



**WARRENPOINT
PORT**





Images courtesy of Johan Temmink and Mourne Images

Members

S McIlvenny OBE (Chairman)

P Conway (Chief Executive)

K Grant (Finance Director)

G Donaghy

Cllr. S Doran (appointed 8th June 2015)

Cllr. G Fitzpatrick (appointed 8th June 2015)

T Haslett CBE (appointed 1st April 2015)

R McCann

Cllr. H McKee

A Stephens

P Fitzsimmons (term complete 30th September 2015)

Cllr. M Carr (before 31st March 2015)

Cllr. M Murphy (term complete 31st March 2015)

B Reid (term complete 31st March 2015)

SENIOR MANAGEMENT

Chief Executive: P Conway

Finance Director: K Grant, FCMA

Harbour Master: Capt. H Forrester

Operations Director: C Cunningham CEng

PROFESSIONAL ADVISERS

Bankers: Ulster Bank Limited

Auditors: Deloitte (NI) Ltd

Solicitors: Mills Selig



Warrenpoint Harbour Authority current board members

Chairman's Statement

Having been appointed Chairman in October 2015

I am delighted to present the Annual Report and Accounts for the full year on behalf of the directors and recently retired Chairman Peter Fitzsimmons. His term of office saw a continuing transformation to a more focused and commercially driven business and it is appropriate that I pay tribute to the excellent contribution made by Peter to the success of Warrenpoint Harbour Authority.

2015 was another year in which the Port delivered significant value to its stakeholders. Cargo volumes increased over the previous year to a record level. Profitability declined moderately because of increased expenditure, principally due to dredging requirements.

The Port continues to invest to increase the scale of the business by providing infrastructure to meet not only current demands but an expected increase in demand in future years. The management team continue to seek out new business opportunities to diversify business trades and good examples of this are the cement export facility and biomass.

In an effort to predict future demand, the Directors are undertaking a master planning exercise which will determine the strategic direction of the business over the next thirty years and highlight investment requirements, in order that the Port can continue to play its very important role in the regional economy. The Port is committed to re-investing all profits for the benefit of

customers and the wider stakeholder community and this is reflected in the more than doubling of Net Fixed Asset Value over the previous ten years.

From the Port's perspective the Southern Relief Road is a business imperative for the region in general and the Port in particular, and we look forward to engaging with like-minded stakeholders in an effort to advance its construction.

There are considerable competitive challenges ahead and the board, executive management team and stakeholders including our employees are alert to these. Not least of which is the forthcoming referendum on continuing membership of the European Union and the considerable uncertainty which may flow from a vote to leave.

The Department for Regional Development (DRD) has commenced a review of Port Policy and this is welcome. What may not be so welcome is the current discussion regarding Whole of Government Accounting (WGA) which may not be in the interests of Northern Ireland ports and we are engaged with our colleagues in the other NI ports to agree a co-ordinated response to the DRD.

Three members retired from the Board during the year; Brian Reid, Councillors Michael Carr and Mick Murphy and I would take this opportunity to thank them for their significant contribution to the success of the business. Trevor Haslett CBE joined the Board in April 2015 and brings considerable management experience. Similarly, Councillors Gillian Fitzpatrick and

3.1%

**INCREASE IN
TONNES HANDLED**

£5.3m

TURNOVER DURING YEAR

Sean Doran were appointed in June 2015 and bring to proceedings the broader aspect of stakeholder representation and I look forward to working with them all.

The continuing success of the business requires focus and effort from everyone; directors, employees and the wider stakeholder community. I am convinced that your drive and commitment will continue to propel the Port to further success.



Stan McIlvenny OBE

Chairman



Strategic Report

Strategic Report

As a trust port, Warrenpoint Harbour Authority is not bound by The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013. However, consistent with corporate entities of a similar size to the Harbour, the Members have adopted the main provisions of the Act and therefore present a Strategic Report.

This report, to be read in conjunction with the full annual report contains information which the Members consider to be of strategic importance to the Harbour.

Strategy update and business model

Warrenpoint is one of Northern Ireland's main commercial ports serving a hinterland which includes the southern part of Northern Ireland and the northern part of the Republic of Ireland. In general cargo terms Warrenpoint is the second port in Northern Ireland and the fifth on the island of Ireland.

Warrenpoint's geographic position constitutes a major strategic advantage located half way on the main transport network of the Belfast to Dublin economic corridor,

Mission statement

Located at the centre of Ireland's economic corridor Warrenpoint Port aims to be the preferred location for import and export of goods and thus continue to be a major economic driver for its hinterland.

Corporate objectives

The principal corporate objectives are:-

Operate profitability	The port will strive to operate profitably in order to build reserves and sustain future investments. These investments require a commercial rate of return, thus improving the port for the benefit of all stakeholders
Health, Safety & Environment	Operate in a manner where health, safety and environmental awareness are at the highest standards
Regional economic driver and good corporate citizen	Utilise all port assets for the enhancement of stakeholder value for the port and its hinterland. The port will continue to build relationships with all its stakeholders (commercial, local, educational, social)
Corporate Governance	Ensure openness and transparency to its stakeholders and that highest Corporate Governance standards are met as consistent with Trust Port requirements
Invest in our People	Maintain the ports position as a good and fair employer which invests in its people to deliver the quality and efficiency of service required by stakeholders.



Strategic Report

Current and Future Developments

In December 2015 the board agreed to the construction of new cement silos. This project will cost in excess of £2 million and will be complete in late 2016.

The Senior Management Team continues to examine various options available in relation to the dredging of the berths and turning circle. A water injection trial dredging campaign has been undertaken for the Town Dock and Return Berth and a full maintenance dredge campaign is expected to commence in early 2017.

The Authority will continue to lobby political representatives on the necessity of a link road taking traffic to/from the port onto the main M1/A1 roads whilst avoiding the city of Newry. This project (Newry Southern Relief Road) now forms part of the plans for the upgrading of Northern Ireland Infrastructure and Warrenpoint Harbour Authority will continue to work with the Department for Regional Development (DRD) and the EU to lobby for support funding to connect the Port to the core road network linking Belfast and Dublin.

The ports main areas of generating income are as follows:

- Charges for provision of port facilities to commercial, fishing and recreational vessels.
- Charges for handling of goods being transported through the port.
- Charges for storage of goods on port.
- Rental income from provision of offices and other accommodation to port customers.

The members believe that the most effective model for a port of this size is to use the Authority's own staff and equipment to carry out the stevedoring and secondary handling of general cargoes and containerised traffic.

Business Environment

The port operates within an extremely competitive business environment on the east coast of the island of Ireland. Belfast, Larne and Londonderry all provide competition in the North. In the south Greenore, Drogheda and Dublin are the Port's main competitors.

Warrenpoint's location is key to its success, sitting half way between Belfast and Dublin. Its economic hinterland also stretches westward to Armagh, Tyrone, Fermanagh, Monaghan, Cavan and beyond.

The Port seeks to provide a high quality, efficient and economic service including quick turnaround times with access to Port facilities 24 hours per days, 365 days per year.

Risks and uncertainties

In tandem with all businesses, ports face many challenges, risks and uncertainties. Warrenpoint Port has identified these along with mitigating actions which are detailed below:

Trading:

Ports by their nature rely on a small number of major customers and a loss of business from one of these is always a risk. Warrenpoint Port continues to ensure that it provides an attractive offering to existing and new customers in terms of both service and value. This results from continuous benchmarking against competitor ports on the east coast of Ireland.



Infrastructure:

Access is critical to the success of a Port's business and Warrenpoint has identified that the traffic congestion in Newry is a risk to the long term future of business development at the Port. The Harbour Authority continues to lobby for the construction of the Newry Southern Relief Road.

Dredging:

Like Ports throughout the UK and Ireland Warrenpoint is required to maintain the berths turning circle and channel and dredging costs are always an important factor. The Port continues to work closely with the Department for the Environment to ensure an economic solution to the high costs of spoil disposal.

Economy:

The Harbour Authority must be adaptable to changes in National and International trading conditions. The consequences of the UK referendum on EU membership will have a major impact on the ports trade which relies so much (approximately 40%) on cross border business. The port's shipping business is also dominated by trade to and from member states of the European Union.

Health, Safety and Environment - Major Incident:

All ports must be prepared to handle major land or marine incidents and Warrenpoint Harbour Authority has several Emergency Planning programmes covering many diverse scenarios. Emergency drills and practices are conducted each year as part of this training programme.





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CAUTION
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Regulatory

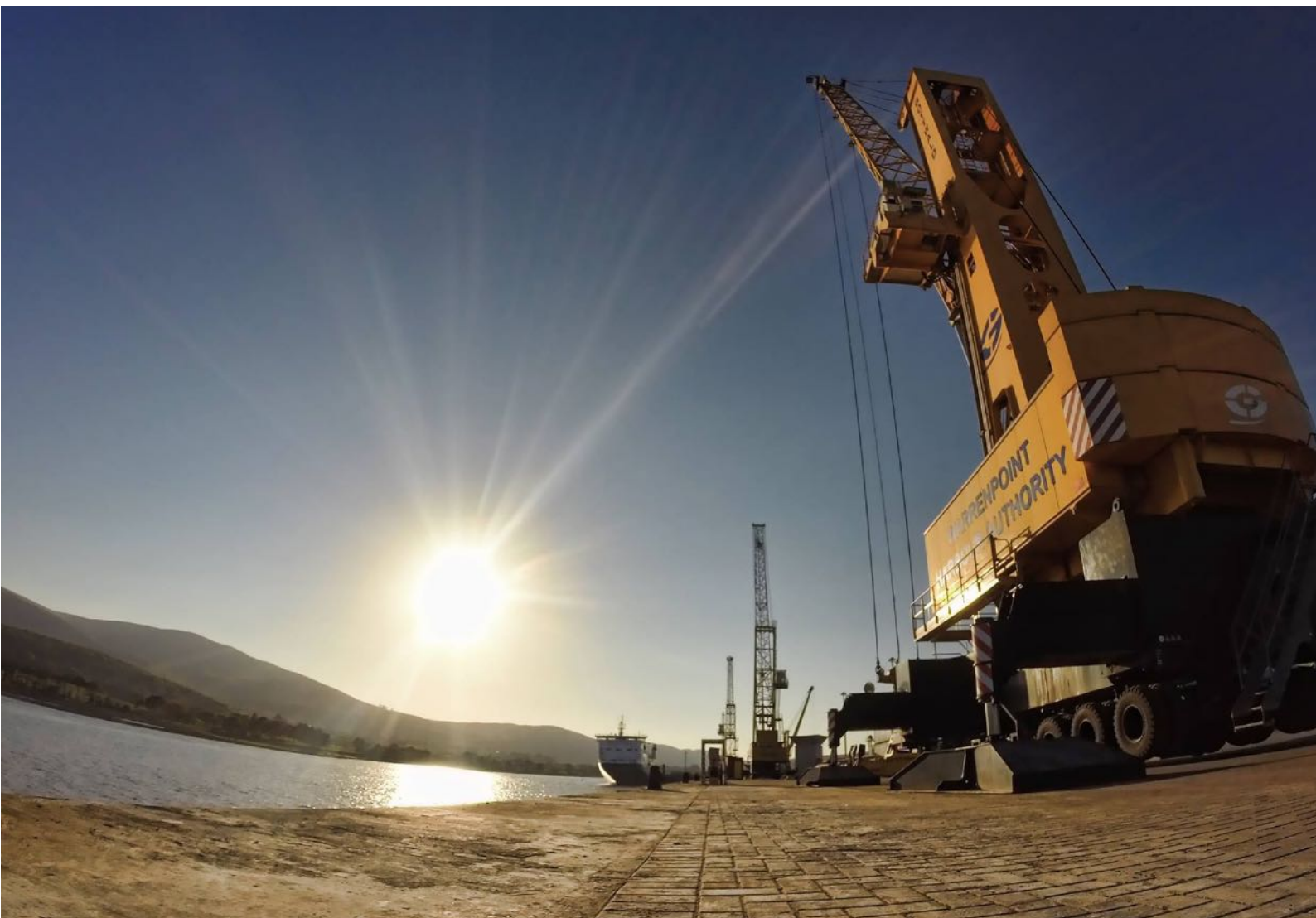
Warrenpoint Port is a Trust Port and like other Trust Ports across the UK is not owned by Government but operates autonomously and with a degree of Public Accountability and a strong Public Interest ethos. The Port is required to operate in a commercial manner and is an independent statutory body governed by its own legislation.

The main governing legislation under which Warrenpoint Port operates is the Harbours Act (Northern Ireland) 1970, the Warrenpoint Harbour Authority Order 1971, the Harbours (Northern Ireland) Order 2002 and the Warrenpoint Harbour Authority Order (Northern Ireland) 2002. Under this legislation it is the duty of the designated Harbour Authority to take account of the Code of Practice as issued by the Department for Regional Development. The current Code of Practice was issued in November 2003 and updated in May 2008.

Approved by the Members on 24th May 2016 and signed on behalf of the Members



Peter Conway
Chief Executive



Chief Executive's Report

Principal Activities

The Principal activities of the Authority are the provision of port facilities and stevedoring services.

Review of the Business

The Authority is pleased to report a profit on ordinary activities before tax of £769K (2014 - £784K).

During the year the Authority achieved a turnover of £5.34M (2014 - £5.05M) on a cargo throughput of 3.24M tonnes (2014 – 3.14M tonnes).

For the fourth year in succession Warrenpoint Port has recorded record breaking tonnages. Ports are generally seen as a barometer of economic activity and the improvement in volume is reflected by the improved economic outlook in Northern Ireland and the Republic of Ireland. The improvement in business activities has sustained the recent increase in employee numbers at the Harbour which when taken with agents, hauliers and start-up businesses is responsible for over 200 working in the Harbour on a daily basis.

Trade

Warrenpoint Harbour Authority's revenues are driven by tonnage throughput. Trading conditions have been difficult over the last number of years. However 2015 saw the highest tonnage throughput in the Port's history with a 3% increase to 3.24M tonnes being handled. This increase in volumes has been sustained through the first quarter of 2016.

The growth in trade is due to the increase in some of the long-term commodities handled and the establishment of new commodity lines. Summary details of trading activity by main cargo groups are detailed below:

Roll on – Roll off

Seatruck, which is the Port's largest customer continues to develop its routes and has experienced an increase of units handled to 93,000 per annum. Seatruck's economic model based on a driver unaccompanied operation is gaining ever more favour with hauliers and distribution companies. Seatruck has also seen an increase in trade car imports and continues to handle a wider range of agricultural and manufacturing products, both import and export.

Containers

2015 saw the highest number of containers ever handled through the Port of Warrenpoint with a 17% increase year on year. The Port was disappointed to lose the direct Cardiff Container Line service which ceased operation in December 2015. Nevertheless, the Authority is pleased to report that Cronus Logistics has stepped up its service to include Cardiff as part of its Warrenpoint-Bristol route.

Dry Bulk

Cereal imports mainly destined for the feeds industry increased by 4% during 2015. The new import facilities, including the recently completed grain store and conveyor system have increased the capacity to handle dry bulk in the Port. Agri business remains strong on the Island of Ireland and the availability of animal feed imports is critical to the success of the industry.

The recent addition of the export of bulk cement has continued to grow in 2015 with a record export of 178K tonnes. The Port is currently involved in construction of £2m silo capital investment project to facilitate this growing business.

£769k

**PROFIT ON ORDINARY
ACTIVITIES BEFORE TAX**

3.24m

TONNAGE THROUGHPUT

£192k

**CAPITAL EXPENDITURE
DURING YEAR**

Break bulk

The Port continues to register increases in importation of timber (up 29%) used mainly in construction as this industry continues to recover following the recession. Steel importation at circa 100K tonnes has had a marginal decline on the high levels achieved in 2014.

Capital Expenditure

The port completed a £22million capital expenditure programme in 2010 to modernise and improve its facilities including providing 300 metres of deep water quays, provision of a double lane link span for modern Roll on- Roll off vessels, a new crane and additional land and covered storage facilities. In 2012 the port extended its land holding by a further 10 acres with the purchase of the former Gilbert Ash site. This site includes 40,000 square feet of covered storage.

Capital expenditure of £192K was committed in 2015 including replacement plant and equipment. Further major capital investment is envisaged for 2016 with the construction of new cement store silos.

Going Concern

The current economic conditions present increased risks and uncertainties for all businesses. Details of risks and uncertainties that may have a major impact on the port are included in the strategic report. In response to such conditions, the Members have also carefully considered these risks and the extent to which they might affect the preparation of the financial statements on a going concern basis.

By way of background, the Authority's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic report.

Using this information, the Members noted the following points:

- The Authority was set up in 1971 through government legislation. The Regional Development Strategy has highlighted the strategic importance of northern Irish ports. DRD has provided partial assistance for the recent capital investment £21.7 million project. The port is now the second only to Belfast port in Northern Ireland in terms of tonnage throughput.
- The Authority's key customers are in a stable position given the present economic climate. Long-term contracts are in place and some customers have made recent significant investments to service their shipping through the port of Warrenpoint.
- The Authority has sought to diversify wherever possible to maintain revenue streams. The recently developed container service to Bristol and the introduction of cement as an export cargo are examples of this.
- The Authority has treasury and cash management procedures and policies in place to manage its finances effectively and efficiently.
- The Authority is able to meet day-to-day decisions regarding its working capital based on up-to-date financial reports and analysis.
- The Authority uses up-to-date budget projections that are revised throughout the year so that financial decisions can be made in a timely and effective manner.

The Members therefore consider that the Authority has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.



Chief Executive's Report Cont.

Health, Safety, Training and the Environment

Warrenpoint Harbour Authority prides itself in providing a safe working environment for employees and visitors alike. The management and employees constantly strive to promote safety awareness with good teamwork, feedback and a structured safety management system. A working port is a challenging environment and constant vigilance and example in safety management is a fundamental part of the operations management function. Accident rates and environmental controls at Warrenpoint Port are benchmarked against best practice in the industry. The emergency response plan is continually under review with Newry, Mourne & Down District Council, and the emergency services to ensure that all procedures are co-ordinated and that meaningful practical exercises are undertaken. Full scale emergency planning exercises are undertaken on a regular basis.

Local concerns regarding dust migration from the Harbour complex are now being addressed with the introduction of dust suppression equipment and the installation of monitoring equipment including wind direction velocity and analysis of dust collection. The Harbour Authority is working with the local community and representatives to ensure a solution to this problem.

Warrenpoint Port has an active training programme in place for all employees and works closely with other organisations such as Royal Yachting Association in promoting safety at sea schemes working out of Warrenpoint Town Dock.

Good Corporate Citizen

Warrenpoint Harbour Authority interacts with the local community and engages at many levels with stakeholders. The Port relies on hundreds of local suppliers of goods and services and spends in the region of £90K per month in the local economy.

The senior management is actively involved in lobbying with the Chambers of Commerce, British Ports Association (BPA) and other business associations on the many strategic issues relating to the further enhancement and development of Warrenpoint Port. Managers are involved in assisting Invest NI 'start up businesses', in the Young Enterprise Scheme with St Mark's High School Warrenpoint and with the Sentinus Programme (the home of STEM Science, Technology, Engineering & Mathematics).

Several school visits to the Harbour were conducted during 2015 where school children of both primary and secondary age were given an introduction to the busy trade in Northern Ireland's second general cargo port.

The Harbour Authority also takes an active part in the promotion of local tourism with membership of the Mourne Coastal Tourism Forum which is frequently hosted in the Harbour. Following the very successful visit of the first cruise ship to Warrenpoint in 2014 three more visits are planned for 2016 marking a further boost to local tourism.

The Harbour is an active supporter of many festivals including Maiden of Mournes and the Blues on the Bay festival and supports local voluntary organisations and sports clubs in the region.

Employees of the Harbour and Agents contribute both singularly and in conjunction with the Harbour to many local organisations and national and local charities.





Results

The financial results for the year ended 31 December 2015 are set out in detail on page 22. The profit after tax for the year is £634,291 (2014: £590,807).

Members

S McIlvenny OBE (Chairman)

P Conway (Chief Executive)

K Grant (Finance Director)

G Donaghy

Cllr. S Doran (appointed 8th June 2015)

Cllr. G Fitzpatrick (appointed 8th June 2015)

T Haslett CBE (appointed 1st April 2015)

R McCann

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A Stephens

P Fitzsimmons (term complete 30th September 2015)

Cllr. M Carr (term complete 31st March 2015)

Cllr. M Murphy (term complete 31st March 2015)

B Reid (term complete 31st March 2015)

Approved by the Board on 24th May 2016 and signed on behalf of the Board

Peter C Conway
Chief Executive



BOARD MEMBERS ATTENDANCES - 1st January 2015 - 31st December 2015

	BOARD MEETINGS		SUB COMMITTEE MEETINGS		TOTAL MEETINGS ATTENDED		
	POSSIBLE	ACTUAL	POSSIBLE	ACTUAL	POSSIBLE	ACTUAL	ATTENDANCE
<i>Cllr Michael Carr</i>	4	4	11	11	15	15	100%
<i>Peter Conway</i>	3	3	3	2	6	5	83%
<i>Geraldine Donaghy</i>	10	10	17	16	27	26	96%
<i>Cllr Sean Doran</i>	5	5			5	5	100%
<i>Cllr Gillian Fitzpatrick</i>	5	5			5	5	100%
<i>Peter Fitzsimmons</i>	8	8	5	5	13	13	100%
<i>Kieran Grant</i>	10	10	20	20	30	30	100%
<i>Trevor Haslett</i>	7	7	6	5	13	12	92%
<i>Bob McCann</i>	10	10	15	14	25	24	96%
<i>Stan McIlvenny</i>	2	2			2	2	100%
<i>Cllr Harold McKee</i>	9	9	5	4	14	13	93%
<i>Cllr Mick Murphy</i>	4	3	4	2	8	5	63%
<i>Brian Reid</i>	3	3	7	7	10	10	100%
<i>Alan Stephens</i>	10	10	19	18	29	28	97%



Statement Of Members' Responsibilities

The Members are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

The Harbours Act (Northern Ireland) 1970, requires the Members to prepare such financial statements for each financial year. Under that law the Members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The Members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Authority and of the profit or loss of the Authority for that period. In preparing these financial statements, the Members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Warrenpoint Harbour Authority will continue in business.

The Members are responsible for keeping adequate accounting records that are sufficient to show and explain the Authority's transactions and disclose with reasonable accuracy at any time the financial position of the Authority and enable them to ensure that the financial statements comply with the Harbours Act (Northern Ireland) 1970. They are also responsible for safeguarding the assets of the Authority and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Information to Auditors

Each of the persons who is a Member at the date of approval of this report confirms that:

- so far as the Member is aware, there is no relevant audit information of which the Authority's auditor is unaware; and
- the Member has taken all the steps that he / she ought to have taken as a Member in order to make himself / herself aware of any relevant audit information and to establish that the Authority's auditor is aware of that information.

Approved by the Members on 24th May 2016 and signed on behalf of the Members



PETER CONWAY
Chief Executive





Independent Auditors' Report to the Members of Warrenpoint Harbour Authority

We have audited the financial statements of Warrenpoint Harbour Authority for the year ended 31 December 2015 which comprise the Profit and Loss Account, the Statement of Other Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Cash Flow Statement and the related notes 1 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 – 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the Authority's members, as a body, in accordance with Harbours Act (Northern Ireland) 1970. Our audit work has been undertaken so that we might state to the Authority'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 Authority and the Authority's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditors

As explained more fully in the Members' Responsibilities Statement, the Members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Authority's affairs as at 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Harbours Act (Northern Ireland) 1970.

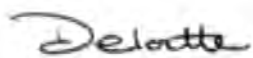
Opinion on other matters

In our opinion the information given in the Chairman's Statement, Strategic Report and Chief Executive's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



Dawn Johnson FCA (Senior Statutory Auditor)

for and on behalf of Deloitte (NI) Ltd Chartered Accountants and Statutory Auditor Belfast, United Kingdom



Cruise ship Hebridean Princess
visiting port

Profit and Loss Account

For the year ended 31 December 2015

	Note	2015 £	2014 £
TURNOVER	3	5,338,595	5,015,126
OPERATING EXPENSES		<u>(4,569,158)</u>	<u>(4,229,682)</u>
OPERATING PROFIT		769,437	785,444
Investment income - interest receivable		13,085	19,275
Interest payable		<u>(13,417)</u>	<u>(20,711)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	769,105	784,008
Tax charge on profit on ordinary activities	6	<u>(134,814)</u>	<u>(193,201)</u>
PROFIT FOR THE FINANCIAL YEAR		<u>634,291</u>	<u>590,807</u>

All activities in the current and prior year derive from continuing operations.

Statement of other comprehensive income

For the year ended 31 December 2015

	Note	2015 £	2014 £
PROFIT FOR THE FINANCIAL YEAR	Above	<u>634,291</u>	<u>590,807</u>
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME		<u>634,291</u>	<u>590,807</u>



Balance Sheet

As at 31 December 2015



	Note	31 December 2015 £	31 December 2014 £
FIXED ASSETS			(Restated)
Tangible assets	8	<u>26,869,807</u>	<u>28,578,617</u>
CURRENT ASSETS			
Stocks		32,685	30,228
Debtors	10	897,605	1,016,338
Investments		3,100,000	1,650,000
Cash at bank and in hand		<u>228,609</u>	<u>283,648</u>
		4,258,899	2,980,214
CREDITORS			
Amounts falling due within one year	11	<u>(739,558)</u>	<u>(684,917)</u>
NET CURRENT ASSETS		<u>3,519,341</u>	<u>2,295,297</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		30,389,148	30,873,914
CREDITORS			
Amounts falling due after more than one year			
Total	12	(18,175,998)	(19,283,204)
PROVISIONS FOR LIABILITIES & CHARGES			
Deferred Taxation	13	<u>(345,760)</u>	<u>(357,611)</u>
NET ASSETS		<u>11,867,390</u>	<u>11,233,099</u>
RESERVES		<u>11,867,390</u>	<u>11,233,099</u>

The financial statements of Warrenpoint Harbour Authority were approved by the Members and authorised for issue on 24th May 2016. They were signed on its behalf by:



Stan McIlvenny OBE

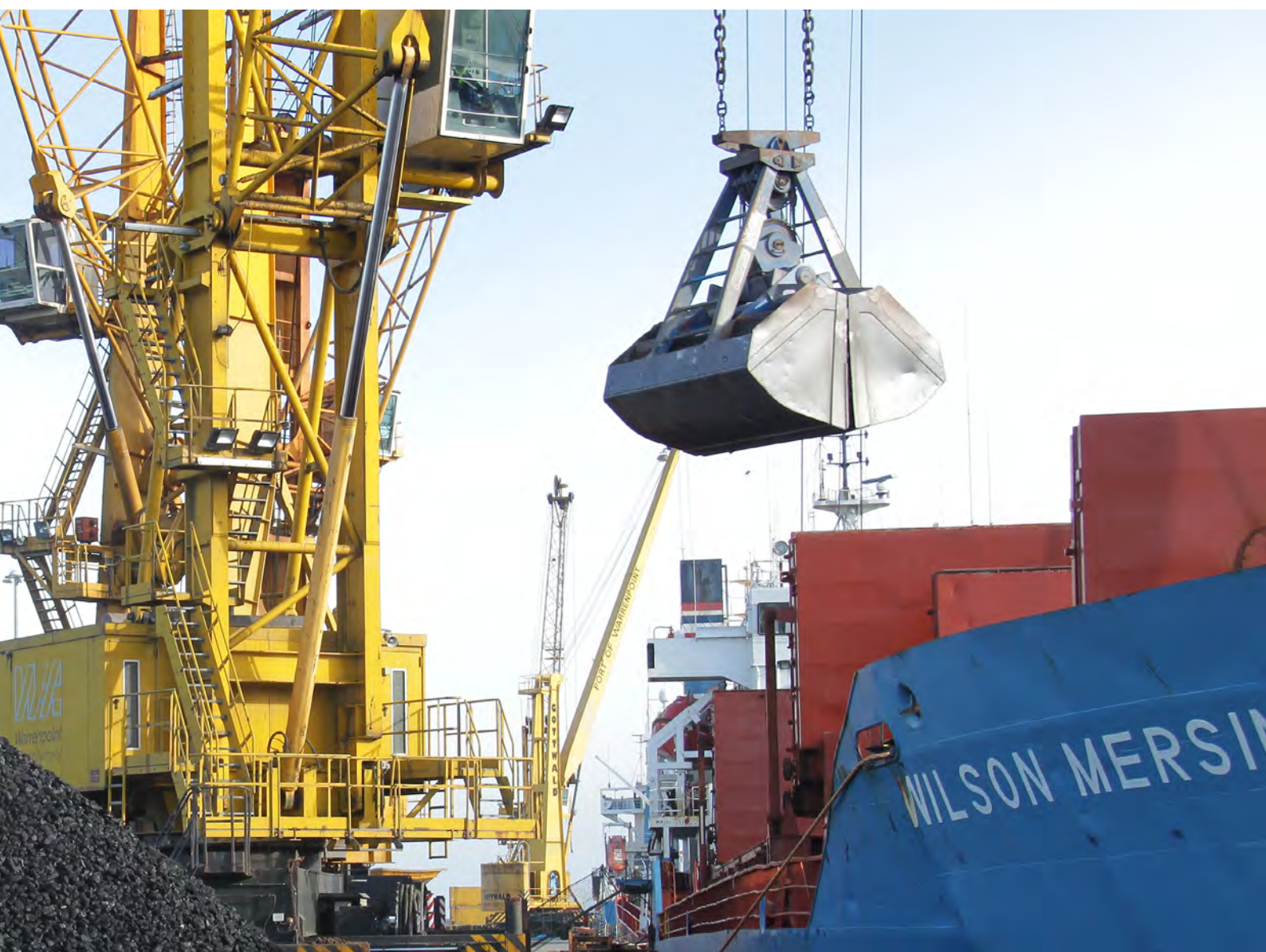


Peter Conway

Statement of Changes In Equity

At 31 December 2015

	Reserves £	Total £
At 31 December 2013	<u>10,642,292</u>	<u>10,642,292</u>
Changes on transition to FRS 102	<u>-</u>	<u>-</u>
At 1 January 2014	<u>10,642,292</u>	<u>10,642,292</u>
Total comprehensive income	590,807	590,807
AT 31 DECEMBER 2014	<u>11,233,099</u>	<u>11,233,099</u>
Total comprehensive income	<u>634,291</u>	<u>634,291</u>
AT 31 DECEMBER 2015	<u><u>11,867,390</u></u>	<u><u>11,867,390</u></u>



Cash Flow Statement

Year Ended 31 December 2015

	Note	2015£	2014 £
Net cash Inflow from operating activities	17	<u>1,717,917</u>	<u>2,900,359</u>
Cash flows from investing activities			
Purchase of equipment		(185,586)	(3,792,327)
Interest Paid		13,085	19,275
Investment income received		<u>(14,942)</u>	<u>(22,181)</u>
Net cash flows from investing activities		<u>(187,443)</u>	<u>(3,795,233)</u>
Cash flows from financing activities			
Term Loan		<u>(135,513)</u>	<u>(131,812)</u>
Net cash flows from financing activities		<u>(135,513)</u>	<u>(131,812)</u>
Net increase / (decrease) in cash and cash equivalents		<u>1,394,961</u>	<u>(1,026,686)</u>
Cash and cash equivalents at beginning of year		<u>1,933,648</u>	<u>2,960,334</u>
Cash and cash equivalents at end of year		<u>3,328,609</u>	<u>1,933,648</u>
Reconciliation to cash at bank and in hand			
Cash at bank and in hand		228,609	283,648
Cash equivalents		<u>3,100,000</u>	<u>1,650,000</u>
		<u>3,328,609</u>	<u>1,933,648</u>



Notes to Financial Statements

Year Ended 31 December 2015

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

General information and basis of accounting

Warrenpoint Harbour Authority is a Trust Port operating under the Harbours Act (Northern Ireland) 1970, the Warrenpoint Harbour Authority Order 1971, the Warrenpoint Harbour Authority Order (Northern Ireland) 2002, and the Warrenpoint Harbour Authority Order (Northern Ireland) 2002. The nature of the entity's operations and principal activities are set out in the strategic report on pages 3 to 5.

The financial statements have been prepared under the historic cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

These financial statements for the year ended 31 December 2015 are the first financial statements that comply with FRS 102. The date of transition is 1 January 2014.

The prior year financial statements were restated for material adjustments on adoption of FRS 102 in the current year. For more information see note 21.

The functional currency of the entity is considered to be pounds sterling as that is the currency of the primary economic environment in which it operates.

Going concern

The members have a reasonable expectation that the Harbour has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than freehold land and assets not in use, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Capital dredging	- 25 to 35 years
Maintenance dredging	- 6 years
Emergency dredging	- 2 years
Plant and equipment	- 3 to 20 years
Dock structures and excavations	- 10 to 50 years

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Financial instruments

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





1. ACCOUNTING POLICIES (cont'd)

Financial instruments (cont'd)

(i) Financial assets and liabilities

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

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables subsequently are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Financial assets and liabilities are only offset in the Balance Sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the entity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the entity transfers to another party substantially all of the risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

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

Investments

Investments comprise short term deposits held with banks and are held at fair value.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Provision is made for obsolete, slow-moving or defective items where appropriate.

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss.

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

Notes to Financial Statements

Year Ended 31 December 2015

1. ACCOUNTING POLICIES (CONT'D)

Impairment of assets (continued)

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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

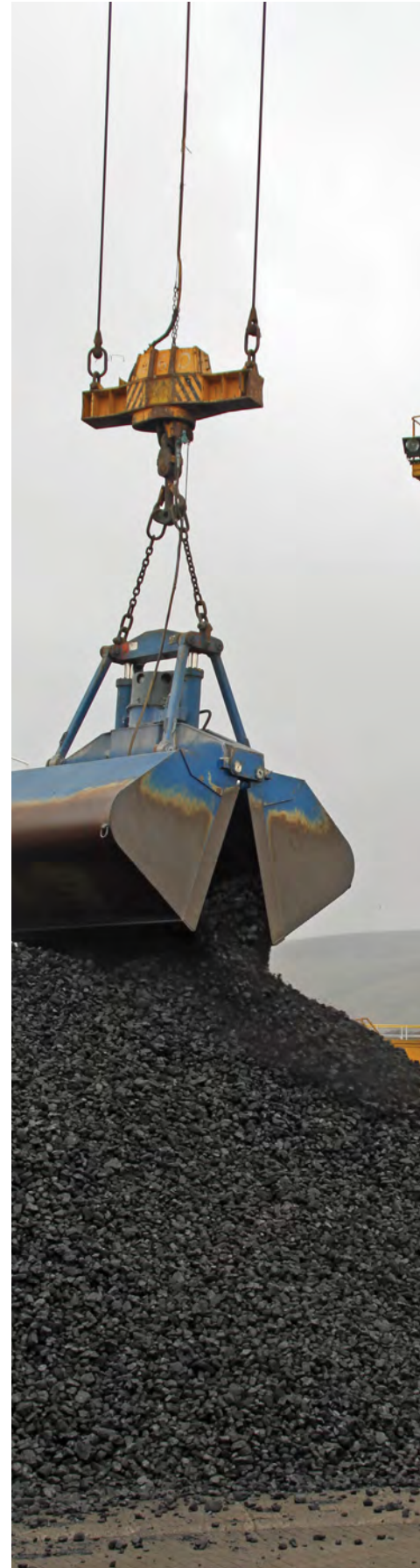
Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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

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

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

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



Turnover

Turnover is the amount derived from charges to port users and from rents of property in the normal course of business.

Turnover is stated net of VAT, other sales-related taxes, and trade discounts and is recognised when the significant risks and rewards are considered to have been transferred to the buyer. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable.

Where a contract has been only partially completed at the balance sheet date, turnover represents the fair value of the service provided to date based on the stage of completion of the contract activity at the balance sheet date. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

Employee benefits

The defined benefit pension scheme (the Warrenpoint Harbour Authority Pension and Assurance Scheme) was closed to new members on 30 April 2002 and was wound up on 4 July 2012. The defined benefit scheme was replaced on the same date by a new Group Personal Pension Scheme, a defined contribution scheme, to which the members of the defined benefits scheme were transferred.

All pension liabilities in respect of the defined benefit pension scheme have now been discharged.

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

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

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Any exchange gains or losses are recognised in the profit and loss account.

Leases

As lessee

Rentals under operating leases are charged on a straight line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

As lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Notes to Financial Statements

Year Ended 31 December 2015

Grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Provisions

Provisions are recognised when a past event gives rise to a present obligation, a transfer of economic benefits is probably, and when a settlement amount can be reliably estimated.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Authority's accounting policies, which are described in note 1, the members are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

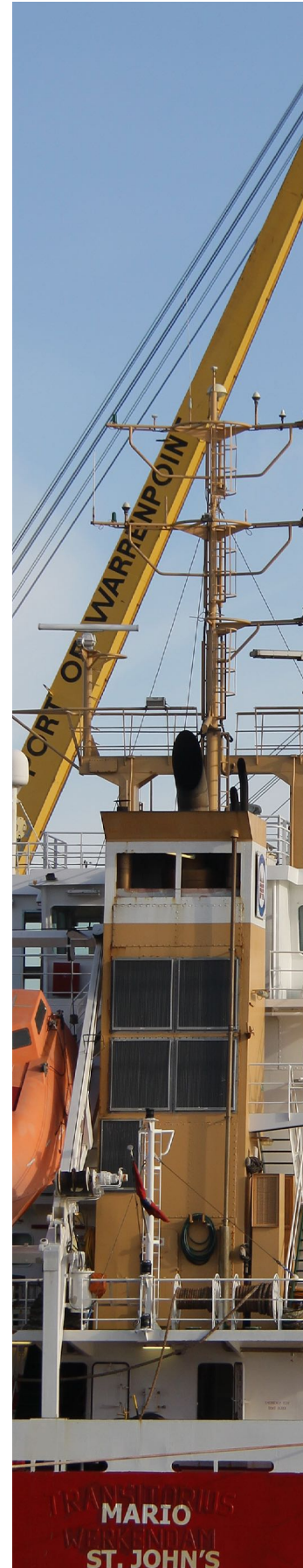
Critical judgements in applying the Authority's accounting policies

The following are the critical judgements and key sources of estimation uncertainty.

Recognition and depreciation of dredging assets. Dredging is an essential requirement of most ports whereby siltation of the channel, turning circle and berths is removed to a different location in order to keep waterways navigable by the commercial and recreational vessel that utilise the port.

This port currently classifies dredging under four different headings depending on the nature and expected useful life of the dredging campaign. The useful life of the dredging campaign is monitored by continued surveying of the waterways to ascertain the rate of siltation in these areas. The economic life is deemed to have ended when a vessel can no longer safely navigate the appropriate waterway.

1. Operational dredging. This is a form of maintenance dredging required to maintain existing navigable waterways or channels. In this particular type of dredge there usually an immediate requirement to remove siltation from a berth or waterway that has been caused by external forces such as vessel movements or extreme weather conditions. The cost of this dredge is fully charged to the profit and loss account when costs are incurred.
2. Emergency dredging. This is similar to above but the siltation rate is such that the useful economic life of the dredge is spread over two or more years. In this port, the deep water quays currently silt up at such a rate that there has been a requirement





to dredge this area every two years so that it can facilitate larger commercial vessels and cruise ships.

3. Maintenance dredging. Again this is similar to points 1 and 2 above, the main difference being a different siltation rate. In Warrenpoint port, the first 1km of the channel including the non-deep water berths require a maintenance dredge every six years.
4. Capital dredging. This is typically dredging to create a new berth or waterway or to deepen existing facilities to allow large ships access. Therefore the depreciation rate of this type of dredge is much longer. Once the capital dredging is complete the area will usually be subject to a maintenance dredge depending again on the siltation rates of the area.

3. TURNOVER

An analysis of the Authority's turnover is as follows:

	2015 £	2014 £
Rendering of services	5,219,828	4,893,456
Rental income	118,767	121,670
	<u>5,338,595</u>	<u>5,015,126</u>

4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2015 £	2014 £
Profit on ordinary activities is stated after charging/(crediting) the following:		
Depreciation		
Depreciation of tangible fixed assets (note 8)	1,900,406	1,806,522
Amortisation of grants on tangible fixed assets (note 14)	<u>(859,610)</u>	<u>(859,610)</u>
	1,040,796	946,912
Auditor's remuneration	13,000	12,000
Non-audit fees paid to the auditors	4,500	5,000
Foreign exchange loss/(gain)	100	(2,897)
Gain on disposal of fixed assets	6,010	-
Cost of stock recognised as an expense	24,530	0
Operating lease Rentals	<u>5,892</u>	<u>5,799</u>

Notes to Financial Statements

Year Ended 31 December 2015

5. EMPLOYEE NUMBERS

The average number of employees during the year was 65 (2014: 63).

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

(a) Analysis of charge in year

	2015 £	2014 £
Current tax:		
UK corporation tax on profits of the current year	176,644	117,156
Adjustments in respect of previous periods	<u>(29,979)</u>	<u>(9,080)</u>
Total current tax	<u>146,665</u>	<u>108,076</u>
Deferred tax:		
Origination and reversal of timing differences (including impact of rate change)	4,722	87,175
Effect of decrease in tax rate	(38,476)	(6,082)
Adjustments in respect of previous periods	<u>21,903</u>	<u>4,032</u>
Total deferred tax charge/(credit) – Note 13	<u>(11,851)</u>	<u>85,125</u>
Tax on profit on ordinary activities	<u>134,814</u>	<u>193,201</u>

7. TAX ON PROFIT ON ORDINARY ACTIVITIES (Cont'd)

(b) Factors affecting tax charge for the year

	2015 £	2014 £
Profit on ordinary activities before tax	<u>769,105</u>	<u>784,008</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014: 21.5%)	155,744	168,562
Effects of:		
Other expenses not deductible for tax purposes	1,574	11,142
Ineligible depreciation	24,434	28,252
Small companies relief	(386)	(3,625)
Change in tax rate	(38,476)	(6,082)
Adjustments to tax charge in respect of previous periods	<u>(8,076)</u>	<u>(5,048)</u>
Current tax charge for year	<u>134,814</u>	<u>193,201</u>

(c) Factors that may affect future tax charges

The standard rate of tax applied to reported profit on ordinary activities is 20.25% (2014: 21.5%). Following the substantive enactment of the Finance (No 2) Act 2015 the main rate of corporation tax will fall from 20% to 19% on 1 April 2017 and from 19% to 17% on 1 April 2020. These changes will affect the future tax charges of Warrenpoint Harbour Authority. It is not expected that this rate reduction will have a material impact on Warrenpoint Harbour Authority.

8. TANGIBLE ASSETS

	Land and Buildings £	Dredging £	Dock Structures and Excavations £	Plant and Equipment £	Assets in Course of Construction £	Total £
Cost:						
At start of year	13,816,002	6,884,758	23,987,585	10,076,040	-	54,764,385
Additions	10,169	19,981	27,608	88,904	44,934	191,596
Disposals	(20,000)	-	-	(16,523)	-	36,523
Transfers	-	-	-	-	-	-
At end of year	<u>13,806,171</u>	<u>6,904,739</u>	<u>24,015,193</u>	<u>10,148,421</u>	<u>44,934</u>	<u>54,919,458</u>
Depreciation:						
At start of year	(5,305,438)	(4,734,367)	(8,986,931)	(7,159,032)	-	(26,185,768)
Charge for year	(345,000)	(478,266)	(719,153)	(357,987)	-	(1,900,406)
Disposals	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>16,523</u>	<u>-</u>	<u>36,523</u>
At end of year	<u>(5,630,438)</u>	<u>(5,212,633)</u>	<u>(9,706,084)</u>	<u>(7,500,496)</u>	<u>-</u>	<u>(28,049,651)</u>
Net Book Value:						
At end of year	<u>8,175,733</u>	<u>1,692,106</u>	<u>14,309,109</u>	<u>2,647,925</u>	<u>44,934</u>	<u>28,869,807</u>
At start of year	<u>8,510,564</u>	<u>2,150,391</u>	<u>15,000,654</u>	<u>2,917,008</u>	<u>-</u>	<u>28,578,617</u>

Included in land and buildings is land with a cost of £3,348,747 (2014 - £3,348,747) in respect of which no depreciation is provided.

The net book value of land and buildings comprises freehold property £4,825,656 (2014 - £6,049,660) and short leasehold property £Nil (2014 - £nil).

9. FINANCIAL COMMITMENTS

The annual commitment under non-cancellable operating leases was as follows:

	2015 £	2014 £
Leases expiring:		
Within one to two years	-	7,642
Within two to five years	<u>10,670</u>	<u>-</u>

Notes to Financial Statements

Year Ended 31 December 2015

10. DEBTORS

	2015 £	2014 £
Due within one year:		Restated
Trade debtors	755,043	906,973
VAT	16,042	3,691
Prepayments and accrued income	<u>126,520</u>	<u>105,674</u>
	<u>897,605</u>	<u>1,016,338</u>

11. CREDITORS - Amounts falling due within one year

	2015 £	2014 £
		Restated
Trade creditors	102,390	72,839
Corporation tax	181,645	117,157
Other taxation and social security	64,209	64,545
Accruals & deferred income	286,381	298,564
Loan from DRD	<u>104,933</u>	<u>131,812</u>
	<u>739,558</u>	<u>684,917</u>

12. CREDITORS - Amounts falling due after more than one year

	2015 £	2014 £
		Restated
Accruals & deferred income	1,442,182	1,581,144
Grants	16,399,355	17,258,965
Long term loan from DRD	<u>334,461</u>	<u>443,095</u>
	<u>18,175,998</u>	<u>19,283,204</u>

13. DEFERRED TAX

	2015 £	2014 £
Accelerated capital allowances	347,210	360,759
Other timing differences	<u>(1,450)</u>	<u>(3,148)</u>
Deferred Tax	<u>345,760</u>	<u>357,611</u>
Deferred Tax:		
Provision at start of year	357,611	272,486
Adjustment in respect of prior years	21,903	4,032
Deferred tax charge to income statement for the period	<u>(33,754)</u>	<u>81,093</u>
Provision at end of year (at 20%)	<u>345,760</u>	<u>357,611</u>

14. ERDF AND OTHER GRANTS

	2015 £	2014 £
At start of year	17,258,965	18,118,575
Grants received	-	-
Grants receivable	-	-
Released to profit and loss account	<u>(859,610)</u>	<u>(859,610)</u>
At end of year	<u>16,399,355</u>	<u>17,258,965</u>

15. INVESTMENT IN SUBSIDIARIES

The Authority holds two ordinary £1 shares, not yet paid, representing a 100% holding in Warrenpoint Bulk Liquid Storage Co. Limited, a dormant company, registered in the United Kingdom. Consolidated accounts are not prepared as the subsidiary is wholly immaterial.

The Authority also holds two ordinary £1 shares, not yet paid, representing a 100% holding in Warrenpoint Harbour Authority Marina Limited, a dormant company, registered in the United Kingdom. Consolidated accounts are not prepared as the subsidiary is wholly immaterial.

16. PENSION SCHEMES

The Authority operates a defined contribution pension scheme for staff. The assets of the scheme are held separately from those of the Authority, being invested with insurance companies. Normal contributions paid during the year to the Group Personal Pension Scheme were £78,590 (2014: £59,081).

Normal contributions paid during the year to the staff defined contribution scheme were £28,103 (2014: £27,398).

17. NOTES TO THE CASH FLOW STATEMENT

(i) RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Operating profit	769,437	785,444
Depreciation charges (net of grant release)	1,040,796	946,912
Profit on sale of tangible fixed assets	(6,010)	-
Decrease in stocks	(2,457)	4,800
(Decrease)/Increase in debtors	118,733	40,194
Increase/ (Decrease) in creditors falling due within 1 year	(120,405)	1,339,442
Corporation tax paid	<u>(82,177)</u>	<u>(216,433)</u>
Net cash inflow from operating activities	<u>1,717,917</u>	<u>2,900,359</u>

18. CONTINGENT LIABILITY

Government Grant

It is a condition upon which grants are paid that the fixed infrastructure assets to which they relate remain in use by Warrenpoint Harbour Authority for periods which reflect their economic life. In the event that either of these conditions is breached, a liability to repay any or all of the grants will arise.

Notes to Financial Statements

Year Ended 31 December 2015

19. FINANCIAL INSTRUMENTS

a) Overview

This note provides details of the entity's financial instruments.

Liabilities or assets that are not contractual (such as income taxes, prepayments, provisions and deferred income) are not financial assets or financial liabilities and accordingly are excluded from the disclosures provided in this note.

Details of the significant accounting policies and methods adopted for each class of financial asset and financial liability are disclosed in the accounting policies note. b) Categories and carrying value of financial instruments

b) Categories and carrying value of financial instruments

The carrying values of the entity's financial assets and liabilities are summarised by category below:

	2015 €	2014 €
Financial assets		
Investments	3,100,000	1,650,000
Cash	228,609	283,648
Loans and receivables	755,043	906,973
Financial liabilities		
Amortised cost		
Loans Payable	439,394	574,907
Measured at undiscounted amount payable		
Trade and other creditors	<u>495,664</u>	<u>414,144</u>



19. FINANCIAL INSTRUMENTS (continued)

c) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the entity. The entity has adopted a policy of only dealing with creditworthy counterparties.

Trade receivables consist of a large number of customers, spread across diverse industries. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, provisions are made.

The entity does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The entity defines counterparties as having similar characteristics if they are related entities. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the entity's maximum exposure to credit risk.

At the end of the reporting period, there are no significant concentrations of credit risk for loans and receivables. The carrying amount reflected above represents the entity's maximum exposure to credit risk for such loans and receivables.

d) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Commissioners, which has established an appropriate liquidity risk management framework for the management of the entity's short-, medium- and long-term funding and liquidity management requirements. The entity manages liquidity risk by maintaining adequate reserves, banking facilities and by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

20. RELATED PARTY TRANSACTIONS

All board members, directors and certain senior employees who have authority and responsibility for planning, directing and controlling activities are considered to be key management personnel. The total remuneration in respect of these individuals is £357,361 (2014: £376,790).

21. EXPLANATION OF TRANSITION TO FRS 102

This is the first year that the Authority has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The last financial statements for the year ended 31 December 2014 were prepared under UK Generally Accepted Accounting Practice. The date of transition was 1 January 2014. No reconciliation from previous UK GAAP to FRS 102 has been presented as no material adjustments were noted to arise upon transition. As part of the transition the presentation of creditors was reviewed and as a result of this deferred income and accruals of £1,581,144 were reclassified in the prior year from current to non-current creditors.

A Statement of Changes in Equity has been presented for the first time.

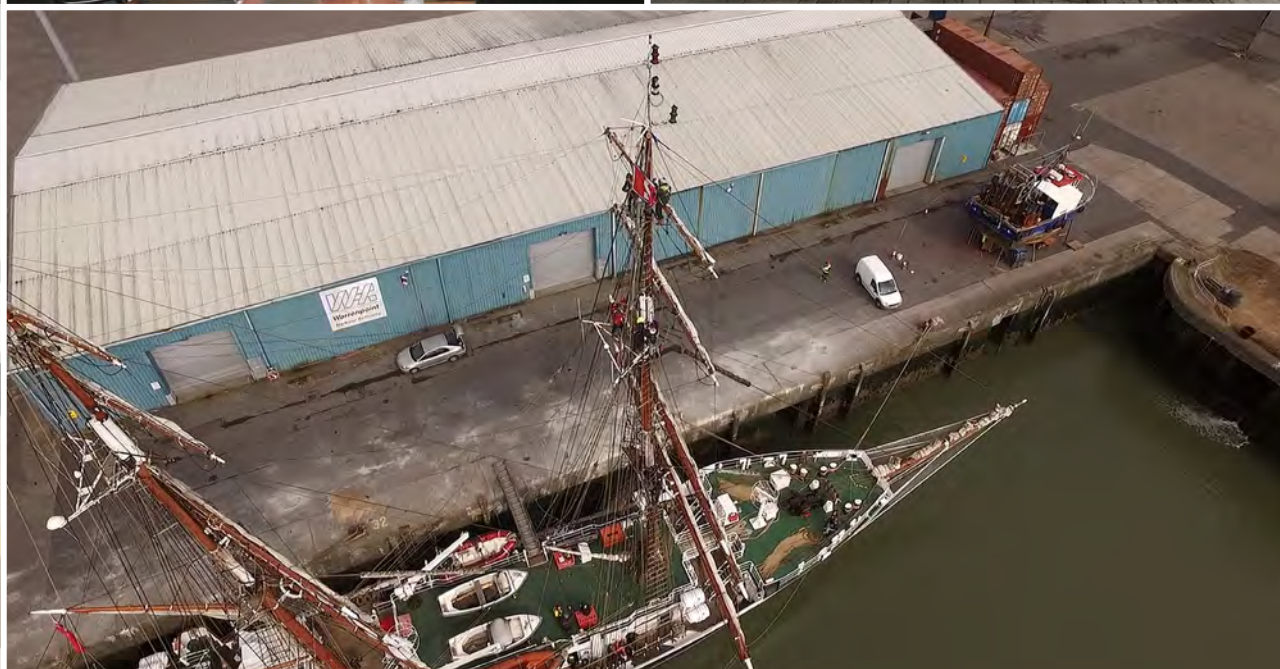
Corporate Social Responsibility

St Colmans PS, Kilkeel visit to Tall Ship Kaskelot
Kilbroney Integrated PS Rostrevor 'In Conference'



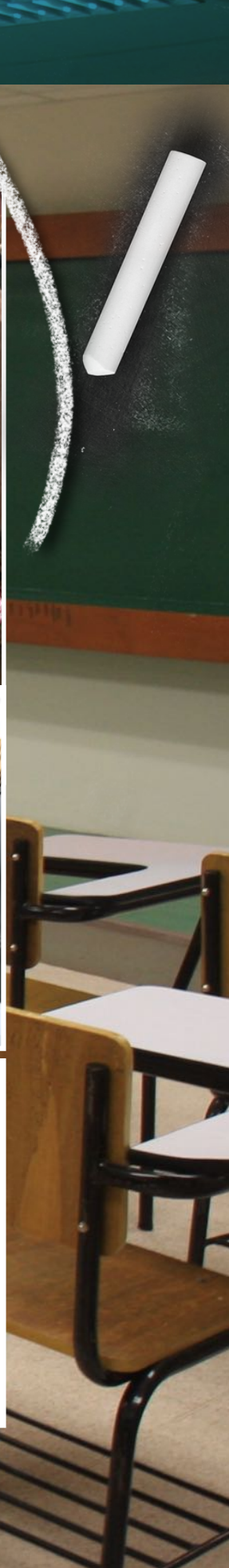
Corporate Social Responsibility

Presentation to St Marks Enterprise, visit of Tall Ship Stavros S Niarchos
Warrenpoint Port Childrens Christmas Party 2015



Corporate Social Responsibility

Seaview Nursery School, Warrenpoint Tall Ship and Port visit
protecting our environment



Additional Information

31 December 2015

TRADE STATISTICS (UNAUDITED)

	2015	2014
Total tonnage	<u>3,240,634</u>	<u>3,143,497</u>
IMPORTS	1,705,748	1,694,659
EXPORTS	<u>1,534,886</u>	<u>1,448,838</u>
Cross channel	2,700,893	2,658,256
Foreign (direct)	<u>528,613</u>	<u>485,241</u>
Vessels Calls	<u>1,028</u>	<u>1,039</u>



Courtesy of Mourne Images



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