

# SHANNON FOYNES PORT COMPANY

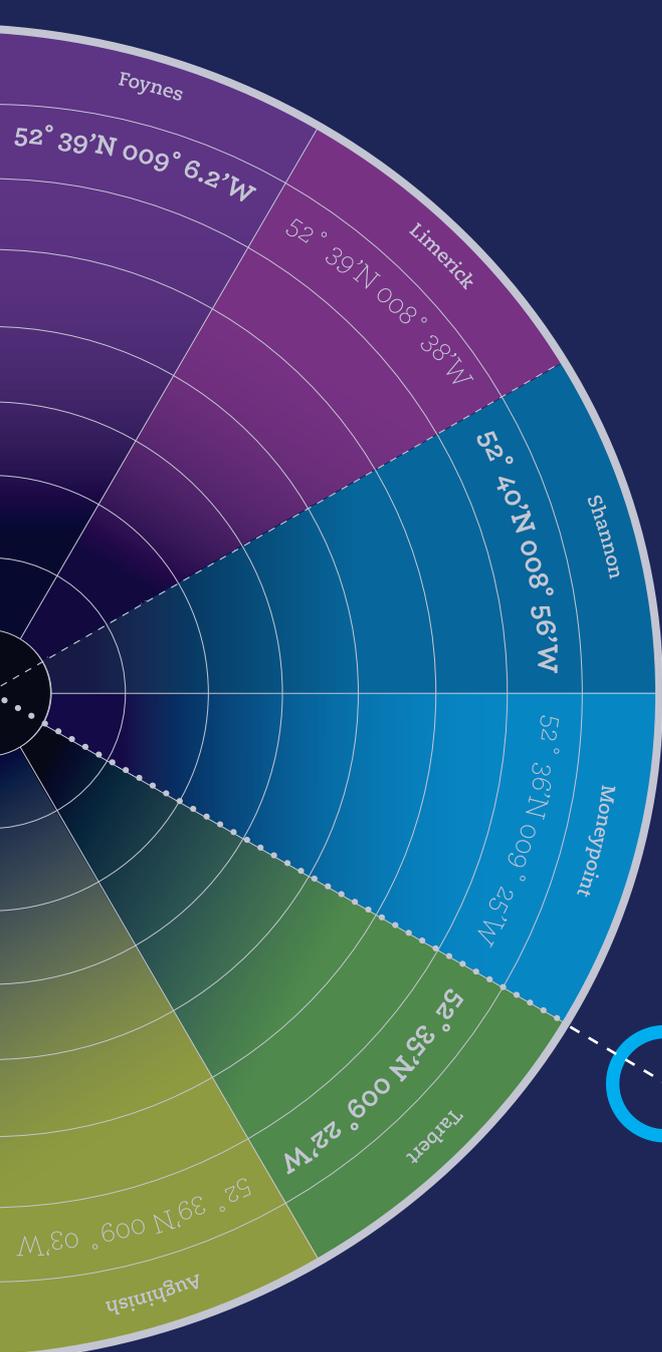
IRELANDS PREMIER DEEPWATER FACILITIES



## Annual Report & Consolidated Financial Statements

(A company limited by shares)  
and its subsidiary undertakings

# 2015



## 2015 Annual Energy Report

Shannon Foynes Port Company has various consumers of energy inherent to operation and management of port business such as public lighting, navigational aids, office building, marine craft, heavy plant and equipment and various road vehicles.

In 2015 SFPC consumed:

- 1311.97 MWH of electricity
- 2034.34 MWH of mineral oil fuels

Actions undertaken in 2015:

- Improvement works to LCH office insulation completed in December 2015, including new attic insulation, new ceiling and floor insulation and new draught proof doors.
- Work ongoing to continue upgrade of lighting systems to long life and low power systems within our facilities. New LED road lights are equivalent to 70 watt units replacing traditional 250-watt. Improvement works will result in reduced energy consumption and light pollution.

Actions planned for 2016:

- Continue roll out of low energy LED road lighting and high mast lights at Foynes and TRD
- Complete energy audit in Q3 of 2016 to determine areas for energy improvement





**SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

**Annual Report and Financial Statements 2015**

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**SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

**Directors and Other Information**

**Board**

M. Collins (Chairperson)  
P. Cleary  
M. Finucane  
C. Henry  
E. Jennings  
P. Keating  
J. Treacy

**Secretary and Registered Office**

E. Stanley  
Harbour Office  
Foynes  
Co Limerick

Registered Number: 332414

**Independent Auditors**

Grant Thornton  
Chartered Accountants & Registered Auditors  
Mill House  
Henry Street  
Limerick

**Management**

P. Keating	Chief Executive Officer
J. Carlton	Port Services Manager
M. Morrissey	Commercial Manager
E. Stanley	Financial Controller & Secretary

**Solicitors**

Harrison O'Dowd  
98 Henry Street  
Limerick

Philip Lee Solicitors  
7-8 Wilton Terrace  
Dublin 2

**Bankers**

Allied Irish Bank Plc  
The Square  
Newcastlewest  
Co. Limerick

Allied Irish Bank Plc  
106/108 O'Connell St  
Limerick

Bank of Ireland  
125 O'Connell Street  
Limerick

Rabobank Ireland Plc  
Charlemont Place  
Dublin 2

**Actuaries**

Invesco Limited  
4 South Bank  
Crosses Green  
Cork



**SHANNON FOYNES PORT COMPANY  
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**DIRECTORS' REPORT**

The Directors have pleasure in submitting their Annual Report to the Shareholders together with the Audited Consolidated Financial Statements for the year ended 31 December 2015.

**Companies Act 2014**

Effective 1 June 2015 the law of Designated Activity Company ["DAC"] applies without any name change to the company. As a commercial semi-state body, the Company are currently consulting with their Minister in relation to converting to a Designated Activity Company ("DAC") during the transition period.

A DAC is determined in Part 16 of the Companies Act 2014 and defined as a private company limited by shares with the capacity, including the power, to do only those acts or things set out in its memorandum or association or a private limited by guarantee and having a share capital with the capacity, including the power to do only those acts or things set out in its constitution.

**Books of Account**

The directors believe that they have complied with the requirements of Sections 281 to 285 of the Companies Act, 2014 with regard to the keeping of accounting records by employing persons with appropriate expertise and by providing adequate resources to the financial function. The accounting records are held at the company's business address at Mill House, Foynes, Co Limerick.

**Corporate Governance**

The company is committed to the Code of Practice for the governance of state bodies. It has appointed internal auditors as part of this process. A separate report on corporate governance is set out in pages 11 - 12.

**Prompt Payment of Accounts Act, 1997**

It is the policy of the company and the group to comply in all material respects with the terms of the Prompt Payment of Accounts Act, 1997.

**Principal Activities**

The business purpose of the group is to facilitate the flow of goods and attendant tracking information throughout the Shannon Estuary. With this purpose in mind, the group provides the infrastructure, facilities, services and accommodation necessary to cater for the efficient transfer of goods between land and sea transport. Revenue in connection with the provision of these facilities is generated from vessel and goods dues, stevedoring, rent and the ancillary services provided.

**Review of the Business**

A detailed review of the group's operations is set out on pages 13 - 16.



**SHANNON FOYNES PORT COMPANY  
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**DIRECTORS' REPORT (CONTINUED)**

**Future Developments**

The strategy of the group is aimed at developing its activities in the Shannon Estuary and this will continue in the coming years.

**Post Balance Sheet Events**

There have been no significant events affecting the group since the year end.

**Results and Dividends**

The consolidated profit and loss account on page 24 shows the group's results for the year.

The company paid a dividend in the year 2015 in the amount of €100,000.

**Capital Injection**

This represented the difference between the net book value of assets taken over on Vesting Day (17 September 2000) and the issued share capital at that time.

The shareholder subscribed €3,809,214 for ordinary shares of €1.269738 each during the year ended 2001. Shares were allotted in respect of this sum during the year ending 31 December 2002 as follows:

3,047,371 Ordinary Shares of €1.25 each

In addition 11,246,513 Ordinary Shares of €1.25 each were issued out of the capital injection as at 31 December 2001.

**Directors**

In accordance with section 329 of the Companies Act 2014, the directors' and secretary's interest in the shares of the company and the group undertakings and the movements therein during the year ended 31 December 2015 were as follows:

M. Collins  
P. Cleary  
M. Finucane  
C. Henry  
E. Jennings (Resigned 16 January 2015 and reappointed 24 July 2015)  
P. Keating  
J. Treacy



**SHANNON FOYNES PORT COMPANY  
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**DIRECTORS' REPORT (CONTINUED)**

**Directors and Secretary's Interests**

The directors and secretary have no beneficial interests, including family interests, in the share capital of the company or its subsidiary companies at 31 December 2014 and 31 December 2015.

**Research and Development**

The group is committed to Research and Development to the benefit of the customer and the environment.

**Subsidiaries**

Details of the subsidiaries of Shannon Foynes Port Company are set out in note 11 to the financial statements.

**Auditors**

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

**Approval of Financial Statements**

The financial statements were approved by the directors on 1<sup>st</sup> April 2016.

**On behalf of the Board**

**Michael Collins**  
Director

**Conal Henry**  
Director

**Date: 1<sup>st</sup> April 2016**



**SHANNON FOYNES PORT COMPANY  
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**DIRECTORS' RESPONSIBILITIES STATEMENT**

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

Irish company law requires the directors to prepare financial statements for each financial year giving a true and fair view of the state of affairs of the Company for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with Irish Generally Accepted Accounting Practice in Ireland, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and promulgated by the Institute of Chartered Accountants in Ireland and Irish law.

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 for the financial year end date of the profit or loss of the company for that financial year and otherwise comply with the Companies Act 2014.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

On behalf of the board

**Michael Collins**  
Director

**Conal Henry**  
Director

**Date: 1<sup>st</sup> April 2016**



**SHANNON FOYNES PORT COMPANY  
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**CHAIRPERSON'S STATEMENT**

I am pleased to present the annual report for Shannon Foynes Port Company.

**Activities**

Shannon Foynes Port Company oversaw another very successful year and maintained its position as Ireland's largest bulk port company in terms of tonnage throughput in 2015. Overall Company tonnage throughput for 2015 exceeds 11 million tonnes for the first time since 2007. At 11.1million tonnes, 2015 is 886k tonnes positive to 2014, and some 3.5million tonnes or 47% positive to total estuarial throughput of 2009, a mere 6 years previous. Positive variance in the year relates to both privately owned terminals which show a 661k or 8.1% increase in the year and continued growth in directly managed terminals which show a 10.7% annual growth. Tonnages at the directly managed general cargo terminals increased by 224k tonnes in the year. This is the third year in succession that general cargo terminals have increased year on year. Tonnages at directly managed terminals are also at their highest levels recorded since end of 2007. As a result of significant tonnage growth the company's overall revenue has increased by €611k or 5.4%. Cargo & Ship Dues at directly managed terminals are 8.5% positive to prior year with the most significant increases occurring at Limerick dominated by strong growth in Cement Exports. Revenues from privately owned terminals also increased year on year arising again from increased throughput particularly at the ESB managed Moneypoint terminal. Whilst the company continues to focus on cost efficiencies and strong cost management, total operating and administration costs increase by circa 6.3% in the year. Significantly increased activity in recent years has led to increased cost base most notably in a demand for dock, quays and preventative maintenance expenditures. Despite the increases in the year, total annual operating & administration costs have now declined by over €600k since 2008. The impact of the above revenue growth in 2015 is a 3.5% increase in the company's Operating Profit which now stands at €3.7million. After financing costs and taxation including a non cash deferred taxation charge, the Company had a profit attributable to the Shareholder of approximately €2.885 million a historic high eclipsing that of 2014.

Noteworthy achievements in 2015 included:

- The excellent performance of recent years ensured that SFPC declared its first ever dividend with €100,000 paid over to the Exchequer during 2015. We are confident that the quantum of the dividend proposed to be paid in the current year will exceed the prior year return.
- The company maintained its competitive operating position by reporting an operating margin of 31.0% exceeding a 30% operating margin for the fourth consecutive year.
- Works were completed to reclaim and infill approximately 1.3 hectares of foreshore directly behind berth 6 of the east jetty at Foynes, a key deliverable as identified in Vision 2041. A certificate of substantial completion was issued during November which commenced the twelve month defects liability period. Contractor was off site during December with the project completed ahead of time and within Budget.
- The above project qualifies for Ten-T funding and we are delighted to report that this application has been approved for funding by the EU as has our other application for rail studies regarding the Limerick to Foynes rail reinstatement.

CPL Fuels were granted planning permission by Limerick City & County Council for the development of a €22m smokeless fuel plant at Foynes creating up to 140 jobs. Minister for Environment, Alan Kelly, officiated over construction commencement in October. The announcement received nationwide coverage and promoted Foynes port as a hub for biomass importation.

- The Company continued to forge close relationships with other state and related development agencies illustrated by its active role on the Marketing and Environmental sub committees of the Shannon Integrated Framework Plan.
- Significant progress was achieved towards realising the objectives of the Strategic Plan 2015– 2019.
- The Company is on course to approve the 2016-2020 Strategic Plan and present it to the Departments of Transport and Finance by the due date.



**SHANNON FOYNES PORT COMPANY  
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**CHAIRPERSON'S STATEMENT (CONTINUED)**

**Corporate Governance**

Shannon Foynes Port Company saw in 2015, the retirement and subsequent reappointment of one Director. As a result the composition of its Board remains the same as that as at end of 2014 with seven directors appointed, one short of a fully constituted Board.

Shannon Foynes Port Company remains committed to full compliance to the Code of Practice for the Governance of State Bodies. Management continues to annually review compliance and the 2015 review found that the Company was again compliant in all areas.

The Board's Risk Management Committee met on two occasions during 2015 under the Chairmanship of Mr. Michael Finucane. The purpose of the Risk Management Committee is to ensure the development and implementation of the company's Risk Management Policy; to ensure that appropriate procedures are in place to identify, assess and manage risk; to monitor the management team's implementation of those procedures, and to report to the Board as necessary. Risk management continues to be an agenda item at all Board Meetings.

The Board aims, through executive management, to operate a system of internal financial controls which mitigate against key financial and business risks and is also in compliance with the corporate governance guidelines. The system of controls was monitored on behalf of the Board by the Audit Committee. Following the resignation of Mr. Edmund Jennings from the Board in January 2015, Mr. Conal Henry was appointed by the Board to Chair the Committee with Mr. Pdraig Cleary appointed to the Committee. Mr. Jennings was subsequently reappointed to the Committee by the Board on the 11th December 2015.

The Board's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the management within Shannon Foynes Port Company who develop and maintain the financial control framework, through its ISO9001 quality assurance standard; the Internal Auditor, the Audit Committee which oversees the work of Internal Audit and comments made by the External Auditor in their management letter.

Shannon Foynes Port Company has outsourced its Internal Audit function. The work of internal audit is agreed in consultation with management and the Audit Committee and is subsequently agreed by the Board. The Internal Audit Service provider operates in accordance with the Framework Codes of Best Practice set out in the Code of Practice on the Governance of State Bodies and reports directly to the Audit Committee. The Internal Auditor reports to and presents its work to the Audit Committee. The Internal Audit reports presented to the Audit Committee reflects the Internal Auditor's opinion on the adequacy of the controls that have been reviewed. PricewaterhouseCoopers the appointed Internal Auditors completed the agreed programme of work from the 2015 Internal Audit Plan as approved by the Audit Committee on the 19th March 2015.

Other key systems are also subject to audit. Based on these systems and procedures being in place, I confirm that the Company conforms to the Corporate Governance Guidelines and to the Codes of Conduct issued by the Department.



**SHANNON FOYNES PORT COMPANY  
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**CHAIRPERSON'S STATEMENT (CONTINUED)**

**Capital Investment**

Capital Additions were €11.817 million in the year. The most significant spend was the completion of the East Jetty Infill project of €10.909 million. The project as completed now allows for additional quay set down facilities at Foynes which is required to attract new business and retain existing business, remedies lateral loading constraints for larger vessels at Berth 6 and removes some extreme congestion which can occur when vessels are simultaneously discharging at Berths 5 & 6. The project was successful in qualifying for Ten-T funding with grant agreements signed and some initial funding secured by the end of 2015. The project qualifies for total grant funding of up to 20% of qualifying expenditures.

I confirm compliance with the Guidelines for the Appraisal and Management of Capital Expenditure Proposals.

**Remuneration**

Shannon Foynes Port Company complies with the Government Guidelines on the payment of Directors' fees and on the Government policy on the pay of the Chief Executive and all State Body employees.

**Statutory Compliance**

To the best of my knowledge and belief all the statutory requirements of the Company have been complied with.

**Developments since year-end**

No significant developments are noted.

**The future**

The Company has identified through its Board approved Capital Development Program 2016-2025, capital expenditure totalling €43.3million. The Board is fully committed to delivering on the strategic vision as outlined in the Shannon Foynes Master Plan Vision 2041 and to that end, will be actively pursuing the implementation of all key deliverables identified in the Plan. Whilst it is early days in the Vision 2041 plan period we are very much on track to achieve its growth projections. Since 2011 (the base year of Vision 2041) tonnage at our general cargo terminals have increased by 32% consistent with Vision 2041's mid to high average growth scenario.

We continue to make significant progress on many of the key deliverables of Vision 2041, some such as the east jetty infill have been completed as outlined above and I would also note the following progress on other key items:

- SFPC and Irish Rail have completed the preliminary design report regarding the reopening of the Limerick to Foynes rail line for freight traffic with estimated reinstatement costs now provided. SFPC continues to compile high level market analysis to inform the tonnage and revenue potential of the line. Early feedback from our market analysis suggests that the rail connection will be a vital requirement for SFPC to realise certain and in some cases substantial niche tonnage. We anticipate being in a position to seek Board approval shortly for the next stage of studies, namely detailed design. Feasibility studies in relation to the reopening of the line have been successful in qualifying for Ten-T funding with grant agreements signed and some initial funding secured by the end of 2015. The project qualifies for total grant funding of up to 50% of qualifying expenditures.



**SHANNON FOYNES PORT COMPANY  
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**CHAIRPERSON'S STATEMENT (CONTINUED)**

- We continue to fully engage with the N69 road upgrade. Following on from the Government's Capital Plan published in September, the preferred route went on display in early December. This is hugely important and marks another significant step along the way to getting the road upgraded. All parties, i.e. SFPC, TII and the road design team, have agreed to work together to assist in progressing the project. We have recently met with the road design team in January and subsequently made a written submission. The design team are very positive on this Scheme and confirmed that they are commencing the planning application. They expect to be in a position to submit a planning application in 2017 with oral hearings likely to take place later next year.
- Strategic Estuary Development remains a key objective for the Board and remains a standing agenda item at all Board meetings. The company has also engaged an independent economic Port impact assessment. Although commissioned by the Port Company, the review is an independent review which had access to customers, port users and key service providers and thus is based on solid, factual and credible data inputs. The report is set to be published and launched in 2016 with the findings of the report consistent with the recently announced Mid-West Action Plan for Jobs Initiative which was launched by the Minister for Jobs, Enterprise and Innovation on the 19th October 2015.

I wish to thank my fellow Directors for their continuing work on behalf of the company throughout the year. On behalf of the Board I would like to thank the management and staff for their efforts and co-operation during 2015 in supporting the direction being provided by the Board.

**Michael Collins**  
**Chairperson**  
**Shannon Foynes Port Company**  
**1st April 2016**



**SHANNON FOYNES PORT COMPANY  
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**CORPORATE GOVERNANCE REPORT**

**Responsibility for System of Internal Financial Control**

On behalf of the Board of Directors of Shannon Foynes Port Company I acknowledge our responsibility for ensuring that an effective system of internal financial control is maintained and operated.

The system can only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely period.

**Key Control Procedures**

During the year ended 31st December 2015, the Board has taken steps to ensure an appropriate control environment is in place by;

- Clearly defining management responsibilities with the services of qualified personnel having been secured and with duties properly allocated among them, segregating duties where practicable;
- Establishing formal procedures for monitoring the activities and safeguarding the assets of the organisation;
- Having a comprehensive budgeting system with an annual budget which is reviewed by the Audit Committee and approved by the Board. Providing monthly reports to the Board monitoring performance against Budget and identifying any material variances which occur;
- Providing training to new and existing members of the Board of Directors on their role and responsibilities;
- The Audit Committee undertaking their role and responsibilities during the period under review;
- Performance of a review of Corporate Governance within the Company;
- Developing and establishing a Risk Management Policy to identify and evaluate key business risks by:
  - Identifying the nature of the key business risks facing the organisation;
  - Evaluating the impact and likelihood of the gross risks materializing;
  - Identifying the controls in place to mitigate the gross risks;
  - Re-evaluating the risks taking into account the controls in place to identify if the inherent risk is at an acceptable/manageable level;
  - Identifying a risk owner for each Business Risk identified;
  - Identifying further strategies where required to manage the key risks;
  - Regular review and update of Business Risks process
  - Risk Management is a standing agenda item at all scheduled meetings of the Board
- Establishing procedures whereby employees of the Company may, in confidence, raise concern about possible irregularities in financial reporting or other matters, and for ensuring meaningful follow-up of matters raised in this way.



**SHANNON FOYNES PORT COMPANY  
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**CORPORATE GOVERNANCE REPORT (CONTINUED)**

- Shannon Foynes Port Company operates and maintains quality management systems to comply with internationally recognised standards OHSAS 18001 & ISO9001. Successful maintenance of international standards enables the organisation to maintain a level of control over, and knowledge of, relevant hazards resulting from normal operations and abnormal situations with an overall objective to improving performance and preventing accidents and/or incidents in the workplace.
- Shannon Foynes Port Company has outsourced its Internal Audit function. The work of internal audit is agreed in consultation with management and the Audit Committee. The Internal Audit Programme for 2015 was recommended to the Board by the Audit Committee and was subsequently carried out in full. The Internal Audit Service Provider operates in accordance with the Framework Codes of Best Practice set out in the Code of Practice on the Governance of State Bodies and reports directly to the Audit Committee. The Internal Auditor reports to and presents its work to the Audit Committee. The Internal Audit reports presented to the Audit Committee reflect the Internal Auditor's opinion on the adequacy of the controls that have been reviewed.

The Board's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the management within Shannon Foynes Port Company who develop and maintain the financial control framework, the Internal Auditor, the Audit Committee which oversees the work of Internal Audit and comments made by the External Auditor in their management letter.

In the year ended 31st December 2015, management have conducted a review of the effectiveness of the system of internal financial controls. This review was presented to the Audit Committee who in turn recommended it to the Board.

**Michael Collins**  
**Chairperson**  
**Shannon Foynes Port Company**  
**Date 1st April 2016**



**SHANNON FOYNES PORT COMPANY  
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**BUSINESS AND OPERATING REVIEW**

**Operating Review**

Following on from the trend set in recent years I am delighted to report a robust operating and trading performance for 2015. Bottom line profitability increased to €2.885m (2014 as restated under FRS102: €2.864m), the highest level in the Company's history. This 2015 performance is noteworthy in that it comes immediately on the back of the previous historic record set in 2014. Year on year gains were also made on turnover and operating profit increasing by 5.4% and 3.5% respectively.

We recorded just over 11.1m tons of cargo in 2015, an increase of 8.7% on the 10.2m tons recorded in 2014 and at these levels, tonnages are close to the peak levels (11.35m tons) of the Celtic Tiger era. Cargo volumes at the SFPC general cargo terminals of Limerick and Foynes were particularly robust with 10.73% year on year growth. This growth reflects the resurgence in the domestic and export economy where, for example, petroleum products increased by 7.4% and cement exports by over 200%. Agri related cargoes grew steadily with trades such as fertilisers increasing by over 4%.

Operating profit at €3.7m remains at historically high levels although there was some slight slippage in operating margin at 31% (2014:31.6%). It is noted that pricing has remained static for a number of years but inevitable inflationary pressures have and are arising. We will continue to review this situation and in order to maintain the capacity of the business we may adjust prices in the short to medium term. We expect that tonnage throughput will continue to trend upward in the coming years and note that growth at our general cargo terminals continues to increase in line with the mid to high scenario projected in Vision 2041.

While the business is now consistently generating healthy profits there are many substantial demands on cash flow such as the extensive Investment Program underpinning Vision 2041, the onerous pension funding requirement and the existing debt funding requirement. Accordingly, it is vital that we grow revenues and most importantly continue to stringently control costs so that we can build on recent success. We are confident that by continuing to focus on continual improvement, in all areas, the projections outlined in Vision 2041 will be attained and importantly the capacity requirements identified therein will be delivered on. Whilst it is early days in the Vision 2041 plan period we are very much on track to achieve its growth projections. Since 2011 (the base year of Vision 2041) tonnage at our general cargo terminals have increased by just over 32%.

Due to the consistent delivery over the last number of years of strong operating and financial results our balance sheet continues to expand and strengthen. All our gearing and liquidity ratios are testament to this balance sheet transformation. This strength of performance has also enabled the Company implement its ambitious Investment Program underpinning Vision 2041. Phase 1 of this Investment Program, costing €12m was substantially completed in 2015 and we are committed to its ongoing implementation with the preliminaries for Phase II, costing €7m already underway. These investments will lead to marginal increases in gearing in the short term but to levels well within the capacity of the business to manage. Our pension deficit decreased during 2015 to €10.1m (2014: €10.6m) on the back of our approved funding proposal although the continued compression in bond yields did act as a drag to the tune of €460k. Nevertheless, the Board is on course to again propose a dividend out of accumulated distributable revenue reserves in accordance with its 2014 approved Dividend Policy.



**SHANNON FOYNES PORT COMPANY  
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**BUSINESS AND OPERATING REVIEW (CONTINUED)**

**Capital Investment & Funding**

Capital investment during 2015 is as outlined in the financial statements.

In relation to our Board approved Investment Program, Phase 1 is now substantially finished. This Phase consisted of inter alia the construction of 235 metres of sheet piled wall and the reclamation of 14,000m<sup>2</sup> for open quay storage. Loading/unloading operations are already taken place on this new expanded quay where increases in ship turnaround times of up to 20% are being regularly achieved. Later phases include Phases 2 and 3 and will be completed over the short and medium term. All phases together with other ancillary investment will result in an uninterrupted 850m quay front at Foynes together with an additional five hectares of open quay set down area.

Funding for this Investment Program is substantially in place and will be sourced from our own reserves, some bank debt and the EU Ten-t program. We are satisfied that existing debt together with new debt will be well within the financial capacity of the business and indeed much of our existing debt will be fully repaid over the short to medium term. Importantly, our investment plans are fully supported by the EU's CEF/Ten-t program whereby we have already accessed up to €3m in grant funding and importantly the EU Commission views SFPC as a core port in the European context. We intend to apply for future CEF funding as future calls arise.

**Environment**

The Board and management is committed to the continual improvement of its environmental, health and safety management systems (EHS). Environmental management is now fully integrated into and forms significant part of our management system. As in prior years we made significant investment in environmental infrastructure during 2015 and continue to budget further resources in 2016 to further enhance our EHS systems.

The environmental Working Group set up by the Steering Group of the Strategic Integrated Framework Plan (SIFP) for the Shannon Estuary during 2014 recommended that a habitat mapping, including bird surveys, of the prioritised deep water sites in the SIFP would be commenced. SFPC fully supports this recommendation and will co-fund this exercise along with other members of the SIFP Steering Group.

**The Future**

The Shannon Estuary is a very unique resource for Ireland Inc. as it is the only waterbody in Ireland and one of the few across Europe that can facilitate the largest ships. With new ship builds trending ever larger this advantage is now becoming much more relevant than heretofore. Accordingly, there exists real potential to develop the Estuary as a maritime deep sea hub which could facilitate key sectors such as energy, agriculture and industrial to name some. The consequent inward investment and job creation that could be generated together with aligning the other key assets of the region such as the university sector and Shannon Airport offer a real solution for regional development counterbalancing the Greater Dublin area. In the first instance, and to lay the ground to capture this potential we have taken a collaborative and holistic approach to developing our strategic plans as demonstrated in our own 30 year Masterplan Vision 2041 and our active participation in the SIFP. Since the launch of these Plans in 2013, many of their key objectives have commenced implementation.

One of our key objectives in the Vision 2041 plan period is to double annual throughput from 10m tons to 20m tons. In order to achieve this goal new deep water berthage and upgraded hinterland connections are paramount along with substantial investment in large ancillary equipment and infrastructure. As stated the socio-economic benefits could be substantial in the national and regional context whereby we estimate several thousand new direct and indirect jobs can be created. In this regard, during 2015 we commissioned an independent economic assessment to quantify the economic benefits contributed by the Shannon Foynes Port Company. The findings of this assessment confirm that these benefits in terms of jobs and economic value are indeed substantial, e.g. 3,648 full time jobs are supported by SFPC. We intend to publicly launch the economic assessment in 2016. Some of the more significant deliverables of 2015 include;



**SHANNON FOYNES PORT COMPANY  
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**BUSINESS AND OPERATING REVIEW (CONTINUED)**

- Completion of the €12m phase 1 of our €50m multi-phase investment program for the inner port area at Foynes port. Preliminaries for phase II has commenced with construction scheduled for 2018.
- Completion of the preliminary design for the reinstatement of the 43km Foynes to Limerick rail line. It is our intention to proceed to detailed design in 2016 and subsequently to commencement of the main works to reinstate the line. We expect that the line will be open to commercial traffic in 2019.
- Limerick City & County Council commenced the preliminaries for the Foynes to Limerick Road Improvement Scheme in 2014. In March 2015 the four route options were published for public consultation. In December 2015 the preferred route was put on public display.
- Limerick City & County Council varied the County Development Plan by incorporating the Strategic Integrated Framework Plan for the Shannon Estuary and zoning the recommended land therein on Foynes Island and Foynes Port for maritime development.
- Establishing Foynes as a national biomass hub by integrating the deep water port at Foynes with the national rail network and associated storage and processing areas. The biomass hub was strongly supported and promoted by the Minister for Environment, Community and Local Government, Alan Kelly, during his visit to Foynes last October. Foynes will provide the required national capacity to support the ban on smoky fuels in 2017.
- Over €45m of private sector investment committed to the port estate in Foynes. These investments include new biomass plants to be built by CPL Fuels and Bord Na Mona as well as the construction of new covered (40k ft<sup>2</sup>) and uncovered storage facilities. Several hundred new permanent jobs will be created as a direct result of this investment.
- In order to ensure the successful implementation of the jetty expansion program referred to above, we initiated CPO proceedings for just over 38 hectares of land in Foynes. These proceedings were successful and we intend to take possession of this land in accordance with the CPO process.
- In line with the societal and community integration objectives of Vision 2041 we hosted our inaugural schools' competition in 2015 with over 30 teams participating from a number of schools in the Mid-West. The final of the competition was attended by over 200 students with the Minister for Education, Jan O'Sullivan presiding over the awards ceremony. The Competition's theme was the importance of ports in the Mid-West Region. I would like to thank all those involved and due to its success we intend to make this a bi-annual competition.

Shannon Foynes Port Company continues to surpass historical performance and we are confident of delivering on all of the objectives of Vision 2041. This performance copper fastens our position as the largest dry bulk port in the country offering its customers unrivalled economies of scale. The return to growth in the economy, the focus of European and national strategic policy toward the future development of Tier 1 ports, the establishment of the biomass hub, the existing and potential for new deep water terminals in the Shannon Estuary together with the existing experience of facilitating vessels from capesize to coasters will ensure that we remain attractive to private sector investment. This investment is already materialising with over €90m to be invested in the port over the foreseeable future by SFPC and the private sector.



**SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

**BUSINESS AND OPERATING REVIEW (CONTINUED)**

However, the successful growth of the Port is strongly dependent on good quality road and rail connection. In this regard, the display of the preferred route for the Foynes Limerick road improvement scheme is greatly welcomed by the port and its port users. We urge all involved as a matter of urgency to continue to implement this Scheme as it is critical infrastructure required for the development of the Shannon Foynes Port Company and its hinterland.

While 2015 was a very solid year in terms of traffic throughput, future growth can only be sustained by a well-coordinated plan to provide future capacity. Vision 2041 is being implemented and as mentioned the relevant stakeholders are collaborating to provide the necessary infrastructural capacity. Accordingly, we can look forward to developing a sustainable world class port facility that will contribute handsomely to the national and regional economies in terms of employment and economic wellbeing in the years ahead.

**Acknowledgements**

I would like to sincerely thank all our employees for their hard work and dedication during the year with their contribution being very much appreciated. I wish to thank the Chairman and Directors for their guidance and assistance to me and the management team during the year. I also extend my gratitude and appreciation to the staff in the Marine Transport Section of the Department of Transport, Tourism & Sport for their assistance and support during the year. Finally, I would like to thank our customers for their business during the year and we look forward to working with them in the years ahead.

**Pat Keating**  
**Chief Executive Officer**  
**Shannon Foynes Port Company**  
**Date: 1st April 2016**



**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

We have audited the financial statements of Shannon Foynes Port Company for the year ended 31 December 2015, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of cash flows, the Statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland including FRS 102 "The financial Reporting Standard applicable in the UK and Republic of Ireland".

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 Auditors' 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.

**Respective responsibilities of directors and auditors**

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements giving a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the assets, liabilities and financial position of the company as at 31 December 2015 and of its profit for the year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Act, 2014.
- We confirm that the Chairpersons Statement in relation to the system of internal control reflects the audited body's compliance with the requirements of paragraph 13.1 of the Code of Practice for the Governance of State Bodies (2009) and is also consistent with the information we received in the completion of our audit of the financial statements.



**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS  
(CONTINUED)**

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

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' report is consistent with the financial statements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the provisions in the Companies Acts 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.

Mill House  
Henry Street  
Limerick

**DAMIAN GLEESON**  
For and on behalf of  
**GRANT THORNTON**  
Chartered Accountants  
& Registered Auditor



**SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

**ACCOUNTING POLICIES**

**a) Basis of preparation**

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 – “The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (‘FRS 102’), and with the Companies Acts, 2014.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 2).

The group financial statements consolidate the financial statements of Shannon Foynes Port Company and all its subsidiary undertakings drawn up to 31 December each year.

The parent company has taken advantage of section 304 of the Companies Act 2014 and has not included its own Profit and Loss Account in these financial statements. The parent company's profit before tax for the year was €3,137,475 (2014: €2,909,688).

The financial statements are presented in Euro (€).

The following principal accounting policies have been applied:

**b) Basis of Consolidation**

The group financial statements consolidate the financial statements of the company and its subsidiary undertaking.

**c) Company information**

Shannon Foynes Port Company is a private company limited by shares which has its registered office at Harbour Office, Foynes, Co. Limerick.

The business purpose of the company is to facilitate the flow of goods and attendant tracking information throughout the Shannon Estuary.

**d) Going concern**

After reviewing the company's projections and financial support provided, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

**e) Goodwill**

Goodwill represents the excess of the fair value of the acquisition cost over the fair value of the net assets acquired and is being written off to the profit and loss account over 5 years.

**f) Revenue**

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



**SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

**ACCOUNTING POLICIES (CONTINUED)**

**f) Revenue (continued)**

Rendering of services

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

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

**g) Tangible Fixed Assets**

The cost of tangible fixed assets includes directly attributable costs, including appropriate commissioning costs. Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates which are estimated to write off tangible fixed assets by the end of their expected useful lives. It's the Company's policy not to revalue fixed assets.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The depreciation rates applied are as follows:

	<b>Annual Rate</b>
<b>Straight Line Basis</b>	
Docks, Quays and Works	2-15%
Buildings	2-50%
Plant & Machinery	5-25%
Fixture & Fittings and Office Equipment	20-33.33%
Motor Vehicles	20%
River Lights	10%
Leased Plant & Equipment	14-25%
Leasehold Improvements	10%

Land is not depreciated

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the statement of comprehensive income.

**(h) Investments in subsidiary**

The consolidated financial statements incorporate the financial statements of the company and entities controlled by the group (its subsidiaries). Control is achieved where the group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.



**SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

**ACCOUNTING POLICIES (CONTINUED)**

The results of subsidiaries acquired or disposed of during the year are included in the total comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate using accounting policies consistent with those of the parent. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements.

**i) Debtors**

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

**j) Creditors**

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

**k) Cash and cash equivalents**

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

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

**l) Leases**

Under transactions where the group is a lessee of assets, the accounting policy is dependent upon the classification of underlying leases as either finance leases or operating leases. Under finance leases the related assets are treated as fixed assets and depreciated in accordance with the group's depreciation policy. The total finance charge under finance leases is allocated to accounting periods over the lease term so as to produce a constant periodic rate of charge on the remaining balance of the obligation for each accounting period. Charges under operating leases are charged to the profit and loss account on a straight line basis over the period of the respective leases.

**m) Government and European Union Grants**

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

Grants of a revenue nature are recognised in the Profit and loss account in the same period as the related expenditure.

**n) Interest Income**

Interest income is recognised in the Profit and loss account using the effective interest method.



**SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

**ACCOUNTING POLICIES (CONTINUED)**

- o) Borrowing Costs**  
All borrowing costs are recognised in the Profit and loss account in the year in which they are incurred.
- p) Finance Costs**  
Finance costs are charged to the Profit and loss account over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.
- q) Research and Development**  
All expenditure on research and development is written off as incurred.
- r) Dredging**  
The cost of routine or maintenance dredging projects is charged to the profit and loss account as incurred. Other dredging expenditure is capitalised and written off over its economic life.
- s) Current and Deferred Taxation**  
The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

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

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

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



**SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

**ACCOUNTING POLICIES (CONTINUED)**

**t) Pensions**

The parent company operates three defined benefit pension schemes. All are legacy schemes and closed to new entrants. Although all of the schemes remain in deficit, the parent company is currently paying contributions to the Shannon Estuary Ports Company Superannuation Plan and the Foynes Port Company Pension Scheme at levels agreed with the Trustees of the schemes.

A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations.

The contributions are recognised as an expense in the Profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the company in independently administered funds.

**u) Dividends**

Equity dividends are recognised when they become legally payable.

**v) Holiday pay accrual**

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance sheet date.



**SHANNON FOYNES PORT COMPANY**  
**(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

**CONSOLIDATED PROFIT & LOSS ACCOUNT**  
**YEAR ENDED 31 DECEMBER 2015**

	Note	2015 €	2014 €
Turnover	2(a)	11,857,604	11,246,158
Operational Costs	2(b)	(5,920,860)	(5,616,199)
<b>Gross Profit</b>		<b>5,936,744</b>	<b>5,629,959</b>
Administration Expenses	2(b)	(2,227,785)	(2,049,308)
Amortisation of Goodwill	13	(33,522)	(29,204)
<b>Operating Profit</b>		<b>3,675,437</b>	<b>3,551,447</b>
Interest Payable and Similar Charges	4	(310,681)	(323,297)
Interest Receivable and Similar Income		22,973	42,630
Other Financing Cost	25(b)	(225,000)	(355,000)
Profit on Sale of Fixed Assets		5,977	20,561
<b>Profit on Ordinary Activities before Taxation</b>	5	<b>3,168,706</b>	<b>2,936,341</b>
Taxation on Profit on Ordinary Activities	6	(284,036)	(282,757)
<b>Profit Attributable to the Shareholder</b>		<b>2,884,670</b>	<b>2,653,584</b>

Approved by the Board of Directors on 1<sup>st</sup> April 2016 and signed on its behalf by;

**Michael Collins**  
**Director**

**Conal Henry**  
**Director**



**SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
31 DECEMBER 2015**

	<b>Note</b>	<b>2015</b> <b>€</b>	<b>2014</b> <b>€</b>
Profit for the year		2,884,670	2,653,584
Actuarial return less expected return on Pension scheme assets	25(b)	89,000	696,000
Experience (losses)/gains arising on the Pension Scheme's Liabilities	25(b)	(463,000)	(197,000)
Changes in assumptions underlying the present value of the schemes liabilities	25(b)	200,000	(1,536,000)
Deferred Tax related to Actuarial Loss		21,750	129,625
<b>TOTAL RECOGNISED GAINS</b>		<b>2,732,420</b>	<b>1,746,209</b>

The notes on pages 31 - 52 form part of these audited financial statements.



**SHANNON FOYNES PORT COMPANY**  
**(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

**CONSOLIDATED BALANCE SHEET**  
**31 DECEMBER 2015**

	Note	2015 €	2014 €
<b>Fixed Assets</b>			
Tangible Assets	9(a)	56,609,556	46,682,887
Financial Assets	10	2,539	2,539
Intangible Assets	13	134,088	167,610
		<u>56,746,183</u>	<u>46,853,036</u>
<b>Current Assets</b>			
Debtors	14	2,986,361	3,344,373
Cash and Bank Balances		5,266,741	6,094,016
		<u>8,253,102</u>	<u>9,438,389</u>
<b>Creditors</b> (Amounts falling due within one year)	15	(3,686,443)	(2,857,880)
<b>Net Current Assets</b>		<u><b>4,566,659</b></u>	<u><b>6,580,509</b></u>
<b>Total Assets</b>		61,312,842	53,433,545
<b>Creditors</b> (Amounts falling due after more than one year)	16	(14,278,826)	(9,617,500)
<b>Provision for Liabilities and Charges</b>	25(a)	(10,122,000)	(10,593,625)
<b>Deferred Income</b>	19	(5,524,774)	(4,712,834)
<b>Deferred Tax</b>	20	(1,898,869)	(1,653,633)
<b>Net Assets</b>		<u><b>29,488,373</b></u>	<u><b>26,855,953</b></u>
<b>Capital and Reserves</b>			
Called Up Share Capital	21	22,187,359	22,187,359
Capital Injection	22	4,916,921	4,916,921
Profit/(Loss) Carried Forward		2,384,093	(248,327)
<b>Equity Shareholders Funds</b>		<u><b>29,488,373</b></u>	<u><b>26,855,953</b></u>

Approved by the Board of Directors on 1<sup>st</sup> April 2016 and signed on its behalf by;

**Michael Collins**  
Director

**Conal Henry**  
Director

The notes on pages 31 - 52 form part of these audited financial statements.



**SHANNON FOYNES PORT COMPANY**  
**(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

**COMPANY BALANCE SHEET**  
**31 DECEMBER 2015**

	Note	2015 €	2014 €
<b>Fixed Assets</b>			
Tangible Assets	9(c)	56,407,564	46,485,338
Financial Assets	10	1,070,142	1,070,142
		<u>57,477,706</u>	<u>47,555,480</u>
<b>Current Assets</b>			
Debtors	14	3,069,800	3,197,139
Cash and Bank Balances		4,949,560	6,094,016
		<u>8,019,360</u>	<u>9,291,155</u>
<b>Creditors</b> (Amounts falling due within one year)	15	(3,560,993)	(2,758,621)
<b>Net Current Assets</b>		<u><b>4,458,367</b></u>	<u><b>6,532,534</b></u>
<b>Total Assets</b>		61,936,073	54,088,014
<b>Creditors</b> (Amounts falling due after more than one year)	16	(14,278,824)	(9,617,500)
<b>Provision for Liabilities and Charges</b>	25(b)	(10,122,000)	(10,593,625)
<b>Deferred Income</b>	19	(5,524,774)	(4,712,834)
<b>Deferred Taxation</b>	20	(1,898,869)	(1,653,633)
<b>Net Assets</b>		<u><b>30,111,606</b></u>	<u><b>27,510,422</b></u>
<b>Capital and Reserves</b>			
Called Up Share Capital	21	22,187,359	22,187,359
Capital Injection	22	5,457,046	5,457,046
Profit/(Loss) Carried Forward		2,467,201	(133,983)
<b>Equity Shareholders Funds</b>		<u><b>30,111,606</b></u>	<u><b>27,510,422</b></u>

Approved by the Board of Directors on 1<sup>st</sup> April 2016 and signed on its behalf by;

**Michael Collins**  
Director

**Conal Henry**  
Director

The notes on pages 31 - 52 form part of these audited financial statements.



**SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
31 DECEMBER 2015**

**As at 31 December 2015**

	<b>Called up share capital €</b>	<b>Profit and loss account €</b>	<b>Total equity €</b>
At 1 January 2015	27,104,280	(248,327)	26,855,953
Profit for the year	-	2,884,670	2,884,670
Dividends: Equity capital	-	(100,000)	(100,000)
Other recognised losses	-	(174,000)	(174,000)
Deferred tax related to actuarial loss	-	21,750	21,750
At 31 December 2015	<u>27,104,280</u>	<u>2,384,093</u>	<u>29,488,373</u>

**As at 31 December 2014**

	<b>Called up share capital €</b>	<b>Profit and loss account €</b>	<b>Total equity €</b>
At 1 January 2014	27,104,280	(1,994,536)	25,109,744
Profit for the year	-	2,653,584	2,653,584
Other recognised losses	-	(1,037,000)	(1,037,000)
Deferred tax related to actuarial loss	-	129,625	129,625
At 31 December 2014	<u>27,104,280</u>	<u>(248,327)</u>	<u>26,855,953</u>



**SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

**COMPANY STATEMENT OF CHANGES IN EQUITY  
31 DECEMBER 2015**

**As at 31 December 2015**

	<b>Called up share capital €</b>	<b>Profit and loss account €</b>	<b>Total equity €</b>
At 1 January 2015	27,644,405	(133,983)	27,510,422
Profit for the year	-	2,853,434	2,853,434
Dividends: Equity capital	-	(100,000)	(100,000)
Other recognised losses	-	(174,000)	(174,000)
Deferred tax related to actuarial loss	-	21,750	21,750
At 31 December 2015	<u>27,644,405</u>	<u>2,467,201</u>	<u>30,111,606</u>

**As at 31 December 2014**

	<b>Called up share capital €</b>	<b>Profit and loss account €</b>	<b>Total equity €</b>
At 1 January 2014	27,644,405	(1,855,500)	25,788,905
Profit for the year	-	2,628,892	2,628,892
Other recognised losses	-	(1,037,000)	(1,037,000)
Deferred tax related to actuarial loss	-	129,625	129,625
At 31 December 2014	<u>27,644,405</u>	<u>(133,983)</u>	<u>27,510,422</u>



**SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

**CONSOLIDATED CASHFLOW STATEMENT  
31 DECEMBER 2015**

	2015 €	2014 €
<b>Cash flows from operating activities</b>		
Profit for the financial year		
Adjustments for:	2,884,670	2,653,584
Depreciation Charges	1,869,240	1,809,825
Taxation	284,036	282,757
Interest paid	310,681	323,297
Interest received	(22,973)	(42,630)
Financing cost	225,000	355,000
Profit on sale of fixed assets	(5,977)	(20,561)
Amortisation of Goodwill	33,522	29,204
Grant Amortisation	(294,260)	(292,800)
(Increase) /Decrease in Debtors	(114,210)	(279,495)
Increase/(Decrease) in Creditors	437,100	143,072
(Decrease) in provision for Liabilities and Charges	(848,875)	(776,262)
<b>Net Cash Generated from Operating Activities</b>	<b>4,757,954</b>	<b>4,184,991</b>
Corporation tax	(38,800)	(72,579)
	4,719,154	4,112,412
<b>Cash flows from investing activities</b>		
Payments to Acquire Tangible Fixed Assets	(11,345,277)	(1,769,231)
Sale of Tangible Fixed Assets	27,568	21,162
Grant received	1,106,200	-
Dividend paid	(100,000)	-
	<b>(10,311,509)</b>	<b>(1,748,069)</b>
<b>Cash flows financing activities</b>		
Medium and Long Term Loans	5,216,026	(1,438,334)
Lease Finance paid net of Capital Elements paid	(108,633)	574,412
Interest Paid	(306,098)	(341,984)
Interest Received	22,973	42,630
	<b>4,824,268</b>	<b>(1,163,276)</b>
Net increase / (decrease) in cash and cash equivalents	(768,087)	1,201,067
Cash and cash equivalents at beginning of year	6,034,828	4,833,761
Cash and cash equivalents at the end of year	<u><b>5,266,741</b></u>	<u><b>6,034,828</b></u>
Cash at bank and in hand	<b>5,266,741</b>	6,094,016
Bank overdrafts	-	(59,188)
	<u><b>5,266,741</b></u>	<u><b>6,034,828</b></u>

The notes on pages 31 - 52 form part of these audited financial statements.



**SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

**NOTES TO THE FINANCIAL STATEMENTS**

**1 Judgements in applying accounting policies and key sources of estimation uncertainty**

**Going Concern**

The directors have prepared budgets and cash flows for a period of at least twelve months from the date of approval of the financial statements which demonstrate that there is no material uncertainty regarding the company's ability to meet its liabilities as they fall due, and to continue as a going concern. On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the company was unable to continue as a going concern.

**Useful Lives of Tangible Assets**

Long-lived assets comprising primarily of property, fixtures and fittings, and equipment represent a significant portion of total assets. The annual depreciation and amortisation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. The directors regularly review these useful lives and change them if necessary to reflect current conditions. In determining these useful lives management consider patterns of consumption, physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation and amortisation charge for the financial year. The net book value of Tangible Fixed Assets subject to depreciation at the financial year end was €56,609,556 (2014: €46,682,887).



**SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

<b>2</b>	<b>Analysis of Turnover and Operational Administration Expenses</b>	<b>2015</b>	<b>2014</b>
	<b>(a) Turnover</b>	<b>€</b>	<b>€</b>
	Ship and Cargo Dues	7,339,713	6,681,337
	Stevedoring	1,320,863	1,301,643
	Other Operating Income	3,197,028	3,263,178
		<u>11,857,604</u>	<u>11,246,158</u>
	<b>(b) Operational and Administration Expenses</b>	<b>2015</b>	<b>2014</b>
		<b>€</b>	<b>€</b>
	Operating and Maintenance	(4,144,665)	(3,963,848)
	Dredging	(242,666)	(167,227)
	Depreciation	(1,827,789)	(1,777,924)
	Grant Amortisation	294,260	292,800
	Total Operational Costs	<u>(5,920,860)</u>	<u>(5,616,199)</u>
	Administration and Other	<u>(2,227,785)</u>	<u>(2,049,308)</u>
<b>3</b>	<b>Employment Information</b>	<b>2015</b>	<b>2014</b>
	The Group Costs incurred in respect of Employees were:	<b>€</b>	<b>€</b>
	Wages and Salaries	2,630,256	2,479,302
	Social Welfare Costs	289,769	267,145
	Pension Costs	380,794	371,344
		<u>3,300,819</u>	<u>3,117,791</u>

Capitalised employee costs during the financial year amounted to €Nil (2014: €Nil).

The average number of staff employed by the company during the financial year amounted to:

	<b>2015</b>	<b>2014</b>
	<b>Number</b>	<b>Number</b>
Operational	28	29
Administration	12	11
	<u>40</u>	<u>40</u>

**Remuneration in respect of Directors**

Directors emoluments for the year are disclosed separately in note 5 to the financial statements.



**SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**4 Interest Payable and Similar Charges**

	<b>2015</b>	<b>2014</b>
	<b>€</b>	<b>€</b>
On Bank Borrowings:		
-interest payable on bank loans and overdrafts wholly repayable after five years	261,528	292,292
-interest payable on bank loans wholly repayable within five years	25,846	26,214
-interest payable on other loans wholly repayable within one year	-	289
-interest payable on finance lease arrangement	23,307	4,502
	<u>310,681</u>	<u>323,297</u>

**5 Profit on Ordinary Activities Before Taxation**

Profit on Ordinary Activities is stated after charging:

**Directors Fees**

	<b>2015</b>	<b>2014</b>
	<b>€</b>	<b>€</b>
M Collins – Chairperson	12,600	12,600
P Cleary	8,100	8,100
C Henry	8,100	8,100
M. Finucane	8,100	8,100
E Jennings	4,050	8,100
P. Keating	8,100	8,100
J Treacy	8,100	8,100
	<u>57,150</u>	<u>61,200</u>

**Expenses paid to members of the Board**

	<b>2015</b>	<b>2014</b>
	<b>€</b>	<b>€</b>
Travel Expenses	2,750	2,479
Subsistence	-	133
	<u>2,750</u>	<u>2,612</u>

**Chief Executive Remuneration for Management Services**

	<b>2015</b>	<b>2014</b>
	<b>€</b>	<b>€</b>
Salary	117,500	117,500
Employer's Pension Contribution and other emoluments	60,500	60,500
	<u>178,000</u>	<u>178,000</u>



**SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**5 Profit on Ordinary Activities Before Taxation (continued)**

	<b>2015</b>	<b>2014</b>
	<b>€</b>	<b>€</b>
Depreciation	1,869,240	1,809,825
Amortisation of Intangible Fixed Assets	33,522	29,204
Amortisation of Capital Grants	<u>(294,260)</u>	<u>(292,800)</u>

**6 Tax on Profit on Ordinary Activities**

	<b>2015</b>	<b>2014</b>
	<b>€</b>	<b>€</b>
Current Tax:		
Irish Corporation Tax on Profit for the year	<b>38,800</b>	<b>6,625</b>
Adjustments in respect of prior years	-	-
Current tax credit for the year	<u>-</u>	<u>-</u>
Deferred Tax:		
Origination and Reversal of Timing Difference	<b>245,236</b>	<b>276,132</b>
	<u><b>284,036</b></u>	<u><b>282,757</b></u>
Profit on Ordinary Activities before Tax	<u>3,168,706</u>	<u>2,936,341</u>
Profit on Ordinary Activities multiplied by the average rate of Irish Corporation Tax for the year of 12.5% (2014: 12.5%)	396,088	367,043
Effects of:		
Expense adjustments by the rate of tax	(285,153)	(195,221)
Excess depreciation over capital allowances by the rate of tax	53,338	1,953
Interest income by rate of tax	5,743	10,658
Overprovision in prior period	-	(4,033)
Losses forward by the rate of tax	<u>(131,216)</u>	<u>(173,775)</u>
Current Tax Credit for the year	<u>38,800</u>	<u>6,625</u>



**SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

7	<b>Dividends</b>	<b>2015</b>	<b>2014</b>
		<b>€</b>	<b>€</b>
	Paid during the year	100,000	-
	Declared post year end	-	-

**8 Profit Attributable to Shannon Foynes Port Company**

A profit before tax of €3,137,475 (2014: €2,909,688) attributable to the shareholders of Shannon Foynes Port Company (a company limited by shares) has been recorded in the financial statements of that company.

A separate profit and loss account has not been prepared for the parent company because the conditions laid down in Section 304 of the Companies Act 2014 have been complied with.



SHANNON FOYNES PORT COMPANY (A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9(a) Tangible Fixed Assets – Group	Docks, Quays And Works €	River Lights €	Plant & Machinery €	Motor Vehicles €	Fixtures, Fittings and Office Equipment €	Land & Buildings €	Total €
<b>Cost</b>							
At 1 January 2015	36,139,506	1,765,549	13,074,273	196,446	473,754	17,132,209	68,781,737
Additions	11,474,330	126,515	57,804	84,996	59,161	14,693	11,817,499
Disposals	-	-	(31,053)	(70,257)	-	(1)	(101,311)
At 31 December 2015	47,613,836	1,892,064	13,101,024	211,175	532,915	17,146,901	80,497,925
<b>Depreciation</b>							
At 1 January 2015	9,478,910	1,360,757	7,580,425	96,570	394,258	3,187,930	22,098,850
Charge for year	781,166	99,917	568,342	34,693	43,237	341,885	1,869,240
Disposals	-	-	(21,732)	(57,989)	-	-	(79,721)
At 31 December 2015	10,260,076	1,460,674	8,127,035	73,274	437,495	2,529,815	23,888,369
<b>Net Book Value</b>							
At 31 December 2015	37,353,760	431,390	4,973,989	137,911	95,420	13,617,086	56,609,556
At 31 December 2014	26,660,596	404,792	5,493,848	99,876	79,496	13,944,279	46,682,887



SHANNON FOYNES PORT COMPANY (A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9(b) Tangible Fixed Assets – Group	Docks, Quays And Works €	River Lights €	Plant & Machinery €	Motor Vehicles €	Fixtures, Fittings and Office Equipment €	Land & Buildings €	Total €
<b>Cost</b>							
At 1 January 2014	35,855,127	1,721,644	13,008,946	179,562	468,013	16,825,911	68,059,203
Additions	284,379	43,905	592,000	43,567	72,641	306,298	1,342,790
Disposals	-	-	(526,673)	(26,683)	(66,900)	-	(620,256)
At 31 December 2014	36,139,506	1,765,549	13,074,273	196,446	473,754	17,132,209	68,781,737
<b>Depreciation</b>							
At 1 January 2014	8,710,222	1,273,763	7,561,345	93,384	425,322	2,844,643	20,908,679
Charge for year	768,688	86,994	545,287	29,869	35,700	343,287	1,809,825
Disposals	-	-	(526,207)	(26,683)	(66,764)	-	(619,654)
At 31 December 2014	9,478,910	1,360,757	7,580,425	96,570	394,258	3,187,930	22,098,850
<b>Net Book Value</b>							
At 31 December 2014	26,660,596	404,792	5,493,848	99,876	79,496	13,944,279	46,682,887
At 31 December 2013	27,144,905	447,881	5,447,601	86,178	42,691	13,981,268	47,150,524



SHANNON FOYNES PORT COMPANY (A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9(c) Tangible Fixed Assets - Company	Docks, Quays And Works €	River Lights €	Plant & Machinery €	Motor Vehicles €	Fixtures, Fittings and Office Equipment €	Land & Buildings €	Total €
<b>Cost</b>							
At 1 January 2015	36,139,506	1,765,549	12,718,058	196,446	421,478	16,927,008	68,168,045
Additions	11,474,330	126,515	57,804	84,996	56,312	11,060	11,811,017
Disposals	-	-	(31,053)	(70,257)	-	(1)	(101,311)
At 31 December 2015	47,613,836	1,892,064	12,744,809	211,185	477,790	16,938,067	79,877,751
<b>Depreciation</b>							
At 1 January 2015	9,478,910	1,360,757	7,225,312	96,570	347,156	3,174,002	21,682,707
Charge for year	781,166	99,917	568,096	34,693	41,451	341,878	1,867,201
Disposals	-	-	(21,732)	(57,989)	-	-	(79,721)
At 31 December 2015	10,260,076	1,460,674	7,771,676	73,274	388,607	3,515,880	23,470,187
<b>Net Book Value</b>							
At 31 December 2015	37,353,760	431,390	4,973,133	137,911	89,183	13,422,187	56,407,564
At 31 December 2014	26,660,596	404,792	5,492,746	99,876	74,322	13,753,006	46,485,338



SHANNON FOYNES PORT COMPANY (A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9(d) Tangible Fixed Assets - Company	Docks, Quays And Works €	River Lights €	Plant & Machinery €	Motor Vehicles €	Fixtures, Fittings and Office Equipment €	Land & Buildings €	Total €
<b>Cost</b>							
At 1 January 2014	35,855,127	1,721,644	12,514,710	179,562	416,443	16,811,917	67,499,403
Additions	284,379	43,905	592,000	43,567	69,741	115,091	1,148,683
Disposals	-	-	(388,652)	(26,683)	(64,706)	-	(480,041)
At 31 December 2014	36,139,506	1,765,549	12,718,058	196,446	421,478	16,927,008	68,168,045
<b>Depreciation</b>							
At 1 January 2014	8,710,222	1,273,763	7,069,428	93,384	379,825	2,832,727	20,359,349
Charge for year	768,688	86,994	544,534	29,869	31,901	341,275	1,803,261
Disposals	-	-	(388,650)	(26,683)	(64,570)	-	(479,903)
At 31 December 2014	9,478,910	1,360,757	7,225,312	96,570	347,156	3,174,002	21,682,707
<b>Net Book Value</b>							
At 31 December 2014	26,660,596	404,792	5,492,746	99,876	74,322	13,753,006	46,485,338
At 31 December 2013	27,144,905	477,881	5,445,282	86,178	36,618	13,979,190	47,140,054



**SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

10	Financial Fixed Assets	Group 2015 €	Company 2015 €	Group 2014 €	Company 2014 €
	Investment in subsidiary undertakings at cost (note 11)	-	1,067,603	-	343,852
	Other investment at cost (note 12)	2,539	2,539	2,539	2,539
	Long term loan due from subsidiary company	-	-	-	723,751
		<u>2,539</u>	<u>1,070,142</u>	<u>2,539</u>	<u>1,070,142</u>

**11 Subsidiary Undertakings**

Details of the subsidiaries, which are incorporated and carry on their business in the Republic of Ireland, are as follows:

Name of Subsidiary	Nature of Business	Group Holding %	Number and Class of Shares held	Address of Registered Office
Limerick Cargo Handling Limited	Stevedoring	100%	13 Ordinary Shares of €1.269738	Mill House, Foynes, Co. Limerick.

12	Other Investments at Cost	Group 2015 & 2014 €	Company 2015 & 2014 €
	Prize Bonds	<u>2,539</u>	<u>2,539</u>

In the opinion of the directors the value of the investments stated above are not less than their carrying value.



**SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

<b>13</b>	<b>Intangible Fixed Assets – Group</b>	<b>Goodwill €</b>
	<b>Cost</b>	
	At 1 January 2015	586,789
	At 31 December 2015	<u>586,789</u>
	<b>Amortisation</b>	
	At 1 January 2015	419,179
	Charge for year	33,522
	At 31 December 2015	<u>452,701</u>
	<b>Net Book Value</b>	
	<b>At 31 December 2015</b>	<b>134,088</b>
	At 31 December 2014	<u><u>167,610</u></u>
	<b>Intangible Fixed Assets – Group</b>	<b>Goodwill €</b>
	<b>Cost</b>	
	At 1 January 2014	586,789
	At 31 December 2014	<u>586,789</u>
	<b>Amortisation</b>	
	At 1 January 2014	389,975
	Charge for year	29,204
	At 31 December 2014	<u>419,179</u>
	<b>Net Book Value</b>	
	<b>At 31 December 2014</b>	<b>167,610</b>
	At 31 December 2013	<u><u>196,814</u></u>



**SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

14	Debtors	Group 2015 €	Company 2015 €	Group 2014 €	Company 2014 €
	Trade Debtors	2,313,016	1,912,435	2,192,688	1,794,385
	Value Added Tax Receivable	17,553	9,206	26,502	-
	Other Debtors and Prepayments	655,792	655,792	1,125,183	1,125,183
	Amounts owed by Subsidiary Companies	-	492,367	-	277,571
		<u>2,986,361</u>	<u>3,069,800</u>	<u>3,344,373</u>	<u>3,197,139</u>

An impairment loss of €20,895 (2014: €Nil) was recognised against trade debtors.

15	Creditors	Group 2015 €	Company 2015 €	Group 2014 €	Company 2014 €
	Government Loans	-	-	-	-
	Bank Loans ( <b>Note 17</b> )	1,905,700	1,905,700	1,464,960	1,464,960
	Bank Overdraft ( <b>Note 17</b> )	-	-	59,187	-
	Trade Creditors	269,317	182,550	252,163	229,924
	Corporation tax	28,142	28,142	-	-
	Value Added Tax Payable	-	-	14,291	14,291
	Other Taxes and PRSI	266,517	252,511	164,659	151,953
	Net Obligations under Finance Lease	113,961	113,961	108,633	108,633
	Other Creditors and Accruals	1,102,806	1,078,129	793,987	788,860
		<u>3,686,443</u>	<u>3,560,993</u>	<u>2,857,880</u>	<u>2,758,621</u>

The repayment terms of trade creditors vary between on demand to pre agreed credit days. Trade creditors do not attract interest.

Corporation tax and other taxes including social insurance are subject to the terms of the relevant legislation. No interest was due at the financial year end date.

The terms of the accruals are based on the underlying contracts.

Other amounts included within creditors not covered by specific note disclosures are unsecured, interest free and repayable on demand.

The company's total bank borrowings at 31 December 2015 were €15,832,706 (2014: €10,675,868) representing borrowings drawn down under the company's term loan period. The loans are subject to interest at the market rate. The loans are repayable in annual instalments over the next 8 years.



**SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

16	Creditors (amounts falling due after more than one year)	Group 2015 €	Company 2015 €	Group 2014 €	Company 2014 €
	Bank Borrowings (Note 17)	13,927,006	13,927,006	9,151,721	9,151,721
	Net Obligations under Finance Leases (Note 17)	351,818	351,818	465,779	465,779
		<u>14,278,824</u>	<u>14,278,824</u>	<u>9,617,500</u>	<u>9,617,500</u>
17	Bank Borrowings, Overdrafts and Government Loans	Group 2015 €	Company 2015 €	Group 2014 €	Company 2014 €
	Analysis of bank borrowings, overdrafts and Government loans payable:				
	- within one year	1,905,700	1,905,700	1,524,147	1,464,960
	- between one and two years	1,884,646	1,884,646	1,490,357	1,490,357
	- between two and five years	4,476,283	4,476,283	3,658,609	3,658,609
	- over five years	7,566,077	7,566,077	4,002,755	4,002,755
		<u>15,832,706</u>	<u>15,832,706</u>	<u>10,675,868</u>	<u>10,616,681</u>
18	Finance Leases	Group 2015 €	Company 2015 €	Group 2014 €	Company 2014 €
	Net obligations under finance leases are analysed as follows				
	- within one year	113,961	113,961	108,633	108,633
	- between one and two years	119,288	119,288	113,961	113,961
	- between two and five years	232,530	232,530	351,818	351,818
		<u>465,779</u>	<u>465,779</u>	<u>574,412</u>	<u>574,412</u>
19	Deferred Income – Group and Company				€
	<b>Capital Grants</b>				
	At 1 January 2015				4,712,834
	Received during the year				1,106,200
	Amortised during the year				(294,260)
	At 31 December 2015				<u>5,524,774</u>
	<b>Total Deferred Income at 31 December 2015</b>				<u>5,524,774</u>
	Total Deferred Income at 31 December 2014				<u>4,712,834</u>



**SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**20 Deferred Tax**

The movement in the deferred tax provision during the year was:

	2015 €	2014 €
At the beginning of the year	1,653,633	1,377,501
Charge during the year	245,236	276,132
	<u>1,898,869</u>	<u>1,653,633</u>

The provision for deferred tax consists of the tax effect of timing differences in respect of:

	2015 €	2014 €
Excess of taxation allowances over depreciation on fixed assets	1,898,869	1,653,633
	<u>1,898,869</u>	<u>1,653,633</u>

**21 Share Capital – Company  
Authorised**

	2015 €	2014 €
31,500,000 Ordinary Shares of €1.25 each	<u>39,375,000</u>	<u>39,375,000</u>
<b>Allotted, Called Up and Fully Paid</b>		
17,749,900 Ordinary Shares of €1.25 each	<u>22,187,359</u>	<u>22,187,359</u>

**22 Capital Injection**

	Group 2015 €	Company 2015 €	Group 2014 €	Company 2014 €
At 1 January	4,916,921	5,457,046	4,916,921	5,457,046
<b>At 31 December</b>	<u>4,916,921</u>	<u>5,457,046</u>	<u>4,916,921</u>	<u>5,457,046</u>

The shareholder subscribed €3,809,214 in cash for Ordinary Shares of €1.25 each during the year ended 2001. Shares were allotted in respect of this sum during year ending 31 December 2002 as follows:

3,047,371 Ordinary Shares of €1.25 each

In addition 11,246,513 Ordinary Shares of €1.25 each were issued out of the capital injection as at 31 December 2001.



**SHANNON FOYNES PORT COMPANY  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**23 Reserves**

**Called up share capital** – represents the nominal value of shares that have been issued.

**Capital injection** – represents the allotment of shares issued in 2001.

**Profit and loss account** – includes all current and prior period retained profits and losses.

<b>24 Financial Commitments</b>	<b>Group 2015 €</b>	<b>Company 2015 €</b>	<b>Group 2014 €</b>	<b>Company 2014 €</b>
Financial Commitments				
- commitments approved but not contracted for	6,121,887	6,121,887	13,460,868	13,460,868
- committed	666,803	666,803	350,000	350,000
	<u>6,788,690</u>	<u>6,788,690</u>	<u>13,810,868</u>	<u>13,810,868</u>



**SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**25 Retirement Benefits**

- (a) The group operates three defined benefit schemes which are funded through separate trustee administered funds. There were deficits totalling €11,568,000 on these schemes at 31 December 2015.

The total deficit has been fully provided for net of the related deferred tax asset in the financial statements and is therefore reflected in the group net assets in the amount of €29,488,373 and the group profit carried forward in the amount of €2,384,093.

The most recent valuations were at 31 December 2015 and are available for inspection by the scheme members but not for public inspection.

The intention of the group is that, over time, the schemes should be fully funded and that they should meet the funding requirement set by Section 41(3) of the Harbours Act, 1996 by the appropriate date as determined by the Minister for Transport following consultation with the parent company.

**25 Retirement Benefits Continued**

**(b) Financial Reporting Standard 102 'Employee Benefits' Disclosures**

The company operates three defined benefit schemes. Full actuarial valuations were carried out at 31 December 2015 for disclosure purposes by a qualified independent actuary. The main financial assumptions used in the valuations were:

	2015	2014	2013	2012
Rate of increase in salaries	2.0%	2.0%	2.0%	2.0%
Rates of increase in pension payments	0.0%/3.0%	0.0%/3.0%	0.0%/3.0%	0.0%/3.0%
Discount rate	2.1%	1.95%	3.3%	4.0%
Inflation assumption	1.7%	1.75%	2.0%	2.0%

The assets in the scheme and the expected rates of return were:

	Long-Term Rate of return Expected at 31 December 2015	Market Value 31 December 2015	Long-Term Rate of return Expected at 31 December 2014	Market Value 31 December 2014	Long-Term Rate of return Expected at 31 December 2013	Market Value 31 December 2013	Long-Term Rate of return Expected at 31 December 2012	Market Value 31 December 2012
		€'000		€'000		€'000		€'000
Equities	4.75%	5,730	5.25%	4,340	6.75%	3,627	7.3%	4,436
Fixed interest	1.8%	4,001	1.8%	3,909	3.0%	3,106	3.0%	3,036
Property	3.75%	84	4.25%	308	5.75%	234	6.3%	150
Alternatives	3.75%	-	4.25%	267	4.75%	1,426	-	-
Cash	0.5%	660	1%	1,437	1%	1,098	1.5%	1,179
		<u>10,475</u>		<u>10,261</u>		<u>9,491</u>		<u>8,801</u>



**SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**25 Retirement Benefits Continued**

**(b) Financial Reporting Standard 102 'Employee Benefits' Disclosures Continued**

The following amounts at 31 December 2015 were measured in accordance with the requirements of FRS 102:

	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>
Total market value of assets	10,475	10,261	9,491	8,801
Present value of the (liabilities) of the schemes	(22,043)	(22,368)	(21,130)	(19,837)
(Deficit) in the schemes	(11,568)	(12,107)	(11,639)	(11,036)
Related deferred tax asset	1,446	1,513	1,455	1,379
Net Pension (Liability)	<u>(10,122)</u>	<u>(10,594)</u>	<u>(10,184)</u>	<u>(9,657)</u>

The following amounts would have been recognised in the performance statements for the years ended 31 December 2015 and 31 December 2014 under the requirements of FRS 102.

	<b>2015</b>	<b>2014</b>
	<b>€'000</b>	<b>€'000</b>
<b>Operating Profit</b>		
Current Service Cost	<u>187</u>	<u>190</u>
	<u>187</u>	<u>190</u>
Expected rate of return on pension schemes' assets	199	320
Interest on pension schemes' liabilities	(424)	(675)
	<u>(225)</u>	<u>(355)</u>
<b>Statement of total recognised gains and losses:</b>		
Actual return less expected return on pension schemes' assets	89	696
Experience losses arising on the schemes' liabilities	(463)	(197)
Changes in assumptions underlying the present value of the schemes' liabilities	200	(1,536)
Actuarial (loss) recognised in the statement of total recognised gains and losses	<u>(174)</u>	<u>(1,037)</u>



**SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**25 Retirement Benefits Continued**

**(b) Financial Reporting Standard 102 'Employee Benefits' Disclosures Continued**

	2015 €'000	2014 €'000
<b>Movement in (deficit) during the year:</b>		
(Deficit) in schemes at 31 December		
Movement in year	(12,107)	(11,639)
Current service cost	(187)	(190)
Contributions paid	1,125	1,114
Settlement gain	-	-
Other finance cost	(225)	(355)
Actuarial gain	(174)	(1,037)
<b>(Deficit) in schemes at 31 December</b>	<b><u>(11,568)</u></b>	<b><u>(12,107)</u></b>
	<b>2015</b>	<b>2014</b>
<b>Experience gains and losses for the year ended 31 December</b>	<b>€'000</b>	<b>€'000</b>
Difference between the expected and actual return on schemes' assets	89	696
Percentage of schemes' assets	0.9%	6.8%
Experience gains on schemes' liabilities	(463)	(197)
Percentage of schemes' liabilities	(2.1%)	(0.9%)
Total recognised in statement of total recognised gains and losses	(174)	(1,037)
Percentage of the present value of the schemes' liabilities	(0.8%)	(4.6%)

**26 Ultimate controlling party**

The ultimate controlling party of the company is the Minister for Transport, Tourism and Sport.

**27 Related Party Transactions**

- (i) The company in the normal course of its business trades with certain government and semi-state bodies. The company has no loans from certain government and semi-state bodies.
- (ii) There are no other contracts or arrangements of significance in relation to the business of the company in which any director had an interest in, as defined within the Companies Act 2014 at any time during the year ended 31 December 2015.

The company has availed of the exemption under FRS 102 which permit a qualifying subsidiary of any undertakings not to disclose details of transactions between group entities that are eliminated on consolidation.



**SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**28 Contingent Liabilities**

**Group and Company**

The parent company has given a guarantee in the sum of €19,046 (2014: €19,046) in respect of borrowings of the subsidiary company.

**Company**

Foynes Port Company Pension Scheme and Shannon Estuary Ports Company Superannuation Plan hold a charge each of €900,000 on lands owned by Shannon Foynes Port Company at Corcanree, County Limerick. These charges were created on 22 September 2013.

**29 Transition to FRS 102**

The company has adopted FRS 102 for the year ended 2015 and has restated the comparative prior year amounts.

**Changes for FRS 102 adoption**

Reporting entities are required to show deferred tax without discounting. Previously, entities were permitted to record deferred taxation on the discounted basis but this is no longer allowed under FRS 102. The group previously opted to discount its deferred tax liability.



SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	Note	As previously stated 1 January 2014	Effect of transition 1 January 2014	FRS 102 (as restated) 1 January 2014	As previously stated 31 December 2014	Effect of transition 31 December 2014	FRS 102 (as restated) 31 December 2014
		€	€	€	€	€	€
<b>30 First time adoption of FRS 102 (consolidated statements)</b>							
Fixed assets		47,349,877	-	47,349,877	46,853,036	-	46,853,036
Current assets		7,472,498	-	7,472,498	9,438,389	-	9,438,389
Creditors: amounts falling due within one year		(2,486,871)	-	(2,486,871)	(2,857,880)	-	(2,857,880)
<b>Net current assets</b>		<b>4,985,627</b>	<b>-</b>	<b>4,985,627</b>	<b>6,580,509</b>	<b>-</b>	<b>6,580,509</b>
<b>Total assets less current liabilities</b>		<b>52,335,504</b>	<b>-</b>	<b>52,335,504</b>	<b>53,433,545</b>	<b>-</b>	<b>53,433,545</b>
Creditors: amounts falling due after more than one year		(10,658,500)	-	(10,658,500)	(9,617,500)	-	(9,617,500)
Provisions for liabilities		(15,748,477)	(818,783)	(16,567,260)	(15,931,131)	(1,028,961)	(16,960,092)
<b>Net assets</b>		<b>25,928,527</b>	<b>(818,783)</b>	<b>25,109,744</b>	<b>27,884,914</b>	<b>(1,028,961)</b>	<b>26,855,953</b>
Capital and reserves		25,928,527	(818,783)	25,109,744	27,884,914	(1,028,961)	26,855,953



**SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**30 First time adoption of FRS 102 (consolidated statements) (continued)**

	<i>As previously stated 31 December 2014</i>	<i>Effect of transition 31 December 2014</i>	<i>FRS 102 (as restated) 31 December 2014</i>
<b>Note</b>	<b>€</b>	<b>€</b>	<b>€</b>
Turnover	11,246,158	-	11,246,158
Cost of sales	(5,616,199)	-	(5,616,199)
	<b>5,629,959</b>	-	<b>5,629,959</b>
Administrative expenses	(2,049,308)	-	(2,049,308)
Amortisation of goodwill	(29,204)	-	(29,204)
<b>Operating profit</b>	<b>3,551,447</b>	-	<b>3,551,447</b>
Interest receivable and similar income	42,630	-	42,630
Interest payable and similar charges	(678,297)	-	(678,297)
Profit on sale of fixed assets	20,561	-	20,561
Taxation	(72,579)	(210,178)	(282,757)
<b>Profit on ordinary activities after taxation and for the financial year</b>	<b>2,863,762</b>	<b>(210,178)</b>	<b>2,653,584</b>



SHANNON FOYNES PORT COMPANY  
(A COMPANY LIMITED BY SHARES) AND ITS SUBSIDIARY UNDERTAKINGS

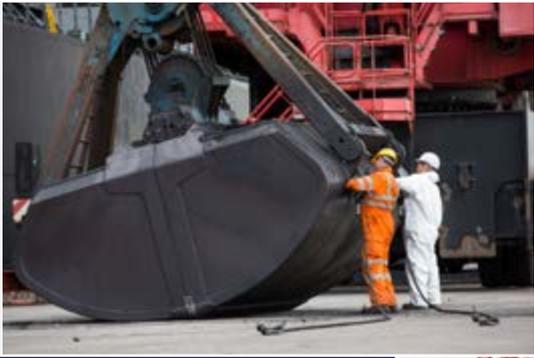
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

31 First time adoption of FRS 102 (company statements)

	As previously stated 1 January 2014	Effect of transition 1 January 2014	FRS 102 (as restated) 1 January 2014	As previously stated 31 December 2014	Effect of transition 31 December 2014	FRS 102 (as restated) 31 December 2014
Note	€	€	€	€	€	€
Fixed assets	48,210,196	-	48,210,196	47,555,480	-	47,555,480
Current assets	7,266,610	-	7,266,610	9,291,155	-	9,291,155
Creditors: amounts falling due within one year	(2,462,141)	-	(2,462,141)	(2,758,621)	-	(2,758,621)
<b>Net current assets</b>	<b>4,804,469</b>	<b>-</b>	<b>4,804,469</b>	<b>6,532,534</b>	<b>-</b>	<b>6,532,534</b>
<b>Total assets less current liabilities</b>	<b>53,014,665</b>	<b>-</b>	<b>53,014,665</b>	<b>54,088,014</b>	<b>-</b>	<b>54,088,014</b>
Creditors: amounts falling due after more than one year	(10,658,500)	-	(10,658,500)	(9,617,500)	-	(9,617,500)
Provisions for liabilities	(15,748,477)	(818,783)	(16,567,260)	(15,931,131)	(1,028,961)	(16,960,092)
<b>Net assets</b>	<b>26,607,688</b>	<b>(818,783)</b>	<b>25,788,905</b>	<b>28,539,383</b>	<b>(1,028,961)</b>	<b>27,510,422</b>
Capital and reserves	<u>26,607,688</u>	<u>(818,783)</u>	<u>25,788,905</u>	<u>28,539,383</u>	<u>(1,028,961)</u>	<u>27,510,422</u>

32 Approval of Financial Statements

The financial statements were approved by the Board of Directors on 1<sup>st</sup> April 2016.





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**Shannon Foynes**  
PORT COMPANY