



Harwich
Haven
Authority



ANNUAL REPORT AND FINANCIAL STATEMENTS 2024



Annual Report and Financial Statements 2024

Contents

4	About us
6	Strategic Report
6	Report of the Chair
8	Statement by the Chief Executive
10	Key Performance Indicators
12	Statement by the Chief Financial Officer
14	Statement of the Harbour Master
18	Key Financial Indicators
20	Report of the Board
24	Meet the Board
34	Report of the Executive
34	Meet the Leadership Team
36	Environment & Sustainability Report
42	Strategy & Partnerships Report
46	Independent Auditor's Report
50	Financial Statements

About us

Harwich Haven is a major trade gateway, which has been fuelling the UK's economy since 1863. With five port facilities operating in the Haven area, our marine services operate 24 hours a day, 365 days of the year.

Structure and governance

Our business operates on a commercial basis but instead of shareholders we are responsible to our stakeholders. We do not receive any public funding and our Trust Port status allows us to reinvest our surplus or profits back into the Haven for the benefit of our stakeholders.

Our stakeholders include: employees, customers, local residents, businesses, local and regional

community groups, and local and national Government agencies.

Our jurisdiction covers the River Stour, the lower part of the River Orwell, Harwich Harbour and a 14 nautical mile stretch of sea leading into the Haven.

Our vision

To support the Haven as a thriving community committed to the preservation of its environment and the wellbeing and prosperity of its people



Report of the Chair

Harwich Haven Authority maintained its vital role in keeping trade flowing safely throughout 2024 and I thank our customers for continuing to choose the Haven as their preferred UK gateway.

We continue to focus on offering quality, flexible services that provide good value for money for our customers. It's our strong belief that this combined with our investment to increase the deep-water access provides Haven port operators with a great platform to compete with UK and European ports for business.

Employees remain our most important asset, and we are committed to investing in both their professional and personal development. I'm delighted to see how our apprenticeship programme is going from strength to strength and I'm very encouraged that many of our apprentices are women. We will continue to promote career opportunities in the sector through our engagement programme with local schools and training providers.

Operational and navigational safety is at the core of everything we do. It is what defines us as a Statutory Harbour Authority, and it keeps our people, our stakeholders and our environment safe. I am pleased to report that in 2024 we once again retained our excellent record of navigational safety, with no major incidents reported.

Our social value delivery continues to increase and this year we delivered over £5 million of social value. We've achieved this by aligning to local needs and targeting issues that are material to our community. You can read more about the impact we have made in the Sustainability section of the report.

There is no doubt that the maritime sector is very focused on decarbonising their operations and so are we. In 2024, along with our partners Entopy and Purple Sector, we successfully won funding from Innovate UK to conduct feasibility studies into the use of smart technology to improve efficiencies and reduce carbon across our operations. It's a very exciting initiative that we hope will bring benefits to the wider sector too.

It's been an incredibly busy 12 months, and I give my thanks to everyone working at the Authority for their continued hard work and dedication.

The contributions made by my fellow members of the Board have been invaluable and I also thank them all for their support. I offer special thanks to leavers Dame Lin Homer and my former Deputy Chair Keith Winstanley MBE and I wish them both the very best with their future endeavours.

Looking forward to 2025, I am delighted to welcome new colleagues Paula Carter, Mike McCartain OBE and Ian Shipperley CBE to the Harwich Haven Authority Board. All bring a wealth of experience and expertise to their new positions.

Please do let us know what you think about our new look report as we very much welcome your feedback.

D Francis OBE

Chair

24 April 2025



Statement by the Chief Executive

Our purpose is to provide services which are safe, sustainable, efficient and, for the benefit of all our stakeholders – this is the constant theme that you will find throughout this report. Despite global challenges which continue to affect our shipping line customers, we are proud to report an income of £48.0 million in 2024 (up 14% on 2023). The growing trend of megamax arrivals continues and, because of our investment to provide unrivalled UK deep-water access, we welcomed an increasing number of deep draught vessels into the Port of Felixstowe.

One of our new values, all of which were guided by our employees, is Safety as Standard and the safety, health and wellbeing of both our employees and users of the Haven remains a key priority. In 2024 we saw a 43% reduction in workplace accidents. We reported no Level 1 or 2 navigational incidents, and our Level 3 navigational incidents were down 80% to 3 from the 15 reported in 2023.

We remain committed to reducing our environmental impact and through continued efforts, including implementing energy efficient measures across our estate, we can report an 88.5% reduction, against our 2018 baseline, for Scope 1 & 2 emissions in 2024.

As laid out in our purpose, alongside our financial goals we also seek to achieve a positive impact on

our community. In 2024, we delivered £5,110,685 in Social, Local and Economic Value (SLEV) against our five core themes – jobs, growth, social, environment and innovation, which is an increase of 20% on the previous year. This includes our employee-led Charity of the Year initiative, which in 2024 was North Essex Support Trust (NEST).

A community group that we are keen to support is the Harwich Harbour Fisherman’s Association, the trade body of our local commercial fishing fleet. We were able to provide a significant financial donation to the fleet, so they were able to comply with recent changes in national safety regulations, necessary to ensure their safety, including items such as life rafts, personal flotation devices and locations beacons for their vessels.

“The team at Harwich Haven Authority always go the extra mile to ensure our vessels arrive and depart safely and on time. From boarding early to staying on longer, the pilots consistently put their customers first which we at COSCO fully appreciate.”

TONY RAMSEY
Deputy General Manager, COSCO Shipping Lines

The future outlook

We are optimistic about 2025, despite challenges the sector faces we are well placed to meet increased customer demand and support the Haven ports as they expand their businesses. We also have some exciting innovation projects that we will be implementing next year, in the areas of AI and optimisation, that will support our customers and partners... come back next year to read more.

I would like to take this opportunity to thank all my colleagues at Harwich Haven Authority for their hard work and continued commitment. I continue to be impressed by how much a small organisation such as ours achieves and delivers.

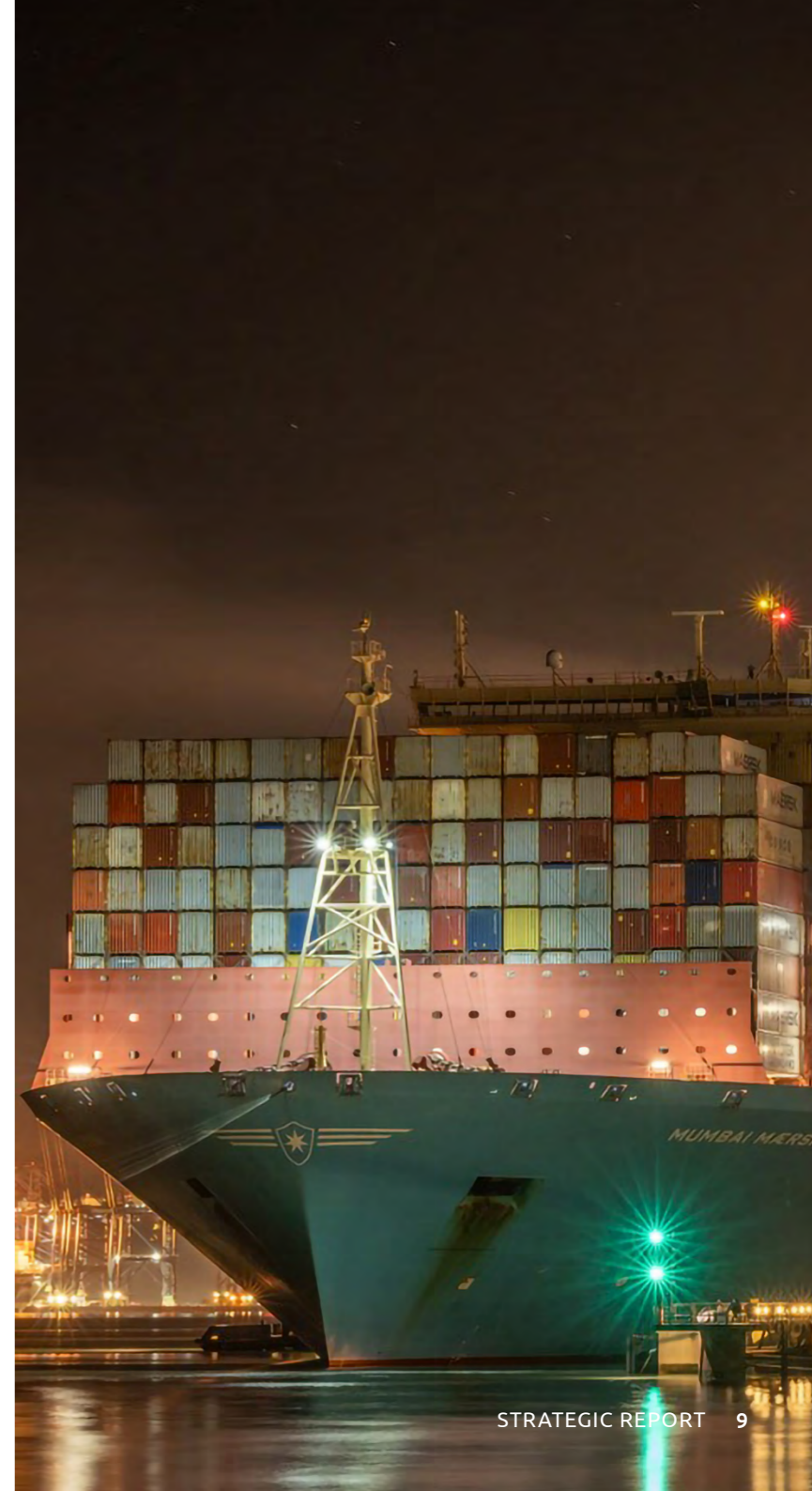
Sarah West

Chief Executive
24 April 2025

“We have long enjoyed a close working relationship with the Authority, and we cannot thank them enough for their very generous donation.

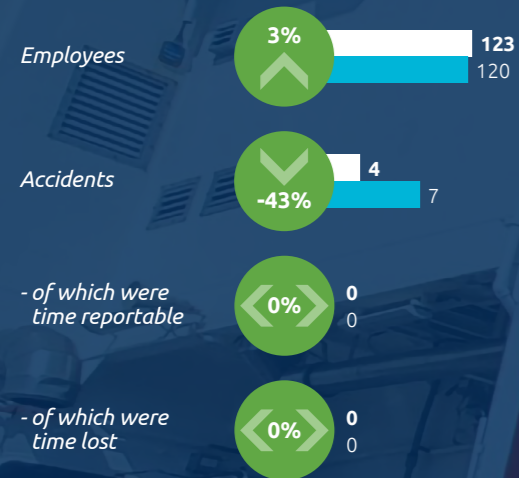
“Many people will be aware that fishing is a very tough profession and over the past 20 years or so our Association membership has dwindled from 50 fishermen to the current 22.”

PETER CAUNTER
Chair, Harwich Harbour Fisherman’s Association.

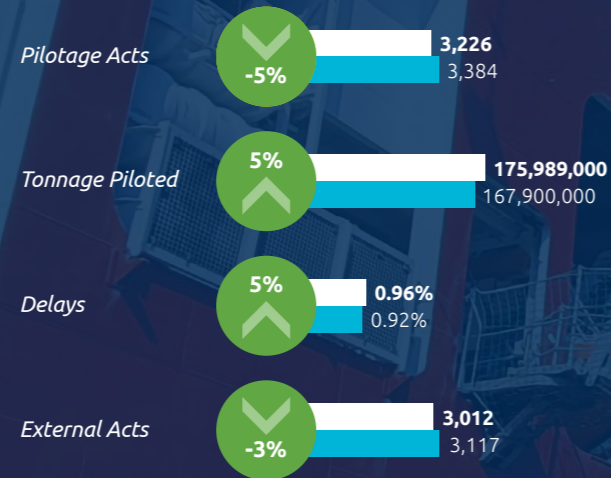


Key Performance Indicators

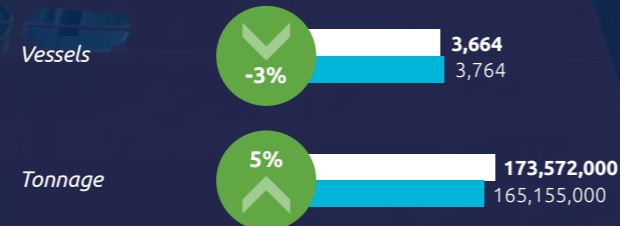
People



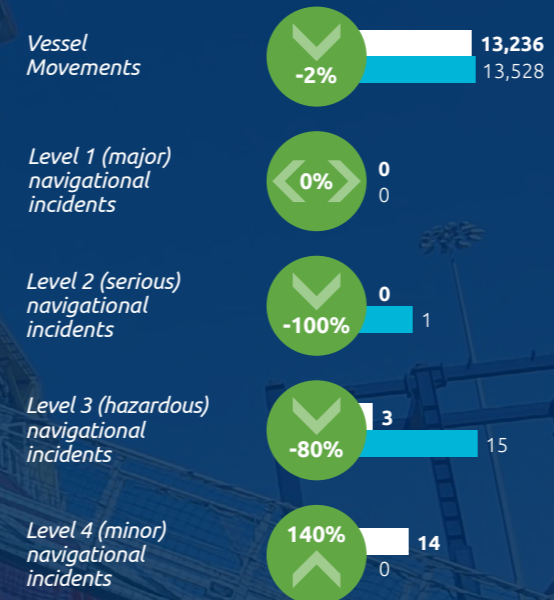
Pilotage Service



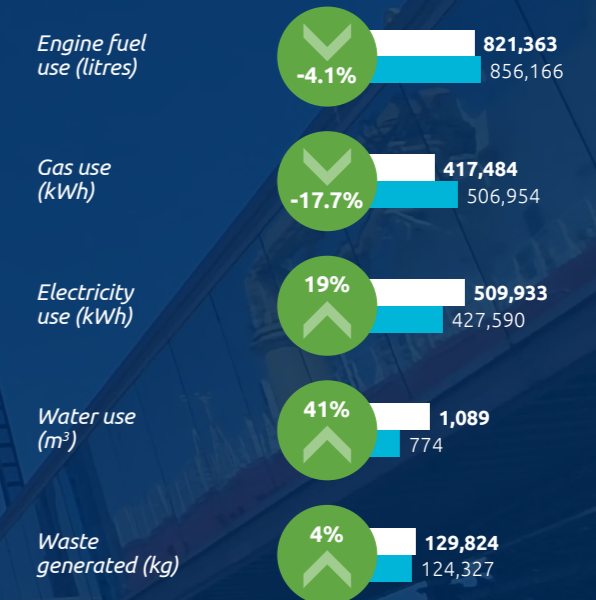
Arrivals



Navigational Safety



Environmental



Key

■ 2024 ■ 2023



Statement by the Chief Financial Officer

We achieved a turnover of £48.0 million in 2024 marking a 14% growth year on year (2023: £42.2 million). The increase in revenue was primarily due to more of the largest container vessels in the world calling at the Port of Felixstowe in 2024, compared to 2023.

Despite the increase in revenue the profit before taxation decreased by 60.3% to £5 million in 2024 (2023: £12.5 million). The reduction in profit was driven by a full year's depreciation and interest charge in 2024 and significantly higher maintenance dredging costs resulting from the 2023 capital dredge and a high number of storms over the winter months.

Whilst maintaining a solid financial position, we continue to hold sufficient cash reserves to support our long-term goals and business investments, enabling and supporting future growth in port trade. Our cash, at the end of the year, stood at £30.8 million, up from £24.3 million in 2023.

During 2024 we made a capital investment of £2.6 million (2023: £41.8 million). In 2023 we invested £39.3 million in the channel deepening project. Our capital investment strategy is focused on enhancing resilience through a well-maintained asset base, good cyber security, and ensuring that we make investments to remain efficient, enhance productivity and are aligned to the needs of our customers and stakeholders. This strategy strengthens capability, and capacity and delivers value.

In 2024, we welcomed a new cohort of apprentices and trainee pilots, bolstering our existing teams and enhancing our capacity to provide an exceptional service to our customers.

Our commitment to modernisation continued with ongoing investments in radar, microwave, and server replacement programmes. Additionally, we made a key decision to partner with Kongsberg for our Vessel Traffic Services, a crucial system for efficiently and safely managing vessel traffic within our ports.

During 2024 we have continued to invest in new technologies. Indeed, we partnered with AI company Entopy, and were awarded a grant from the Department for Transport to part fund the development of a digital twin of the sea access. This project will help to improve operational performance across a vessel's port call as well as providing a tool for evaluating further strategic investments. In addition, we continued research and development into Tiamat - our dredging technology – to further reduce the cost of maintenance dredging.

Pensions

As result of prudent management by the Authority, its defined benefit pension scheme is in a good financial position. This has resulted in a small deficit of £0.1 million being recorded at the 2023 triennial valuation of the pension scheme.

However, during 2024 the pension scheme trustees undertook a detailed legal review of the pension scheme rules. As a result of this review it was

concluded that the pension scheme liabilities had been under recorded by £1.5 million. This sum has been reflected in the 2023 triennial valuation.

The new sum has been reflected in the annual accounts as a prior year adjustment – see Note 25 to the financial statements.

The Authority is in discussion with the pension trustees regarding the long-term strategy for its defined benefit pension scheme.

Outlook

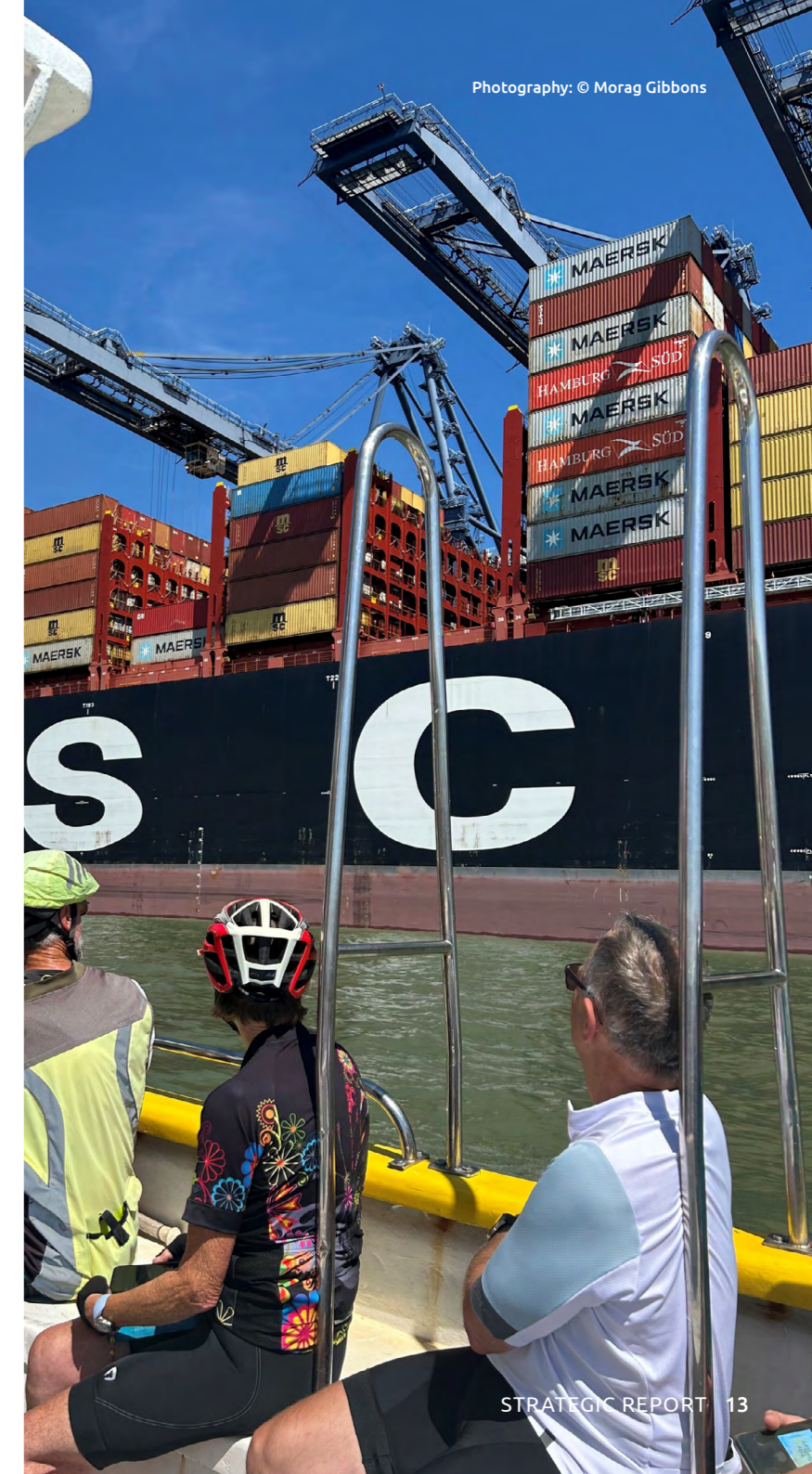
The overall outlook for the Authority remains positive as we have a strong balance sheet and cash reserves, and an excellent value proposition. We recently completed a major investment in the deepening of the harbour and access channel. As a result, the Authority has an unrivalled sea access into the UK for container vessels, whereby the Port of Felixstowe can accept the largest and deepest container vessels in the world on every tide.

However, we are heavily impacted on the geopolitical issues that affect the container shipping markets globally and changes in the shipping alliances that have taken place recently. We closely monitor developments surrounding the geopolitical environment, particularly its potential impacts on inflation, demand and shipping routes.

Nevertheless, we continue to work with our customers and stakeholders to ensure we can support their plans for growth and increase the value we can provide.

Jake Storey

Chief Financial Officer
24 April 2025





Statement of the Marine Director (Harbour Master)

Throughout 2024, Harwich Haven Authority continued to support industry-leading developments, adapting to shifting market conditions and evolving container shipping alliances.

Some of the biggest shipping lines requested accommodations for vessels with a draught of up to 17.3 metres, while MSC has consistently operated vessels exceeding 16.0 metres in draught. These milestones underline the increasing demands on our navigable waters and operational expertise.

Key developments included the arrival of the MSC Elenoire, the first vessel to call in the UK with a draught reaching 17.1 metres. We facilitated the arrival of the Ane Maersk - the first large ammonia-powered ship into North-West Europe, marking another significant step in supporting the transition to greener maritime fuels. Additionally, a feasibility study conducted with HR Wallingford confirmed the safe accommodation of vessels with a maximum draught of 17.3 metres at Berths 8 and 9 in the Port of Felixstowe, providing specific measures are implemented. This collaboration reinforces our commitment to supporting the growth of sustainable and efficient maritime trade.

Safety and environmental stewardship

Safety remains our top priority. Our annual Designated Person audit demonstrated our maintained compliance with the Port Marine Safety Code and we continued delivering our operations in accordance with our published Safety Plan for Marine Operations (2021-2024). This ongoing effort was further strengthened by the implementation of

advanced safety technologies, including data from our Rheotune dynamic yield strength survey, being used on Portable Pilot Units (PPUs) which further enhances our real time navigation accuracy.

To bolster spill response capabilities for future fuels, Authority team members attended Hazardous and Noxious Substances (HNS) awareness training, advancing preparedness for low flash and toxic fuel incidents. Additionally, the integration of sustainable practices continued with the successful conclusion of the Marfle engine monitoring trial, which reduced CO₂ emissions by approximately 3 tonnes over six months. We are also exploring digital solutions, such as the Purple Sector SEAS project, which is creating a digital model of pilot boarding and landing operations to enhance efficiency and explore future vessel powertrain systems.

Futureproofing equipment and operational delivery

Harwich Haven Authority's investment in operational resilience took significant strides in 2024. The integration of advanced technologies, including feasibility investigation into autonomous survey vessels is reshaping the future of maritime operations. Team members underwent autonomous vessel operator training, and the leadership team observed cutting-edge remote craft operations.

Efforts to enhance fleet safety included development and implementation of a fleet safety management system, written in accordance with the requirements of recently published MCA Workboat Code 3 and the international standard ISM Code. The target for full fleet integration remains on track, supported by dedicated training.

Training and development

The Authority remains committed to investing in our workforce. In 2024, the Pilot Launch Service (PLS) and Marine Support (MS) Coxswains began training for the Master 200t STCW qualification, enhancing our capability in the commercial workboat charter sector. A roadmap for a Marine Engineering apprenticeship programme was finalised, with the programme set to launch in 2025. Recruitment efforts led to the addition of a Senior Marine Operations Manager and increased the VTS headcount from 15 to 16, addressing operational demands and enhancing team resilience.

Training efforts extended to real-time operations, simulations, and specialised courses. Three trainee Pilots qualified as Class 4 Pilots, with another two Pilots moving up to both Senior and SCS levels. Oil spill response training with contractor Ambipar covered prevention, mitigation, and safe waste handling. These programmes ensure our team remains prepared to meet emerging challenges to support operational resilience. The pilot ladder training program was successfully launched, helping to ensure that we are fully drilled to meet the highest standards of safety. Finally, the ongoing success of our marine apprenticeships are testament to our commitment in developing future talent in the maritime industry. We are excited to see them progress.

Engaging with the community & industry

We remain deeply engaged with both industry

stakeholders and the local leisure vessel community. In 2024, we hosted two Leisure Vessel Liaison meetings and numerous ad-hoc presentations.

Notable engagements included hosting the Deputy SOSREP, the UK Hydrographic Office (UKHO), and the Conservative Party Maritime Minister. We also welcomed a delegation from China, fostering international collaboration.

Representation at prominent industry events highlighted our leadership in maritime innovation. Presentations at Ricardo's Maritime Decarbonisation Summit, UK Spill's Marine and Plastic Pollution Conference, and the UK Digital Twin Conference showcased our initiatives in sustainability and digital transformation. Additionally, our involvement in the UK Spill Future Fuels Response Working Group reinforces our commitment to addressing emerging maritime opportunities.

Managing larger vessels and future projects

Operational advancements in 2024 positioned Harwich Haven as a leading harbour for large and deep draught container vessels. The MSC Elenoire's arrival marked a milestone for accommodating vessels with a draught exceeding 17.0 metres. A swept path analysis project focused on vessels operating within tidal windows and will help to inform future maintenance dredging strategy, ensuring sustainable, safe and efficient navigation.

Our engagement with the Sizewell C project underscores our potential to provide comprehensive marine services further afield. The successful mobilisation of the first jack-up barge at Harwich International Port, with pilotage assistance, demonstrated our capability

to support large-scale infrastructure projects. Feasibility studies for providing pilotage resources to Brightlingsea SHA further highlight our expanding operational scope.

Looking ahead

For me, 2024 has been a year of innovation, collaboration, and progress for Harwich Haven Authority. As we prepare for future challenges, our focus remains on safety, sustainability, and operational excellence. I extend my deepest gratitude to our dedicated teams, partners, and stakeholders for their unwavering support in maintaining Harwich Haven as a vital gateway for UK trade and a beautiful place to sail.

William Barker



Marine Director (Harbour Master)
24 April 2025



KEY FINANCIAL INDICATORS

Our two sources of revenue, pilotage and conservancy, produced a consolidated revenue of £48.0 million (2023: £42.1 million)



Sources of Revenue



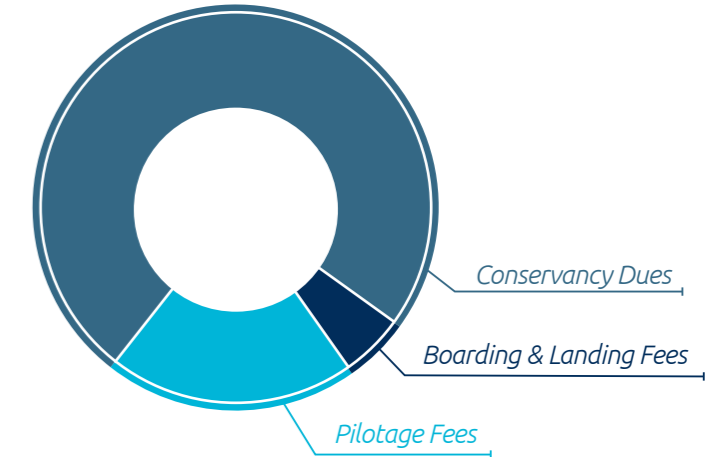
Boarding & Landing Fees
charged to operators to whom the Authority provides launch services



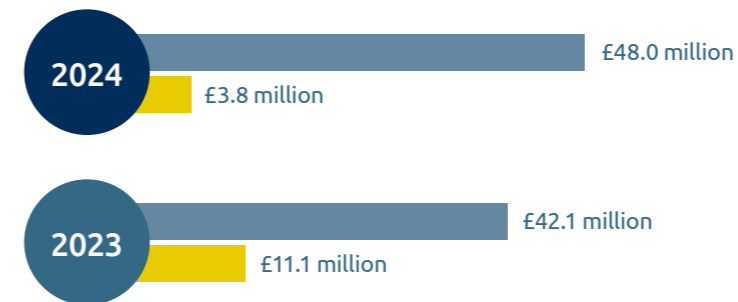
Pilotage Fees
charged to vessels that require a pilot to enter and leave the Haven



Conservancy Dues
charged to vessels entering and leaving the Haven to support channel maintenance and safe navigation.



Turnover & Surplus



The revenue delivered a surplus after taxation of £3.8 million (2023: £11.1 million) which was used to service outstanding borrowing, make contributions to our pension deficit recovery plan and to invest in maintaining and improving essential assets.

Key

■ Turnover ■ Surplus after taxation
See full Financial Statements on page 50.



Report of the Board

The Chair is responsible for the leadership and governance of the Board, ensuring that it operates effectively, while providing appropriate challenge to management.

The Board conducts itself within, and makes decisions based on, eight behavioural values, which have been adapted from The Nolan Principles.

Board members regularly receive detailed financial and operational information to allow them to monitor the key areas of the business. The Board also receives briefings from senior managers on various aspects of the Group's and the Authority's activities.

The Board is comprised of 10 members, two Executive Directors and eight part-time Non-Executive Directors. The Secretary of State for Transport appoints the Chair and four Non-Executive Directors and the Authority appoints three Non-Executive and two Executive Directors. From time to time the Authority appoints associate members who have the right to attend meetings but have no right to vote at them.

The Board's role is to provide leadership within a framework of prudent and effective controls which enables risk to be assessed and managed. In addition, it sets the Authority's strategic aims, ensures that the necessary financial and human resources are in place to meet those objectives and to review management performance in meeting them.

The Executive is responsible for the running of the business and helping to ensure the Authority's strategic aims are met. The Chair of the Board is responsible for the leadership and effectiveness of the Board. Part of the Chair's role is to set the Board agenda, allowing adequate time for discussion of items, in particular strategic issues and the promotion of a culture of openness and debate in Board discussions is also important.

The role of a Non-Executive Director is to challenge constructively and help develop the proposals on the organisation's strategy. They also scrutinise the performance of the management to ensure agreed goals and objectives are met, and monitor the reporting of performance.

PRINCIPLES OF REMUNERATION

The Harwich Haven Authority principles of remuneration have been designed within a framework that supports the Authority's strategic direction and the long term success of the business. The remuneration of Non-Executive Directors is reviewed regularly against comparative benchmarked data and determined by the Remuneration Committee and ratified by the Board.

NON-EXECUTIVE DIRECTOR FEES FOR 2024

F Dalgaard	17,245
A Dowokpor	26,706
D Francis OBE	52,275
J Gibbard	20,265
N Hancock	20,038
L Homer	20,229
J Wedge	21,873
K Winstanley	17,615
M McCartain OBE	4,250
TOTAL	202,519

DELEGATION OF AUTHORITY

The Harwich Haven Authority Board sets the

strategic direction of the business, which is aligned to the organisation's vision. The primary focus is on quality of delivery, growth, finances and people. Working closely together, the Authority's executive team are responsible for delivering the strategy.

BOARD MEETINGS AND ATTENDANCES

Six Board meetings were held during 2024. In addition to this, members also attend a number of committee meetings and workshops throughout the year. (See tables 1 and 2 overleaf.)

STATEMENT OF BOARD RESPONSIBILITY

The Harwich Haven Authority Board is responsible for preparing the Strategic Report, the Report of the Board and the Financial Statements in accordance with applicable law and regulations.

Applicable law requires the members to prepare financial statements for each financial year. Under that law, the members have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 (FRS 102), 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Under applicable law the Board must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Authority and the Group.

In preparing financial statements, the Board is required to:

- Select suitable accounting policies and apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable 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 the Authority and the Group will continue in business.

The Board is responsible for keeping accounting records that are sufficient to show and explain the Group's and the Authority's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Authority. This enables it to ensure that the financial statements comply with the Harbours Act 1964 which requires that the financial statements be prepared in accordance with the requirements of the Companies Act 2006.

It is also responsible for safeguarding the assets of the Group and the Authority and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SECTION 172 (1) STATEMENT OF COMPLIANCE

Our Annual Report for 2024 includes information about how our Board has performed their duty under Section 172 of the Companies Act 2006. As a designated Trust Port we also align to the Good Ports Governance Guide which clearly outlines our requirement to reinvest profits back into our area of jurisdiction for the benefit of all stakeholders.

Maintaining the reputation of our business is crucial, and the Harwich Haven Authority Board strive to maintain the very high standards of conduct in matters related to our business operations, safety standards, delivering high quality services to our customers and ensuring our organisational Values remain central to all decisions that relate to both our business and employees.

During 2024, the Board are confident that they have conducted themselves, and made decisions, in a way that best promotes the success of the organisation and in turn benefits all stakeholders.

Decisions and actions have had specific regard to:

- The likely consequences of any decision in the long term;
- The interests of the Authority's employees;
- The need to foster the Authority's business relationships with suppliers, customer and others;
- The impact of the Authority's operations on the community and environment;
- The desirability of the Authority's maintaining a reputation of high standards of business; and
- The need to act fairly between members of the Authority.

Our people: To ensure the ongoing success of our business it is vital that we attract, retain and provide an environment that supports and encourages employees to give their best.

Employees remain our greatest asset, and we try hard to ensure that everyone feels that their opinions are important. We promote conversations and an open dialogue is actively encouraged. Communication across the organisation is strong and is deployed via various channels including, CEO briefings, organisational briefings, newsletters, digital information screens and regular one-to-one meetings between line managers and direct reports. Each year an employee engagement survey is conducted, and feedback is given the very highest level of consideration, action plans are produced, and outcomes are shared across the organisation. Employees also have opportunities to be part of the conversation through our Employee Forum.

Our customers: The UK ports sector is extremely competitive and the service levels we provide through our pilotage operation differentiates us from other ports because we offer pilotage on demand. This customer-centric approach ensures shipping lines can best meet their schedules and

allows them to arrive and depart from the port within their chosen timeframes. To deliver the very best customer experience and service standards requires ongoing dialogue so we regularly meet with them to ensure we can continue to meet and in some cases exceed their expectations.

Our suppliers: We enjoy good relationships with our suppliers, which is based on clearly defined requirements that align to our ESG expectations.

Our Stakeholders: As major UK Trust Port we do not have shareholders, and our designation requires that we reinvest our profits back into the Haven for the benefit of all stakeholders.

Our community and environment: Our organisational vision is to 'transform the Haven into a thriving community committed to the preservation of its environment and the wellbeing and prosperity of its people.' How we fulfil our vision is defined within our ESG strategy and our activities are featured in the Sustainability section of this report.

DISCLOSURE OF INFORMATION TO AUDITOR

The Directors who were in office at the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. The Board has taken all steps that ought to have been taken as a Board in order to be aware of any relevant audit information and to establish that the Authority's auditor is aware of that information.

Table 1: Board Meetings and Attendances

D Francis OBE		L Homer		Meeting Dates 1 February Quarterly 6 March Strategy 25 April Quarterly 25 July Quarterly 24 October Strategy 28 November Quarterly Key ● Present ● Absent ● N/A
F Dalgaard		J Wedge		
A Dowokpor		K Winstanley MBE		
J Gibbard		J Storey		
N Hancock		S West		

Table 2: Committee Attendance

10 committee meetings took place in 2024.

Audit & Risk	11/4	7/11	
Chair: J Wedge	●	●	
Member: L Homer	●	●	
Member: F Dalgaard	●	●	
Safety, Health, Environment & Security	17/4	27/6	12/11
Chair: N Hancock	●	●	●
Member: J Gibbard	●	●	●
Member: K Winstanley	●	●	●
Remuneration & Nominations	24/1	3/7	
Chair: L Homer	●	●	
Member: A Dowokpor	●	●	
Member: K Winstanley MBE	●		
Commercialisation Committee	26/2	17/7	21/11
Chair: J Gibbard	●	●	●
Member: J Wedge	●	●	●

Meet the Board



Debbie Francis OBE

Chair, Non-Executive Director
Joined January 2021

Debbie has over 30 years' of experience, both in the UK and overseas, across a range of industries from IT to infrastructure maintenance to rail. She is currently Managing Director at Loram UK Ltd having previously held the role of Northern City Executive at Arcadis, Managing Director of DRS, a major rail freight business, and before that, four years as LNW Route Finance and Commercial Director with Network Rail.

As well as being Chair of the Harwich Haven Authority Board, Debbie holds several Non-Executive Director roles including that of Chair of the Halle Concerts Society. In 2020 she was awarded an OBE for services to women in the rail industry and is currently working on a professional doctorate to try to understand more about gender dynamics in the UK Rail Industry.



Alan Dowokpor

Deputy Chair, Non-Executive Director
Joined January 2022

Member: Remuneration & Nominations Committee. Member: Audit & Risk Committee.

Alan is a senior business, strategic, technical and operations leader with over 30 years' international experience in the oil and gas industry. At BP and Tullow Oil, he led teams to deliver world class performance on financially and technically complex, large scale projects in challenging environments. He has held the positions of Global Head of Environment, Social Responsibility and External Affairs, Global Head of Well Engineering and Operations, and Business Manager for the North and West Africa region. Alan has worked in a variety of operational and management positions, including assignments in Ghana, Angola, Norway, Algeria, China, Vietnam, Australia, Papua New Guinea and the UK. He graduated with a Masters degree in Petroleum Engineering from Imperial College London.



Sarah West

Chief Executive, Executive Director

Sarah joined Harwich Haven Authority on the 1st January 2023, following a successful 20-year career with the Royal Navy, becoming the first woman to command a UK warship. Sarah has held numerous strategic leadership roles within the ports industry.

She was previously Chief Operations Officer at the Port of Dover, and prior to joining the Authority, she oversaw the operational implementation of the approx. £400 million new South Harbour at the Port of Aberdeen.

As a champion and promoter of diversity and inclusion, Sarah was an inaugural member of the highly successful Maritime UK's Women in Maritime Network.



Jake Storey

Chief Financial Officer, Executive Director

Jake joined Harwich Haven Authority in August 2017. He has over 25 years' experience in the shipping industry and prior to joining the Authority he was a strategic advisor to the anti-bribery business TRACE International. Starting his career in the maritime industry working for Hill Samuel Merchant Bank, he worked for, and advised Wallems, Escombe Lambert, Gellaty, Lambert Brothers, Lavino Shipping and the Wescol group. Jake has also held senior positions with Gearbulk Group as their Chief Risk Officer and with Inchcape Shipping Services UK as Chief Financial Officer. He holds an MBA from Manchester Business School and is a chartered accountant and a qualified corporate treasurer. He also has a BA Hons in History and Politics from Keele University.



Mike McCartain OBE

Non-Executive Director
Joined October 2024
Chair: Safety, Health, Environment & Security Committee.

Mike has over 40 years' of maritime experience from his formative years in the Royal Navy. From an impressive helicopter flying career in the Fleet Air Arm to commanding three warships and the Navy's Sea Training organisation in Devonport he has also, since leaving the service in 2012, been responsible for the operational programme and safety of the Cunard and P&O cruise ship fleet. More recently, he has worked in the UK Port Industry as the Marine and Safety Director for Associated British Ports, leading ABP and its dredger fleet UKD, to become one of the safest port operators in the UK sector by implementing an innovative safety culture programme across the company, which has substantially improved outcomes and reduced accident rates. He is a 'Younger Brother' of Trinity House and a very strong supporter of the RNLI at his local lifeboat station on the south coast.



Flemming Dalgaard

Non-Executive Director
Joined November 2018
Member: Audit & Risk Committee.

Flemming is an experienced Chief Executive and Non-Executive Director with over 30 years' of experience in the maritime industry and logistics sector. Flemming started his career with A.P.Moller-Maersk in 1986 and spent 21 years there in a variety of roles, including Deputy Managing Director Maersk Line Germany, Managing Director of Maersk Line UK & Ireland as well Group Vice President WOC. He spent a further eight years with DP World as CEO for the Europe and Russia region followed by the position as Group Senior Vice President responsible for Global Strategy. His last full time role was as Chief Executive of Gultainer, responsible for all port, trucking and logistics activities. He is a Chartered Fellow of the IOD and a Chartered Fellow of the UK Institute for Logistics and Transport. He is also an adviser to IFM Investors, an investment adviser to the APMC Africa infrastructure fund and a Non-Executive Director of Shipping SDK.



Jonathan Gibbard

Non-Executive Director
Joined January 2022
Member: Remuneration & Nominations Committee. Member: Safety, Health, Environment & Security Committee.

Jon is an environmental professional with 20 years' experience. Jon runs his own company, Empowered2, providing leadership coaching, development and strategic support and was formally part of the senior leadership team for Ricardo, a leading international environmental and engineering consultancy. Jon was responsible for a team of ~200 people delivering a range of environmental solutions to public and private clients around the world – particularly in energy decarbonisation. He is dedicated to developing people and leadership, creating a high-performance culture and helping organisations become more sustainable. Jon is Chair of the Commercialisation Committee and has a BSc in Marine Geography from Cardiff University and an Exec MBA from Henley Business School. He is an enthusiastic amateur sailor and in 2007 completed 2 legs of the Clipper Round the World Yacht Race, taking responsibility as Watch leader for one of those legs, he loves being out at sea!



Jerry Wedge

Non-Executive Director
Joined January 2022
Chair: Audit & Risk Committee.

After gaining an economics degree at Manchester University, Jerry went into business, firstly with a ready-mix concrete firm, before moving onto Kirklees Council as Finance Manager. After an MBA at Heriot Watt University he moved to Wigan Borough Council as Finance Director, before being appointed the Resources Director of the Disabilities Rights Commission, dealing with all areas of the Disability Discrimination Act. He joined Trinity House (lighthouses and navigational aids for shipping) in February 2002, as Director of Finance & Support Services. Since taking early retirement from Trinity House in 2016 he has worked part-time as the Town Clerk for Frinton and Walton Town Council. He has also held various non-executive roles with the NHS, Financial Reporting Council and the Bar Council as well as being the Treasurer of the Royal Alfred maritime charity. He lives in Frinton, Essex with his wife and two sons.



Nicola Hancock

Non-Executive Director
Joined January 2021
Chair: Remuneration & Nominations Committee. Member: Audit & Risk Committee.

Nicola is an accomplished IT and operational leader, with experience working across multiple sectors in the UK and Internationally. She is currently a member of the IT Leadership of Shell, accountable for identifying and delivering bottom line value through Information and Digital Technologies. Previously she held a senior role within the Royal Mail Group as Director of Technology Business Operations and before that worked across a number of disciplines within Ernst & Young. A member of the Institute of Directors, she has a specific focus on technology and digitisation and is passionate about transport and the environment.



Paula Carter

Non-Executive Director (Associate)
Joined January 2025
Member: Remuneration & Nominations Committee.

Paula worked for 30 years in Broadcasting, and was Director of Planning and Board Secretary at Channel 4 where she was responsible for all corporate planning. Before joining Channel 4 in 2007 she held senior policy and management roles at the BBC and ITV and worked as an advisor to various government departments, regulators and agencies on communications matters including the Joint Parliamentary Committee that scrutinised the Communications Bill in 2002. Paula was a Non Executive Director of the Port of London Authority from 2018-2024 and Vice Chairman from 2023-2024, as well as Non Executive Director of the productivity movement "Be the Business" from 2017-2024. She is currently Chair of Ofcom's Advisory Committee for England, Member of the British Transport Police Authority, Chair and Governance and Non Executive Director of the RFU, a member of the LTA's Disciplinary Panel and a Council Member, as well as being a magistrate on the South East London Bench.



Ian Shipperley CBE

Non-Executive Director
Joined April 2025
Member: Safety, Health, Environment & Security Committee.

Ian joined the Royal Navy to pursue a career as a professional engineer. From disaster relief to combat operations, he spent much of his 39-year career deployed globally, both at sea and ashore. Latterly, he specialised in the procurement and support of the Navy's ships and submarines leading to his final appointment as Commanding Officer of the largest naval base in Western Europe at Devonport, Plymouth. Since leaving the Navy, Ian has followed a portfolio career as a Non-Executive Director, bringing his experience in risk management, port operations, infrastructure development, and governance to the trust and municipal ports sectors. He has recently completed a 6-year term as a Non-Executive Director on the Board of Milford Haven Port Authority, the UK's principal energy port, where he helped to diversify its revenue streams whilst maintaining a keen focus on core business. He sits as an independent member of Salcombe Harbour Board in Devon and takes a close interest in port management within sensitive wildlife habitats. Ian has strong family ties to Essex and spent his formative years sailing the waters of the East Coast.



Board Committees

Audit & Risk Committee

The Committee is chaired by Mr J Wedge. The Committee reviews the Annual Report and Financial Statements and recommends acceptance by the Board. The Committee reviewed the draft budget for 2025 and was able to recommend to the Board that the 2025 Capital and Revenue Budgets were accepted. The Committee continues to work with the Chief Executive on an updated risk register to ensure the Authority's top ten risks and controls are reviewed on a regular basis. The Chief Executive and the Chief Financial Officer are invited to attend meetings of the Audit & Risk Committee.

Remuneration and Nominations Committee

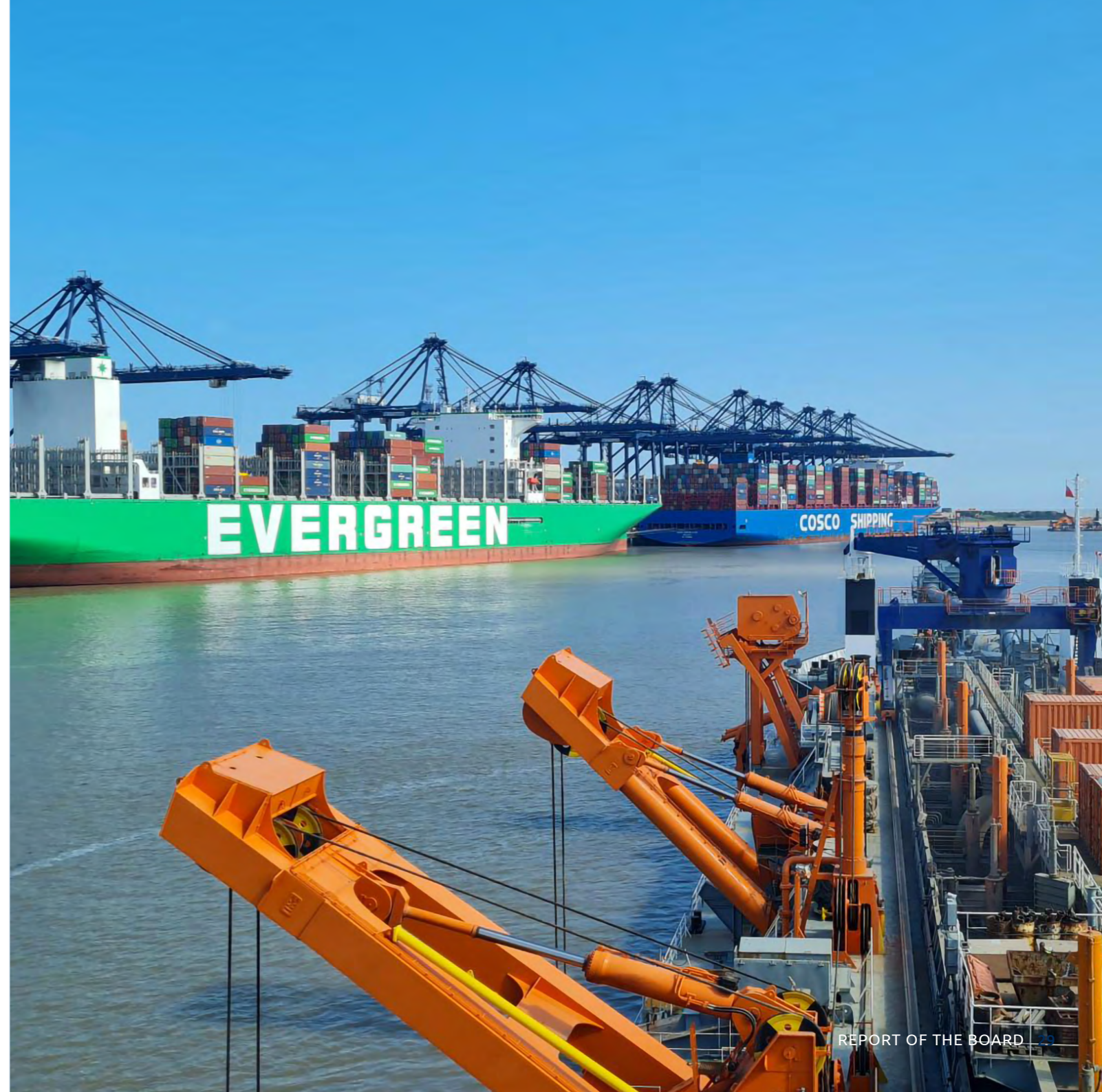
The Remuneration Committee is comprised of three Non-Executive Directors of the Board and is chaired by Nicola Hancock. The Committee advises the Board on the remuneration of the Chief Executive and reviews the Chief Executive's recommendations in respect of the senior management team remuneration. The Committee also makes recommendations to the Board in respect of the remuneration of Non-Executive Directors.

Safety, Health, Environment & Security Committee

The Safety, Health, Environment and Security Committee comprises three Board Directors and is chaired by Mike McCartain OBE. Various managers attend by invitation. The main purpose of the Committee is to analyse reports on Occupational Health, Safety, Navigational Safety Performance, Environmental Performance and Security – in particular Cyber Security – and make appropriate recommendations to the full Board.

Commercialisation Committee

The Commercialisation Committee is comprised of two Non-Executive Board Directors and the Chief Financial Officer of Harwich Haven Authority. The purpose of the Committee is to oversee the activity of the Harwich Haven Authority's wholly-owned subsidiary, Haven Dredging Ltd.





CORPORATE GOVERNANCE

The Board continues to be committed to the very highest standards of governance to be compliant with both the principles of *Ports Good Governance Guidance (PGGG)* and relevant provisions of the UK Corporate Governance Code applied on a proportionate basis.



Compliance

Throughout 2024 the Authority remained compliant with both the Port Marine Safety Code (PMSC) and the ISO 14001 standard.

In accordance with the updated guidance to the PMSC the Authority has a Safety Plan to demonstrate how the PMSC will be met.

Harwich Haven Authority is committed to discharging all of its statutory duties and on remaining open, accountable and fit for purpose. Its plan to manage the safety of marine operations is to comply with all of the requirements of the PMSC and to follow the guidance in the Guide to Good Practice on Port Marine Operations including:

- Take care so that all who may choose to navigate in the Haven may do so without danger to their lives or property.
- Take such action that is necessary or desirable for the maintenance, operation and improvement or conservancy of the Haven.

Harwich Haven Authority will base its policies on a formal assessment of hazards and risks and it will maintain a formal safety management system which will ensure that all risks are managed so that they are as low as reasonably practicable. It will employ and engage competent staff and contractors. It has appointed a Designated Person who will regularly conduct internal compliance audits in accordance with the PMSC and who will report directly to the Board.

Additionally, independent experts will periodically conduct an external audit and the expert's report will be presented to the Board. The Designated Person and the external auditors shall assess in their reports the Authority's performance against its plan of complying with all of the requirements of the PMSC and to following the guidance in the Guide to Good Practice on Port Marine Operations.

During 2024, the Authority continued to maintain its certification to ISO 14001, the international standard for environmental management systems (EMS). The external auditor from LRQA noted the improvement in the robustness and integration of the EMS since the start of the year. The Marine Team and Environment & Sustainability Team have worked together to develop and implement a comprehensive, user-friendly legislation register to support ongoing compliance in line with the requirements of both ISO 14001 and the PMSC.



Risk and risk management

HARWICH HAVEN AUTHORITY'S KEY STRATEGIC RISKS ARE:

01	Maintaining channel depth
02	Experiencing a major maritime incident within its jurisdiction
03	Experiencing a major environmental incident within its jurisdiction
04	Economic downturn reducing the number of vessel calls at the Port of Felixstowe

Risk management and control is an integral part of corporate governance. The Board makes the management of risk a high priority. The effective management of risk is paramount; the Audit & Risk Committee reviews the Corporate Risk Register at each meeting and the full Board reviews it annually. Additionally, all Board decision papers are required to assess any risks relating to their recommendations.

In 2024 the Authority's Corporate Risk Register was updated to reflect a broader set of environmental risks. The Authority hosts an environment workshop with local stakeholders annually to discuss current issues, share actions to reduce risks and increase best practice. The Authority additionally undertakes detailed operational risk management which focuses on Safety of Navigation and Health and Safety.

The Authority implements a safety management system to identify the risks, manage them and undertake monitoring and frequent reassessment.

SAFETY RISK

The Authority oversees safe navigation in the Haven and shares its marine, environmental and other expertise to promote use of and safeguard the marine environment.

The Authority has in place several safety processes: including risk assessments, Vessel Traffic Services (VTS), Pilotage, Hydrography, Automatic Identification System and the RNLI. In addition, the Authority collaborates closely with stakeholders on safety related matters. However, there is a risk of significant loss of life if a vessel was engaged in a collision and foundered.

As a result, the Authority reviews its management of safety risk on a regular basis. Personal Health & Safety is a priority in the business, managed through personal responsibility and our safety management system.

OPERATIONAL AND ENVIRONMENTAL RISK

The most significant operational risk to the Authority is the closure or partial closure of the Haven Ports, thereby significantly disrupting or halting operations and trade.

There are several related operating and environment risks including, but not limited, to:

- collision.
- grounding.
- foundering.
- spillage.
- deliberate terrorist / pressure group action.
- fraud; and
- significant cyber security incident.

The key mitigations in place include our navigational systems, risk assessments, VTS, Pilotage, Hydrography, training, mock exercises, and strategic and contingency planning.

TRADE AND ECONOMIC RISKS

The Authority is exposed to trade and economic risk. A change in national or international economic factors such as a change in global trading patterns could have a significant financial impact on the Authority. The Authority manages these risks by performing regular financial forecasts and regularly engaging with customers, stakeholders, and industry experts so that it can anticipate and mitigate against changes that are likely to have a significant financial impact.

FINANCIAL RISK

On an actuarial basis the Harwich Haven Pension Fund currently has an estimated technical surplus of £2.5 million, based on long term funding targets. This is a significant improvement from previous years. The Authority is in discussion with the pension trustees regarding how to financially de-risk the pension scheme further. The Pilots National Pension Fund (PNPF) is a UK defined benefit pension scheme for marine pilots. It includes self-employed as well as employed

members and is funded by multiple employers and authorised or self-employed pilots. The Authority had its debt certified under section 75 of the Pensions Act 1995 on 20 February 2014, which was recognised in the financial statements for the year ended 31 December 2013. However, under PNPf rules additional sums may be claimed from time to time. These additional sums are undefinable.

GOING CONCERN

The Board, after review and consideration, including compliance with loan note covenants, can confirm that the Group and the Authority have adequate resources for a period of at least 12 months from the date of approval of the financial statements and therefore continue to prepare the financial statements on a going concern basis.

INTERNAL CONTROL

The Board's responsibility to monitor the adequacy of internal control was met by reviewing the corporate risk register and considering the adequacy of internal controls and Executive mitigations over the principal risks and reviewing the auditors' reports and by discussion with them. The Board is not aware of any significant deficiencies in internal control during the year. The Audit & Risk Committee regularly reviews internal controls governing the operation of the Authority. D Francis OBE Chair Approved by the Board on 24 April 2025.

D Francis OBE



Chair

Approved by the Board on 24 April 2025

Meet the Leadership Team

The structure of our Executive ensures that we have the necessary skills and experience to operate a safe and efficient operation.



Sarah West
Chief Executive Officer

Providing strategic leadership of all Authority operations and an Executive member of the Harwich Haven Authority Board and Executive team.



Jake Storey
Chief Financial Officer, Harwich Haven Authority and CEO, Haven Dredging Ltd

Executive team member responsible for all aspects of the Authority's financial strategy, reporting and treasury



Will Barker
Marine Director (Harbour Master)

Executive team member responsible for marine services, including engineering, support, Vessel Traffic Services, pilotage and launch services.



Nick Lambert
Head of Business Systems

Executive team member responsible for information technology, business support systems and data management systems compliance (GDPR).



Melissa Wellings
Environment, Social & Governance Director

Executive team member who oversees construction, dredging and survey operations, upholding the ESG strategy and supervising environmental risk management.



Helen Rudd
Strategy and Partnerships Director

Executive team member responsible for stakeholder engagement, customer liaison and strategic planning, as well as overseeing People & Culture and Communications.





Report of the ESG Director

Navigating towards sustainability

Sustainability remained a top priority at Harwich Haven Authority in 2024, guided by our ambitious Environmental, Social and Governance (ESG) strategy. The three pillars of the strategy serve as our guide to ensure we maximise the positive impact we have on the environment, our local community and uphold the highest standards of governance across the organisation, as we navigate towards a sustainable future.

Social Value

Our ESG strategy recognises the need to focus on material issues and target initiatives where we can measure our social value thus maximising the value they deliver. By becoming the first trust port in the UK to utilise the Social Value Portal and the nationally recognised TOMs (Themes Outcomes and Measures) framework, we have become leaders in the industry in this area.

We are thrilled to announce in 2024 that we delivered £5,110,685 in Social, Local and Economic Value (SLEV) to our community, verified by the Social Value Portal.

Net Zero Carbon Emissions

Achieving Net Zero Carbon Emissions continues to be a key business goal for Harwich Haven Authority. We are committed to reducing our environmental impact and are pleased to report we are on track to meet our Science-Based Target (SBTi) for Net Zero Scope 1 and 2 emissions by 2035.

The below carbon reduction initiatives were explored and actioned during 2024:

- Implementation of energy efficiency measures across our estate including movement detection-controlled LED lighting and boiler upgrades.
- Invested in 100% renewable energy tariffs.
- Innovation partnership with Purple Sector, to explore data-driven solutions to reduce carbon within our operations. This collaboration was made possible by funding awarded from Innovate UK through the Smart Shipping Acceleration Fund.
- Exploration of alternative fuels, ensuring we are ready to make data driven investments at the right time.

Since setting our baseline for Scope 1 and 2 in 2018, we have made significant progress and are pleased to report a total 88.5% reduction in carbon emissions. This reduction is a positive achievement for the Authority. Additionally, we have also been

measuring and reporting against our Scope 3 emissions, with our SBTi baseline set in 2023. We experienced a significant increase in these emissions, due to a necessary increase in our maintenance dredging activity, to service our deepened navigation channel, following the £127 million capital dredging project. Despite the rise in emissions due to our investment to deepen the navigation channel it still supports global emission reductions and shipping lines own decarbonisation aspirations by facilitating the arrival of deeper vessels with increased cargo capacity. The Authority will continue to work hard with our supply chain to ensure as an industry we meet net zero by 2050.

Strengthen partnership working, collaboration & innovation

As a Statutory Harbour Authority and a trust port, fostering collaboration and driving collective action among key stakeholders is paramount to conserve and protect the Haven.

Employees are one of our most important stakeholder groups and we recognise the fundamental importance of employee involvement in the implementation of our ESG Strategy through our award-winning Sustainability Week.

Sustainability Week provides the opportunity to focus on our ESG aims and ambitions in an interactive and engaging way through small workshops with individual teams and lunchtime activities.

In 2024 we also collaborated with employees to create and launch a bespoke environmental awareness e-learning module for all existing and new employees. This module has been made by employees for employees and covers a wide

range of environmental topics pertinent to our operations.

Additionally, we formed “The Haven Environment and Sustainability Group,” who met twice in 2024 with the purpose of bringing together key businesses in the Haven, including the Port of Felixstowe, Harwich International Port, Trinity House, ABP Ipswich, and the Port of Mistley, providing a platform to share environmental best practice, address shared challenges and initiate joint projects contributing to the protection of the Haven.

Melissa Wellings

ESG Director
24 April 2025

Our 2024 carbon report

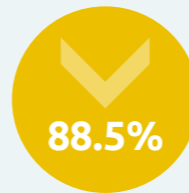
Emission Scope	Sources	2018 CO ₂ e (tonnes)	2023 CO ₂ e (tonnes) (Location-based)	2024 CO ₂ e (tonnes) (Market-based)
Scope 1	Fuel use (Harbour & Pilot Launches, Workshops)	2,309.4	329.64	258.65
Scope 1	Gas	91.3	84.29	28.36
Scope 1	Fuel Cards – HHA-owned vehicles	16.5	4.05	3.49
Scope 1	Total	2,417.2	417.98	290.58
Scope 2	Total (Electricity)	111.3	37.42	0.00
Scope 3	Total	5,491.5	4,805.76	9,559.36
Total Scope 1 & 2		2,528.5	455.40	290.58
Scope 1, 2 & 3		8,020	5,261.16*	9,849.93

*In 2023 the Authority took the decision to align its carbon footprint reporting with SBTi (science based targets initiative) which is a worldwide initiative to help organisations set science based targets. To align with SBTi the Authority expanded its reporting scope to include more direct and indirect emission sources. Taking this good practice approach has resulted in an increase in its reported emissions since 2022.

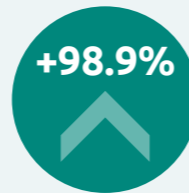
Key points for 2024 carbon footprint calculation

We started to measure, and report on, our scope 3 emission in 2023. In 2024 we saw a significant increase in Scope 3 emissions due to increased maintenance dredging to service our navigation channel. Despite the rise in emissions our investment to deepen the navigation channel supports global emission reductions and shipping lines own decarbonisation aspirations by facilitating the arrival of deeper vessels with increased cargo capacity.

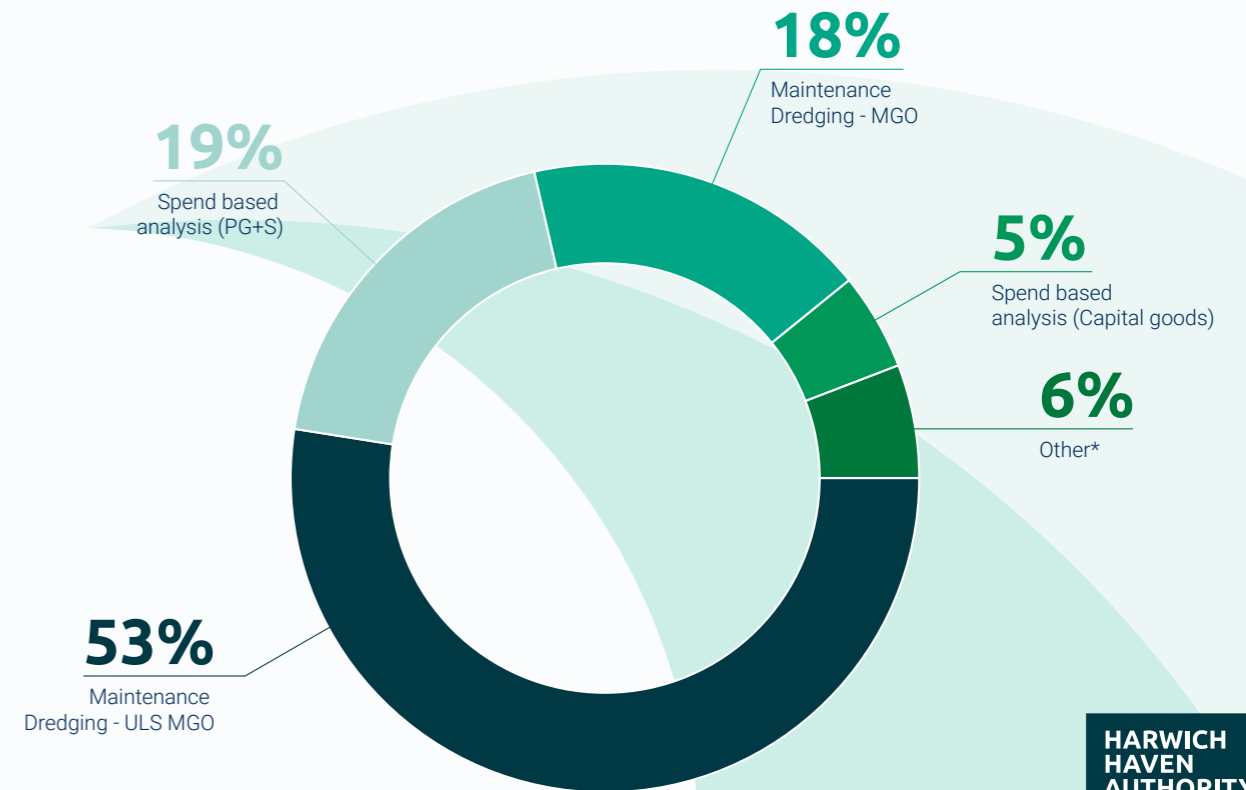
Reduction against 2018 baseline for 2024
SCOPE 1 & 2



Increase against 2023 baseline for 2024
SCOPE 3



Market-based emissions breakdown



Our Social Value Report for 2024



Funds targeted and delivered social, local, economic value breakdown by theme

Themes		Delivered £SV
Jobs	Promote Local Skills & Employment	£3,322,347.34
Growth	Support Growth of Responsible Regional Business	£395,389.11
Social	Healthier, Safer and more Resilient Communities	£60,252.70
Environment	Decarbonising and Safeguarding Our World	£1,248,162.22
Innovation	Promoting Social Innovation	£84,533.72

£5,110,685.09 *Social & Local Economic Value delivered*

£48.0m
Revenue

+10.6%
Social & Local Economic Value Add

Key Performance Indicators

<p>APPRENTICESHIPS <i>363 weeks of apprenticeships:</i></p> <p>£91.4K <i>of Social Value</i></p>	<p>EXPERT HOURS <i>524 hours of expert time provided to the community:</i></p> <p>£52.9K <i>of Social Value</i></p>	<p>EMPLOYING LOCALLY <i>108 full-time equivalent jobs created in the definition of local:</i></p> <p>£3.2M <i>of Social Value</i></p>	<p>CARBON REDUCTION <i>4,865 tonnes of CO₂e reduced:</i></p> <p>£1.2m <i>of Social Value</i></p>
<p>COMMUNITY SUPPORT <i>£59.3K invested in local community projects:</i></p> <p>£59.3K <i>of Social Value</i></p>	<p>STAFF SUPPORT <i>49.5 hours of staff support to improve wellbeing and mental health:</i></p> <p>£5K <i>of Social Value</i></p>	<p>VOLUNTEERING <i>125 hours of community project volunteering:</i></p> <p>£2.1K <i>of Social Value</i></p>	<p>SPENDING LOCALLY <i>£1.3m spent in the local area:</i></p> <p>£361K <i>of Social Value</i></p>



Report of the Strategy & Partnerships Director

Making a positive impact on our people

We continue to make positive strides forward for our people. A workforce that feels supported leads to higher productivity, improved employee engagement, reduced sickness, absence and turnover and in 2024 we saw plenty of evidence of this.

Accolades

In May 2024 we were shortlisted at the East Anglian Daily Times ‘Employer of the Year’ business awards. Although we did not win, being acknowledged as a worthy finalist by others for the work we’re doing in engaging employees with ESG, health and wellbeing and training initiatives further endorsed our commitment to create a positive and inspiring workplace.

Recognition of our commitment to employees was also recognised when we achieved an Essex Wellbeing Service’s Gold Level 3 accreditation as part of their Working Well programme. The accreditation is awarded for delivering an outstanding level of support for employees that promotes good health and wellbeing. This achievement clearly demonstrates to our employees that we are committed to their health and wellbeing and, through benefits associated with the accreditation, we will now have access to an enhanced package of support, including mental health first aider training and online health and wellbeing courses.

In the previous year, the Authority was also accepted as a member of the 5% Club. The 5% Club represents a movement of employers who are

demonstrating a commitment to ‘earn and learn’ as part of building and developing the workforce they need. Members aspire to achieve at least 5% of their workforce, including apprentices, sponsored students and graduates on formalised training schemes, within five years of joining. We are already achieving more than 5% with around 10 of our employees already in these developmental roles.

Investing in our future

In 2024 we welcomed a new cohort of apprentices, and a graduate hydrographic surveyor and we are pleased to report that they are already making a significant contribution to our operations. Making a positive impact on our community by ‘growing our own’, developing the talent of the future and by providing meaningful employment to those living locally remains a key focus. That is why we continue to invest in training and development of our people through apprenticeships, CPD and on-the-job mentoring, with a long-term aim to safeguard the future of our sector.

Our employer value proposition

As part of our work to improve our internal and external brand, we embarked on a journey to

develop a suite of values that best represented the Authority. We spent time consulting, and engaging, with employees to better understand how they felt about working here and what shared values meant to them. We were delighted with how engaged everyone one was with the process and the quality of the outputs we received. Our new values are: Making Safety the Standard, Leading with Expertise, Connecting as One Team and Creating Positive Impact, and we are excited to embed these values throughout our systems, policies and working practices.

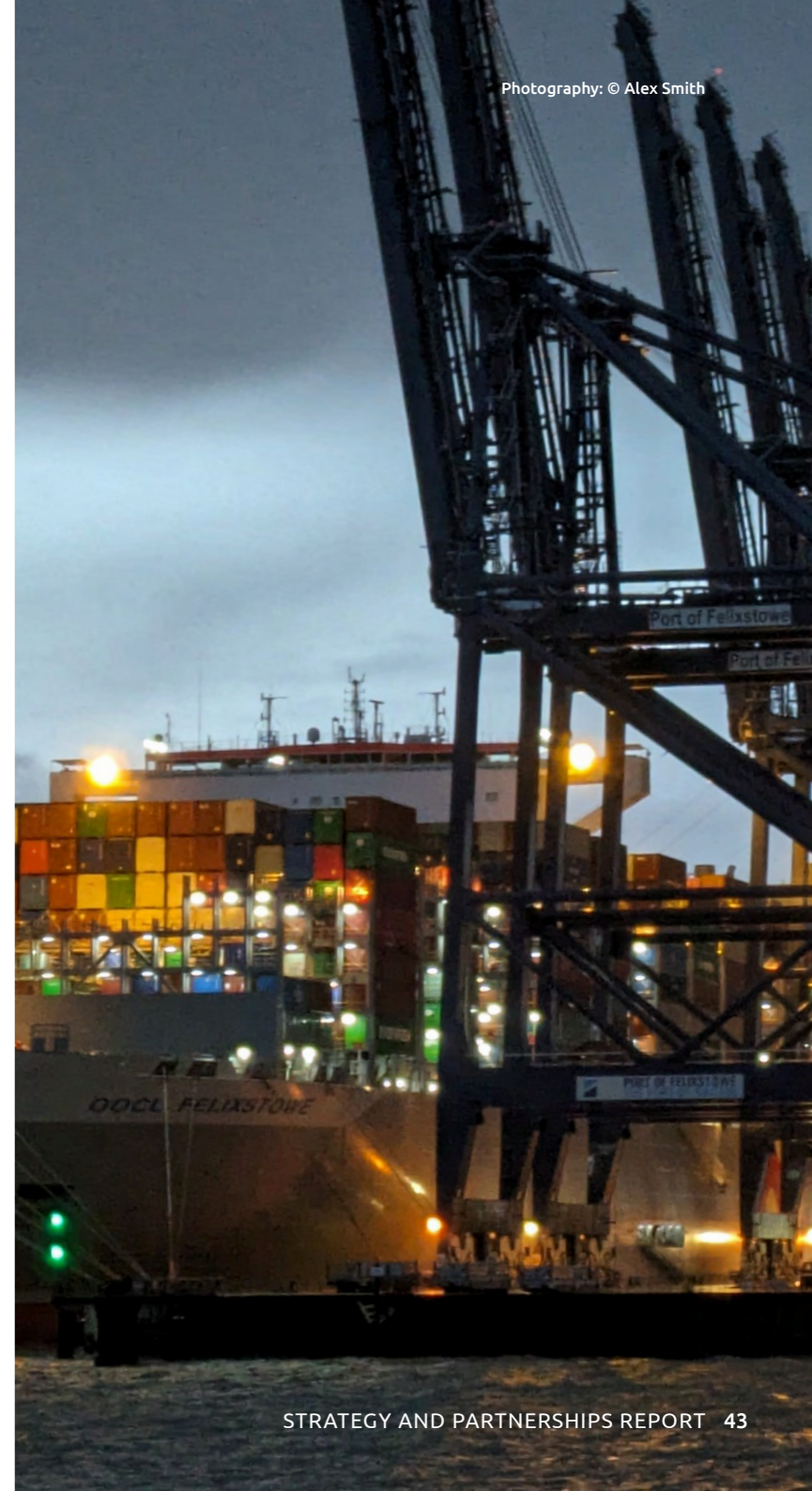
We ended the year by running our annual pulse point employee survey, which allows us to better understand how our employees are feeling and where we can further focus our efforts. The results showed that in comparison to a national average, we have an engaged workforce, who are proud to work for Harwich Haven Authority and are committed to being the best they can be when they come to work.

In 2025 we’ll be embedding our new values, launching a new management trainee scheme and further developing our offering as an employer of choice.

It is a very exciting time to be a part of Harwich Haven Authority.

Helen Rudd

Strategy & Partnerships Director
24 April 2025



Diversity, Inclusion & the Gender Pay Gap

Diversity and inclusion

Aligned to our Environment, Social and Governance strategy we have renewed our focus on recruiting locally if we can. Currently, nearly 92% of our employees live within a twenty mile radius of our location in Harwich. Succession planning, training and recruitment also remain a key area of focus as we look to offer opportunities to both younger and more diverse groups of people. Our Executive and People & Culture team have been supporting these aims by reviewing employee benefits and associated policies to ensure we can offer an employment package that fits our goals.

The gender pay gap disparity is largely attributed to two temporary roles that are currently being covered by male employees. These positions are in higher salary range, which skews the overall pay distribution and contributes significantly to the gap. It's important to note that this is a situational factor rather than a systemic issue. The gender pay gap is expected to reduce once the permanent post holders are in place. We remain committed to transparency and equal pay practices as part of our broader diversity and inclusion strategy.

Gender Pay Gap 2023/2024



38%
of our staff
are female

Our mean
gender pay gap is
16%



62%
of our staff
are male

Our median
gender pay gap is
14%

Independent Auditor's Report

to the Board of Harwich Haven Authority

Opinion

We have audited the financial statements of Harwich Haven Authority (the 'Authority') and its subsidiary (the 'Group') for the year ended 31 December 2024 which comprise of the Consolidated Group Statement of Total Comprehensive Income, the Consolidated and Authority Statements of Financial Position, the Consolidated and Authority Statements of Changes in Reserves, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Authority's affairs as at 31 December 2024 and of the Group's surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Harbours Act 1964.

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 Group and the Authority 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 Board's 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 or the Authority'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 Board 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 Board is responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Harbours Act 1964

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

- the information given in the Group Strategic Report (pages 6 to 19) and supplementary reports for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and supplementary reports have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Authority and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or supplementary reports.

We have nothing to report in respect of the following matters in relation to which the Harbours Act 1964 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Authority, or returns adequate for our audit have not been received from branches not visited by us; or
- the Authority's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of the Board members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Board

As explained more fully in the Statement of the Board's Responsibilities, set out on pages 20-33, the Board is 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 Board determines 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 Board is responsible for assessing the Group's and the Authority'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 Board either intend to liquidate the Group or the Authority 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 Group financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial experience and through discussions and enquiries of the board and management. During the engagement team briefing, the outcomes of these discussions were shared with the team, as well as consideration as to where and how fraud may occur in the Group.

The following laws and regulations were identified as being of significance to the Group:

- Those laws and regulations considered to have a direct effect on the financial statements including UK Financial Reporting standards and The Harbours Act 1964.
- Those laws and regulations considered to have an indirect effect on the financial statements. These include the Port Marine Safety Code, The Health & Safety Act 1974, GDPR and Employment Law.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: enquiries of management and those charged with governance as to whether the Group complies with such regulations; enquiries of management and those charged with governance concerning any actual or potential litigation or claims; inspection of relevant legal documentation; review of Board minutes; testing the appropriateness of journal entries and the performance of analytical review to identify any unexpected movements in account balances which may be indicative of fraud; and review of the latest Port Marine Safety Code audit certificate and report.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:
<https://www.frc.org.uk/auditorsresponsibilities>.
This description forms part of our Auditor's Report.

Use of our report

This report is made solely to the Authority's Board members, as a body, in accordance with the Harbours Act 1964. Our audit work has been undertaken so that we might state to the board members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Authority and the Authority's Board members as a body, for our audit work, for this report, or for the opinions we have formed.

Sumer Auditco Limited.

**Luke Morris FCA
(Senior Statutory Auditor)**

For and on behalf of Sumer Auditco Limited – Statutory Auditor
Fitzroy House, Crown Street, Ipswich, IP1 3LG
24 April 2025



CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME
YEAR ENDED 31 DECEMBER 2024

	Notes	2024		Restated 2023	
		£	£	£	£
Operating revenue	3		48,003,939		42,101,983
Expenditure	4		(40,947,029)		(28,757,520)
Operating surplus	6		7,056,910		13,344,463
Finance income	8		904,685		464,728
Other finance costs	9		(3,003,717)		(1,336,428)
Surplus before taxation			4,957,878		12,472,763
Taxation	10		(1,205,805)		(1,330,477)
Surplus for the financial year before other comprehensive income			3,752,073		11,142,286
Other comprehensive income					
Actuarial gain/(loss) on pension scheme	20	1,080,000		(952,000)	
Restriction of surplus on pension asset	20	(2,913,000)		(1,995,000)	
Movement on deferred tax relating to pension scheme	20	-		-	
Translation of overseas subsidiary		1,139		(645)	
			(1,831,861)		(2,947,645)
Total comprehensive gain relating to the year			1,920,212		8,194,641

Amounts transferred from the revenue fund to the following designated funds in the year:

Capital expenditure	25	-		-	
Additional contributions to the Pension Scheme in respect of the deficit funding	25	(1,800,000)		(3,600,000)	
Funds for future capital dredging	25	-	(1,800,000)	1,717,005	(1,882,995)
Gain relating to the year after transfers to designated funds			120,212		6,311,646

Continuing operations

All amounts relate to continuing operations.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Notes	2024 £	2023 £
Fixed assets			
Intangibles	11	1,146,113	915,618
Property, plant and equipment	12	158,016,634	163,372,016
		159,162,747	164,287,634
Current assets			
Inventories	14	294,255	269,100
Debtors due within one year	15	4,157,195	3,201,698
Cash at bank and in hand	16	30,816,910	24,320,234
		35,268,360	27,791,032
Creditors: amounts falling due within one year	17	(11,744,616)	(8,044,335)
Net current assets		23,523,744	19,746,697
Total assets less current liabilities		182,686,491	184,034,331
Creditors: amounts falling due after more than one year	18	(100,023,003)	(103,536,756)
Provisions for liabilities and charges			
Deferred taxation	19	(816,356)	(570,655)
		81,847,132	79,926,920
Reserves	25	81,847,132	79,926,920

The reserves can be further analysed as follows:

Designated	11,428,308	11,030,280
Revenue	11,279,080	8,145,762
Fixed assets and loans	59,139,744	60,750,878
	81,847,132	79,926,920

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by:

D Francis, Chair

Date: 24 April 2025

Alan Dowokpor, Deputy Chair

Date: 24 April 2025

The notes on pages 56 to 78 form part of these financial statements.

**AUTHORITY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024**

	Notes	2024 £	2023 £
Fixed assets			
Intangibles	11	1,146,113	915,618
Property, plant and equipment	12	158,016,634	163,372,016
Investment in Subsidiaries	13	12,000	12,000
		159,174,747	164,299,634
Current assets			
Inventories	14	294,255	269,100
Debtors due within one year	15	5,218,511	3,975,070
Cash at bank and in hand	16	30,680,245	23,988,010
		36,193,011	28,232,180
Creditors: amounts falling due within one year	17	(11,894,536)	(8,164,039)
Net current assets		24,298,475	20,068,141
Total assets less current liabilities		183,473,222	184,367,775
Creditors: amounts falling due after more than one year	18	(100,023,003)	(103,536,756)
Provisions for liabilities and charges			
Deferred taxation	19	(816,356)	(570,655)
		82,633,863	80,260,364
Reserves			
Reserves as at 1 January	25	80,260,364	72,234,149
Surplus for the year	25	2,373,499	8,026,215
Reserves as at 31 December	25	82,633,863	80,260,364

The reserves can be further analysed as follows:

Designated	11,416,308	11,018,280
Revenue	12,065,811	8,479,206
Fixed assets and loans	59,151,744	60,762,878
	82,633,863	80,260,364

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by:

D Francis, Chair

Alan Dowokpor, Deputy Chair

Date:

Date:

The notes on pages 56 to 78 form part of these financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN RESERVES
AS AT 31 DECEMBER 2024**

	Revenue account £
At 1 January 2023 as previously stated	72,234,779
Prior year adjustment	(502,500)
At 1 January 2023 restated	71,732,279
Surplus for the year	11,142,286
Actuarial loss on defined benefit pension scheme	(952,000)
Restriction of surplus on pension asset	(1,995,000)
Translation of overseas subsidiary	(645)
Total Comprehensive Income	8,194,641
At 31 December 2023	79,926,920
Surplus for the year	3,752,073
Actuarial gain on defined benefit pension scheme	1,080,000
Restriction of surplus on pension asset	(2,913,000)
Translation of overseas subsidiary	1,139
Total Comprehensive Income	1,920,212
At 31 December 2024	81,847,132

The allocation of the reserves at 31 December 2024 is disclosed in detail in notes 25 and 26 of the financial statements.

**AUTHORITY STATEMENT OF CHANGES IN RESERVES
AS AT 31 DECEMBER 2024**

	Revenue account £
At 1 January 2023 as previously stated	72,234,149
Prior year adjustment	(502,500)
At 1 January 2023 restated	<u>71,731,649</u>
Surplus for the year	11,475,715
Actuarial loss on defined benefit pension scheme	(952,000)
Restriction of surplus on pension asset	(1,995,000)
Total Comprehensive Income	<u>8,528,715</u>
At 31 December 2023	<u>80,260,364</u>
Surplus for the year	4,206,499
Actuarial loss on defined benefit pension scheme	1,080,000
Restriction of surplus on pension asset	(2,913,000)
Total Comprehensive Income	<u>2,373,499</u>
At 31 December 2024	<u>82,633,863</u>

The allocation of the reserves at 31 December 2024 is disclosed in detail in notes 25 and 26 of the financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED 31 DECEMBER 2024**

	2024 £	Restated 2023 £
Cash flows from operating activities		
Surplus for the year	3,752,073	11,142,286
Adjustments for:		
Finance costs	3,003,717	1,336,428
Finance income	(904,685)	(464,728)
Taxation charge	1,205,805	1,330,477
Amortisation of patents	59,851	41,468
Depreciation of property, plant and equipment	7,456,563	4,325,822
Loss on disposal of property, plant and equipment	241,574	28,130
Net impairment of tangible fixed assets	-	68,750
Translation of overseas subsidiary	1,139	(645)
Increase in inventories	(25,155)	(62,099)
(Increase)/decrease in debtors	(1,159,478)	11,766,130
Increase in creditors	3,094,516	1,495,059
Difference between current service cost and cash contributions less running costs of pension	(1,800,000)	(3,600,000)
Tax paid	(256,114)	(1,505,000)
Net cash generated from operating activities	<u>14,669,806</u>	<u>25,902,078</u>
Cash flows from investing activities		
Interest received	871,685	447,728
Capitalised patent costs	(290,346)	(256,048)
Purchases of property, plant and equipment	(2,345,888)	(42,407,743)
Proceeds from sale of property, plant and equipment	3,134	30,810
Net cash outflows from investing activities	<u>(1,761,415)</u>	<u>(42,185,253)</u>
Cash flows from financing activities		
Loan note repayments	(3,513,060)	(1,717,005)
Loan note interest paid	(2,898,655)	(3,067,900)
Net cash from financing activities	<u>(6,411,715)</u>	<u>(4,784,905)</u>
Net increase in cash and cash equivalents	<u>6,496,676</u>	<u>(21,068,080)</u>
Cash and cash equivalents at beginning of year	24,320,234	45,388,314
Cash and cash equivalents at end of year	<u>30,816,910</u>	<u>24,320,234</u>
Cash and cash equivalents at the year end comprise:		
Cash at bank and in hand	30,816,910	24,320,234
	<u>30,816,910</u>	<u>24,320,234</u>

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024**

1 BASIS OF PREPARATION

Harwich Haven Authority (the "Authority") is a trust port established by an act of Parliament in 1863. The address of the registered office is Harbour House, The Quay, Harwich, Essex CO12 3HH. The address of the operations centre is Navigation House, Angel Gate, Harwich, Essex CO12 3EJ.

The Authority is a Public Benefit Entity.

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, specifically Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Harbours Act 1964. In accordance with FRS 102 the Authority is deemed to be a Public Benefit Entity. The financial statements have been prepared on the historical cost basis.

The Authority has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The financial statements are presented in Sterling (£) and rounded to the nearest £.

2 PRINCIPAL ACCOUNTING POLICIES

Basis of consolidation

The consolidated financial statements present the results of the Authority and its own subsidiary ("the Group") as if they form a single entity. Intercompany transactions and balances between the Authority and its subsidiary are therefore eliminated in full.

The Authority is included in the consolidated financial statements, and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The disclosure exemption from preparing a separate statement of cash flows has been applied.

Going concern

Cashflow forecasts have been prepared which indicate that sufficient cash will be available to support the Group's and the Authority's operations for a minimum period of 12 months from the date the board approved these financial statements. On this basis, the board considers that the Authority is a going concern.

Operating revenue

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

Operating revenue from a contract to provide services is recognised in the period in which the services are provided when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably; and
- it is probable that the Authority will receive the consideration due under the contract.

Surcharges

The Group makes a surcharge on certain users of the Haven to cover the costs of capital dredging exercises. The money raised is held in a dedicated holding account and applied to service costs associated with past exercises including loan repayments, loan guarantee costs and environmental protection costs. Any surplus is set aside for future capital dredging of the harbour approaches which the Group could make available as a contribution subject to a satisfactory business case being submitted and approved.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024**

Intangibles

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

Capitalised patent expenditure relates to a patent application in respect of new dredging equipment. They are being amortised over 20 years from when the patents were granted reflecting the duration of the patents.

Property, plant and equipment

Property, plant and equipment is measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write down the cost less estimated residual value of all property, plant and equipment, other than freehold land, over their expected useful lives, using the straight-line method. The rates applicable are:

Freehold buildings	-	25 years
Long leasehold property	-	over the remaining period of the lease
Capital dredging	-	25 years
Jetties	-	25 and 10 years
Launches, navigation and other equipment	-	3 to 20 years

The original cost of dredging shipping channels is capitalised. Costs incurred in maintaining the channels - "maintenance dredging" - are charged to revenue in the year in which they are incurred.

Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Inventories

Inventories, which consists of spare parts and consumable items, are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving items. Cost is based on the cost of purchase on a first in, first out basis.

Leases

Leases in which a significant part of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Consolidated Statement of Comprehensive Income on a straight line basis over the period of the lease.

Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation. No provision is made for deferred taxation on capital dredging fixed assets under FRS 102 as no balancing charge would arise on disposal under UK tax law.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities, which are undiscounted, are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Interest income

Interest income is recognised as interest accrues using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

Debtors

Debtors are measured at transaction price, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

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

Financial instruments

The Group and the Authority only enters into basic financial transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors.

Debt instruments that are payable or receivable within one year, typically trade creditors or trade debtors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not market rate or in case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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

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

Creditors

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

Foreign currency translation

Functional currency and presentation currency

The financial statements are presented in the currency of the primary economic environment in which the Authority operates (its functional currency). For the purpose of the financial statements, the results and financial position are presented in Sterling (£).

Transactions and balances

Transactions in currencies other than the functional currency are recognised at the spot rate on the dates of the transaction or at an average rate where this rate approximates the actual rate at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical costs in a foreign currency are not retranslated.

Exchange differences are recognised in the Consolidated Statement of Comprehensive Income in the period in which they arise.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

Pension costs

Defined benefit pension scheme - Harwich Haven Authority Pension Fund

The Authority operates a defined benefit scheme. The amounts charged to operating surplus are the current service costs, and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the income statement if the benefits have vested. If the benefits have not vested, the costs are recognised over the period until vesting occurs. The interest cost and expected return on assets are shown as a net amount of other finance costs or income in the Consolidated Statement of Comprehensive Income. Actuarial gains and losses, together with any associated movement in deferred taxation are recognised immediately in the Consolidated Statement of Comprehensive Income.

The scheme is funded with the assets of the scheme which are held separately from the assets of the Authority, in a separate trustee administered fund. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using projected unit method and a discount rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to scheme liabilities. Full actuarial valuations are obtained at least triennially and are updated at each statement of financial position date. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the Consolidated Statement of Financial Position.

Recognition of pension asset

The Fund now has a surplus at the year end. Under FRS102, a surplus can only be recognised as an asset on the balance sheet to the extent that the Authority is able to recover the surplus either through reduced contributions in the future or through refunds from the Fund.

As the Scheme is closed to future accrual it is no longer possible for the Authority to reduce its contributions in the future. Given this and the fact that there were no refunds agreed by the Trustee at the balance sheet date, we have limited the balance sheet position under FRS102 to show a £nil surplus.

Money purchase pension plan

The Group operates a money purchase pension plan for its employees. A money purchase plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Consolidated Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

Multi-employer defined benefit pension scheme

The Authority had a debt certified under section 75 of the Pensions Act 1995 on 20 February 2014. This liability has previously been recognised in the financial statements, and settled in full. However under Rule 15(2) additional sums may be claimed from time to time. These additional sums are undefinable and therefore not provided for within these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

Fund accounting

Designated funds are unrestricted funds earmarked by the Board for particular purposes.

Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Consolidated Statement of Financial Position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following are the Authority's key sources of estimation uncertainty:

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

Defined benefit pension scheme

The Authority has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management instruct a qualified actuary to estimate these factors and determine the net pension obligation at the Consolidated Statement of Financial Position date. The assumptions reflect historical experience and current trends. The liability included in the financial statements will ultimately be different to the actual amounts that will be paid as the estimations become factual.

3 OPERATING REVENUE

	2024 £	2023 £
Dues on ships	27,377,689	23,410,881
Infrastructure surcharge revenue	9,412,757	7,955,158
Pilotage services	8,184,562	7,407,942
Pilotage exemption certificates	71,014	90,844
Pilot fuel surcharge	80,475	87,500
Boarding and landing charges	1,985,032	2,217,819
Agitation dredging	-	128,994
Other operating activities	892,410	802,845
	48,003,939	42,101,983

Turnover represents the invoiced amount of goods sold and services provided stated net of value added tax. All turnover is attributable to the principle activities of the Group.

The analysis of turnover by geographical location is as follows:

	2024 £	2023 £
United Kingdom	48,003,939	41,981,877
North America	-	120,106
	48,003,939	42,101,983

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

4 EXPENDITURE

	2024 £	2023 £
Harbour operating expenditure	33,136,224	20,875,644
Pilotage service costs	7,580,291	7,454,492
Agitation dredging costs	230,514	427,384
	40,947,029	28,757,520

5 PILOTAGE - OPERATING SURPLUS

	2024 £	2023 £
Revenue from services		
Pilotage services	8,184,562	7,407,942
Pilotage exemption certificates	71,014	90,844
Pilotage Fuel Surcharge	80,475	87,500
Other operating activities	892,410	802,845
	9,228,461	8,389,131
Pilotage service costs	(7,580,291)	(7,454,492)
Pilotage operating surplus	1,648,170	934,639

6 OPERATING SURPLUS

The operating surplus on ordinary activities is stated after charging the following:-

	2024 £	2023 £
Amortisation	59,851	41,468
Depreciation	7,456,563	4,325,822
Net impairment of tangible fixed assets	-	68,750
Auditors' remuneration		
- in respect of the audit of the Authority	30,000	29,000
- in respect of the audit of subsidiaries	3,250	3,000
- in respect of taxation services	5,900	5,650
- in respect of other services provided	4,700	4,500
Loss on sale of fixed assets	241,574	28,130
Operating lease rentals	268,238	267,623

The amortisation charge is recognised as part of Expenditure in the Consolidated Statement of Comprehensive Income.

Included within the operating lease rentals is £306,914 (2023 - £247,103) relating to the lease for Managed Retreat in Trimley which expires in 2067. The Authority does not have the right to control the use of the asset under the lease.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

Operating surplus excluding Infrastructure Surcharge Revenue

	2024 £	Restated 2023 £
Operating surplus before other comprehensive income	4,957,878	11,142,286
Infrastructure Surcharge Revenue (per note 3)	(9,412,757)	(7,955,158)
Residual Operating (Deficit)/Surplus	<u>(4,454,879)</u>	<u>3,187,128</u>

7 BOARD MEMBERS AND EMPLOYEES

	2024 £	2023 £
Wages and salaries	8,242,870	7,973,135
Social security costs	993,515	951,980
Other pension costs	2,186,454	1,850,069
	<u>11,422,839</u>	<u>10,775,184</u>

	Group 2024	Group 2023	Authority 2024	Authority 2023
Average number of employees excluding non-executive members of the Board	<u>123</u>	<u>120</u>	<u>123</u>	<u>120</u>

Termination payments of £Nil (2023: £88,181) were paid to an executive member of the Board during the year.

Pension contributions paid are detailed in note 20.

Board members' remuneration

	2024 £	2023 £
Remuneration	511,777	452,738
Defined benefit pension scheme contributions	86,516	51,845
	<u>598,293</u>	<u>504,583</u>

The Authority made defined contribution pension scheme contributions for 2 Board members during the year (2023 - 2).

The remuneration of the highest paid Board member totalled £192,153 (2023 - £175,000). The Authority made defined contribution pension scheme contributions for the highest paid Board member of £61,927 (2023 - £34,593).

8 FINANCE INCOME

	2024 £	Restated 2023 £
Bank interest receivable	840,252	447,518
Defined benefit pension scheme interest income	33,000	17,000
Other interest receivable	31,433	210
	<u>904,685</u>	<u>464,728</u>

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

9 OTHER FINANCE COSTS

	2024 £	2023 £
Loan Interest	3,003,717	3,067,900
Less loan interest capitalised	-	(1,731,472)
	<u>3,003,717</u>	<u>1,336,428</u>

All of the loan note interest incurred while the capital dredge has been in progress has been capitalised.

10 TAXATION

	2024 £	Restated 2023 £
Current tax charge		
UK Corporation tax	997,847	1,162,977
Adjustments in respect of prior years	(37,743)	-
	<u>960,104</u>	<u>1,162,977</u>
Deferred tax charge	245,701	167,500
	<u>1,205,805</u>	<u>1,330,477</u>
Charged to the Consolidated Statement of Comprehensive Income		
	<u>1,205,805</u>	<u>1,330,477</u>
Factors affecting the tax charge for the year		
Surplus on ordinary activities before taxation	4,957,878	12,472,763
	<u>4,957,878</u>	<u>12,472,763</u>
Surplus on ordinary activities before taxation multiplied by the standard rate of UK Corporation Tax of 25.00% (2023 - 23.52%)	1,239,470	2,931,099
	<u>1,239,470</u>	<u>2,931,099</u>
Effects of:		
Depreciation of ineligible assets	324,967	-
Movements on pension scheme	(458,250)	175,020
Adjustments in respect of prior years	(37,743)	-
Other adjustments affecting the tax charge	137,361	(1,775,642)
	<u>(33,665)</u>	<u>(1,600,622)</u>
Current tax	<u>1,205,805</u>	<u>1,330,477</u>

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

11 INTANGIBLES

Group and authority

	Patent costs £	Total £
Cost		
At 1 January 2024	991,761	991,761
Additions	290,346	290,346
Disposals	-	-
At 31 December 2024	1,282,107	1,282,107
Depreciation		
At 1 January 2024	76,143	76,143
Charge	59,851	59,851
Eliminated on disposal	-	-
At 31 December 2024	135,994	135,994
Net book values		
At 31 December 2024	1,146,113	1,146,113
At 31 December 2023	915,618	915,618

The patent costs relate to the development costs and patent application costs relating to the agitation dredging technique and equipment. The asset is being amortised over 20 years on a straight line basis.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

12 PROPERTY, PLANT AND EQUIPMENT

Group and Authority

	Freehold land and buildings £	Long leasehold property £	Capital dredging £	Jetties £	Launches, navigation & other equipment £	Total £
Cost						
At 1 January 2024	2,216,912	2,047,187	195,823,227	3,164,747	11,716,334	214,968,407
Additions	271,086	316,182	6,057	616,794	1,135,769	2,345,888
Disposals	(6,495)	(28,162)	-	-	(870,089)	(904,746)
At 31 December 2024	2,481,503	2,335,207	195,829,284	3,781,541	11,982,014	216,409,549
Depreciation						
At 1 January 2024	1,075,593	1,060,324	40,342,697	718,090	8,399,687	51,596,391
Charge	74,484	51,319	6,353,762	211,443	765,555	7,456,563
Eliminated on disposal	(5,036)	(26,144)	-	-	(628,859)	(660,039)
At 31 December 2024	1,145,041	1,085,499	46,696,459	929,533	8,536,383	58,392,915
Net book values						
At 31 December 2024	1,336,462	1,249,708	149,132,825	2,852,008	3,445,631	158,016,634
At 31 December 2023	1,141,319	986,863	155,480,530	2,446,657	3,316,647	163,372,016

The land and buildings net book value includes £254,207 (2023 - £8,958) of costs of assets under construction, which have not been depreciated. The launches, navigation & other equipment net book value includes £777,782 (2023 - £719,925) of costs of assets under construction, which have not been depreciated.

The capital dredging net book value includes of £5,815,144 (2023 - £6,061,922) of capitalised loan note interest. All of the loan note interest incurred while the capital dredge was in progress has been capitalised.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

13 FIXED ASSET INVESTMENTS

	Investment in subsidiary undertaking £	Total £
Cost		
At 1 January 2024	12,000	12,000
At 31 December 2024	<u>12,000</u>	<u>12,000</u>

Direct subsidiary undertakings

The following was a direct subsidiary undertaking of the Authority:

Name	Registered office	Class of share	Holding
Haven Dredging Ltd	Harbour House, The Quay, Harwich, Essex, CO12 3HH	Ordinary	100%

The subsidiary is included in the consolidated financial statements.

The aggregate of the share capital and reserves as at 31 December 2024 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Loss £
Haven Dredging Ltd	<u>(815,087)</u>	<u>(452,476)</u>

Indirect subsidiary undertakings

The following was an indirect subsidiary undertaking of the Authority:

Name	Registered office	Class of share	Holding
Haven Dredging Inc	Harbour House, The Quay, Harwich, Essex CO12 3HH	Ordinary	100%

The subsidiary is included in the consolidated financial statements.

The aggregate of the share capital and reserves as at 31 December 2024 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Loss £
Haven Dredging Inc	<u>79,601</u>	<u>(1,950)</u>

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

14 INVENTORIES

	Group 2024 £	Group 2023 £	Authority 2024 £	Authority 2023 £
Consumable stores	<u>294,255</u>	269,100	<u>294,255</u>	269,100

15 DEBTORS

	Group 2024 £	Group 2023 £	Authority 2024 £	Authority 2023 £
Due within one year				
Trade debtors	2,883,972	1,996,199	2,883,972	1,996,199
Amounts owed by subsidiary undertaking	-	-	1,079,616	784,333
Corporation tax	-	203,981	-	203,981
Other debtors	6,299	-	6,299	-
VAT	275,257	149,711	275,257	149,711
Prepayments and accrued income	991,667	851,807	973,367	840,846
	<u>4,157,195</u>	3,201,698	<u>5,218,511</u>	3,975,070

16 CASH AT BANK AND IN HAND

	Group 2024 £	Group 2023 £	Authority 2024 £	Authority 2023 £
Cash at bank and in hand	<u>30,816,910</u>	24,320,234	<u>30,680,245</u>	23,988,010

Cash at bank and in hand comprises cash held in instant access accounts and petty cash.

Included in cash at bank and in hand is the sum of £4,718,704 (2023 - £6,830,755) which constitutes the secured surcharge revenue account restricted to its use under the terms of the loan notes.

17 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2024 £	Group 2023 £	Authority 2024 £	Authority 2023 £
Loan notes	3,513,752	3,407,997	3,513,752	3,407,997
Trade creditors	368,271	382,650	367,071	328,572
Amounts owed to subsidiary undertaking	-	-	169,420	202,002
Other creditors	786	570	786	570
Corporation tax	500,010	-	500,010	-
Social security and other taxes	267,198	272,800	267,198	272,800
Accruals, deferred income and other creditors	7,094,599	3,980,318	7,076,299	3,952,098
	<u>11,744,616</u>	8,044,335	<u>11,894,536</u>	8,164,039

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

18 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2024 £	Group 2023 £	Authority 2024 £	Authority 2023 £
Loan notes	100,023,003	103,536,756	100,023,003	103,536,756
	100,023,003	103,536,756	100,023,003	103,536,756
	Group 2024 £	Group 2023 £	Authority 2024 £	Authority 2023 £
Total value of the loan notes issued	104,769,935	108,282,995	104,769,935	108,282,995
Set up costs offset against the creditor	(1,233,180)	(1,338,242)	(1,233,180)	(1,338,242)
	103,536,755	106,944,753	103,536,755	106,944,753

The loan note balance is stated net of £1,233,180 (2023 - £1,338,242) of set up costs under the effective interest method.

	Group 2024 £	Group 2023 £	Authority 2024 £	Authority 2023 £
Amounts repayable in instalments				
In one year or less	3,615,072	3,513,060	3,615,072	3,513,060
In one to two years	3,716,600	3,615,072	3,716,600	3,615,072
In two to five years	11,785,199	11,463,055	11,785,199	11,463,055
After five years	85,653,064	89,691,808	85,653,064	89,691,808
	104,769,935	108,282,995	104,769,935	108,282,995

The loan notes bear interest at fixed rate of 2.789% per annum and are repayable over a twenty five year term commencing 21 July 2021. Interest accrues on both the balances drawn and held in escrow. Payments are due every 30 June and 31 December. The payments due comprised interest only until 30 June 2023. The first payment including capital was made on 31 December 2023.

The loan notes are secured against the present and future infrastructure surcharge revenues. The infrastructure surcharge revenues can only be used for certain purposes, the principal ones being the repayment of the capital and interest on the loan. At 31 December 2024, the infrastructure surcharge revenues set aside for this purpose, in cash, amounted to £4,718,704 (2023 - £6,830,755) (see note 16).

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

19 DEFERRED TAXATION

Group and authority

The movement in deferred taxation during the year is as follows:-

	2024 £	Restated 2023 £
At 1 January 2024	570,655	738,155
Movement in deferred tax asset in year:		
Income statement	245,701	(167,500)
Statement of total comprehensive income	-	-
At 31 December 2024	816,356	570,655

Deferred taxation provided in the financial statements and the potential amounts including the amounts for which provision has been made are as follows:-

	2024 £	2023 £
Accelerated capital allowances	816,356	570,655
Other Provisions	-	-
Deferred tax asset on pension liability deducted from pension liability	-	-
Total provision for deferred tax	816,356	570,655

No provision is made for deferred taxation on capital dredging fixed assets under FRS 102 as no balancing charge would arise on disposal under UK tax law.

The amount of the deferred tax provision which is expected to reverse within one year is considered to be immaterial.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

20 PENSION SCHEME

Defined benefit scheme

For some employees, the Authority operates a funded defined benefit pension plan which closed to all further benefit accrual in 2020. The assets of the Fund are held in a separate trustee administered fund.

The funding plan is for the Fund to hold assets equal to the value of the benefits earned by employees, based on a set of assumptions used for funding the Fund. The funding assumptions differ from the assumptions used to calculate the figures for these accounts, and therefore produce different results. If there is a shortfall against this funding plan, then the Authority and trustees agree on deficit contributions to meet this deficit over a period.

As part of the formal actuarial valuation with an effective date of 31 December 2020 the following contributions were agreed: £1.8m pa in respect of the deficit, payable no later than 31 December 2021 and each December thereafter until 31 December 2025. The deficit contributions due in 2024 have been brought forward to 2023 and the deficit contributions due in 2025 brought forward to 2024.

The initial results of the formal actuarial valuation as at 31 December 2023 were updated to the accounting date by an independent qualified actuary in accordance with FRS102, allowing for contributions, benefit payments made, and changes in market conditions. The results, based on assumptions used for FRS102, are as follows.

During the year the Trustee of the Fund has identified that benefits that benefits for certain members have been understated and is in the process of rectifying benefits for the affected members. The impact of the additional liabilities has been recognised as a prior service adjustment at 31 December 2022 with restated comparator figures for 2023 shown in this disclosure note.

Statement of financial position

	2024	Restated 2023
	£'000s	£'000s
Present value of defined benefit obligation	(40,572)	(45,936)
Fair value of Fund assets	45,480	47,931
Restriction on pension surplus	(4,908)	(1,995)
Deficit reflected in provisions for liabilities and charges	-	-
Related deferred tax asset	-	-
Net liability recognised in the statement of financial position	-	-

Movement in net defined benefit liability

	2024	Restated 2023
	£'000s	£'000s
Opening net defined benefit liability	-	670
(Income) recognised in the surplus before other comprehensive income	(33)	(17)
Employer contributions	(1,800)	(3,600)
Amount recognised in other comprehensive income	1,833	2,947
Closing net defined benefit liability	-	-

Expense recognised in statement of total comprehensive income

	2024	Restated 2023
	£'000s	£'000s
Interest (income)	(33)	(17)
Total expense recognised in statement of total comprehensive income	(33)	(17)

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

Movement in present value of defined benefit obligation

	2024	Restated 2023
	£'000s	£'000s
Opening defined benefit obligation	45,936	46,372
Experience (gain)/loss	(237)	1,168
Interest on obligation	2,023	2,156
Actuarial gains	(5,167)	(803)
Benefits paid	(1,983)	(2,957)
Closing defined benefit obligation	40,572	45,936

Movement in fair value of plan assets

	2024	2023
	£'000s	£'000s
Opening fair value of the Fund assets	47,931	45,702
Interest on Fund assets	2,146	2,173
Actual return less interest on Fund assets	(4,414)	(587)
Contributions by the Authority	1,800	3,600
Benefits paid	(1,983)	(2,957)
Closing fair value of Fund assets	45,480	47,931

The major categories of plan assets at the balance sheet date are as follows:

	2024	2023
Bonds	26.5%	24.6%
Gilts	39.0%	41.4%
Total return fund	25.8%	23.0%
Cash	8.7%	11.0%
	100.0%	100.0%

The Fund does not invest directly in property occupied by the Authority or in financial securities issued by the Authority.

The following table sets out the significant assumptions used for the Fund:

Actuarial Assumptions	2024	2023	2022
Retail Prices Index inflation	3.10%	3.0% p.a	3.3% p.a
Consumer Prices Index inflation until 2030	RPI less 1% P.a	RPI less 1% P.a	2.3% p.a
Consumer Prices Index inflation from 2030	RPI less 0.1% P.a	RPI less 0.1% P.a	3.2% p.a
Discount rate	5.5%	4.5% p.a	4.8% p.a
Pension increases in payment (5% LPI)	3.0% p.a	2.9% p.a	3.2% p.a
Pension increases in payment (2.5% LPI)	2.2% p.a	2.1% p.a	2.2% p.a
Life expectancy of male/female aged 63 at balance sheet date	24.0 years	24.1 years	24.5 years
Life expectancy of male/female age 63 in 20 years' time	25.6 years	25.8 years	26.2 years

As part of the actuarial valuation with an effective date of 31 December 2020 the following contributions from the authority were agreed:

£1,800,000 per annum in respect of deficit funding until 31 December 2025; and
£900,000 contribution payable no later than 30 June 2026.

The deficit contributions due in 2024 have been brought forward to 2023 and the contributions due in 2025 have been brought forward to 2024.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024**

The fund remained in a surplus at year-end which the Authority is unable to reflect this as an asset as under FRS102, a surplus can only be recognised as an asset on the balance sheet to the extent that the Authority is able to recover the surplus either through reduced contributions in the future or through refunds from the Fund. As the Scheme is closed to future accrual it is no longer possible for the Authority to reduce its contributions in the future. Given this, and the fact that there were no refunds agreed by the Trustee at the balance sheet date, we have limited the balance sheet position under FRS102 to show a £nil surplus.

Although not recognising the fund as an asset, the fund's surplus increased from £2.0m to £4.9m as a result of deficit contributions paid by the Authority; an update to the mortality assumptions to allow for the latest available mortality tables; and an increase in the discount rate reflecting an increase in bond yields, decreasing the value of the pensions obligations, partially offset by a lower return on the Fund's assets than expected principally reflecting falls in matching assets; and higher inflation than expected during the year and the impact of updated membership data.

The pension credit of £33,000 (2023 - £17,000 restated) reflects the net interest income only. There are no costs following the closure of the scheme.

Defined contribution scheme

On 7 December 2018 the Authority, announced a decision, following consultation with Unite and employees to launch a new enhanced defined contribution pension scheme as from 1 April 2019. This new pension arrangement replaces the Authority's defined benefit pension scheme that will close to future accrual on 1 July 2020. As at that date the Authority Active members will cease to accrue benefits in the pension scheme and the Authority will cease to make pension contributions, however, the Authority will continue to pay £1.8m pa in respect of deficit funding.

The Authority operates a defined contribution pension scheme for its employees. Contributions payable during the year were £2,186,454 (2023 - £1,850,069). There were no outstanding contributions at either 31 December 2023 or 2024.

21 CAPITAL AND OTHER FINANCIAL COMMITMENTS

At the year end the Board had contracted to further capital expenditure which is not provided in these financial statements of £447,348 (2023 - £453,678).

22 OPERATING LEASE COMMITMENTS

At 31 December 2024 the Authority had future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
Expiry date:		
Within 1 year	326,766	262,872
Between 2 to 5 years	1,279,700	1,043,878
After more than 5 years	11,628,112	10,689,229
	13,234,578	11,995,979

Included within the commitment is £12,836,504 (2023 - £9,637,025) relating to the lease for the Managed Retreat in Trimley which expires in 2067. The Authority does not have the right to control the use of the asset under the lease.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024**

23 CONTINGENT LIABILITIES

The Pilots National Pension Fund is a UK defined benefit pension scheme for marine pilots. It includes self-employed as well as employed members, and is funded by multiple employers, including harbour authorities that only authorised self-employed pilots and had never previously been required to contribute to the scheme.

The Authority had its debt certified under section 75 of the Pensions Act 1995 on 20 February 2014 and this has been recognised in the financial statements for the year ended 31 December 2013. However under Rule 15(2) additional sums may be claimed from time to time. These additional sums are undefinable and therefore not provided for within these financial statements.

24 RELATED PARTY TRANSACTIONS

Key management personnel

The Board and Management team as listed on the members, management and advisors page are considered to have authority and responsibility for planning, directing and controlling the activities of the Authority and are therefore considered to be key management personnel. Total remuneration in respect of these individuals is £1,356,554 (2023 - £1,465,503). This consists of gross wages of £1,053,038 (2023 - £1,195,426) and pension costs of £178,295 (2023 - £147,929) and employer national insurance of £125,221 (2023 - £122,148).

Other related party transactions

During the year the Authority incurred professional membership fees of £885 (2023 - £1,486) on behalf of key management personnel.

During the year the Authority sold motor vehicles to exiting key management personnel for £Nil (2023 - £14,037).

25 PRIOR YEAR ADJUSTMENT

During the year the Trustee of the Fund received legal advice that the changes made historically to equalise Normal Retirement Ages for men and women were effective from a later date than previously understood.

As a result management commenced a defined benefit pension scheme rectification project during the year. The objective of the project is to determine the additional service cost for the Guaranteed Minimum Pensions equalisation. As a result, management has recognised an additional service cost of £1,500,000. This has been included as a prior year adjustment. This represents an estimate of the actual liability and has been made on a buy-out basis. This has reversed the surplus restriction and given rise to a net pension liability of £670,000 and deferred tax asset of £167,500 at 1 January 2023. The net pension interest receivable decreased by £32,000, the deferred tax charge in the income statement increased by £167,500, and the actuarial movement recognised in other comprehensive increased by £702,000 during the year ended 31 December 2023.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

25 Reserves

Group

	Brought forward	Income	Expenditure	Designated Expenditure Transfers	Transfers	Gains/ (losses)	Total movement	Carried forward
	£	£	£	£	£	£	£	£
Designated								
Capital expenditure	4,603,085			(2,636,234)	2,245,888		(390,346)	4,212,739
Pension contributions	1,800,000			(1,800,000)			(1,800,000)	-
CO2 KPI Reserve	3,593,993						-	3,593,993
Capital dredging	1,033,202	9,412,757	(3,310,630)		(3,513,753)		2,588,374	3,621,576
	11,030,280	9,412,757	(3,310,630)	(4,436,234)	(1,267,865)	-	398,028	11,428,308
Revenue								
General	8,145,762	38,591,182	(33,211,976)		(2,245,888)		3,133,318	11,279,080
Pension scheme	-		33,000	1,800,000		(1,833,000)	-	-
	8,145,762	38,591,182	(33,178,976)	1,800,000	(2,245,888)	(1,833,000)	3,133,318	11,279,080
Fixed assets and loans								
Fixed assets	163,372,016		(7,701,270)	2,345,888			(5,355,382)	158,016,634
Intangible assets	915,618		(59,851)	290,346			230,495	1,146,113
Loans	(103,536,756)				3,513,753		3,513,753	(100,023,003)
	60,750,878	-	(7,761,121)	2,636,234	3,513,753	-	(1,611,134)	59,139,744
Revenue, fixed assets and loans sub-total	68,896,640	38,591,182	(40,940,097)	4,436,234	1,267,865	(1,833,000)	1,522,184	70,418,824
Total	79,926,920	48,003,939	(44,250,727)	-	-	(1,833,000)	1,920,212	81,847,132

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

Authority

	Brought forward	Income	Expenditure	Designated Expenditure Transfers	Transfers	Gains/ (losses)	Total movement	Carried forward
	£	£	£	£	£	£	£	£
Designated								
Capital expenditure	4,591,085			(2,636,234)	2,245,888		(390,346)	4,200,739
Pension contributions	1,800,000			(1,800,000)			(1,800,000)	-
CO2 KPI Reserve	3,593,993						-	3,593,993
Capital dredging	1,033,202	9,412,757	(3,310,630)		(3,513,753)		2,588,374	3,621,576
	11,018,280	9,412,757	(3,310,630)	(4,436,234)	(1,267,865)	-	398,028	11,416,308
Revenue								
General	8,479,206	38,791,182	(32,958,689)		(2,245,888)		3,586,605	12,065,811
Pension scheme	-		33,000	1,800,000		(1,833,000)	-	-
	8,479,206	38,791,182	(32,925,689)	1,800,000	(2,245,888)	(1,833,000)	3,586,605	12,065,811
Fixed assets and loans								
Fixed assets	163,372,016		(7,701,270)	2,345,888			(5,355,382)	158,016,634
Intangible assets	915,618		(59,851)	290,346			230,495	1,146,113
Investment in subsidiary	12,000						-	12,000
Loans	(103,536,756)				3,513,753		3,513,753	(100,023,003)
	60,762,878	-	(7,761,121)	2,636,234	3,513,753	-	(1,611,134)	59,151,744
Revenue, fixed assets and loans sub-total	69,242,084	38,791,182	(40,686,810)	4,436,234	1,267,865	(1,833,000)	1,975,471	71,217,555
Total	80,260,364	48,203,939	(43,997,440)	-	-	(1,833,000)	2,373,499	82,633,863

The column headed Expenditure is the net total of actual expenditure, depreciation and identified future liabilities.

Overleaf are descriptions of the various headings above.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

Designated

Capital expenditure

Includes amounts designated by the Authority towards capital expenditure in future financial years.

Pension contributions

Includes amounts designated by the Authority towards additional contributions to the Pension Scheme in respect of the deficit funding in the next financial year.

Funds for future capital dredging

Includes surplus from Conservancy Surcharge receipts that the Authority could make available as a contribution towards future deepening of the harbour approaches. Such deepening would make the Haven more accessible for the new generation of container ships.

Revenue

General

Includes all other current and prior period surpluses and deficits. The balance on Consolidated Statement of Financial Position includes a £645 debit in respect of the translation of an overseas subsidiary.

Pension scheme

Includes the obligation to the members of the Harwich Haven Authority Pension Fund (HHAPF) prior to any reductions for amounts held within designated funds.

Fixed assets and loans

Fixed assets

Includes current and prior period income and expenditure relating to fixed assets held by the Authority.

Loans

Includes current and prior period advances, repayments and interest relating to loans held by the Authority prior to any reductions for amounts held within designated funds.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

26 Analysis of net assets between funds

Group

	Designated	Revenue	Fixed assets and loans	Total funds 2024	Total funds 2023
	£	£	£	£	£
Fixed assets			159,162,747	159,162,747	164,287,634
Current Assets	11,428,308	23,840,052		35,268,360	27,791,032
Liabilities		(12,560,972)	(100,023,003)	(112,583,975)	(112,151,746)
Pension scheme		-		-	-
Total	11,428,308	11,279,080	59,139,744	81,847,132	79,926,920

Authority

	Designated	Revenue	Fixed assets and loans	Total funds 2024	Total funds 2023
	£	£	£	£	£
Fixed assets			159,174,747	159,174,747	192,531,814
Current Assets	11,416,308	24,776,703		36,193,011	(8,734,694)
Liabilities		(12,710,892)	(100,023,003)	(112,733,895)	(103,536,756)
Pension scheme		-		-	-
Total	11,416,308	12,065,811	59,151,744	82,633,863	80,260,364

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024**

27 Analysis of changes in net debt

	At 1 January 2024	Cashflows	Other non cash changes	At 31 December 2024
Cash and cash equivalents				
Cash at bank and in hand	24,320,234	6,496,676	-	30,816,910
	<u>24,320,234</u>	<u>6,496,676</u>	<u>-</u>	<u>30,816,910</u>
Borrowings				
Loans due within one year	(3,513,060)	3,513,060	(3,615,072)	(3,615,072)
Loans due after one year	(104,769,935)	-	3,615,072	(101,154,863)
	<u>(108,282,995)</u>	<u>3,513,060</u>	<u>-</u>	<u>(104,769,935)</u>
Total	<u>(83,962,761)</u>	<u>10,009,736</u>	<u>-</u>	<u>(73,953,025)</u>

The Authority paid £1,383,595 of set up fees in order to issue the loan notes. This is being recognised over the term of the loan notes in accordance under the effective interest method. The balance outstanding at the year end was £1,233,180 (2023 - £1,338,242) (see note 18).

The amount due within one year offset against the loan balance is £101,320 (2023 - £105,062). The amount due after one year offset against the loan balance is £1,131,860 (2023 - £1,233,180). The set up fees are the difference between the total of the loan note debt of £104,769,935 (2023 - £108,282,955) and the £103,536,755 (2023: £106,944,753) recognised on the balance sheet.

The Authority

Harwich Haven Authority
Harbour House, The Quay
Harwich, Essex, CO12 3HH

Auditor

Sumer Auditco Limited
Fitzroy House
Crown Street, Ipswich
Suffolk, IP1 3LG

Bankers

Barclays Bank
9 High Street, Colchester
Essex, CO1 1DA

Solicitor

Winckworth Sherwood LLP
Minerva House, 5 Montague Close
London, SE1 9BB



HEAD OFFICE

Harbour House
The Quay, Harwich
Essex, CO12 3HH

T +44 (0)1255 243030

E communications@hha.co.uk



[@harwichhaven](https://www.instagram.com/harwichhaven)

www.hha.co.uk



ISSN 2515-0103