SHANNON FOYNES PORT

Annual Report **2021**

AND CONSOLIDATED FINANCIAL STATEMENTS
SHANNON FOYNES PORT COMPANY
& ITS SUBSIDIARY UNDERTAKINGS

Total Final Consumption (TFC) for 2021

- 670,295 kWh of electricity
- 1,536,462 kWh of mineral oils

Actions taken in 2021:

- Aligned with Irelands national climate action objectives formalised a company specific Sustainability & Climate Resilience Framework to comply with NewERA recommendations.
- Completed BER review and commenced improvement works at the companies Head Office, Mill House, Foynes, Co. Limerick
- Commenced a review of opportunities to transition the existing fleet of company vehicles from ICE to electric and/or other suitable carbon reducing alternative fuel options
- Initiated a feasibility study regarding potential for solar PV installations on port buildings.
- Designed and developed a company specific centralised database to record/retain data relevant to sustainable development goals and/or statutory reporting

Actions Planned for 2022:

- Further explore and identify opportunities which, in so far as is reasonable, aim to meet Government's 2030/2050 emission reduction and energy efficiency targets.
- Further develop the existing Sustainability & Climate Resilience Framework to comply with NewERA recommendations.
- Continue to support an energy awareness campaign amongst employees to promote and encourage "best practice" regarding the use of buildings, electrical equipment and reduction of waste generated as a result of activities.
- Install EV charging points at select locations within the Foynes & Ted Russel Docks facilities.
- Continue to support academic studies related to emission reduction and energy efficiency.

SHANNON FOYNES PORT COMPANY

Annual Report and Consolidated Financial Statements

Financial Year Ended 31 December 2021

SHANNON FOYNES PORT

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

Annual Report and Consolidated Financial Statements 2021

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Directors' and Other Information

Board
D. McGarry (Chairperson)
P. Keating (CEO)
D. O'Hara
J. O'Keeffe
T. Treacy

Secretary and Registered Office
E. Stanley
Harbour Office
Foynes
Co Limerick

Registered Number: 332414

Independent Auditors
Grant Thornton
Chartered Accountants & Statutory Audit Firm
Mill House
Henry Street
Limerick

Management

P. Keating	Chief Executive Officer
J. Carlton	Port Services Manager
J. Hallissey	Head of Business Development
E. Stanley	Financial Controller & Secretary

Solicitors
Harrison O'Dowd
Estuary House
Henry Street
Limerick

Philip Lee Solicitors
7-8 Wilton Terrace
Dublin 2

Bankers
Allied Irish Bank Plc
The Square
Newcastle West
Co. Limerick

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

Bank of Ireland
125 O'Connell Street
Limerick

Actuaries
Invesco Limited
4 South Bank
Crosses Green
Cork

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

GOVERNANCE STATEMENT & DIRECTORS' REPORT

Governance Statement and Directors' Report
The Directors have pleasure in submitting their Annual Report to the Shareholders together with the Audited Consolidated Financial Statements for the financial year ended 31 December 2021.

Governance
The Board of Shannon Foynes Port Company was established under the Harbours Act 1996. The Board is accountable to the Minister for Transport and is responsible for ensuring good governance and performs this task by setting strategic objectives and targets and taking strategic decisions on all key business issues. The regular day-to-day management, control and direction of Shannon Foynes Port Company is the responsibility of the Chief Executive Officer (CEO) and the senior management team. The CEO and the senior management team must follow the broad strategic direction set by the Board, and must ensure that all Board members have a clear understanding of the key activities and decisions related to the entity, and of any significant risks likely to arise. The CEO acts as a direct liaison between the Board and management of Shannon Foynes Port Company.

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.

Accounting Records
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.

Board Responsibilities
The work and responsibilities of the Board are set out in the Board Terms of Reference which also contain the matters specifically reserved for Board decision.
The purpose of the Board of Directors is:

- to act as custodians for, and to maximise the value of, the assets of Shannon Foynes Port Company (SFPC);
- to direct the strategy and operations of SFPC
- to act in the best interests of SFPC and its stakeholders at all times; and
- to ensure that good corporate governance is always practiced within SFPC and to manage risk appropriately.

Board members should act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of SFPC, subject to the objectives set by Government and all statutory obligations. The Board of Shannon Foynes Port Company delegates authorities and responsibilities to management to ensure the orderly, efficient and effective running of Company affairs.

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.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

GOVERNANCE STATEMENT & DIRECTORS' REPORT (CONTINUED)

Review of the Business
A detailed review of the Group's operations is set out on pages 24-28.

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
The Directors and the Group's Management team are closely monitoring developments arising from the escalating conflict in Ukraine and assessing the potential impact that they may have on the Group's (and Company's) activities, operations and financial position. The Directors note that this is a dynamic situation and at present there is a high degree of uncertainty in relation to the wider economic short-to-medium term impact, however, they are satisfied that the Company and the Group is in a strong financial position to withstand potential future challenges in this context.

Results and Dividends
The consolidated profit and loss account on page 40 shows the Group's results for the year.

The Company paid a dividend in the year 2021 in the amount of €269,000 (2020; €nil).

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.

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

Subsidiary
Details of the subsidiary of Shannon Foynes Port Company is set out in note 12 to the financial statements.

Statement of Relevant Audit Information
Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

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

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

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

GOVERNANCE STATEMENT & DIRECTORS' REPORT (CONTINUED)

Board Structure & Key Personnel Changes
In accordance with section 326 and section 329 of the Companies Act 2014, the Director's that served at any time during the financial year and the Directors' and Secretary's interest in the shares of the Company and the Group undertakings and the movements therein during the financial year ended 31 December 2021 were as follows:

D. McGarry Chairperson (Appointed for a 5 year term, 6th December 2017)
P. Keating, CEO
J. Coleman (Appointed for a 3 year term, 5th February 2019, resigned 4th February 2022)
C. Henry (Resigned 14th April 2021)
D. O'Hara (Appointed for a 5 year term, 30th November 2020)
J. O'Keeffe (Appointed for a 5 year term, 30th November 2020)
J. Spring (Appointed for a 3 year term, 5th February 2019, resigned 4th February 2022)
T. Treacy (Appointed for a 5 year term, 17th January 2018)

The Directors and Secretary have no beneficial interests, including family interests, in the share capital of the Company or its subsidiary Company at 31 December 2020 and 31 December 2021.

The Board has established two committees, as follows:

- Audit and Risk Committee (ARC): comprised three to four non-executive Board members during 2021. The Board of Shannon Foynes Port Company has established an Audit and Risk Committee to support them in their responsibilities for issues of risk, control and governance by reviewing the comprehensiveness of assurances in meeting the Board's assurance needs and reviewing the reliability and integrity of these assurances. The role of the Audit & Risk Committee is advisory in nature and does not release the Board of Directors from their responsibilities. The Audit & Risk Committee is independent from the financial management of the organisation. In particular the Committee ensures that the internal control systems including audit activities are monitored actively and independently. The ARC reports to the Board after each meeting, and formally in writing annually.

  The members of the Audit and Risk Committee for 2021 were: Conal Henry (Chairperson and member to 14th April 2021), Judith Spring (Chairperson from 18th June 2021), John Coleman (from 18th June 2021), Deirdre O'Hara (from 18th June 2021) and Tom Treacy. There were 4 meetings of the Audit & Risk Committee in 2021.

- Remuneration Committee: comprised three to four non-executive Board members during 2021. The members of this committee for 2021 were: David McGarry (Chairperson), John Coleman, Conal Henry (to 14th April 2021) and Judith Spring. The Remuneration Committee met on two occasions in 2021.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

GOVERNANCE STATEMENT & DIRECTORS' REPORT (CONTINUED)

Schedule of Attendance, Fees and Expenses
A schedule of attendance at the Board and Committee meetings for 2021 is set out below including the fees and expenses received by each member:

	Board	Non Executive Board	Audit & Risk Committee	Remuneration	Fees 2021 €	Expenses 2021 €
Number of meetings	8	3	4	2		
David McGarry	8	3		2	12,600	125
John Coleman	8	2	2	2	8,100	
Conal Henry	2	1	2	1	2,025	
Pat Keating	8				8,100	
Deirdre O'Hara	8	3	2		8,100	
Jane O'Keeffe	8	3			-	
Judith Spring	8	3	4	2	8,100	
Tom Treacy	8	3	4		8,100	
					55,125	125

Notes:
Resigning on the 14th April 2021, Conal Henry was eligible to attend two Board Meetings, one Non-Executive Board Meeting, two Audit & Risk Committee Meetings and one Remuneration Committee Meeting only.

Appointed to the Committee on the 18th June 2021, John Coleman and Deirdre O'Hara were eligible to attend two Audit & Risk Committee Meetings only.

All of the above listed Non-Executive Board Meetings were called at short notice as per Article 62 of the Company Constitution.

Key Personnel Changes
Conal Henry resigned as Director on the 14th April 2021.
John Coleman resigned as Director on the 4th February 2022.
Judith Spring resigned as Director on the 4th February 2022

Disclosures Required by Code of Practice for the Governance of State Bodies (2016)
The Board is responsible for ensuring that Shannon Foynes Port Company has complied with the requirements of the Code of Practice for the Governance of State Bodies ("the Code"), as published by the Department of Public Expenditure and Reform in August 2016. The following disclosures are required by the Code:

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

GOVERNANCE STATEMENT & DIRECTORS' REPORT (CONTINUED)

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

Range From	To	Number of Employees 2021	2020
€50,000 -	€75,000	16	20
€75,001 -	€100,000	8	7
€100,001 -	€125,000	3	2
€125,001 -	€150,000	4	4

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

Consultancy Costs
Consultancy costs invoiced and received in the period include the cost of external advice to management and exclude certain outsourced 'business-as-usual' functions.

	2021 €	2020 €
Legal Advice	54,470	46,231
Financial, Internal Audit & Compliance Certification	26,240	65,075
PR & Marketing	43,770	22,442
HR, Recruitment & Pensions	38,225	49,025
Engineering & Design	159,793	82,776
Planning	52,029	52,372
Other	21,970	91,975
Total Consultancy Costs	**396,497**	**409,896**
Consultancy Costs Capitalised	143,179	83,919
Consultancy Costs invoiced and received and recognised in the profit & loss account	253,318	325,977
Total	**396,497**	**409,896**

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

GOVERNANCE STATEMENT & DIRECTORS' REPORT (CONTINUED)

Legal Costs and Settlements

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

	2021	2020
	€	€
Legal Fees - Legal Proceedings	225,460	-
Conciliation and arbitration payments	-	-
	225,460	**-**

Legal Proceedings noted above relate to invoiced and received expenditure regarding a legal case with an employee, which whilst heard by the High Court during 2021, judgement remains pending.

Travel and Subsistence Expenditure

Travel and subsistence expenditure is categorised as follows:

		2021	2020
		€	€
Domestic			
	Board	125	2,448
	Employees	41,917	46,044
International			
	Board	-	-
	Employees	-	-
	Total	**42,042**	**48,492**

Hospitality Expenditure

The Profit and Loss Account includes the following hospitality expenditure:

	2021	2020
	€	€
Staff Hospitality	11,632	11,694
Third Party Hospitality	3,200	1,147
	14,832	**12,841**

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

GOVERNANCE STATEMENT & DIRECTORS' REPORT (CONTINUED)

Statement of Compliance
The Board has adopted the Code of Practice for the Governance of State Bodies (2016) and has put procedures in place to ensure Compliance with the Code. Shannon Foynes Port Company was in full compliance with the Code of Practice for the Governance of State Bodies for 2021.

This statement was approved by the board on 25 March 2022 and signed on its behalf by:

Pat Keating
Director

David McGarry
Director

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

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

Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

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

This statement was approved by the Board on 25 March 2022 and signed on its behalf by:

Pat Keating
Director

David McGarry
Director

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

STATEMENT ON INTERNAL CONTROL

Acknowledgement

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

Purpose of the System of Internal Control

The system of internal control is designed to meet principles associated with the hierarchy of control. While the methodology utilised will always strive to eliminate or substitute risk it is reasonable to accept that residual risk will remain and therefore controls put in place must reduce the risk to As Low As Reasonably Practicable (ALARP). The system can therefore only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded and that material errors or irregularities are either prevented or detected in a timely way.

The system of internal control, which accords with guidance issued by the Department of Public Expenditure and Reform has been in place in Shannon Foynes Port Company for the full year ended 31 December 2021 and up to the date of approval of the financial statements. A review and statement confirming the effectiveness of internal control was presented to the Audit & Risk Committee on the 23rd March 2022.

Risk Management and the Control Environment

Shannon Foynes Port Company have developed a risk management policy which sets out its risk appetite, the risk management processes in place and details the roles and responsibilities of staff in relation to risk. This policy is communicated to all staff who work within Shannon Foynes Port Company. The Risk Management system is designed to alert management on emerging risks and control weaknesses and assume responsibility for risks and controls within their own area of work.

The Board of Shannon Foynes Port Company have overall responsibility for risk management including determining the nature and extent of significant risks that it is willing to accept in pursuit of its strategic and operational objectives.

Shannon Foynes Port Company has established an Audit & Risk Committee currently comprising three non-executive Board members to support the Board in their responsibilities for issues of risk, control and corporate governance. This committee is advisory in nature and does not release the Board of Directors from their responsibilities. The Audit & Risk Committee met four times in 2021. I am satisfied that the Audit & Risk Committee fully discharged its role within the meetings held during the year.

During the year ended 31st December 2021, 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 & Risk Committee and approved by the Board. Providing monthly reports to the Board monitoring performance against Budget and identifying any material variances which occur;

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

STATEMENT ON INTERNAL CONTROL (CONTINUED)

- The Audit & Risk Committee undertaking their role and responsibilities during the period under review;
- Performance of a review of Corporate Governance within the Company;
- 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; and
- Operating and maintaining UKAS accredited integrated management systems (IMS) to comply with internationally recognised standards ISO9001:2015 (Quality), ISO 45001:2018 (Health & Safety) & PERS (Port Environmental Registration Scheme). System management is based on an integrated model and in line with the requirements assigned through the Code of Practice for the Governance of State Bodies 2016 risk management is central to maintaining successful operational control of the company and its systems.

Shannon Foynes Port Company has outsourced its Internal Audit function. The work of internal audit is agreed in consultation with management and the Audit & Risk Committee. The Internal Audit Programme for 2021 was recommended to the Board by the Audit & Risk 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 & Risk Committee. The Internal Auditor reports to and presents its work to the Audit & Risk Committee. The Internal Audit reports presented to the Audit & Risk Committee reflect the Internal Auditor's opinion on the adequacy of the controls that have been reviewed.

Shannon Foynes Port Company have a Risk Management Framework which provides a consistent approach across the organisation to risk management and mitigation. It ensures risks are consistently identified, evaluated, measured, managed, monitored and reported. Risks are evaluated and prioritised based on the potential severity of impact and likelihood of occurrence. Shannon Foynes Port Company operate an in-house risk audit function which is resourced and conducts a programme of work agreed with the Executive.

In determining principal risks and uncertainties, factors such as the external environment, internal and external stakeholder engagement and the companies risk management approach are key considerations.

The risk register details the controls and actions needed to mitigate risks and responsibility for operation of controls assigned to specific staff by:

- Identifying the nature of the key business risks facing the organisation;
- Evaluating the impact and likelihood of the gross risks materialising;
- 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 residual risk is ALARP;
- Identifying a risk owner for each risk identified;
- Identifying further strategies where required to manage the key risks;
- Regular review and update of the risk management process; and
- Risk Management is a standing agenda item at all scheduled meetings of the Board.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

STATEMENT ON INTERNAL CONTROL (CONTINUED)

Principal Risks and Uncertainties

Risks registered on the company risk register are divided into three risk tiers of principal, moderate and other.

As part of assigned duties, the SFPC Audit & Risk Committee have carried out a suitable assessment of principal risks facing the company and presented a report to the Board summarising findings and any significant changes.

Principal Risk	Description & Mitigation Measures
Corporate	The Shannon Estuary is an immensely important asset and one of the most valuable natural resources in Ireland and the Mid-West Region. In particular the fringe lands and the marine area both provide space and location for development, activities and opportunities to progress economic, social and environmental growth within the Region. SFPC accept that failure to receive statutory consents precludes economic development in the Estuary. The Strategic Integrated Framework Plan (SIFP) for the Shannon Estuary is an inter-jurisdictional land and marine based framework plan to guide the future development and management of the Shannon Estuary. The SIFP sets out an overall strategy for the proper sustainable growth, development and environmental management of the Shannon Estuary Region.
Business Development	SFPC recognise that a number of macroeconomic and/or sectoral changes could potentially lead to the loss of major customers. SFPC implement controls to include medium to long term marketing activities, assessing alternative business options and working with other agencies to support port development and promotion.
Health & Safety	Due to the inherent nature of operations within a port environment heavy lift operations remain a key risk area. SFPC implement operational controls to include statutory inspection and regular visual inspection of equipment, maintenance of lifting registers, competency of operators and maintenance staff and planned maintenance programs to ensure equipment is operated and maintained in line with manufactures guidelines. These controls act to reduce the risk of incident and/or loss.
Environmental	Oil Pollution due to an incident involving a vessel on water could have a negative on the environment. To mitigate this SFPC have an approved "Guide to Port entry" to assist the Master of each vessel when entering port limits. Ships entering port limits are required to have certificates confirming suitability, evidence of periodic surveys to ensure they comply with international regulations including overboard discharges, oily water separators and insurance to cover the cost of an environmental incident. SFPC are members of SEAPT where access to oil pollution response equipment and resources is provided to assist in responding to on water oil pollution incidents.
Technical & Port Services	Due to the inherent nature of working in the hold of a ship SFPC implement a number of controls to reduce the risk of incident and/or injury. Controls include safe system of work plans, authorised permit to enter, documented and tested rescue plans, suitable communication methods and safe access and egress. Works are planned and organised in accordance with best practice and staff are suitably trained, competent and resourced to implement controls agreed.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

STATEMENT ON INTERNAL CONTROL (CONTINUED)

Ongoing Monitoring and Review

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

- Maintenance of a comprehensive risk register where key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies;
- Maintenance a program of audits to include a risk audit program resourced by company employees, an internal audit program resourced by Board approved external provider and certification audit programs designed to meet the requirements of ISO 9001:2015 (Quality), ISO 45001:2018 (Health & Safety) & PERS (Port Environmental Registration Scheme);
- In accordance with the Audit & Risk Terms of Reference Management present a program of documented information to the Audit & Risk Committee;
- Reporting arrangements have been established at all levels where responsibility for financial and operational management has been assigned; and
- There are regular reviews by Management of periodic and annual performance and financial reports which indicate performance against budgets/forecasts.

Procurement

I confirm that Shannon Foynes Port Company has procedures in place to ensure compliance with current procurement rules and guidelines and that during 2021 Shannon Foynes Port Company complied with those procedures.

The Board has fully satisfied itself that the requirements for public procurement are adhered to and to be fully conversant with the current value thresholds for the application of EU and national procurement rules. The Board is fully satisfied that procurement policies and procedures have been developed and published to all staff and it is also satisfied that procedures are in place to detect non-compliance with these procurement procedures.

Review of Effectiveness

I confirm that Shannon Foynes Port Company has procedures to monitor the effectiveness of its risk management and control procedures. The Board's monitoring and review of the effectiveness of the system of internal control including internal financial control is informed by the work of the management within Shannon Foynes Port Company who develop and maintain the control framework, the Internal Auditor, the Audit & Risk Committee which oversees the work of Internal Audit and comments made by the External Auditor in their management letter.

I confirm that the Board conducted an annual review of the effectiveness of the internal controls for 2021.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

STATEMENT ON INTERNAL CONTROL (CONTINUED)

Internal Control Issues

No weaknesses in internal control to include any material losses or frauds were identified in relation to 2021 that require disclosure in the financial statements.

David McGarry
Chairperson
Shannon Foynes Port Company
25 March 2022

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

CHAIRPERSON'S STATEMENT

Introduction

I am pleased to present the 2021 annual report for Shannon Foynes Port Company. I am very honoured to be chairperson of the Board and to note this is my fifth statement as chairperson.

As at the time of writing now in March 2022, the unfolding tragic scenes from the war in Ukraine dominate the thoughts of everyone across Europe and beyond. Whilst the impact on global shipping of both the conflict itself and indeed the sanctions imposed as a result cannot be fully determined yet, we continue to liaise closely with both our customers, suppliers, the Department of Transport and other relevant authorities to monitor developments. As a Company, we are committed fully to adhere to any sanctions that may be imposed by Government as the Board along with its Management team continue to devise contingency plans to seek to mitigate negative economic impacts where possible. More importantly however, our thoughts firstly and primarily remain with the innocent people of Ukraine at this their most difficult time.

Despite the continuing challenges of Covid-19 on the health of the population and communities across Ireland and the globe, I am pleased to report 2021 has proved financially to be a very successful one for Shannon Foynes Port Company where the Company posted historically high levels of profitability and made progress on several fronts in line with our Strategic Plan.

Throughput 2021, the Company continued to prioritise the minimisation of the impact of the pandemic and to ensure that all our stakeholders could stay safe and well. At all times, our procedures and controls in place have proved consistent with the public health advice and protocols issued by the Government and HSE, so as to continue to ensure that we remained in the best possible position to mitigate the spread of Covid-19. Our experience is that employees and Port users have fully co-operated with and adhered to the controls implemented, which is a testament to the high standing of the Port. In doing so, we were also able at all times to provide operational service to our customers on a par with pre Covid-19 standards.

Our Strategy

The principal objectives of the Company are set out in the Harbours Act 1996, which state we should "manage, control, operate and develop the harbour", "provide facilities, services, accommodation and lands in the harbour for ships, goods and passengers", "promote investment in the harbour", "engage in business advantageous to the development of the harbour" and "utilise and manage the resources available in a manner consistent with the objects" of the Company.

The Port operates in line with 2013 National Ports Policy. The Port also operates in line with the 2013 Strategic Integrated Framework Plan for the Shannon Estuary, which is a maritime and spacial plan (a land use development plan) for the Estuary. We also promote the development of Limerick's Docklands in line with our 2016 Limerick Dockland Framework Strategy.

Shannon Foynes Port Company has a clear strategic vision to deliver these objectives, which we outlined in the Shannon Foynes Master Plan Vision 2041 document, a 30-year plan. Shannon Foynes Port Company is one of the foremost economic drivers of the Mid-West Region with statutory maritime jurisdiction over the Shannon Estuary, the deepest watercourse in Ireland and extending over 500km2. Our vision is to position the Port as a key economic driver by enhancing and leveraging its asset base to accommodate offshore and onshore investment within and adjacent to its harbour. The Company will champion the improvement of connecting road and rail infrastructure, so that customers are offered improved, competitive and efficient services and will focus on the provision of services and infrastructure in a manner providing sufficient return on capital whilst safeguarding the sensitive environmental context within which it operates.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

CHAIRPERSON'S STATEMENT (CONTINUED)

Vision 2041 sets out the Port's development strategy, which at a summary level is (i) the expansion of Foynes Port, (ii) the proactive management of Limerick Port and (iii) the promotion of the Shannon Estuary. The expansion of Foynes Port includes initiatives such as building additional berthage, accommodating large ships in the Port by developing infrastructure, reinstating the rail connection to the Port and upgrading the N69 road from Limerick to Foynes. The proactive management of Limerick Port involves expanding its cargo throughput, promoting the berthage on the docks, building warehouses, developing its non-core assets such as the Bannatyne Mill and integrating the Docks into the City. The promotion of the Estuary involves promoting the deep-sea harbour as a destination for ocean and wind-based energy, promoting the Estuary's various facilities and jetties, implementing a spacial strategy and protecting sites for marine industry.

Having passed the ten-year milestone since the launch of our Vision 2041 plan, we are very much on track to achieve its growth projections. I am pleased to note that since 2011, tonnages at our general cargo terminals of Foynes and Limerick have increased by 60% consistent with Vision 2041's growth projections.

In recent months, the Board developed its five-year Strategic Plan 2022–2026, which is the short to medium plan to deliver our longer-term Vision 2041. In this plan, we have identified capital expenditures totalling €76 million to develop our Port facilities. Of this, we plan to spend €28 million in 2022 largely to develop Port infrastructure facilities to meet long-term growth in demand. It is our intention to review and update where appropriate our strategic vision document, Vision 2041 during the coming year. This comprehensive review will reflect the considerable changes in policy, most notably regarding environmental policy and climate action that have evolved since the publication of Vision 2041 in 2013. The review will also consider the significant opportunities for growth for Shannon Foynes Port Company arising from an accelerating and dynamic green economy, notably in relation to offshore renewable energy and alternative fuels production. At the time of writing and following the conclusion of a public procurement process, we have appointed Bechtel, a global engineering consultant and infrastructure developer, to lead this review. Future five-year strategic plans will be guided by the updated Vision 2041.

Business Performance

The Board is pleased to report that the Company is performing well in line with our vision and mission for the Port. 2021 proved to be a very successful year for Shannon Foynes Port Company. Indeed, the Company posted record profitability levels with profit before taxation exceeding €5.2 million for the first time in the history of the Company. Operating performance was also at a historic high with Earnings before Interest Tax Depreciation and Amortization (EBITDA) at €7.6 million exceeding the previous high of €6.8 million recorded at 2018.

SFPC has made great strides in recent years in improving its operating profits and as a result key performance indicators such as operating margin percentage and return on capital employed have experienced significant improvement from the mid 2000's up to 2018. Recent years saw some revision due to significant declines of coal imports at ESB's Moneypoint terminal and with 2020 dominated by the impacts and the economic uncertainty of the Covid-19 pandemic. However, we have experienced a sooner than expected national and international economic recovery from the impacts of Covid-19 as illustrated by a 9.9% increase in directly managed throughputs for 2021 over those of the previous year. 2021 also saw an additional requirement for fossil fuel imports to sustain the demands on the national electricity grid in the short term.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

CHAIRPERSON'S STATEMENT (CONTINUED)

Resurgent throughputs at both directly managed terminals and privately managed terminals have allowed for the reporting of historically high performance in 2021 with all profitability metrics substantially ahead of both those of the prior year and those as budgeted for 2021. Operating Profit for the year is noted at €5.47 million which is circa €2.47 million positive to that budgeted for the year and that as forecasted for the year in the previous 5 Year Corporate Plan. Both Operating Profit & EBITDA for the year of €5.47 million and €7.61 million are historic high performances for the Company eclipsing the previous highs of 2018 of €4.77 million and €6.85 million, respectively.

Overall Company tonnage throughput for 2021 exceeded 10.97 million tonnes and finished the year some 1.52 million tonnes or 16.1% positive to 2020, with both privately managed terminals and directly managed terminals positive to both that budgeted and to prior year. Increased imports of coal and heavy fuel oil to sustain the national electricity grid allowed for a 1.27 million tonne increase at privately managed terminals while directly managed terminals also performed extremely well with a 9.9% increase noted year on year. Foynes delivered a 7.5% variance attributable to increased construction and agricultural tonnages and Limerick witnessed a 17.2% variance principally attributed to construction related tonnages. Shannon throughputs were on a par to prior year as the aviation fuels sectors continued to feel the adverse impacts of the Covid-19 pandemic.

Our turnover for the year was €16.01 million, an increase of c. 23.8% on €12.93 million in 2020. The above tonnage performances are the primary drivers of Revenue mix with ship and cargoes dues positively impacted by the increases noted at both multi user and single user terminals. Despite a 10.1% increase in total operating and administration costs from prior year, overall operating profits are some €2.13 million or 63.5% positive to those of 2020.

After financing costs and taxation charge, the Port recorded a very satisfactory profit attributable to the Shareholder of approximately €4.57 million.

The Port remains in a strong financial position with a balance sheet worth of €54 million. We have made significant strides in reducing our net gearing ratios over the previous 10-15 years to ensure that debt levels are sustainable and to allow for future investment as required under Vision 2041. 2021 reports a positive net cash position of €5.6 million, an increase of €4.6 million from that as reported in the prior year.

Capital Investment
The Port is currently undertaking an ambitious €33 million development of Foynes Port. This is the biggest capital development project undertaken by the Port in its history. This exciting development consists of constructing a new 117m quay to join the East and West Jetties, infill behind berth 5 and provision of access, utilities and flood mitigation on Company lands (38 hectares) for developing a port related industrial park. This project qualifies for Ten-T funding under the 2017 CEF Transport Blending Call and as previously reported, this application has been approved for funding by the EU for up to 20% of qualifying expenditures. Construction works for the first two phases, namely the construction of a new quay to join the East and West Jetties and the infill behind Berth 5 are set to commence this year with all phases scheduled for completion by end of 2023.

2021 was a relatively quiet year on the capital works front, with a major focus for 2021 relating to finalising the foreshore consents process and progressing design and contractor procurements for the first two phases of works as outlined above. We did however incur a spend of €1.39 million in the year. Of this, €914,000 was incurred for construction works in progress relating to the ongoing development works at Foynes Port. We also invested €183,000 in plant and machinery and €162,000 in docks and quays, principally relating to improved drainage works at Foynes.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

CHAIRPERSON'S STATEMENT (CONTINUED)

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

Corporate Governance
During 2021, the term of appointment of long serving director, Mr. Conal Henry expired. During February 2022, the terms of appointment of two other directors, Mr. John Coleman and Ms. Judith Spring also expired. I would like on behalf of the Board to acknowledge the dedicated and meaningful contributions of all three directors over their terms of appointment. The Company has engaged with Departmental officials in relation to filling the vacant director positions via the Public Appointments Service.

As at 31 December 2021, the Board comprised three female (43%) and four male (57%) members with one vacant position. Therefore, as at 31 December 2021 the Board met the Government's target of a minimum of 40% representation of each gender in the membership of State boards.

As at time of writing with three positions vacant, I am pleased to report the Board has two female (40%) and three male (60%) members thus maintaining the minimum representation target of each gender.

The Board is committed to maintaining and supporting gender balance on the Board. We will take two measures in particular to achieve this, by highlighting gender composition to the Department when making submissions prior to Board appointments and reappointments and recommending to the Department to vary a member's term of appointment to either 3 or 5 years to ensure that representation targets are maintained over time.

I am also pleased to report significant progress has been made in recent years regarding the gender balance on the Board of the Company. As of 31 December 2018, the Board composition was 100% male with six Board members in situ. As noted above, the composition as at year-end 2021 had three female (43%) and four male (57%) members thus meeting the minimum representation target for each gender. We acknowledge and appreciate the support of the Department of Transport and Public Appointments Service in assisting the Board with addressing the gender imbalance over the intervening period.

The Board made significant progress on realising the objectives of the Strategic Plan 2021 - 2025. The Board is on course to approve the 2022 – 2026 Strategic Plan and has presently delivered a draft Plan to the Department of Transport and Department of Public Expenditure for comment in advance of final Board approval by the end of June this year.

The Board remains committed to compliance to the Code of Practice for the Governance of State Bodies. The Statement of Internal Control on pages 11 to 15 acknowledges the Board's responsibility for ensuring that an effective system of internal control is maintained and operated. The Governance Statement and Directors' Report on pages 3 to 9 details the required Annual Report disclosures arising from the Code.

Dividend
The continued strong performance of recent years has put the Company in a position to declare and pay dividends to the Exchequer. In 2021, the Company paid a dividend of €269,000 to the Exchequer. The Board expects to continue to be in a position to make provision for and payment of dividends in each of the five years of its 2022 - 2026 Strategic Plan.

Remuneration
The 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.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

CHAIRPERSON'S STATEMENT (CONTINUED)

Statutory Compliance
I wish to confirm to the best of my knowledge and belief all the statutory requirements of the Company have been complied with.

Climate Action and Sustainability
All ports are experiencing increased pressure to reduce negative impacts of greenhouse gas emissions on climate and the environment and given the key role of ports as part of the network of international supply-chains, responding effectively to the impacts of climate change is of strategic economic importance. Shannon Foynes Port Company is committed to fostering operational efficiency in the Port and will continue to explore and where feasible invest in opportunities to reduce energy consumption within our operations. To date, the Company has maintained energy reduction targets set for public bodies and will continue to look for improvement opportunities into the future.

In line with the Government strategy, expectations are that all public bodies should seek to achieve more than just reducing their own emissions by stimulating and inspiring action across wider society. As a state-owned company with statutory duties and powers Shannon Foynes Port Company recognise the formidable responsibility and challenge to lead and change the mindset of industry partners. The Climate Action Plan 2021 provides a framework for delivering the Government's target of a 51% reduction in greenhouse gas (GHG) emissions by 2030. This plan along with the Climate Act 2021, commits Ireland to a legally binding target of net zero greenhouse gas emissions no later than 2050, and a reduction of 51% by 2030. The Government is also committed to reducing emissions by an average 7% per annum by 2030. Under the aegis of the Department of Transport we will, where practicable, implement systems to identify and realise opportunities to meet these expectations. In addition, we will endeavor to perform our functions in a manner consistent with national climate plans and strategies to further the achievement of the national climate objective and to demonstrate public sector leadership on climate action as well as being a key mobiliser of action at local and community level.

Developments since year-end
Other than the recent conflict escalation in Ukraine, which as of yet has had no material direct impact on activity at the Port, there have been no significant developments since year-end. The Board are closely monitoring developments and assessing the potential impact it may have on the Company's activities, operations and financial position. The Board note that this is a dynamic situation and at present there is a high degree of uncertainty in relation to the wider economic short-to-medium term impact, however, we are satisfied that the Company is in a strong financial position to withstand potential future challenges in this context. The Board has also considered that the financial statements are prepared under the going concern concept and considers this to remain appropriate.

Strategic Progress and Future Developments
With the devastating war and humanitarian crisis unfolding in Ukraine, the global and national economic outlook remains unknown and highly uncertain at this time of writing. The Board will be proceeding flexibly, swiftly where required, prudently and deliberately in its actions to assess and mitigate where possible the impacts of both the conflict itself and indeed the sanctions imposed as a result over the coming weeks and months.

The Board developed its Five-Year Strategic Plan 2022 – 2026 prior to the escalation of conflict in Ukraine. As I mentioned earlier, we intend to incur capital expenditures totalling €76 million over the term of the Plan. Of this, we plan to spend €28 million within the 2022 Annual Budget, which will be the largest capital investment in the Port's history. Assuming we do not suffer a long-term detrimental economic impact from the developing crisis in Ukraine, the Board is 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. We will keep a close eye on our Plan in the coming months and amend as need be to align with the economic climate in the future and re-prioritise the key goals in the Plan, if required.

SHANNON FOYNES PORT COMPANY
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CHAIRPERSON'S STATEMENT (CONTINUED)

While we are monitoring the impact of Brexit on the Port, we are not expecting a material negative impact in 2022. Over the course of 2021 and into 2022, with the roll out of the national and international vaccination programmes, there is welcome light at the end of the Covid-19 pandemic. We will continue to monitor and manage the impact of Covid-19, and cautiously expect as evidenced through 2021 that Port performance will not be materially adversely impacted from the Covid-19 pandemic through 2022.

We continue to make significant progress on many of the key deliverables of Vision 2041, and as such would note the following progress on key strategic items:

- The Board welcomes the progress being made on the Limerick to Foynes Road Scheme. This is a critical connection urgently required in order for Shannon Foynes Port to realise the full potential of its growth projections illustrated in Vision 2041. The Limerick to Foynes Road Upgrade Scheme has been included in both the National Planning Framework and associated Project Ireland 2040 launched by Government in 2018. The oral hearing for the Limerick to Foynes Road Scheme concluded in February 2021. An Bord Pleanala indicate that a planning decision will be made in March 2022. The Board welcomes the progress being made on this Scheme and stresses that its delivery is becoming more and more urgent. For example, SFPC can add much needed unitised freight capacity to the national supply chain. Importantly, this incremental freight capacity will assist in decarbonising the supply chain. In addition, SFPC's comparative advantages are essential in facilitating the development of the Atlantic's 70,000MW wind resource. However, without the enhanced connectivity that this Scheme will deliver, it will be very difficult to attract the large-scale port related investment and throughputs envisaged. We note that the recently revised National Development Plan continues support for this Scheme as does the Department of Transport's updated National Investment Framework for Transport in Ireland. Finally, the ongoing support of the Marine Section of the Department of Transport is acknowledged and greatly appreciated.

- In line with the Government's Climate Action policy there is now a national focus on offshore wind energy development. With regard to Offshore Renewable Energy (ORE), by aligning two of our country's most significant natural resources i.e. the 30GW-70GW of offshore wind off the west coast and the naturally occurring deep water maritime facilities of the Shannon Estuary presents this country with an unprecedented energy and economic potential. Our objective is to create a marshalling port on the Shannon Estuary together with a value added supply chain to facilitate the development of an Atlantic ORE hub. This marshalling port will require significant deep water quays and jetties, deep water anchorages, substantial zoned land for device and component manufacture and assembly. Importantly, Shannon Foynes Port Company has many of these attributes in place and together with the existing 1.6GW of grid connection on the Shannon Estuary, is industry recognised as having unique comparative advantage to develop as a marshalling port for the west coast's proposed floating offshore wind farms.

- The Board warmly welcomes the establishment of the Shannon Estuary Economic Taskforce and fully supports its aims to assess the strategic strengths of the Shannon Estuary from an investment and enterprise development perspective, in a national and international context and further to scope potential areas of opportunity for the Shannon Estuary and specify policy and investment requirements to exploit those areas of potential. The Board notes that Foynes and the Shannon Estuary are emerging as the forerunner to service offshore windfarms to be located in the coastal Atlantic waters. In addition, the success of this sector could see activity over all the remaining SIFP (Strategic Integrated Framework Plan for the Shannon Estuary) designated SDL's (Strategic Development Location). These SDL's have a combined 1,200 hectares of land formally zoned for marine related industry and they adjoin deep water (>12m) on the Shannon Estuary.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

CHAIRPERSON'S STATEMENT (CONTINUED)

- Regarding the promotion of the Government's Climate Action Plan, as noted above, the Port, which is already a major hub for the onshore wind sector, intends to further establish itself as the hub of choice for the offshore wind sector in relation to access to the Atlantic. There are also however many other initiatives in the Climate Action Plan that SFPC can contribute to, such as, for example, decarbonising the supply chain by establishing Foynes as a freight hub and by promoting modal shift from HGV to rail via the development of the Foynes to Limerick rail line. 2021 saw continued momentum in relation to the reinstatement of the line with Irish Rail (IR) publishing its Rail Freight 2040 Strategy in December 2021. The strategy aligns with Project Ireland 2040, the Climate Action Plan, as well as the European Union's Sustainable and Smart Mobility Strategy and EU Green Deal and marks a sea change in Irish Rail's focus on rail freight in Ireland. The Strategy outlines twenty-five initiatives within five strategic pillars, one of which is enhancing connections with seaports. The reinstatement of the Foynes to Limerick rail line is noted as a priority under this pillar.

- In respect to containerised traffic, heretofore practically all unitised trade moved east in Ireland by feeder vessels onto Europe for either door to door or transhipment. The Port is examining the case for new direct scheduled services to/from Foynes. These services from Foynes will enhance the supply chain by reducing cost, reducing transit times and importantly reducing carbon footprint. In addition, these new services will leverage off the much improved motorway network to/from Limerick (M7, M17, M18) and the soon to be upgraded Limerick to Foynes road.

- Vision 2041 states two clear objectives for the future of Ted Russell Docks and associated lands in Limerick Port. The first was to promote and maintain a working port and the second was to achieve a commercial return on its non-core assets. Two successful planning consents have been received in relation to the conversion of the Bannatyne Mill Building, a landmark listed beautiful Victorian mill building on the Dock Road to provide 40,000 square feet of high-quality commercial office space. This is the first major regeneration project planned for the Limerick Docklands non-core assets. The Port also received planning permission to construct quayside infrastructure facilitating Ireland's first floating data centre where the project promoter, Nautilus Technologies, plans to invest €35 million in constructing a 10 MW data centre, the first of its kind in Europe. Covid -19 has somewhat impacted the ongoing roll out of these projects during 2020 and 2021. However, funding and an application for Ministerial consent to establish a subsidiary are ongoing in relation to the Bannatyne Mills refurbishment project. Nautilus have advised that they have the first round of funding complete and are engaging shipyards for vessel build and Eirgrid regarding grid connection.

Acknowledgements
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 Mr. Eamon Ryan TD, Minister for Transport and Minister for Environment, Climate and Communications and Ms. Hildegarde Naughton, Minister of State with responsibility for International and Road Transport and Logistics for their continued support throughout the past year. I would also wish to extend our gratitude to all their departmental officials for their continued co-operation with and dedicated support to the Company during the period in review.

I would also like to thank and acknowledge the many stakeholders around the Port such as our customers, suppliers, regulators, business and local community who support us through good and bad times and whose support is vital to the success of the Port.

SHANNON FOYNES PORT COMPANY
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CHAIRPERSON'S STATEMENT (CONTINUED)

I would like to thank our CEO Mr. Pat Keating, the management team and staff for their hard work, motivation and co-operation during 2021 and focus on to delivering the plan for and potential of Shannon Foynes Port.

Finally, I would also like to recognise the extraordinary teamwork very ably lead by our CEO together with the management team and staff and all of our Port users who have made a phenomenal effort to mitigate the impact of Covid-19 making a real difference to our health and our social and economic well-being for which we are extremely grateful.

David McGarry
Chairperson
Shannon Foynes Port Company
25 March 2022

SHANNON FOYNES PORT COMPANY
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BUSINESS AND OPERATING REVIEW

Operating Review

We are delighted to report record earnings for the year ended 31 December 2021. This strong performance was driven by several factors such as underlying sectors adapting and recovering from Covid-19 impacts sooner than expected, a resurgent economy and the supply/demand imbalance in the energy generation sector. Strong performance was achieved across both the privately owned and our directly managed terminals.

While Covid-19 endured during 2021, we successfully reorganised our operations to comply with public health requirements without impacting quality service provision to our customers. Covid-19 impacts during 2021 manifested more in delays to the roll out of some projects in our Capital Investment Program and to the implementation of our business development strategies. At this stage, with Covid-19 restrictions abolished, our Plans should get back on track subject to developments in the Russian war with Ukraine.

As mentioned above tonnage throughputs recovered strongly in 2021 with total estuarial tonnages increasing year on year by 16% to 10.97m tons. This throughput performance reflected robust activity in the agricultural and construction sectors, with the export of cement and related imports particularly buoyant. In addition, significant tonnages increases were recorded at privately owned terminals which noted a circa 18% year on year increase driven by the energy generation sector where fuel imports increased significantly in order to support the national grid in meeting increased electricity demand. Fuel imports for the transport sectors, particularly aviation, remained suppressed during the year due to ongoing Covid-19 restrictions. It is noted that transport fuel imports were circa 7% below 2020 throughputs and considerably below pre-Covid levels. Overall, our general cargo terminals of Limerick and Foynes performed strongly, with year on year throughput increases of 9.9%, manifesting in these terminals now operating at historically high levels.

Reflecting increased tonnage throughputs and associated cargo mix characteristics, turnover increased by 23.8% to €16.0m (2020: € 12.9m). In addition to turnover growth, stringent cost management remains a core focus resulting in returning significantly improved EBITDA margin of 47.5% (2020: 42.9%) and historically high EBITDA of €7.6m (2020: €5.6m). This performance is maintained at all levels with profit before taxation exceeding €5.2m (2020: €3.1m) for the first time in the history of the Company.

Notwithstanding the tragic events unfolding in Ukraine, we remain confident that there are significant opportunities to grow and expand the Port at the operating level. With an expanded business development function, we have identified targeted areas that will drive revenue growth over the short, medium and long term. In addition, we note the National Planning Framework projection of a 20% growth in population by 2040. This population growth will drive equivalent growth in national freight. Our general cargo terminals are well located and competitively placed to attract this projected growth. Accordingly, we will continue to resource business development and will continue to invest in capacity enhancing infrastructure at Limerick and Foynes and on the Shannon Estuary to meet future demand.

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 future debt funding requirement. Accordingly, it is vital that we continue to grow revenues and most importantly, continue to robustly control costs so that we can build on recent success. In this regard Management remains strongly focussed on growing margin by growing volumes through Limerick and Foynes and by fully leveraging its improved shore side capacity and considerable land and storage assets.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

BUSINESS AND OPERATING REVIEW (CONTINUED)

By focusing on continual improvement, across all areas, the projections outlined in Vision 2041 will be attained and importantly the capacity requirements identified therein will be delivered on. Indeed, we are of the view that Vision 2041 projections could be considered conservative in light of projected population growth and climate action requirements. SFPC has a major role to play in the latter and is widely recognised by the offshore renewable sector as having significant comparative advantages. Since 2011 (the base year of Vision 2041) tonnage at our general cargo terminals, and accounting for the Covid-19 contraction, increased by 60%.

Capacity Planning & Funding
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. For example, since 2010, net assets have increased by 281% to €54m (2010: €19.2m) with annual net operating cashflow increasing by over 170% over the same period. In addition, the Company is now in a net cash position (i.e., cash balances exceeding gross debt outstanding) resulting in gearing of just 9.4% as at 31st December 2021. This strength of performance has enabled the Company implement its ambitious Investment Program underpinning Vision 2041.

Due to the increased tonnage throughputs projected in Vision 2041, substantial additional capacity is required. In this regard, the ongoing roll-out of our Investment Program is essential. Following on from the completion of Phase 1 at a cost of €12m we received planning permission for the follow-on Phases, II to IV, in December 2018. These Phases, costing €33m, consist of new quay construction of 117m to join the East and West Jetties, infilling for associated quay set down together with the development of 38 hectares site at Foynes as a port business park. Procurement and foreshore consents for these phases was concluded during 2021, with at time of writing, associated construction contracts executed and construction commenced. These represent the largest capital projects undertaken by the Company to date and are scheduled to complete in 2023.

As mentioned, Shannon Foynes Port Company has a significant role to play in assisting the country's transition to a low carbon economy. Our medium-term Capital Investment Program has been reviewed to ensure that the Port will have the necessary capacity for the medium term to accommodate this transition, particularly with regard to offshore renewables and deep water berth capacity. This review demonstrates that our Capital Program is fit for purpose, however, due to the scale and wider socio-economic benefits of some planned projects in the longer term, a review of port capacity funding at national level is warranted. With regard to the medium term, we are satisfied that debt levels will remain within the financial capacity of the business. In addition, our investment plans are supported by the EU's CEF/Ten-t program whereby we have already gained approval for up to €10m in EU grant funding. We are delighted to note that our 2020 CEF application under the Reflow Call was successful. This EU funding will assist in the preliminary costs for developing a new deep water berth at Foynes.

Our pension deficit decreased during 2021 to €3.8m (2020: €7.1m). This significant reduction arises due to the strong performance of Scheme assets as well as the positive effect of rising yields on the discount rate. This performance has also enabled the de-risking of the Scheme's asset portfolio away from high risk equities. This de-risking is in accordance with the Scheme's Funding Proposal. It is noted that the underlying schemes are closed to new entrants and that the Company has made contributions to them of circa €6m over the last five years.

It is noted that the Board has provided for dividends in its current rolling five year strategic plan 2022-2026 in accordance with its approved Dividend Policy. The Company paid a dividend of €269,000 in 2021.

Capital investment during 2021 is as outlined in the financial statements.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

BUSINESS AND OPERATING REVIEW (CONTINUED)

Sustainability & Environment
In accordance with the Government's Climate Action Plan, we are developing a sustainable framework suitable to comply with the Government's commitments (51% emissions reduction by 2030 and net zero by 2050) while meeting the needs of the business. During 2021, we agreed to adopt a Climate Action Framework consistent with New Era's recommended framework for commercial semi-state bodies. This framework is based on adopting five commitments or pillars reflecting a best practice approach to sustainable management and reporting. This Climate Action Framework will be developed and integrated into our Integrated Management System which at present is compliant to international standards to include ISO9001:2015, ISO45001:2018 & the Port Environmental Review System (PERS).

The Future
Shannon Foynes Port Company (SFPC) is one of the foremost economic drivers for the Mid-West Region. Its economic impact was quantified and published in the W2 economic impact assessment as supporting 3,648 full time jobs generating €193m in annual payroll. Annual trade handled by SFPC is valued at circa €8.5bn. SFPC has statutory maritime jurisdiction over the Shannon Estuary, the deepest watercourse in Ireland, and which is one of the deepest estuaries in the world. It extends to over 500km2 and has channel depths of up to 32m. Our vision outlined in the Shannon Foynes Vision 2041, is to position the Port as a key economic driver by enhancing and leveraging its asset base to accommodate offshore and onshore investment within and adjacent to its harbour.

The thirty-year Vision 2041 masterplan was published in 2013 outlining the Port's future objectives for the medium to long term. It is now considered appropriate to update and review Vision 2041 due to the considerable changes in policy (particularly climate action), environmental and market dynamics since 2013. In addition, the pathway to growth and expansion for SFPC has evolved considerably from when Vision 2041 was published in 2013. Areas such as Offshore Renewable Energy (ORE), alternative fuels production, unitised transport and organic growth affords SFPC significant potential. A comprehensive review and update of Vision 2041 is now required to demonstrate how these opportunities can be realised within our harbour, the Shannon Estuary.

At time of writing, a procurement process to assist the Company in comprehensively updating Vision 2041 has been completed with the appointment of Bechtel, a leading global EPC company. A core output for the updated Vision 2041 will be to demonstrate how the Shannon Estuary can develop as a marshalling port facilitating the development of the Atlantic ORE. Shannon Foynes is the closest deep-water port to the Atlantic wind resource quantified at over 75,000MW. This represents over €100bn of floating windfarm investment over the short, medium, and long term. SFPC has conservatively quantified that in order to enable this €100bn Atlantic offshore windfarm investment, that €12bn in supply chain investment will locate to its harbour, the Shannon Estuary by 2050. This investment can be accommodated over a number of identified deep-water sites in the Shannon Estuary. Accordingly, a key requirement for SFPC is to ensure sufficient infrastructure, particularly deep water berthage, is in place before the end of this decade to facilitate private sector ORE investment of over €100bn. Accordingly, the review of Vision 2041 will incorporate a capacity review, identify deficits in capacity, including for ORE deployment and identify solutions to address identified capacity deficits.

One of the key projections in Vision 2041 was that annual throughput would double to 20m tons by 2041. As mentioned, recent changes in market dynamics driven by multiple diverse developments such as climate action requirements, Brexit, the Covid-19 pandemic with associated trends of remote working, transition to online retail and the 20% population growth projected in the NPF, are likely to increase demand for port services and port infrastructural capacity. Accordingly, our original projections per Vision 2041 will be updated with our intention that this review will be completed in Q3 2022.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

BUSINESS AND OPERATING REVIEW (CONTINUED)

Regarding port infrastructure, and as identified in Vision 2041, it is essential that new deep water berthage and upgraded hinterland connections are constructed along with substantial investment in large ancillary port equipment and infrastructure. Future investment required for deep water port capacity out to 2027 to enable SFPC meet projected demand is estimated at over €350m. This port investment is a critical path investment to facilitate the €12bn supply chain investment needed to deploy Atlantic ORE. It is envisaged that the review of Vision 2041 will identify additional port and non-port infrastructure such as offshore grid connectivity and potentially, requirements under the EU's Fit for 55. While our balance sheet has grown considerably over the last while, nevertheless future financing for infrastructure requirements will be at unprecedented levels. In this regard, we welcome the Minister's Statement before Christmas, as both state backed, and EU CEF funding are likely to be a requisite part of financing future infrastructure provision. Other avenues of financing will also be explored by us as part of our master planning review now underway.

While Covid-19 impacted implementation of our Plans during 2021, progress was made on the more significant deliverables as follows;

- Urgent completion of the Limerick to Foynes road scheme: This Scheme is included in both the NPF and associated Project Ireland 2040. Oral hearings were completed in February 2021 and we understand a decision will be forthcoming over the next few months. The critical path nature of this Scheme in relation to the Port's development phase and the urgency for its completion cannot be emphasised enough.
- Reinstatement of the Limerick to Foynes rail line for freight use: This is an important hinterland connection for the Port. We welcome the publication by Irish Rail (IR) of its Rail Freight 2040 Strategy in December 2021. This Rail Freight Strategy contains five strategic pillars, one of which is Enhancing Connections with Sea Ports and has a priority of reopening the Foynes to Limerick line. We understand that IR have recently made a CEF funding application concerning this rail line with the associated evaluation to follow later in 2022.
- Consistent with the NPF and Project Ireland 2040, the EU has formally implemented the extension of the NSMED Core Corridor, effective from 1 January 2021, by including SFPC on the Corridor. This is very important for the timely delivery of future port infrastructure and for its funding.
- Provision by SFPC of new port capacity: As mentioned, procurement for the next phases of capacity expansion at Foynes is completed with construction commencing during Q1 2022. These phases, costing circa €33m, consist of 117 metres of new berthage, 10,000m^2 of new quay side set down and enabling works for 90 acres of port storage and warehouse facilities.
- Promote the development of the deep water Strategic Development Locations (SDL's) identified in the Strategic Integrated Framework Plan (SIFP) for the Shannon Estuary: These sites are essential to facilitate the development of a marshalling or staging port for the ORE sector. SFPC is actively promoting these sites to ORE developers and associated supply chain providers. These sites adjoin deep water and have up to 1200 hectares of adjoining land zoned for associated supply chain activities. In addition, several of the sites are being promoted as part of our Cruise Shannon Estuary promotion.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

BUSINESS AND OPERATING REVIEW (CONTINUED)

- Limerick Docklands Framework Strategy (LDFS): The primary objectives of this exciting Strategy are to retain and promote the working port on its 15-hectare footprint with the balance of our Limerick Docklands estate promoted for port or non-port related commercial activity. With regard to the latter, the €8m refurbishment of the 39k ft^2 Bannatyne Mills building for commercial office space, is its first major project. With planning consents already received and with funding approval due in H1 2022, our intention is to commence construction in H2 2022, subject to receiving the necessary Ministerial consents. The upgrade of the junction at Dock Road and Atlas Avenue to facilitate port traffic was also a core intervention required in the LDFS. We are advised that the necessary civil works, to upgrade the junction, will commence on completion of the compulsory acquisition initiated by Limerick City and County Council (LCCC) in late 2021. This is a very welcome development and we would like to acknowledge the support of LCCC in assisting with the implementation of the LDFS.

With regard to the national supply chain, we are of the view that the mindset of how freight moves in Ireland has to change. Transport bottlenecks around the GDA are clear evidence of this. Planned capacity enhancements at Shannon Foynes Port Company in tandem with the completion of the Limerick to Foynes Road Scheme and the reinstatement of the 40km rail line from Limerick to Foynes could offer a partial solution to this national problem.

At the time of writing the war in Ukraine poses significant threat to human life as well as triggering major uncertainty in global and national markets. These horrific events have triggered widespread support for the people of Ukraine, and the Company is committed to complying with any sanctions that may be imposed by the Government. Given its deeply negative impacts on energy, food supplies and potentially maritime transport, as well as potential for cyber attack, there is likely to be indirect impacts for SFPC that are currently unknown and unquantifiable. Management in conjunction with our customers, suppliers and the Department of Transport are devising contingency plans to mitigate against these war related risks.

Acknowledgements
I would like to sincerely thank all our employees for their hard work and dedication during the year. The changes implemented by all to ensure the health and safety of colleagues and their families during the Covid-19 pandemic was and is commendable. The team spirit and collective will to get the job done was inspiring and is strongly appreciated.

I wish to thank the Chairperson 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 for their assistance and support during the year. Specifically, I would like to acknowledge their ongoing support concerning EU Ten-t policy and their support on the progression of the Limerick to Foynes Road Scheme.

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
25 March 2022

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

Opinion

We have audited the financial statements of Shannon Foynes Port Company (the "Company") and its subsidiaries (the "Group"), which comprise the Consolidated Profit and Loss Account, the Consolidated Statement of Comprehensive Income, the Consolidated and Company Balance sheets, the Consolidated and Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows and the Consolidated analysis of Debt, for the financial year ended 31 December 2021, and the related notes to the financial statements, including a summary of significant accounting policies.

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

In our opinion, Shannon Foynes Port Company's financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the assets, liabilities and financial position of the group and the Company as at 31 December 2021 and of the group financial performance and cash flows for the financial year then ended; and

- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHANNON FOYNES PORT COMPANY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

Other information

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

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

We have nothing to report in this regard.

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

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

Matters on which we are required to report by exception

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

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

Matters on which we are required to report under the code of practice for the governance of state bodies

We review whether the statement on internal control required by the code of Practice for the Governance of State Bodies reflects the Company's compliance with Appendix D of the code and is consistent with the information of which we are aware from our audit work on the financial statements. We have no exceptions to report arising from this requirement.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

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

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

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

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

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

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

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

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

Where the auditor is reporting on the audit of a group, the auditor's responsibilities re to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. The auditor is responsible for the direction, supervision and performance of the audit, and the auditor remains solely responsible for the auditor's opinion.

The purpose of our audit work and to whom we owe our responsibilities
This report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose.
To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Denise O'Connell FCA
For and on behalf of
GRANT THORNTON
Chartered Accountants
Statutory Audit Firm
Limerick

25 March 2022

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

ACCOUNTING POLICIES

1. General information

These financial statements comprising the Consolidated Profit and Loss Account, the Consolidated Statement of Comprehensive Income, the Consolidated and Company Balance Sheets, the Consolidated and Company Statement of Changes in Equity, the Consolidated Cashflow Statement, the Consolidated Analysis of debt and related notes constitute the financial statements of Shannon Foynes Port Company and its Subsidiary Undertakings for the financial year ended 31 December 2021.

Shannon Foynes Port Company is a designated activity company, incorporated in the Republic of Ireland. By virtue of Section 1446 Companies Act 2014 the company is not required to include the word "DAC" in its name. The registered office and principal place of business of the company is Mill House, Foynes, Co. Limerick.

The nature of the company's operations and its principal activities are set out in the Governance Statement and Directors' Report on pages 3 to 9.

2. Accounting Policies

2.1. 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 Irish Statue comprising of 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 Group's accounting policies (see note 1).

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 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 €4,985,185 (2020: €3,165,728).

FRS 102 allows certain disclosure exemptions and the company has taken advantage of the following exemptions for the company financial statements:

- From preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statements, includes the company's cash flows;
- From disclosing the company key management personnel compensation, as required by FRS 102 paragraph 33.7, as the information is included within the consolidated financial statement disclosures.

The financial statements are presented in Euro (€).

The following principal accounting policies have been applied:

2.2. Basis of Consolidation

The group financial statements consolidate the financial statements of the company and own its subsidiary undertaking as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

ACCOUNTING POLICIES (CONTINUED)

2.3. Statement of compliance

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102).

2.4. Going concern

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

2.5. 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:

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 Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably, and;
- the costs incurred and the costs to complete the contract can be measured reliably.

2.6. 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 term applied are as follows:

	Years
Straight Line Basis	
Docks, Quays and Works	7-50
Buildings	2-50
Plant & Machinery	4-20
Fixture & Fittings and Office Equipment	3-5
Motor Vehicles	5
River Lights	10
Leased Plant & Equipment	4-7
Leasehold Improvements	10

Land is not depreciated.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

ACCOUNTING POLICIES (CONTINUED)

Tangible Fixed Assets (Continued)
Construction in progress 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 reporting 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 Profit and Loss Account.

2.7. 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.

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.

2.8. Intangible fixed assets

Goodwill
Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Consolidated Profit and Loss Account over its useful economic life.

Other intangible assets
Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Development costs are recognised as an intangible asset when all of the following criteria are demonstrated:

- The technical feasibility of completing the development so that it will be available for use or sale.
- The intention to complete the development work and use or sell it.
- The ability to use the development work or sell it.
- How the development work will generate probable future economic benefits.
- The availability of adequate technical, financial and other resources to complete the work and use or sell it.
- The ability to measure reliably the expenditure attributable to the development work.

Amortisation is charged so as to allocate the cost of intangibles less their residual values over their estimated useful lives, using the straight line method. Development costs are amortised over 10 years.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

ACCOUNTING POLICIES (CONTINUED)

Intangible fixed assets (Continued)

If there is an indication that there has been a significant change in amortisation rate of residual value of an asset, the amortisation of that asset is revised prospectively to reflect the new expectations.
If the net fair value of the identifiable assets and liabilities acquired exceeds the cost of a business combination, the excess up to the fair value of non-monetary assets.

2.9. Debtors

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

2.10. Creditors

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

2.11. 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 Consolidated 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 Group's cash management.

2.12. 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.

2.13. 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.

2.14. Interest Income

Interest income is recognised in the Profit and loss account in the year in which it is earned.

2.15. Borrowing Costs

All borrowing costs are recognised in the Profit and loss account in the year in which they are incurred.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

ACCOUNTING POLICIES (CONTINUED)

2.16. Finance Costs

Finance costs are charged to the Profit and loss account over the term of the debt so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.17. Research and Development

All expenditure on research and development is written off as incurred.

2.18. 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.

2.19. 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 and the Group operate and generate 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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.

2.20. 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.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

ACCOUNTING POLICIES (CONTINUED)

2.21. Financial instruments

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

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

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

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

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.22. Dividends

Equity dividends are recognised when they become legally payable.

2.23. 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
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

ACCOUNTING POLICIES (CONTINUED)

2.24. Provisions for liabilities

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

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

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

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

CONSOLIDATED PROFIT & LOSS ACCOUNT

	Note	2021 €	2020 €
Turnover	2(a)	16,010,232	12,932,427
Operational costs	2(b)	(6,829,039)	(6,804,149)
Gross profit		**9,181,193**	**6,128,278**
Administration expenses	2(b)	(3,561,544)	(2,633,759)
Amortisation of intangible assets	13(a)	(149,780)	(149,780)
Operating profit		**5,469,869**	**3,344,739**
Interest payable and similar charges	4	(150,756)	(174,440)
Other financing cost	19(b)	(56,000)	(82,000)
Profit on sale of fixed assets	10	-	2,146
Profit on ordinary activities before taxation	6	**5,263,113**	**3,090,445**
Taxation on profit on ordinary activities	7	(691,552)	(476,671)
Profit attributable to the shareholder		**4,571,561**	**2,613,774**

The notes on pages 48 – 65 form part of these audited financial statements.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	2021 €	2020 €
Profit for the year		4,571,561	2,613,774
Actuarial return less expected return on Pension scheme assets	19(b)	2,062,000	726,000
Experience (loss) rising on the pension scheme's liabilities	19(b)	(397,000)	(119,000)
Changes in actuarial assumptions	19(b)	1,158,000	(708,000)
Deferred tax related to actuarial loss		(352,875)	12,625
TOTAL RECOGNISED GAINS		**7,041,686**	**2,525,399**

The notes on pages 48 – 65 form part of these audited financial statements.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

CONSOLIDATED BALANCE SHEET

	Note	2021 €	2020 €
Fixed assets			
Tangible assets	11(a)	55,630,360	56,615,988
Financial assets	12	2,539	2,539
Intangible assets	13(a)	1,035,982	1,185,762
		56,668,881	57,804,289
Current assets			
Debtors	14	5,922,010	4,523,518
Cash and bank balances	15	11,252,765	8,271,942
		17,174,775	12,795,460
Creditors (Amounts falling due within one year)	16	(6,409,110)	(2,751,546)
Net current assets		**10,765,665**	**10,043,914**
Total assets less current liabilities		**67,434,546**	**67,848,203**
Creditors (Amounts falling due after more than one year)	17	(394,180)	(5,637,241)
Provision for liabilities and charges			
Pension obligations	19 (b)	(3,773,875)	(7,056,000)
Other provisions	21	(2,892,520)	(2,440,395)
Deferred income	20	(6,678,979)	(5,792,261)
Net assets		**53,694,992**	**46,922,306**
Capital and reserves			
Called up share capital	24	22,187,375	22,187,375
Capital injection	25	4,916,921	4,916,921
Profit carried forward		26,590,696	19,818,010
Equity shareholders funds		**53,694,992**	**46,922,306**

The financial statements were approved by the Board of Directors on 25 March 2022 and signed on its behalf by;

Pat Keating
Director

David McGarry
Director

The notes on pages 48 – 65 form part of these audited financial statements.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

COMPANY BALANCE SHEET

	Note	2021 €	2020 €
Fixed assets			
Tangible assets	11(b)	55,581,390	56,556,227
Financial assets	12	1,070,142	1,070,142
Intangible assets	13(b)	1,035,982	1,185,762
		57,687,514	58,812,131
Current assets			
Debtors	14	5,500,747	4,060,881
Cash and bank balances	15	9,078,406	6,491,318
		14,579,153	10,552,199
Creditors (Amounts falling due within one year)	16	(6,367,663)	(2,810,011)
Net current assets		**8,211,490**	**7,742,188**
Total assets less current liabilities		**65,899,004**	**66,554,319**
Creditors (Amounts falling due after more than one year)	17	(394,180)	(5,637,241)
Provision for liabilities and charges			
Pension obligations	19(b)	(3,773,875)	(7,056,000)
Other provisions	21	(2,889,286)	(2,435,889)
Deferred income	20	(6,678,979)	(5,792,261)
Net assets		**52,162,684**	**45,632,928**
Capital and reserves			
Called up share capital	24	22,187,375	22,187,375
Capital injection	25	5,457,046	5,457,046
Profit carried forward		24,518,263	17,988,507
Equity shareholders funds		**52,162,684**	**45,632,928**

The financial statements were approved by the Board of Directors on 25 March 2022 and signed on its behalf by;

Pat Keating
Director

David McGarry
Director

The notes on pages 48 – 65 form part of these audited financial statements.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Capital injection €	Called up share capital €	Profit and loss account €	Equity attributable to owners of parent company	Total equity €
At 1 January 2020	4,916,921	22,187,375	17,292,611	44,396,907	44,396,907
Profit for the year	-	-	2,613,774	2,613,774	2,613,774
Other recognised losses	-	-	(101,000)	(101,000)	(101,000)
Deferred tax related to actuarial loss	-	-	12,625	12,625	12,625
At 31 December 2020	4,916,921	22,187,375	19,818,010	46,922,306	46,922,306
Profit for the year	-	-	4,571,561	4,571,561	4,571,561
Dividends paid	-	-	(269,000)	(269,000)	(269,000)
Other recognised gains			2,823,000	2,823,000	2,823,000
Deferred tax related to actuarial gain	-	-	(352,875)	(352,875)	(352,875)
At 31 December 2021	**4,916,921**	**22,187,375**	**26,590,696**	**53,694,992**	**53,694,992**

The notes on pages 48 – 65 form part of these audited financial statements.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

COMPANY STATEMENT OF CHANGES IN EQUITY

	Capital injection €	Called up share capital €	Profit and loss account €	Total equity €
At 1 January 2020	5,457,046	22,187,375	15,361,711	43,006,132
Profit for the year	-	-	2,715,171	2,715,171
Other recognised losses	-	-	(101,000)	(101,000)
Deferred tax related to actuarial loss	-	-	12,625	12,625
At 31 December 2020	5,457,046	22,187,375	17,988,507	45,632,928
Profit for the year	-	-	4,328,631	4,328,631
Dividends: Equity capital			(269,000)	(269,000)
Other recognised gains	-	-	2,823,000	2,823,000
Deferred tax related to actuarial gain	-	-	(352,875)	(352,875)
At 31 December 2021	**5,457,046**	**22,187,375**	**24,518,263**	**52,162,684**

The notes on pages 48 – 65 form part of these audited financial statements.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

CONSOLIDATED CASHFLOW STATEMENT

	2021	2020
Cash flows from operating activities	**€**	**€**
Profit for the financial year	4,571,561	2,613,774
Adjustments for:		
Depreciation	2,375,012	2,448,075
Taxation	691,552	476,671
Interest paid	150,756	174,440
Financing cost	56,000	82,000
Profit on sale of fixed assets	-	(2,146)
Amortisation of intangible fixed assets	149,780	149,780
Grant Amortisation	(393,758)	(393,758)
Decrease/(Increase) in debtors	(1,381,599)	1,103,462
(Decrease)/ Increase in creditors	405,734	(25,633)
(Decrease) in provision for liabilities and charges	(868,000)	(737,375)
Net cash generated from operating activities	5,757,038	**5,889,290**
Corporation tax	(571,468)	(396,478)
	5,185,570	**5,492,812**
Cash flows from investing activities		
Payments to acquire tangible fixed assets	(1,410,273)	(1,643,853)
Sale of tangible fixed assets	-	7,480
Grant received	1,280,476	379,272
Dividend paid	(269,000)	-
	(398,797)	**(1,257,101)**
Cash flows financing activities		
Medium and long term loans	(1,653,833)	(1,643,942)
Interest paid	(152,117)	(176,531)
	(1,805,950)	**(1,820,473)**
Net increase in cash and cash equivalents	2,980,823	2,415,238
Cash and cash equivalents at beginning of year	8,271,942	5,856,704
Cash and cash equivalents at the end of year	**11,252,765**	**8,271,942**
Cash at bank and in hand	**11,252,765**	**8,271,942**

The notes on pages 48 – 65 form part of these audited financial statements.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

CONSOLIDATED ANALYSIS OF DEBT

	At 1 January 2021 €	Cash flow €	At 31 December 2021 €
Cash at bank and in hand	8,271,942	2,980,823	11,252,765
Debt due within 1 year	(1,653,547)	(3,589,228)	(5,242,775)
Debt due after 1 year	(5,637,241)	5,243,061	(394,180)
	981,154	**4,634,656**	**5,615,810**

The notes on pages 48 – 65 form part of these audited financial statements.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

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. Despite the ongoing Covid-19 international crisis and noting that the company is a designated essential service provider, 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 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 at the financial year end was €55,630,360 (2020: €56,615,988).

Impairment of Trade Debtors' considerations

An allowance is made for specific balances and groups of accounts where objective evidence of impairment exists. The Company evaluates these accounts based on available facts and circumstances affecting the collectability of the accounts, including, but not limited to, the length of the Company's relationship with its contracting parties, contracting parties' current credit status, average age of accounts, settlement experience and historical loss experience. The total amount of impairment against trade debtors is €271,500 (2020: €nil).

Development Expenditure

The Company has incurred significant expenditure in respect of development works undertaken in the reinstatement of the freight rail line between Limerick and Foynes. Additional details are set out in note 13. These costs have been capitalised on the basis of the Company's strategy to reinstate the rail line, as supported by the Department of Transport, the National Development Plan and relevant European funding agencies. Article 41 of the guidelines for the development of the trans-European transport network notes that Core Ports of which Shannon Foynes is recognised shall be connected with the railway and road infrastructure of the trans-European transport network by 31 December 2030. While the Company is confident that the rail line will be reinstated through a potential joint venture arrangement, there is an element of uncertainty until a commercial agreement with an appropriate partner can be put in place. In the unlikely event that a joint venture partner cannot be identified or a suitable agreement entered into, then this expenditure could be subject to impairment.

Other liabilities, creditors, accruals and charges

The Company is party to an ongoing legal case with an employee, the outcome of which has not yet been determined at the date of signing the financial statements. Management are unable to reliably estimate the outcome of the case at this stage but they have included in accruals an amount in respect of same. The timing and amount of the outcome is uncertain and is contingent on future events. Consequently, it is impracticable at this time to estimate whether or not any adjustments may need to be made to the amount currently included in accruals.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 Analysis of Turnover and Operational Administration Expenses

(a) Turnover	2021 €	2020 €
Ship and Cargo Dues	9,438,771	6,745,262
Stevedoring	1,873,848	1,762,262
Other Operating Income	4,697,613	4,424,903
	16,010,232	**12,932,427**

All turnover arose in the Republic of Ireland.

(b) Operational and Administration Expenses	2021 €	2020 €
Operating and Maintenance	(4,605,215)	(4,615,014)
Dredging	(310,937)	(201,868)
Depreciation	(2,306,645)	(2,381,025)
Grant Amortisation	393,758	393,758
Total Operational Costs	**(6,829,039)**	**(6,804,149)**
Administration and Other	**(3,561,544)**	**(2,633,759)**

3 Employment Information

The Group Costs incurred in respect of Employees were:

Aggregate Employee Benefits	2021 €	2020 €
Staff short-term benefits	3,542,478	3,511,337
Post-employment benefits	533,939	516,840
Employer's contribution to social welfare	366,738	362,062
	4,443,155	**4,390,239**

Staff Short-Term Benefits	2021 €	2020 €
Salary	3,122,266	3,094,853
Overtime	118,182	144,769
Performance related payments	209,128	180,594
Allowance & non-monetary benefits	92,902	91,121
	3,542,478	**3,511,337**

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Employment Information (Continued)

Key management personnel in Shannon Foynes Port Company consists of the members of the Board, the Chief Executive Officer, and members of the Senior Management Team. The total value of employee benefits for key management personnel is set out below:

	2021	2020
	€	€
Salaries and Short Term employee benefits	599,550	583,680
Post-Employment Benefits	76,050	76,050
	675,600	**659,730**

The key management personnel excluding non-executive directors are members of the Company risk benefit scheme. Post-employment benefits above do not include the value of risk benefits of death in service, resultant depends pension and income continuance.

The total number of staff employed (WTE) at year end was 51 (2020: 52)

Capitalised employee costs during the financial year amounted to €Nil (2020: €Nil)

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

4 Interest Payable and Similar Charges

	2021	2020
On Bank Borrowings:	€	€
-interest payable on bank loans and overdrafts wholly repayable within 5 years	147,129	174,440
Negative interest charged on bank deposits	3,627	-
	150,756	**174,440**

5 Directors' Remuneration

Directors Fees

	2021	2020
	€	€
D McGarry- Chairperson	12,600	12,600
J Coleman	8,100	8,100
M. Finucane	-	2,114
C Henry	2,025	7,847
E Jennings	-	4,556
P Keating	8,100	8,100
D O'Hara	8,100	675
J. O'Keeffe	-	-
J Spring	8,100	8,100
T Treacy	8,100	8,100
	55,125	**60,192**

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5 **Directors' Remuneration (Continued)**

	2021 €	2020 €
Expenses paid to members of the Board		
Travel & Subsistence Expenses	**125**	**2,448**

	2021 €	2020 €
Chief Executive Remuneration for Management Services		
Salary	117,500	117,500
Employer's Pension Contribution and other emoluments	60,625	60,625
	178,125	**178,125**

Other than the amounts disclosed in the table above, any further required disclosures in Section 305 and 306 of the Companies Act 2014 are €nil for both the current financial year and the preceding financial year.

6 **Profit on Ordinary Activities Before Taxation**

	2021 €	2020 €
Depreciation	2,375,012	2,448,075
Auditor fees	18,000	18,000
Amortisation of Intangible Fixed Assets	149,780	149,780
Amortisation of Capital Grants	(393,758)	(393,758)

7 **Tax on Profit on Ordinary Activities**

	2021 €	2020 €
Current Tax:		
Irish Corporation Tax on Profit for the year	575,461	381,928
Deferred Tax:		
Origination and Reversal of Timing Difference	116,091	94,743
	691,552	**476,671**
Profit on Ordinary Activities before Tax	5,263,113	3,090,445

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7 Tax on Profit on Ordinary Activities (Continued)

The tax assessed for the financial year is higher than (2020 - higher than) the standard rate of corporation tax in Ireland of 12.5% (2020 - 12.5%). The differences are explained below:

	2021 €	2020 €
Profit on ordinary activities multiplied by the average rate of Irish corporation tax for the year of 12.5% (2020: 12.5%)	657,889	386,306
Effects of:		
Expense adjustments by the rate of tax	(291,467)	(117,877)
Excess capital allowances over depreciation by the rate of tax	(28,074)	(16,616)
Under provision in the prior year	9,375	85,870
Income by the higher rate of tax	227,738	44,245
Deferred tax movement	116,091	94,743
Current tax charge for the year	**691,552**	**476,671**

8 Dividends

	2021 €	2020 €
Paid during the year	269,000	-
Declared post year end	-	-

9 Profit attributable to Shannon Foynes Port Company

A profit before tax of €4,985,185 (2020: €3,165,728) attributable to the shareholders of Shannon Foynes Port Company 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.

10 Exceptional Items

	Group 2021 €	Company 2021 €	Group 2020 €	Company 2020 €
Profit on disposal of fixed assets	-	-	2,146	285,005
	-	**-**	**2,146**	**285,005**

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11(a) Tangible Fixed Assets – Group

	Construction in Progress	Docks, Quays & Works	River Lights	Plant & Machinery	Motor Vehicles	Fixtures, Fittings & Office Equipment	Land & Buildings	Total
	€	€	€	€	€	€	€	€
Cost								
At 1 January 2021	1,935,509	51,435,080	2,113,267	16,678,899	363,564	753,894	17,996,084	91,276,297
Additions	914,034	161,697	28,880	183,216		71,431	30,126	1,389,384
Disposals	-	-	-	-	-	(120,998)	-	(120,998)
At 31 December 2021	2,849,543	51,596,777	2,142,147	16,862,115	363,564	704,327	18,026,210	92,544,683
Depreciation								
At 1 January 2021	-	15,399,505	1,929,900	11,099,071	155,226	654,226	5,422,381	34,660,309
Charge for year	-	1,079,957	62,201	692,677	58,383	68,524	413,270	2,375,012
Disposals	-	-	-	-	-	(120,998)	-	(120,998)
At 31 December 2021	-	16,479,462	1,992,101	11,791,748	213,609	601,752	5,835,651	36,914,323
Net Book Value								
At 31 December 2021	**2,849,543**	**35,117,315**	**150,046**	**5,070,367**	**149,955**	**102,575**	**12,190,559**	**55,630,360**
At 31 December 2020	1,935,509	36,035,575	183,367	5,579,828	208,338	99,668	12,573,703	56,615,988

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11(b) Tangible Fixed Assets – Company

	Construction in Progress	Docks, Quays & Works	River Lights	Plant & Machinery	Motor Vehicles	Fixtures, Fittings & Office Equipment	Land & Buildings	Total
	€	€	€	€	€	€	€	€
Cost								
At 1 January 2021	1,935,509	51,435,080	2,113,267	16,285,477	363,564	698,773	17,982,090	90,813,760
Additions	914,034	161,697	28,880	183,216	-	71,431	30,126	1,389,384
Disposals	-	-	-	-	-	(120,998)	-	(120,998)
At 31 December 2021	2,849,543	51,596,777	2,142,147	16,468,693	363,564	649,206	18,012,216	92,082,146
Depreciation								
At 1 January 2021	-	15,399,505	1,929,900	10,764,075	155,226	600,408	5,408,419	34,257,533
Charge for year	-	1,079,957	62,201	682,045	58,383	68,369	413,266	2,364,221
Disposals	-	-	-	-	-	(120,998)	-	(120,998)
At 31 December 2021	-	16,479,462	1,992,101	11,446,120	213,609	547,779	5,821,685	36,500,756
Net Book Value								
At 31 December 2021	**2,849,543**	**35,117,315**	**150,046**	**5,022,573**	**149,955**	**101,427**	**12,190,531**	**55,581,390**
At 31 December 2020	1,935,509	36,035,575	183,367	5,521,402	208,338	98,365	12,573,671	56,556,227

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

12 Financial Fixed Assets

	Group 2021 €	Company 2021 €	Group 2020 €	Company 2020 €
Investment in subsidiary undertakings at cost	-	1,067,603	-	1,067,603
Other investment at cost	2,539	2,539	2,539	2,539
	2,539	**1,070,142**	**2,539**	**1,070,142**

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	Stevedoring	100%	13 Ordinary Shares of €1.269738	Mill House, Foynes, Co. Limerick.

Other Investments at Cost

	Group 2021 & 2020 €	Company 2021 & 2020 €
Prize Bonds	2,539	2,539

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

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13(a)	Intangible Fixed Assets – Group	Development €	Goodwill €	Total €
	Cost			
	At 1 January and 31 December 2021	1,497,804	586,789	2,084,593
	Amortisation			
	At 1 January 2021	312,042	586,789	898,831
	Charge for year	149,780	-	149,780
	At 31 December 2021	461,822	586,789	1,048,611
	Net Book Value			
	At 31 December 2021	**1,035,982**	**-**	**1,035,982**
	At 31 December 2020	1,185,762	-	1,185,762

13(b)	Intangible Fixed Assets – Company	Development €	Total €
	Cost		
	At 1 January and 31 December 2021	1,497,804	1,497,804
	Amortisation		
	At 1 January 2021	312,042	312,042
	Charge for year	149,780	149,780
	At 31 December 2021	461,822	461,822
	Net Book Value		
	At 31 December 2021	**1,035,982**	**1,035,982**
	At 31 December 2020	1,185,762	1,185,762

Development expenditure relates to detailed design survey and site investigation works and associated costs in respect of the reinstatement of the freight rail line between Limerick and Foynes.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

14	Debtors	Group 2021 €	Company 2021 €	Group 2020 €	Company 2020 €
	Trade Debtors	3,517,245	2,988,374	2,277,089	1,834,106
	Value Added Tax Receivable	48,908	36,647	74,652	58,996
	Other Debtors and Prepayments	2,355,857	2,355,857	2,167,781	2,167,779
	Corporation Tax	-	8,881	3,996	-
	Amounts owed by Subsidiary Companies	-	110,988	-	-
		5,922,010	**5,500,747**	**4,523,518**	**4,060,881**

An impairment loss of €271,500 (2020: €nil) was recognised against trade debtors.

15	Cash and cash equivalents	Group 2021 €	Company 2021 €	Group 2020 €	Company 2020 €
	Cash and bank balances	11,252,765	9,078,406	8,271,942	6,491,318
		11,252,765	**9,078,406**	**8,271,942**	**6,491,318**

16	Creditors	Group 2021 €	Company 2021 €	Group 2020 €	Company 2020 €
	Bank Loans **(Note 18)**	5,242,775	5,242,775	1,653,547	1,653,547
	Trade Creditors	164,071	159,331	58,230	43,556
	Amounts owed to group undertakings	-	-	-	106,985
	Corporation tax	-	-	-	3,053
	Other Taxes and PRSI	229,511	215,711	196,663	179,414
	Other Creditors and Accruals	772,753	749,846	843,106	823,456
		6,409,110	**6,367,663**	**2,751,546**	**2,810,011**

The company has various borrowing facilities with Allied Irish Bank and Bank of Ireland and its total bank borrowings at 31 December 2021 were €5,636,955 (2020: €7,290,788). The loans are subject to a range of fixed and variable interest rates based on EURIBOR and the applicable margin as negotiated with lenders. The loans have various maturity dates and are repayable in annual instalments, with the exception of one loan, with a balance at 31 December 2021 of €4,420,233 (2020: €4,865,305), which has a final lump sum payment on maturity.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

17	**Creditors (amounts falling due after more than one year)**	**Group 2021 €**	**Company 2021 €**	**Group 2020 €**	**Company 2020 €**
	Bank Borrowings **(Note 18)**	394,180	394,180	5,637,241	5,637,241
		394,180	**394,180**	**5,637,241**	**5,637,241**

18	**Bank Borrowings**	**Group 2021 €**	**Company 2021 €**	**Group 2020 €**	**Company 2020 €**
	Analysis of bank borrowings payable:				
	- within one year	5,242,775	5,242,775	1,653,547	1,653,547
	- between one and two years	394,180	394,180	5,235,531	5,235,531
	- between two and five years	-	-	401,710	401,710
		5,636,955	**5,636,955**	**7,290,788**	**7,290,788**

19 Retirement Benefits

(a) The group operates three defined benefit schemes which are funded through separate trustee administered funds. There were deficits totalling €4,313,000 (before associated deferred tax asset) on these schemes at 31 December 2021.

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 €53,694,992 and the group profit for the year carried forward in the amount of €4,571,561.

The most recent valuations were at 31 December 2021 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.

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19 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 2021 for disclosure purposes by a qualified independent actuary. The main financial assumptions used in the valuations were:

	2021	2020	2019	2018
Rate of increase in salaries	2.5%	2.0%	2.0%	2.0%
Rates of increase in pension payments	0.0%/3%	0.0%/3.0%	0.0%/3.0%	0.0%/3.0%
Discount rate	1.2%	0.75%	1.0%	1.7%
Inflation assumption	2.3%	1.1%	1.1%	1.5%

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

	Market Value 31 December 2021 €'000	Market Value 31 December 2020 €'000	Market Value 31 December 2019 €'000	Market Value 31 December 2018 €'000
Equities	10,778	8,268	7,734	5,926
Fixed interest	5,383	5,665	5,298	4,837
Cash	1,069	905	939	825
	17,230	**14,838**	**13,971**	**11,588**

The following amounts at 31 December 2021 were measured in accordance with the requirements of FRS 102:

	2021 €'000	2020 €'000	2019 €'000	2018 €'000
Total market value of assets	17,230	14,838	13,971	11,588
Present value of the (liabilities) of the schemes	(21,543)	(22,902)	(22,683)	(20,599)
(Deficit) in the schemes	(4,313)	(8,064)	(8,712)	(9,011)
Related deferred tax asset	539	1,008	1,089	1,126
Net Pension (Liability)	**(3,774)**	**(7,056)**	**(7,623)**	**(7,885)**

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19 Retirement Benefits (continued)

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

The following amounts would have been recognised in the performance statements for the years ended 31 December 2021 and 31 December 2020 under the requirements of FRS 102.

	2021 €'000	2020 €'000
Operating Profit		
Current Service Cost	**222**	**207**
	222	**207**

	2021 €'000	2020 €'000
Interest income on schemes' assets	112	140
Interest on pension schemes' liabilities	(168)	(222)
Net interest expense	**(56)**	**(82)**

Other comprehensive income	2021 €'000	2020 €'000
Actual return less expected return on pension schemes' assets	2,062	726
Experience (loss) arising on the schemes' liabilities	(397)	(119)
Changes in assumptions underlying the present value of the schemes' liabilities	1,158	(708)
Actuarial gain/(loss) recognised in the statement of total recognised gains and losses	**2,823**	**(101)**

	2021 €'000	2020 €'000
Movement in (deficit) during the year:		
(Deficit) in schemes at 31 December		
Movement in year	(8,064)	(8,712)
Net current service cost	(222)	(207)
Contributions paid	1,206	1,038
Other finance cost	(56)	(82)
Actuarial loss	2,823	(101)
(Deficit) in schemes at 31 December	**(4,313)**	**(8,064)**

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19 Retirement Benefits (continued)

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

Experience gains and losses for the year ended 31 December	**2021 €'000**	**2020 €'000**
Difference between the expected and actual return on schemes' assets	2,062	726
Percentage of schemes' assets	11.97%	4.89%
Experience losses on schemes' liabilities	(397)	(119)
Percentage of schemes' liabilities	(1.84%)	(0.52%)
Change in Assumptions	1,158	(708)
Percentage of schemes' assets	6.72%	(4.77%)
Total recognised in other comprehensive income	2,823	(101)
Percentage of the present value of the schemes' liabilities	13.1%	(0.44%)

20 Deferred Income – Group and Company

	2021 €	**2020 €**
Capital Grants		
At 1 January	5,792,261	5,806,747
Received during the year	1,280,476	379,272
Amortised during the year	(393,758)	(393,758)
At 31 December	**6,678,979**	**5,792,261**

SHANNON FOYNES PORT COMPANY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

21 Other provisions for liabilities

	Group 2021 €	Group 2021 €	Group 2021 €	Company 2021 €	Company 2021 €	Company 2021 €
	Legal	Deferred Tax (Note 22)	Leave Pay	Legal	Deferred Tax (Note 22)	Leave Pay
At 1 January 2021	333,852	2,057,515	49,028	333,852	2,057,515	44,522
Additions	383,780	-	46,556	383,780	-	43,322
Utilised	(45,274)	-	(49,028)	(45,274)	-	(44,522)
Origination and reversal of timing differences	-	116,091	-	-	116,091	-
At 31 December 2021	**672,358**	**2,173,606**	**46,556**	**672,358**	**2,173,606**	**43,322**

The leave pay provision represents holiday balances accrued as a result of services rendered in the current period and which employees are entitled to carry forward. The provision is measured as the salary cost payable for the period of absence.

The Company is party to an ongoing legal case with an employee, the outcome of which has not yet been determined at the date of signing the financial statements.

22 Deferred Tax - Group and Company

The movement in the deferred tax provided for at 12.5% (2020: 12.5%) during the year was:

	2021 €	2020 €
At the beginning of the year	2,057,515	1,962,772
Charge for the year	116,091	94,743
	2,173,606	**2,057,515**

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

	2021 €	2020 €
Excess of taxation allowances over depreciation on fixed assets	**2,173,606**	**2,057,515**

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

23	Financial instruments	Group 2021 €	Company 2021 €	Group 2020 €	Company 2020 €
	Financial assets				
	Cash	11,252,765	9,078,406	8,271,942	6,491,318
	Financial assets measured at amortised cost	3,519,784	4,169,504	2,279,628	2,904,248
	Financial liabilities				
	Financial liabilities measured at amortised cost	6,573,779	6,546,132	8,192,124	8,264,785

Financial assets measured at amortised cost comprise of financial fixed assets, trade debtors and amounts owed by subsidiary companies.

Financial liabilities measured at amortised cost comprise of bank loans, trade creditors, other creditors and accruals and amounts owed to subsidiary companies.

24	Share Capital – Company	2021	2020
	Authorised	€	€
	31,500,000 Ordinary Shares of €1.25 each	39,375,000	39,375,000
	Allotted, Called Up and Fully Paid		
	17,749,900 Ordinary Shares of €1.25 each	**22,187,375**	**22,187,375**

25	Capital Injection	Group 2021 €	Company 2021 €	Group 2020 €	Company 2020 €
	At 1 January	4,916,921	5,457,046	4,916,921	5,457,046
	At 31 December	**4,916,921**	**5,457,046**	**4,916,921**	**5,457,046**

The shareholder subscribed €3,809,214 in cash for Ordinary Shares of €1.25 each during the year ended 31 December 2001. 3,047,371 Ordinary Shares of €1.25 each were allotted in respect of this sum during year ending 31 December 2002.

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)

26 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.

27 Financial Commitments

	Group 2021 €	Company 2021 €	Group 2020 €	Company 2020 €
Financial Capital Commitments				
- commitments approved but not contracted for	25,027,038	25,027,038	8,935,303	8,935,303
- committed	2,836,811	2,836,811	3,000,921	3,000,921
	27,863,849	**27,863,849**	**11,936,224**	**11,936,224**

28 Ultimate controlling party

The ultimate controlling party of the company is the Minister of Transport.

29 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 2021 (2020: €nil).

The company has availed of the exemption under FRS 102, Section 33 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
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

30 Capital Commitments

The company has entered into a compulsory purchase order for the acquisition of lands at Durnish, Foynes, Co. Limerick. The compensation value has not been determined at the date of signing of the financial statements.

31 Contingent Liabilities

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 2011.

The company is party to an ongoing arbitration case, the outcome of which has not yet been determined at the date of signing the financial statements. Management are unable to reliably estimate the outcome of the arbitration at this stage.

32 Post Balance Sheet Events

The Directors and the Group's Management team are closely monitoring developments arising from the escalating conflict in Ukraine and assessing the potential impact that they may have on the Group's and Company's activities, operations and financial position. The Directors note that this is a dynamic situation and at present there is a high degree of uncertainty in relation to the wider economic short-to-medium term impact, however, they are satisfied that the Company and the Group is in a strong financial position to withstand potential future challenges in this context.

33 Section 357 of the Companies Act 2014 – Guarantee

Pursuant to the provisions of section 357 of the Companies Act 2014, the company has guaranteed the liabilities of its subsidiary companies (as defined in paragraph 14 of Schedule 3 of the Act) in respect of the financial year end 31 December 2021 and consequently, those subsidiaries have been exempted from the provisions of section 347 of that Act.

34 Comparative information

Comparative information has been reclassified where necessary to conform to current year presentation.

35 Approval of Financial Statements

The financial statements were approved by the Board of Directors on 25 March 2022.

SHANNON FOYNES PORT

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