

Harwich
Haven
Authority

ANNUAL REPORT & FINANCIAL STATEMENTS 2025





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.

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.

Structure & Governance

Our business operates on a commercial basis and 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.



AN IMPACTFUL YEAR OF DELIVERING OUR TRUST PORT VALUES

REPORT FROM DEBBIE FRANCIS OBE, THE CHAIR OF THE BOARD

We extend our thanks once again as we look back on another hugely successful, award-winning year of safeguarding Britain's trade gateway for the benefit of all.

In 2025 we have retained our position as Britain's premier choice for container trade – not only competing with other UK and European ports, but thriving with the arrival of valued new customers such as ONE and Yang Ming, alongside increased calls from major shipping lines, such as Evergreen and MSC.

Our team have worked incredibly hard in partnership with the team at the Port of Felixstowe to bring in these new customers, signalling an exciting new era for the Haven. Our channel deepening programme also continues to pay dividends, boosting the Haven's reputation among global shipping lines by allowing us to welcome the world's largest and deepest vessels.

In 2025 our colleagues got the recognition they deserve in a great year for awards – featuring at multiple finals and winning Inclusive Workplace of the Year at the British Ports Association Awards. Their brilliant efforts, day in, day out continue to make Harwich Haven Authority a great place to work.

Our social value delivery has also been another source of great pride. In 2025 we generated more than £6.7 million of social value to the local area through initiatives like our Coastal Discoveries sessions in partnership with Boskalis Westminster.

We also continue to make good progress towards our net zero target as we implement new, positive changes to the way we work. I am sure we will be sharing even more positive news on this front next year as our 2030 target nears.

I would like to take this opportunity to thank my fellow board members as we look back on another brilliant year – as well as our former CEO, Sarah West, for her incredible work in leading Harwich Haven Authority throughout her tenure, and departing Board member Flemming Dalgaard for his valuable input over the last seven years.

I hope you enjoy reading this year's report and look forward to hearing your thoughts on a successful 2025.

Debbie Francis OBE
Chair of the Board

24 April 2026



TURNING CHALLENGES INTO OPPORTUNITIES IN THE HAVEN

REPORT OF THE INTERIM CEO

I am proud to present this report as Interim Chief Executive of Harwich Haven Authority.

I would like to begin by thanking our outgoing CEO, Sarah West, for her leadership over the past year. It has been a challenging period, yet Sarah's commitment, resilience and passion never wavered. She leaves the organisation in a significantly stronger position than when she began, and we are grateful for the foundations she has laid.

At the start of the year, we faced the announcement that Gemini Corporation – the new alliance between Maersk and Hapag-Lloyd –

would no longer be calling at Felixstowe. We estimated this would result in a £15 million reduction in revenue, with substantial implications for our people, our operations and the surplus we reinvest into the local community.

Rather than react with uncertainty, we responded with focus and determination. Working in close partnership with the Port of Felixstowe, we reaffirmed our commitment to delivering first-class customer service, clearly articulated our value proposition and

positioned the Haven as an outstanding place to do business. As a result, new services – including the Premier Alliance FE4 service – alongside increased calls from Evergreen and MSC, have more than offset the anticipated loss. What began as a significant risk has ultimately delivered a strong profit for the year.

Our 2023 channel deepening programme, which created the deepest trade gateways anywhere in the UK, continued to deliver tangible benefits. In 2025, we welcomed 67 vessels with a draught exceeding 16 metres, including five of the deepest-draught vessels in the world at more than 17 metres. This capability underlines our strategic importance to UK PLC and reinforces the Haven's attractiveness to global shipping lines.

We were pleased to showcase this proposition to senior government stakeholders, including the Department for Transport's Maritime Director, Lola Fadani, and the new Maritime Minister, Keir Mather MP, who visited with their teams in November. Throughout the year, we have remained actively engaged with government on key consultations covering safety, skills, decarbonisation and renewable energy, including advising on the routing of subsea cables connecting offshore wind to the shore.

In 2025, we were delighted to establish a new strategic partnership that will bring innovation and long-term value to the Authority. Working with Entopy, we have designed and developed our own digital twin for the Haven. This capability will enhance productivity across the port and, in collaboration with the Port of Felixstowe and Svitzer, further improve operational effectiveness and the customer experience.

Safety remains at the heart of everything we do. I am proud that our safety KPIs once again reflect our core value of "making safety the standard" throughout 2025. Alongside this, our three additional values – connecting as one team, leading with expertise, and creating positive impact – have been successfully rolled out and embedded across the organisation. It is encouraging to see these values being actively embraced by colleagues at all levels.

Thank you to everyone who has supported Harwich Haven Authority in 2025.

Jake Storey
Interim Chief Executive

24 April 2026





A YEAR OF GROWTH ACROSS THE BOARD

REPORT OF THE INTERIM GROUP FINANCIAL CONTROLLER

We have once again recorded a successful year at Harwich Haven Authority, with increases to our revenue and profits reflecting the hard work displayed across the Authority throughout 2025.

Our ability to welcome the largest container vessels in the world continues to pay dividends, with our turnover increasing by 14% year-on-year to £54.9 million (2024: £48 million). This increase is attributable to the addition of several new services welcomed to the Haven, including MSC, Cosco, Evergreen ONE, HMM & Yang Ming which has contributed to a 4% rise in vessel arrivals, supported further by a favourable mix of vessel sizes.

This increased revenue has been accompanied by a rise in profits, with our before tax figure increasing by 59% to £7.9 million (2024: £5 million). This has been

driven by the increased revenue partially offset by a pension fund charge and an increase in maintenance dredging costs.

Maintenance dredging costs remain a challenge being around £10 million per year higher than prior to the completion of channel deepening in 2023. We generated a surplus of £3.3m on our Infrastructure Surcharge Revenues and these monies were used to help cover the additional dredging costs.

We also continue to hold strong cash reserves to support our long-term goals and investments, standing at £42.0 million in 2025 – up from £30.8 million the previous year.



In terms of investments, we have continued to make great strides in new technologies and modernisation. This includes continued investments in our Capella digital twin project in partnership with Entopy, as well as our research and development into dredging technology – something which we hope will further reduce the cost of maintenance dredging.

In total, we made capital investments totalling £1.6 million in 2025 (2024: £2.6 million).

Pensions

During 2025 the Pension Trustees of the defined benefit pension scheme undertook a Pension Buy-In which transferred the scheme assets to an insurer. The insurer retains responsibility for funding the insured pension scheme liabilities as they fall due; the administration responsibilities continue to remain with the trustee.

A result of this transaction was in a charge of £2.9m to the income statement which is the difference of the premium paid to the insurer and the corresponding value of the FRS 102 pension obligations.

The Authority Board subsequently approved a pension buy-out whereby the Pension Fund would be wound-up, and the members

receive a new but identical pension commitment from Royal London. The buy-out completely de-risks the Pension Fund for the Authority.

Outlook

The overall outlook for the Authority remains positive as we have a strong balance sheet and cash reserves, and an excellent value proposition which we continually look to enhance.

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 by 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.

Richard Brewster
Interim Group Financial Controller

24 April 2026



REINFORCING OUR POSITION AS A TRUSTED MARINE SERVICES PROVIDER

REPORT FROM THE HARBOUR MASTER

2025 has been a defining year for Harwich Haven Authority's marine services, characterised by meaningful progress in innovation, investment in critical technologies and continued delivery of safe, efficient operations for one of the UK's busiest deep-water harbours.

Our focus has remained clear: to enhance navigational safety, improve operational resilience and ensure the Haven continues to serve as a world-class gateway for global trade.

Despite increasing demand, more challenging weather windows, and deeper vessel profiles, safety has remained at the core of everything we do. Operational teams have delivered services to the highest standard while adopting new technologies and refining competency frameworks.

Throughout the year, we have prioritised collaboration with shipping lines, terminal operators, tug and pilot services, offshore developers, fishermen and local authorities. Technical engagement sessions, joint navigational risk assessments and open dialogue with stakeholders have strengthened trust and ensured that our marine operations remain aligned with the needs of those who rely on the Haven. We have also hosted international delegations and industry visitors, showcasing our expertise in combining advanced technology with safe, sustainable marine management.

A key highlight of the year was the completion of our radar modernisation programme, the most significant upgrade to the Haven's surveillance infrastructure in more than a decade. The new system provides improved

target detection and tracking, enhanced performance in low-visibility conditions and more resilient coverage across the approaches. For our VTS and pilotage teams, it has brought a step change in situational awareness, enabling them to manage vessel movements with greater precision and confidence. Beyond operational benefits, the radar upgrade lays the groundwork for future integration with emerging digital systems and platforms, reinforcing our long-term commitment to innovation and safety.

Recognising the growing challenge of bringing deeper and wider vessels into the Haven, we launched our Under Keel Clearance (UKC) Project in 2025. This initiative aims to model tidal, hydrodynamic and environmental factors in real time to support safe, highly optimised vessel movements.

During the pre-procurement project stage, extensive requirements gathering, technical evaluations and operational workshops have been completed. The foundations are now in place for procurement and trials in 2026. This marks a significant step toward a more dynamic, data-driven approach to UKC management.

The Haven continued to handle record numbers of Ultra Large Container Vessels in 2025. To support this, we expanded the use of Portable Pilot Units (PPUs) incorporating:

- **High-accuracy GNSS positioning**
- **Enhanced tide and depth modelling**
- **Updated overlays informed by our hydrographic surveys**

These tools have strengthened pilot situational awareness and allowed consistently safe arrivals and departures within tightening tidal windows.

Complementing this, our hydrographic survey programme has adopted improved data-processing methods, enabling quicker updates into pilotage planning and VTS system.

2025 has been a development and design year for Capella, our forthcoming digital twin port management system. Marine teams have worked closely with project partners to define operational user cases, integrate pilotage and VTS requirements, and test early visualisation and report concepts.

Our reputation for high-quality and reliable marine services has also expanded beyond our Haven. 2025 saw us provide qualified pilots to Brightlingsea, while we also commenced work in support of the Sizewell C development. Other new ventures included broadening our marine capability to cover offshore ship-to-ship oil transfer operations. Together, these developments not only diversify our operational portfolio but also reinforce

Harwich Haven Authority's role as a trusted marine partner across the wider east coast.

The annual Ports and Marine Facilities Safety Code (PMSC) audit was carried out by ABPmer and confirmed that we were fully compliant.

2025 demonstrates the momentum we now have in modernising the Haven's marine infrastructure and digital capabilities. As we look toward 2026, we remain committed to investing in technologies that enhance safety, strengthen resilience and support the ambitions of our customers and partners.

William Barker
Marine Director (Harbour Master)

24 April 2026





DELIVERING ON OUR ESG COMMITMENTS

REPORT OF THE SUSTAINABILITY MANAGER

Harwich Haven Authority continues to be committed to operating as a responsible and sustainable trust port, delivering positive impact for our communities, environment and stakeholders.

In 2025, we continued to embed environmental, social and governance principles across our operations, from advancing carbon reduction initiatives and habitat restoration projects to expanding our educational and charitable programmes.

With the release of the government's Maritime Decarbonisation Strategy, our carbon aspirations remain high on the agenda. In recognition of the need for and importance of the future propulsion technology for our fleet of vessels, the decision was taken to extend the life of our current vessels to enable us to make the right investment decision in the future.

Using the nationally recognised TOMs (Themes Outcomes Measures) framework, we are immensely proud to have delivered £6.7M of social value during the year. This fantastic achievement would not have been possible without dedication and strong collaboration across our teams, and the continued support of our external stakeholders.

Creating positive impact is truly at the heart of everything we do as a trust port. In 2025, our newly established charitable giving panel awarded funding and grants to more than 60 organisations, totalling in excess of £200,000.

Our Coastal Discoveries programme, delivered in collaboration with our main dredging contractor Boskalis Westminster, continued to grow in strength. Building on the project's previous success in Essex, we expanded the programme to schools and community groups across East Suffolk to ensure it benefits even more children locally. By investing in this programme which focuses on conservation, biodiversity and marine careers, we are investing in the future stewardship of the Haven. In addition, we are actively supporting our environment through the Beneficial Use of Dredged Sediment (BUDS) project on the River Orwell at Levington. This project is helping us on our mission to achieve net zero while restoring valuable saltmarsh habitat.

The success of all our initiatives and actions has led us to set an ambitious target to deliver £40 million of social value by 2030.

Other initiatives implemented in 2025 include:

- **Moving our 8 knot speed limit for harbour trips from a trial to business as usual activity**
- **Continuing to invest in HVO fuel to power our fleet**
- **Supporting our desire to make data led decisions by investing in the developments of technologies which utilise digital twin and optimisation technology solutions**
- **Investing in BUDs scheme to support biodiversity in the Haven**
- **Working collaboratively with our supply chain to help influence changes which reduce our scope 3 emissions**

In conclusion, 2025 has been a year of tangible progress, with measurable social value, targeted charitable investment, expanded education and conservation programmes, and continued action on carbon reduction. Looking ahead, our ambition to deliver £40 million of social value by 2030 and continued progress toward net zero will guide and support our operations and activities, ensuring lasting impact for our communities, environment and stakeholders.

Linzi Jobber
Sustainability Manager

24 April 2026





A YEAR OF CONNECTION & PROGRESS

REPORT OF THE STRATEGY & PARTNERSHIPS DIRECTOR

2025 was a year defined by meaningful engagement – across Government, our customers, wider stakeholders and our people.

We were proud to welcome the new Minister for Aviation, Maritime and Decarbonisation, Keir Mather MP, to Harwich, alongside his team, including the Department for Transport's Maritime Director. This visit reinforced our commitment to collaboration and lobbying for Haven users at the highest level.

Our customer relationships remained a top priority. We visited all our shipping line customers, conducted a comprehensive satisfaction survey, and – most importantly – acted on the feedback received. Delivering exceptional customer service continues to be central to everything we do. 100% of all customers surveyed said engage Our stakeholder engagement groups continued to thrive, with liaison meetings across leisure, pilotage, agents and towage sectors. We invested in a new platform to track interactions and ensure we are speaking and listening to all of our stakeholders no matter what their influence or impact. We also trialled a new approach to distributing our popular tide tables and leisure guides, hosting 'pick-up' events at local marinas to reduce costs and create engagement opportunities.

For our people, 2025 brought a proud moment: winning the Inclusive Workplace of the Year award from the British Ports Association. This recognition reflects our ongoing commitment



to diversity, inclusion and creating a workplace where everyone can thrive.

Our Apprenticeship Levy was fully utilised for the first time since its introduction, supporting future talent and addressing skills gaps. Two new cohorts joined us this

"The out of area services are very proactive in keeping our vessels moving when conditions are challenging."



year, and all are progressing well – cementing our reputation for an industry-leading apprenticeship scheme.

The results of our 2025 employee survey reaffirmed what we value most: an engaged workforce proud to work for HHA.

Leadership development remained a key focus. Both Executive and Management teams participated in coaching programmes designed to strengthen relationships, enhance communication and build trust. Following the success of our 2025 management development programme, preparations are already underway for a new cohort in 2026.

Internally, our new values have been successfully embedded across systems and policies. The next phase of our Employer Branding project is underway, with managers agreeing on the strapline: "Where work means more". This will shape our Employer Value Proposition and brand identity.

Operationally, the launch of the FE4 service in July was a highlight, marked by

the arrival of the HMM Southampton and ONE Intelligence. This milestone attracted TV coverage, local media attention and significant social engagement – raising the profile of the Authority and showcasing our deep channel and pilotage expertise.

I'll finish with a short testimonial received this year which demonstrates the impact we are starting to see in this area. In the recent PMSC audit, the following comment was made by the auditor:

"Harwich Haven Authority's delivery of 'stakeholder engagement and consultation' as required by the Code, is considered by the ABPmer audit team, to be a best practice example for the ports industry."

"It is always a pleasure to work with the HHA team. Very accommodating and professional."

Helen Rudd

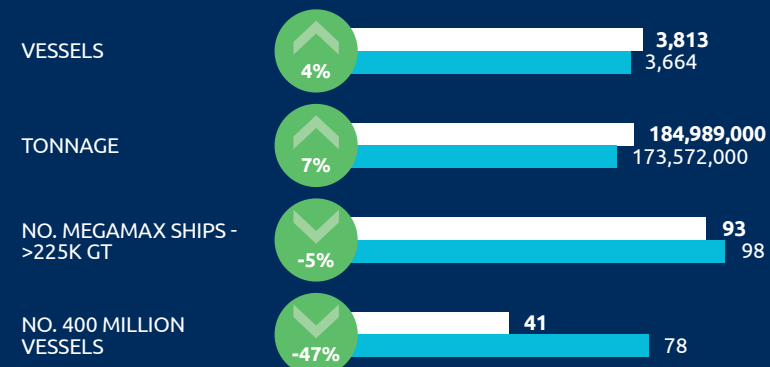
Helen Rudd
Strategy & Partnerships Director

24 April 2026

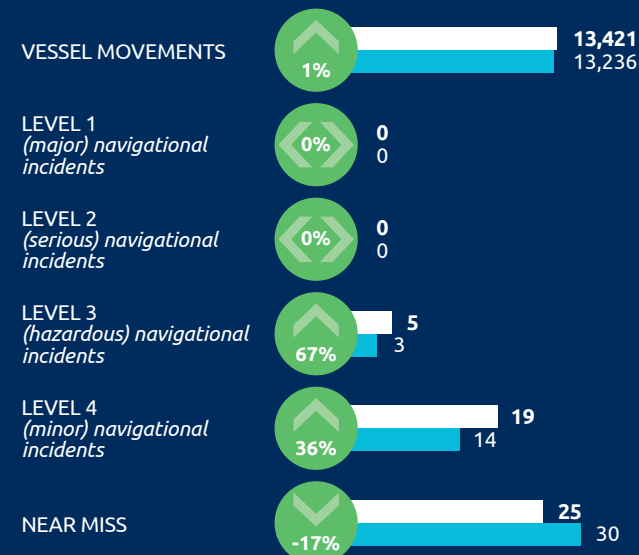
KEY PERFORMANCE INDICATORS



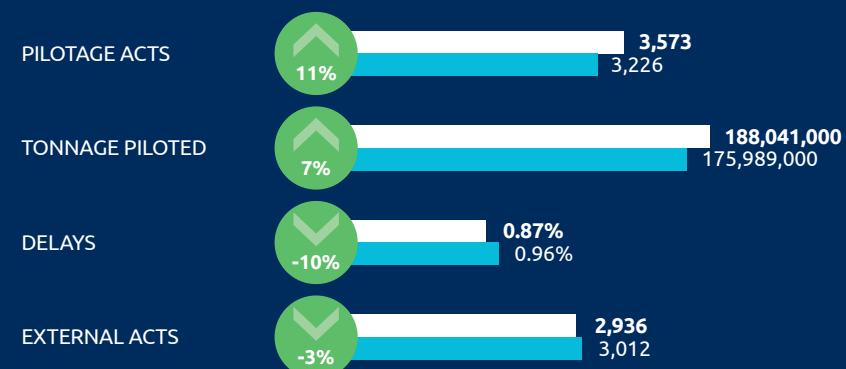
Arrivals



Navigational Safety



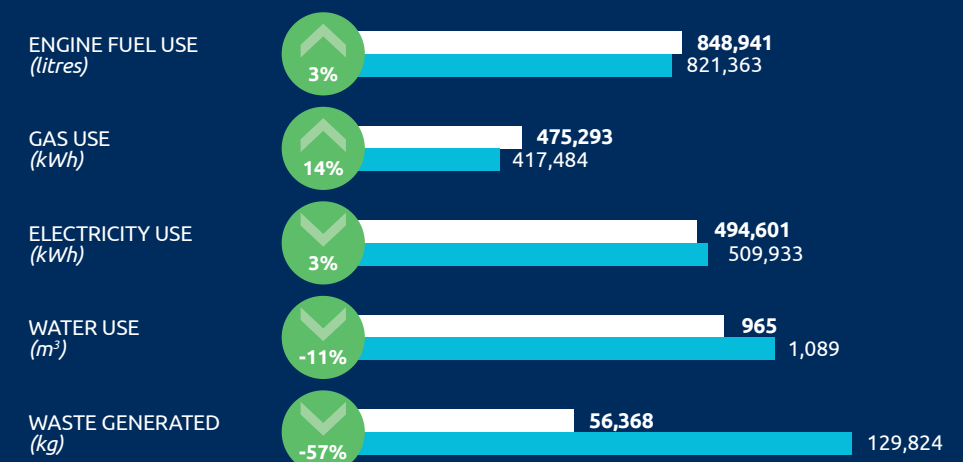
Pilotage Service



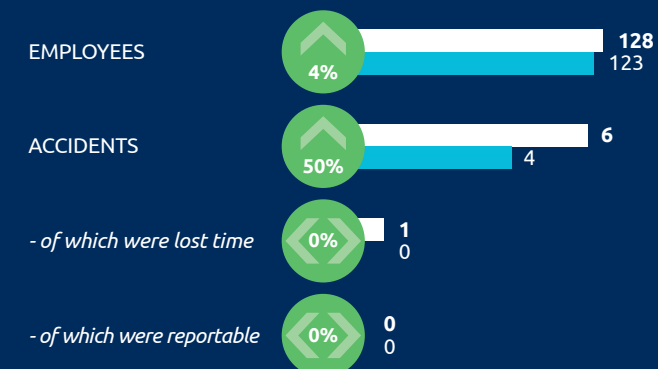
Dredging



Environmental



People



Key

■ 2025 ■ 2024



Gender pay gap

Our mean gender pay gap is 10% (below the UK average of 13.1%), and the median gap is 40%, meaning women earn 90p for every £1 earned by men on average. The gap is largely due to a higher proportion of men in senior roles, 79% of the top three pay quartiles are male, with over half of the upper quartile being male pilots, whose pay includes vessel size premiums. However, men and women in equivalent roles are paid equally.

Since 2024, the mean gap has reduced by 6%, and female representation has risen by 4.3% to 28.3%, with notable increases in the lower pay quartiles. The number of women in the upper pay quartile has also risen from 5 to 7, supported by a more inclusive recruitment process. Our bonus pay gap is now 80%, a 39% decrease due to a higher average bonus for women, who are equally represented in Executive and Manager roles, where bonuses are awarded.

Gender Pay Gap 2024/2025



28%

*of our employees
are female*



72%

*of our employees
are male*

*Our mean
gender pay gap is*
10%

*Our median
gender pay gap is*
40%

SOURCES OF REVENUE



Boarding & Landing Fees

charged to operators to whom the Authority provides launch services



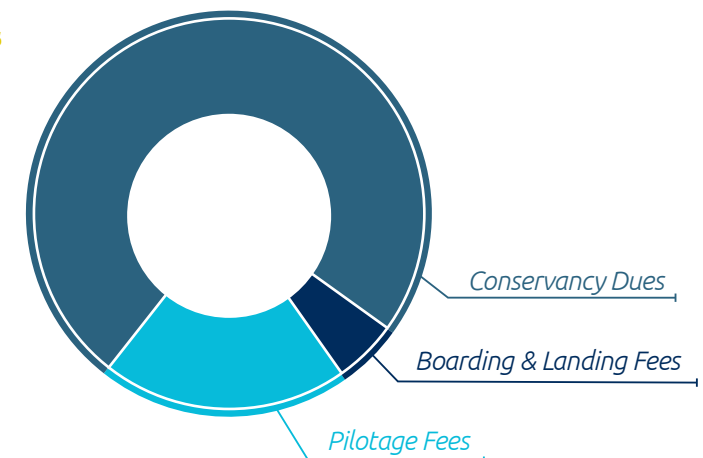
Pilotage Fees

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

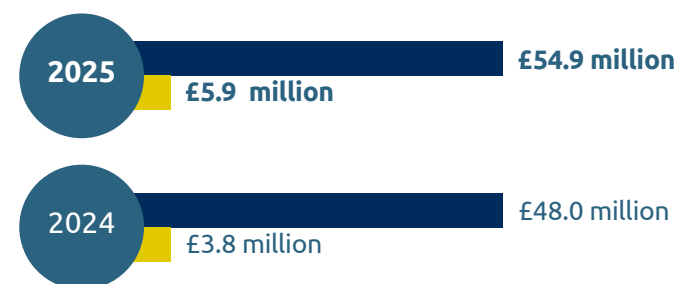


Conservancy Dues

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



TURNOVER & SURPLUS



Key

■ Turnover ■ Surplus after taxation

See full Financial Statements on page 48

The revenue delivered a surplus after taxation of £5.9 million (2024: £3.8 million) which was used to service outstanding borrowing and to invest in maintaining and improving essential assets.

MEET THE SENIOR LEADERSHIP TEAM



Jake Storey
Interim CEO

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 Wallem's, Escombe Lambert, Gellatly, 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 a 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.



William Barker
Marine Director / Harbour Master

Will joined Harwich Haven Authority in April 2023. He has 20 years' experience working within the maritime industry and is passionate about marine operations. Will previously worked at Peel Ports Group where he managed the Mersey Marine Team to ensure the safe operation of three statutory harbour authorities and efficiently delivering services including pilotage, dredging, hydrography, lock operations and towage. When working on the Hinkley Point C project he was responsible for establishing a new harbour authority, facilitating construction and operation of the £150 million jetty. He has also held roles at Shoreham Port, Littlehampton and Chichester Harbour on the south coast. Will is an active member of the UK Harbour Master Association and a Trinity House Younger Brother.



Helen Rudd
Strategy and Partnerships Director

Helen is an award-winning Communications Director who has considerable experience in the ports and logistics sector. Helen spent five years in the Corporate Affairs team at Hutchison Ports UK, delivering communications, stakeholder engagement and community relations for the Port of Felixstowe and Harwich International Port before setting up her own PR agency, Prominent PR, which she ran for 10 years. Helen's strengths lie in communications strategy, building client relationships and people management.



Nick Lambert
Head of Business Systems

Joining Harwich Haven Authority in 2016, Nick brought 20 years' IT experience across telecommunications, retail and logistics industries to lead the wholesale review of the company's IT systems. With a background in software development, business analysis and project management Nick continues to drive the programme of systems change and lead the organisation through a changing technical landscape. A principal focus for Nick and the Business Systems team is to leverage the unique placement of Harwich Haven Authority to support and adopt technical and marine industry innovation for the benefit of the business and its stakeholders. Nick has an interest in sailing and all things marine and is a keen user of the local waters of the Haven.



Richard Brewster
Interim Group Financial Controller

Richard is currently serving as Interim Group Financial Controller, having joined the Authority four years ago as Financial Controller. With more than 25 years' experience in finance, his career spans senior roles across a range of industries including insurance, telecommunications and MedTech, in organisations from start-ups to global corporations. Richard brings a broad and adaptable perspective to the role, shaped by this diverse experience. During his time at the Authority, he has helped reposition the finance function as a trusted business partner and led the successful on-time, on-budget implementation of a new finance system, with further enhancements underway.



Linzi Jobber
Sustainability Manager

Linzi joined the Authority three years ago as Sustainability Manager and stepped into an interim ESG leadership role in December 2025. In this capacity, she provides executive-level input on sustainability strategy and holds leadership responsibility for health and safety. She is particularly proud of the progress made by the Environment & Sustainability team since its establishment in 2023, including launching the E&S Haven Workshop and helping deliver more than £5 million of social value in 2025 through strong engagement with the TOMs framework. Linzi began her career in the construction industry as an Environmental Advisor after studying Environmental Science at university, progressing over 13 years to Environmental Manager before joining the Authority.



Jim Warner
Harbour Engineer

Jim is a Chartered Civil Engineer and Chartered Construction Surveyor who has worked at the Authority for over 13 years. He joined as Assistant Harbour Engineer and has served as Harbour Engineer for the past 5 years. In this role, he is responsible for hydrographic survey, dredging operations, major refurbishment and construction projects across the Authority's built assets, and environmental monitoring linked to dredged material disposal licences. Prior to joining the Authority he worked for the Environment Agency on coastal management and flood defence, and he also represents the BPA on the UK Beneficial Use Working Group.

2025 TOP 10 HIGHLIGHTS

There were a number of memorable highlights in 2025; we asked our colleagues to select their top ten.

01

We won **Inclusive Workplace of the Year** at the BPA awards



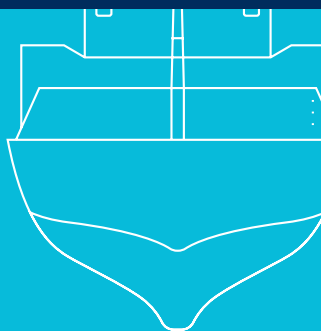
02

We hosted a visit from the new Maritime Minister, **Keir Mather MP**



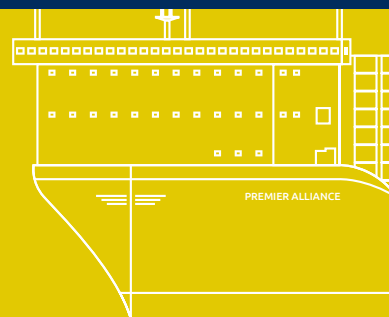
03

We welcomed several vessels with draughts **in excess of 17 metres**



04

We welcomed the **Premier Alliance** to the Haven



05

AI

We have developed our very own **digital twin** which we call 'Capella'

06



We featured in TV documentary '**Sailing the Shipping Forecast**' with Rev Richard Coles

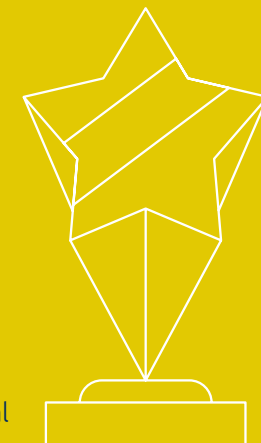
07

We created **£6.7 million** in social value

£6.7m

08

Our senior pilot Ian Love received an **award for meritorious service** from HRH, The Princess Royal



09



Our first ever **all female-launch crew** took to the seas

10

We held our second annual **Christmas lights switch on** event



CASE STUDY: LEVINGTON BUDs PROJECT

In November 2025, Harwich Haven Authority began an innovative project working with Suffolk Yacht Harbour, where dredged sediment from routine marina maintenance was repurposed to help restore a rapidly eroding saltmarsh, enhancing biodiversity along the River Orwell.

The Beneficial Use of Dredging (BUDs) programme at Levington, delivered on the ground by Amicus Civil Engineering and Suffolk Yacht Harbour, involved pumping mud dredged from its moorings into the restoration area. The site, which is located along Levington Creek, has experienced steady erosion for decades. The carefully engineered placement of material, supported by the installation of coir bunds by Amicus Civil Engineering and funded by the Authority, is now helping to rebuild the

saltmarsh platform, bolster natural flood defences, and create new habitat for a range of coastal wildlife.

The land is owned by Suffolk Yacht Harbour, with management of the adjacent nature reserve by Suffolk Wildlife Trust, which is strongly supportive of the scheme due to the ecological gains it is expected to deliver, particularly for overwintering waders such as redshank, dunlin, knot, black tailed godwit and golden plover. Redshanks may even return



to breed on the saltmarsh habitat in time if the habitat restoration enables some areas to remain above mean high water spring tides.

“This work at Levington is a great example of how we can turn essential dredging operations into tangible environmental benefit,” said Jim Warner, Harbour Engineer at Harwich Haven Authority. “By partnering with Suffolk Yacht Harbour, Suffolk Wildlife Trust and Amicus, we’re able to reuse locally dredged sediment to rebuild valuable saltmarsh habitat that has been disappearing for decades. This nature-based approach not only strengthens the shoreline and improves flood resilience but also creates important new opportunities for wildlife to thrive – especially the seabirds that depend on these fragile ecosystems.”

Suffolk Yacht Harbour’s Jonathan Dyke said: “We welcome the assistance of Harwich Haven Authority in providing additional infrastructure support to retain dredged silt over a wider area enabling the retention of more sediment which will accelerate the restoration of the saltmarsh.”

Suffolk Wildlife Trust’s South East Suffolk Sites Manager, Andrew Excell said: “Increases in the connectivity and height of the restored saltmarsh will have significant benefits for roosting wading bird and waterfowl species as they rest and recuperate energy in large flocks in relative safety during periods of high

tide on the estuary. The estuary is internationally recognised for its importance in supporting many thousands of birds in winter months. Estuarine habitats like this in locations away from human disturbance are critical in helping survival of these species, especially in the colder winter months when they desperately need to conserve energy. Project works to help improve this type of dynamic habitat are much welcomed in such a strategically important wildlife-supporting location.”

The Levington works include the installation of coir bunds, controlled sediment placement and long-term habitat restoration. Monitoring of the site’s development will continue throughout 2025 and 2026, including assessments of sediment settlement, vegetation establishment and breeding habitat use by returning bird species.

In February 2026, another phase of the project will begin at Copperas Bay on the River Stour, in partnership with RSPB and Essex Wildlife Trust.

The BUDs project forms part of the Authority’s wider commitment to pioneering sustainable dredging practices and delivering nature-positive outcomes across the Haven. By supporting saltmarsh recovery and promoting biodiversity, the Authority aims to demonstrate how operational port activities can coexist with – and actively enhance – the ecological health of the estuary.

Scope	Emission Source	2018 CO ₂ e (tonnes)	2023 CO ₂ e (tonnes) (Location-based)	2024 CO ₂ e (tonnes) (Location-based)	2025 CO ₂ e (tonnes) (Market-based)
Scope 1	Biogas	91.3	84.29	28.36	0.10
Scope 1	HVO Fuel	2,309.4	329.64	258.65	266.57
Scope 1	Company vehicles	16.5	4.05	3.49	2.46
Scope 1	Petrol	0.00	0.00	0.00	0.05
Scope 1	Total	2,417.2	417.98	290.58	269.18
Scope 2	Total (Electricity)	111.3	37.42	0.00	0.00
Scope 2	Total	111.3	37.42	0.00	0.00
Scope 3	Total	5,491.5	4,805.76	9,559.36	9,511.07
All	Tonnes of CO ₂ e	8,020.00	5,334.54	9,901.51	9,780.25
	Tonnes of CO ₂ e per employee	72.25	44.45	77.96	77.01
	Tonnes of CO ₂ e per £ million turnover	248.34	127.01	179.14	176.94

KEY POINTS FOR 2025 CARBON

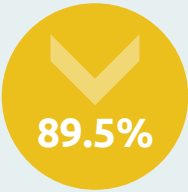
FOOTPRINT CALCULATION

We started to measure, and report on, our Scope 3 emission in 2023. Since then, we have seen 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 2025

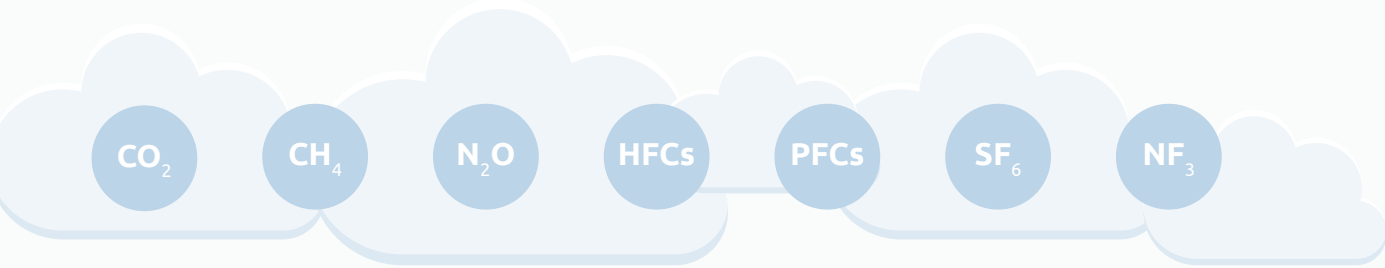
SCOPE 1 & 2



Increase against 2023

baseline for 2025

SCOPE 3



MARKET-BASED EMISSIONS BREAKDOWN



OUR SOCIAL VALUE REPORT FOR 2025



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



	Themes		Delivered £SV
	Economy	Inclusive growth	£1,663,841
	Planet	Safeguarding and restoring our world	£161,367
	Work	Opportunity for all	£4,586,740
	Community	Empowering communities	£308,006

£6,719,954 *Social & Local Economic Value delivered*

KEY PERFORMANCE INDICATORS

	APPRENTICESHIPS 401 weeks of apprenticeships: £124K of Social Value		COMMUNITY SUPPORT £305K invested in local community projects: £305K of Social Value
	EXPERT HOURS 520 hours of expert time provided to the community: £55K of Social Value		LIFE BELOW WATER £104,760 invested in environmental and biodiversity projects relating to marine life: £104,760 of Social Value
	EMPLOYING LOCALLY 111 full-time equivalent jobs created in the definition of local: £4.45 million of Social Value		VOLUNTEERING 143 hours of community project volunteering: £2.5K of Social Value
	INITIATIVES TO PROMOTE & SUPPORT RESPONSIBLE BUSINESS £13.8K invested: £13.8K of Social Value		SPENDING LOCALLY £1.4 million spent in the local area: £1.6 million of Social Value

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 Authority's activities.

The Board is comprised of 10 members, two Executive Directors and eight 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 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 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 Authority's 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 2025

P Carter (Associate NED)	18,171
F Dalgaard	18,293
A Dowokpor	27,543
D Francis OBE	52,382
J Gibbard	18,909
N Hancock	21,179
J Wedge	22,773
M McCartain OBE	19,130
L Homer	21,179
I Shipperley CBE	
TOTAL	219,559

DELEGATION OF AUTHORITY

The 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 Executive team are responsible for delivering the strategy.

BOARD MEETINGS AND ATTENDANCES

Six board meetings were held during 2025. In addition to this, members also attend a number of committee meetings and workshops throughout the year (see tables below).

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 2025 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 Ports Good Governance Guidance 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 2025, 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 a major UK trust port we do not have shareholders, and our designation requires that we reinvest our profits for the benefit of all stakeholders.

Our community and environment: Our organisational vision is to 'support the Haven as 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

There were 6 meetings in 2025.

Board members	Meeting dates 2025 (1 = attended)						Totals
	06/02 (Qtrly)	24/4 (Qtrly)	29/5 (Strategy)	24/7 (Qtrly)	23/10 (Strategy)	27/11 (Qtrly)	
D Francis OBE (Chair), NED	1	1	1	1	0	1	5/6
P Carter, Associate NED	1	1	1	1	1	1	6/6
F Dalgaard, NED	1	1	0	1	1	1	5/6
A Dowokpor, NED	1	1	1	1	1	1	6/6
J Gibbard, NED	1	1	0	1	1	1	5/6
N Hancock, NED	1	1	1	1	1	1	6/6
Dame L Homer	1	0	0	0	0	0	1/1
M McCartain OBE, NED	N/A	1	1	1	1	1	5/5
J Storey, ED	1	1	1	1	1	1	6/6
J Wedge, NED	1	1	1	1	1	1	6/6
I Shipperley CBE, NED	N/A	1	1	1	1	1	5/5
S West, ED	1	1	1	1	1	1	6/6

Meeting Dates

6 February Quarterly • 24 April Quarterly • 29 May Strategy
24 July Quarterly • 23 October Strategy • 27 November Quarterly

Table 2: Committee Attendance

13 committee meetings took place in 2025.

Committee	Chair	Members	No. of meetings	Meeting dates	JW	MM	FD	IS	JG	NH	AD	LH	PC
Audit & Risk	J Wedge	F Dalgaard	4	4 Mar	4/4		4/4			4/4	3/3		
		A Dowokpor (Feb – Jun)		16 Apr									
		N Hancock (from Jun)		2 Jul 6 Nov									
Safety, Health, Environment & Security	N Hancock (Jan – Apr)	J Gibbard	4	2 Apr		4/4		4/4	4/4	1/1			
	M McCartain OBE (from Apr)	I Shipperley CBE		1 Jul 15 Jul 13 Nov									
Remuneration & Nomination	N Hancock	A Dowokpor	5	31 Jan					5/5	5/5	5/5	1/1	5/5
		J Gibbard		31 Mar									
		Dame L Homer (Jan-Mar only)		31 Jul 3 Sep 29 Sep									

MEET THE BOARD



Debbie Francis OBE
Chair, Non-Executive Director
Joined January 2021

Debbie Francis 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 previously held roles as Managing Director for Loram UK Ltd, Northern City Executive for 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 the 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
(2023- 2025)

Sarah joined Harwich Haven Authority on 1 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
(Interim CEO until 1 June 2026)

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 Wallem’s, Escombe Lambert, Gellatly, 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 extensive maritime experience from his formative years in the Royal Navy at an operational level and over the last fifteen years in senior executive roles in the cruise and ports industry. From a 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. Since 2016, he has worked in the UK port industry as the Group 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 graduating from a crew member in his much younger years to his current roles as both Chairman of the Station and a launch authority.



Flemming Dalgaard
Non-Executive Director
Joined November 2018 to end December 2025

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

Jonathan is an environmental professional with over two decades experience. Jon runs his own company, Empowered2, providing leadership development, high performance tools and commercial best practice alongside 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 Investment 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!



Dame Lin Homer
Non-Executive Director
Joined January 2019 to end March 2025

Member: Remuneration and Nominations Committee

Lin Homer was the Former Permanent Secretary and Chief Executive of HM Revenue and Customs, a role she undertook from January 2012 until her retirement in April 2016. Prior to this she was the Permanent Secretary at the Department for Transport and Chief Executive of the UK Border Agency at the Home Office. Lin also held roles as Chief Executive of Birmingham City Council (2002-2005) and Suffolk County Council (1998-2002). Lin is a qualified lawyer, and held a number of Non-Executive roles in the not for profit and charity sector. Lin was appointed Dame Commander of the Order of the Bath in the January 2016 New Year's Honours for public services, particularly to public finance.



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 a senior digital and technology leader with extensive experience across global organisations in the UK and internationally. She is currently Vice President of Technology, Corporate Functions at Haleon, where she leads technology strategy and delivery across Finance, HR, Business Services and Sustainability, driving modernisation, data capability and secure operations to support business performance.

Previously, Nicola held senior leadership roles at Shell and Royal Mail Group and began her career at Ernst & Young. She brings strong expertise in digital transformation, technology, risk and organisational effectiveness.



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 was Chair of Ofcom's Advisory Committee for England from 2019-2025 and she is currently 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 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 & NOMINATIONS COMMITTEE

The Remuneration and Nominations Committee comprises three non-Executive Directors of the Board and is chaired by N 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 and employee remuneration. The Committee also makes recommendations to the Board in respect of the remuneration and succession plans of Non-Executive Directors and provides advice regarding workplace culture and engagement.

SAFETY, HEALTH, ENVIRONMENT & SECURITY COMMITTEE

The Safety, Health, Environment and Security Committee comprises three Board Directors and is chaired by M 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.



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 2025 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.

The 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 to:

- 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.

The 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 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 the requirements of the PMSC and to following the guidance in the Guide to Good Practice on Port Marine Operations.

During 2025, HHA successfully completed the final audit of its three-year cycle to maintain certification to ISO 14001, the international standard for environmental management systems (EMS). The closing meeting was notable due to the highly positive feedback from the external LRQA auditor, recognising the commitment and efforts of everyone involved and placing us in a strong position for the recertification audit due in early 2026.

RISK AND RISK MANAGEMENT

Harwich Haven Authority's key strategic risks are:

- 1. Maintaining channel depth
- 2. Experiencing a major maritime incident within its jurisdiction
- 3. Experiencing a major environmental incident within its jurisdiction
- 4. 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 regularly and the full Board reviews it annually. Additionally, all Board decision papers are required to assess any risks relating to their recommendations.

The Authority's Corporate Risk Register also reflects 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 the 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

Following discussions with the pension trustees further de-risking the pension scheme, the trustees entered into an insurance contract which has secured the scheme's liabilities. This action has significantly reduced the Authority's future funding and investment risks. 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.



Debbie Francis OBE
Chair of the Board

Approved by the Board on 24 April 2026

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 subsidiaries (the 'Group') for the year ended 31 December 2025 which comprise 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 2025 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 2 to 13) 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 38-42, 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

**Piers Harrison FCA
(Senior Statutory Auditor)**

For and on behalf of Sumer Auditco Limited – Statutory Auditor

820 The Crescent, Colchester Business Park, Colchester, CO4 9YQ
24 April 2026

CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME
YEAR ENDED 31 DECEMBER 2025

	Notes	£	2025	£	2024	£	£
Operating revenue	3			54,930,850		48,003,939	
Expenditure	4			(45,132,668)		(40,947,029)	
Operating surplus	6			9,798,182		7,056,910	
Finance income	8			977,239		904,685	
Other finance costs	9			(2,896,730)		(3,003,717)	
Surplus before taxation				7,878,691		4,957,878	
Taxation	10			(1,974,455)		(1,205,805)	
Surplus for the financial year before other comprehensive income				5,904,236		3,752,073	
Other comprehensive income							
Actuarial gain on pension scheme	20		43,000			1,080,000	
Change in asset limit other than interest	20		2,892,000			(2,913,000)	
Translation of overseas subsidiary			(3,887)			1,139	
				2,931,113		(1,831,861)	
Total comprehensive gain relating to the year				8,835,349		1,920,212	

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

Capital expenditure	25	(9,254,217)	(9,254,217)	(2,245,888)	(2,245,888)
Gain relating to the year after transfers to designated funds			(418,868)		(325,676)

Continuing operations

All amounts relate to continuing operations.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Notes	2025 £	2024 £
Fixed assets			
Intangibles	11	2,041,931	1,146,113
Property, plant and equipment	12	151,082,264	158,016,634
		153,124,195	159,162,747
Current assets			
Inventories	14	392,216	294,255
Debtors due within one year	15	5,935,692	4,157,195
Cash at bank and in hand	16	41,952,215	30,816,910
		48,280,123	35,268,360
Creditors: amounts falling due within one year	17	(13,531,479)	(11,744,616)
Net current assets		34,748,644	23,523,744
Total assets less current liabilities		187,872,839	182,686,491
Creditors: amounts falling due after more than one year	18	(96,404,172)	(100,023,003)
Provisions for liabilities and charges			
Deferred taxation	19	(786,186)	(816,356)
		90,682,481	81,847,132
Reserves	25	90,682,481	81,847,132

The reserves can be further analysed as follows:

Designated	19,239,778	11,428,308
Revenue	14,722,680	11,279,080
Fixed assets and loans	56,720,023	59,139,744
	90,682,481	81,847,132

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 2026

The notes on pages 54 to 74 form part of these financial statements.

**AUTHORITY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025**

	Notes	2025 £	2024 £
Fixed assets			
Intangibles	11	2,041,931	1,146,113
Property, plant and equipment	12	151,082,264	158,016,634
Investment in Subsidiaries	13	12,000	12,000
		153,136,195	159,174,747
Current assets			
Inventories	14	392,216	294,255
Debtors due within one year	15	6,186,123	5,218,511
Cash at bank and in hand	16	41,868,307	30,680,245
		48,446,646	36,193,011
Creditors: amounts falling due within one year	17	(13,710,990)	(11,894,536)
Net current assets		34,735,656	24,298,475
Total assets less current liabilities		187,871,851	183,473,222
Creditors: amounts falling due after more than one year	18	(96,404,172)	(100,023,003)
Provisions for liabilities and charges			
Deferred taxation	19	(786,186)	(816,356)
		90,681,493	82,633,863
Reserves			
Reserves as at 1 January	25	82,633,863	80,260,364
Surplus for the year	25	8,047,630	2,373,499
Reserves as at 31 December	25	90,681,493	82,633,863

The reserves can be further analysed as follows:

Designated	19,227,778	11,416,308
Revenue	14,721,692	12,065,811
Fixed assets and loans	56,732,023	59,151,744
	90,681,493	82,633,863

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 2026

The notes on pages 54 to 74 form part of these financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN RESERVES
AS AT 31 DECEMBER 2025**

	Revenue account £
At 1 January 2024	79,926,920
Surplus for the year	3,752,073
Actuarial loss 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
Surplus for the year	5,904,236
Actuarial gain on defined benefit pension scheme	43,000
Restriction of surplus on pension asset	2,892,000
Translation of overseas subsidiary	(3,887)
Total Comprehensive Income	8,835,349
At 31 December 2025	90,682,481

The allocation of the reserves at 31 December 2025 is disclosed in detail in notes 25 and 26 of the financial statements.

**AUTHORITY STATEMENT OF CHANGES IN RESERVES
AS AT 31 DECEMBER 2025**

	Revenue account £
At 1 January 2024	80,260,364
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	2,373,499
At 31 December 2024	82,633,863
Surplus for the year	5,112,630
Actuarial loss on defined benefit pension scheme	43,000
Restriction of surplus on pension asset	2,892,000
Total Comprehensive Income	8,047,630
At 31 December 2025	90,681,493

The allocation of the reserves at 31 December 2025 is disclosed in detail in notes 25 and 26 of the financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS
AS AT 31 DECEMBER 2025**

	2025 £	2024 £
Cash flows from operating activities		
Surplus for the year	5,904,236	3,752,073
Adjustments for:		
Finance costs	2,896,730	3,003,717
Finance income	(977,239)	(904,685)
Taxation charge	1,974,455	1,205,805
Amortisation of intangible assets	85,744	59,851
Depreciation of property, plant and equipment	7,536,594	7,456,563
Loss on disposal of property, plant and equipment	-	241,574
Translation of overseas subsidiary	(3,887)	1,139
Increase in inventories	(97,961)	(25,155)
Increase in debtors	(1,778,497)	(1,159,478)
Increase in creditors	1,387,764	3,094,516
Difference between current service cost and cash contributions less running costs of pension	2,935,000	(1,800,000)
Tax paid	(1,710,606)	(256,114)
Net cash generated from operating activities	18,152,333	14,669,806
Cash flows from investing activities		
Interest received	977,239	871,685
Capitalised intangible assets	(981,562)	(290,346)
Purchases of property, plant and equipment	(602,224)	(2,345,888)
Proceeds from sale of property, plant and equipment	-	3,134
Net cash outflows from investing activities	(606,547)	(1,761,415)
Cash flows from financing activities		
Loan note repayments	(3,615,071)	(3,513,060)
Loan note interest paid	(2,795,410)	(2,898,655)
Net cash from financing activities	(6,410,481)	(6,411,715)
Net increase in cash and cash equivalents	11,135,305	6,496,676
Cash and cash equivalents at beginning of year	30,816,910	24,320,234
Cash and cash equivalents at end of year	41,952,215	30,816,910
Cash and cash equivalents at the year end comprise:		
Cash at bank and in hand	41,952,215	30,816,910
	41,952,215	24,320,234

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2025

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 C012 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 2025

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.

Capitalised software costs relate to software integral to the VTS system and computer software, they are being amortised over 10 years.

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 2025

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 2025

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 2025

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

	2025 £	2024 £
Dues on ships	32,017,307	27,377,689
Infrastructure surcharge revenue	9,801,960	9,412,757
Pilotage services	10,516,612	8,184,562
Pilotage exemption certificates	102,678	71,014
Pilot fuel surcharge	88,150	80,475
Boarding and landing charges	1,955,134	1,985,032
Other operating activities	449,009	892,410
	54,930,850	48,003,939

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

All revenue arose in the UK.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2025

4 EXPENDITURE

	2025 £	2024 £
Harbour operating expenditure	34,195,544	33,136,224
Pilotage service costs	7,966,662	7,580,291
Agitation dredging costs	35,462	230,514
Exceptional item - settlement of defined benefit pension scheme	2,935,000	-
	45,132,668	40,947,029

5 PILOTAGE - OPERATING SURPLUS

	2025 £	2024 £
Revenue from services		
Pilotage services	10,516,612	8,184,562
Pilotage exemption certificates	102,678	71,014
Pilotage Fuel Surcharge	88,150	80,475
Other operating activities	911,548	892,410
	11,618,988	9,228,461
 Pilotage service costs	 (9,081,239)	 (7,580,291)
 Pilotage operating surplus	 2,537,749	 1,648,170

6 OPERATING SURPLUS

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

	2025 £	2024 £
Amortisation	85,744	59,851
Depreciation	7,536,594	7,456,563
Auditors' remuneration		
- in respect of the audit of the Authority	30,000	30,000
- in respect of the audit of subsidiaries	3,250	3,250
- in respect of taxation services	5,900	5,900
- in respect of other services provided	4,700	4,700
Loss on sale of fixed assets	-	241,574
Operating lease rentals	328,242	329,196

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

Included within the operating lease rentals is £305,631 (2024 - £306,914) 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 2025

Operating surplus excluding Infrastructure Surcharge Revenue

	2025 £	2024 £
Operating surplus before other comprehensive income	7,878,691	4,957,878
Infrastructure Surcharge Revenue (per note 3)	(9,801,960)	(9,412,757)
Residual Operating Deficit	(1,923,269)	(4,454,879)

7 BOARD MEMBERS AND EMPLOYEES

	2025 £	2024 £
Wages and salaries	8,803,980	8,242,870
Social security costs	1,174,987	993,515
Other pension costs	2,343,445	2,186,454
	12,322,412	11,422,839

	Group 2025	Group 2024	Authority 2025	Authority 2024
Average number of employees excluding non-executive members of the Board	130	123	128	120

Termination payments of £64,571 (2024 - £nil) were paid to an executive member of the Board during the year.

Pension contributions paid are detailed in note 20.

Board members' remuneration

	2025 £	2024 £
Remuneration	598,949	511,777
Defined benefit pension scheme contributions	90,976	86,516
	689,925	598,293

The Authority made defined contribution pension scheme contributions for 2 Board members during the year (2024 - 2).

The remuneration of the highest paid Board member totalled £228,534 (2024 - £192,153). The Authority made defined contribution pension scheme contributions for the highest paid Board member of £65,631 (2024 - £61,927).

8 FINANCE INCOME

	2025 £	2024 £
Bank interest receivable	976,574	840,252
Defined benefit pension scheme interest income	-	33,000
Other interest receivable	665	31,433
	977,239	904,685

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2025

9 OTHER FINANCE COSTS

	2025 £	2024 £
Loan Interest	2,896,730	3,003,717
	2,896,730	3,003,717

10 TAXATION

	2025 £	2024 £
Current tax charge		
UK Corporation tax	2,509,519	997,847
Adjustments in respect of prior years	(521,972)	(37,743)
Foreign taxes	17,078	-
	2,004,625	960,104
Deferred tax charge	(30,170)	245,701
Charged to the Consolidated Statement of Comprehensive Income	1,974,455	1,205,805
Factors affecting the tax charge for the year		
Surplus on ordinary activities before taxation	7,878,691	4,957,878
Surplus on ordinary activities before taxation multiplied by the standard rate of UK Corporation Tax of 25.00% (2024 - 25.00%)	1,969,673	1,239,470
Effects of:		
Depreciation of ineligible assets	145,128	324,967
Movements on pension scheme	733,750	(458,250)
Adjustments in respect of prior years	(521,972)	(37,743)
Research and development credit	(375,000)	-
Other adjustments affecting the tax charge	22,876	137,361
	4,782	(33,665)
Current tax	1,974,455	1,205,805

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2025

11 INTANGIBLES

Group and authority

	Software costs £	Patent costs £	Total £
Cost			
At 1 January 2025	-	1,282,107	1,282,107
Additions	853,940	127,622	981,562
Disposals	-	-	-
At 31 December 2025	853,940	1,409,729	2,263,669
Depreciation			
At 1 January 2025	-	135,994	135,994
Charge	16,366	69,378	85,744
Eliminated on disposal	-	-	-
At 31 December 2025	16,366	205,372	221,738
Net book values			
At 31 December 2025	837,574	1,204,357	2,041,931
At 31 December 2024	-	1,146,113	1,146,113

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 2025

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 2025	2,481,503	2,335,207	195,829,284	3,781,541	11,982,014	216,409,549
Additions	10,771	85,909	100,280	333,731	71,533	602,224
Disposals	-	-	-	-	(31,782)	(31,782)
At 31 December 2025	2,492,274	2,421,116	195,929,564	4,115,272	12,021,765	216,979,991
Depreciation						
At 1 January 2025	1,145,041	1,085,499	46,696,459	929,533	8,536,383	58,392,915
Charge	34,504	57,348	6,355,204	304,151	785,387	7,536,594
Eliminated on disposal	-	-	-	-	(31,782)	(31,782)
At 31 December 2025	1,179,545	1,142,847	53,051,663	1,233,684	9,289,988	65,897,727
Net book values						
At 31 December 2025	1,312,729	1,278,269	142,877,901	2,881,588	2,731,777	151,082,264
At 31 December 2024	1,336,462	1,249,708	149,132,825	2,852,008	3,445,631	158,016,634

The land and buildings net book value includes £288,202 (2024 - £254,207) of costs of assets under construction, which have not been depreciated. The launches, navigation & other equipment net book value includes £10,881 (2024 - £777,782) of costs of assets under construction, which have not been depreciated. The capital dredge net book value includes £93,867 (2024 - £nil) of costs of assets under construction, which have not been depreciated.

The capital dredging net book value includes of £5,568,366 (2024 - £5,815,144) 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 2025

13 FIXED ASSET INVESTMENTS

	Investment in subsidiary undertaking £	Total £
Cost		
At 1 January 2025	12,000	12,000
At 31 December 2025	<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 2025 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>(980,800)</u>	<u>(165,713)</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 2025 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>51,132</u>	<u>(23,481)</u>

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2025

14 INVENTORIES

	Group 2025 £	Group 2024 £	Authority 2025 £	Authority 2024 £
Consumable stores	<u>392,216</u>	<u>294,255</u>	<u>392,216</u>	<u>294,255</u>

15 DEBTORS

	Group 2025 £	Group 2024 £	Authority 2025 £	Authority 2024 £
Due within one year				
Trade debtors	3,385,355	2,883,972	3,385,355	2,883,972
Amounts owed by subsidiary undertaking	-	-	250,866	1,079,616
Other debtors	331,999	6,299	331,564	6,299
VAT	1,237,566	275,257	1,237,566	275,257
Prepayments and accrued income	980,772	991,667	980,772	973,367
	<u>5,935,692</u>	<u>4,157,195</u>	<u>6,186,123</u>	<u>5,218,511</u>

16 CASH AT BANK AND IN HAND

	Group 2025 £	Group 2024 £	Authority 2025 £	Authority 2024 £
Cash at bank and in hand	<u>41,952,215</u>	<u>30,816,910</u>	<u>41,868,307</u>	<u>30,680,245</u>

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 £5,188,669 (2024 - £4,718,704) which constitutes the secured surcharge revenue account restricted to its use under the terms of the loan notes.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2025

17 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2025 £	Group 2024 £	Authority 2025 £	Authority 2024 £
Loan notes	3,618,832	3,513,752	3,618,832	3,513,752
Trade creditors	6,557,536	368,271	6,554,935	367,071
Amounts owed to subsidiary undertaking	-	-	182,112	169,420
Other creditors	89,773	786	89,773	786
Corporation tax	794,029	500,010	794,029	500,010
Social security and other taxes	281,737	267,198	281,737	267,198
Accruals, deferred income and other creditors	2,189,572	7,094,599	2,189,572	7,076,299
	13,531,479	11,744,616	13,710,990	11,894,536

18 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2025 £	Group 2024 £	Authority 2025 £	Authority 2024 £
Loan notes	96,404,172	100,023,003	96,404,172	100,023,003
	96,404,172	100,023,003	96,404,172	100,023,003

	Group 2025 £	Group 2024 £	Authority 2025 £	Authority 2024 £
Total value of the loan notes issued	101,154,864	104,769,935	101,154,864	104,769,935
Set up costs offset against the creditor	(1,131,860)	(1,233,180)	(1,131,860)	(1,233,180)
	100,023,004	103,536,755	100,023,004	103,536,755

The loan note balance is stated net of £1,131,860 (2024 - £1,233,180) of set up costs under the effective interest method.

	Group 2025 £	Group 2024 £	Authority 2025 £	Authority 2024 £
Amounts repayable in instalments				
In one year or less	3,716,600	3,615,072	3,716,600	3,615,072
In one to two years	3,820,980	3,716,600	3,820,980	3,716,600
In two to five years	12,116,390	11,785,199	12,116,390	11,785,199
After five years	81,500,894	85,653,064	81,500,894	85,653,064
	101,154,864	104,769,935	101,154,864	104,769,935

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 2025, the infrastructure surcharge revenues set aside for this purpose, in cash, amounted to £5,188,669 (2024 - £4,718,704) (see note 16).

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2025

19 DEFERRED TAXATION

Group and authority

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

	2025 £	2024 £
At 1 January 2025	816,356	570,655
Movement in deferred tax asset in year:		
Income statement	(30,170)	245,701
At 31 December 2025	786,186	816,356

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

	2025 £	2024 £
Accelerated capital allowances	786,186	816,356
Total provision for deferred tax	786,186	816,356

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 2025

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 actuarial assumptions approved by the scheme's trustees. These assumptions differ from the assumptions used under FRS102 to calculate the pension obligations used in the annual accounts. During the year, the Trustee entered into an insurance transaction which covers members' benefits in full. As a result, this has removed future funding and investment risks. As a result, the Authority is expected to no longer need to make any future contributions to the Fund.

The results are based on valuation calculations as at 31 March 2025 using membership data as at that date 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 fund settled the majority of the understated benefits for certain members which were identified in 2024.

Statement of financial position

	2025 £'000s	2024 £'000s
Present value of defined benefit obligation	(39,543)	(40,572)
Fair value of Fund assets	41,811	45,480
Restriction on pension surplus	(2,268)	(4,908)
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

	2025 £'000s	2024 £'000s
Opening net defined benefit liability	-	-
Expense/(income) recognised in the surplus before other comprehensive income	2,935	(33)
Employer contributions	-	(1,800)
Amount recognised in other comprehensive income	(2,935)	1,833
Closing net defined benefit liability	-	-

Expense recognised in surplus before other comprehensive income

	2025 £'000s	2024 £'000s
Interest (income)	-	(33)
Past service cost and settlements	2,935	-
Total expense recognised in statement of total comprehensive income	2,935	(33)

Amounts recognised in other comprehensive income

	2025 £'000s	2024 £'000s
Remeasurements	(43)	(990)
Change in asset limit other than interest	(2,892)	2,823
(Gain)/loss recongised in other comprehensive income	(2,935)	1,833

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2025

Movement in present value of defined benefit obligation

	2025 £'000s	2024 £'000s
Opening defined benefit obligation	40,572	45,936
Experience loss/(gain)	625	(237)
Interest on obligation	2,155	2,023
Actuarial gains	(1,231)	(5,167)
Benefits paid	(2,578)	(1,983)
Closing defined benefit obligation	39,543	40,572

Movement in fair value of plan assets

	2025 £'000s	2024 £'000s
Opening fair value of the Fund assets	45,480	47,931
Interest on Fund assets	2,407	2,146
Actual return less interest on Fund assets	(563)	(4,414)
Contributions by the Authority	-	1,800
Benefits paid	(2,578)	(1,983)
Reduction in value of assets due to settlement	(2,935)	-
Closing fair value of Fund assets	41,811	45,480

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

	2025	2024
Bonds	0.0%	26.5%
Gilts	0.0%	39.0%
Total return fund	0.0%	25.8%
Cash	5.4%	8.7%
Insurance policy	94.6%	0.0%
	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	2025	2024	2023
Retail Prices Index inflation	2.80%	3.10%	3.0% p.a
Consumer Prices Index inflation until 2030	RPI less 1% p.a	RPI less 1% p.a	RPI less 1% p.a
Consumer Prices Index inflation from 2030	RPI less 0.1% p.a	RPI less 0.1% p.a	RPI less 0.1% p.a
Discount rate	5.5% p.a.	5.5% p.a.	4.5% p.a
Pension increases in payment (5% LPI)	2.8% p.a.	3.0% p.a	2.9% p.a
Pension increases in payment (2.5% LPI)	2.0% p.a.	2.2% p.a	2.1% p.a
Life expectancy of male/female aged 63 at balance sheet date	24.4 years	24.0 years	24.1 years
Life expectancy of male/female age 63 in 20 years' time	26.0 years	25.6 years	25.8 years

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2025

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 decreased from £4.9m to £2.3m as a result of the impact of the insurance transaction (see below); lower returns on the Fund's assets than expected by the discount rate; an update to the mortality assumptions to allow for the latest CMI mortality projection model; and higher inflation than anticipated over the year, increasing the value of the pension obligations, partially offset by: an improvement in financial conditions, principally a reduction in the future RPI inflation assumption, reducing the value of the pension obligations; and the impact of reflecting updated membership data combined with the removal of the reserve for this adjustment.

The pension cost of £2,935,000 (2024 - £33,000 credit) is the settlement loss as a result of the insurance transaction executed during the year. The premium paid was £41.6m and the corresponding value of the FRS 102 pension obligation was £38.7m

Defined contribution scheme

The Authority operates a defined contribution pension scheme for its employees. Contributions payable during the year were £2,343,445 (2024 - £2,186,454). There were no outstanding contributions at either 31 December 2024 or 2025.

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 £152,688 (2024 - £447,348).

22 OPERATING LEASE COMMITMENTS

At 31 December 2025 the Authority had future minimum lease payments under non-cancellable operating leases as follows:

	2025 £	2024 £
Expiry date:		
Within 1 year	396,684	326,766
Between 2 to 5 years	1,409,728	1,279,700
After more than 5 years	11,307,584	11,628,112
	13,113,996	13,234,578

Included within the commitment is £12,530,873 (2024 - £12,836,504) 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 2025

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 £1,625,105 (2024 - £1,356,554). This consists of gross wages of £1,304,993 (2024 - £1,053,038) and pension costs of £175,322 (2024 - £178,295) and employer national insurance of £144,790 (2024 - £125,221).

Other related party transactions

During the year the Authority incurred professional membership fees of £779 (2024 - £885) on behalf of key management personnel.

25 Reserves
Group

Brought forward	Income	Expenditure	Designated Expenditure Transfers	Transfers	Gains/(losses)	Total movement	Carried forward
£	£	£	£	£	£	£	£
4,212,739	-	-	(1,583,786)	9,254,217	-	7,670,431	11,883,170
3,593,993	-	-	-	-	-	-	3,593,993
3,621,576	9,845,838	(3,201,998)	(2,883,970)	(3,618,831)	-	141,039	3,762,615
11,428,308	9,845,838	(3,201,998)	(4,467,756)	5,635,386	-	7,811,470	19,239,778
11,279,080	45,085,012	(35,271,165)	2,883,970	(9,254,217)	-	3,443,600	14,722,680
-	-	(2,935,000)	-	-	2,935,000	-	-
11,279,080	45,085,012	(38,206,165)	2,883,970	(9,254,217)	2,935,000	3,443,600	14,722,680
158,016,634	-	(7,536,594)	602,224	-	-	(6,934,370)	151,082,264
1,146,113	-	(85,744)	981,562	-	-	895,818	2,041,931
(100,023,003)	-	-	-	3,618,831	-	3,618,831	(96,404,172)
59,139,744	-	(7,622,338)	1,583,786	3,618,831	-	(2,419,721)	56,720,023
70,418,824	45,085,012	(45,828,503)	4,467,756	(5,635,386)	2,935,000	1,023,879	71,442,703
81,847,132	54,930,850	(49,030,501)	-	-	2,935,000	8,835,349	90,682,481

Authority

Brought forward	Income	Expenditure	Designated Expenditure Transfers	Transfers	Gains/(losses)	Total movement	Carried forward
£	£	£	£	£	£	£	£
4,200,739	-	-	(1,583,786)	9,254,217	-	7,670,431	11,871,170
3,593,993	-	-	-	-	-	-	3,593,993
3,621,576	9,845,838	(3,201,998)	(2,883,970)	(3,618,831)	-	141,039	3,762,615
11,416,308	9,845,838	(3,201,998)	(4,467,756)	5,635,386	-	7,811,470	19,227,778
12,065,811	45,081,720	(36,055,592)	2,883,970	(9,254,217)	-	2,655,881	14,721,692
-	-	(2,935,000)	-	-	2,935,000	-	-
12,065,811	45,081,720	(38,990,592)	2,883,970	(9,254,217)	2,935,000	2,655,881	14,721,692
158,016,634	-	(7,536,594)	602,224	-	-	(6,934,370)	151,082,264
1,146,113	-	(85,744)	981,562	-	-	895,818	2,041,931
12,000	-	-	-	-	-	-	12,000
(100,023,003)	-	-	-	3,618,831	-	3,618,831	(96,404,172)
59,151,744	-	(7,622,338)	1,583,786	3,618,831	-	(2,419,721)	56,732,023
71,217,555	45,081,720	(46,612,930)	4,467,756	(5,635,386)	2,935,000	236,160	71,453,715
82,633,863	54,927,558	(49,814,928)	-	-	2,935,000	8,047,630	90,681,493

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

Overleaf are descriptions of the various headings above.

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.

26 Analysis of net assets between funds

	Designated	Revenue	Fixed assets and loans	Total funds 2025	Total funds 2024
	£	£	£	£	£
Fixed assets	-	-	153,124,195	153,124,195	159,162,747
Current Assets	19,239,778	29,040,345	-	48,280,123	35,268,360
Liabilities	-	(14,317,665)	(96,404,172)	(110,721,837)	(112,583,975)
Total	19,239,778	14,722,680	56,720,023	90,682,481	81,847,132

Authority	Designated	Revenue	Fixed assets and loans	Total funds 2025	Total funds 2024
	£	£	£	£	£
Fixed assets	-	-	153,136,195	153,136,195	159,174,747
Current Assets	19,227,778	29,218,868	-	48,446,646	36,193,011
Liabilities	-	(14,497,176)	(96,404,172)	(110,901,348)	(112,733,895)
Total	19,227,778	14,721,692	56,732,023	90,681,493	82,633,863

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2025

27 Analysis of changes in net debt

	At 1 January 2025	Cashflows	Other non cash changes	At 31 December 2025
Cash and cash equivalents				
Cash at bank and in hand	<u>30,816,910</u>	<u>11,135,305</u>	<u>-</u>	<u>41,952,215</u>
	30,816,910	11,135,305	-	41,952,215
Borrowings				
Loans due within one year	(3,615,072)	3,615,071	(3,618,831)	(3,618,832)
Loans due after one year	<u>(101,154,863)</u>	<u>-</u>	<u>3,618,831</u>	<u>(97,536,032)</u>
	(104,769,935)	3,615,071	-	(101,154,864)
Total	<u><u>(73,953,025)</u></u>	<u><u>14,750,376</u></u>	<u><u>-</u></u>	<u><u>(59,202,649)</u></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 £1,131,860 (2024 - £1,233,180) (see note 18).

The amount due within one year offset against the loan balance is £97,769 (2024 - £101,320). The amount due after one year offset against the loan balance is £1,034,091 (2024 - £1,131,860). The set up fees are the difference between the total of the loan note debt of £101,154,864 (2024 - £104,769,935) and the £100,023,004 (2023 - £103,536,755) recognised on the balance sheet.



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ISSN 2515-0103

www.hha.co.uk