposes.

Belvelly Marino Development Company:

Port of Cork Company has a 51% shareholding in BMDC which acquired Marino Point in 2017, including 60 useable acres on both freehold and foreshore leasehold, alongside an existing deepwater rail connected jetty. It is envisaged that this site will become an integral part of the Port of Cork Company infrastructure into the future, having obtained enabling works planning consent in 2021 and currently an ABP decision on the construction of a bulk import facility is awaited.

Dividend 2023:

The stated policy of the Board of the Port of Cork Company is to support the Shareholder and pay an annual dividend. In making a declaration of an annual dividend, the Board takes into account the company gearing level, the capital expenditure programme and pension deficit facing the Company. Port of Cork Company completed the CCT Ringaskiddy Re-development Contract in July 2021 at a final cost of €94m, with an agreed funding structure in place of €30m from both the EIB and AIB, requiring annual repayments of interest and capital of circa €5m.

In 2024, Port of Cork Company is expecting revenue and profit in line with 2023 and an ROI of circa 2% on an asset base of €190m (essentially breakeven) with expected capital expenditure of over €100 million to 2030 to meet the requirements of the Port Masterplan. In these circumstances the Port of Cork Company proposes to keep the level of dividend under control having paid €260,000 in 2023.

National Ports Policy:

The Minister for Transport announced the first phase of a public consultation for the Review of the National Ports Policy in October 2023. Interested parties were invited to actively participate and contribute to shaping the future of maritime policy in Ireland. The National Ports Policy provides the overarching policy framework for the governance and future development of Ireland's state port network. Since its introduction in 2013, the National Ports Policy has played a pivotal role in fostering competition among ports and reducing barriers for shipping companies entering the Irish market.

However, with the increasing environmental, technological, demographic, and geopolitical challenges facing the maritime sector, a revised approach is required to effectively address the needs of our ports in the coming decade. A new and revised Port Policy is needed to navigate these challenges successfully and to capitalise on the new opportunities presented.

The Port of Cork Company made, a Board approved, detailed submission to the Department of Transport on the National Ports Policy questionnaire in advance of the public consultation 15th January 2024 deadline. A first draft Port Policy is expected in Q3, 2024 when further consultation will be accommodated.

Cork Container Terminal - Strategic Planning of Port Infrastructure:

Port of Cork Company completed the €94m CCT Ringaskiddy Port Redevelopment project in July 2021 which commenced operations in April 2022 and the official opening was held on the 23rd September 2022. The operation of this new world class container terminal, represents the conclusion of years of planning, financing, and construction. The capability of accommodating larger vessels is of utmost importance to allow the Port of Cork Company remain competitive and continue to meet the needs of port customers, to the benefit of the Irish, regional and local economies.

The first phase of the Ringaskiddy development includes an Optimised 360m Berth and a new Container terminal which can immediately accommodate 330,000 TEU's with the attached necessary maintenance and Customs buildings. The infrastructure works were completed over a three year period by BAM, two Liebherr ship to shore cranes were constructed and four new environmentally friendly energy efficient straddle carriers were delivered by Konecranes. The Company along with utilising it's own cash reserves secured funding from the (CEF) Continuing Europe Facility grant aid, EIB, AIB and ISIF (the Ireland Strategic Investment Fund). In total the Company received €12.2m in CEF funding towards the development with the final €3.49m received in December 2023 following the submission of the final account to CINEA.

The Ringaskiddy development also includes the construction of a new and improved slipway and amenity area at Paddy's Point. This impressive facility opened to the public in 2019 and the Port of Cork Company has also made a €1 million contribution to a Ringaskiddy Village community gain initiative which is designed to enhance the amenities in the village. Port of Cork Company has continued to engage with the residents of Cork harbour in relation to the Ringaskiddy development and are very conscious of the need to fully cooperate with residents and local stakeholders.

The Ringaskiddy Port re-development project is endorsed by the Government's National Ports Policy which identified the Port of Cork Company as a Tier 1 port of national significance. It also has EU recognition by designation as an EU Core Port currently on the North Sea Mediterranean and Atlantic Corridors.

The Port of Cork Company Economic Challenge:

The Port faces significant cash outflows in the immediate future. As noted above, to finance the Ringaskiddy Re-development the Company drew down loans from EIB (€30m) and AIB (€30m). These loans will require annual repayments of interest and capital each year of circa €5m per annum over the next 5 years. In addition, the Company is faced with the requirement to replace ageing cargo handling equipment and make key strategic investments including additional berths at Ringaskiddy to meet future demand and meet the national off-shore energy port infrastructure requirements. Port of Cork Company will address these challenges by continuing to improve efficiencies, by reviewing our asset and cost base, by adding value to our services, retaining existing and gaining new business.

Port of Cork Master Plan 2050:

The Port of Cork Company 2050 Master Plan was completed in Q1, 2023, approved by the board on the 27th March 2023 and launched by the Minister for Transport Eamonn Ryan T.D. on Friday 19th May 2023. The Company engaged ARUP to assist with the preparation of this 2050 Masterplan including a full stakeholder consultation phase. This Masterplan informs the port's development for the next 30 years and will be one of the reference documents available to the Port Company when it is considering and evaluating future strategies and proposals. Few ports will undergo such a complete relocation and expansion programme and therefore this Master Plan will act as a regional plan considering Cork harbour as a whole taking into account maritime, landside and transport connectivity constraints and opportunities.

The Port team provided ARUP with all the relevant information who using established methodologies and assumptions assessed potential scenario volume growth across all trades to provide a sound basis to guide decisions for development activities.

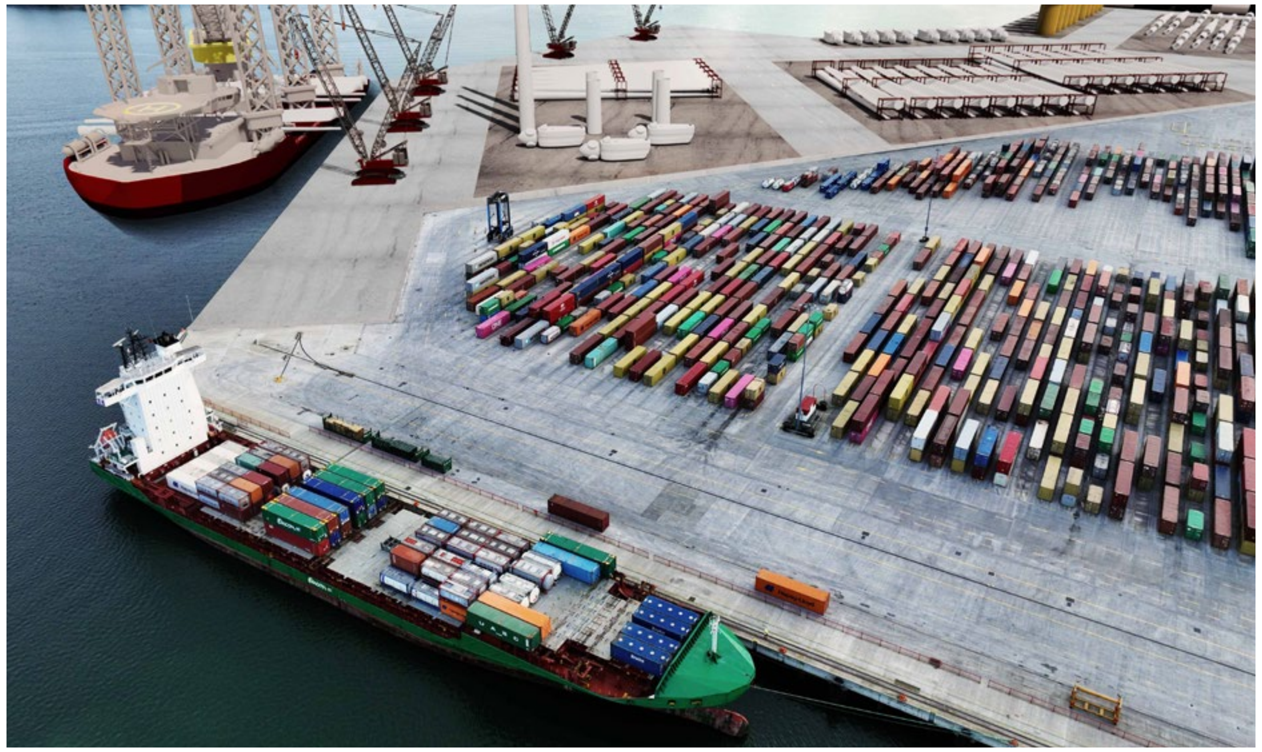
This Master Plan 2050 has identified that volumes will necessitate the operation of two terminals at Tivoli and CCT in order to accommodate the capacity demands and predicted trade growth until the M28 dual carriageway road to Ringaskiddy is complete. The relevant data to support this was presented to the Company Board of Directors. This forecast volume growth shows that the Company will need to plan for additional capital expenditure at CCT to cope with additional traffic when the M28 is complete before 2030, extend the Ringaskiddy Deepwater Berth, purchase new cargo handling equipment and additional portside land and improve the Marino Point facility. Indeed the Company is currently considering mechanisms to expand CCT in the next 18 months to potentially facilitate ORE.

The optimisation of the value of our landbank is crucial to the Company being able to finance its future capital needs. Development potential at the City Quays and Tivoli are vital to the Company being in a position to expand our capacity in Ringaskiddy and Belvelly.

Port of Cork Company Corporate Strategy 2024 – 2028:

The Port of Cork Company Corporate Strategy 2024 – 2028 was submitted to the Board of Directors in February and March 2024 and sent in draft to the Department of Transport. In this strategy we set out what must be achieved over the next 5 years to ensure the Port of Cork Company's long term success and lasting legacy. While there are many challenges, we believe there is a great opportunity to improve Ireland's competitive position, to deliver a truly world class port for the benefit of our country, communities and customers.

We have now completed the first phase of the Company's strategy, to open CCT and relocate operations downriver to address the challenge of ever increasing vessel sizes and customer demand for quicker turnaround in port. The 2024 – 2028 Strategy sets out the next steps involved in meeting capacity demands, including the requirement to continue dual operations at the Tivoli Container Terminal and CCT in the medium term, while we await the construction and operation of the M28. We must continue to invest in port facilities to provide our customers with reliable, safe, high performing facilities and services in an efficient logistics chain.



To fund this future we must drive increased efficiency in our business, make the right commercial decisions and establish innovative funding solutions. This strategy outlines (i) a greater focus on cost control and efficiency taking into account the financial challenge now faced by the Company, (ii) increasing capital expenditure on infrastructure and equipment to replace ageing equipment, (iii) identifying new income streams, and (iv) divesting from inefficient or low return activities. Management are committed to using activity based costing and contribution analysis as tools to identify business sectors to invest in, to improve or divest.

The strategy also outlines that as a commercial port we are extremely aware of our heritage and the role we play in the local community, with the well being of the people of Cork embedded within our values.

Continuous Improvement Framework - EFQM:

There is always a challenge to connect strategy, the corporate plan, annual budgets, and day to day activity. The SMT have identified a framework, the EFQM (European Foundation for Quality Management), that can be deployed to aid this connection. The framework essentially describes a way that the Company can outline what it is setting out to achieve (objectives) and then measure performance in a structured way to adapt what the Company is doing, or Company objectives, in accordance with measured outcomes. The EFQM model mechanic involves self-assessment, followed by corrective actions.

As outlined above PoCC has ambitious plans for the future outlined in the Master Plan 2050, Corporate Strategy 2024 – 2028 and annual Budget. To achieve these goals, it is essential that management actively seek feedback from employees and make the necessary improvements.

Over the past number of years, management have been working to develop the EFQM approach called the Endurance Process, designed to facilitate continuous improvement within our organization. A number of middle management cross functional teams, supported by the Senior Management Team, successfully completed a number of projects to drive the EFQM delivery throughout the organisation. The Company officially launched the EFQM Endurance Process on Friday, 6th October 2023 in the Ringaskiddy Terminal Building with excellent staff participation.

During this launch event, we provided details about projects already underway and the potential to apply this methodology to other company improvement projects. The Endurance Process is based on the EFQM tools, which allow management measure improvements and compare our progress against prior year and other companies worldwide as a map that will guide us on a journey of continuous improvement. By following this process we can ensure meaningful benefits not only for our staff, but also for our customers, suppliers, and community.

Environment:

Sustaining the quality of the environment in Cork Harbour, particularly in areas which have the potential to be affected or influenced by Port Operations remains a priority for the Company. The Corporate Strategy 2024 – 2028 has added a strategic goal connected to achieving Net Zero with the Board having adopted the NewERA designed Climate Action Framework for commercial semi-state bodies in January 2023. We have consolidated previous strategic objectives related to this goal that sat within other strategic goals emphasising environmental compliance as a priority for the Company. We are committed to the highest standards of environmental management through the implementation of our environmental management programme, operated to global best practices and standards consistent with the renewed ISO14001 and Eco Ports foundation accreditation.

Corporate Social Responsibility:

The Port of Cork Company Corporate Social Responsibility (CSR) policy aims to align the Company's values and behaviour with the expectations and needs of its stakeholders and the community. This CSR Policy commits the Company to:

- engage with stakeholders,
- comply with all legislation including Health & Safety and Environmental legislation, Corporate Social Responsibility Directive coming into effect in 2025,
- enhance the international reputation of Cork Harbour as a unique natural amenity suitable for sustainable commercial development alongside leisure activities,
- provide best practice labour standards and employee welfare, and
- embrace new technologies and management systems to minimise the Company's carbon footprint.

The Company is committed to being involved in a number of local community-based projects around Cork Harbour and continues to support key marine leisure events. As part of its commitment to marine tourism/leisure, Port of Cork Company initiatives include the public use of the Millennium Garden in Tivoli, Hugh Coveney Pier in Crosshaven, and in Ringaskiddy the playground developed on port lands and amenity area at Paddy's Point. More recently the Company organised a "Name the Pilot Boat Competition" among children of the Port of Cork. Following a public vote on the Port Facebook page with more than 800 votes cast, the name of the new Pilot Boat launched on the 26th May 2024 will be SOLAS, entered by Rhys Daly an employee's son.

Employees and Communication:

The Port of Cork Company is committed to developing and harnessing the skills and knowledge of its employees in the achievement of Company goals. Specific actions are being taken to improve communications, industrial relations, employee engagement and development, along with management systems. Training and development continues to be proactive in response to the ever improving customer orientated services within the company.

In 2023 the Company also launched a port employee forum to improve communication. This is a forum made-up of employees that will meet every two months with the CEO and / or senior management to provide feedback from the core of the business to management. The forum also allows management to give updates directly to port employees. There are 10 volunteers on the forum and there is also a port employee delivery team which consists of 3 employees who will be tasked with insuring validation and subsequent implementation of the ideas that come forward from the port employee forum.

In 2023, the CEO recorded a short video which was made available to staff to view on the Connect app and he also met small groups of employees at interactive 'town hall' gatherings as Covid 19 restrictions have eased. The overall communication framework in the organisation continues to be enhanced and improved through the use of technology.

Diversity and Inclusion:

The Board of Directors has appointed a Diversity and Inclusion Sub-committee to oversee the organization's ethical, sustainable, and responsible practices. A Port of Cork Company value is to "respect our people and value their contribution". This committee published the Company Diversity and Inclusion Policy Statement to complement EU Diversity Month in April 2023. This policy statement was developed and approved by the Board Committee and outlines a significant commitment to ensuring that our workplace is welcoming to all, and that our workforce better reflects the community we serve. This policy statement sets out the areas of focus and the steps that the company will undertake to guide and measure these efforts in an open and transparent way. We therefore as a Company are committed to:

- Create a more inclusive workplace culture where all employees feel welcome, valued, and supported.
- Promote diversity and equity throughout the organization by identifying and addressing barriers to inclusion and developing and implementing strategies to increase diversity and equity.
- Ensure that all employees, regardless of their background or identity, have equal access to opportunities, resources, and support.

Safety, Health and Welfare:

With the support of all employees the Company operates a rigorous health and safety regime. This policy is based on the requirements of employment legislation and health and safety standards, including the requirements contained in the Safety, Health and Welfare at Work Acts. The achievement of the Health & Safety OHSAS 18001 accreditation has made the Company improve awareness levels throughout the Port. This standard is recognised as the international benchmark for best practice in Occupational Health & Safety and was awarded in recognition of the high standards of safe practice and awareness in the Port of Cork Company.

The Company has a strong view that all operations of the Port must be carried out in a safe and efficient manner. During 2023, the Health and Safety Awareness Campaign continued and all employees participated in safety awareness training. The Company also has an Employee Well Being programme which includes a comprehensive Employee Assistance Programme, biennial voluntary health screenings and health surveillance programmes.

Operational Risk Management – International Code for Safety and Environmental Management in Ports (IPSEM):

The Port of Cork Company certificate of compliance under the IPSEM code by the international organisation Bureau Veritas was renewed in 2022. IPSEM is a code of practice and certification scheme which covers safety and environmental management of operations and maintenance of all port facilities. It provides the Company with a powerful tool to improve port operating systems, safety and environmental protection.

Strategic Risk Management:

During 2023, the Port of Cork Company updated its strategic risk management assessment and based on this analysis, the key risks facing the Company were identified. Strategic Risk Management continues to be a priority in the management and development of the Port of Cork Company. In addition to regular external and internal audit reviews, the company is committed to health and safety, environmental, IPSEM, Port Security, Pilotage and other ISO accreditations. The company continually reviews procedures to ensure that robust management processes are in place for the management and control of risk.

Acknowledgements:

With the direction and support of the Chairperson and Board of Directors and the continued commitment, dedication and professionalism of the staff, the Port of Cork Company is committed to meeting the many challenges it faces in the future and to providing an excellent service to our customers.

I wish to thank the Chairperson Dr. Michael Walsh and all the Directors for their support and guidance. I wish to thank all the staff of the Department of Transport under Ministers Mr. Eamonn Ryan T.D. and Mr. Jack Chambers T.D., and the Secretary General, for their continued assistance. I would like to express my thanks to our many customers for their continued investment in and support of the Port of Cork Company.

Our former Chief Executive, Eoin McGettigan decided to leave the Company in early May 2024 and I would like to thank him for his contribution to the Company over the past number of years and wish him every success and happiness in the future.

Finally, I would sincerely like to thank the management and all the staff for their commitment and dedication to the Company ensuring that an excellent performance was returned by the Company during a challenging year. I am confident that with a commitment to the business, the Company can face its' many challenges, with confidence and look forward to continued success in the future.

Mr.Donal Crowley
Interim Chief Executive,
27th May 2024

Port of Cork Company Report of The Directors

REPORT OF THE DIRECTORS

The directors present their annual report and the audited consolidated financial statements of the group for the financial year ended 31 December 2023. The company's subsidiary companies are listed in note 13.

Principal Activities

The company is committed to providing, on a sound commercial basis, safe, efficient and cost-effective Port facilities, services, accommodation, and lands in its harbour which meet the needs of its customers.

Results and Dividends	€
Profit on Ordinary Activities before Taxation	5,934,650
Taxation	€77,749
Profit for the Financial Year	€6,012,399

Review of the Business:

Details of the profit for the financial year, together with comparative figures for 2022 are set out in the Consolidated Income Statement on page 16 and the related notes.

Total revenue for 2023 amounted to €48.40 million, a 0.02% decrease on 2022 (€48.41 million). Operating profit decreased by 17.79% to €7.53 million from €9.16 million in 2022. There was a profit on Ordinary Activities before Taxation of €5.93 million in 2023 compared with €13.28 million in 2022.

Port of Cork Company Pension Schemes - Actuarial Valuation

The Port of Cork Company operates defined benefit pension schemes. The latest full actuarial valuation of the Company's pension schemes was carried out at 1 January 2021 by Mercer Limited, Actuaries and Consultants, using the minimum funding standard valuation of liabilities. At the date of the actuarial valuation the market value of the assets of the Port of Cork Company Superannuation schemes was €50.40 million and the actuarial valuation showed that the actuarial value of those assets was 90% of the benefits that had accrued to members.

Retirement Benefits

The company has a Pension Fund deficit of €0.60 million at 31 December 2023 calculated in accordance with FRS 102, compared to a deficit of €0.57 million at 31 December 2022. The company, following legal opinion, considers it prudent to provide for the Port of Cork Pilotage Authority Pension Schemes. Consequently, the liability arising has been accounted for at 31 December 2023. The impact of FRS 102 in respect of pensions is outlined in detail in note 22 to the financial statements.

Future Developments:

The immediate objective of the company is to continue to operate as a commercial state-owned company. This is being accomplished by putting in place the correct structures and procedures so as to provide a solid foundation which will:

(a) ensure continuation of the high safety and regulatory standards of services provided to ships operating in Cork Harbour,

(b) ensure all proper measures are taken for the management, control, operation and development of its harbour and the approach channels thereto,

(c) encourage investment in its harbour,

(d) enable the development of profitable ancillary commercial activities related to core activities,

(e) ensure that the resources available to the company are utilised and managed in a manner consistent with the objects of the company.

Principal Risks and Uncertainties

During 2023 the Port of Cork Company carried out a risk assessment. Risks were prioritised using a Total Risk Score (TRS) determined as the product of the impact and likelihood scores. Based on this analysis, the key risks facing the Company were identified.

Key Performance Indicators (KPIs)

The company is result orientated and prepares an annual budget and corporate business plan for the next five financial years. Actual performance is measured against budget. The main KPI's used by the company to measure performance are throughput, revenue, direct expenses, non-operational income, departmental overheads, profit before tax and cash flow.

There is also a broad range of KPI's used within the organisation which are broken down by department and responsible person. These KPI's are in turn monitored and reported on to ensure that KPI targets are achieved.

Environmental Matters

The Port of Cork Company is committed to the highest standards in environmental management programmes and is accredited under ISO14001 and ECOPORTS foundation. The 2023 Climate Action Plan was adopted by the Board of Directors in January 2023.

Energy

The Port of Cork Company is committed to operating to the highest possible energy efficiency standards and obtained certificate of Registration of Energy Management System to I.S. ENISO 50001:2018 in 2019.

The Port of Cork has signed a Partnership agreement with SEAI and reports annually on energy usage and actions to reduce energy consumption in accordance with S.I. 542 of 2009.

Shareholders

As at 31 December 2023, the Minister for Transport beneficially held all of the Share Capital of the Company with the exception of one share which was held by the Minister for Public Expenditure and Reform, under Section 9 (2) Statutory Instrument 842 of 2005 Maritime Transport, Safety & Security (Transfer of Departmental Administration and Ministerial Functions) Order 2005.

Directors and Secretary

The following directors and secretary as listed below served throughout the financial year.

- Dr. Michael Walsh (Chairperson),
- Mr. Eoin McGettigan (Chief Executive Officer) (Resigned 06/05/2024),
- Mr. David Browne,
- Ms. Gillian Keating,
- Ms. Joan McGrath,
- Dr. Celine McInerney,
- Mr. Philip Smith,
- Mr. Finbarr Synnott, and
- Mr. Donal Crowley (Company Secretary)

Dr. Celine McInerney was appointed for a five-year term as a Director with effect from 10th January 2023.

The table below details the appointment dates of the current members.

Board Structure

Board Member	Role	Date Appointed
Dr. Michael Walsh	Chairperson	26 November 2021
Mr. Eoin McGettigan	Ordinary Member	1 October 2020
Mr. David Browne	Ordinary Member	11 October 2017
Ms. Gillian Keating	Ordinary Member	14 October 2020
Ms. Joan McGrath	Ordinary Member	1 October 2021
Dr. Celine McInerney	Ordinary Member	10 January 2023
Mr. Philip Smith	Ordinary Member	26 February 2021
Mr. Finbarr Synnott	Ordinary Member	7 March 2022

In accordance with the Code of Practice for the Governance of State Bodies the following is a breakdown of the Directors' fees and attendance at Board Meetings during the period under review:

	Board	Audit & Risk Committee	Fees 2023 €	Expenses 2023 €
Number of Meetings	12	5		
Dr. M. Walsh	12		21,600	1,970
Mr. E. McGettigan	10		-	-
Mr. D. Browne	11	4	12,600	-
Ms. G. Keating	12		12,600	-
Ms. J. McGrath	11		12,600	714
Dr. C. McInerney	12	5	12,285	-
Mr. P. Smith	12	4	12,600	-
Mr. F Synnott	10		12,600	-
			96,885	2,684

Directors' and Secretary's Interests in Shares

The directors and secretary who held office at 31 December 2023 had no interest in the shares of the company.

Corporate Governance

The Port of Cork Company complies with the principles of corporate governance outlined in the Code of Practice for the Governance of State Bodies published by the Department of Public Expenditure and Reform and has applied the principles of good corporate governance and Government Guidelines for State Bodies. The company complies with all recommendations that the company considers applicable for a State-owned company.

Board Meetings

The Board met twelve times during the financial year.

Post Balance Sheet Events

There were no significant events affecting the company since the financial year end that require disclosure in the financial statements.

Committees and other duties of the Board

Each Committee of the Board operates under specific terms of reference.

The members of the Audit & Risk Committee in 2023 were Dr. C. McInerney (Chairperson), Mr. D. Browne, and Mr. P. Smith. The Audit & Risk Committee held five meetings during 2023.

The members of the Remuneration Committee were Ms. J. McGrath (Chairperson) and Dr. M. Walsh. The Remuneration Committee members meet to deal with the remuneration and contract of the Chief Executive and review human resource matters within Government Guidelines.

Mr. E. McGettigan and Mr. F. Synnott were trustees of the Port of Cork Company Superannuation Fund during 2023.

Internal Controls and Internal Audit

The Directors have overall responsibility for the company's systems of internal control and for reviewing their effectiveness. These systems are designed to ensure that transactions are executed in accordance with management's authorisation and that reasonable steps are taken to safeguard assets and to prevent fraud, and that proper financial records are maintained. These systems are designed to manage risk and can give reasonable, but not absolute, assurance against material error.

The principal procedures which have been put in place by the Board to provide effective internal control include:

- Clearly defined management responsibilities have been established throughout the company and the services of qualified personnel have been secured and duties properly allocated among them;
- A formal budgeting process is in operation, culminating with the annual budget approved by the Audit & Risk Committee and the Board;
- Actual performance against budget is reported monthly to the Board;
- Management at all levels are responsible for internal control over their business function;
- Internal control procedures are continuously updated and monitored by the Audit & Risk Committee and management and are audited by an independent internal auditor;
- Any observations or recommendations on internal controls from our internal or external auditors are acted upon in a timely manner by the board;
- Defined procedures for the appraisal, review, and control of capital expenditure and
- The company operates and updates through regular reviews a Risk Register which is submitted to and approved by the Board.

During 2023 the company had an independent internal audit carried out by Grant Thornton, Chartered Accountants, on the company's payroll and expenditure processes which concluded that the company's internal controls and internal control systems were operating satisfactorily. All internal controls are reviewed on a bi-annual basis.

The directors acknowledge that they are responsible for securing the company's compliance with its relevant obligations and confirm that the following matters have been completed:

(a) The drawing up of a "compliance policy statement" setting out the company's policies (that, in the directors' opinion, are appropriate to the company) respecting compliance by the company with its relevant obligations;

(b) The putting in place of appropriate arrangements or structures that are, in the directors' opinion, designed to secure material compliance with the company's relevant obligations (i.e., the arrangements or structures provide reasonable assurance that the company has complied in all material respects); and

(c) The conducting of a review, during the financial year of any arrangements or structures that have been put in place.

Going Concern

The financial statements are prepared on the going-concern basis, as the directors are satisfied that the Port of Cork Company has adequate resources to continue in business for the foreseeable future.

Financial Risk Management Objectives and Policies

The company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial instruments is governed by the company's policies approved by the board of directors, which provide written principles on the use of financial instruments to manage these risks.

Cash Flow Risk

The company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

Interest bearing assets are held at fixed rate to ensure certainty of cash flows. Interest bearing liabilities are held at both variable and fixed rates.

Credit Risk

The company's principal financial assets are bank balances, loans and cash, trade and other receivables, and investments.

The company's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity Risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company uses a mixture of long-term and short-term debt finance.

Political Donations

The company did not make any political donations during the financial year.

Prompt Payment of Accounts Act, 1997

It is the company's policy to pay all creditors in accordance with the terms of the Prompt Payment of Accounts Act, 1997. This provides reasonable assurance that the terms of the Act are complied with, at all times. The company complied with the terms of the Act during 2023 and interest payments were not required.

Welfare of Employees

It is the company's policy to ensure the health and welfare of employees by maintaining a safe place and system of work. This policy is based on the requirements of employment and health and safety legislation and rigorous health and safety standards. The company is accredited under OHSAS18001.

Code of Practice for Governance of State Bodies:

The following disclosures are required in the Annual Financial Statements and the Annual Report, for the year ended 31 December 2023 in compliance with the Code of Practice for the Governance of State Bodies.

I. Consultancy Costs:

Consultancy costs include the cost of external advice to management and excludes outsourced 'business-as-usual' functions.

	2023	2022
	€	€
Legal advice	165,010	189,387
Financial / actuarial advice	534,000	255,950
Public relations / marketing	200,046	124,833
Human Resources	-	-
Business Improvement	-	-
Other	856,942	1,376,996
Total Consultancy costs	1,755,998	1,947,166
Consultancy costs capitalised	539,928	985,532
Consultancy charged to the Income Statement	1,216,070	961,634
Total	1,755,998	1,947,166

The capitalised costs refer to supports required for the Ringaskiddy development, and other asset developments.

II. Travel and Subsistence Expenditure:

Travel and subsistence expenditure is categorised as follows:

	2023 €	2022 €
Domestic		
- Board	-	-
- Employees	1,178	1,591
International		
- Board	-	-
- Employees	33,335	21,179
Total	34,513	22,770

III. Hospitality Expenditure:

The Income Statement includes the following:

	2023 €	2022 €
Staff hospitality	187,728	104,531
Client hospitality	-	3,976
Total	187,728	108,507

IV. Remuneration:

(a) Aggregate Employee Benefits

	2023 €'000	2022 €'000
Staff short-term benefits	13,319	13,536
Termination benefits		
Retirement benefit costs*	1,954	1,798
Employer's contribution to social welfare	1,551	1,498
	16,824	16,832

The total number of staff employed (WTE) during 2023 was 178 (2022: 170).

* Retirement benefit costs disclosed are amounts paid and exclude the FRS102 adjustment in respect of Defined Benefit Pension Schemes. Retirement benefits as disclosed in note 9 take account of FRS102.

(b) Staff Short-Term Benefits:

	2023 €'000	2022 €'000
Basic pay	12,596	12,212
Overtime	723	1,324
	13,319	13,536

(c) Key Management Personnel:

Key management personnel in 2023 in the Port of Cork Company consists of the Chief Executive Officer, the Chief Financial Officer and Company Secretary, the Harbour Master and Chief Operations Officer, the Chief Commercial Officer, the Head of Port Engineering , Chief Land Development Officer and the Head of Human Resources. The total value of employee benefits including pension contribution and company cars for key management personnel is set out below:

	2023 €'000	2022 €'000
Salary	1,417	1,365
Allowances	3	21
Health Insurance	14	17
	1,434	1,403

(d) Chief Executive Officer Salary and Benefits:

The Chief Executive Officer Salary and Benefits are disclosed in note 9 to the financial statements

V. Short Term Benefits:

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

Short-Term Employee Benefits	2023	2022
	No of Employees in Band	**No of Employees in Band**
€		
50,000 - 74,999	43	36
75,000 - 99,999	90	78
100,000 - 124,999	6	10
125,000 - 149,999	1	2
150,000 - 174,999	1	1
175,000 - 199,999	5	4
200,000- 225,000	1	1

Note: For the purposes of this disclosure, short-term employee benefits in relation to services rendered during the reporting period included salary, overtime allowances and other payments made on behalf of the employee but exclude employer's PRSI.

VI. Legal Costs and Settlements:

The table below provides a breakdown of amounts recognised as expenditure in the reporting period in relation to legal costs, settlements and conciliation and arbitration proceedings relating to contracts with third parties. This does not include expenditure incurred in relation to general legal advice received by the Port of Cork Company which is disclosed in Consultancy costs above.

Legal Costs and Settlements	2023	2022
	€	**€**
Legal fees – legal proceedings	-	-
Conciliation and arbitration payments	-	7,738
Settlements	-	-
Total	-	7,738

Accounting Records:

The measures that the directors have taken to secure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at Port of Cork Company, Tivoli Terminal Building, Tivoli Dock & Industrial Estate, Cork T32 YNT9.

Independent Auditor:

The independent auditor, Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm, continues in office in accordance with Section 383(2) of the Companies Act 2014.

So far as each of the directors in office at the date of approval of the financial statements is aware:

- There is no relevant audit information of which the company's auditors are unaware; and
- The directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 330 of the Companies Act 2014.

The financial statements were approved by the Board of Directors on 23rd May 2024 and signed on its behalf by:

Michael Walsh, *Chairperson / Director*

Gillian Keating, *Director*

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the directors' report and the financial statements in accordance with the Companies Act 2014.

Irish company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with FRS 102. The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the financial reporting council ("relevant financial reporting framework"). 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 and of the profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014.

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

- select suitable accounting policies for the parent company and group financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the 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.

Irish legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

On behalf of the Board:

Michael Walsh, *Chairperson / Director*

Gillian Keating, *Director*

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PORT OF CORK COMPANY

Report on the audit of the financial statements

Opinion on the financial statements of Port of Cork Company (the 'company')

In our opinion the group and parent company financial statements:

- give a true and fair view of the assets, liabilities and financial position of the group and parent company as at 31 December 2023 and of the profit of the group for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting frameworkand, in particular, with the requirements of the Companies Act 2014.

The financial statements we have audited comprise:

- The group financial statements:
- the Consolidated Profit and Loss Account;
- the Consolidated Statement of Comprehensive Income;
- the Consolidated Statement of Financial Position;
- the Consolidated Statement of Changes in Equity;
- the Consolidated Statement of Cash Flows; and
- the related notes 1 to 28, including a summary of significant accounting policies as set out in note 1.

The parent company financial statements:

- the Parent Company Statement of Financial Position;
- the Company Statement of Changes in Equity; and
- the related notes 1 to 28, including a summary of significant accounting policies as set out in note 1.

The relevant financial reporting framework that has been applied in the preparation of the group financial statements is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council ("the relevant financial reporting framework")

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 described below in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, and 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 group and parent company's ability to continue as a going concern for a period of at least twelve months from 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.

Other information

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

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 or apparent material misstatements, 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.

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014, and for such internal control as the directors determine is 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, the directors are responsible for assessing the group and parent 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 directors either intend to liquidate the group and parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our 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.

A further description of our responsibilities for the audit of the financial statements is located on IAASA's website at:

https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial statements/. This description forms part of our auditor's report.

Report on other lega land regulatory requirements

Opinion on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- 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 parent company were sufficient to permit the financial statements to be readily and properly audited.
- The parent company balance sheet is in agreement with the accounting records.
- In our opinion the information given in the Directors' Report is consistent with the financial statements and the Directors' Report has been prepared in accordance with the Companies Act 2014.

Matters on which we are required to report by exception

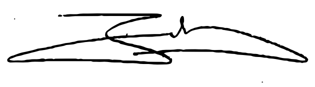
Based on the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

Under the Code of Practice for the Governance of State Bodies (August 2016) (the "Code of Practice"), we are required to report to you if the statement regarding the system of internal control required under the Code of Practice as included in the Corporate Governance Statement in the Directors' Report does not reflect the Group's compliance with paragraph 1.9(iv) of the Code of Practice or if it is not consistent with the information of which we are aware from our audit work on the financial statements. We have nothing to report in this respect.

Use of our report

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.



John Kelly

For and on behalf of Deloitte Ireland LLP Chartered Accountants
and Statutory Audit Firm
No. 6 Lapp's Quay, Cork
Date: 24 May 2024

CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Notes	2023	2022
		€	€
Turnover – continuing operations	(3)	48,395,770	48,410,830
Cost of sales	(4)	(29,562,837)	(28,836,850)
Gross profit		18,832,933	19,573,980
Administration and general expenditure	(5)	(11,305,768)	(10,416,556)
Operating profit – continuing operations		7,527,165	9,157,424
Profit on disposal of fixed assets	(6)	-	4,935,568
Finance costs (net)	(7)	(1,592,515)	(808,258)
Profit on ordinary activities before taxation	(8)	5,934,650	13,284,734
Taxation	(10)	77,749	(1,670,217)
Profit on ordinary activities after taxation		6,012,399	11,614,517
Minority interest	(24)	195,986	44,582
Profit for the financial year attributable to the equity shareholders of the company		6,208,385	11,659,099

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Notes	2023	2022
		€	€
Profit for the financial year		6,208,385	11,659,099
Actuarial (loss)/gain recognised on pension schemes	(22)	(1,590,000)	1,539,000
Actuarial (loss)/gain recognised on Port of Cork Superannuation Fund liability		(117,000)	325,000
Deferred tax related to actuarial asset/(liability)		19,750	(414,625)
Total comprehensive income attributable to equity shareholders of the company		4,521,135	13,108,474

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	Notes	2023	2022
Fixed Assets:		€	€
Tangible Assets	(11)	165,263,039	167,656,434
Intangible Assets	(12)	290,076	323,953
		165,553,115	167,980,387
Current Assets:			
Stocks	(14)	2,630,466	2,619,370
Debtors	(15)	10,787,146	9,457,877
Cash and Funds on Deposit		28,836,569	33,385,384
		42,254,181	45,462,631
Creditors (amounts falling due within one financial year)	(16)	(11,352,009)	(12,378,331)
Net Current Assets		30,902,172	33,084,300
Total Assets less Current Liabilities		196,455,287	201,064,687
Represented By:			
Creditors (amounts falling due after one financial year)			
Other Loan	(17)	4,377,882	4,608,882
Capital Debt	(17)	38,089,844	49,355,028
Capital Grants	(18)	28,928,784	26,323,460
Provision for Liabilities	(19)	3,515,161	3,774,850
		74,911,671	84,062,220
Capital and Reserves			
Called up Share Capital presented as equity	(20)	22,518,722	22,518,722
Capital Conversion Reserve Fund	(21)	267,320	267,320
Capital Reserve Fund	(21)	989	989
Capital Contribution	(21)	476,000	
Profit and Loss Account	(21)	99,178,225	94,917,090
Shareholders' Funds		122,441,256	117,704,121
Minority interest	(24)	(897,640)	(701,654)
		196,455,287	201,064,687

The profit after taxation in the company for the year ended 31st December 2023 was €6,861,930.

The financial statements were approved by the Board of Directors on 23rd May 2024 and signed on its behalf by:

Michael Walsh, Chairperson / Director **Gillian Keating,** Director

PARENT COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	Notes	2023	2022
Fixed Assets:		€	€
Tangible Assets	(11)	155,984,474	158,356,186
Financial Assets	(13)	4,068,985	3,595,985
		160,053,459	161,952,171
Current Assets:			
Stocks	(14)	933,517	922,421
Debtors	(15)	15,069,454	13,843,953
Cash and Funds on Deposit		26,505,517	30,770,983
		42,508,488	45,537,357
Creditors (amounts falling due within one financial year)	(16)	(9,263,596)	(10,186,308)
Net Current Assets		33,244,892	35,351,049
Total Assets less Current Liabilities		193,298,351	197,303,220
Represented By:			
Creditors (amounts falling due after one financial year)			
Capital Debt	(17)	38,089,844	49,355,028
Capital Grants	(18)	28,928,784	26,323,460
Provision for Liabilities	(19)	3,515,161	3,774,850
		70,533,789	79,453,338
Capital and Reserves			
Called up Share Capital presented as equity	(20)	22,518,722	22,518,722
Capital Conversion Reserve Fund	(21)	267,320	267,320
Capital Reserve Fund	(21)	99,978,520	95,063,840
Profit and Loss Account		122,764,562	117,849,882
Shareholders' Funds		193,298,351	197,303,220

The financial statements were approved by the Board of Directors on 23rd May 2024 and signed on its behalf by:

Michael Walsh, Chairperson / Director **Gillian Keating,** Director

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	2023	2022
	€	€
Profit on Ordinary Activities before Taxation	5,934,650	13,284,734
Profit on Disposal of Fixed Assets	-	(4,935,568)
Finance Costs (net)	1,592,515	808,258
Depreciation Less Grants Released	7,001,553	6,952,593
Amortisation of Intangible Fixed Assets	33,877	14,821
Increase in Stocks	(11,097)	(409,695)
(Increase)/Decrease in Debtors	(1,386,300)	1,550,015
Decrease in Creditors	(1,761,911)	(3,676,901)
Taxation Paid	(250,932)	(864,902)
Net Cash Inflow from Operating Activities	11,152,355	12,723,355
Investing Activities		
Purchase of Fixed Assets	(5,638,230)	(15,010,036)
Purchase of Subsidiary Undertaking	-	(163,000)
Grants Received	3,617,947	292,908
Proceeds on Disposal of Fixed Assets	-	15,909,263
Net Cash (Outflow)/Inflow from Investing Activities	(2,020,283)	1,029,135
Financing		
Payments of Loans	(11,813,372)	(4,052,367)
Dividend Paid	(260,000)	(250,000)
Interest Paid	(1,607,515)	(778,257)
Net Cash Outflow from Financing Activities	(13,680,887)	(5,080,624)
(Decrease)/Increase in Cash	(4,548,815)	8,671,866
Opening Cash Balance	33,385,384	23,972,795
Cash acquired in subsidiary	-	740,723
Closing Cash Balance	28,836,569	33,385,384

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

		2023	2023	2022	2022
	Notes	Group	Company	Group	Company
		€	€	€	€
Profit for the financial year		6,208,385	6,861,930	11,659,099	11,827,676
Actuarial (Loss)/ Gain Recognised on Pension Schemes		(1,590,000)	(1,590,000)	1,539,000	1,539,000
Actuarial (Loss)/Gain Recognised on Port of Cork Superannuation Fund Liability		(117,000)	(117,000)	325,000	325,000
Deferred Tax related to Actuarial Asset/(Liability)		19,750	19,750	(414,625)	(414,625)
Dividend payment to Shareholder	(26)	(260,000)	(260,000)	(250,000)	(250,000)
Capital Contribution		476,000	-	-	-
Increase in Shareholders' Funds		4,737,135	4,914,680	12,858,474	13,027,051
Opening Shareholders' Funds		117,704,121	117,849,882	104,845,647	104,822,831
Closing Shareholders' Funds		122,441,256	122,764,562	117,704,121	117,849,882

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

Note

(1) Statement of Accounting Policies

The significant accounting policies adopted by the company are as follows:

General Information and Basis of Accounting

Port of Cork Company is a company incorporated in Ireland under the Companies Act 2014. The address of the registered office is Tivoli Terminal Building, Tivoli Dock and Industrial Estate, Cork T23 YNT9 and its registered company number is 262368. The nature of the company operations and its principal activities are set out on pages 2 to 11 of the directors' report.

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2014 and Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of Port of Cork Company is considered to be Euro because that is the currency of the primary economic environment in which the company operates.

These financial statements are consolidated financial statements.

Basis of Consolidation:

These financial statements consolidate the financial statements of the company and its subsidiaries for the financial year ended 31 December 2023.

Going Concern:

The financial statements are prepared on the going-concern basis, as the directors are satisfied that the Port of Cork Company has adequate resources to continue in business for the foreseeable future.

Turnover:

This comprises revenue from charges to port users and rental of property. Charges to port users are recognised as revenue when the provision of services are completed. Rental income is recognised in the period to which it relates.

Fixed Assets and Depreciation:

The Fixed Assets of the Cork Harbour Commissioners were revalued on 2 March 1997 after consultation with the Minister for the Marine and Natural Resources. The revalued assets were transferred to the Port of Cork Company on vesting day, 3 March 1997, under the Harbours Act 1996 in consideration for shares issued to the Minister for the Marine and Natural Resources and the Minister for Finance. The valuation of assets was carried out by independent valuation experts, specialist machinery manufacturers and by the company's own professional staff.

The cost of operational fixed assets comprises the purchase price of land, buildings, site developments and roadways, quays and piers, capital dredging, pontoons, cranes, winches, hoists, floating crafts, motor vehicles and other plant and equipment. Historical Cost includes construction and installation expenditure where incurred. It is the policy of the Port of Cork Company to allocate part of the relevant overheads to the cost of capital works.

It is company policy not to depreciate construction in progress projects. Projects are depreciated only when complete and the asset brought into use.

No provision is made for the depreciation of land. Other operational fixed assets are being depreciated by the straight-line method according to their estimated useful lives as follows:

	Years
Buildings, Quays, Piers, Docks etc.	20-50
Site Development, Roadways, etc.	10-20
Capital Dredging	25
Pontoons	20
Cranes, Winches, Hoists	10-20
Floating Crafts - Vessels	15-25
Motor Vehicles	4
IT Expenditure	3-10
Other Plant and Equipment	5-20

Intangible Assets:

Goodwill, arising on the acquisition of an entity representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and is amortised over its useful economic life which is set at 10 years.

Grants and Contributions to Tangible Fixed Asset Costs:

European Regional Development Fund, European Cohesion Fund, TEN-T, CEF (Connecting Europe Facility), URDF (Urban Regeneration and Development Fund) and other grants and contributions to tangible fixed asset costs are shown separately on the Balance Sheet as deferred credits, pending transfer to the Income Statement on the same basis as the relevant assets are depreciated.

Foreign Currency:

Transactions arising in foreign currencies are translated into Euro at the rates of exchange ruling at the date of the transaction. There were no Monetary Assets or Liabilities denominated in foreign currencies at the year end. All exchange gains or losses are accounted for in income statement in the period in which they arise.

Stocks:

Stores and materials are valued at cost and charged out at that price. Items in stock are written off when held for more than 3 years.

Stock of development land is stated at the lower of cost and estimated selling price less costs to complete and sell, which is equivalent to the net realisable value.

Financial Assets:

Investments in subsidiary companies are stated at cost less provision for impairment.

Leases:

Where tangible assets are financed by leasing agreements which give rights approximating to ownership ("Finance Leases") they are treated as if they had been purchased outright at the present value of the minimum lease payments and the corresponding leasing liabilities are shown in the statement of financial position as finance lease obligations.

Depreciation on leased assets is calculated on a straight-line basis over the estimated useful lives of the individual assets. Interest arising on finance leases is charged to the income statement in proportion to the amounts outstanding under the leases.

Payments under operating leases are expended as they accrue over the period of the leases.

Impairment of Assets:

Assets are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

(a) Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced to below its carrying amount. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

(b) Financial assets

If at the end of the reporting period, there is objective evidence of impairment, the company recognises an impairment loss in profit or loss immediately.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Taxation:

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the statement of financial position date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

When the amount that can be deducted for tax for an asset that is recognised in a business combination is less (more) than the value at which it is recognised, a deferred tax liability (asset) is recognised for the additional tax that will be paid (avoided) in respect of that difference. Similarly, a deferred tax asset (liability) is recognised for the additional tax that will be avoided (paid) because of a difference between the value at which a liability is recognised and the amount that will be assessed for tax.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date that are expected to apply to the reversal of the timing difference.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on the company and the company intends either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Retirement costs:

For defined benefit schemes the amounts charged to operating profit are the costs arising from employee services rendered during the period and the cost of plan introductions, benefit changes, settlements, and curtailments. They are included as part of staff costs. The net interest cost on the net defined benefit liability is charged to profit or loss and included within finance costs. Remeasurement comprising actuarial gains and losses and the return on scheme assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in other comprehensive income.

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the company, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

For defined contribution schemes the amounts charged to the profit and loss account in respect of pension costs and other post-retirement benefits are the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Other long-term employee benefits are measured at the present value of the benefit option at the reporting date.

Financial Instruments:

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some, but not all, significant risks, and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled, or expires.

Critical Accounting Judgements and Key Sources of Estimation Uncertainty:

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 financial year in which the estimate is revised if the revision affects only that financial year or in the financial year of the revision and future financial years if the revision affects both current and future financial years.

Critical judgements in applying the company's accounting policies:

The following are the critical judgements, that the directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Key source of estimation uncertainty - Defined benefit obligations:

The directors have considered the assumptions necessary to value the liability of the company in respect of the defined benefit pension scheme. The assumptions made in respect of the discount rate, inflation, future pension increases, and materiality are the best estimates of the directors and have been made in association with the company's pension advisors.

(2) Key source of estimation – Estimated Useful Lives:

Determining the annual depreciation charge and grant amortisation amount for each asset category requires the company to make an estimate of the estimated useful lives of its assets over which to depreciate the asset or amortise the grant.

(3) Turnover:

Turnover comprises the invoice value of services supplied by the company exclusive of V.A.T. All turnover arises in the Republic of Ireland.

	2023	2022
(4) Cost of Sales:	**€**	**€**
Operating and Maintenance	22,336,834	21,297,564
Dredging	224,450	586,793
Depreciation (Net)	7,001,553	6,952,493
	29,562,837	28,836,850

	2023	2022
(5) Administration and general expenditure:	**€**	**€**
General Administration Expenditure	7,859,649	8,099,486
Local Authority Rates	1,362,100	791,474
Trade Promotion	167,249	122,794
Pension Provision and Contributions	1,869,520	1,357,802
Audit Fee	47,250	45,000
	11,305,768	10,416,556

	2023	2022
(6) Disposal of Fixed Assets:	**€**	**€**
Profit on Disposal of Fixed Assets	-	4,935,568
	-	4,935,568

	2023	2022
(7) Finance costs (net):	**€**	**€**
Bank and Other Interest payable	(1,607,515)	(778,258)
Net Interest Cost on Pension Schemes	15,000	(30,000)
	(1,592,515)	(808,258)

	2023	2022
(8) Profit on Ordinary Activities before Taxation:	**€**	**€**
The Profit on Ordinary Activities is stated after charging:		
Auditors' Remuneration:		
Audit Services	47,250	45,000
Other Assurance Services	4,100	4,100
Tax Compliance and Advisory Services	17,900	9,345
Non-Audit Services	4,450	2,344
Profit on Disposal of Fixed Assets	-	4,935,568
Depreciation	8,014,177	7,914,302
and after Crediting:		
EU and Government Grants	1,012,624	961,709

Profit after taxation for the year attributable to equity shareholders amounting to €6,757,610 (2022: €11,827,676) has been accounted for in the financial statements of the company. In accordance with Section 304(2) Companies Act 2014, the company is availing of the exemption from presenting its individual Income Statement to the Annual General Meeting. The company has also availed of the exemption from filing its individual Income Statement with the Registrar of Companies as permitted by the Companies Act 2014.

(9) Staff Numbers and Costs:

	2023	2022
The average monthly number of persons employed by the company during the financial year was as follows:	178	170

The Aggregate Payroll Costs of these persons were as follows:	2023	2022
	€	€
Wages, Salaries, arrears and other	14,227,588	14,399,384
Social Security Costs	1,551,404	1,497,505
Retirement Benefit Cost	1,869,520	1,357,802
	17,648,512	17,254,691

	2023	2022
	€	€
Directors' Fees	96,885	84,565
Directors' Other Emoluments	305,871	301,414
Contributions to defined contribution pension scheme	43,750	43,750

The other amounts required to be disclosed by S.305/306 Companies Act 2014 are €Nil for both years. Included in the above directors' fees and other emoluments is the remuneration package of the post of Chief Executive as follows:

Directors' Fees	-	-
Total Salary	175,000	175,000
Other Benefits including Pension Costs & Cost of Company Car	47,137	46,335
	222,137	221,335

Compensation to key management personnel amounted to €1,379,356 (2022: €1,415,255).

(10) Taxation:

(a) Analysis of Tax Charge:	2023	2022
	€	€
Corporation Tax Charge on Profit for the financial year	(320,190)	(1,370,201)
Overprovision in prior year	-	59,507
Deferred Taxation Credit/(Charge)	397,939	(359,523)
	77,749	(1,670,217)

(b) Factors affecting the Tax Charge:	2023	2022
The tax assessed for the financial year is higher than the standard rate of corporation tax in the Republic of Ireland. The differences are explained below:	€	€
Profit on ordinary activities before taxation	5,934,650	13,284,734
Profit at the standard tax rate of 12.5%	741,831	1,660,592
Difference between capital allowances over depreciation	(314,472)	(536,213)
Net amounts non-taxable	(107,169)	(519,851)
Tax on chargeable gain	-	765,673
Overprovision in prior year	-	(59,507)
Deferred tax (credit)/charge	(397,939)	359,523
	(77,749)	1,670,217

(11) Tangible Assets - Group:	Dock Structures	Plant and Machinery €	Floating Craft €	Capital Dredging €	Buildings €	Land & Leaseholds €	Total €
Gross Amount:							
Cost as at 1 January 2023	168,962,156	56,459,146	10,896,717	7,376,870	11,532,150	21,577,572	276,804,611
Additions	885,087	3,490,878	405,348	12,053	214,666	612,750	5,620,782
Cost as at 31 December 2023	169,847,243	59,950,024	11,302,065	7,388,923	11,746,816	22,190,322	282,425,393
Depreciation:							
As at 1 January 2023	58,424,279	32,453,258	9,362,088	4,421,560	4,486,992	-	109,148,177
Charged during the financial year	4,730,670	2,315,038	312,598	123,138	532,733	-	8,014,177
As at 31 December 2023	63,154,949	34,768,296	9,674,686	4,544,698	5,019,725	-	117,162,354
Carrying Amount:							
As at 1 January 2023	110,537,877	24,005,888	1,534,629	2,955,310	7,045,158	21,577,572	167,656,434
As at 31 December 2023	106,692,294	25,181,728	1,627,379	2,844,225	6,727,091	22,190,322	165,263,039

(11) Tangible Assets - Company:	Dock Structures	Plant and Machinery €	Floating Craft €	Capital Dredging €	Buildings €	Land & Leaseholds €	Total €
Gross Amount:							
Cost as at 1 January 2023	168,777,067	56,335,518	10,896,717	7,376,870	10,600,826	13,268,119	267,255,117
Additions	843,845	3,490,878	405,348	12,053	194,389	612,750	5,559,263
Cost as at 31 December 2023	169,620,912	59,826,396	11,302,065	7,388,923	10,795,215	13,880,869	272,814,380
Depreciation:							
As at 1 January 2023	58,424,279	32,345,506	9,362,088	4,421,560	4,345,498	-	108,898,931
Charged during the financial year	4,730,670	2,309,513	312,598	123,138	455,056	-	7,930,975
As at 31 December 2023	63,154,949	34,655,019	9,674,686	4,544,698	4,800,554	-	116,829,906
Carrying Amount:							
As at 1 January 2023	110,352,788	23,990,012	1,534,629	2,955,310	6,255,328	13,268,119	158,356,186
As at 31 December 2023	106,465,963	25,171,377	1,627,379	2,844,225	5,994,661	13,880,869	155,984,474

(12) Intangible Assets – Group

	Goodwill
	€
Gross Amount	
Cost as at 1 January 2023	338,774
Cost as at 31 December 2023	338,774
Amortisation:	
As at 1 January 2023	(14,821)
Provided during the financial year	(33,877)
As at 31 December 2023	(48,698)
Carrying Amount:	
At at 1 January 2023	323,953
As at 31 December 2023	290,076

The goodwill asset of €338,774 relates to the acquisition of the additional 11% interest acquired in Belvelly Marino Development Company DAC during 2022. Goodwill is being amortised over 10 years from the date of acquisition, being the director's estimate of the period over which the value of Belvelly business acquired is expected to exceed the value of the underlying assets.

	2023	2023	2022	2022
	GROUP	COMPANY	GROUP	COMPANY
	€	€	€	€
(13) Financial Assets:	-		-	
Investments in Subsidiary,	-	4,068,985	-	3,595,985
Balance as at 31 December	-	4,068,985	-	3,595,985

Investments in Subsidiary, Associated Companies and Other Investments include:

(a) Cork Port Terminals Services DAC. of which nominees of the Port of Cork Company are 100% registered shareholders. This company is incorporated in the Republic of Ireland, with a registered address at Tivoli Terminal Building, Tivoli Dock and Industrial Estate, Cork, T23 YNT9. The company provides stevedoring services in the Port of Cork.

(b) Aniram MDA DAC. is 100% owned by the Port of Cork Company. This company is incorporated in the Republic of Ireland, with a registered address at Tivoli Terminal Building, Tivoli Dock and Industrial Estate, Cork, T23 YNT9. The principal activity of the company is the management and development of the leasehold property owned by the company.

(c) Bantry Bay Port Company DAC. On 1st January 2014 the activities, assets and trade of Bantry Bay Harbour Commissioners were transferred to the Port of Cork Company. A subsidiary company Bantry Bay Port Company Limited was established to manage the activities of Bantry Harbour.

(d) Belvelly Marino Development Company DAC. The company is a 51% subsidiary of the Port of Cork Company.

(14) Stock

	2023	2022
	€	€
General Engineering Stores	933,517	922,421
Development Land	1,696,949	1,696,949
	2,630,466	2,619,370

(15) Debtors:

	2023 GROUP	2023 COMPANY	2022 GROUP	2022 COMPANY
Amounts falling due within one financial year:	€	€	€	€
Trade Debtors	7,430,638	6,475,166	6,154,656	5,089,019
Port of Cork Superannuation Fund	2,568,170	2,568,170	2,716,338	2,716,338
Value Added Tax	119,909	111,614	53,487	34,061
Other Debtors	635,772	507,001	443,708	341,639
Corporation Taxes	32,657	-	89,688	15,393
Amounts due from Subsidiary Companies	-	850,503	-	850,503
	10,787,146	10,512,454	9,457,877	9,046,953
Amounts falling due after one financial year from Subsidiary Companies	-	4,557,000	-	4,797,000
	10,787,146	15,069,454	9,457,877	13,843,953

The amounts due from subsidiary companies are unsecured and interest free.

(16) Creditors:

	2023 GROUP	2023 COMPANY	2022 GROUP	2022 COMPANY
Amounts falling due within one financial year:	€	€	€	€
Trade Creditors	619,575	605,153	846,786	838,544
Accruals	6,708,955	4,594,395	6,772,968	4,560,625
Loans (Note 17)	3,368,812	3,368,812	3,917,000	3,917,000
Payroll Taxes	440,908	407,526	582,347	546,762
Pay Related Social Insurance	201,533	187,778	259,230	242,732
Amounts owed to Subsidiary Companies	-	87,706	-	80,645
Corporation Tax	12,226	12,226		
	11,352,009	9,263,596	12,378,331	10,186,308

The amount due to subsidiary companies are unsecured, interest free and is repayable on demand.

(17) Lender and Other Debt - Group and Company:

	2023	2022
(a) Amounts falling due after more than one financial year:	€	€
Other Loan – Repayable 3 – 5 years	4,377,882	4,608,882
Bank Loans – Repayable by instalment 2 - 3 years	5,686,601	7,353,758
Bank Loans – Repayable by instalment 4 - 5 years	5,638,806	6,750,000
Bank Loans – Repayable by instalment after 5 years	26,763,167	35,251,270
	38,088,574	49,355,028

	2023	2023	2022	2022
(b) Lender debt is held as follows:	€	€	€	€
Payable	within 1 year	after 1 year	within 1 year	after 1 year
Irredeemable Stock	-	1,270	-	1,270
Bank Loan:				
Repayable by 2035	3,368,812	38,088,5744	3,917,000	49,355,028
Total Capital Debt	3,368,812	38,089,844	3,917,000	49,356,298

The capital debt is both fixed and variable with interest rates ranging from 0.33% to 5.15%. The variable debt is subject to movement in the Euribor Rate.

(18) Capital Grants - Group and Company:

	2023	2022
	€	€
Opening Balance	26,323,460	26,992,261
Grants Received	3,617,948	293,007
Grants Amortised	(1,012,624)	(961,808)
Closing Balance	28,928,784	26,323,460

(19) Provision for Liabilities– Group and Company:

	2023	2022
	€	€
Deferred Taxation	1,282,161	1,699,850
Port of Cork Superannuation Fund	1,543,000	1,426,000
Pensions (see note 22)	690,000	649,000
	3,515,161	3,774,850

Deferred Taxation:

The amounts provided for the total potential deferred taxation liability are set out below:

	2023	2022
On difference between accumulated depreciation and amortisation of Capital Allowances	1,561,286	1,959,225
On Defined Benefit Pension Scheme	(192,875)	(178,250)
On Port of Cork Superannuation Scheme	(86,250)	(81,125)
	1,282,161	1,699,850

(20) Called up Share Capital Presented as Equity- Group and Company:

	2023	2022
	€	€
Equity:		
Authorised:		
47,000,000 Ordinary Shares of €1.25 each	58,750,000	58,750,000
Allotted issued and fully paid:		
18,014,977 Allotted issued and fully paid Ordinary Shares of €1.25 each	22,518,722	22,518,722

(21) Movements on Reserves:	2023	2023	2022	2022
Capital Conversion Reserve Fund:	**GROUP**	**COMPANY**	**GROUP**	**COMPANY**
	€	**€**	**€**	**€**
Opening Balance as at 1 January	267,320	267,320	267,320	267,320
Movement for financial year	-	-	-	-
Closing Balance as at 31 December:	267,320	267,320	267,320	267,320
Capital Reserve Fund:	**€**	**€**	**€**	**€**
Opening Balance as at 1 January	989	-	989	-
Movement for financial year	-	-	-	-
Closing Balance as at 31 December	989	-	989	-
Capital Contribution:	**€**	**€**	**€**	**€**
Opening Balance as at 1 January	-	-	-	-
Movement for financial year	476,000	-	-	-
Closing Balance as at 31 December	476,000	-	-	-
Profit and Loss Account:	**€**	**€**	**€**	**€**
Opening Balance as at 1 January	94,917,090	95,063,840	82,058,616	82,036,789
Profit for the financial year	6,208,385	6,861,930	11,659,099	11,827,676
Actuarial (Loss)/Gain Recognised on Pension Schemes	(1,590,000)	(1,590,000)	1,539,000	1,539,000
Actuarial (Loss)/Gain Recognised on Port of Cork Superannuation Fund Liability	(117,000)	(117,000)	325,000	325,000
Dividend Paid	(260,000)	(260,000)	(250,000)	(250,000)
Deferred Tax related to Actuarial Asset/(Liability)	19,750	19,750	(414,625)	(414,625)
Closing Balance as at 31 December	99,178,225	99,978,520	94,917,090	95,063,840
Total Reserves	99,922,534	100,245,840	95,185,399	95,331,160

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

The capital conversion reserve represents the difference which arose on the conversion of the company's shares arising from the introduction of the euro.

(22) Pension Schemes:

(a) Actuarial Valuation:

The Port of Cork Company operates defined benefit pension schemes. The latest full actuarial valuation of the Company's Pension Schemes was carried out at 1 January 2021 by Mercer Limited, Actuaries and Consultants, using the minimum funding standard valuation of liabilities. At the date of the actuarial valuation the market value of the assets of the Port of Cork Company Superannuation schemes was €50.4 million and the actuarial valuation showed that the actuarial value of those assets was 90% of the benefits that had accrued to members. The contributions for the financial year amounted to €1.91 million (2022: €2.24 million) in accordance with independent professionally qualified actuary advice.

The Port of Cork Company made pension payments totaling €3.44 million during 2023 (2022: €3.16 million), on behalf of the Port of Cork Company Superannuation Fund.

The Board of Directors of the Port of Cork Company established a defined contribution pension scheme for new employees with effect from 1 January 2006. The Company paid an amount of €760,584 (2022: €625,215) into defined contribution pension schemes during 2023. The defined benefit pension schemes continue for existing members.

(b) Disclosures:

Financial Assumptions:

The financial assumptions used to calculate the retirement liabilities at December 31, were as follows:

Valuation Method	Projected Unit 2023	Projected Unit 2022
Discount Rate	3.50%	4.15%
Inflation Rate	2.00%	2.50%
Salary Increases	2.50%	2.90%
Pension Increases	0.00%	0.00%

Mortality Assumptions:

The assumptions relating to life expectancy at retirement for members who retire at age 65 are as follows:

Retiring Today	**2023**	**2022**
Males	22.6	22.6
Females	24.4	24.3
Retiring in 25 years		
Males	23.9	23.8
Females	25.7	25.7

(22) Pension Schemes –continued:

The market value of the assets in the pension schemes (Port of Cork Company and Port of Cork Pilotage Authority) (the schemes') and liabilities as at 31 December 2023, were:

	Market Value at December 31	
	2023	**2022**
	€'000	**€'000**
Equities	9,902	12,375
Bonds	28,818	25,657
Cash/Other	3,309	2,777
	42,029	40,809
Present value of pension scheme liabilities	(42,719)	(41,458)
Net deficit in pension schemes	(690)	(649)
Related deferred tax asset	86	81
Net pension liability	(604)	(568)

In calculating the market value of the assets above, an amount of €2.821m (2022: €2.772m) due to the Port of Cork Company has been deducted. The Port of Cork Company has a separate Capital Liability of €1.54m (2022: €1.43m) excluded from the above calculations, which refers exclusively to the Port of Cork Company Superannuation Fund. However, these amounts are included in the Consolidated Statement of Financial Position as outlined in notes 15 and 19 respectively.

		2023	**2022**
		€'000	**€'000**
(i)	Analysis of the amount charged to operating profit		
	Current Service Cost	339	730
	Loss on curtailments/changes/introductions	-	-
		339	730
(ii)	Analysis of the amount charged to other finance income is:		
	Interest on scheme liabilities	1,649	717
	Interest income	(1,664)	(687)
		(15)	30

	Financial Assumptions:	**2023**	**2022**
		€'000	**€'000**
(iii)	Analysis of the amount recognised in statement of total recognised gains and losses (consolidated statement of comprehensive income):		
	Actual return less expected return on scheme assets	962	(14,403)
	Experience losses	4	(771)
	Changes in assumptions	(2,556)	16,713
	Actuarial loss/gain recognised in consolidated statement of comprehensive income	(1,590)	1,539

(22) Pension Schemes –continued:

(b) Disclosures - continued
Financial Assumptions- continued:

(iv) Analysis of the movement in deficit during the financial year is:

		2023	2022
		€'000	€'000
(a)	Change in benefit obligation		
	Benefit obligation at beginning of financial year	41,458	58,957
	Service cost	339	730
	Changes/Introductions	-	-
	Interest cost	1,649	717
	Plan participants' contributions	157	158
	Actuarial loss	2,552	(15,942)
	Benefits paid	(3,436)	(3,162)
	Benefit obligation at end of financial year	42,719	41,458

		2023	2022
		€'000	€'000
(b)	Change in plan assets		
	Fair value of plan assets at beginning of financial year	40,809	55,316
	Interest income	1,664	687
	Actuarial gain/loss	962	(14,403)
	Employer contributions	1,911	2,242
	Plan participants' contributions	157	158
	Benefits paid from plan	(3,436)	(3,162)
	Expenses paid	(38)	(29)
	Fair value of plan assets at end of financial year:	42,029	40,809

The estimated income statement disclosure for 2024 is set out below. This will be finalised at the end of 2024 to reflect actual salaries paid during the year, any augmentations granted and any significant changes in membership. The expected rate of return on assets disclosed at 31 December 2023 is a factor in determining this expense.

Amount Charged to Operating Profit:	**€'000**
Current Service Cost	403
	403
Amount Credited to Other Finance Income:	
Interest on Liabilities	1,442
Expected Return on Assets	(1,429)
	13
2024 Income Statement	416

(c) Disclosures - continued
Financial Assumptions- continued:

History of Experience Gains and Losses:	**2023**	**2022**	**2021**	**2020**	**2019**
	€'000	**€'000**	**€'000**	**€'000**	**€'000**
Actual return less expected return on scheme assets	962	(14,403)	(912)	3,005	5,081
% of scheme assets	2.29%	(35.29%)	(1.64%)	5.92%	9.34%
Experience gains and losses	4	(771)	(160)	735	(374)
% of present value of scheme liabilities	0.009%	(1.89%)	(0.27%)	1.17%	(0.59%)
Actuarial Gains and Losses recognised in consolidated statement of comprehensive income	(1,590)	1,539	2,135	1,573	(861)
% of present value of scheme liabilities	(3.72%)	3.71%	3.62%	2.50%	(1.58%)

(23)	Capital Commitments – Group and Company:	2023	2022
		€	€
	Capital expenditure which has been contracted for but has not been provided in the Financial Statements.	1,969,298	4,050,000

(24)	Minority interest:	2023	2022
		€	€
	Opening balance as at 1 January	701,654	-
	Arising on the acquisition of a subsidiary	-	657,072
	Arising during the year	195,986	44,582
	Total	897,640	701,654

(25)	Financial Instruments:	2023	2022
		€	€
	The carrying values of the group financial assets and liabilities are summarised below:		
	Financial Assets		
	Measured at undiscounted amount receivable:		
	· Trade debtors	7,596,544	6,314,299
	Financial Liabilities		
	Measured at undiscounted amount payable:		
	· Trade payables	619,574	846,786
	Measured at amortised cost		
	· Capital Debt	38,088,574	49,355,028

(26) Dividends:

During the year, the company paid a dividend of €260,000 (2022: €250,000) on the ordinary shares at per share.

(27) Related Party Transactions:

In common with many other entities, Port of Cork Company deals in the normal course of business with Government entities, Local Authorities: Cork City Council and Cork County Council, and other state-owned companies on an arm's length basis.

(28) Post Balance Sheet Events:

There were no significant events affecting the company since the financial year end that require disclosure in the financial statements.

Port of Cork Company

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