


 **Belfast
Harbour**

 **Annual Report
& Accounts
2022**



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Chair's Statement

In 2022, we marked 175 years since the formation of Belfast Harbour Commissioners.

2022 was an important anniversary as we marked 175 years since the 1847 Belfast Harbour Act led to the formation of Belfast Harbour Commissioners. This new body was given wide powers enabling the Commissioners to develop and improve the Port, reclaiming land leading to the development of the amazing asset we now enjoy. Throughout 2022's year-long series of events and engagements with diverse stakeholders and local communities, it was clear that the spirit of innovation shown by visionary former Commissioners is as relevant to our organisation today.



SCAN HERE FOR 175 YEARS CELEBRATION

We, as the Board and current custodians of Belfast Harbour (a thriving Trust Port), were inspired during our anniversary year to reflect on the transformative impact that the organisation has had on the region over many generations, and this is front of mind as we look ahead and further evolve Belfast Harbour's strategic vision for the future.

Our ambition to become a world leading regional port, to develop as a key economic hub for the region and to create an iconic waterfront for the City is well on track for delivery.

Belfast Harbour is essential to the smooth running of day-to-day life in this region and is a major contributor to Northern Ireland's economy. We believe we have a critical role to play at the heart of the City's ongoing development and regeneration.

In 2022, high energy costs sparked by the war in Ukraine contributed to a climate of uncertainty in a world still emerging from the effects of the Covid-19 pandemic.

Belfast Harbour, our customers and our wider Port and Estate community were certainly not immune to the impacts of the uncertainty and challenges, but I'm proud to say that, against this background, our Port community continued to deliver the goods and services relied on by people and businesses across the province and beyond.

Following a record year for both port trade and activity on the Harbour Estate in 2021, we saw a slight easing back in 2022. However, our trading performance remained resilient across Belfast Harbour's diverse portfolio, with our 2022 results once again demonstrating the agility and responsiveness of Belfast Harbour and its customers and partners.

Despite the external challenges outlined above, port trade dropped only slightly from the record levels achieved the year before. Total tonnage through Belfast Harbour was 24.5 million tonnes, down 4.3% from 25.6 million tonnes the year before, but still above previous record levels from 2019. Pleasingly Roll-On Roll-Off freight on Stena Line services performed strongly during the year, matching the record performance delivered in 2021 of almost 600,000 freight units. Working closely with our partners at Visit Belfast, Belfast Harbour also welcomed a record 141 cruise ship calls in 2022, as cruise travel fully resumed following a pandemic reduced schedule a year earlier.

Belfast Harbour's wider business portfolio also diversified, with several major investments in the Harbour Estate making significant progress during the year. These included the completion of two landmark office projects, 'City Quays 3' and 'Olympic House', the latter which Belfast Harbour is co-promoting with Titanic Quarter Ltd.

Construction of a new Titanic Quarter link road between Queen's Road and Sydenham Road, known as Hamilton Road, was completed during the year. This £2.5m infrastructure investment project was co-funded by Belfast Harbour and Titanic Quarter Ltd and supports our active travel strategy.

Belfast Harbour Studios had another excellent year, welcoming a second Netflix production, 'Lift'. The Studios also announced the first production from another media giant, Amazon Prime, which is making sci-fi television show 'Blade Runner 2099'.



SCAN HERE FOR 2022 TRADE FIGURES

In addition, work commenced on the expansion of Belfast Harbour Studios, which will serve to further increase Northern Ireland's global competitiveness in the creative industries sector. We are delighted to be working with Ulster University and NI Screen to physically deliver the first Belfast City Region Deal Project, with a significant investment in the creation of Studio Ulster, a leading-edge virtual production facility.

Chair's Statement

Belfast Harbour continues to work hard to enhance its social and economic activity, and to show industry leadership by adopting new smart technology and upholding the highest environmental standards as a clean, green port. We remain committed to ongoing investment in key port infrastructure that will give us the capacity to facilitate further growth in trade.

Working in close collaboration with our Port and Estate partners, I am extremely proud of their commitment, resilience, and innovation along with that of the Belfast Harbour team throughout 2022 to support our customers and tenants for the benefit of the wider economy. This was evidenced by our work in the background throughout the year to secure the 'Harlander' project for Belfast, the UK's first fully autonomous shuttle bus service which will operate on Queen's Island.

In 2022 we continued to work collaboratively with our partners, including Maritime Belfast Trust, on placemaking initiatives to transform and improve the City's waterfront, and engaged with an extensive range of community partners to support grass-roots social need through the Belfast Harbour Community Awards.

The year also saw Belfast Harbour demonstrate its ongoing commitment to equality, diversity, and inclusion, and I was especially pleased to host an International Women's Day event for Belfast Harbour staff, celebrating the diversity of role and impact of

our female employees in the organisation. It is my intention to build on the success of this event encouraging women to enter and flourish in this challenging but immensely rewarding environment.

The commitment of Belfast Harbour's Board to delivering on the ambitious investment plans in its long-term strategy is unwavering. We continue to work hard to deliver for Northern Ireland in our role as a key economic hub for the region and our ambition to be a world-leading regional port, and with our latest projects in planning, to develop an iconic waterfront for the City.

Whilst we are confident of our diverse business and revenue streams, 2023 will no doubt have its challenges and of course we remain cognisant of the risks posed by uncertainty in the global economy and the supply chain challenges posed by ongoing geo-political tensions.

In the face of such challenges our status as a Trust Port is more important than ever for the future of Belfast and Northern Ireland. As a Trust Port, Belfast Harbour has the capacity to take a long-term strategic view on investment and to take a leadership role in the City. To date we have self-funded all our investments through retained profits, but going forward, we anticipate that our ongoing delivery of significant, transformative projects will require a change in Belfast Harbour's public corporation classification, to unlock and fully utilise Belfast Harbour's borrowing powers.

To conclude, I would like to place on record my thanks to the Board, and to the passionate, committed, and hard-working team at Belfast Harbour, brilliantly led by Chief Executive, Joe O'Neill. I also congratulate and thank our partners, port users, tenants and the wider Port and Estate community for their determination and resilience in the face of new and unexpected headwinds during the past year.

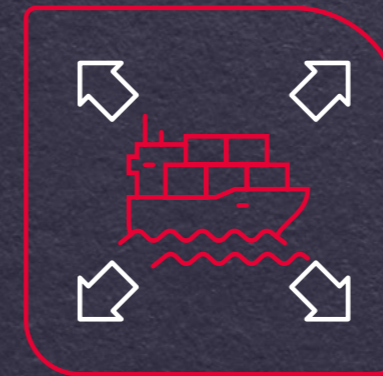
We look forward to continuing our work together to keep delivering social value and economic growth for the region in 2023.

Theresa Donaldson (Dr)
Chair

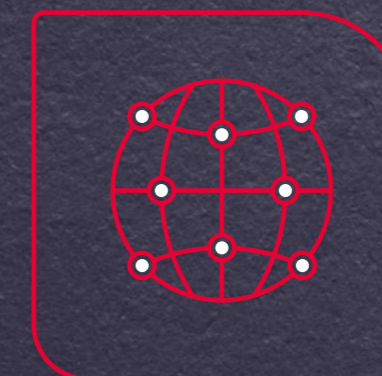


SCAN HERE FOR STUDIO ULSTER INFORMATION

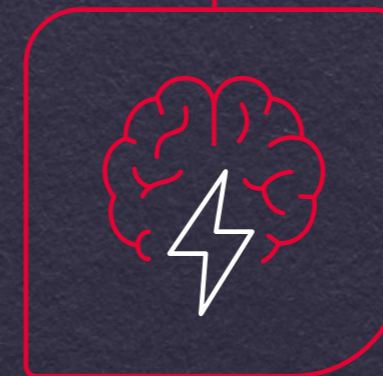
A WORLD-LEADING REGIONAL PORT



A KEY ECONOMIC HUB



AN ICONIC WATERFRONT FOR THE CITY



A SMART PORT



A GREEN PORT

SCAN HERE FOR BELFAST HARBOUR COMMUNITY AWARDS



Chief Executive's Review

We remain as focused as ever to deliver on our long-term strategic objectives to grow our position as a key economic hub for the region, to become a world leading regional port, and to play a leading role in creating an iconic waterfront in the City.

We are achieving this by leveraging the strength and diversity of our trading portfolio and despite the significant external challenges throughout 2022, we have continued to deliver strongly against our strategic objectives.

2022 saw significant progress in further delivering these objectives as we continued to work with partners and invest in core infrastructure in both the Port and the wider Harbour Estate to facilitate growth.

Trade & Financial Performance

During 2022 the global trading environment was adversely affected by the war in Ukraine, which led to higher prices for businesses and households and impacted supply chain and construction costs.

Despite these strong headwinds, Belfast Harbour delivered a solid financial performance, supported by our diverse business portfolio, recording Group Revenue of £77.2m. EBITDA, at £44.7m, was down 3.2%

against prior year, with EBITDA margin at 58% in 2022 slightly reduced from 2021. Underlying Profit before Tax at £34.3m was a 0.7% improvement against the previous year.

Net Assets increased by £25m to £574m, reflecting the effect of trading profits and an investment property revaluation deficit of £1.4m.

As in previous years, the strength of this performance in difficult circumstances reflected the variety of our activities, the quality of our customers' businesses and the hard work of Belfast Harbour's team and partners. I pay particular tribute to the team at Stena Line, as they serviced increased trading volumes on their routes to and from Belfast Harbour.

The overall volume of ferry passengers travelling through the Port increased by 22% year on year to almost 1.8 million people, with routes benefitting from the full easing of Covid-19 travel restrictions. The number of passenger cars increased 12% from the year before to a record high of 462,000, reflecting a continued interest in staycations and local holidays.



SCAN HERE FOR VICTORIA TERMINAL 2 REFURBISHMENT



At Belfast Harbour, we fulfil our Trust Port purpose to maintain, operate, and develop the Port.

Pipeline of Investment

Since 2019, we have been actively delivering an ambitious five year, £254m investment programme of projects which impact and support regional economic growth. Our strategic goal to grow Belfast Harbour's role as a key economic hub for the region is progressing at pace, with investment ongoing to further develop the Port and Estate as a gateway of opportunity for all.

The strength of our well-diversified trading base across a number of sectors meant that despite the aforementioned external pressures, Belfast Harbour's capital investment programme continued, with £23.4m invested in 2022. Working in partnership with port users and customers, we continued to prioritise port investment with upgrading, futureproofing and further developing equipment and infrastructure. This included the completion of the Victoria Terminal 2 passenger facility during the year, as well as work to facilitate an increase in the provision of freight space at Victoria Terminal 1, which will provide over 200 new HGV bays.

Elsewhere projects advanced in 2022 through partnerships with Innovation City Belfast, Belfast City Council, BT, Belfast Maritime Consortium with Artemis Technologies, and Ulster University. These valuable partnerships continue to play a key role in developing Belfast Harbour as a hub of innovation for industries that have the potential to accelerate the future growth of the local economy, such as net zero technologies, media, cyber security and AI.

Anyone visiting Belfast Harbour will be left in no doubt that the creation of an iconic waterfront is well underway, with 'City Quays 3' now complete and proposals for further office and residential developments submitted to planning. We believe that establishing residential accommodation in the Harbour Estate and growing the population of people who work and live here will enhance the existing vibrancy of the area. This manifested with planning applications being submitted for 'City Quays 4', a 'Build to Rent' project which will deliver 256 high quality apartments on a site next to the AC by Marriott Hotel, and the associated development of 70 new affordable homes at Pilot Street and Corporation Street.

We also continue to play a leading role in the growth of Northern Ireland's film and television industry, with work on the expansion of Belfast Harbour Studios having started at the end of the year, which will include the addition of digital film production facility, Studio Ulster, the UK's first commercial-scale virtual production facility with associated research capabilities. Our investment has helped put Belfast on the map for leading production companies including Netflix and Amazon Prime and will help to attract more big-budget productions to these shores in the future.



SCAN HERE FOR RESIDENTIAL DEVELOPMENT UPDATE

Advanced technologies are also at the forefront of our development of the Port. Alongside the investment in infrastructure that you might expect such as new terminals, wharves and cranes, Belfast Harbour's drive to become a world leading regional port is also incorporating significant investment in smart technologies that are helping us to increase agility, improve safety and efficiency and enhance customer delivery. With partners such as BT, we are investing in initiatives such as our private 5G network which is enabling everything from drone safety checks to smart traffic management solutions.

Stakeholder Partnerships and Community

Amid these big development projects, it is important to highlight that Belfast Harbour is as focused as ever on working with our partners and consulting with local communities, as we develop and deliver sustainable transport options for our tenants and those who live, work and learn in the Estate.

Having received planning approval in early 2023 we are also excited to be delivering the first phase of City Quays Gardens, creating a new green urban space for all communities to enjoy.

Developing and growing as a sustainable and socially responsible business is key to our strategic performance and delivery and is a core part of our culture and values. Our green port and environmental

sustainability strategic ambitions are embedded in all our business operations, evidenced in our commitments detailed in our Prosperity Agreement with NIEA including reducing operational carbon emissions to net zero by 2030. With c.760 businesses across our Harbour Estate, we are also collaborating with tenants and customers to drive the systemic change needed to address global climate impacts.

At Belfast Harbour we are committed to doing business the right way and making a positive contribution to our society, creating social value and inclusive growth for everyone in our city and wider region. Of course, we do this through the wide-ranging social impacts of our economic investments, but our positive impact is also felt at a local community level, with significant funding of £320,000 invested in community initiatives and charitable programmes during 2022. This included an expansion of our Belfast Harbour Community Awards programme, with £87,000 of funding provided in support of 25 grass-roots community organisations and £25,000 of support donated to local foodbanks and community support hubs, in response to the emerging local need caused by the cost-of-living crisis.

Joe O'Neill
Chief Executive Officer



SCAN HERE FOR CITY QUAYS 3 COMPLETION INFORMATION



Port Trading Performance





Despite significant challenges and external influences, port trade remained resilient in 2022 with 24.5m tonnes of goods handled, a 4.3% drop from the previous record trading year in 2021.

Trade at Belfast Harbour is not immune to changes in the economy and in 2022 the energy price shock, wider inflationary pressures, supply chain challenges and fears of a recession all contributed to the lower trading tonnages. In particular, price shocks disrupted the commodity markets with prices of energy products and other goods heavily reliant on energy in production, such as fertiliser, soaring and in turn impacting bulk cargo volumes.

Furthermore, shipping freight rates also increased substantially in 2022, initially due to high demand across the globe as economies moved out of Covid lockdown, and then increasing further as fuel prices soared with a consequent impact on trade.

Whilst managing the impacts of the challenging external environment, the Port community responded with agility and continued to provide its vital supply chain services, connecting people, and delivering the goods and services that are essential to our regional economy.

Bulk Trade

Fuel and energy price increases and supply issues had a notable and direct impact on liquid bulk trade through the Port. With disposable household incomes challenged as inflation increased, home heating demands were curtailed and as a result kerosene volumes decreased by 27% compared with the 2021 volumes. Other refined oils were impacted to a lesser extent as volumes reduced by 12% overall during 2022.

In the dry bulk sector, costs and supply impacted almost all major commodities, with aggregate exports 16% down, fertiliser reduced by 5%, and grain and animal feeds dropping 12% on 2021 trade levels.

Roll on Roll off Freight and Passenger Services

Roll on Roll off (RoRo) freight mirrored 2021's strong performance with almost 600,000 freight units passing through the Port. The 'middle corridor' routes to Heysham and Birkenhead experienced some reduced freight movement in the second half of the year, but this was offset by a strong performing north channel route to Loch Ryan.

Continued partnership working and investment by Stena Line and Belfast Harbour in passenger facilities, was rewarded with

record passenger numbers in 2022. In September the new Victoria Terminal 2 Passenger Terminal opened following an investment of more than £3m in extending and remodelling the entire facility. During the year the route carried more than 130,000 cars and 450,000 passengers, despite disruption during the construction of the new building. On the Loch Ryan route, 2021 volumes were exceeded with over 1.26m passengers and 323,000 cars.

Undoubtedly the Belfast RoRo services benefitted from freight and passengers which may have ordinarily used other services but could not do so due to disruption. For example, Stena Line was able to respond to demand for additional north channel sailings in March and April by deploying a third vessel from their fleet, and thereby lessening the disruption levels and impact on the local economy.



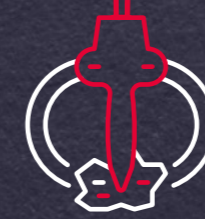
SCAN HERE FOR VICTORIA TERMINAL 2 PASSENGER TERMINAL



Roll on Roll off (RoRo) freight mirrored 2021's strong performance with almost **600,000** freight units passing through the Port.



Stena Line Belfast - Birkenhead route carried more than **130,000** cars and **450,000** passengers in 2022.



12,476 commercial shipping movements, making the total tonnage of these vessels amounted to more than **128,000,000** GRT.



Aggregate exports **16%** down, fertiliser reduced by **5%**, and grain and animal feeds dropping **12%** on 2021 trade levels.

Cruise

Belfast Harbour’s cruise ship arrivals picked up where the business had left off pre-pandemic, with 141 ships welcomed during the summer season. Among these vessels were 50 different ships from 33 lines and 18 first time callers to Belfast.

This was the first full cruise season since 2019 and it was a welcome boost for Belfast and the wider tourism economy following two difficult and largely restricted years of travel. Whilst some of the cruise ships arrived with lower passenger numbers, this was a confidence building season for the industry, and strong demand for cruise holidays in 2023 is anticipated.

Container (Lift on Lift off) Trade

Container traffic (LoLo) is on occasion cited as a barometer of economic trends and consumer confidence, since a high proportion of consumer goods are imported and exported via this mode. Container volumes through Belfast largely reversed their 2021 gains as

disposable income was squeezed by rising inflation and interest rates in 2022.

Economic cycles are an expected part of this element of Belfast Harbour’s business, and investment in the modernisation of the Victoria Terminal 3 facility is continuing. The final semi-autonomous, remote controlled gantry cranes were commissioned in 2022 and preparatory works for the final phase of civil works commenced to bring this suite of new cranes into full operation.



SCAN HERE FOR CRUISE 2022 ROUND-UP



Port Development

Belfast Harbour's ongoing investment in port infrastructure is core to delivering our strategic ambition to develop as a world leading regional port.

In 2022, planning consent was secured for a new logistics warehousing facility on West Bank Road, with construction works starting in 2023.

As the first warehouse in Northern Ireland to be constructed to BREEAM Excellent environmental standards, it will be a best-in-class facility, capable of servicing the import and export requirements of the fresh food market.

Following the completion of the Victoria Terminal 2 Passenger facility, Belfast Harbour has commenced the expansion of freight space at Victoria Terminal 1. By providing more than 200 new HGV bays at this location, Stena Line will be able to further realise operating efficiencies, enabling all 'middle corridor' freight services to be handled through the single combined Victoria Terminal 1 and 2 site, and providing capacity for future market growth.

Port Operations

2022 saw an increase in vessel arrivals on the previous year, with a total of 12,476 commercial shipping movements, making Belfast Harbour the 5th busiest commercial port in the UK. The total tonnage of these vessels amounted to more than 128,000,000 GRT.

With COVID-19 remaining a significant operational risk during much of 2022, protecting and supporting the welfare of all our employees was a key consideration in how we performed our operational duties. We were pleased that the adaptations introduced to mitigate against COVID-19 did not impact our service delivery to our wide customer base, ensuring vessels safely arrived and departed the Port in a timely manner.

As restrictions on Russian flagged and Russian owned vessels came into effect during 2022, legal duties were placed upon Port Authorities in the UK to initially manage access to Russian vessels and subsequently Russian cargoes. Investment in the training and development of our people remains a high priority for the organisation and for departments where safety is the prime deliverable.

Maintaining and improving navigational safety for all vessels visiting the Port is an ongoing and primary priority area for port operations activity at Belfast Harbour.

Working alongside colleagues in the Information Systems team, preparatory work commenced in 2022 on the replacement of our Vessel Traffic Services (VTS) system. As the technical capabilities of modern VTS systems and infrastructure have developed, so have the regulatory pressures on competent authorities operating these services. A tender process has begun to procure the necessary equipment and supporting software, and we hope to appoint a contractor towards the end of 2023.

Our pilotage service is also a key component in providing safe navigation and, working with our partner, Belfast Lough Pilotage Services Ltd (BLPS), we continue to support ongoing enhanced training at a simulator facility located in the National Maritime College of Ireland in Cork. We would like to place on record our thanks to BLPS and other marine stakeholders for their hard work and professionalism during 2022.

Furthermore, we continue to invest in new plant and equipment to deliver pilotage in the safest and most modern way and we look forward to the addition of a new pilot boat at the end of 2023 which will replace our oldest vessel, 'Pilot Boat 4'. The new vessel, procured from Holyhead Marine Ltd, will provide a modern, best in class vessel for our pilot boat coxswains, and will be capable of operating on sustainable fuels such as HVO.

In the Research and Development space, we continued work with our partners in the Belfast Maritime Consortium led by, Artemis Technologies, to carry out a feasibility study on the latter's electrically powered foiling workboat prototype to establish if such a vessel could be deployed in pilotage operations. This is a truly innovative project that Belfast Harbour is delighted to support.

Port Marine Safety Code

The Port Marine Safety Code (the "Code") is the national standard dealing with all aspects of Marine Safety. Belfast Harbour operates a Marine Safety Management System as required by the Code.

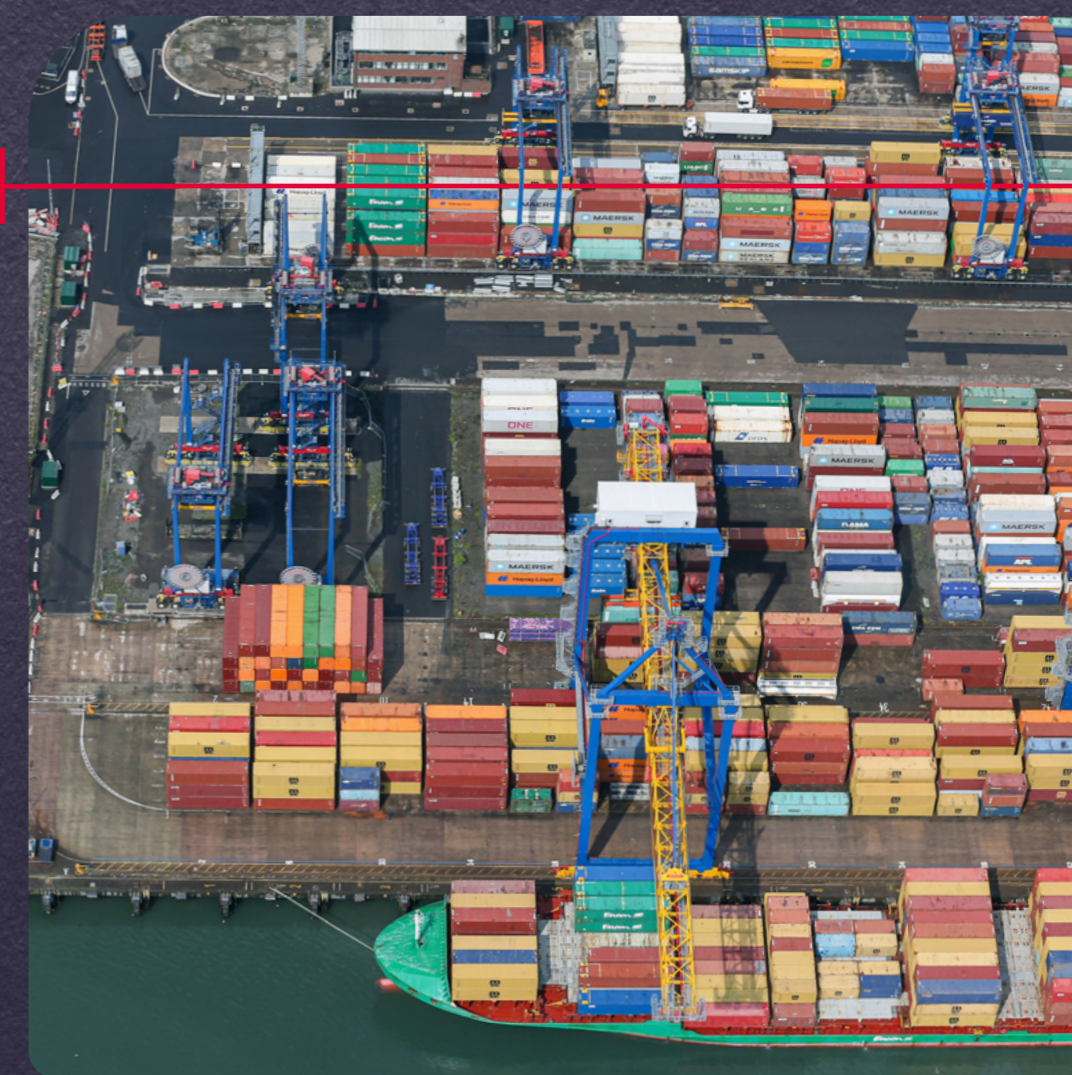
Following an independent audit (which took place in March 2021), Belfast Harbour was able to confirm to the Maritime & Coastguard Agency its compliance with the Code.

During 2022, ABP Marine Environmental Research Ltd continued as the "Designated Person" under the requirements of the Code conducting another successful audit in December 2022. Actions arising under the audit are incorporated into the Belfast Harbour Marine Operational Safety Plan 2021-2023.

Belfast Harbour monitors marine observations and incidents. 155 incidents were recorded in 2022, four of which were reported to the Marine Accident Investigation Board (MAIB). These MAIB reports were in line with our responsibilities as a Statutory Harbour Authority and all related to non-Belfast Harbour activities, including regrettably two drownings within port limits.



SCAN HERE FOR MARINE OPERATIONAL SAFETY PLAN



Property & Place



City Quays



Situated along Belfast's iconic waterfront, City Quays is a £275 million, office led regeneration project located on former docklands within Belfast City Centre, offering unparalleled views across the River Lagan, while remaining close to the City's core.

City Quays, which is comprised of commercial offices in 'City Quays 1', 'City Quays 2' and the newly completed 'City Quays 3', is Belfast Harbour's response to ongoing demand by inward investors and indigenous firms for new Grade 'A' office space in Belfast.

The quality of the buildings and associated building management services provided at the City Quays offices has resulted in the office developments maintaining 'Premier Property' status. This is a global standard employed by managing agent CBRE which identifies commercial office assets which offer unique, high specification properties delivering high quality and value services to occupiers and their clients.

This standard of management allowed Belfast Harbour customers to seamlessly reoccupy their offices post the Covid-19 pandemic and continues to facilitate a hybrid mix of remote and office working via the provision of a first-class, customer-focused, occupational experience at City Quays.

As a leader in local sustainable property development, we ensure that appropriate sustainability considerations are embedded at the earliest stages of design, through delivery and in use. Resource efficiency is a core focus, and we aim to reuse and refurbish existing assets where possible. We design and build new, low carbon, resilient and sustainable assets that are easier to maintain, reuse and recycle. We use only certified sustainable timber products and now assign increased focus to embodied carbon. We also reclaim materials from demolition works for reuse in new projects.

Throughout the year, the AC by Marriott hotel performed well as the hospitality industry emerged from the pandemic. The hotel offers excellent service provision, particularly to the Harbour Estate businesses and to the wider leisure community, including supporting the delivery of economically important conferences and events.



SCAN HERE FOR CITY QUAYS FLY THROUGH



SCAN HERE FOR CITY QUAYS CONSTRUCTION VIDEO

City Quays 3

During 2022, construction work completed on the next Grade 'A' waterfront office – 'City Quays 3' - within the waterfront regeneration development. The 16 storey 250,000 square feet, highly environmentally sustainable building (achieving a BREEAM 'Excellent' accreditation), includes a tenant 'wellbeing space' together with spectacular views of the marina, Titanic Quarter and the wider cityscape.

'City Quays 3' is one of the largest new build commercial office properties to be constructed in the City in recent years. The design team was led by RPP Architects, and development undertaken by main contractor Farrans Construction. This project represented a further £50m+ strategic investment by Belfast Harbour and the completed building can accommodate 1,800+ office workers.

Despite the impacts of the post Covid-19 pandemic, and the widespread introduction of hybrid working policies, occupier interest was strong during 2022, even before project completion. This interest translated into four tenant occupier pre-lettings totalling six floors (representing c.40% of the building's lettable space) and included wealth management business Investec Wealth & Investment and Aflac NI, part of the Fortune 500 Aflac Inc. global insurance provider.

Interest in the building remains buoyant and Belfast Harbour's customer focus, agility, and responsiveness in meeting tenant prospect requirements, including implementing their final fit out, will no doubt result in further near-term lettings.

City Quays 4

Building on the success of City Quays in regenerating Belfast's waterfront along Donegall Quay, Belfast Harbour lodged a planning application for a further phase of development, targeted at the 'Build to Rent' residential sector (BtR). Aiming to deliver 256 high quality, energy efficient apartments on a currently vacant site between the M3 Bridge and the AC by Marriott Hotel, 'City Quays 4' strives to make a positive contribution to the targets detailed in the Belfast Agenda to have an additional 66,000 people living in the City by 2035.

At 24 storeys and adjacent to the River Lagan, 'City Quays 4' provides an opportunity to develop a vibrant community along the waterfront, helping to further enhance the development of an iconic waterfront for the City - one of Belfast Harbour's key strategic goals.

As part of the 'City Quays 4' proposal, Belfast Harbour is bringing forward an associated development of affordable housing, including social provision, at Pilot Street / Corporation Street in Sailortown. The application, which seeks to deliver approximately 70 new homes, was submitted at the start of 2023 addressing a pressing housing need in this area of Belfast.



SCAN HERE FOR CITY QUAYS AFFORDABLE HOUSING SCHEME



City Quays 5

Belfast Harbour has embarked on the design and planning process to bring forward 'City Quays 5', a mixed-use development to provide high quality office space along with retail and hospitality, bringing additional amenities to the City Quays area.

Occupying a site opposite the Belfast Harbour Office and with views over the planned City Quays Gardens, 'City Quays 5' will incorporate best in class sustainability credentials.

Titanic Quarter and Queen's Island

Construction work completed on the £32m BREEAM 'Excellent' accredited Grade 'A' office, known as 'Olympic House', which is located on Queen's Road between the Public Record Office and the Belfast Metropolitan College. The project is co-promoted between Belfast Harbour and Titanic Quarter Limited and was constructed by local contractor O'Hare and McGovern.

The highly sustainable building, which can accommodate 1,500 people, is a positive addition to the emerging mixed-use Innovation District and will no doubt prove attractive to both indigenous and new market entrant FDI occupiers.

Construction of a new link road into the area from Queen's Road to Sydenham Road, known as Hamilton Road, was completed during the year. This £2.5m infrastructure project, co-funded by Belfast Harbour and Titanic Quarter Limited, also incorporated active travel solutions via the provision of cycle lanes and a new 'Belfast Bike' docking station.

Progress towards extending Titanic Quarter's residential offer was made through the 627 build-to-rent and 151 affordable units in the 'Loft Lines' development, which achieved Planning Approval in April 2022. The housing scheme aims to deliver a new riverside community of managed private, affordable, and social

homes surrounded by walkways, boulevards, and a play area.



SCAN HERE FOR A LOOK INSIDE OLYMPIC HOUSE

Progress was achieved in Titanic Quarter with revised Planning Consent secured for a proposed new hotel adjacent to the Hamilton Dock, to incorporate 162 bedrooms and 94 aparthotel rooms together with conference facilities, gym, restaurant, and rooftop bar.



SCAN HERE TO VISIT LOFT LINES WEBSITE



Other leisure sector projects, including the proposed ReefLIVE aquarium, are expected to progress as the leisure market recovers post pandemic and the development of the area as a leisure hub continues. In addition, we were pleased to reach agreement with key partners to keep HMS Caroline in Belfast at Alexandra Dock retaining an important offer in the Maritime Mile experience. This historic C-class light cruiser is the last surviving vessel of the 1916 Battle of Jutland and has called Belfast Harbour its home since 1924.

Belfast Harbour Studios

Netflix completed another production entitled 'Lift' in the Belfast Harbour Studios complex with occupation for this feature film ending in July 2022. We were delighted to welcome another media giant, Amazon Prime, as a follow-on occupier of the entire complex for a television production 'Blade Runner 2099' which it is understood will be produced by Ridley Scott. This production will be a sequel to the 1982 iconic science fiction film and its 2017 follow-up.

This strong and continued attraction of Belfast Harbour Studios and Northern Ireland as a world-class film location, coupled with the development of the local crew base, provided a compelling reason for extending the existing studio facilities.

In alignment with, Belfast Harbour's strategy 'to create a leading European creative and media hub', construction commenced during the second half of 2022 on further sound-proofed film stages with supporting production offices and workshops.

This, together with the first Belfast Region City Deal funded project to create an on-campus leading-edge Virtual Production facility, being developed collaboratively with Ulster University, marks another step towards the development of the media hub becoming the largest film and TV production facility outside the South-East of England.

Placemaking

2022 saw progress of a Planning Application for the first phase of a new £3m urban gardens space. This will be located between the Harbour Office and the City Quays waterfront buildings and will be known as 'City Quays Gardens.' The objective is to create green leisure space which will incorporate a maritime art trail together with external performance spaces for use by Harbour Estate occupants, citizens of Belfast and visitors alike. The scheme is designed to achieve 'One Planet Living' sustainable accreditation and will be the first project in the region to attain such a rating. It is anticipated that construction works, which will be funded entirely by Belfast Harbour, will commence during 2023.

Early progress of Belfast Harbour's 'Placemaking Strategy' is represented via several catalysing projects which will bring the strategy to life. These projects are under development, and it is anticipated these will be brought forward for Planning Approval during 2023 for subsequent implementation.

The Placemaking Strategy aims to create a people-centric sense of place, anchored in local communities and taking reference from their individual characteristics and maritime history. Creation of active travel linkages to the City and adjoining neighbourhoods is one of the key Placemaking Strategy ambitions and works to progress this in collaboration with key stakeholders, including Belfast City Council and Sailortown, were initiated during the year.

Belfast Harbour continued to work collaboratively with Maritime Belfast Trust (MBT) towards animating and curating the City's developing iconic waterfront and further developing an animated leisure harbour. The outputs from this partnership working manifested themselves via the 'Maritime Mile' project delivering curated public space and attractions along the area's waterfront.



One such initiative being progressed via MBT is aimed at enhancing connectivity along the Maritime Mile using beacons, waymarking and street furniture.

Another significant initiative involves the formulation of a 'Waterfront Taskforce' which is being developed in recognition of one of the four key themes within Belfast City Council's 'Bolder Vision' document i.e., 'Embracing the River Lagan and Waterfront'. This dovetails with Belfast Harbour's 'Iconic Waterfront' Strategic theme and involves working in partnership key stakeholders including e.g., Belfast City Council, MBT and Titanic Quarter Limited together with public sector departments.

Belfast Harbour will also work with MBT to create a programme of events towards animating and curating City Quays Gardens post development including integrating activity with the city-wide events programme.

Innovation City Belfast

Belfast Harbour continued to work with city partners throughout 2022, including supporting the Innovation City Belfast (ICB) initiative to create an economic powerhouse for innovation. In addition to working in partnership with Belfast City Council, the two universities and Catalyst, and with Invest Northern Ireland as an advisory partner, ICB welcomed

Belfast Metropolitan College to help champion the skills agenda as it drives the City forward as a global destination for innovation.

Through the year, Belfast Harbour contributed to an emerging Innovation District Strategy which will help shape and deliver the 'Innovation District' which covers over 400 acres, spanning from Belfast City Centre to City Quays and across to Queen's Island, contributing to Belfast Harbour's growth as a key economic hub for the region.



SCAN HERE FOR MARITIME MILE



A Socially Responsible Port

Committed to enabling a 'Gateway to Opportunity for all', Belfast Harbour's Responsible Business activity, which encompasses all elements of our operations, is co-ordinated across four primary areas:

In 2022, Belfast Harbour maintained its Platinum accreditation for CORE – Business in the Community's Responsible Business accreditation which is valid for three years. Belfast Harbour is one of only four companies who have achieved this accolade. This strong external benchmarking strengthens the delivery of our ESG responsible business strategic objectives.

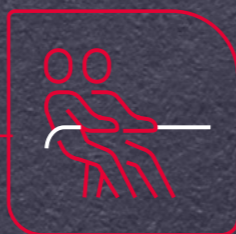


SCAN HERE FOR COMMUNITY AWARDS FUND



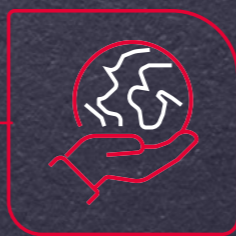
PEOPLE

AN INCLUSIVE PORT
A gateway to opportunity for all



PARTNERSHIP

A COMMUNITY PORT
Delivering grassroots engagement



PLANET

A CLEAN, GREEN PORT
Delivering environmental sustainability



PLACE

A DESTINATION PORT
Delivering a place that adds social value for all



Stakeholder and Community Engagement

As a socially responsible Trust Port, we engage closely with our diverse stakeholder base to ensure that the social and economic impact of Belfast Harbour's investments are communicated effectively to local communities.

2022 marked the landmark 175th anniversary year of Belfast Harbour Commissioners, during which we invited each of our stakeholder communities to share in events along Belfast's iconic waterfront and Maritime Mile. This included hosting a wide range of engagement events with our customers, tenants, and partners, along with corporate and political stakeholders, that showcased the economic and social contribution of Belfast Harbour to the region over many generations.

In building relations with our local communities, c.30 grassroots organisations and charities took part in boat excursions and tours of the Port, engaging young people and local communities in the history, heritage and transformation of Belfast Harbour.

During the summer local communities and visitors were encouraged to play a role in celebrating the 175th Anniversary by taking part in a photography competition 'Capturing a Port for Everyone'.

The categories including 'People', 'Port' and 'Place' generated engagement opportunities with new audiences, with more than 120 entries received. This activity was further amplified with the announcement of a partnership with the Belfast Photo Festival which saw the opening of a free outdoor gallery at City Quays walkway.



SCAN HERE FOR 'I AM BELFAST HARBOUR' 175TH ANNIVERSARY VIDEO



Community Partnerships

Our annual budget towards community engagement support is based on c.1% of our annual operating profit. In 2022, this enabled c.£320,000 of funding support to be allocated to community and charitable organisations. This support focuses on positively impacting 3 core areas:

- **Supporting Employability and Skills;**
- **Supporting our Environment; and**
- **Supporting Communities**

This significant investment enables Belfast Harbour to make meaningful and positive social impact across communities, the environment and to young people's development opportunities. This included working with a wide range of organisations such as Active Communities, The Prince's Trust, Ulster University Student Bursaries, Business in the Community, 4CUR Future, Belfast Giant's as Community Outreach Partner and Lagan Search and Rescue.



SCAN HERE FOR COMMUNITY SCHOLARSHIPS



2022 saw two rounds of our Community Awards Fund granting a total of **£87,000 to 25 organisations** supporting the grassroots communities in which they operate. This support saw a diverse group of organisations benefitting from grants to support those challenged by the cost-of-living crisis, host educational workshops and support for a wide variety of minority groups.



In addition to our Community Awards, the Titanic Schools Project was selected to receive a **special 175 Anniversary Grant** to support the delivery of maritime heritage and engineering related projects with school children.



In recognition of the challenging time some of our communities were experiencing towards the end of the year, Belfast Harbour also made a series of additional exceptional donations totalling **£25,000** to foodbanks and family support hubs in the greater Belfast area.



In line with our strategic goal to develop a leading European Media hub, Belfast Harbour supported Cinemagic to deliver their **Talent Lab masterclasses** as part of the 33rd Cinemagic International Film and Television Festival for Young People in Belfast. This offered **200 young people** film industry learning opportunities. The masterclasses were designed to help develop and nurture new talent for the screen industry sector. **100 of the masterclass workshop spaces were free of charge**, to young people from hard-to-reach backgrounds.



In partnership with Ulster University, Belfast Harbour funded **15 community scholarships** for care experienced students. Aiming to increase access to higher education, the £45,000 scholarship fund will provide £1,000 per academic year for three years, to care experienced students.

“This scholarship is life-changing and has given me a real boost to push me further and go beyond what is expected of me. The fact that someone believes in me and wants to support me after the challenges I have faced means the world to me.”

Student 1
Testimonial

In November, Belfast Harbour was delighted to support the opening of a state-of-the-art learning centre – Learning Innovation for Everyone (LIFE)- at W5, in partnership with Odyssey Trust, as well as industry partners Almac and Microsoft promoting the opportunities afforded to young people and local communities to develop new skills and take part in training programmes, the Centre’s core objective is to create tangible new career opportunities for young people.

As part of our outreach measures, we engaged with several local schools to educate pupils from all backgrounds about the range of career opportunities throughout Belfast Harbour while supporting their employability skills. In addition, we continued to support a range of initiatives to encourage more women to pursue opportunities in the maritime industries and in wider STEM based roles.

As the Belfast Giant’s Official Community Outreach Partner, we extended our impact as a responsible business by supporting a wide variety of community engagement and dedicated outreach programmes developed by the Belfast Giants, involving young people across Northern Ireland. Strengthening our relevance as a ‘Port for Everyone’ to wider audiences, we supported the team in delivering the Healthy Lifestyle Programme, which is designed to encourage young people to make conscious decisions around their lifestyle choices. The programme reached over 1,800 pupils in primary schools across Northern Ireland in 2022.

Our partnership also supported the delivery of the fourth Odyssey Ice Academy in 2022, a programme that brings together young people that have been in care or suffered from mental health challenges and

provides them with a unique opportunity to learn through leisure and recreation to work together to overcome challenges, supporting wellbeing and better life chances. A group of 15 local young people took part in the Ice Academy last year.



SCAN HERE
FOR OPENING
OF W5 ‘LIFE’
CENTRE



Planet &
People





Working in close partnership with Belfast City Council and Maritime Belfast Trust, physical events and festivals across the Estate were delivered successfully during 2022, with events such as the Maritime Weekender bringing our vibrant waterfront to life. Our support for communities featured prominently in the animation events on the Maritime Mile, delivered by creative organisations such as the Belfast International Arts Festival Crystal Palace Spectacular, as well as city-wide community and arts festivals including Sailortown's Gathering Festival and the new North Belfast Festival.

Belfast Harbour is committed to developing sustainably and as such, has significant ambitions around the development of public space and green areas. Community support for the Sailortown Regeneration Group (SRG) continues, as plans develop for public realm enhancements to Barrow Square and to install 'parklets' within Sailortown. Close engagement continued with SRG (and the wider community network) on the positive impact that the place-making investments at City Quays Gardens and other residential developments will have on the area.

Planet: Environmental Sustainability

As we seek to deliver our sustainability goals, we recognise that we can achieve more through coalition and partnership. By seeking to partner with tenants and port customers to adopt more sustainable transport and resource usage practices, Belfast Harbour puts People, Place and the Environment at the heart of our sustainable business model.

We have committed to reducing our operational carbon emissions to net-zero by 2030, significantly in advance of mandatory requirements. We will also aim to achieve zero waste to landfill, improve air and water quality, and enhance both land based and marine biodiversity on the Harbour Estate.

Community projects led by our partners at Keep Northern Ireland Beautiful delivered more than 50 beach clean ups in 2022, engaging with more than 1000 people to not only make an impact on our environment but support educational messages about the impact of litter and the importance of protecting biodiversity.

We recognise that collaboration is essential to mutually accelerate our sustainability programmes and to drive the systemic change needed to contribute to major national and global sustainability challenges. To that end, we actively participate in several external initiatives with relevant strategic partners:



SCAN HERE FOR MORE INFORMATION ON SAILORTOWN REGENERATION GROUP



SCAN HERE FOR KEEP NORTHERN IRELAND BEAUTIFUL

Our Strategic Partners for Sustainability



Commitments / Calls to Action (What we want to achieve)

United Nations Sustainability Development Goals / Science Based Target Initiative / NIEA Prosperity Agreement



Reporting (How we communicate about our progress)

Business in the Community / Global Reporting Initiative



Memberships & Collaborations (With whom we partner to achieve our commitments)

Business in the Community / Responsible Plastics Management / Keep Northern Ireland Beautiful / NI Green Seas Consortium / Belfast Climate Commission / DAERA / British Ports Association / UK Major Ports Group



Assessments / Ratings (External evaluation of our performance)

Business in the Community

Recognising our ongoing commitment to measuring our environmental performance and development, Business in the Community (BITC) awarded Belfast Harbour Platinum status in 2022 in its Environmental Benchmarking Survey, for the fourteenth consecutive year in a row. Belfast Harbour also maintains a Platinum status in BITC's Business & Biodiversity Charter, in addition to Platinum status in its CORE – Responsible Business standard.

Going forward, we will continue to deliver upon a holistic sustainability agenda that builds on our long-term commitment to supporting and protecting our environment, across all our business activities. This includes commitments to fully decarbonise our own operations by 2030, to reduce pollution, to protect and enhance our natural environment and to develop our leadership role as a sustainable property developer.

In 2021 we signed a stretching and ambitious Prosperity Agreement with the Northern Ireland Environment Agency. We continue to drive those associated actions which put Green Growth principles into practice, exploring new ways to reduce environmental impacts in a manner that creates prosperity and well-being for all.

Energy Use & Carbon Emissions

Energy use and decarbonisation are core components of our sustainability agenda and throughout the year we continued to work towards our commitment to decarbonise our operations. Our ambitious goal is to achieve net-zero Scope 1 and 2 greenhouse gas (GHG) emissions by 2030.

Our Climate Action Strategy is founded on quality data acquisition, digitisation and analytics. It focuses our efforts on energy efficiency and systems optimisation; a drive towards the renewable electrification of heat, plant and mobility; and the integration of onsite and offsite renewable generation.

In 2022 we continued an extensive programme of works to replace street and quay lighting with low energy LED alternatives. We progressed with our ongoing programme to electrify our light vehicle fleet, as well as other fossil fuel burning plant and infrastructure. We also continued to evolve a network of electrical sub metering across the Harbour Estate, putting data and analytics at the heart of our decarbonisation efforts.

Over the past two years we have successfully trialled the use of Hydrogenated Vegetable Oil (HVO) in Belfast Harbour plant and vehicles. HVO is a drop-in fuel used in lieu of diesel to reduce carbon emissions generated by internal combustion engines. Having deployed additional refuelling infrastructure in 2022 we are now rolling out the use of HVO fuel across the Port, including in our pilot boats and cranes. Over the next two years this will reduce our Scope 1 carbon emissions by approximately 2,000 tCO₂e per annum.

We continue to purchase 100% renewable electricity, both for our own operations and on behalf of Port tenants for whom Belfast Harbour procures energy. This has led to a reduction in emissions of more than 3,500 tCO₂e per annum.

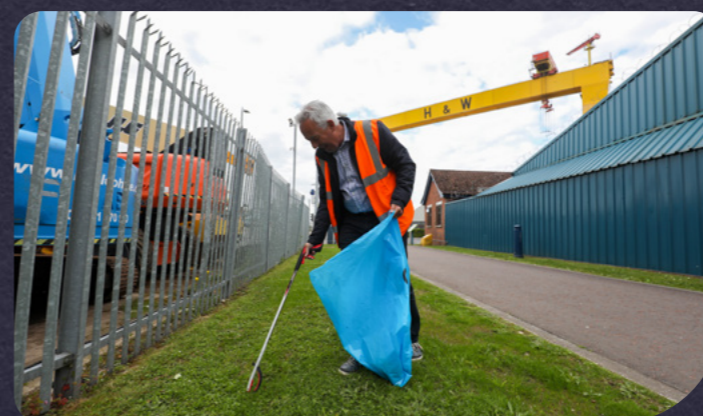
Further details of our energy use and carbon emissions are provided in the Streamlined Energy and Carbon Reporting Statement 2022 section of the Annual Accounts.

Biodiversity & Conservation

With a diverse Estate footprint covering more than 2,000 acres, land use, biodiversity and conservation are material issues and of great importance to Belfast Harbour. We're actively collaborating with local academia, conservation and subject matter experts in order to develop methods to enhance and protect green areas and areas of environmental importance.

We maintain an extensive biodiversity and conservation action plan and partake in regular external biodiversity audits - the most recent of which was conducted in 2021 with partners at the Ulster Wildlife Trust - which continue to inform the direction of travel for enhancing biodiversity in the Harbour Estate.

The inclusion of City Quays Gardens as a new urban green space will also further increase biodiversity activity within the Estate. Belfast Harbour also maintains a Platinum status in Business in The Community's (BITC's) Business & Biodiversity Charter.



Clean Air & Water

Building on earlier works to model carbon emissions throughout the Harbour Estate, and in collaboration with Belfast City Council, we have deployed and now maintain multiple real time air quality sensors that monitor a range of air pollutants (including Particulate Matter, NOX and SOX).

Throughout 2022, we continued to develop our Strategic Transport Master Plan for Queen's Island, which aims to influence a transition towards low carbon travel and transport, by improving the cycle lane infrastructure, improving public transport links, creating mobility hubs and introducing smart traffic management.

We continue to monitor Belfast Harbour waters and are actively engaging and collaborating with local NGOs and regulators to define the direction of travel on enhanced water quality. Linking through to our smart port strategic theme, we are also deploying water quality monitoring equipment at strategic locations across the Port, and utilising IoT solutions to transparently present real time water quality information.

Our electric litter boat, Sea Sweeper, continued to service our waterways, and we are now working towards Blue Flag status for the Belfast Harbour Marina in Abercorn Basin. We continue to implement measures



to reduce the potential of water pollution and recover marine litter, including the ongoing use of sea-bins within the marina.

During 2022 our Oil Pollution (OPRC) Contingency Plan was updated and approved by the Maritime and Coastguard Agency. On-site and desk top exercises to test the Plan were conducted with our partners and the practical deployment of spill response equipment was successfully demonstrated by our Tier 2 emergency response contractor.

Resource Efficiency & The Circular Economy

The application of resource efficiency and circular principles supports our minimisation of natural resource usage and the generation of waste. We are actively engaged in minimising our operational waste, reusing and recycling what we can, and importantly striving to meet our goal of sending no waste to landfill.

Plastic waste and its impact on the marine environment continues to be a key focus area. As a result, we have maintained our partnership with Responsible Plastics Management (RPM) to reduce and ultimately eliminate single use plastics from our operations. In conjunction with our waste management providers, we are proud to have achieved over 90% diversion of port waste from landfill during 2022.

Corporate Matters



People, Diversity and Inclusion

2022 saw significant progress in embedding our new People and Culture strategy. During the year, our workforce numbers increased from 171 to 193. Overall, twenty-two permanent roles were recruited during this period. Through our progressive People Strategy, we continue to attract, develop, and inspire talent while developing a positive culture aligned with our values and strategic plans.

Covid-19 remained a challenge for the organisation throughout 2022, but after two years of working from home, we welcomed our office-based teams back to the office in April under our new hybrid working guidelines.

In line with our People Strategy, 2022 saw the development and implementation of a suite of modern, future-fit, and leading family-friendly benefits, policies, and procedures. These will continue to be evaluated and improved on as part of our efforts to enhance Belfast Harbour's employer brand.

We successfully launched continuous performance conversations as part of a new approach to managing employee performance. We have designed and rolled out a range of resources to help colleagues

better understand our approach to performance management, including how we set goals, measure performance, and develop employees.

The first phase of implementing our iTrent Human Resources Management Information System was successfully completed, including employee self-service and systems automation. Phase two of the implementation was also initiated during the year and is due for completion in early 2023.

We introduced our first mid-year pulse survey through our Culture Amp engagement software. The results were very strong, and we saw an increase of 5% in our engagement rate and more positive scores against all key areas. Leaders in the business have developed departmental specific action plans to address key focus areas from the surveys, and these actions are reviewed throughout the year.

We implemented a soft launch of a new employee communication and engagement app from Thrive that has been branded 'Gateway'. The Gateway app focuses on improving employee communication and engagement through various channels, including informal social features.

There was a renewed focus on employee development during the period. A 'Women

in Leadership' programme successfully concluded with ten delegates participating in six modules across various topics, including 'building your network', 'boosting your confidence', and 'discovering your authentic brand'. This was complimented by an employee engagement event that celebrated International Women's Day and focused on the diverse roles and significant impact of female employees in our organisation.

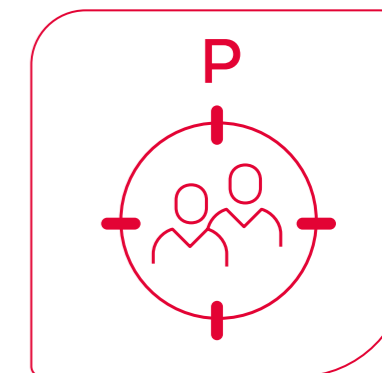
In addition, a mentoring programme was launched for eight employees from across the business. Once complete, participants will be awarded an Institute of Leadership and Management Level 5 qualification. An internal Senior Manager Development programme was introduced to assist in developing their leadership capabilities.

With our return to the office, we relaunched a Health and Well-being Strategy, which included a range of in-person activities, including support for World Mental Health Day and encouraging colleagues to participate in the Mental Health Foundation Challenge: 12,000 steps a day in November.

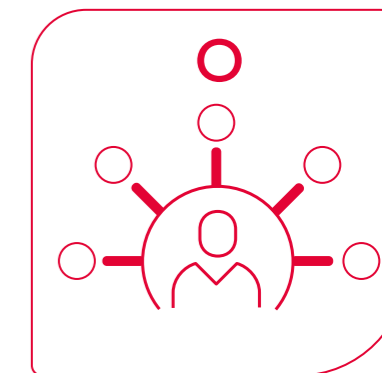
Underpinning our commitment to diversity and inclusion, we secured our Bronze Diversity Charter Mark for another year, with the panel recognising the work

undertaken to enhance our family-friendly policies and rebranding job opportunities to reflect our commitment to enhancing the diversity of our employees. In addition, we launched our first Diversity and Inclusion survey across the business. The results have informed our equality, diversity and inclusion plans for 2023 and provided a baseline against which we can measure the effectiveness of our diversity and inclusion efforts.

We are committed to meeting our statutory duties and continue to promote diversity, equality of opportunity and good relations through our people culture and corporate responsibility activities. We continue to report progress on the implementation of our Equality Scheme and Disability Action Plan to the Equality Commission through Annual Progress Reviews.



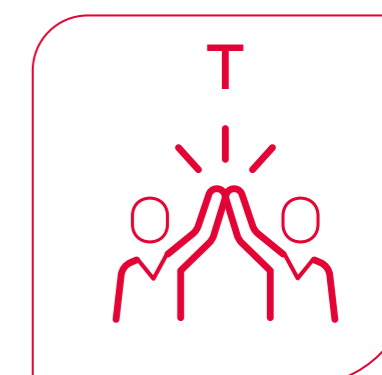
PEOPLE-FOCUSED



OPEN



RESPONSIBLE



TRUSTWORTHY

Business Continuity

Belfast Harbour is committed to maintaining effective contingency plans to safeguard business continuity during disruptive events. Certification to the internationally recognised ISO 22301 standard for Business Continuity Management continued in 2022 for the Port Business Continuity Management System. 2022 saw a refocus on internal structures to further develop capacity and capability to respond to Business Continuity events.

Belfast Harbour chairs a Harbour Working Group of the Belfast Emergency Preparedness Group comprised of key stakeholders and emergency responders and is also an active participant in the following groups: Belfast Flooding and Severe Weather Working Group, Belfast First Responders Group. As the Covid-19 pandemic impact receded during 2022, Business Continuity activities gradually returned from remote to in-person exercises.

Key events which took place in 2022 included stakeholder briefings on cruise emergency arrangements, Port familiarisation visits for emergency responders and both attending and hosting exercises for multi-agency crisis

response simulation events. The Covid-19 Crisis Management Team was stood down as the year progressed, due to a reduction in potential impact on port and estate operations.

Health and Safety

Belfast Harbour remains committed to the provision of a safe and healthy working environment and the elimination of accidents. During 2022, Belfast Harbour's Health and Safety Management Systems was successfully recertified against the internationally recognised standard ISO 45001:2018 and delivery of an ambitious comprehensive 5-year Health and Safety Action Plan continued.

Existing Health and Safety strategies and procedures were enhanced through the implementation of a safety culture programme. This, externally facilitated process, will, through assessment of safety culture maturity and provision of training, deliver an increased focus on continuous improvement of safety behaviour, supplementing the existing processes and practices.

During the year, continued effort was applied to maintaining a Covid-19 safe workplace to deliver essential frontline services by the

Port through the changing risk and regulation picture.

In addition, a Compliance Management Software tool was implemented to increase ease of reporting, risk assessment, investigation and visibility of incidents, observations, and audits.

Belfast Harbour continues to be an active participant in the Northern Ireland Safety Group and Port Skills and Safety which seeks to promote the adoption of best health and safety practice throughout local industry and the ports' sector respectively.

Community Safety

Belfast Harbour Police supports, amongst other things, the development of a vibrant iconic waterfront district, by helping to ensure that Belfast Harbour is a safe and welcoming environment for people to live, work, and visit. Throughout 2022, Belfast Harbour Police continued to provide a wide range of policing services focussed on neighbourhood policing, crime prevention and detection and personal safety.

The force has a strong focus on community engagement, and continued delivery of the wide range of Policing services needed to preserve a safe and secure environment.



Investment in water safety enhancements such as the Belfast Harbour Police vessel and CCTV have delivered a notable decline in the number of immersion incidents in Belfast Harbour in the last year. Belfast Harbour Police worked alongside partners Lagan Search and Rescue and the RNLI to deliver a number of different events in 2022, including a free 'Lifejacket Clinic' at Belfast Harbour Marina and engagement with the public and residents around water safety education on World Drowning Prevention Day, as well as crime prevention.

Technical Innovation

Belfast Harbour continued to deliver upon an ambitious smart port strategy, following the successful conclusion of several proof-of-concept projects. The 5G Private Network proof of concept on Stormont and Gotto Wharves successfully concluded, and a showcase event was held for a range of key stakeholders, including port tenants. The event included a range of demonstrations illustrating the benefits of the digital transformation work completed. In addition, much of the work on the 5G public network on Queen's Island concluded during

2022, including introducing a range of environmental sensors along the Maritime Mile.

These 5G projects enabled the deployment of environmental sensors, 5G enabled CCTV, the Internet of Things (IoT) and drone operations. These solutions are, in the main operational and utilised daily, with the 5G Private network providing the underlying infrastructure. Other use cases for IoTs on cranes and lighting are currently in progress to further enable the real-time utilisation data.

With a focus on future digital opportunities, additional solutions have been assessed to deliver further wi-fi connectivity in the Port and on Queen's Island, along with extending the current 5G Private network.

Much of the planned Smart Traffic solutions were rolled out in Queen's Island in 2022, along with a successful beta test of our new Belfast Harbour Community app which will provide those living, working and visiting the Harbour Estate with live traffic information.

The new wayfinding application (Rovar) for the Maritime Mile, which includes augmented reality experiences at Clarendon Dock, City Quays Gardens and HMS Caroline,

was successfully developed and underwent beta testing during the period with a full rollout planned for Quarter 2 2023.

Belfast Harbour led a successful consortium bid as part of a Centre for Controlled and Autonomous Vehicles (CCAV) funding call for autonomous vehicle projects. The Harlander Project will run for two years with its aim to deliver a commercially viable, fully unattended autonomous vehicle along a 1.3-mile route from the Titanic Halt Railway station to the Catalyst campus.

As part of our broader digital transformation strategy, the implementation of the new Oracle Fusion finance system was successfully concluded during 2022. The new system delivers significant operational improvements, enhanced controls, and improved reporting. Phase 1 of the new Assure compliance system was also successfully concluded, and the system is now in widespread use throughout the business.



Strategic Report



Belfast Harbour is incorporated as a Statutory Corporation, and whilst not directly bound by The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, Belfast Harbour has adopted the main provisions of the Act and therefore presents a Strategic Report consistent with corporate entities of a similar size.

This report, to be read in conjunction with the full annual report, contains information that the Board considers to be of strategic importance to the Harbour.

Strategy Update and Business Model

Belfast Harbour remains committed to investing in the Harbour Undertaking, with delivery of sustainable financial returns according to investment criteria. Operating the business profitably is a legal requirement and is essential to fund investment and enable trade growth. This enables Belfast Harbour to best serve the business and the Northern Ireland economy at large. In addition, there is ongoing capital expenditure to keep the basic infrastructure of the Port fit for purpose.

The business model is highly capital intensive and generating retained profits to fund trading and investment is the core financial objective of Belfast Harbour.

Northern Ireland Trust Ports are independent statutory corporations, with their only source of funding being profits generated from trading. Hence Belfast Harbour must generate an acceptable return on assets in order to sustain operating expenditure and fund future investment.

The primary focus of Belfast Harbour is and remains major investment in port facilities to enable and develop port trade. During 2022 there was continued substantial capital investment in port facilities, notably purchase of a new dockside crane, ongoing investment in and enhancement of RoRo and container terminals, together with regeneration activities, including 'City Quays 3', 'Belfast Harbour Studios' expansion and 'Olympic House'.

Capital Expenditure

Belfast Harbour is primarily an infrastructure business, wholly funded by retained profits. No

public money is received or spent by Belfast Harbour.

All profit, net of taxation, is reinvested in the development of Belfast Harbour's port and property activities. The beneficiaries are the businesses throughout Northern Ireland, which trade through and rely on the Port, and consequently there is a significant positive impact on the local economy in general. As is common in the ports' industry, the scale of economic benefit from this investment is considerably in excess of the direct economic benefit to Belfast Harbour itself.

Total capital expenditure during 2022 was £23.4m, and in addition, a further £83m has been committed at the 2022 year-end to strategically significant projects.

This will be funded from Liquid funds, which were £75.3m at December 2022, from bank borrowing and from future trading profits.

In the past 10 years in excess of £317m has been invested in the Harbour, mostly in port and estate facilities and all funded from trading profit.

Trading

Notwithstanding the general inflationary environment, Belfast Harbour successfully delivered a strong profit performance for 2022, with consolidated turnover at £77.2m increasing by 5.4% on 2021, and consolidated operating profit at £33.6m, decreasing by 1% on 2021.

The Financial Statements show consolidated Profit before Taxation for 2022 at £32.9m, a decrease of £6.9m on 2021. This is stated after the movement on valuation of investment properties, which in 2022 is a modest reduction, reflecting market valuation conditions.

The movement on valuation of investment properties is not a trading item, and after adjusting for this, the "Underlying" Profit before Taxation increased by 0.7% to £34.3m from £34.0m, as set out in the table below:

	2022	2021
Profit before Taxation as reported	£32.9m	£39.8m
Add Deficit/Less Surplus on re-valuation of investment properties	(£1.4m)	£5.8m
"Underlying" Profit before Taxation	£34.3m	£34.0m

Taxation Strategy

It is the policy of Belfast Harbour as a good corporate citizen to adhere to all taxation legislation, ensuring payment of all tax properly due and not to engage in any contrived or artificial transactions to secure a tax saving.

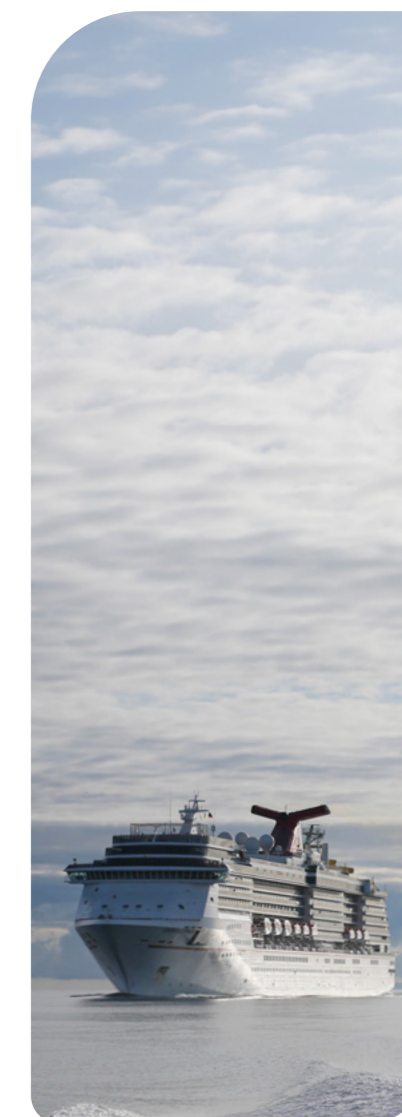
Hence the risk appetite of Belfast Harbour towards any tax mitigation scheme is low, and it is anticipated that all corporation tax will be paid at a level similar to the policy rate, save for the point noted below on investment allowances.

Belfast Harbour has a capital-intensive business model, and investment in capital, including plant, is considered accretive to the development of the business and overall Northern Ireland economy. Thus, Belfast Harbour will seek to fully utilise all investment allowances, although this will be done in a manner fully compliant with legislation, and in a fully transparent way in communication with HMRC where required.

The total taxes paid by Belfast Harbour in 2022 are in excess of £11m.

Business Environment

Belfast Harbour has considerable financial resources together with a diverse business model holding long term contracts with key customers and has continued to successfully manage the business risks associated with the continuing uncertain economic outlook. The notable 2022 revenue increase on 2021, and strong financial performance was underpinned by the diversity of core income streams. In addition, Belfast Harbour continues with a forward-looking investment strategy, in capital intensive harbour facilities and real estate, which are accretive to the NI economy notwithstanding adverse market conditions, notably the effects of fuel and general price inflation.



Risks & Uncertainties



Funding Risk

Belfast Harbour as a Trust Port is solely responsible for funding the business operating and investing activities via retained profit. Most major UK Trust Ports are classified for public expenditure accounting purposes as “public corporations”. The classification has the potential to impact on public budgets, as any exercise of borrowing powers by Belfast Harbour will “count” as public borrowing even though there is no public money involved and no recourse to government for lenders to the Harbour. At present Belfast Harbour is able to maintain its current investment commitments at a level supported by trading profits generated by the business, without currently utilising its borrowing capability. Continued investment in economically significant projects will, however, likely require utilisation of Belfast Harbour’s borrowing powers in the near future.

Economic Risk

Belfast Harbour’s trade is reflective of the health of the overall Northern Ireland economy, and the economy will always be a managed risk. In mitigation of the economic risk, Belfast Harbour has a well-diversified trading base across a number of trading sectors, strong trading counterparties and continues to seek new business investment with sustainable financial returns. The operating environment has been adversely affected by the war in Ukraine, which has impacted operating costs and contributed to the UK cost of living crisis. Inflationary pressures have also impacted the supply chain and construction costs. Belfast Harbour continues to monitor this operating environment and such costs to minimise the impact to the business and stakeholders.

Trading Risk

Belfast Harbour is exposed to competition on the main trades through the Port, and over time there have been market share gains and losses through the effect of competition from other ports. In mitigation of this risk, Belfast Harbour has a well-diversified trading base, strong trading counterparties and an active strategy for investment in facilities to preserve and enhance the offer to customers. In future the progress towards decarbonising the economy will impact port trading and income, and Belfast Harbour forward plans have taken account of the trade reduction in specific sectors.

Regulatory Risk

Belfast Harbour, like all UK ports, operates in a highly regulated industry and is fully cognisant of the regulatory obligations, principally in respect of People, Safety, the Environment and Security. Future focus on decarbonisation of the economy will become an increasingly important feature of regulation and will require significant investments. In addition, the successful execution of Belfast Harbour developments and their accretive effect on the NI economy depends on planning and consenting processes. Belfast Harbour is also aware of the need to operate a strong governance model, including governance specifically pertaining to Trust Ports. In mitigation of regulatory risks, Belfast Harbour has strong oversight mechanisms in place at Board and Executive level for monitoring and meeting the ongoing challenges in all of these areas.

EU Exit

EU Exit has the potential to impact the trade of goods in the internal UK market, which is c. 70% of Belfast Harbour cargo trade, including 100% of Belfast Harbour freight ferry traffic. Currently the effects are principally on GB to NI trade. Belfast Harbour, however, is primarily an infrastructure provider, not involved directly in cargo trading, haulage, shipping or regulatory checks and hence has been largely removed from the direct impacts of EU Exit. That said Belfast Harbour has engaged substantially with relevant authorities and key customers as the NI Protocol has been implemented, with a focus on facilitating trading flow to be as smooth as possible. Trading in 2022 was broadly in line with previous years. Trading has benefitted from the respective grace periods associated with the implementation of the NI Protocol and may have benefited from

some traffic diversion from Dublin port services. Any potential future effects of the Windsor Framework on port traffic will be assessed as they arise.

Risks and uncertainties remain, and Belfast Harbour will continue to monitor these risks. The derived demand effects on overall economic activity from EU Exit, and their concomitant effects on trade, remain difficult to predict.

Asset Resilience Risk

As primarily an infrastructure business Belfast Harbour’s operating model depends on the availability and fitness for purpose of marine and landside assets to facilitate shipping movements, cargo handling and passenger traffic. In mitigation of this risk Belfast Harbour operates a systematic approach to asset surveys and upkeep and has an active investment strategy to replace and enhance key assets as required.

Commissioners



Dr Theresa Donaldson
(Chair)



Joe O'Neill
(Chief Executive)



Deborah Lange



Councillor Emmet
McDonough-Brown



Sir Malcolm McKibbin



Councillor
Ciaran Beattie



Jane Chambers



Kevin Kingston OBE



Gerry McGinn CBE



Councillor Malachai O'Hara



Rose Mary Stalker



Noel Lavery CB



Stephen Martin OBE QPM



Councillor Donal Lyons



Diana Fitzsimons



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FOR
COMMISSIONERS

Commissioners' Attendance

Names	Board Meetings		Committee Meetings		Total Meetings Attended		Total Meetings Attended %
	Possible	Actual	Possible	Actual	Possible	Actual	
Beattie, Ciaran	6	6	8	7	14	13	93
Chambers, Jane	6	6	13	13	19	19	100
Donaldson, Theresa	6	6	27	27	33	33	100
Fitzsimons, Diana	6	6	19	19	25	25	100
Kingston, Kevin	6	6	23	23	29	29	100
Lange, Deborah	6	6	22	21	28	27	96
Lavery, Noel	6	6	12	12	18	18	100
Lyons, Donal	6	3	13	10	19	13	68
McDonagh-Brown, Emmet	6	5	15	10	21	15	71
McGinn, Gerry	6	6	28	28	34	34	100
McKibbin, Malcolm	6	6	10	10	16	16	100
Martin, Stephen ²	6	5	12	9	18	14	78
O'Hara, Mal	6	5	9	7	15	12	80
O'Neill, Joe	6	6	39	39	45	45	100
Stalker, Rose Mary	6	6	18	16	24	22	92

² Attendance impacted due to a close family bereavement.



Executive Team



Maurice Bullick
Finance and Compliance Director



Allison Dowling
Communications and
Marketing Director



Ian Lang
Sustainability and
Infrastructure Director



Michael Robinson
Port Director



Mike Dawson
People and Corporate
Services Director



Graeme Johnston
Property and Place Director



Kevin Ryan
Development Director



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FOR
EXECUTIVE
TEAM

Corporate Governance Statement 2022

The Organisation

Belfast Harbour Commissioners (BHC) was first constituted by The Belfast Harbour Act 1847 as a statutory corporation with the underlying purpose of operating, maintaining and improving Belfast Harbour. The powers and duties of BHC are limited to those conferred by the various Belfast Harbour Acts and Orders 1847-2002, and any relevant public general Acts such as the Harbours' Act (NI) 1970. In common with other Northern Ireland and Great Britain ports similarly constituted, BHC is generally referred to as a 'Trust Port' although it is not a trust in any legal sense.

The Board

The constitution of the Board is set out in the Belfast Harbour Order (Northern Ireland) Order 2002, Schedule 1. BHC is committed to high standards of Corporate Governance. The primary reference point for corporate governance is considered to be the pertinent content within the 'UK Corporate Governance Code' and taking account of any best practice industry guidance relating to ports, in particular the "Ports Good Governance Guidance" (2018) produced by DFT.

BHC is independent of Government and any other legal person and management is the responsibility of the Board and the Executive Team. The duties of the Board Members are akin to those of a company director to be accountable for the proper exercise of the statutory and administrative requirements placed upon them. In addition, Board Members are required to:

1. Ensure high standards of corporate governance;
2. Establish the overall strategic direction of the Port, having regard to the best interests of the Port and the local economy following consultation with key stakeholders, where relevant;
3. Ensure that, in reaching decisions, Government policy is taken into account;
4. Ensure that, in carrying out their functions, due regard is paid to the need to promote equality of opportunity.

The Department for Infrastructure appoints Board Members on the basis of open public advertisement. The number of Board Members, including the Chair and Chief Executive Officer, may be no less than 10 and no more than 15, with up to four Board Members being elected representatives from Belfast City Council.

Board Committees

The Board operates a Committee system with the objective of maintaining high standards of corporate governance and streamlining the work of the Board. All Board Members are also members of at least two of the Board's Committees. All Committees report to the Board.



Corporate Governance Statement 2022

Audit and Risk Committee

The Audit and Risk Committee has responsibility for:

1. Monitoring the integrity of the organisation's financial statements;
2. Reviewing the organisation's internal financial control and risk management systems;
3. Monitoring and reviewing the effectiveness of the organisation's internal audit function;
4. Monitoring and reviewing the external auditors' independence, objectivity and effectiveness.

Neither the Chair of the Board nor the CEO are members of this Committee, but they are entitled to attend meetings.

2022 Membership

Mr K Kingston OBE (Chair)

Ms D Fitzsimons

Ms D Lange

Cllr D Lyons

Mr N Lavery CB

Mr G McGinn CBE

Mr S Martin OBE, QPM

Port and Infrastructure Committee

The role of the Port and Infrastructure Committee is to consider major commercial and infrastructure projects.

2022 Membership

Dr T Donaldson (Chair)

Mr G McGinn CBE

Mr J O'Neill

Ms J Chambers

Cllr C Beattie

Mr N Lavery CB

Sir M McKibbin

Ms RM Stalker

Remuneration Committee

The primary duty of the Remuneration Committee is to set policy on remuneration and related matters, and to ensure that such remuneration policy facilitates the employment and retention of senior personnel. The Committee is also responsible for senior management appointments.

2022 Membership

Mr G McGinn CBE (Chair)

Dr T Donaldson

Ms J Chambers

Mr K Kingston OBE

Safety, Environmental and Security Committee

The Safety, Environmental and Security Committee advises the Board on all aspects of safety, environment and security throughout the Port and Harbour Estate, including on-going obligations under the Port Marine Safety Code and the operation of Belfast Harbour Police.

2022 Membership

Ms J Chambers (Chair)

Mr J O'Neill

Cllr M O'Hara

Mr N Lavery CB

Cllr E McDonough-Brown

Ms RM Stalker

Mr S Martin OBE, QPM

Property and Place Committee

The Property and Place Committee considers major land issues, not related to pure port operations, within the Commissioners' land management role. It is particularly concerned with all matters relating to regeneration projects including City Quays and Titanic Quarter.

2022 Membership
Ms D Fitzsimons (Chair)
Dr T Donaldson
Mr J O'Neill
Ms D Lange
Cllr E McDonough-Brown
Cllr D Lyons
Mr K Kingston OBE
Mr G McGinn CBE

Responsible Business Committee

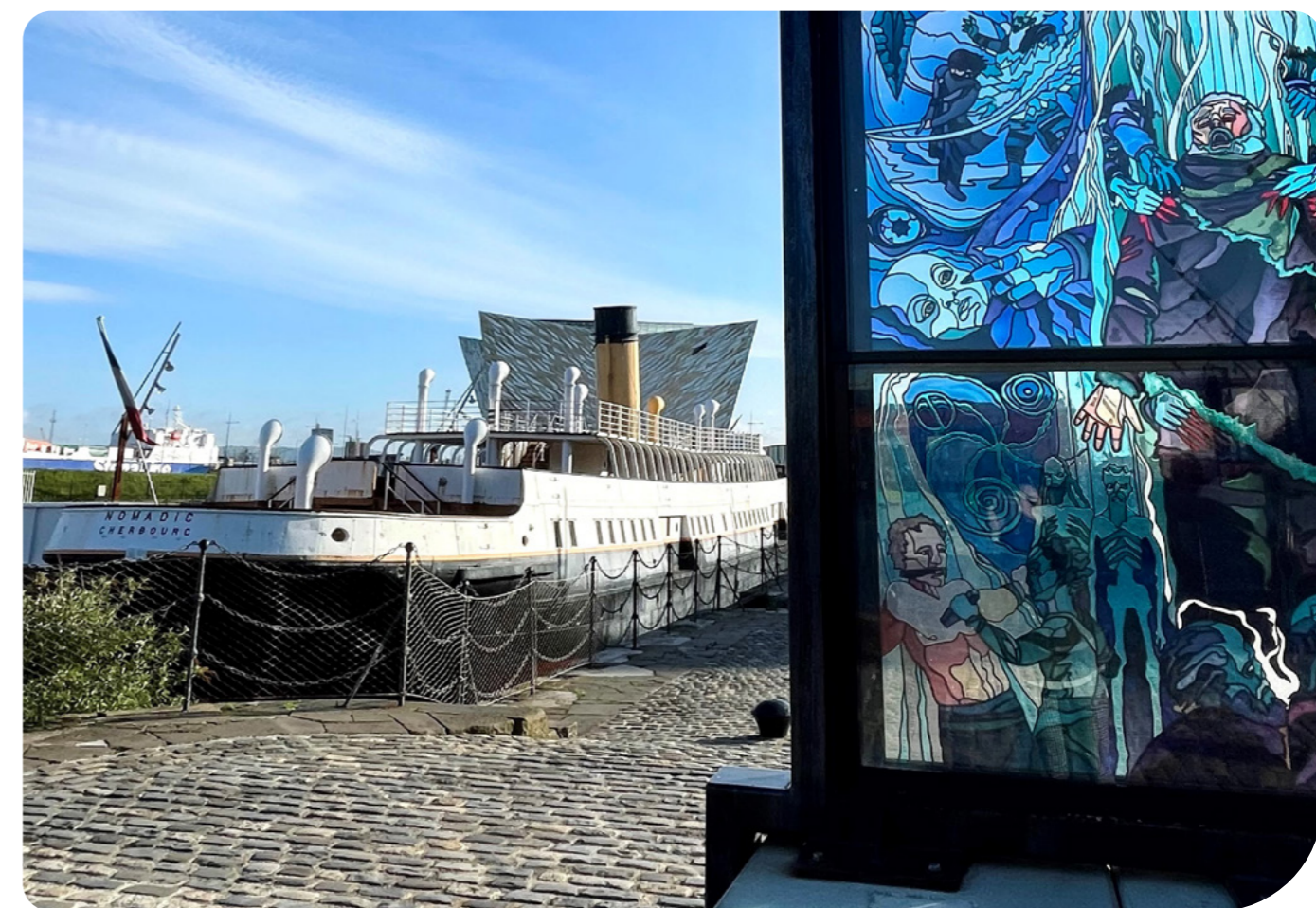
The Responsible Business Committee formulates and oversees the implementation of the organisation's responsible business and community engagement strategies as well as approving corporate giving. It also oversees the organisation's Diversity and Inclusion agenda.

2022 Membership
Sir M McKibbin (Chair)
Dr T Donaldson
Mr J O'Neill
Cllr C Beattie
Ms D Fitzsimons
Cllr M O'Hara
Mr K Kingston OBE
Mr S Martin OBE, QPM

Belfast Harbour Pension Fund Ltd

The sole function of the Belfast Harbour Pension Fund Ltd is to act as Trustee to the Belfast Harbour Pension Scheme, operated for the benefit of the Belfast Harbour's employees. The Directors of the Belfast Harbour Pension Fund Ltd comprise of four BHC Board Members, including the CEO, as well as two Directors nominated by the Scheme membership.

2022 Membership
Ms D Lange (Chair)
Mr J O'Neill
Mr G McGinn CBE
Ms RM Stalker
*plus two member nominated Directors



Streamlined Energy & Carbon Reporting (SECR)

Belfast Harbour is not directly covered by the Energy and Carbon Reporting Requirements, as it is a Statutory Corporation and neither a limited company nor limited liability partnership. However, an equivalent report has been included as a matter of good practice.

During 2022 Belfast Harbour total energy consumption decreased by 9% against the previous year, whilst net carbon emissions decreased by 13.4%. This has been augmented by a strong financial result and a subsequent reduction of carbon intensity by 15.3% (net basis) against the previous year and Belfast Harbour was awarded the BITC Environmental Benchmarking Survey Platinum award for the 14th consecutive year.

Energy data has been collated for the financial year ending 31 December 2022.

The energy consumption figures include all electricity, gas, oil, diesel and petrol used for Belfast Harbour owned and operated premises, plant, equipment, vehicles and vessels.

All energy consumption data has been converted to kilowatt hours (kWh) and the carbon emissions calculated using the appropriate Greenhouse Gas (GHG) conversion factors published by the Department of Business Energy & Industrial Strategy (BEIS).

Intensity ratios have been calculated based on turnover and port tonnage during 2022.

Energy Efficiency Action Undertaken During 2022:

1. Purchased 100% of electricity from low carbon sources certified under the Renewable Energy Guarantees of Origin (REGO) scheme.
2. Continued action of replacing street and quay lighting with low energy LED fittings to reduce energy consumption.
3. Continued to evolve a network of electrical smart metering systems that will target and inform future project direction.
4. Maintained Environmental Management System certification to the ISO 14001:2015 standard, and Energy Management System certification to the ISO 50001:2018 standard, demonstrating continuous performance improvements.

BHC Greenhouse Gas Emissions	2022 tCO ₂ e	2022 kWh	2021 tCO ₂ e	2021 kWh
Scope 1 direct emissions				
Natural gas	247	1,351,067	201	1,144,326
Gas oil	194	755,632	1,202	4,680,484
Marine gas oil	822	3,183,060	883	3,417,066
Diesel	808	3,349,988	85	359,181
Petrol	4	17,791	5	21,002
Heating Oil	4	15,193	7	28,101
Biodiesel (HVO)	0	0	0	10,607
Total scope 1 direct emissions	2,079	8,672,731	2,383	9,660,766
Scope 2 energy indirect emissions				
Grid electricity purchased	722	3,732,528	844	3,973,026
Total scope 2 indirect emissions	722	3,732,528	844	3,973,026
Gross Operational Carbon Emissions				
	2,800	12,405,260	3,226	13,633,791
Avoided emissions from renewable electricity purchased	(722)	(3,732,528)	(826)	(3,891,187)
Total avoided emissions	(722)	(3,732,528)	(826)	(3,891,187)
NET OPERATIONAL CARBON EMISSIONS	2,079	8,672,731	2,400	9,742,605
Greenhouse gas emissions intensity (gross basis)				
	2022	2021		
Tonnes of CO ₂ e per million tonnes of cargo (tCO ₂ per million tonnes of cargo)	114.3	126.0		
Tonnes of CO ₂ e per £ million of turnover (tCO ₂ per £ million of turnover)	38.8	45.7		
Greenhouse gas emissions intensity (net basis)				
	2022	2021		
Tonnes of CO ₂ e per million tonnes of cargo (tCO ₂ per million tonnes of cargo)	84.4	93.75		
Tonnes of CO ₂ e per £ million of turnover (tCO ₂ per £ million of turnover)	28.81	34.01		

Trade and Shipping Statics	2022 (000s)	2021 (000s)
Passengers		
Passengers	1,796	1,467
Passenger Cars	462	411
Unit Load		
Freight Vehicles	594	594
Containers	126	132
	3,131	2,433
Bulk Cargo		
Liquid Bulk	1,841	2,092
Dry Bulk	6,425	7,308
Break Bulk	298	361
Import Bulk Commodities		
Petroleum Products	1,563	1,783
Grain & Feeds	2,145	2,428
Coal	1,936	2,051
Fertilisers	233	244
Timber	29	53
Export Bulk Commodities		
Stones	1,561	1,856
Scrap	346	412
Shipping		
Gross Tonnage (000s Tonnes)	128,532	122,239
Number of Arrivals	5,635	5,536



Consolidated Financial Statements

Year ended 31 December 2022



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Statement of Commissioners' Responsibilities

The Commissioners are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations. Under that law the Commissioners have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland'. The Commissioners must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of Belfast Harbour Commissioners and of the profit or loss of Belfast Harbour Commissioners and its subsidiaries for that period. In preparing these financial statements, the Commissioners are required to:

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

The Commissioners are responsible for keeping adequate accounting records that are sufficient to show and explain the Belfast Harbour Commissioners' transactions and disclose with reasonable accuracy at any time the financial position of Belfast

Harbour Commissioners 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 Belfast Harbour Commissioners and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Independent Auditor's Report to the Belfast Harbour Commissioners

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of the Belfast Harbour Commissioners (the 'parent entity' or 'BHC') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the group's and the parent entity's affairs as at 31 December 2022 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Harbours Act (Northern Ireland) 1970.

We have audited the financial statements of the Belfast Harbour Commissioners which comprise:

- the consolidated income statement;
- the consolidated statement of other comprehensive income;
- the consolidated statement of financial position;
- the BHC statement of financial position;

- the consolidated statement of changes in equity;
- the BHC statement of changes in equity;
- the consolidated statement of cash flows; and
- the related notes 1 to 22.

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 United Kingdom and Republic of Ireland'.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the parent entity and the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical

responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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 or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we

conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of Commissioners

As explained more fully in the Commissioners' responsibilities statement, the Commissioners are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Commissioners determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Commissioners are responsible for assessing the group's and the parent entity'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 Commissioners either intend to liquidate the group or the parent entity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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 (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We 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

Report on the audit of the financial statements

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. The auditor includes an explanation in the auditor's report of the extent to which the audit was capable of detecting irregularities, including fraud.

- 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 on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Commissioners.
- Conclude on the appropriateness of the Commissioners' 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 entity's ability to continue as a going concern. If the auditor concludes that the use of the going concern basis of accounting is appropriate and no material uncertainties have been identified, the auditor reports these conclusions in the auditor's report. If we conclude that a material

uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our 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 entity (or where relevant, the group) 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 fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities with the Group to express an opinion on the consolidated financial statements. The Group auditor is responsible for the direction, supervision and performance of the Group audit. The Group auditor remains solely responsible for the audit opinion.

We 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 the auditor identifies during the audit.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the group's and parent entity's industry and its control environment, and reviewed the group's and parent entity's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the group and parent entity operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Harbours Act (Northern Ireland) 1970 and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's and parent entity's ability to operate or to avoid a material penalty. These

included UK employment law, environmental regulations and the Data Protection Act 2018.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the group and parent entity for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address them are described below:

Revenue recognition

- We assessed the design, determined the implementation and tested the operating effectiveness of the key controls over the posting of revenue relating to the accuracy of port revenue;
- we selected a sample of transactions, and ensured the revenue was recorded in the correct period;
- we developed an expectation of port revenue based on different types of port charges; and
- we tested a sample of rebates to ensure the amount was accurately recorded.

Property and land related transactions

- We assessed the design and determined the implementation of the key controls over the property and land transactions;

- we obtained a sample of lease agreements and ensured income due under these was recorded at the correct amount and in the correct period;
- we assessed existing asset carrying values for impairments arising from anticipated changes in lease arrangements; and
- we obtained and reviewed all property related agreements signed in the period and assessed the appropriateness of any related accounting entries, including cut off of income recognised under the agreements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance

Report on other legal and regulatory requirements

Opinion on other matters

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Annual Report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the group and the parent entity and its environment obtained in the course of the audit, we have not identified any material misstatements in the Annual Report.

Matters on which we are required to report by exception

We are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent entity, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent entity 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.

We have nothing to report in respect of these matters.

Use of our report

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

Kevin Sheehan

(Senior Statutory Auditor)
For and on behalf of Deloitte (NI) Limited
Statutory Auditor
Belfast, Northern Ireland
25 May 2023

Consolidated Income Statement for the year ended 31 December 2022

	Note	2022 £'000	2021 £'000
Turnover	5	77,188	73,264
Net operating expenses		(43,638)	(39,388)
Operating profit		33,550	33,876
(Deficit)/Surplus on revaluation of investment properties	12	(1,378)	5,799
Profit before taxation and similar income		32,172	39,675
Investment income	6	705	125
Profit before taxation	7	32,877	39,800
Tax on profit	10	(7,719)	(17,127)
Profit for the financial year		25,158	22,673

All activities derive from continuing operations.

Consolidated Statement Of Other Comprehensive Income for the year ended 31 December 2022

	Note	2022 £'000	2021 £'000
Profit for the financial year	Above	25,158	22,673
Actuarial gain on defined benefit pensions	21	246	1,094
Deferred tax (debit)/credit associated with defined benefit pensions	18	(61)	(428)
Total comprehensive income		25,343	23,339

Consolidated Statement of Financial Position at 31 December 2022

	Note	2022 £'000	2021 £'000
Fixed assets			
Tangible assets	12	551,824	543,532
Investment in Associate	13	8,000	8,000
		559,824	551,532
Current assets			
Stocks		545	517
Debtors: due within one year	14	17,368	16,877
Debtors: due greater than one year	14	7,081	7,041
Investments	15	68,600	42,300
Cash at bank and in hand		26,725	19,010
		120,319	85,745
Creditors: Amounts falling due within one year	16	(42,966)	(27,067)
Net current assets		77,353	58,678
Total assets less current liabilities		637,177	610,210
Creditors: Amounts falling due after more than one year	17	(22,332)	(23,622)
Provisions for liabilities	18	(40,606)	(37,692)
Net assets		574,239	548,896
Reserves			
Profit & Loss Account		489,207	462,486
Revaluation Reserve		85,032	86,410
		574,239	548,896

The consolidated financial statements of Belfast Harbour Commissioners were approved on 18 April 2023 by the Commissioners and signed on their behalf by:


Dr T Donaldson
 Chair


J O'Neill
 Chief Executive


K Kingston
 Commissioner


J M Bullick
 Finance & Compliance
 Director

BHC Statement of Financial Position at 31 December 2022

	Note	2022 £'000	2021 £'000
Fixed assets			
Tangible assets	12	555,413	545,927
Investments	13	8,000	8,000
		563,413	553,927
Current assets			
Stocks		534	508
Debtors: due within one year	14	18,684	20,249
Debtors: due greater than one year	14	7,629	7,612
Investments	15	68,600	42,300
Cash at bank and in hand		25,806	16,631
		121,253	87,300
Creditors: Amounts falling due within one year	16	(42,042)	(26,489)
Net current assets		79,211	60,811
Total assets less current liabilities		642,624	614,738
Creditors: Amounts falling due after more than one year	17	(22,332)	(23,622)
Provisions for liabilities	18	(41,001)	(37,910)
Net assets		579,291	553,206
Reserves			
Profit & Loss Account		493,906	466,945
Revaluation Reserve		85,385	86,261
		579,291	553,206

The profit of BHC for the financial year was £25,900k (2021: £23,777k).

The consolidated financial statements of Belfast Harbour Commissioners were approved by the Commissioners on 18 April 2023 and signed on their behalf by:


Dr T Donaldson
 Chair


J O'Neill
 Chief Executive


K Kingston
 Commissioner


J M Bullick
 Finance & Compliance
 Director

Consolidated Statement of Changes In Equity at 31 December 2022

	Revaluation Reserve £'000	Profit & Loss Account £'000	Total £'000
Balance at 31 December 2020	80,611	444,946	525,557
Profit for the financial year	-	22,673	22,673
Transfer to the revaluation reserve	5,799	(5,799)	-
Other comprehensive income for the year	-	666	666
Balance at 31 December 2021	86,410	462,486	548,896
Profit for the financial year	-	25,158	25,158
Transfer to the revaluation reserve	(1,378)	1,378	-
Other comprehensive income for the year	-	185	185
Balance at 31 December 2022	85,032	489,207	574,239

BHC Statement of Changes in Equity at 31 December 2022

	Revaluation Reserve £'000	Profit & Loss Account £'000	Total £'000
Balance at 31 December 2020	80,096	448,667	528,763
Profit for the financial year	-	23,777	23,777
Transfer to the revaluation reserve	6,165	(6,165)	-
Other comprehensive income for the year	-	666	666
Balance at 31 December 2021	86,261	466,945	553,206
Profit for the financial year	-	25,900	25,900
Transfer to the revaluation reserve	(876)	876	-
Other comprehensive income for the year	-	185	185
Balance at 31 December 2022	85,385	493,906	579,291

Consolidated Cash Flow Statement for the year ended 31 December 2022

	2022 £'000	2021 £'000
Cash flows from operating activities		
Operating Profit	33,550	33,876
Adjustments for:		
Depreciation	13,624	13,532
Impairment	-	102
Release of EU grants	(1,161)	(1,165)
Surplus on Land	(1,387)	(176)
Profit/(Loss) on disposal of fixed assets	19	42
Increase in maintenance dredging provision	1,144	1,281
(Increase)/Decrease in stocks	(28)	222
(Increase)/Decrease in debtors due within 1 year	968	4,788
Decrease in debtors due greater than 1 year	316	291
Increase in creditors due within 1 year	4,390	3,506
Cash flows from operations	51,435	56,299
Corporation tax paid	(7,042)	(7,315)
Net cash generated from operating activities	44,393	48,984
Cash flows from investing activities		
Purchase of tangible assets	(22,114)	(36,414)
Proceeds from land transactions	1,387	176
Net realisation from sale of tangible assets	89	21
Interest received	260	91
Net cash from investing activities	(20,378)	(36,126)
Cash flows from financing activities		
Short term loan	10,000	10,000
Net cash from financing activities	10,000	10,000
Net increase in cash	34,015	22,858
Cash and cash equivalents at beginning of year	61,310	38,452
Cash and cash equivalents at end of year	95,325	61,310
Components of cash and cash equivalents		
Cash at bank and in hand	26,725	19,010
Investments	68,600	42,300
Cash and cash equivalents	95,325	61,310

Notes to the Consolidated Financial Statements for the year ended 31 December 2022

1. Statutory Information

Belfast Harbour Commissioners is a Statutory Corporation first constituted under The Belfast Harbour Act 1847 and domiciled in Northern Ireland. The principal place of business is Harbour Office, Corporation Square, Belfast, BT1 3AL.

As a Statutory Corporation, Belfast Harbour Commissioners 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 Commissioners have adopted the main provisions of the Act and therefore present a strategic report. The principal activities of the Harbour and its subsidiaries (the Group) and the nature of the Group's operations are set out in the strategic report.

2. Compliance with Accounting Standards

The financial statements have been prepared in accordance with FRS 102. There were no material departures from that standard.

3. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical 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.

The functional currency of Belfast Harbour Commissioners is pounds sterling because that is the currency of the primary economic environment in which BHC and its subsidiaries (the Group) operate. The consolidated financial statements are also presented in pounds sterling. Foreign operations are included in accordance with the policies set out below.

Basis of consolidation

The financial statements consolidate the financial statements of the Harbour and its subsidiary undertakings drawn up to 31 December each year.

Going concern

The financial statements have been prepared using the going concern basis of accounting.

The Group has considerable financial resources, together with long-term contracts with a number of customers and a presence across different business sectors. As a consequence, the Commissioners believe that the organisation is well placed to manage its business risks successfully despite the current uncertain economic outlook. The Commissioners have considered the possible financial impact of the current inflationary environment, and whilst the situation continues to develop, the Commissioners have concluded that the Group has sufficient financial resources to operate for at least twelve months from the date of approval of these financial statements.

After making enquiries, the Commissioners have a reasonable expectation that adequate resources are available to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Tangible fixed assets – operational assets

Operational assets are stated at cost, net of depreciation and any provision for impairment. The cost of operational fixed assets, which excludes estate property, comprises the purchase price of assets acquired, net of capital contributions received (excluding EU grants which are shown separately within creditors).

No provision is made for depreciation of land nor assets under construction. Other operational fixed assets are depreciated by the straight-line method according to their effective economic lives as follows:

	Years
Capital dredging	35 to 50
Dock structures	12 to 50
Buildings	10 to 50
Roads	5 to 50
Plant & machinery	3 to 40
Fixtures & fittings	5

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.

Tangible fixed assets – estate property

Estate property primarily represents land let to tenants who are not associated with port operations. This property falls within the FRS 102 Section 16 definition of investment property and so is not depreciated but is revalued annually and included in the balance sheet at fair value. Revaluation surpluses or deficits are recognised in the Income Statement. Deferred tax is provided on these gains at the rate expected to apply when the property is sold.

Reserves

The deficit arising on the revaluation of investment properties is recognised in the income statement and then transferred to the revaluation reserve (the amount transferred is stated before related deferred tax).

Financial instruments

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

Financial liabilities and equity instruments are classified according to the substance of the related contractual arrangements. An equity

instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

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

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Group 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 Group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Group, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

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

Inventories

Inventories are valued at cost with provision for any obsolete or defective content.

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 as described below.

Non-financial assets

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

Where indicators exist for a decrease in impairment loss previously recognised for assets other than goodwill, the prior impairment loss is tested

to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU (Cash Generating Unit), the reversal is applied first to the assets of the CGU, except for goodwill, on a pro-rata basis. Impairment of goodwill is never reversed.

Financial assets

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.

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

Taxation

Current tax, 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.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

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 Group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits

from which the future reversal of the underlying timing differences can be deducted.

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

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the Group is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

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. Deferred tax relating to non-depreciable property measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset. In other cases, the measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of

the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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 Group 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 Group has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on 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 liabilities or assets are expected to be settled or recovered.

Turnover

Turnover is stated net of VAT and trade discounts and is recognised when the significant risks and rewards are considered to have been transferred to the buyer.

Turnover comprises revenue from charges to port users, from

rents of both operational and estate property and from the hotel. Turnover is recognised in the period in which it is earned. Shipping income is earned in the period in which it falls due i.e. in accordance with the date on which a particular ship docks in the Port of Belfast. Rental, storage and hotel income is recognised for the period January 2022 to December 2022. To the extent that rental and storage income is received in 2022 but relates to 2023 it is treated as deferred income. Rental and storage income relating to 2022 but not received until 2023 is accrued for in the financial statements. Hotel Turnover comprises revenue from rooms, sales of food and beverage and rental of meeting room space. To the extent that room income is received in 2022 but relates to 2023 or later periods it is treated as deferred income and held in the Deposit Account. Room income relating to 2022 but not received until 2023 is accrued for in the financial statements.

Employee benefits

The Commissioners operate both a pension scheme and a defined contribution scheme in the UK, the assets of which are held in a separate trustee-administered fund.

For defined benefit schemes the amounts charged to operating profit are the costs arising from employee services rendered during the period and the cost of plan introductions, benefit changes, settlements and curtailments. They are included as part of staff costs. The net interest cost on the net defined benefit liability is charged to profit or loss and included within

finance costs. Remeasurement comprising actuarial gains and losses and the return on scheme assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in other comprehensive income.

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

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.

Leases

The Group 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.

The Group 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.

EU grants

EU grants relating to tangible fixed assets are included within deferred income and are recognised over the expected useful economic life.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the

receivable can be measured reliably.

Investments

Fixed asset investments, comprising shares in subsidiary undertakings, are stated at cost less provision for impairment.

Current asset investments are stated at lower of cost and net realisable value. Investments comprise monies on short term deposits.

Investment in Associate

An associate is an entity over which the group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over these policies. The results and assets and liabilities are incorporated in these consolidated financial statements using the cost model. The investments in associates are measured at cost less any accumulated impairment losses.



4. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 3, the Commissioners are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make 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 Group's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the Commissioners have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Revaluation of investment properties

Estate property, including certain land reclassified as estate property in 2001, was valued by the Commissioners as at 31 December 2022 at fair value. There are elements of uncertainty in the underlying assumptions of the methodology used to determine the fair value of investment property, specifically in relation to environmental conditions, estimated rental values and estimated rental yields.

The deficit arising on the revaluation of investment properties is recognised in the income statement and then transferred to the revaluation reserve.

Dredging provision

The provision for maintenance dredging reflects the Commissioners' obligation to maintain channels and berths within the Port at a minimum depth. Dredging costs are dependent on a range of factors including environmental conditions, volumes of material to be dredged and the nature of the dredging equipment.

Pensions

The liability of defined benefit pension plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future inflation rates. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to uncertainty.

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors.

5. Turnover

Turnover is analysed as follows:

	2022 £'000	2021 £'000
Port revenue	54,345	53,609
Estate revenue	16,323	15,542
Hotel revenue	6,520	4,113
	77,188	73,264

6. Investment Income

	2022 £'000	2021 £'000
Interest receivable	595	56
Other finance income	110	69
	705	125

7. Profit before taxation

Profit before taxation is stated after charging/ (crediting):

	2022 £'000	2021 £'000
Depreciation of tangible fixed assets (see note 12)	13,624	13,532
Impairment of tangible fixed assets (see note 12)	-	102
Amortisation of EU grants (see notes 16 and 17)	(1,061)	(1,165)
Loss on disposal of fixed assets	19	42
Foreign exchange loss/(gain)	(83)	87
Surplus on land transaction	(1,387)	(176)

The analysis of the auditor's remuneration is as follows:

Fees payable to the auditor and its associates for the audit of the annual accounts	46	42
Fees payable to the auditor and its associates for other services to the Group		
The audit of the subsidiaries	9	9
Total audit fees	55	51
Taxation and compliance services	27	30
Other taxation advisory services	72	59
Total non-audit fees	99	89

Fees payable to Deloitte and its associates for non-audit services to BHC are not required to be disclosed because the consolidated financial statements are required to disclose such fees on a consolidated basis.

8. Pilotage

	2022 £'000	2021 £'000
Income from pilotage (included in turnover)		
Pilotage services	2,797	2,765
Ships navigating under pilotage exemption certificates	186	168
	2,983	2,933
Expenditure on provision of pilotage (included in net operating expenses)		
Providing the services of pilots	2,565	2,013
Providing, maintain and operating pilot boats	566	420
	3,131	2,433
(Loss)/ Gain against port operational costs	(148)	500
(net operating expenses)	2,983	2,933

9. Employee Numbers

The average number of employees during the year was 267 (2021:230).

10. Tax and profit

The tax charge comprises:

	2022 £'000	2021 £'000
Current tax and profit		
UK corporation tax	6,478	6,545
Adjustments in respect of previous periods	(496)	75
Total current tax	5,982	6,620
Deferred tax		
Origination and reversal of timing differences	1,127	2,457
Adjustment in respect of previous periods	254	(156)
Effect of increase in tax rate	356	8,206
Total deferred tax (see note 18)	1,737	10,507
Total tax on profit	7,719	17,127

The differences between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2022 £'000	2021 £'000
Group profit before tax	32,877	39,800
Tax on Group profit at standard UK corporation tax rate of 19% (2021: 19%)	6,247	7,562
Effects of		
- Expenses not deductible for tax purposes	294	398
- Non-qualifying depreciation	1,065	1,041
- Entitlement indexation allowances		
- Effect of increase in tax rate	355	8,206
- Adjustments to tax charge in respect of previous years	(242)	(80)
Group total tax charge for year	7,719	17,127

11. Profit attributed to BHC

As permitted by section 408 of the Companies Act 2006, no separate income statement or statement of other comprehensive income is presented in respect of BHC. The profit attributable to BHC is disclosed in the footnote to BHC's balance sheet.

12. Consolidated Tangible Fixed Assets

	Capital Dredging £'000	Dock Structures £'000	Land & Buildings £'000	Roads £'000	Plant & Machinery £'000
Cost or Valuation					
At 1 January	15,099	253,389	122,503	33,003	118,224
Reclassified	-	1,767	434	-	2,813
Revaluation adjustment	-	-	-	-	-
Additions	-	2,112	4,318	1,618	2,537
Impairment	-	-	-	-	-
Disposals	-	-	-	-	(344)
At 31 December	15,099	257,268	127,255	34,621	123,230
Depreciation					
At 1 January	(7,467)	(96,905)	(36,040)	(20,794)	(75,083)
Depreciation charge	(222)	(4,871)	(2,599)	(957)	(4,975)
Disposals	-	-	-	-	235
At 31 December	(7,689)	(101,776)	(38,639)	(21,751)	(79,823)
Balance sheet value					
At 31 December 2021	7,632	156,484	86,463	12,209	43,141
31 December 2022	7,410	155,492	88,616	12,870	43,407

Assets in the Course of Construction £'000	Operational Assets £'000	Estate Property £'000	Assets in the Course of Construction £'000	Estate Assets £'000	Total 2022 £'000	Total 2021 £'000
10,630	552,848	185,393	41,799	227,192	780,040	744,759
(5,014)	-	39,608	(39,608)	-	-	-
-	-	(1,378)	-	(1,378)	(1,378)	5,799
4,730	15,315	3,770	4,318	8,088	23,403	29,840
-	-	-	-	-	-	(102)
-	(344)	-	-	-	(344)	(256)
10,346	567,819	227,393	6,509	233,902	801,721	780,040
-	(236,289)	(219)	-	(219)	(236,508)	(223,169)
-	(13,624)	-	-	-	(13,624)	(13,532)
-	235	-	-	-	235	193
-	(249,678)	(219)	-	(219)	(249,897)	(236,508)
10,630	316,559	185,174	41,799	226,973	-	543,532
10,346	318,141	227,174	6,509	233,683	551,824	-

The Harbour Estate has been classified as estate property on the basis that it is currently substantially let to tenants who are not associated with port operations. Estate property, including certain land reclassification as estate property in 2001, was valued by the Commissioners as at 31 December 2022 at fair value. The deficit of £1,378k arising on revaluation has been taken to the property revaluation reserve. Land and Buildings includes £14,023,789 (2021: £14,023,789) for land which is not depreciated. The amounts above are stated net of capital contributions (excluding EU grants). Included in the balance sheet value at 31 December 2022 are capital contributions amounting to £192,630 (2021: £206,177).

12. BHC Tangible Fixed Assets

	Capital Dredging £'000	Dock Structures £'000	Land & Buildings £'000	Roads £'000	Plant & Machinery £'000
Cost or Valuation					
At 1 January	15,099	253,389	106,209	33,003	110,872
Reclassified	-	1,767	434	-	2,813
Revaluation adjustment	-	-	-	-	-
Additions	-	2,112	4,318	1,618	2,493
Impairment	-	-	-	-	-
Disposals	-	-	-	-	(344)
At 31 December	15,099	257,268	110,961	34,621	115,834
Depreciation					
At 1 January	(7,467)	(96,906)	(34,761)	(20,794)	(73,609)
Depreciation charge	(222)	(4,871)	(2,256)	(957)	(4,583)
Disposals	-	-	-	-	235
At 31 December	(7,689)	(101,777)	(37,017)	(21,751)	(77,957)
Balance sheet value					
At 31 December 2021	7,632	156,483	71,448	12,209	37,263
At 31 December 2022	7,410	155,491	73,944	12,870	37,877

Assets in the Course of Construction £'000	Operational Assets £'000	Estate Property £'000	Assets in the Course of Construction £'000	Estate Assets £'000	Total 2022 £'000	Total 2021 £'000
10,629	529,201	208,684	41,799	250,483	779,684	744,036
(5,014)	-	39,608	(39,608)	-	-	-
-	-	(876)	-	(876)	(876)	6,165
4,730	15,271	3,770	4,318	8,088	23,359	29,840
-	-	-	-	-	-	(102)
-	(344)	-	-	-	(344)	(256)
10,345	544,128	251,186	6,509	257,695	801,823	779,683
-	(233,537)	(219)	-	(219)	(233,756)	(221,153)
-	(12,889)	-	-	-	(12,889)	(12,796)
-	235	-	-	-	235	193
-	(246,191)	(219)	-	(219)	(246,410)	(233,756)
10,629	295,664	208,465	41,799	250,264	-	545,927
10,345	297,937	250,967	6,509	257,476	555,413	-

The Harbour Estate has been classified as estate property on the basis that it is currently substantially let to tenants who are not associated with port operations. Estate property, including certain land reclassified as estate property in 2001, was valued by the Commissioners as at 31 December 2022 at fair value. The deficit of £876k arising on revaluation has been taken to the property revaluation reserve. Land and Buildings includes £14,023,789 (2021: £14,023,789) for land which is not depreciated. The amounts above are stated net of capital contributions (excluding EU grants). Included in the balance sheet value at 31 December 2022 are capital contributions amounting to £192,630 (2021: £206,177).

13. Fixed Asset Investments

	BHC	
	2022 £'000	2021 £'000
Investment in Associate	8,000	8,000
Total	8,000	8,000

The Investment in Associate is held at cost at 31 December 2022 (note 22).

BHC has investments in the following associates:

Trading Entities	Registered office address	% Voting Rights
OH (Office) Developments Limited	Unit 4, the Legacy Building, Queens Road, Belfast, BT1 3AL	40%

BHC has significant influence, but not control or joint control of the Associate.

Subsidiary undertakings	-	-
Total	-	-

BHC has investments in the following subsidiary undertakings:

	Registered office address	Holdings	%
Trading Entities			
BHC Estates Limited	Harbour Office, Corporation Square, Belfast, BT1 3AL	Ordinary Shares	100
City Quays Hotel Limited	Harbour Office, Corporation Square, Belfast, BT1 3AL	Ordinary Shares	100
Dormant Entities			
City Quays Car Park Limited	Harbour Office, Corporation Square, Belfast, BT1 3AL	Ordinary Shares	100
Belfast Harbour Film Studios Limited	Harbour Office, Corporation Square, Belfast, BT1 3AL	Ordinary Shares	100
Belfast Harbour Properties Limited	Harbour Office, Corporation Square, Belfast, BT1 3AL	Ordinary Shares	100

14. Debtors

	Group		BHC	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Amounts falling due within one year:				
Trade debtors	9,922	10,216	9,794	10,163
Amounts owed by Group undertakings	-	-	1,556	3,484
Corporation Tax	1,951	827	1,951	827
Other debtors	3,932	4,428	3,818	4,367
Prepayments and accrued income	1,563	1,406	1,565	1,408
	17,368	16,877	18,684	20,249
Amounts falling due after more than one year:				
Other debtors	653	969	1,201	1,540
Pension asset (note 21)	6,428	6,072	6,428	6,072
	7,081	7,041	7,629	7,612

Other debtors due within one year include an amount owed by the Belfast Harbour Commissioners Pension Scheme of £575k at 31 December 2022 (2021: £1,464k).

15. Investments

	Group		BHC	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Short term deposits	68,600	42,300	68,600	42,300

16. Creditors – amounts falling due within one year

	Group		BHC	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Trade creditors	4,201	1,065	3,996	905
Other taxation and social security	394	345	369	323
Other creditors	14,827	12,267	14,466	12,150
Bank Overdraft	20,000	10,000	20,000	10,000
EU grants (see note 7)	1,061	1,165	1,061	1,165
Accruals and deferred income	2,483	2,225	2,150	1,946
	42,966	27,067	42,042	26,489

The Bank Overdraft of £20m is secured by a corresponding £20m Blocked Deposit Account which is included in Cash at bank and in hand.

17. Creditors – amounts falling due after more than one year

	Group		BHC	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Other creditors	1,876	2,109	1,876	2,109
EU grants (see note 7)	20,456	21,513	20,456	21,513
	22,332	23,622	22,332	23,622

Pilots National Pension Fund

Belfast Harbour Commissioners' share of the PNPf liabilities has been determined by the PNPf Trust Company and was notified to the Commissioners on 29 October 2012. The appropriate obligation of £2.1m, (2021 £2.3m) based on the currently available information, has been reflected in the accounts and included within other creditors. This has been split between creditors: due within one year of £235k (£2021: £218k) and creditors: due after one year of £1,876k (2021: £2,109k). The majority of this obligation refers to "Orphan Liabilities" which do not relate to retirement benefit obligations of employment with Belfast Harbour Commissioners.

18. Provisions for liabilities

	Deferred Taxation £'000	Maintenance Dredging £'000	Total £'000
Group			
At 1 January	35,106	2,586	37,692
Adjustment in respect of prior periods	254	-	254
Charged to income statement	1,483	1,144	2,627
Charged to other comprehensive income	61	-	61
Amounts applied	-	(28)	(28)
At 31 December 2022	36,904	3,702	40,606

	Deferred Taxation £'000	Maintenance Dredging £'000	Total £'000
BHC			
At 1 January	35,324	2,586	37,910
Adjustment in respect of prior periods	254	-	254
Charged to income statement	1,660	1,144	2,804
Charged to other comprehensive income	61	-	61
Amounts applied	-	(28)	(28)
At 31 December 2022	37,299	3,702	41,001

Deferred Tax

Deferred tax is provided as follows:

	2022 £'000	2021 £'000
Fixed asset timing differences	15,996	14,292
Short Term timing differences	(756)	(868)
Investment properties held at fair value and rollover relief	20,057	20,164
Pension	1,607	1,518
Provision for deferred tax	36,904	35,106

Classification of Deferred Tax Liabilities

Within 12 months	-	-
After 12 months	36,904	35,106

Deferred tax assets and liabilities are offset only where the Group has a legally enforceable right to do so and where the assets and liabilities relate to income taxes levied by the same taxation authority and the same taxable entity or other entity within the Group.

There is no expiry date on timing differences, unused tax losses or tax credits.

Factors that may affect future tax charges

The standard rate of tax applied to reported profit on ordinary activities is 19% (2021: 19%). The Corporation Tax main rate will increase from 19% to 25% with effect from 1 April 2023.

New Super Deductions capital allowances were included in the Finance Act 2021 for eligible costs incurred between 1st April 2021 and 31st March 2023, where contracts were entered on or after 3rd March 2021. The tax relief is available in the form of a 130% first year allowance in relation to qualifying plant and machinery assets and a 50% first year allowance for most qualifying special rate assets.

A new first year allowance for companies with investments in plant and machinery assets (referred to as full expensing) was announced in the Spring Budget 2023 for eligible costs incurred between 1st April 2023 and 31st March 2026. The tax relief will be available in the form of a 100% first year allowance in relation to plant and machinery assets and a 50% first year allowance for most qualifying special rate assets.

Maintenance Dredging

The provision for maintenance dredging reflects the Commissioners' obligation to maintain channels and berths within the port at a minimum depth.



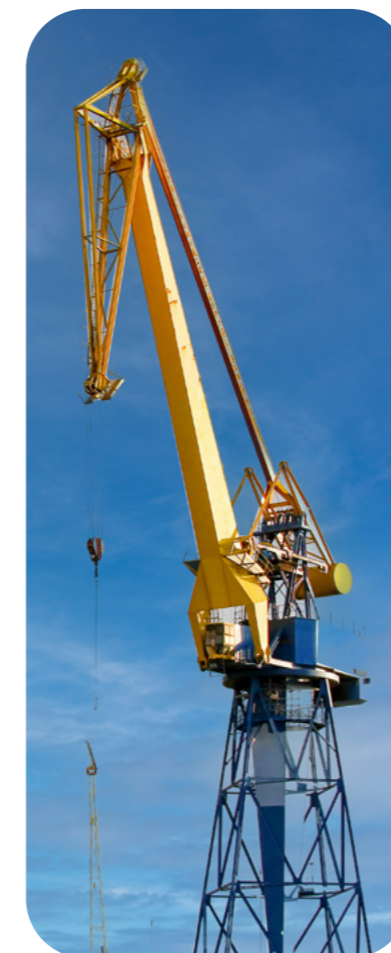
19. Financial Instruments

a) Overview

This note provides details of the entity's financial instruments. Except where otherwise stated, the disclosures in this note exclude retirement benefit assets and obligations.

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 disclosure 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

The carrying values of the Group and BHC's financial assets and liabilities are summarised by category below.

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

	Group		BHC	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Financial assets				
Investments	68,600	42,300	68,600	42,300
Cash	26,725	19,010	25,806	16,631
Loans and receivables	14,507	15,613	18,375	19,554
	109,832	76,923	112,781	78,485
Financial liabilities				
Amortised cost	40,904	25,442	42,344	25,164
	40,904	25,442	42,344	25,164

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.

c) Credit risk management

Credit risk refers to the risk a counterparty will default on its contractual obligations resulting in a 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

with 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.

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 the financial assets liabilities.

20. Capital Commitments

	2022 £'000	2021 £'000
Group and BHC		
Capital expenditure which has been contracted for but has not been provided for in the accounts	83,005	25,947
Capital expenditure which has been authorised by the Commissioners but has not yet been contracted for	35,911	51,649

The above amounts do not take account of any future grants or contributions which may be receivable. Capital expenditure which has been contracted for is not all due within 12 months.

21. Employee Benefits

Defined contribution scheme

The Commissioners operate a defined contribution pension scheme. The total charged to the income statement of £1,331k (2021: £1,128k) represents contributions payable to the defined contribution section of the scheme at rates specified in the Schedule of Contributions. As at 31 December 2022, contributions of £129k (2021: £109k) due in respect of the current reporting period had not been paid over to the scheme.

Defined benefit scheme

The Commissioners operate a defined benefit scheme. Amounts owed to Belfast Harbour Commissioners by the Pension Scheme are disclosed in note 14 to these accounts.

The last full actuarial valuation was carried out at 31 December 2020 by a qualified independent actuary. The present value of the defined benefit obligation, the related current services cost and past service cost were measured using the projected unit credit method.

Weighted average assumptions to determine defined benefit obligation:

	31/12/2022	31/12/2021
Discount rate	5.00%	1.80%
Rate of compensation increase	-%	-%
Rate of pension increase	3.40%	3.60%
Rate of inflation increase	3.40%	3.70%

Assumed life expectancy on retirement at age 65

	Male years	Female Years
Retiring today (member age 65)	22.6	24.7
Retiring in 25 years (member at 45 today)	24.4	27.1

The principal assumption used to measure the scheme liabilities are the discount rate, rate of inflation, rate of salary growth and rate of mortality.

Amounts recognised in the income statement in respect of the defined benefit scheme is as follows:

	2022 £'000	2021 £'000
Group and BHC		
Current service cost	-	-
Gain on curtailments/changes/introductions	-	-
Net interest income	(110)	(69)
	(110)	(69)
Recognised in other comprehensive income	(246)	(1,094)
Total (cost) / income relating to defined benefit scheme	(356)	(1,163)

The amount included in the balance sheet arising from BHC's obligations in respect of its defined benefit scheme is as follows:

	2022 £'000	2021 £'000
Present value of defined benefit obligation	(31,596)	(46,949)
Fair value of plan assets	38,024	53,021
Asset recognised in the balance sheet	6,428	6,072



21. Employee Benefits (continued)

Movement in the present value of defined benefit obligation were as follows:

	At year end 31/12/22 £'000	At year end 31/12/21 £'000
At 1 January	46,949	47,411
Service cost	-	-
Gain on curtailments/changes/ introductions	-	-
Interest Cost	825	649
Participant contributions	-	-
Actuarial (losses)/ gains	(13,986)	999
Benefits paid	(2,192)	(2,110)
At 31 December	31,596	46,949

Movement in the fair value of plan assets were as follows:

	At year end 31/12/22 £'000	At year end 31/12/21 £'000
At 1 January	53,021	52,320
Interest Income	935	718
Actuarial (losses)/ gains	(13,740)	2,093
Employer contributions	-	-
Participant contributions	-	-
Benefits paid	(2,192)	(2,110)
At 31 December	38,024	53,021

Plan Assets

The weighted-average asset allocations at the year-end were as follows:

Asset category	At year end 31/12/22 £'000	At year end 31/12/21 £'000
Equities	0%	10%
Debt Instruments	(1%)	90%
Annuity Policies	83%	0%
Other	18%	0%
	100%	100%

22. Related Party Transactions

Belfast Harbour Commissioners pay, on behalf of the Belfast Harbour Commissioners' Pension Scheme, pensions payable to pensioner members and benefits payable to members both of which are reimbursed by the scheme. In addition, administration expenses of £87k (2021: £585k), which includes (£13k) (2021: £14k) relating to Pension Scheme audit fees, were borne by Belfast Harbour Commissioners on behalf of the scheme. Amounts owed by the Belfast Harbour Commissioners Pension Scheme are disclosed in note 14.

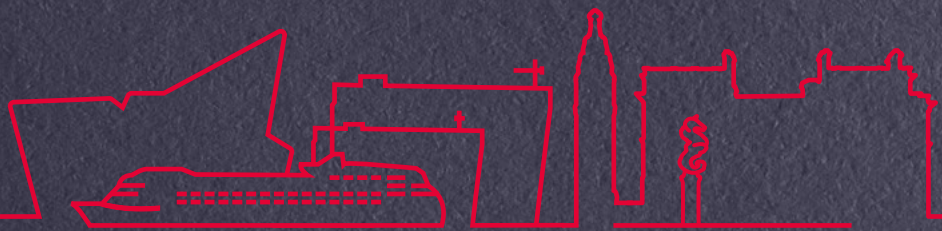
All board members, directors and certain senior employees who have authority and responsibility for planning, directing and controlling activities are considered to be key management personnel. The total remuneration in respect of these individuals is £4,725k (2021: £4,022k).

During the year Belfast Harbour Commissioners made payments totalling £0k (2021: £3,985k) to OH (Office) Developments Limited. This amount is held as an Investment in Associate at 31 December 2022 (2021: £8,000k). See note 13.

In 2022 as part of the responsible business programme, £10k funding was awarded to 4C UR Future Ltd, a Community Interest Company of which Ms RM Stalker is noted on Companies House as a person with significant control.



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