



# 2020





# Contents

<b>04</b>	2020 Financial Highlights
<b>06</b>	Key Financial Performance Indicators
<b>07</b>	Directors and Other Information
<b>12</b>	Chairperson's Statement
<b>18</b>	Chief Executive's Review
<b>26</b>	Directors' Report
<b>34</b>	Independent Auditors' Report
<b>39</b>	Accounting Policies
<b>46</b>	Profit and Loss Account
<b>47</b>	Statement of Comprehensive Income
<b>48</b>	Balance Sheet
<b>49</b>	Statement of Changes in Equity
<b>50</b>	Statement of Cash Flows
<b>51</b>	Notes to the Financial Statements
<b>74</b>	Port Statistics (un-audited)

# 2020 Financial Highlights

04

Turnover

€86.6m

▼ 6.6%



Operating Profit

€44.1m

▼ 0.2%



Profit after Tax

€34.2m

▼ 11.4%



EBITDA

€53.9m

▲ 0%



Capital Expenditure

€59.1m

▼ 24.4%

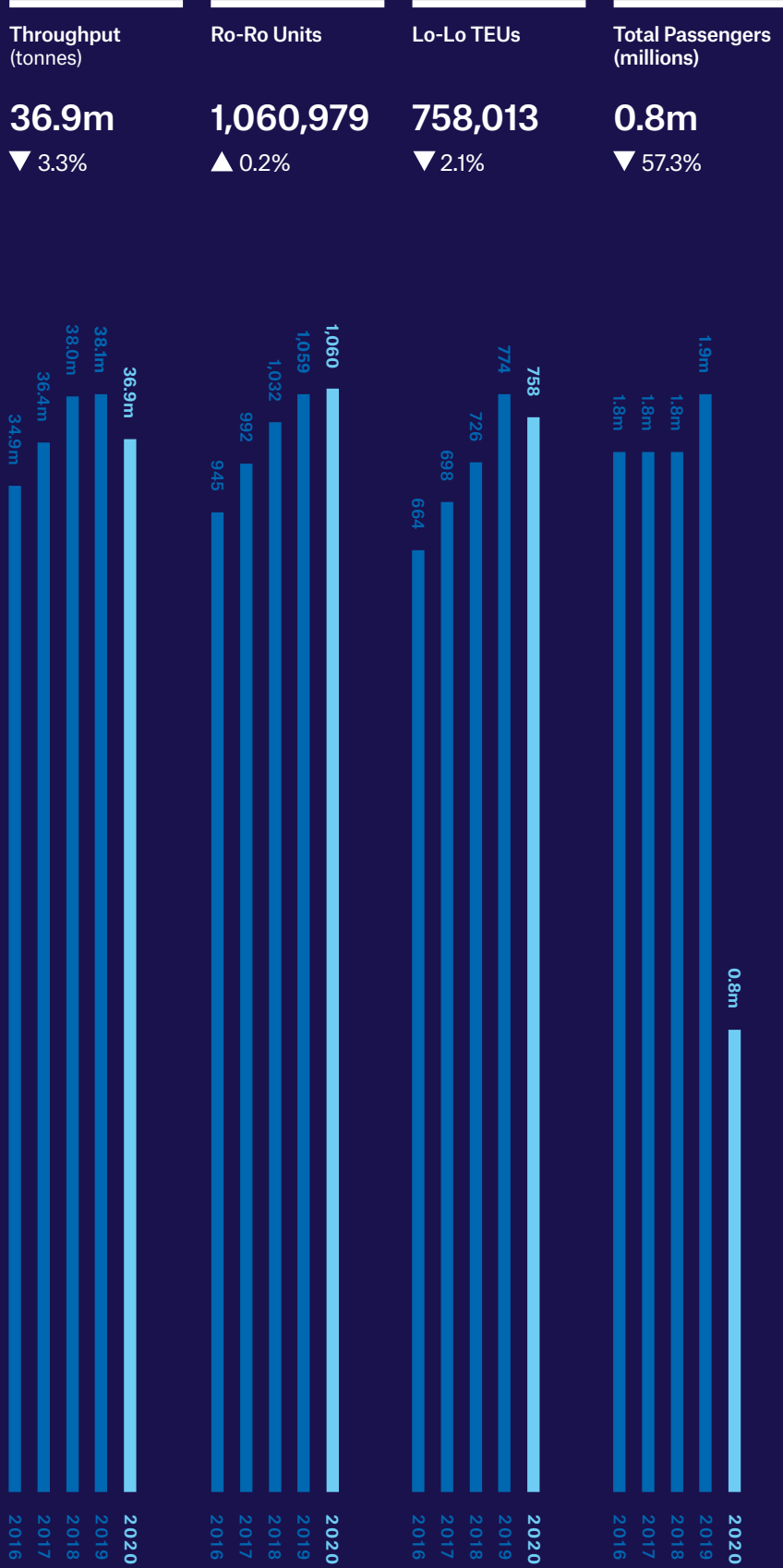


Total Equity

€511.8m

▲ 8.8%





# Key Financial Performance Indicators

06

Dublin Port Company  
Annual Report and Financial Statements 2020

	2020 €'000	2019 €'000
Revenue	86,596	92,723
Revenue growth	(6.6%)	2.6%
Operating Profit	44,150	44,229
Operating Margin (%)	51.0%	47.7%
EBITDA	53,966	53,960
EBITDA Margin (%)	62.3%	58.2%
EBIT	44,150	44,229
EBIT Margin (%)	51.0%	47.7%
Return on Capital Employed (ROCE) (%)	7.4%	8.2%
Net Interest Charges	5,074	679
Interest cover		
- EBITDA basis (times)	10.6	79.5
- EBIT basis (times)	8.7	65.1
Net Debt	(133,293)	(121,388)
Net Debt as a percentage of total equity (%)	(26.0%)	(25.8%)
Net Debt as a percentage of fixed assets (%)	(21.8%)	(21.5%)
Net Debt/EBITDA (times)	2.47	2.25
EBIT	44,150	44,229
Depreciation	11,085	10,318
Amortisation	(564)	(582)
Other Income	(665)	-
Exceptional Items	(40)	(5)
<b>EBITDA</b>	<b>53,966</b>	<b>53,960</b>

**EBIT** - earnings before finance costs and tax

**EBITDA** - earnings before finance costs, tax, depreciation, amortisation, exceptional items and non-exceptional redundancy costs

**Interest cover** - the ratio of EBITDA or EBIT to net interest charges

**ROCE** - the ratio of operating profit to average capital employed

EBITDA (€'000)	EBIT (€'000)	Net Debt (€'000)	Return on Capital Employed (ROCE)	Net Debt/EBITDA (times)
<b>€53,966</b>	<b>€44,150</b>	<b>€133,293</b>	<b>7.4%</b>	<b>2.47</b>
2019: €53,960	2019: €44,229	2019: €121,388	2019: 8.2%	2019: 2.25



# Directors and Other Information



**Jerry Grant**  
Chairperson



**Eamonn O'Reilly**  
Chief Executive



**Michael Brophy**  
Director



**Geoffrey Darling**  
Director



**Michael Hand**  
Director



**Keith Nolan**  
Director



**Michael Sheary**  
Company Secretary &  
Chief Financial Officer

## Secretary and Registered Office

Michael Sheary  
Port Centre  
Alexandra Road  
Dublin 1

Registered Number:  
262367

## Principal Bankers

Bank of Ireland  
2 Burlington Plaza  
Burlington Road  
Dublin 4

European Investment Bank  
98-100 boulevard  
Konrad Adenauer  
L-2950 Luxembourg

Ulster Bank DAC  
Ulster Bank Group Centre  
George's Quay  
Dublin 2

## Auditors

Deloitte Ireland LLP  
Deloitte & Touche House  
Earlsfort Terrace  
Dublin 2

## Solicitors

Beauchamps Solicitors  
Riverside Two  
Sir John Rogerson's Quay  
Dublin 2

## Eversheds

One Earlsfort Centre  
Earlsfort Terrace  
Dublin 2

## Mason Hayes & Curran

South Bank House  
Barrow Street  
Dublin 4

## Actuaries

### Mercer

Charlotte House  
Charlemont Street  
Dublin 2

### **Jerry Grant** **Chairperson**

Jerry Grant was appointed Chairman of Dublin Port Company on 10th December 2020 for a period of 5 years. Jerry is an experienced Non-Executive Director & Strategic Business Advisor, specialising in the Infrastructure and Utilities sectors. He is currently a Director of Sport Ireland, an External Member of the Governing Body of TU Dublin, an External Member of the Audit & Risk Committee at OPW and a Non-Executive Director of Murphy Surveys Ltd. He has set up and chairs Water-Share Ireland, a partnership between GOAL and the Irish Water sector, which is helping to deliver water & sanitation projects in a number of developing countries.

Jerry played a leading role in the establishment of Irish Water as the national water utility, was its first Head of Asset Management from April 2013 to February 2016 and thereafter was Managing Director up to September 2018. Prior to Irish Water, Jerry was Managing Director of RPS in Ireland from 2002 for 10 years, leading a successful infrastructure and environmental consultancy and prior to that was Director of MCOS from the early 1990's, where he led a market leading water sector consultancy business.

Jerry holds a First Class Honours Degree in Civil Engineering and a Diploma in Contract Law & Arbitration from UCD, is a Fellow of Engineers Ireland, Fellow of the Irish Academy of Engineering, is a Member of the Institute of Arbitrators and Member of the Institute of Directors. He was the recipient of the President's Award from the Association of Consulting Engineers of Ireland in 2017 for Services to Engineering in Ireland, received the 2018 Irish Environment Award from the Chartered Institute of Water & Environmental Management (ROI Branch), Outstanding Achievement Award from Institute of Civil Engineers (ROI Branch) and the Civil Engineering Contractor's Association Award for services to the industry.

### **Eamonn O'Reilly** **Chief Executive**

Eamonn O'Reilly was appointed Chief Executive of Dublin Port Company in August 2010 having previously held the position of Chief Executive at Portroe Stevedores, the Dublin Port based cargo handling business, since 2005. Eamonn also held the role of group development manager of Portroe's parent company, Doyle Shipping Group, during that time.

Prior to joining the Doyle Shipping Group, Eamonn was Project Manager for Securicor Ireland and has also worked as a management consultant with KPMG. He served as Chief Executive of Marine Terminals Limited between 1992 and 1996.

Eamonn started his career as an engineer with Irish Cement Limited before working overseas in Egypt, Saudi Arabia and the Congo.

Eamonn is a chartered engineer having graduated from University College Dublin and holds an MBA from Trinity College Dublin. Eamonn is a member of Engineers Ireland, was Chairman of the European Sea Ports Organisation (ESPO) for four years up to November 2020 and is a member of the General Stevedoring Council.

### **Michael Brophy** **Director**

Michael is an expert in environmental management and business with particular experience in assessing organisations against environmental legal compliance and international best practice in environmental mitigation measures and controls.

Highly experienced in the practical implementation of European environmental policy and regulations to achieve compliance, Michael is one of Ireland's leading environmental auditors, with over twenty years' experience in assessing environmental risk and best practice controls across a broad range of public and private sector organisations.

Michael has worked extensively with regulatory bodies with particular expertise in developing and delivering environmental inspection and/or enforcement schemes under various EU Directives and Regulations.

Michael has served as a Director and Board member on various Boards in Ireland, the UK, Italy and Japan and holds an MSc in European Environmental Policy and Regulation and a BSc in Environmental Science.



## **Geoffrey Darling**

### **Director**

Geoff was appointed to the Board by the Minister for Transport, Tourism and Sport in July 2014. A shipping consultant and investor in ships, Geoff has more than 40 years experience within the shipping industry, both at sea and ashore.

Geoff is an advisor to and founding member of a privately held investment group in the shipping industry. The company commercially manage, co-invest in, buy or build ships in various shipping market segments.

As a consultant he advises various clients on commercial and operational aspects within the shipping industry.

Geoff was a founding shareholder/director of an independent ship commercial management company. The company developed into one of the foremost Specialised Reefer Operators. The company was sold in 2005.

His experience covers various shore based management roles within the shipping industry. He is a qualified and experienced Class 1 Master Mariner whose sea experience encompasses 15 years trading worldwide in seagoing ranks including Captain.

## **Michael Hand**

### **Director**

Michael Hand was appointed to the Board of Dublin Port Company in February 2018 for a period of three years and was re-appointed in February 2021 for a further five years. Michael has extensive experience over 40 years as a senior leader in the Consulting Engineering and Construction sectors in Ireland. He has acted as Director and Managing Director of private, public and state companies, including 6 years as CEO and Director of Grangegorman Development Agency. He has a track record in the design and delivery of major strategic infrastructure projects throughout Ireland and is a Non-Executive Director of EirGrid, JB Barry Consulting Engineers and Irish Archaeological Consultancy. He has also worked with distinction as a volunteer and Director in the voluntary community sector.

Michael is highly qualified in Engineering and Business. He holds a Degree in Civil Engineering from NUIG and a Master's in Business Administration from UCD. In 2014, he was conferred with an Honorary Doctorate by TU Dublin (DIT) in recognition of his contribution as an engineer, a public servant and as a servant to his community. He is a Fellow of four professional institutions and is a Chartered Engineer, a Chartered Director and a Chartered Water & Environment Manager.

## **Keith Nolan**

### **Director**

Keith was appointed to the Board of Dublin Port Company in September 2017. Keith joined the Company in 1997 serving in the role of IT programmer. Keith has since progressed to his current role of ICT Operations Manager taking up more responsibilities and enhancing his skills along the way.

Keith has extensive experience with ICT and his 24 years' in the Company has exposed him to every section of the organisation and to all of Dublin Port Company's Operations.

Keith is a long standing member of SIPTU and has been actively involved in a central role on the SIPTU section committee for nearly 20 years.

## **Michael Sheary**

### **Company Secretary & Chief Financial Officer**

Michael Sheary joined the Company in 1982 and served in a number of senior roles including Assistant Financial Controller until his appointment as Company Secretary and Chief Financial Officer in 2001. Since then Michael has overseen the financial, legal and administrative functions of the Company.

Michael qualified as a Chartered Certified Accountant in 1988 and was admitted as a Fellow of the Association of Chartered Certified Accountants in 1996. Michael is a Director of Ringsend Bridge DAC having previously represented Dublin Port Company as a Director of East Link Limited. Michael also acts as a Trustee of Dublin Port Company's Defined Benefit pension scheme.

# PORT









# Chairperson's Statement

“The robust performance in throughput terms was matched by a strong financial performance. While the lower throughput volumes resulted in lower revenue levels, we were in a position to reduce our operating costs such that Operating Profit and EBITDA were maintained at 2019 levels.”

**Jerry Grant, Chairperson**

## Trade and Financial Review

There is certainly no doubt but that 2020 was a difficult if not traumatic year for Ireland – both for society as a whole and for the economy. As the Covid-19 pandemic took hold and the country faced into the first lockdown period in April and May, trade volumes through Dublin Port plummeted. As a result, the Company revised its Budget expectations for 2020 downwards from anticipated volume growth of 4% for the year to a possible decline of 23%.

The importance of Dublin Port to Ireland's open economy and our ability to facilitate trade was particularly evident throughout 2020. Notwithstanding the challenges of Covid-19 and the compounding challenges of Brexit, the volume decline was ultimately far less than feared and throughput for the year amounted to 36.9m tonnes representing a 3.3% decrease on 2019 (38.1m tonnes). Volumes fluctuated unpredictably during the year from quarter to quarter:

- The first quarter of 2020 was slow (4.9%) by comparison to a strong first quarter in 2019 which had been driven by Brexit stockpiling in advance of the original Brexit date of 31st March 2019
- The second quarter of 2020 was very difficult (17.0%) because of the pandemic with very large reductions in volumes in April (26.2%) and May (20.5%)
- However, volumes recovered in the third quarter with growth of +1.1%
- The year ended with a very strong fourth quarter (+7.6%) driven by the second and final round of Brexit stockpiling. Within the fourth quarter, volumes in December alone were ahead by +21.7%

In overall terms the unitised trade (Ro-Ro and Lo-Lo combined) was just 2% lower than in 2019 while the bulk modes were 9.8% lower than the previous year.

Within the bulk modes, bulk solids performed quite strongly recording growth in the year of 7.6% while the bulk liquid sector recorded a decline of 17%. The decline in bulk liquid represents over 62% of the overall decline for the year and reflects the lower level of fuel imports as a result of lower economic activity and in particular the low levels of activity at Dublin Airport.

The robust performance in throughput terms was matched by a strong financial performance. While the lower throughput volumes resulted in lower revenue levels, we were in a position to reduce our operating costs such that Operating Profit and EBITDA were maintained at 2019 levels.

The main highlights in this regard were as follows:

- Turnover decreased by 6.6% from €92.7m to €86.6m
- Operating costs decreased by 11.1% from €48.5m to €43.1m
- Operating Profit maintained at €44.2m
- Earnings before interest, tax, depreciation, and amortisation (EBITDA) maintained at €53.9m
- Profit for the Financial Year decreased by 11.4% from €38.6m to €34.2m

## Masterplan 2040 – Reviewed 2018

Dublin Port Company's raison d'être is to provide the port infrastructure needed to facilitate international trade in goods. With this in mind the Board is focussed on ensuring the timely delivery of port capacity to meet the economic needs of the country over the long term.

The Company's Masterplan 2040 – *Reviewed 2018* presents a vision for the future development of the Port and critically examines how the existing land use at Dublin Port can be optimised.

The Masterplan has been prepared by DPC in order to:

- Plan for future sustainable growth and changes in facilitating seaborne trade in goods and passenger movements to and from Ireland and the Dublin region in particular,
- Provide an overall context for future investment decisions,
- Reflect and provide for current national and regional policies, local guidelines and initiatives,
- Ensure there is harmony and synergy between the plans for the Port and those for the Dublin Docklands Area, Dublin City and neighbouring counties within the Greater Dublin Area,
- Give certainty to customers about how the Port will develop in the future to meet their requirements.

The Masterplan, which was prepared following extensive engagement with stakeholders, also outlines how DPC will work to better integrate the Port with the City and people of Dublin.



### Alexandra Basin Redevelopment Project

During 2020 we continued to progress implementation of the first of the three Strategic Infrastructure Development (SID) projects needed to deliver the full vision of the Masterplan – the Alexandra Basin Redevelopment (ABR) Project.

In addition to providing additional cargo handling capacity, the ABR Project contributes to the future proofing of port facilities through the accommodation of larger sized vessels both in terms of length and draft of vessels.

The developments include the deepening and extension of existing quay walls, the provision of a new 250 metres long Ro-Ro jetty together with two new Ro-Ro berths within the inner basin, infill of the basin at berths 52/53, the construction of a new river berth and dredging of the navigational channel to a depth of 10m below chart datum.

During the year, the Company decided not to progress with the redevelopment of North Wall Quay Extension as part of the ABR Project to provide berths for the largest cruise ships following a public consultation process which culminated in the publication of the Cruise Consultation report in April 2020.

### MP2 Project

In July 2020, An Bord Pleanála granted a 15 year planning permission for the MP2 Project, the second of the three SIDs required to deliver Masterplan 2040.

This permission will allow the construction of two berths with an overall length of 545 metres for Lo Lo container ships and two berths with a combined length of 572 metres for Ro-Ro ferries. The project will include the redevelopment of one of the existing oil jetties to provide an additional berth for container ships as and when the demand for fossil fuels permanently reduces in response to national climate change policies.

The MP2 Project also provides for the development of a heritage zone overlooking Dublin Bay at the eastern end of Dublin Port as the termination point for the 3.2 kilometre cycle and pedestrian greenway to be built along the northern fringe of the port overlooking the Tolka Estuary. These environmental measures are an integral part of MP2 as approved by An Bord Pleanála. Construction of this greenway will start this year.

Works envisaged under the MP2 Project are currently being planned and construction on the first elements is expected to commence in 2022.

Between the ABR Project, which is under construction, and the MP2 Project, Dublin Port Company has now secured all of the planning permissions required for the major development works planned on the northern side of the Port under Masterplan 2040.

### 3FM Project

The third and final Masterplan Project – the 3FM Project – involves the development of port lands on the Poolbeg Peninsula and the construction of a new bridge across the Liffey to provide a Southern Port Access Route for port-related HGV Traffic. The 3FM Project will also contribute significantly to the provision of public transport and active transport options in the vicinity of Dublin Port and across the Liffey and into the Poolbeg Peninsula. The Company will commence pre-application consultation with An Bord Pleanála for the 3FM Project during 2021.

### Dublin Port Post 2040 Dialogue

While Dublin Port Company continues to develop Dublin Port over the remaining 20 years of its Masterplan, we also need to plan for how, when and where additional port capacity might be provided on the east coast of Ireland by 2040 should growth continue in the coming decades at the levels we have seen over the past 70 years and more.

We know from experience that twenty years is a relatively short period of time in the context of delivering large scale infrastructure projects and it is vital, therefore, that we begin to plan now, so that long-term development of essential port infrastructure can continue to take place in a timely, sustainable fashion.

It is in the context of addressing these long term planning requirements that the Company published a series of seven papers as part of the *Dublin Port Post 2040 Dialogue* during the year to ensure we have early and comprehensive consultation on this nationally important issue. Long-term planning of large infrastructure is very challenging and cannot start too early.

Through the papers, the Company has sought to explain and contextualise the challenges ahead in planning the long-term delivery of port capacity to meet future demand on the east coast of Ireland by 2040, or sooner.

The views expressed in the papers are based on the implicit acceptance of the development path set out in Masterplan 2040 to continue to develop Dublin Port where it is until it reaches its full target capacity of 77 million gross tonnes per annum and to continue to operate this capacity long after 2040.



The concluding paper on “*Options for the greenfield development of additional east coast port capacity*” sets out the nature and scale of the development challenge if the targets of Masterplan 2040 are not attained and if additional capacity is not provided in other east coast ports, assuming current growth projections come to pass.

This would mean building a new port at a greenfield site on the east coast of Ireland ready for operation in just 20 years’ time by 2040. We estimate that a new port, referred to as DP1.5, would cost in the region of €3.9 billion – €4.2 billion to construct (at 2020 prices), assuming the considerable challenges of financing and securing the necessary consents to deliver a project of this magnitude, could even be achieved.

In analysing the issues covered by the papers, the Company has reached six key conclusions:

1. Dublin Port Company must complete all of the projects outlined in Masterplan 2040 to deliver infrastructure with an annual throughput capacity of 77 million gross tonnes by 2040.
2. Critically, this will require planning permission to be secured for the third and final Masterplan Project, known as the 3FM Project.
3. The achievement of a throughput of 77 million gross tonnes per annum by 2040 will require not only the completion of all of the infrastructure projects in Masterplan 2040; it will also require that the efficiency of port operations greatly increases so that port infrastructure is utilised to its maximum. This will require the elimination of systemic inefficiencies in existing supply chain operations.
4. Over the next 20 years, additional capacity at other existing east coast ports will be required so that, as Dublin Port approaches its ultimate capacity, volumes which Dublin cannot handle can be accommodated elsewhere.
5. During these 20 years, Dublin Port Company will need to work on the DP1.5 project so that it can be brought through the planning process and construction started by about 2033 should that become necessary.
6. The projects to provide additional capacity in other ports and the project to construct DP1.5 can only be realised with State support – none of the projects and none of the port companies (including Dublin Port Company) are capable of raising the project finance that would be required.

Underpinning the views expressed in the papers is more than a decade’s worth of knowledge, expertise, scientific and environmental data acquired within the Company through the delivery of major infrastructure projects in Dublin Port.

However, we recognise that alternative viewpoints exist including a long-held view that Dublin Port should be moved from its current location.

The purpose, therefore, of publishing the Dublin Port Post 2040 Dialogue papers is to initiate and facilitate informed discussion and substantive engagement on key questions that require answers at this pivotal moment, namely:

- What level of port capacity will have to be provided to meet future demand on the east coast of Ireland over the next 20 years?
- Where will this additional capacity be provided?
- How will the projects needed to deliver this additional capacity be financed and delivered?

Open to anyone with an interest in the long-term planning and development of both the Port and the City, we have invited those who wish to challenge the Company’s thinking and development path to date to respond and share their thoughts so that informed decisions can be taken on the future development of port infrastructure both in Dublin Port and elsewhere on the east coast compatible with relevant plans and strategies within the national planning hierarchy.

### Conclusion

I would like to thank the management team and all the staff of Dublin Port Company for their continued commitment over the course of what has been a particularly challenging year. The manner in which everybody adapted to the circumstances imposed by Covid-19 has been exemplary. In particular, I would like to thank the CEO, Eamonn O’Reilly and acknowledge his skilled leadership and the professional manner in which he continues to steer the Company.

In what has been a particularly difficult year for the transport sector as a whole, I would like to thank our customers and all our stakeholders for their continued support.

I wish to thank the Minister and the dedicated staff at the Department of Transport for their active engagement with us over the course of 2020.

Finally, I wish to thank my colleagues on the Board for their work over the past year. In particular I would like to acknowledge the contributions of Ms. Lesley Williams and Ms. Helen Collins whose terms of office as Directors have recently concluded.

**Jerry Grant, Chairperson**  
26th March 2021

# PRO









# Chief Executive's Review

“The disruption to trade seen in 2020 is the second instance of a major convulsion in just 13 years, the previous one being the economic collapse in 2008. However, even with the decline of 3.3% in 2020, cargo volumes are still 19.2% ahead of where they were in 2007.”

Eamonn O'Reilly, Chief Executive

## Trade in 2020

After five years of continuous growth up to 2019, volumes declined in 2020 by 3.3% in a year of unprecedented disruption due primarily to the Covid-19 pandemic but also because of the introduction of border controls on trade with GB.

The disruption to trade seen in 2020 is the second instance of a major convulsion in just 13 years, the previous one being the economic collapse in 2008. However, even with the decline of 3.3% in 2020, cargo volumes are still 19.2% ahead of where they were in 2007.

As each year goes by, the proportion of trade accounted for by the unitised modes (Ro-Ro and Lo-Lo combined) increases and in 2020, the unitised modes accounted for 84.1% of the total throughput of 36.9m gross tonnes. In 2007, the equivalent proportion was 78.5%.

During 2020, overall unitised volumes decreased by 0.5% with Ro-Ro ahead by 0.2% and Lo-Lo behind by 2.0%.

Imports of Trade Vehicles declined by one quarter.

By comparison with the unitised modes, there was a significant reduction of 9.8% in non-unitised bulk commodities driven primarily by a decline of 17.0% in Bulk Liquid imports, almost entirely accounted for by petroleum products.

The Bulk Solid mode, which primarily comprises imports of animal feed and cereals and the export of ore concentrates, varies substantially from year to year based on factors such as weather and international commodity markets. In 2020, volumes were 7.6% ahead of the previous year. In the case of exports from Boliden Tara Mines, the new ore loading infrastructure constructed as part of the ABR Project was fully operational during 2020.

The tourism industry was very badly affected by travel restrictions introduced because of Covid-19 and there were large negative effects on passenger volumes during the year.

In the case of passenger volumes on ferries – mostly to GB but also on the growing service to France – passenger numbers were down by 57.3% and tourist vehicle numbers declined by 61.6%. The majority of the 833,000 passengers who travelled on ferries through Dublin Port during 2020 were HGV drivers.

The impact on the cruise sector was even more dramatic and only one small cruise ship called to Dublin Port during the year.

## Imports/Exports

'000 gross tonnes	2020	2019	% change
Imports	21,714	22,858	-5.0%
Exports	15,150	15,280	-0.8%
<b>Total</b>	<b>36,864</b>	<b>38,138</b>	<b>-3.3%</b>

## Unitised Volumes

	2020	2019	% change
Ro-Ro units	1,060,979	1,059,103	0.2%
Lo-Lo units	423,715	432,510	-2.0%
<b>Total units</b>	<b>1,484,894</b>	<b>1,491,613</b>	<b>-0.5%</b>
Lo-Lo TEU	758,013	774,000	-2.1%
Trade vehicles	74,373	98,897	-24.8%

## Non-unitised Volumes

	2020	2019	% change
Bulk Liquid tonnes	3,871	4,662	-17.0%
Bulk Solid tonnes	1,957	1,820	7.6%
Break Bulk	33	17	94.1%
<b>Total non-unitised</b>	<b>5,861</b>	<b>6,499</b>	<b>-9.8%</b>

## Passenger Volumes on Ferries

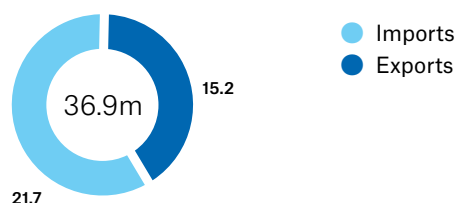
	2020	2019	% change
Ferry passengers	832,816	1,949,229	-57.3%
Tourist vehicles	214,700	559,506	-61.6%

## Cruise Tourism

	2020	2019	% change
Cruise calls	1	158	-99.4%
Passengers & crew	956	323,234	-99.7%
GT	37,049	8,792,405	-99.6%
Avg. GT per ship	37,049	55,648	-33.4%

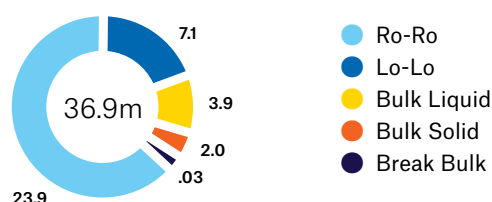
## Imports/Exports 2020

In millions gross tonnes



## Imports/Exports by Mode 2020

In millions gross tonnes





### Financial Performance in 2020

Turnover for the year decreased by €6.1m (6.6%) to €86.6m in 2020 from €92.7m in 2019. This reduction was driven by lower vessel dues as a result of a 7.8% drop in vessel arrivals and lower cargo dues as a result of the 3.3% fall in throughput.

Total operating costs in 2020 decreased by €5.4m (11.1%) to €43.1m from €48.5m the previous year:

- Depreciation costs (net of grant amortisation) were €0.8m higher in 2020 at €10.5m. This reflects the higher fixed asset base resulting from the Company's large capital investment programme.
- Pension costs were €0.1m higher at €2.1m
- Reorganisation costs amounting to €1.1m were €1.8m lower in 2020 compared to 2019.
- Day-to-day operating costs were €4.5m lower at €29.4m compared to €33.9m in 2019. The main drivers for were a reduction in rates (as a result of Dublin City Council's part waiver in response to the Covid-19 pandemic) and lower professional fees following expenditure during 2019 on planning and design costs relating to the MP2 Project and the Odlums Masterplan.

Other operating income of €0.7m in 2020 related to an increase in the valuation of the Company's investment property "P5" located in the Eastpoint Business Park.

Taking the above together, the Company had strong operating profits in 2020 of €44.2m, only 0.2% lower than in 2019.

The taxation charge for the year was €5.4m compared to €6.0m in 2019.

Profit for the Financial Year 2020 was €34.2m compared to €38.6m in 2019 representing a reduction of €4.4m (11.4%).

### Financial Performance 2020

€'000	2020	2019	% change
Turnover	86,596	92,723	-6.6%
Operating Profit	44,150	44,229	-0.2%
PBT	39,689	44,619	-11.1%
PAT	34,251	38,645	-11.4%

### EBITDA

€'000	2020	2019
Operating Profit	44,150	44,229
Depreciation	11,085	10,318
Amortisation	(564)	(582)
Other income	(665)	-
Exceptional Items - profit on disposal of assets	(40)	(5)
<b>EBITDA</b>	<b>53,966</b>	<b>53,960</b>

### Net Debt

€m	2020	2019
Borrowings	293.4	198.6
Cash	160.1	77.3
<b>Net Debt</b>	<b>133.3</b>	<b>121.3</b>

Given the Company's focus on delivering a large debt-financed capital programme, maintaining the level of cash profits as measured by EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) is important. During 2020, EBITDA was €53.9m, almost exactly the same as in 2019.

Return on Capital Employed (ROCE) for 2020 was 7.4% compared to 8.2% in 2019 reflecting the significant investment in fixed assets during the year. The value of the Company's fixed assets at the end of 2020 was €613.1m compared to €564.5m at the end of 2019. The movement for the year came from additions of €59.1m offset by depreciation of €11.1m.

The net debt position at year end is summarised above.

Total borrowings increased by €94.8m to €293.4m. A further €100.0m was drawn down under the €300.0m private placement debt facility with Allianz (bringing total funds drawn under this facility to €200.0m). EIB loan repayments during the year amounted to €5.2m. Cash balances increased by €82.8m resulting in an increase of €12.0m in the Company's net debt position which stood at €133.3m at year end.





### Outlook for 2021

Whereas we have seen many challenges in recent years, the challenges arising as a result of Brexit during the coming year are unprecedented. They are characterised by huge unpredictability and have the potential to fundamentally change the strategic challenges the Company faces.

In both 2019 and 2020, we saw large surges in volumes for the quarter preceding the assumed Brexit date of 31st March 2019 and, subsequently, the actual Brexit date of 31st December 2020.

During 2021, the differential between the border control regimes faced by shippers of goods to and from GB using Dublin Port, and those using ports in Northern Ireland, significantly diminishes Dublin Port's geographical advantages. In addition, the imminent imposition by the UK during 2021 of import border controls on goods being exported on Ro-Ro services from Dublin Port and the reduced attractiveness of the landbridge are similarly combining to Dublin Port's disadvantage.

The net result of Brexit will be to reduce growth in, or even reduce the absolute level of, Ro-Ro freight volumes on routes from Dublin Port to the ports of Holyhead, Liverpool and Heysham. However, the fallout from Brexit is dynamic and unpredictable and it is impossible to forecast the extent of its negative impact on our volumes. It will take most of 2021 to understand these trends and their long-term consequences.

Offsetting this negative effect, we have seen significantly higher growth on the one-third of our unitised volumes (Ro-Ro and Lo-Lo combined) carried on direct services to Continental Europe and expect this trend to continue during 2021.

The different trends in GB volumes and in Continental European volumes will manifest themselves as a higher proportion of unaccompanied units by comparison to accompanied units. This effect, allied to the loss of 14.6 hectares of scarce port lands to State services for border control facilities, reduces the ultimate capacity of the Port and brings forward the date when Dublin Port will reach its ultimate capacity.

Notwithstanding the unpredictability of Brexit, the lack of significant spare capacity in Dublin Port and in other Irish ports means we must continue to invest, simultaneously, in additional infrastructure based on existing planning consents while also bringing plans forward for yet more developments under Masterplan 2040.

In particular, we will, during 2021, commence pre-application consultation with An Bord Pleanála with a view to applying for a 15 year grant of planning permission for the 3FM Project in 2023. Subject to receiving all necessary consents by 2025, this would allow for the completion by 2040 of all of the infrastructure developments works at Dublin Port as set out in Masterplan 2040. We will also progress with development projects in Dublin Inland Port during the year.

More immediately, we will, during 2021, commence design and procurement work on the first phase of works permitted by the MP2 Project planning grant which we received from An Bord Pleanála in July 2020.

In addition to setting the objective of providing the capacity for projected volumes to 2040, Masterplan 2040 sets a smaller but equally important objective of re-integrating Dublin Port with Dublin City. During 2021, we will complete construction work on the Pumphouse Heritage Zone on Alexandra Road, commence work on the 3.2km Tolka Estuary greenway and bring the 1.9km Liffey-Tolka Project through planning. The dual approach of investing in cargo handling capacity and in infrastructure to support leisure, heritage and culture in Dublin Port has been key in reversing the fortunes of the Port over the past decade.

During 2021, capital investment of €83.7m is planned and, over the five years to 2025, investment of €398.0m is projected. Any reduction of our projected volume growth will reduce EBITDA and will impact on the level of capital expenditure possible within the constraints of our debt covenants with lenders. However, Masterplan 2040 and our capital programme are premised on bite-sized investments and allow us not to over-commit capital spend while also being able to defer future investment if required. During 2021, planned capital expenditure will be kept under continual review from a financial risk perspective. We have the comfort of knowing we can do this based on our experiences and actions in response to the Covid-19 pandemic during the past year.

Building additional port infrastructure is essential if the required throughput capacity is to be provided by 2040. However, it is not, of itself, sufficient and we need to ensure that operators use port lands and infrastructure as efficiently as possible. By European standards, Dublin Port's cargo throughput per hectare is already very high. However, by 2040 it needs to double and this will require the digitalisation of all aspects of operations in Dublin Port. To this end, we will create an in-house team within the Company during 2021 to plan, procure and implement the required port community systems to achieve this objective.

The development of Dublin Port under Masterplan 2040 can only be accomplished if planning and transport policies are supportive. During 2021, Dublin City Council will progress with the preparation of the Dublin City Development Plan 2022-2028 and the National Transport Authority will similarly work to update the Transport Strategy for the Greater Dublin Area to cover the period 2022-2042. In addition, National Ports Policy is likely to be reviewed during the year. If Dublin Port is to make the required contribution to national port capacity as a major part of the Irish ports system, it will be essential for all of these important policy, planning and strategic elements to be coherent with each other and both supportive of and facilitatory towards the delivery of all of our planned projects under Masterplan 2040.

Finally, notwithstanding the strong financial performance in 2020 - with EBITDA unchanged at €53.9m - we have a large capital investment requirement at a time when many of our customers are under pressure because of Brexit and Covid-19. We did not proceed with planned price increases on unitised goods during 2020 and will similarly maintain pricing levels for these modes during 2021 at their current level.

Against this background, it will be important during 2021 that we continue to control and, wherever possible, reduce our operating costs as we did in 2020 and, previously, in 2019.

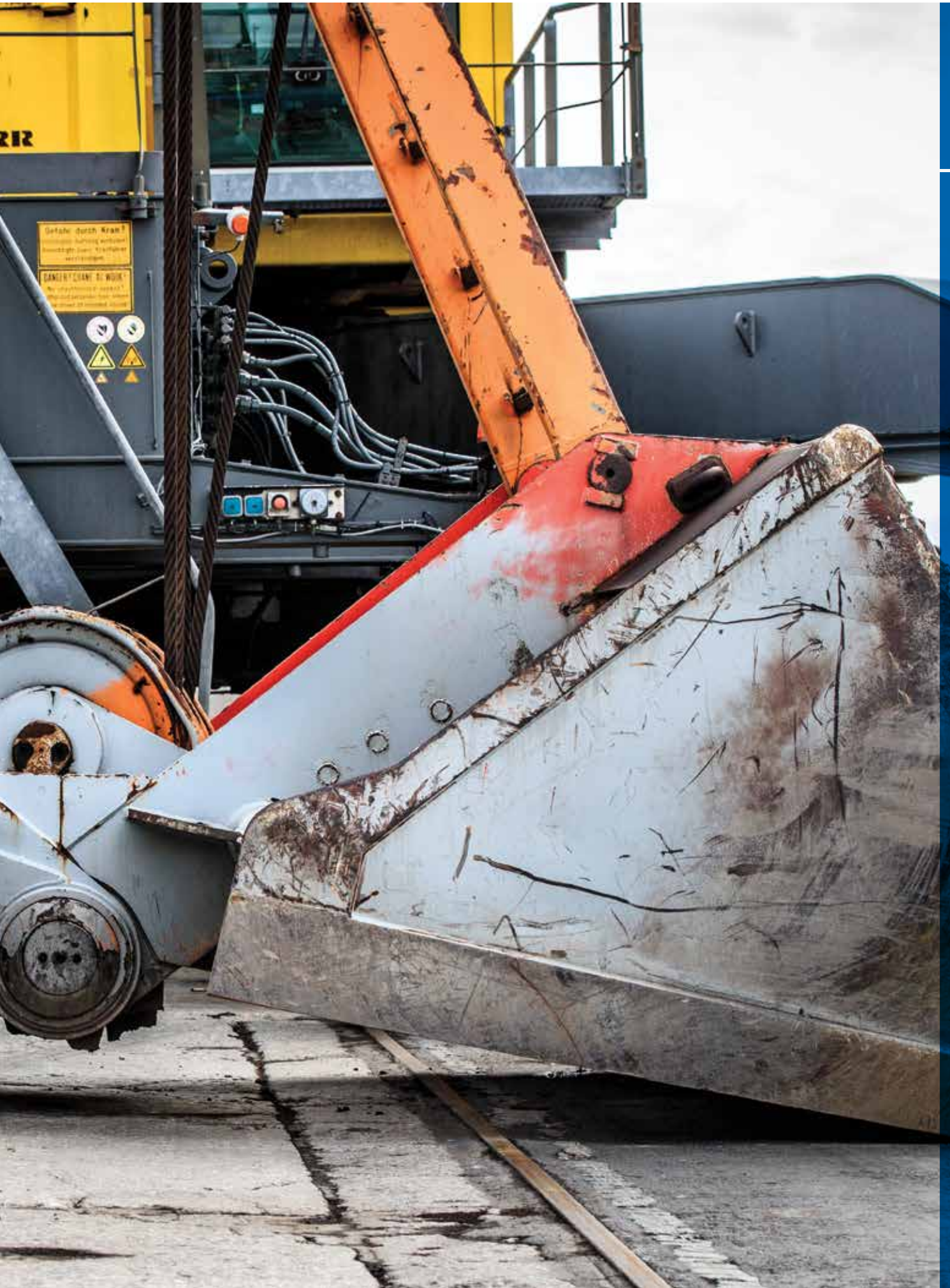
**Eamonn O'Reilly, Chief Executive**  
*26th March 2021*



# DUBLIN







The Directors present their Annual Report together with the audited financial statements of the Company for the financial year ended 31 December 2020.

## Directors' Responsibility for Financial Statements

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with the Companies Act 2014.

Irish company law requires the Directors to prepare financial statements for each financial year. Under the law, the Directors have elected to prepare the financial statements in accordance FRS 102 the *Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council* ("relevant financial reporting framework"). Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date and of the profit or loss of the Company for the financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies for the Company financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the applicable accounting standards, identify those standards, and note the effect and the reasons for any material departures from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

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

## Legal Status

Dublin Port Company is a Designated Activity Company limited by shares established under statute pursuant to the Harbours Act, 1996 and incorporated in Ireland. On 3 March 1997 the Company became the successor entity to Dublin Port & Docks Board, the former statutory entity with responsibility for the Port of Dublin. On that date Dublin Port Company took over the functions and acquired the assets and liabilities of the predecessor organisation at valuations agreed with the then Minister for Communications, Marine and Natural Resources. In consideration for the assets and liabilities, the Company issued share capital in the amount of €7.648m to the then Minister for Communications, Marine and Natural Resources.

With effect from 26 July 1997 the Company became the pilotage authority for Dublin Bay.

Responsibility for the Commercial Port Sector was transferred from the Minister for Communications, Marine and Natural Resources to the Minister for Transport with effect from 1 January 2006.

On 12 July 2011 the Minister for Transport transferred the assets and liabilities of Dundalk Port Company to Dublin Port Company under SI No. 361 of 2011.



### Principal Activities

The business purpose of Dublin Port Company is to facilitate the movement of goods and passengers, and attendant information flows through the Port.

The Company provides the infrastructure, facilities, services and hard standing to meet the needs of customers for the efficient transfer of goods and passengers between land and sea transport modes.

Revenue in connection with the provision of these facilities is generated from vessel dues, goods dues, rent and key services provided, such as towage and pilotage.

### Accounting Records

The measures taken by the Directors to secure compliance with the Company's obligation to keep adequate accounting records are the use of appropriate systems and procedures and employment of competent persons. The accounting records are kept at the Company's registered office, Port Centre, Alexandra Road, Dublin 1.

### Business Review

Details of the profit for the year, together with comparative figures for 2019, are set out in the Profit and Loss Account and the related notes. The Key Financial Performance Indicators of the business are set out below and in the Chief Executive's Review.

Throughput was down on 2019 by 3.3% at 36.9 million tonnes (2019: 38.1 million tonnes). Exports fell by 0.8% in the year to 15.2 million tonnes (2019: 15.3 million tonnes) while imports fell by 5.0% to 21.7 million tonnes (2019: 22.8 million tonnes).

Turnover for the year amounted to €86.6m, a decrease of 6.6% on the previous year (2019: €92.7m).

Total Operating Costs at €43.1m in 2020 have decreased by €5.4m (11.1%) on 2019 (2019: €48.5m). Payroll costs are level with 2019 at €13.0m. Other non-pay costs have fallen by €5.4m mainly arising from re-organisation costs lower by €1.8m and rates lower by €3.6m due to a rates waiver in 2020.

Operating Profit is just 0.2% lower than 2019 at €44.2m resulting in an Operating Margin of 51% (2019: 48%).

Earnings before interest, tax, depreciation, and amortisation (EBITDA) was maintained at €53.9m.

Net financing costs were €4.5m (2019: net financing income of €0.4m). Finance income amounts to €0.6m (2019: €1.1m).

Net Interest charges (excluding net interest on pension schemes) were €5.1m (2019: €0.7m) and the Company's interest cover is 9 times (2019: 65 times) based on Profit before Interest and Taxation over net interest charges. Net Debt increased from €121.3m in 2019 to Net Debt of €133.3m in 2020 and the Company is fully compliant with all covenants in respect of its borrowing facilities.

Profit for the financial year was €34.2m (2019: €38.6m).

The Profit and Loss Reserve increased from €455.1m at 31 December 2019 to €496.5m and Shareholders' Funds increased from €470.4m to €511.8m during the same period.

Throughput of 36.9 million tonnes was achieved in 2020, which was 25.8% ahead of the (revised) budgeted 29.3 million tonnes.

**Principal Risks and Uncertainties**

One of the principal uncertainties facing the Company is whether it will be able to deliver the port capacity required for the future.

In June 2018 the Company published “Dublin Port Masterplan 2040 - Reviewed 2018”, updating the original Masterplan which had been adopted in February 2012. The review included an extensive public consultation process and came to two important conclusions:

- Firstly, where the Masterplan had originally envisaged a return to an eastern expansion of Dublin Port into Dublin Bay, Dublin Port Company is no longer pursuing this as an option.
- Secondly, to meet anticipated capacity requirements Dublin Port needs to be developed on the basis of an average annual volume growth (AAGR) of 3.3% over the 30 years from 2010 to 2040 rather than the 2.5% originally assumed in 2012. As a result the capacity requirement for 2040 increases from 60 million gross tonnes to 77 million gross tonnes.

Masterplan 2040 sets out the planning framework for the three Strategic Infrastructure Development (SID) projects required to deliver the 2040 capacity objective:

- The first SID is the Alexandra Basin Redevelopment (ABR) Project and construction on this project continued during 2020.
- In July 2020, An Bord Pleanála granted a 15 year planning permission for the second of the three SIDs, the MP2 Project. Works envisaged under the MP2 Project are currently being planned and construction on the first elements is expected to commence in 2022.
- We have termed the third and final SID the 3FM Project and have started the first stage of stakeholder and local consultation in advance of commencing formal pre-application consultation with An Bord Pleanála later this year.

There are three principal risks and uncertainties that could prevent the Company achieving the objective of Masterplan 2040 to provide the required annual throughput capacity of 77 million gross tonnes by 2040:

1. It might not be possible to secure planning permission for the 3FM Project.
2. It might not be possible to ensure that the operators of unutilised terminals (both Ro-Ro and Lo-Lo) operate at the high level of land utilisation required.
3. There might not be sufficient port lands available following the loss of 14.6 hectares (6% of Dublin Port’s total land area) to State agencies to facilitate the reintroduction of border controls on trade with GB as a result of Brexit.

A combination of some or all of these risks could cause Dublin Port to reach its maximum throughput capacity as early as 2030. Were this to happen, additional port capacity would be needed at other locations to prevent the emergence of a national port capacity deficit.

The Company also faces uncertainties on the trading side due to downturns in the economy. Covid 19 and Brexit are the latest factors to affect the Company’s throughput and financial performance following the economic collapse in 2008.

In the case of Brexit, there are three significant changes evident in trading patterns in the immediate period following the end of the UK’s transition period:

- Firstly, there has been a decline in volumes with GB partly offset by a significant growth in volumes with Continental European ports
- Secondly, there has been a diversion of landbridge traffic from the Dublin-Holyhead route to new services from Rosslare Harbour direct to ports in France
- Thirdly, there has been a dislocation of volume from Dublin Port to ports in Northern Ireland as a result of the differential in border controls

It will take some months for the uncertainties and risks to the Company's business caused by Brexit to be fully understood.

The Company has ensured that it retains flexibility within the delivery of the capital investment programme envisaged under Masterplan 2040 to advance or delay implementation of projects in response to wider economic developments.

The Company is also exposed to the impact of an economic slowdown on its non-core Port activities. This has been evidenced by the diminution in value of the Company's investment property located in the Eastpoint Business Park from €10.9m in 2001 to €4.2m at the end of 2012. The property was again valued by our property advisors at the end of 2020 resulting in an increase of €0.7m to the prior year valuation of €8.5m. The cumulative diminution in value now stands at €1.7m.

The Company is committed to successfully managing its exposure to risk and to minimising its impact on the achievement of business objectives. The Board has an established Audit and Risk Committee with specific terms of reference reflecting the Committee's role in supporting the Board in managing the Company's exposure to risk.

The Company has put in place a Risk Management Framework comprising of the following components:

- Processes for identifying, prioritising and categorising risks,
- On-going assessment and measurement of risks, and
- Monitoring and reporting of risks to the Audit and Risk Committee as a sub-committee of the Board.

This comprehensive Risk Management Framework has been developed across all aspects of the business and includes the following elements:

1. Enterprise Risk Management
2. Emergency Management Plan
3. ICT Risk Management
4. Common Oil Pipeline Risk Management
5. Capital Projects Risk Management
6. Annual Board Strategy Review

In February 2020 the Board completed a review of the Risk Management Framework and agreed that in order to strengthen the overall management of risk within the Company, the following additional measures will be implemented:

- At each Board meeting, the Chief Risk Officer (the Chief Executive) will present a Strategic Risk Report focussing on specific risks of a strategic nature.
- Each year at the annual Board strategy review (in June/July), the risks reported and discussed at Board meetings during the year will be consolidated into the agenda for the Board strategy review to ensure that short-term business plans take account of these strategic risks.
- Responses to the strategic risks will subsequently be incorporated into the Work Programme presented to Board in September prior to commencement of budget preparation for the year ahead.
- The Board will periodically commission an external review of the effectiveness of the company's overall approach to risk management as required in the Code of Practice. The first such review was carried out from December 2020 to February 2021 and the final report submitted to the Audit & Risk Committee confirmed that Dublin Port Company's approach to risk management is effective at identifying and assessing the key risks facing the Company.

### Risk Appetite

The Company's risk appetite profile varies across different areas and activities of its business:

- The Board is willing to tolerate a moderate level of risk in pursuit of strategic objectives.
- Recognising that there is a trade-off between risk and reward, the Board achieves a balanced risk appetite by taking a prudent approach to ensuring the business is adequately financed, particularly as regards funding infrastructure projects. The Board is not prepared to take risks that would jeopardise key covenants in the Company's debt facility agreements.
- The Board prioritises the safety of passengers, visitors, staff and port workers and its risk appetite in the areas of safety and security is very low.
- The Company takes measures to identify and manage operational risks. There is a low risk appetite in relation to maintaining critical systems and protecting data.
- The Company seeks to ensure that compliance activities meet the requirements of relevant regulations and maintains a low risk appetite for compliance and regulatory issues.

In addition overall business performance risk is managed through the following measures:

- The preparation of an Annual Budget and Five Year Financial Plans,
- Monthly Reporting and Variance Analysis,
- Financial Controls,
- Key Performance Indicators, and
- Detailed Policies, Standards and Guidelines to support the control and mitigation of risks.

### Financial Risk Management

The Company's operations expose it to a variety of financial risks that include interest rate risk, credit risk, and liquidity and cash flow risk. Policies to protect the Company from financial risks are kept under regular review. The Directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the Board. The Policies are set out by the Board of Directors and are implemented by the Company's Finance Department.

### Liquidity and Cash Flow Risk

The Company maintains a mix of short, medium and long term debt finance to ensure sufficient funds are available for planned capital investment. The Company put in place a €50m borrowing facility with Ulster Bank in March 2017 to replace and extend the Company's debt. At the end of 2020 the Company had in place un-drawn committed facilities of €50 million on this facility.

In December 2015 the Company entered into a Finance Contract with the European Investment Bank in respect of a €100m project finance facility. This facility is for a 20 year term was fully drawn at year end 2019.

In December 2019 the Company issued €300m unsecured senior bonds to a range of institutional investors. At 31 December 2020 €200m of bonds had been purchased. There is a commitment in place for the investors to purchase the remaining €100m of bonds, referred as forward purchase bonds, at a specified date in 2021. However, the Company has the option to cancel the commitment to purchase some or all of the forward purchase bonds at no cost.

The Company's policy is to maximise investment return by placing surplus cash balances on low risk cash deposit on a short term basis. The Company has treasury mandates in place with a number of financial institutions for this purpose.

### Credit Risk

The Company is exposed to credit risk in the course of trading and to manage this risk it carries out appropriate credit checks on potential customers and trades only with recognised creditworthy third parties.

### Interest Rate Risk

In order to manage the Company's exposure to significant adverse interest rate movements, the Company has a policy of maintaining a minimum of 60 per cent (2019: 60 per cent) of its debt at fixed interest rates. In order to achieve this objective, the Company has entered into a fixed interest rate agreement with the European Investment Bank on the €100m project finance facility. In 2019 the Company issued €300m unsecured senior bonds at a fixed coupon rate.

### Events since the end of the financial year

There have been no events between the Balance Sheet date and the date on which the financial statements were approved by the Board.

### Future Developments

The Company has a budgeted Capital Investment Programme of €83.7m for 2021. The planned Capital Investment Programme for 2021 includes €51.5m in respect of Masterplan Phase 1 (MP1), €14.9m in respect of the Alexandra Basin Redevelopment project ("ABR") and €10.4m in respect of Dublin Inland Port Development.

### Results and Dividends

The Company's profit for the financial year amounted to €34.2m. The Directors' allocations and recommendations in respect of this amount were as follows:

	2020 €'000	2019 €'000
Interim Dividend of €0.00 (2019: €0.3543) per ordinary share paid	-	4,100
Increase in Profit Retained	34,251	34,545
<b>Profit for the Financial Year</b>	<b>34,251</b>	<b>38,645</b>

The Directors do not propose to declare a final dividend.

### Directors' and Secretary's Interests

The Directors and Secretary had no interest in the share capital of the Company at 31 December 2020 and 2019.

### Prompt Payments Act

It is Company policy to pay suppliers in accordance with the terms of the European Communities (Late Payments in Commercial Transactions) Regulations, 2002 and the Prompt Payments of Accounts Act, 1997.

To this end, the Company's payment routines are designed to provide reasonable assurance against material non-compliance with the terms of the Regulations. The standard credit period is 30 days unless otherwise specified in contractual arrangements. Substantially all payments by number and value were made within the appropriate credit period as required. Consequently, the Directors are satisfied that the Company has complied with the requirements of the Act.

### Directors

The names of the persons who were Directors at any time during the year ended 31 December 2020 are set out below.

- J Grant (*appointed 10th December 2020*)
- E O'Reilly
- M Brophy
- H Collins
- G Darling
- M Hand
- K Nolan
- L Williams (*resigned 31st December 2020*)

### Relations with Shareholders

The Chairperson, Chief Executive and management maintain an on-going dialogue with the Company's shareholders on trading performance, future plans and strategic issues. Certain specified matters require the approval of the Minister for Transport and/or the Minister for Finance and on-going communication with the relevant Minister is maintained through their respective departments. The Chairperson reports to the Minister for Transport as required under Section 28 of the Harbours Act, 1996 and as required under the Code of Practice for the Governance of State Bodies.

### Corporate Governance

Dublin Port Company is committed to maintaining the highest standards of corporate governance and has adopted the principles of corporate governance and the Code of Practice for the Governance of State Bodies issued by the Department of Finance in May 2009. The Code of Practice was updated on 1 September 2016 and the provisions of the updated Code have been applied to the financial reporting period commencing 1 January 2017. The Company also complies with its obligations under the Ethics in Public Office Act, 1995 and the Standards in Public Office Act, 2001.

The majority of Directors are non-executive and are appointed by the Minister. The Board meets formally on a monthly basis and has a formal schedule of matters specifically reserved to it for decision. The Board is responsible for exercising all the powers of the Company, other than those reserved to Shareholders, and has collective responsibility for all the operations of the Company. The Board may delegate such of its powers as it sees fit, to either a Board Committee or the Chief Executive, subject to

whatever restrictions or regulation it imposes with such delegation. Subject to ministerial consent in certain cases, the Board has formally approved the reservation of decisions in relation to certain functions in the areas of Governance, Finance, Procurement, Operations, and Appointments in Human Resources. The Board has access to the advice and services of the Company Secretary and can take independent professional advice as and when deemed necessary.

The Code of Practice for the Governance of State Bodies requires that an annual self-assessment exercise is undertaken by the Board to assess its effectiveness. A self-assessment review was completed by the Board in February 2021 based on the questionnaire contained in the Code of Practice. The Code of Practice requires that an external formal evaluation is undertaken at least on a three yearly basis. The most recent independent review was carried out during the summer of 2019 and reported to Board in September. The results of the 2019 formal evaluation confirmed that the Board is operating effectively and recommended a number of areas for consideration by the Board.

The Board established an Audit Committee in 1997 under formal terms of reference. This Committee was reconstituted in 2012 as the Audit and Risk Committee. The terms of reference set out the purpose, authority and membership of the Committee and its responsibilities in the areas of external financial reporting, external audit, corporate governance and internal audit.

At its meeting on 29th March 2019 the Board confirmed the appointment of Ms. Lesley Williams as Chairperson of the Audit and Risk Committee and Mr. Michael Brophy and Ms. Helen Collins as committee members.

The Audit and Risk Committee met four times during the year. The members of the Committee over the course of the year were Ms Lesley Williams, Mr. Michael Brophy, and Ms. Helen Collins.

The Board also established a Remuneration Committee in 1999. The members of the committee during the year were Mr. Geoffrey Darling, Mr. Michael Hand and Mr. Jerry Grant. The Committee operates under formal terms of reference.

### Attendance at Meetings

There were 10 General Board Meetings during the year ended 31 December 2020.

The attendance of Directors at meetings of the Board was as follows:

	Attended	Eligible to Attend
J Grant	1	1
E O'Reilly	10	10
M Brophy	10	10
H Collins	10	10
G Darling	10	10
M Hand	10	10
K Nolan	10	10
L Williams	10	10

### Audit and Risk Committee

M Brophy	3	4
H Collins	4	4
L Williams	4	4

### Diversity and Inclusion

Dublin Port Company is committed to placing equality, dignity, diversity and non-discrimination at the heart of the Company. We aim to develop policies across all facets of employment that are inclusive and will provide relevant training to all our employees. Dublin Port Company is deeply connected with our community and we aim to reflect the diversity of that community.

### Directors' Expenses

Expenses in the amount of €1,229 have been paid to Board members during the year in respect of travel expenses.

### Internal Controls

The Board has overall responsibility for the Company's systems of internal control. These systems which are maintained by the Company can only provide reasonable but not absolute assurance that transactions are executed in accordance with management's authorisation that assets are safeguarded, that fraud is prevented and that proper financial records are maintained. The Board confirms that it has reviewed the effectiveness of the system of internal control.



To ensure the effective application of the Company's internal controls, the services of qualified personnel have been secured and duties properly allocated among them.

The systems of internal control include the following:

- The process of identifying business risks and the evaluation of their financial implications is carried out through regular reviews of the Company's Strategic Plan. The Company's Risk Management Framework process has been outlined above under the heading of "Principal Risks and Uncertainties". The latest Strategic Plan for the period 2017 to 2021 was formally adopted by the Board in December 2016;
- An annual budget approved by the Board and monthly consideration of actual results compared with budget forecasts;
- An Audit and Risk Committee which has been established to review and discuss, with the internal and external auditors, the Company's internal accounting controls, Internal Audit function, choice of accounting policies, internal and external audit plans, statutory auditors' report, financial reporting and other related matters;
- An Internal Audit function which reviews key business processes and controls;
- Formal codes of conduct for Directors and employees; and
- Procurement policies and procedures. These ensure, firstly, that procurement activities are carried out so as to provide value for money in terms of overall lifecycle costs and, secondly, that all relevant State Guidelines and EU Directives applicable to Public Utilities are complied with. The appropriate requirements of the Department of Public Expenditure and Reform Public Spending Code are being complied with.

The Board, through the Audit and Risk Committee, has reviewed the effectiveness of the system of internal control up to the date of approval of the financial statements.

A review of the effectiveness of the system of internal financial control was undertaken by the Internal Auditor and no significant control weaknesses which pose a significant risk of financial loss or operational disruption, that require immediate attention at Board level, were revealed.

### Compliance statement

The Directors of the Company acknowledge that they are responsible for securing the Company's compliance with its relevant obligations (as defined in the Companies Act 2014 (the "2014 Act")) and, as required by section 225 of the 2014 Act, the Directors confirm that:

- (i) a compliance policy statement setting out the Company's policies with regard to complying with the relevant obligations under the 2014 Act has been prepared;
- (ii) arrangements and structures have been put in place that they consider sufficient to secure material compliance with the Company's relevant obligations; and
- (iii) a review of the arrangements and structures has been conducted during the financial year to which this Directors' report relates.

### Political Donations

The Board made no political donations during the year.

### Disclosure of Information to Auditors

The Directors in office at the date of this report have each confirmed that:

- As far as he/she is aware, there is no relevant audit information of which the Company's statutory auditors are unaware; and
- He/she has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's statutory auditors are aware of that information.

### Statutory Auditors

The auditors, Deloitte Ireland LLP, Chartered Accountants and Statutory Audit firm, continue in office in accordance with section 383(2) of the Companies Act, 2014.

### On Behalf of the Board

**Jerry Grant** Chairperson

**Eamonn O'Reilly** Chief Executive

26th March 2021

# Independent Auditors' Report to the members of Dublin Port Company

## Report on the audit of the financial statements

### Opinion on the financial statements of Dublin Port Company (the 'Company')

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at financial year ended 31 December 2020 and of the profit for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

The financial statements we have audited comprise:

- Summary of Significant Accounting Policies;
- the Profit and Loss Account;
- the Statement of Comprehensive Income;
- the Balance Sheet;
- the Statement of Changes in Equity;
- the Statement of Cash Flows; and
- the related notes 1 to 32

The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council ("the relevant financial reporting framework").

### Basis for opinion

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

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, as applied to SME listed entities, 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.

## Summary of our audit approach

### Key audit matters

The key audit matters that we identified in the current year were:

- Appropriateness of key assumptions used to determine retirement benefit liabilities

Within this report, any new key audit matters are identified with  and any key audit matters which are the same as the prior year identified with .

### Materiality

The materiality that we used in the current year was €1,984,000 which was determined on the basis of a percentage of Profit Before Tax.

### Scoping

An audit was completed of Dublin Port Company.

### Significant changes in our approach

No significant changes in our audit approach.

## Conclusions relating to going concern

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

Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- Review of cash flow forecasts prepared by management;
- Testing clerical accuracy of the cash flow forecasts prepared;
- Assessing the historical accuracy of forecasts prepared by management; and
- Review of financing facilities in place including assessing the nature of facilities, repayment terms and covenants.

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 Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

## Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current financial year and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on; the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Appropriateness of key assumptions used to determine retirement benefit liabilities

#### Key audit matter description

The Company operates a defined benefit pension scheme. The net pension asset as at 31 December 2020 amounted to €56m.

There is a high degree of estimation uncertainty and judgement in the calculation of the pension liabilities, particularly in the determination of appropriate actuarial assumptions in respect of the discount and inflation rates. We have identified the appropriateness of these key assumptions as a key audit matter due to the volatility of the assumptions and the significant impact they have on the calculation of the pension liabilities

*Please also refer to page 43 (Accounting Policy - Defined Benefit Pension Plan), and Note 3 - Critical accounting judgements and estimates.*

#### How the scope of our audit responded to the key audit matter

We obtained an understanding of management's processes and assessed the design and determined the implementation of the relevant controls.

We utilised Deloitte Actuarial Specialists as part of our team to assist us in understanding, evaluating and challenging the appropriateness of the discount and inflation rates.

We made inquiries with both management and the Company's external pension advisors to understand their processes in determining the discount and inflation rates used in calculating retirement benefit liabilities.

We benchmarked the discount and inflation rates used against comparable market and peer data to ensure that they were within appropriate ranges and reasonable given our knowledge of the schemes.

We assessed whether the disclosures made in the financial statements in respect of retirement benefit schemes were in accordance with the relevant accounting standards.

#### Key observations

Based on the evidence obtained, we found that the discount and inflation rates used by management in the actuarial valuations for pension liabilities are within a range we consider reasonable.

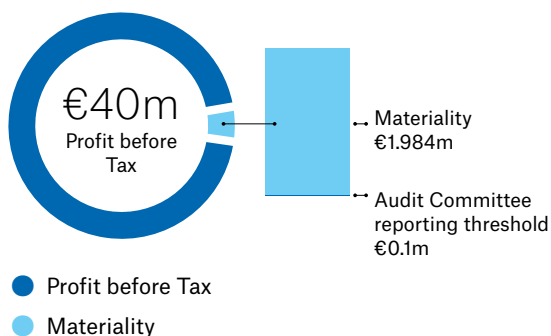
Our audit procedures relating to these matters were designed in the context of our audit of the financial statements as a whole, and not to express an opinion on individual accounts or disclosures. Our opinion on the financial statements is not modified with respect to any of the risks described above, and we do not express an opinion on these individual matters.

#### Our application of materiality

We define materiality as the magnitude of misstatement that makes it probable that the economic decisions of a reasonably knowledgeable person, relying on the financial statements, would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

We determined materiality for the Company to be €1,984,000 which is approximately 5% of Profit Before Tax. We have considered Profit Before Tax to be the critical component for determining materiality due to the significance of this balance for users of the financial statements. We have considered quantitative and qualitative factors such as understanding the entity and its environment, history of misstatements, complexity of the Company and reliability of control environment.

### Application of materiality



We agreed with the Audit & Risk Committee that we would report to them any audit differences in excess of €99,000, as well as differences below that threshold which, in our view, warranted reporting on qualitative grounds. We also report to the Audit & Risk Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

### An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the Company and its environment, including the accounting processes and controls in place and the industry in which the Company operates. Based on this assessment, we identified the risks of material misstatement.

### 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 Directors are 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Responsibilities of Directors

As explained more fully in the Directors' Responsibilities for Financial Statements included in the Directors report, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company 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 (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

For listed entities and public interest entities, the auditor also provides those charged with governance with a statement that the auditor has complied with relevant ethical requirements regarding independence, including the Ethical Standard for Auditors (Ireland) 2016, and communicates with them all relationships and other matters that may reasonably be thought to bear on the auditor's independence, and where applicable, related safeguards.

Where the auditor is required to report on key audit matters, from the matters communicated with those charged with governance, the auditor determines those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. The auditor describes these matters in the auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, the auditor determines that a matter should not be communicated in the auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on other legal and regulatory requirements

#### Opinion on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

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

#### Matters on which we are required to report by exception

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

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of Directors' remuneration and transactions specified by law are not made.

Under the Code of Practice for the Governance of State Bodies (August 2016) (the "Code of Practice"), we are required to report to you if the statement regarding the system of internal financial control required under the Code of Practice as included in the Corporate Governance Statement in the Directors Report does not reflect the Company's compliance with paragraph 1.9(iv) of the Code of Practice or if it is not consistent with the information of which we are aware from our audit work on the financial statements. We have nothing to report in this respect.

### Use of our report

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

#### Sinéad McHugh

For and on behalf of Deloitte Ireland LLP

Chartered Accountants and Statutory Audit Firm  
Deloitte & Touche House,  
Earlsfort Terrace,  
Dublin 2

26th March 2021

The significant accounting policies used in the preparation of the financial statements are set out below. These policies have been consistently applied to all financial years presented, unless otherwise stated. The Company adopted FRS 102 for the first time in the 2015 financial statements.

## Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the measurement of investment properties and certain financial assets and liabilities at fair value through profit or loss.

The preparation of financial statements in conformity with FRS 102 requires the use of certain key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date. It also requires the Directors to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or areas where assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed in note 3.

## Going concern

The financial statements are prepared on the going concern basis of accounting. The Directors have carefully assessed the appropriateness of the use of the going concern basis in the preparation of the financial statements. Following their assessment the Directors report that they have satisfied themselves and consider it appropriate that the Company is a going concern, having adequate resources to continue in operational existence for the foreseeable future. In making this assessment the Directors have considered the existing and anticipated effects of the Covid-19 outbreak on the Company's activities.

## Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for services rendered, net of returns, discounts and rebates allowed by the Company and value added taxes.

The Company recognises revenue when the amount of revenue and costs can be measured reliably; it is probable that future benefits will flow to the entity and when the specific criteria relating to each of the Company's sale channels have been met, as described below.

## Port Dues

Port Dues revenue arises from charges to port users and comprises of goods dues, vessel dues and other key services provided such as towage and pilotage. Goods Dues are charged by reference to a schedule of charges based on Standard International Trade Classifications. Vessel Dues are charged in respect of the arrival of a vessel and rates are based and chargeable on the greater of the net tonnage or half the gross tonnage of a vessel. Towage and Pilotage Services are charged based on usage.

Port Dues revenue is recognised by reference to the date of arrival of the vessel in the Port.

## Rents

Rental income arises mainly from port related rental properties and is recognised by reference to the period to which the rent relates. Rent is charged in accordance with the terms of the rental agreement.

## Other Revenue

Other revenue included in Turnover comprises Licence Fees and income from the Company's integrated Service Station and Truck Park. Revenue is recognised by reference to the period to which the income relates.

## Other Income

The Company also earns interest income and grant income. Each of these revenue streams are accounted for as set out below:

### Interest Income

Interest income is recognised using the effective interest rate method. Interest income is presented as 'interest receivable' in the Profit and Loss account.

### Grant Income

The Company applies the accruals model in the recognition of grant income.

Grants relating to revenue are recognised on a systematic basis over the periods in which the Company recognises the related costs for which the grant is intended to compensate. A grant that becomes receivable as compensation for expenses already incurred with no future related costs is recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred it is recognised as deferred income and not deducted from the carrying amount of the asset.

Grants are not recognised until there is reasonable certainty that:

- (a) the Company will comply with the conditions attaching to them; and
- (b) the grants will be received.

Where a grant becomes repayable it is recognised as a liability when the repayment meets the definition of a liability.

### Tangible fixed assets

#### (i) Cost

Tangible fixed assets are stated at cost at the date of transition to FRS 102, less accumulated depreciation and accumulated impairment losses, except for the Company's investment property which is stated at fair value. Please refer to separate policy on investment property below.

Cost includes the original purchase price, costs directly attributable to bringing the asset to its working location and condition for its intended use, dismantling and restoration costs and borrowing costs capitalised.

Infrastructure assets are those assets characterised by having virtually infinite useful lives and which, in general, were constructed many years ago but are unlikely to be constructed in their existing format today. They include assets such as the North Bull Wall and Great South Wall. Infrastructure assets are carried at a nil valuation and the cost of their upkeep is charged to the Profit and Loss Account.

#### (ii) Depreciation and residual values

Depreciation on assets is calculated, using the straight-line method, to allocate the cost to their residual values over the estimated useful lives as follows:

Buildings, quays, roads and terminals	50 years
Dock structures, dry docks and quays	30-50 years
Capital dredging	30 years
Floating craft	up to 30 years
Cranes	up to 30 years
Plant and machinery	2-30 years

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

#### (iii) Subsequent additions and major components

Subsequent costs, including major inspections, are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the Company and the cost can be measured reliably.

The carrying amount of any replaced component is derecognised. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Repairs, maintenance and minor inspection costs are expensed as incurred.

#### (iv) Assets in the course of construction

Assets in the course of construction are carried at cost. These assets are not depreciated until they are available for use.

#### (v) Derecognition

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss and included in "Profit on disposal of assets".



### **Borrowing costs**

Borrowing costs which are directly attributable to the construction of tangible fixed assets are capitalised as part of the cost of those assets. Capitalisation begins when both finance costs and expenditures for the asset are being incurred and activities that are necessary to get the asset ready for use are in progress. Capitalisation ceases when substantially all the activities that are necessary to get the asset ready for use are complete.

### **Dredging**

Capital dredging, which enhances Port access or infrastructure, is capitalised as part of the related fixed asset and depreciated over its estimated useful life.

### **Investment properties**

The Company measures investment property at its cost on initial recognition. The cost of a purchased investment property comprises its purchase price and any directly attributable costs, such as professional fees for legal services, property transfer taxes and other transaction costs. Costs incurred in undertaking market studies before the purchase of a property are expensed as incurred.

Investment properties whose fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

The Company engaged independent valuation specialists to determine fair value of investment properties at 31 December 2020. The key assumptions used to determine the fair value of investment property are further explained in note 11.

Although the Companies Act would normally require the systematic annual depreciation of fixed assets, the Directors believe that the policy of not providing depreciation is necessary in order for the financial statements to give a true and fair view, since the current value of the investment property, and changes to its value, are of prime importance rather than a calculation of systematic annual depreciation. Depreciation is only one of the many factors reflected in the annual valuation, and the amount, which might otherwise have been included, cannot be separately identified or quantified.

### **Intangible assets**

Computer software is carried at cost less accumulated amortisation and accumulated impairment losses. Software is amortised over its estimated useful life, of 10 years, on a straight-line basis. Software is not considered to have a residual value. Where factors, such as technological advancement or changes in market prices, indicate that the software's useful life has changed, the useful life is amended prospectively to reflect the new circumstances. Intangible fixed assets are reviewed for impairment if there is an indication that the intangible fixed asset may be impaired.

### **Impairment of non-financial assets**

At each Balance Sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is estimated.

The recoverable amount of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is the present value of the future cash flows expected to be derived from continuing use of the asset (or cash-generating unit) and from its ultimate disposal. In measuring value in use pre-tax and interest cash flows are discounted using a pre-tax discount rate that represents the current risk-free market rate and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the Profit and Loss account, unless the asset has been re-valued when the amount is recognised in other Comprehensive Income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior periods.

A reversal of an impairment loss is recognised in the Profit and Loss account, unless the asset is carried at a re-valued amount.

### Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less. Bank deposits which have original maturity dates of more than three months are not cash and cash equivalents and are presented as current asset investments.

### Inventories

Inventories are stated at cost. Inventories are consumable items and are recognised as an expense in the period in which they are used.

Cost includes cost of purchase, and where appropriate, import duties and transportation costs.

At the end of each reporting period, inventories are assessed for impairment. If an item of inventory is impaired, the identified inventory is reduced to its recoverable amount and an impairment charge is recognised in the Profit and Loss account. Where a reversal of the impairment is recognised the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the Profit and Loss account.

### Foreign currencies

#### i) Functional and presentation currency

The Company's functional and presentation currency is the euro, denominated by the symbol "€" and unless otherwise stated, the financial statements have been presented in thousands ('000).

#### ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated to Euro using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and Loss account.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Profit and Loss account within 'interest payable/receivable'. All other foreign exchange gains and losses are presented in the Profit and Loss account within 'administration expenses'.

### Employee benefits

The Company provides a range of benefits to employees, including short term employee benefits such as paid holiday arrangements and post-employment benefits such as defined benefit and defined contribution pension plans and annual bonus arrangements, for certain employees.

#### (i) Short term benefits

Short term benefits, including wages and salaries, holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

The Company operates an annual bonus plan for certain employees. An expense is recognised in the Profit and Loss account when the Company has a present legal or constructive obligation to make payments under the plan as a result of past events and a reliable estimate of the obligation can be made.

#### ii) Post-employment benefits

##### Defined contribution plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

### Defined benefit pension plan

The Company operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan. The liability recognised in the Balance Sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting date less the fair value of the plan assets at the reporting date.

The defined benefit obligation is calculated using the projected unit credit method. Annually the Company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in Euro and that have terms approximating the estimated period of the future payments.

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Company's policy for similarly held assets. For most plan assets this is the quoted price in an active market. Where quoted prices are not available appropriate valuation techniques are used to estimate the fair value.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- (a) the increase in pension benefit liability arising from employee service during the period; and
- (b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as 'other finance cost'.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to Other Comprehensive Income. These amounts together with the return on plan assets, less amounts included in net interest, are presented as 're-measurement of net defined benefit liability' in Other Comprehensive Income.

### Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the Profit and Loss account, except to the extent that it relates to items recognised in other Comprehensive Income or directly in equity. In this case tax is also recognised in other Comprehensive Income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

#### (i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

#### (ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total Comprehensive Income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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

### Exceptional items

The Company's income statement separately identifies exceptional items. Exceptional items are those that in our judgement need to be disclosed separately by virtue of their size, nature or incidence. The Company believes that this presentation provides additional analysis as it highlights exceptional items. Such items include gains on disposal of assets and business restructuring costs to the extent they are significant.

In this regard the determination of 'exceptional items' as included in our definition uses qualitative and quantitative factors. Judgement is used by the Company in assessing the particular items, which by virtue of their size, nature and incidence, are disclosed in the Company income statement and related notes as exceptional items.

### Reclassification

Certain immaterial prior year amounts have been reclassified to align with the current period presentation of those items.

### Financial instruments

The Company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

#### (i) Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and short term deposits, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If, in a subsequent financial year, the amount of an impairment loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognised the previously recognised impairment loss is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of ownership of the

financial asset are transferred to another party or (c) control of the financial asset has been transferred to another party who has the practical ability to unilaterally sell the financial asset to an unrelated third party without imposing additional restrictions.

#### (ii) Financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

These liabilities are subsequently carried at amortised cost, using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. Transactions costs and fees are amortised over the life of the loan.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

#### iii) Derivatives

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The Company does not currently apply hedge accounting for interest rate or foreign exchange derivatives.



**iv) Offsetting**

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

**Provisions and contingencies**

Provisions are liabilities of uncertain timing or amount.

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that a transfer of economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the best estimate of the amount required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are reviewed at the end of each financial year and adjusted to reflect the current best estimate of the amount required to settle the obligation. The unwinding of the discount is recognised as a finance cost in profit or loss, presented as part of 'interest payable and similar charges' in the financial year in which it arises.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

Contingent liabilities, arising as a result of past events, are not recognised as a liability because it is not probable that the company will be required to transfer economic benefits in settlement of the obligation or the amount cannot be reliably measured at the end of the financial year. Possible but uncertain obligations are not recognised as liabilities but are contingent liabilities. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

**Distributions to equity holders**

Dividends and other distributions to Company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the Company's shareholders. These amounts are recognised in the statement of changes in equity. Interim dividends are recognised when paid.

**Share capital**

Ordinary shares are classified as equity and are recognised at the proceeds received. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**Towage accounts**

Towage revenue is direct revenue charged based on usage. Towage costs comprise direct materials, direct labour and an appropriate proportion of relevant overhead costs allocated on the following basis:

Overhead	Basis of apportionment
Rates	Average usage per tug
Insurance	% of towage revenue
Electricity	Average usage per tug
Telecommunications	% of total telecommunications
Administration	% of total cost

**Pilotage accounts**

Pilotage revenue is direct revenue charged based on usage. Pilotage costs comprise direct materials, direct labour and an appropriate proportion of relevant overhead costs allocated on the following basis:

Overhead	Basis of apportionment
Rates	Average usage per pilot boat
Insurance	% of pilotage revenue
Electricity	Average usage
Telecommunications	% of total telecommunications
Administration	% of total cost

# Profit and Loss Account

For the Financial Year ended 31 December 2020

46

	Notes	2020 €'000	2019 €'000
<b>Turnover</b>	5	86,596	92,723
Cost of sales		(31,920)	(32,467)
<b>Gross Profit</b>		<b>54,676</b>	<b>60,256</b>
Administrative expenses		(11,191)	(16,027)
Other operating income	6	665	-
<b>Operating Profit</b>	8	<b>44,150</b>	<b>44,229</b>
Interest receivable and similar income	7	613	1,069
Interest payable and similar charges	7	(5,074)	(679)
Net Finance (Expense)/Income		(4,461)	390
<b>Profit on Ordinary Activities Before Taxation</b>		<b>39,689</b>	<b>44,619</b>
Tax on profit on ordinary activities	10	(5,438)	(5,974)
<b>Profit for the Financial Year</b>		<b>34,251</b>	<b>38,645</b>

Turnover and Operating Profit arose solely from continuing activities.

# Statement of Comprehensive Income

For the Financial Year ended 31 December 2020

	Notes	2020 €'000	2019 €'000
<b>Profit for the Financial Year</b>		<b>34,251</b>	<b>38,645</b>
Re-measurement gain/(loss) recognised on defined benefit obligations	30	8,194	(5,212)
Deferred tax related to re-measurement (gain)/loss on defined benefit obligations	10	(1,024)	651
<b>Other Comprehensive Income/(loss) for the financial year, net of tax</b>		<b>7,170</b>	<b>(4,561)</b>
<b>Total Comprehensive Income for the financial year</b>		<b>41,421</b>	<b>34,084</b>

# Balance Sheet

As at 31 December 2020

48

	Notes	2020 €'000	2019 €'000
<b>Fixed assets</b>			
Tangible assets	11	612,771	564,077
Intangible assets	12	354	380
		<b>613,125</b>	<b>564,457</b>
<b>Current assets</b>			
Development land	13	1,246	1,246
Inventories	14	588	540
Debtors and prepayments	15	20,426	18,401
Cash at bank and in hand		160,137	77,305
Investments	16	55,712	48,044
		<b>238,109</b>	<b>145,536</b>
<b>Creditors – Amounts falling due within one year</b>	17	<b>(17,728)</b>	<b>(14,073)</b>
<b>Net current assets</b>		<b>220,381</b>	<b>131,463</b>
<b>Total assets less current liabilities</b>		<b>833,506</b>	<b>695,920</b>
<b>Creditors – Amounts falling due after one year</b>	18	<b>(306,038)</b>	<b>(211,776)</b>
<b>Provisions for liabilities</b>			
Other provisions for liabilities	21	(15,629)	(13,726)
<b>Net Assets</b>		<b>511,839</b>	<b>470,418</b>
<b>Capital and reserves</b>			
Called up share capital presented as equity	22	14,464	14,464
Capital conversion reserve fund	22	119	119
Profit and loss account		496,538	455,117
Capital contribution	22	718	718
<b>Total equity</b>		<b>511,839</b>	<b>470,418</b>

The financial statements on pages 39 to 72 were authorised for issue by the Board of Directors on 26th March 2021 and signed on its behalf.

## On behalf of the Board

**Jerry Grant** Chairperson  
**Eamonn O'Reilly** Chief Executive

26th March 2021



# Statement of Changes in Equity

For the Financial Year ended 31 December 2020

	Note	Called up share capital €'000	Capital conversion reserve fund €'000	Capital contribution €'000	Profit and loss account €'000	Total €'000
<b>Balance at 1st January 2019</b>	22	<b>14,464</b>	<b>119</b>	<b>718</b>	<b>425,133</b>	<b>440,434</b>
Profit for the year		-	-	-	38,645	38,645
Other Comprehensive Income		-	-	-	(4,561)	(4,561)
Total Comprehensive Income for the year		-	-	-	34,084	34,084
Dividends	9	-	-	-	(4,100)	(4,100)
<b>Balance as at 31st December 2019</b>	22	<b>14,464</b>	<b>119</b>	<b>718</b>	<b>455,117</b>	<b>470,418</b>
<b>Balance at 1st January 2020</b>	22	<b>14,464</b>	<b>119</b>	<b>718</b>	<b>455,117</b>	<b>470,418</b>
Profit for the year		-	-	-	34,251	34,251
Other Comprehensive Income		-	-	-	7,170	7,170
Total Comprehensive Income for the year		-	-	-	41,421	41,421
Dividends	9	-	-	-	-	-
<b>Balance as at 31st December 2020</b>	22	<b>14,464</b>	<b>119</b>	<b>718</b>	<b>496,538</b>	<b>511,839</b>

# Statement of Cash Flows

For the Financial Year ended 31 December 2020

50

Dublin Port Company  
Annual Report and Financial Statements 2020

	Notes	2020 €'000	2019 €'000
<b>Net cash from operating activities</b>	23	51,552	55,809
Taxation paid		(2,893)	(5,707)
<b>Net cash generated from operating activities</b>		<b>48,659</b>	<b>50,102</b>
<b>Cash flows from investing activities</b>			
Purchase of tangible assets		(56,878)	(77,025)
Purchase of intangible assets - software		(61)	(44)
Grants received		-	1,914
Proceeds from disposal of tangible assets		51	5
Interest received		10	-
<b>Net cash used in investing activities</b>		<b>(56,878)</b>	<b>(75,150)</b>
<b>Cash flow from financing activities</b>			
Proceeds from issue of bonds		100,000	100,009
Repayment of term debt facilities		(5,264)	(36,316)
Dividends paid	9	-	(4,100)
Interest paid and similar charges		(3,685)	(494)
<b>Net cash generated from financing activities</b>		<b>91,051</b>	<b>59,099</b>
<b>Net increase in cash at bank and in hand</b>		<b>82,832</b>	<b>34,051</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>77,305</b>	<b>43,254</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>160,137</b>	<b>77,305</b>
<b>Cash and cash equivalents consists of:</b>			
Cash at bank and in hand		160,137	77,305
<b>Cash and cash equivalents</b>		<b>160,137</b>	<b>77,305</b>

## 1. General information

Dublin Port Company provides the infrastructure, facilities, services and hard standing to meet the needs of customers for the efficient transfer of goods and passengers between land and sea transport modes.

Revenue in connection with the provision of these facilities is generated from vessel dues, goods dues, rent and key services provided, such as towage and pilotage.

The Company is incorporated and domiciled in the Republic of Ireland. The address of its registered office is Port Centre, Alexandra Road, Dublin 1.

## 2. Statement of compliance

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with the Companies Act 2014 and Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The financial statements comply with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Companies Act 2014.

## 3. Critical judgments and estimates in applying the Company's accounting policies

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

### (i) 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 and amended where necessary. See note 11 for the carrying amount of the Company's tangible assets and the Accounting Policies for the useful economic lives for each class of assets.

### (ii) Defined benefit pension scheme

The Company has an obligation 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 estimates these factors in determining the net pension obligation in the Balance Sheet. The assumptions reflect historical experience and current trends. See note 30 for the disclosures relating to the defined benefit pension scheme.

## 4. Assets and liabilities acquired on Vesting Day

Under the provisions of the Harbours Act, 1996, the Company took over the functions carried on by the former Dublin Port and Docks Board on 3 March 1997 ("Vesting Day").

The cost to the Company of the assets acquired on Vesting Day was determined by the then Minister for Communications, Marine and Natural Resources. Liabilities (including pensions and capital grants) were taken over at their actual or determined amounts. Pension liabilities (see note 30) include those in respect of pre-Vesting Day pension entitlements of the Company's employees and the current and deferred pensioners of its predecessor entity, Dublin Port and Docks Board.

The assets and functions of the Pilotage Committee, established under the Pilotage Act 1913, were transferred by operation of law to Dublin Port Company in July 1997, under the Harbours Act, 1996 (Commencement) (No. 3) Order 1997.

The consideration for the net assets transferred to the Company was satisfied by the creation and issue of 6.023 million ordinary shares of IR£1 (€1.27) each fully paid. One ordinary share is held by the Minister for Finance and the remainder are held by the Minister for Transport at 31 December 2020.

5. Turnover	2020 €'000	2019 €'000
<b>By class of business</b> (all within Republic of Ireland)		
Port dues	71,467	78,591
Rents	14,377	13,064
Licences	612	680
Other	140	388
	<b>86,596</b>	<b>92,723</b>
<b>6. Other Operating Income</b>		
	2020 €'000	2019 €'000
Revaluation of investment property	665	-
	<b>665</b>	<b>-</b>
<b>7. Finance Income/expense</b>		
	2020 €'000	2019 €'000
(a) Interest payable and similar charges:		
- Interest payable on bank loans	(1,781)	(2,206)
- Interest on Private Placement Bond	(4,803)	(129)
- Other interest payable	(87)	(58)
<b>Total Interest payable</b>	<b>(6,671)</b>	<b>(2,393)</b>
<b>Interest payable capitalised</b>	<b>1,597</b>	<b>1,714</b>
<b>Total Interest payable and similar charges</b>	<b>(5,074)</b>	<b>(679)</b>
b) Interest receivable and similar income:		
- Interest receivable	10	-
- Net finance income on retirement benefits (see note 30)	603	1,069
<b>Total Interest receivable and similar income</b>	<b>613</b>	<b>1,069</b>
<b>c) Net Finance (expense)/income</b>	<b>(4,461)</b>	<b>390</b>



**8. Operating Profit**

	2020 €'000	2019 €'000
Operating Profit has been arrived at after charging/(crediting):		
Depreciation (see note 11)	10,998	10,238
Amortisation of intangible assets (see note 12)	86	80
Amortisation of capital grants (see note 20)	(564)	(582)
Surplus on revaluation of investment properties (see note 6)	665	-
Impairment loss on trade receivables	(120)	(28)
Profit on disposal of tangible assets	(40)	(5)

**Auditors remuneration:**

Remuneration (including expenses) for the statutory audit and other services carried out by the Company's auditors is as follows:

	2020 €'000	2019 €'000
Audit of entity financial statements	55	43
Other assurance services	14	14
Other non-audit services	-	8
Tax advisory services	53	28
	<b>122</b>	<b>93</b>

**External Support and Specialist Advisory Costs**

	2020 €'000	2019 €'000
Legal Advice	531	946
Tax and Financial Advisory	93	124
Public Relations/Marketing	91	241
Pension and Human Resources	474	312
Engineering	304	471
Environmental	418	303
Other	596	1,099

**Total Costs charged to the Profit and Loss Account**

	<b>2,507</b>	<b>3,496</b>
Costs Capitalised	7,168	8,307
Costs charged to the Profit and Loss Account	2,507	3,496
<b>Total Costs</b>	<b>9,675</b>	<b>11,803</b>

**8. Operating Profit (continued)**

<b>Legal Costs and Settlements</b>	<b>2020 €'000</b>	<b>2019 €'000</b>
Settlements Paid	63	68
Settlements Received	(5)	(43)
<b>Total</b>	<b>58</b>	<b>25</b>
<b>Travel and Subsistence Expenditure</b>	<b>2020 €'000</b>	<b>2019 €'000</b>
Domestic		
- Board	-	-
- Employees	8	17
International		
- Board	1	6
- Employees	17	43
<b>Total</b>	<b>26</b>	<b>66</b>
<b>Hospitality Expenditure</b>	<b>2020 €'000</b>	<b>2019 €'000</b>
Staff Hospitality	40	104
Client Hospitality	38	131
<b>Total</b>	<b>78</b>	<b>235</b>

**Towage accounts**

The Port Services Regulation (Regulation 2017/352) was introduced by the European Parliament on 15th February 2017. The Regulation establishes a framework for the provision of port services and common rules on the financial transparency of ports.

A Profit and Loss account in respect of the Company's towage service for the year ended 31 December 2020, together with comparative figures for 2019, is set out below.

	<b>2020 €'000</b>	<b>2019 €'000</b>
Turnover (included in Port Dues turnover – see note 5)	3,701	4,362
Cost of Sales	1,271	1,423
<b>Gross Profit</b>	<b>2,430</b>	<b>2,939</b>
Administrative expenses	1,016	973
<b>Operating Profit</b>	<b>1,414</b>	<b>1,966</b>

**8. Operating Profit (continued)****Pilotage accounts**

A Profit and Loss account in respect of the Company's pilotage service for the year ended 31 December 2020, together with comparative figures for 2019, is set out below.

	2020 €'000	2019 €'000
Turnover (included in Port Dues turnover – see note 5)	3,704	4,486
Cost of Sales	1,945	2,031
<b>Gross Profit</b>	<b>1,759</b>	<b>2,455</b>
Administrative expenses	1,119	1,075
<b>Operating Profit</b>	<b>640</b>	<b>1,380</b>

**9. Dividend Paid**

	2020 €'000	2019 €'000
Interim dividend paid of €0.00 per share (2019: €0.3543 per share)	-	(4,100)

## 10. Taxation

<b>(a) Tax expense included in Profit and Loss</b>	<b>2020</b>	<b>2019</b>
	<b>€'000</b>	<b>€'000</b>
<b>Current tax:</b>		
Based on Port activity profits for the year:		
Corporation Tax at an effective rate of 12.5% (2019:12.5%)	(4,249)	(5,165)
Based on non-Port activity profits		
Corporation Tax at an effective rate of 25% (2019:25%)	(310)	(311)
	<b>(4,559)</b>	<b>(5,476)</b>
Adjustments in respect of prior periods	-	102
<b>Total current tax</b>	<b>(4,559)</b>	<b>(5,374)</b>
<b>Deferred tax:</b>		
Timing differences between pension contributions paid and pensions charged	66	(9)
Timing differences on accelerated Capital Allowances	(945)	(591)
<b>Total deferred tax</b>	<b>(879)</b>	<b>(600)</b>
<b>Total tax charge</b>	<b>(5,438)</b>	<b>(5,974)</b>
<b>(b) Tax expense included in other Comprehensive Income</b>		
<b>Deferred tax</b>		
- Deferred tax related to defined benefit pension re-measurement (gain)/loss	(1,024)	651
<b>Total tax (expense)/income included in other Comprehensive Income</b>	<b>(1,024)</b>	<b>651</b>

**(c) Reconciliation of tax charge**

The total Corporation Tax charge for the financial year is higher (2019: higher) than the total tax charge that would result from applying the standard rate of Irish Corporation Tax to profit on ordinary activities. The differences are explained below:

	<b>2020</b>	<b>2019</b>
	<b>€'000</b>	<b>€'000</b>
<b>Profit on Ordinary Activities Before Tax</b>	<b>39,689</b>	<b>44,619</b>
Profit on ordinary activities multiplied by the average rate of Irish Corporation Tax for the year of 12.5% (2019:12.5%)	(4,961)	(5,577)
Effects of:		
Disallowable expenses	(322)	(343)
Passive income liable to tax at 25%	(155)	(156)
Adjustment to tax charge in respect of prior year	-	102
<b>Total tax charge for the year</b>	<b>(5,438)</b>	<b>(5,974)</b>



## 11. Tangible Assets

	Land and Buildings	Terminals	Dock Structures, Dry Docks and Quays	Floating Craft	Cranes	Plant and Machinery	Investment Property	CIP	Total
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
<b>Cost or valuation</b>									
At 1 January 2020	146,584	211,421	171,268	16,868	3,540	28,716	8,500	149,250	736,147
Additions during year	103	771	7,207	2,142	-	918	-	47,898	59,039
Disposals	-	-	-	-	-	(76)	-	-	(76)
Transfer from CIP	10,192	-	7,558	2,303	-	-	-	(20,053)	-
Revaluation of IP	-	-	-	-	-	-	665	-	665
<b>At 31 December 2020</b>	<b>156,879</b>	<b>212,192</b>	<b>186,033</b>	<b>21,313</b>	<b>3,540</b>	<b>29,558</b>	<b>9,165</b>	<b>177,095</b>	<b>795,775</b>
<b>Accumulated Depreciation</b>									
At 1 January 2020	22,135	89,966	34,625	5,790	3,378	16,176	-	-	172,070
Charge for year	2,268	2,867	3,750	751	8	1,354	-	-	10,998
Disposals	-	-	-	-	-	(65)	-	-	(65)
<b>At 31 December 2020</b>	<b>24,403</b>	<b>92,833</b>	<b>38,375</b>	<b>6,541</b>	<b>3,386</b>	<b>17,465</b>	<b>-</b>	<b>-</b>	<b>183,004</b>
<b>Net Book Amounts</b>									
At 1 January 2020	124,449	121,455	136,643	11,078	162	12,540	8,500	149,250	564,077
<b>At 31 December 2020</b>	<b>132,476</b>	<b>119,359</b>	<b>147,658</b>	<b>14,772</b>	<b>153</b>	<b>12,093</b>	<b>9,165</b>	<b>177,095</b>	<b>612,771</b>

The cost to the Company of assets acquired on Vesting Day, 3 March 1997, under the Harbours Act, 1996 was determined by the then Minister for Communications, Marine and Natural Resources in consideration for shares issued.

Costs of fixed assets includes cumulative interest capitalised of €4.8m (2019:€3.2m).

In 2020 €40,000 (2019: €5,000) profit on disposal of tangible assets was recognised.

The investment property represents a 50% interest in freehold property and has been independently valued by Lisney as at 31 December 2020 on an open market valuation basis. The valuation represented the valuer's opinion of market value at 31 December 2020 and has been prepared in accordance with the RICS Valuation – Global Standards (incorporating the International Valuation Standards) published July 2017 by the Royal Institution of Chartered Surveyors. The valuer noted that values are subject to changes on account of market adjustments and other factors, and that values in the future may therefore be higher or lower than at the valuation date. A revaluation surplus of €0.7m arose in 2020 (2019: €Nil). Any surpluses arising on this revaluation are credited to the other operating income line of the Profit and Loss account.

**12. Intangible assets**

	2020 €'000
<b>Cost or valuation</b>	
At 1 January	1,615
Additions during year	61
<b>At 31 December</b>	<b>1,676</b>
<b>Accumulated Amortisation</b>	
At 1 January	1,235
Charge for year	86
<b>At 31 December</b>	<b>1,322</b>
<b>Net Book Amounts</b>	
At 1 January	380
<b>At 31 December</b>	<b>354</b>

Intangible assets comprise externally developed computer software which is amortised over their estimated useful lives using the straight-line method. Amortisation commences when the asset is ready for its intended use.

**13. Development Land**

The Company entered into a Development Agreement dated 6th July 1999 with Earlsfort East Point and Eastpoint (Development) Two Ltd. ("the Developer"), for a development comprising approximately 14 acres of land adjoining the East Point Business Park Development Phase I.

At 31 December 2020, a receivable of €1.246m remains outstanding relating to the final three sites of land (comprising approximately 6 acres of land) which are subject to this arrangement. The Directors are satisfied that the carrying value of this land is fully recoverable at 31 December 2020.

In addition to consideration for the land sold, the Company is also entitled to further consideration calculated based on a share of the net profits realised on the sale of the developed properties by Eastpoint (Development) Two Ltd.

The consideration under this agreement will be recognised in the financial statements in the period when it is realised by Dublin Port Company. No consideration was recognised during the year (2019: NIL).

The Company is currently engaged in discussions with the developer with a view to finalising the timeframe for receipt of both the consideration in respect of land and any further consideration to be received on the ultimate sale of the relevant properties.

**14. Inventories**

	2020 €'000	2019 €'000
Consumable items	588	540

Inventory comprises consumable items, spare parts and stores used in the maintenance of plant. There was no material difference between the replacement cost of inventory and the above book amount.

Inventories are stated after provisions for impairment of €5k (2019: €Nil).

**15. Debtors – Amounts falling due within one year**

	2020 €'000	2019 €'000
Trade debtors	15,095	13,712
VAT	692	585
Contributions receivable from pension scheme	2,704	2,361
Corporation Tax	-	1,244
Other receivables	1,935	499
	<b>20,426</b>	<b>18,401</b>

Trade debtors are stated after provisions for impairment of €162k (2019: €42k).

**16. Investments**

	2020 €'000	2019 €'000
Defined benefit pension asset ( <i>see note 30</i> )	55,712	48,044
	<b>55,712</b>	<b>48,044</b>

**17. Creditors – Amounts falling due within one year**

	2020 €'000	2019 €'000
Trade creditors	2,331	1,955
Accruals	13,627	10,379
Deferred income – grants ( <i>see note 20</i> )	490	580
Professional Services Withholding Tax/Relevant Contracts Tax	272	309
Income tax deducted under PAYE	440	710
Corporation Tax	422	-
Pay related social insurance	146	140
	<b>17,728</b>	<b>14,073</b>
Creditors for taxation and social welfare included above	<b>1,280</b>	<b>1,159</b>

Trade and other creditors are payable at various dates in the next three months in accordance with the suppliers' usual and customary credit terms.

Tax and social insurance are repayable at various dates over the coming months in accordance with the applicable statutory provisions.

**18. Creditors – Amounts falling due after one year**

	2020 €'000	2019 €'000
Deferred income – grants (see note 20)	12,608	13,083
Bank Loans (see note 19)	293,430	198,693
	<b>306,038</b>	<b>211,776</b>

**19. Borrowings and Other Debt**

	2020 €'000	2019 €'000
Total borrowings	293,430	198,693
	<b>293,430</b>	<b>198,581</b>
These loans are repayable in the following periods after the year end:		
In more than five years	293,430	198,693
	<b>293,430</b>	<b>198,693</b>
Long-term bank borrowings	93,421	98,684
Private placement borrowings	200,009	100,009
	<b>293,430</b>	<b>198,693</b>

**Current bank borrowings:**

The Company has put in place an agreement with Ulster Bank DAC, amounting to a €50m revolving credit facility. This facility was for an initial five year term with an option to extend for two one year periods, subject to bank approval. The Company exercised its option during 2019 to extend the facility which is now due for repayment in full in March 2024. This facility was un-drawn at the year-end (2019: €NIL).

The rate of interest on the loan is variable based on EURIBOR and the applicable margin. There is no tangible security held by Ulster Bank on this facility.

**Long-term bank borrowings:**

In December 2015 the Company entered into a Finance Contract with the European Investment Bank in respect of a €100m project finance facility. This facility is for a 20 year term of which was fully drawn down at year end. The balance outstanding at 31 December 2020 was €93.4m (2019: €98.68m).

**Private Placement borrowings:**

In December 2019 the Company issued €300m unsecured senior bonds to a range of institutional investors. These fixed rate bonds are issued in Euro currency and are listed on the Global Exchange Market of Euronext Dublin. The maturity date of the bonds is September 2049. At 31 December 2020 €200m of bonds had been purchased. There is a commitment in place for the investors to purchase the remaining €100m of bonds, referred as forward purchase bonds, at a specified date in 2021. However, the Company has the option to cancel the commitment to purchase some or all of the forward purchase bonds at no cost.

In addition, the Company issued an amount of unlisted notes to a subset of investors for a nominal price. Unlisted notes offer an alternative mechanism for investors to subscribe for the remaining bonds (instead of purchasing forward purchase bonds). At 31 December 2020 €9,000 had been received by the Company in relation to the purchase of unlisted notes.

The private placement debt and other facilities have conditions which require the Company to maintain certain covenants. At 31 December 2020 the Company is fully in compliance with all covenant requirements.



**20. Deferred Income**

	2020 €'000	2019 €'000
<b>Grants and contributions to fixed assets</b>		
Opening Balance	13,663	12,330
Received during the year	-	1,915
Amortised to Profit and Loss Account during the year	(564)	(582)
<b>Closing Balance</b>	<b>13,099</b>	<b>13,663</b>
Creditors – amounts falling due within one year (see note 17)	490	580
Creditors – amounts falling due after one year (see note 18)	12,609	13,083
	<b>13,099</b>	<b>13,663</b>

Capital grants received from various authorities in respect of capital expenditure incurred are recorded as deferred income and released to the Profit and Loss Account over the expected useful lives of the relevant assets.

**21. Provisions for Liabilities**

The Company had the following deferred tax liabilities during the year:

	2020 €'000	2019 €'000
At 1 January	(13,726)	(13,777)
Additions dealt with in profit and loss	(879)	(600)
Additions dealt with in other comprehensive income	(1,024)	651
<b>At 31 December</b>	<b>(15,629)</b>	<b>(13,726)</b>
	<b>2020 €'000</b>	<b>2019 €'000</b>
Presented as:		
Deferred tax liabilities within provisions for liabilities	<b>(15,629)</b>	<b>(13,726)</b>
	<b>2020 €'000</b>	<b>2019 €'000</b>
The provision for deferred tax consists of the following deferred tax assets/(liabilities):		
Defined Benefit pension scheme	(6,964)	(6,006)
Other timing differences	44	44
Accelerated capital allowances	(8,709)	(7,764)
	<b>(15,629)</b>	<b>(13,726)</b>

Deferred tax assets of €0.3m (2019: €0.3m) were not recognised in respect of capital losses on the basis that there is no likelihood of recovering the benefit from these tax losses.

**22. Share Capital and Reserves**

	2020 €'000	2019 €'000
<b>Authorised</b>		
96.5m ordinary shares of €1.25 each	<b>120,625</b>	<b>120,625</b>
<b>Allotted, called up and fully paid – presented as equity</b>		
11.571m ordinary shares of €1.25 each	<b>14,464</b>	<b>14,464</b>

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital. All shares carry equal voting rights and rank dividends to the extent to which the total amount on each share is paid up.

**Reserves**

The opening balance, closing balance and movements in each reserve are outlined in the Statement of Changes in Equity. A description of each reserve is outlined below.

**Called-up share capital**

The authorised share capital of the Company comprises ordinary shares.

**Capital conversion reserve fund**

The ordinary shares of the Company were re-nominalised from €1.269738 each to €1.25 each in 2001 and the amount by which the issued share capital of the Company was reduced was transferred to a fund known as the Capital Conversion Reserve Fund.

	2020 €'000	2019 €'000
Capital conversion reserve fund	119	119

**Capital contribution**

On 12 July 2011, as permitted by the Harbours Acts, 1996 to 2009, the Minister for Transport, Tourism and Sport ordered that the functions of Dundalk Port Company be transferred to the Company. The assets and liabilities taken on by the Company as a result of this Ministerial Order have been recorded at their fair values at that date. A corresponding amount has been recognised as a Capital Contribution in Shareholders' Funds reflecting that the assets received and liabilities assumed are considered to be a contribution from the Company's principal shareholder.

	2020 €'000	2019 €'000
Capital contribution	718	718

**23. Note to the statement of cash flow**

	Notes	2020 €'000	2019 €'000
<b>Profit for the financial year</b>		<b>34,251</b>	<b>38,645</b>
Tax on profit on ordinary activities	10	5,438	5,974
Net Finance expense/(income)	7	4,461	(390)
<b>Operating Profit</b>		<b>44,150</b>	<b>44,229</b>
Amortisation of capital grants	20	(564)	(582)
Depreciation of tangible assets	11	10,998	10,238
Amortisation of intangible assets	12	86	80
Revaluation of investment property	11	(665)	-
Profit on disposal of assets		(40)	(5)
Increase in inventories		(48)	(38)
Decrease/(Increase) in debtors		(3,318)	78
(Decrease)/Increase in creditors		(176)	815
Change in relation to pension provision		1,129	994
<b>Net cash inflow from operating activities</b>		<b>51,552</b>	<b>55,809</b>

**24. Commitments**

At 31 December, the Company had the following capital commitments:

	2020 €'000	2019 €'000
<b>Future capital expenditure not provided for</b>		
Contracted for	59,676	55,445
Authorised by the Directors but not contracted for	-	29,388
	<b>59,676</b>	<b>84,833</b>

**25. Lessor Operating Leases**

Total operating minimum lease payments receivable under non-cancellable operating leases are as follows:

	2020 €'000	2019 €'000
<b>Land</b>		
One year	11,615	10,535
Two to five years	39,377	34,154
Greater than five years	285,729	281,729
	<b>336,721</b>	<b>326,418</b>

The Company earned €14.4m (2019: €13.1m) in rental income for the year. The above amounts represent future rental income receivable over the life or up to the first break clause of the operating lease agreements in place as at 31 December 2020.

**26. Financial Instruments**

The Company has the following financial instruments:

	2020 €'000	2019 €'000
Financial assets that are debt instruments measured at amortised cost:		
Trade debtors	15,095	13,712
Other debtors	1,935	499
	<b>17,030</b>	<b>14,211</b>
Cash at bank and in hand	<b>160,137</b>	<b>77,305</b>
Financial liabilities measured at amortised cost:		
Bank loans	293,430	198,693
Trade creditors	2,331	1,955
Other creditors	13,627	10,379
	<b>309,388</b>	<b>211,027</b>

**27. Directors' Remuneration**

	2020 €'000	2019 €'000
Emoluments	409	402
Contributions to retirement benefit schemes		
- Defined benefit	75	178

Retirement benefits are accruing to two Directors (2019: two Directors) under defined benefit schemes.

The Directors do not participate in any long term incentive schemes nor do they have any equity interests in the Company. There were no payments during the year (2019: NIL) in respect of compensation for loss of office or other termination payments.



**27. Directors' Remuneration (continued):**

Included in the above is the remuneration package of the Chief Executive made up as follows:

	2020 €'000	2019 €'000
Director's Fees	13	13
Salary	185	185
Other Benefits including Pension Costs and Taxable Benefits	61	161
	<b>259</b>	<b>359</b>

<b>Directors' Fees</b>	<b>2020 €'000</b>	<b>2019 €'000</b>
L McCaffrey	-	21,215
E O'Reilly	12,600	12,600
M Brophy	12,600	11,547
H Collins	12,600	12,600
G Darling	12,600	12,600
M Hand	12,600	12,600
K Nolan *	12,600	12,600
L Williams	12,600	11,547
	<b>88,200</b>	<b>107,309</b>

\*In Addition to the Directors' fees, Mr. Nolan was paid as an employee of Dublin Port Company.

**Key management compensation**

The compensation paid or payable to key management is shown below:

	2020 €'000	2019 €'000
Salaries and other short term benefits	1,744	1,779
Post-employment benefits	264	377
<b>Total key management compensation</b>	<b>2,008</b>	<b>2,156</b>

The key management compensation amounts disclosed represents compensation to those people having the authority and responsibility for planning, directing and controlling the activities of the Company. The key management personnel include Board Members and members of the executive management team. The amounts stated above are inclusive of employer's PRSI.

**28. Employees**

	2020 €'000	2019 €'000
Staff costs comprise:		
Wages and salaries	11,942	12,008
Allowances	410	371
Overtime	464	410
Social insurance costs	1,246	1,230
Other pension costs - Defined Benefit Schemes (see note 30)	1,233	1,204
Other pension costs - Defined Contribution Scheme (see note 30)	848	762
	<b>16,143</b>	<b>15,985</b>

Of the total staff costs €1,085,000 (2019: €1,046,000) has been capitalised into tangible fixed assets and €15,058,000 (2019: €14,939,000) has been treated as an expense in the Profit and Loss account.

The average number of persons employed by the Company during the year was 154 (2019: 162).

**Short-term employee benefits**

€	2020 No. of Employees in Band	2019 No. of Employees in Band
50,000 – 74,999	51	61
75,000 – 99,999	49	46
100,000 – 124,999	23	16
125,000 – 149,999	12	5
150,000 – 174,999	3	4
175,000 – 199,999	4	3

Short-term employee benefits in relation to services rendered during the reporting period include salary, overtime, allowances and other payments, but exclude employer's PRSI.

**29. Related Party Transactions**

In accordance with FRS102 the Company is exempt from disclosure of transactions with other state owned entities.

As noted in note 1, one ordinary share is held by the Minister for Finance and the remainder are held by the Minister for Transport at 31 December 2020.

No Board member, who would be regarded as a related party, or members of key management staff have undertaken any material transactions with the Company during the year.

As noted in note 15, there is €2.7m due to the Company from the pension funds (2019: €2.4m).

### 30. Post-employment benefits

The Company operates four defined benefit pension schemes and a defined contribution pension scheme. On 1 January 2005 the defined benefit schemes were closed to new entrants.

#### Defined Contribution Scheme

Employees joining the Company after 1 January 2005 are members of the defined contribution scheme. Contributions are paid by the members and by the Company at fixed rates. During the year the Company contributed €848k (2019: €762k) to the defined contribution scheme and this amount was charged to the Profit and Loss account. Irish Pensions Trust Limited, an independent professional trustee Company, is the sole trustee of the defined contribution scheme.

#### Defined Benefit Schemes

- a) The Company operates four defined benefit pension schemes based on final pensionable salaries for eligible employees, including employees and former employees of Dundalk Port Company and the Company's predecessor entity, Dublin Port & Docks Board.

The four schemes are administered by trustees. The schemes are "The Dublin Port Superannuation Fund 1996", "The Dublin Port Company Pilots Superannuation Fund", "The Dublin Port Company Chief Executive Retirement Benefits Scheme" and "The Dublin Port Company Pension Scheme for Former Employees of Dundalk Port Company".

The Company and scheme members appoint the trustees of the Dublin Port Superannuation Fund 1996. The most recent member trustee election for the Dublin Port Superannuation fund 1996 was held in 2017 and the appointment of four candidates was ratified by the Board at its meeting on 8 December 2017. In addition to the four member trustees, the Company also appointed a further four trustees.

Irish Pensions Trust Limited, an independent professional trustee Company, is the sole trustee of the other three Schemes.

There are no unfunded schemes in place as at 31 December 2020.

#### b) Actuarial Valuation

The funding position of the four defined benefit schemes is assessed in accordance with the advice of independent actuaries. The funding position is formally assessed at three yearly intervals.

The Company intends to make regular contributions to the four schemes in accordance with the recommendations set out by the actuaries in the relevant actuarial reports for each scheme.

The most recent applicable actuarial valuation reports for the main defined benefit schemes is being prepared with an effective date of 1 January 2021. The reports is being completed by Mercer, who are neither officers nor employees of the Company. The valuation reports at 1 January 2021 will be available for inspection by scheme members but not for public inspection.

#### Funding Standard valuation basis (unaudited information)

The four defined benefit schemes are required to meet the minimum Funding Standard (FS) in accordance with Section 44 of the Pensions Act, 1990 (as amended). The FS, in general terms, measures whether accumulated assets cover liabilities accrued to members, assuming the schemes were wound up at the valuation date. The assumptions on which the FS liability is determined are prescribed in legislation and actuarial guidance. The most recently completed actuarial funding certificates for the main defined benefit schemes were submitted to the Pensions Authority with an effective date of 31 December 2018 and confirmed that the schemes satisfied the FS at that date.

Following the actuarial review at 1 January 2021, it was found that four defined benefit schemes would have met the FS as at 1 January 2021. Overall assets of the schemes were €285.5m and overall liabilities under the FS were €203.9, resulting in an aggregate surplus of €81.6m on the FS basis.

**30. Post-employment benefits (continued)****Long-term valuation basis (unaudited information)**

The Company's intention is to continue to provide funding in accordance with the actuary's recommendation to ensure that the schemes continue to operate and provide for pension payments in the long term future.

The valuations at 1 January 2018 for such funding purposes were prepared using an actuarial valuation method known as the "attained age" method. The principal actuarial assumptions adopted in the valuation were that the annual rate of return on investments before retirement would be 1.00% per annum, the annual rate of return on investments after retirement would be 1.00% per annum, the increase in salaries would be 2.50% for 2018-2022 and 3.0% per annum thereafter; the increase in pensions in payment would be 1.75% per annum. Under this valuation method at 1 January 2018, overall assets were €281.8m and overall accrued liabilities were €264.9m. This resulted in an aggregate surplus of €16.9m and a funding ratio (assets: liabilities) as at 1 January 2018 of 106%.

A formal actuarial valuation is currently in progress and will be finalised over the coming months. Current best estimates indicate that liabilities will be in the range of between €269.3m and €275.3m. Overall assets of the fund are €285.5m resulting in an aggregate surplus of between €16.2m and €10.2m or a funding ratio of between 106% and 104%.

The next formal valuations will be prepared at 1 January 2024.

**c) FRS 102 – Section 28 – "Employee Benefits"**

The defined benefit obligations of the Company have been valued by independent actuaries for the purposes of section 28 of FRS 102 based on data provided for an actuarial valuation of the schemes as at 31 December 2020. As required by section 28 of FRS 102 the valuation was prepared using an actuarial valuation method known as the "projected unit credit" method. As the schemes are closed to new entrants, the schemes have an age profile that is rising and therefore under the projected unit method the current service cost will increase as members of the scheme approach retirement.

**Financial Assumptions**

The main financial assumptions to calculate the benefit obligations (liabilities) under section 28 of FRS 102 at the Balance Sheet date were:

	31 December 2020	31 December 2019
Rate of interest applied to discount benefit obligations	0.95%	1.25%
Projected rate of increase of salaries	0% for 2021, 2.5% for 2022-2023, 3% thereafter	2.5% for 2020-2022, 3% thereafter
Projected rate of increase of pensions in payment	1.35%	1.50%
Rate of increase of pensions in deferment	1.35%	1.50%
CPI Inflation	1.35%	1.50%

The discount rate used in the calculation of the pension liability is determined by reference to market yields at the Balance Sheet date on high quality corporate bonds. The currency and term of the corporate bonds is consistent with the currency and estimated term of the benefit obligations. Having regard to the duration of the scheme benefit obligations, a discount rate of 0.95% was adopted at 31 December 2020.

**30. Post-employment benefits (continued)****Demographic Assumptions:**

The assumptions relating to the life expectancy at retirement for members is set out below:

	2020		2019	
	Male Years	Female Years	Male Years	Female Years
Current members age 40 (life expectancy at age 65)	24.9	26.8	24.7	26.5
Current pensioners age 65 (life expectancy at age 65)	22.7	24.5	22.5	24.4

**Scheme Assets:**

The investment allocations of assets at the Balance Sheet date were:

Asset Class	Proportion of Scheme assets at 31 December 2020	Proportion of Scheme assets at 31 December 2019
Bonds	91.12%	91.23%
Property	0.00%	0.03%
Other	8.88%	8.74%
	<b>100.0%</b>	<b>100.0%</b>

Under FRS102, the expected return on assets is set equal to the discount rate.

The fair value of the assets in the pension schemes at the Balance Sheet date were:

	Fair value at 31 December 2020 €'000	Fair value at 31 December 2019 €'000
Bonds	260,101	256,854
Property	-	90
Other	25,362	24,591
<b>Total Fair value of Assets</b>	<b>285,463</b>	<b>281,535</b>

The amounts recognised in the statement of financial position are as follows:

	31 December 2020 €'000	31 December 2019 €'000
Fair value of scheme assets	285,463	281,535
Defined benefit obligation	(229,751)	(233,491)
<b>Defined benefit asset</b>	<b>55,712</b>	<b>48,044</b>
<b>Presented in financial statements as follows:</b>		
Investments – surplus on funded schemes (see note 16)	<b>55,712</b>	<b>48,044</b>



**30. Post-employment benefits (continued)****Analysis of the amounts included in the Profit and Loss Account:**

	2020 €'000	2019 €'000
<b>Cost (excluding interest)</b>		
Current service cost	(1,233)	(1,204)
<b>Net interest cost</b>		
Interest income on scheme assets	3,458	5,394
Interest on pension scheme benefit obligations	(2,855)	(4,325)
Net interest income	603	1,069
	<b>(630)</b>	<b>(135)</b>

The Profit and Loss charge includes the following credit/ (cost) due to changes in plan provisions:

**Analysis of the re-measurements amounts recognised in other Comprehensive Income:**

	2020 €'000	2019 €'000
Return on plan assets (excluding interest income)	10,268	10,863
Effect of experience adjustments	2,495	1,565
Effect of changes in assumptions	(4,569)	(17,640)
<b>Total re-measurements included in other Comprehensive Income</b>	<b>8,194</b>	<b>(5,212)</b>

**30. Post-employment benefits (continued)****Movement in scheme assets and benefit obligations**

	Assets €'000	Benefit obligations €'000	Net surplus €'000
At 31 December 2018	274,124	(220,943)	53,181
Current service cost	-	(1,204)	(1,204)
Past service credit	-	-	-
Interest on scheme benefit obligations	-	(4,325)	(4,325)
Interest income on scheme assets	5,394	-	5,394
Return on scheme assets (excluding interest income)	10,863	-	10,863
Re-measurement due to experience adjustments	-	1,565	1,565
Re-measurement due to change in assumptions	-	(17,640)	(17,640)
Members' contributions	304	(304)	-
Benefits paid from scheme	(9,360)	9,360	-
Employer contributions	210	-	210
<b>As at 31 December 2019</b>	<b>281,535</b>	<b>(233,491)</b>	<b>48,044</b>

**Movement in scheme assets and benefit obligations**

	Assets €'000	Benefit obligations €'000	Net surplus €'000
At 31 December 2019	281,535	(233,491)	48,044
Current service cost	-	(1,233)	(1,233)
Past service credit	-	-	-
Interest on scheme benefit obligations	-	(2,855)	(2,855)
Interest income on scheme assets	3,458	-	3,458
Return on scheme assets (excluding interest income)	10,268	-	10,268
Re-measurement due to experience adjustments	-	2,495	2,495
Re-measurement due to change in assumptions	-	(4,569)	(4,569)
Members' contributions	271	(271)	-
Benefits paid from scheme	(10,173)	10,173	-
Employer contributions	104	-	104
<b>As at 31 December 2020</b>	<b>285,463</b>	<b>(229,751)</b>	<b>55,712</b>

The employer expects to contribute €0.1 million to the pension schemes in 2021.

**30. Post-employment benefits (continued)****Sensitivity Analysis of Scheme Benefit obligations:**

The sensitivity of the defined benefit obligation to changes in the mortality assumptions is set out below:

	2020 Existing Assumption	2020 -1 Year	2020 +1 Year
Current Male Member age 40 (Life Expectancy at age 65)	24.9	24.0	25.8
Current Male Pensioner age 65 (Life Expectancy at age 65)	22.6	21.8	23.5
Benefit obligations (€'000)	229,751	220,991	238,491
Change in benefit obligations (€'000)		8,760	(8,740)
% Change (as % of original)		3.8%	(3.8%)

The sensitivity of the defined benefit obligation to changes in the discount rate is set out below:

	2020 Existing Assumption	2020 -0.25%	2020 +0.25%
Discount Rate	0.95%	0.70%	1.20%
Benefit obligations (€'000)	229,751	238,454	221,589
Change in benefit obligations (€'000)		(8,703)	8,162
% Change (as % of original)		(3.8%)	3.6%

**31. Events after the reporting date**

There have been no events between the Balance Sheet date and the date on which the financial statements were approved by the Board, which would require adjustment to the financial statements or any additional disclosures.

**32. Approval of the Financial Statements**

The Directors approved the financial statements on 26th March 2021.



## Port Statistics (un-audited)

The financial statements cover the year ended 31 December 2020 together with comparative figures for 2019.

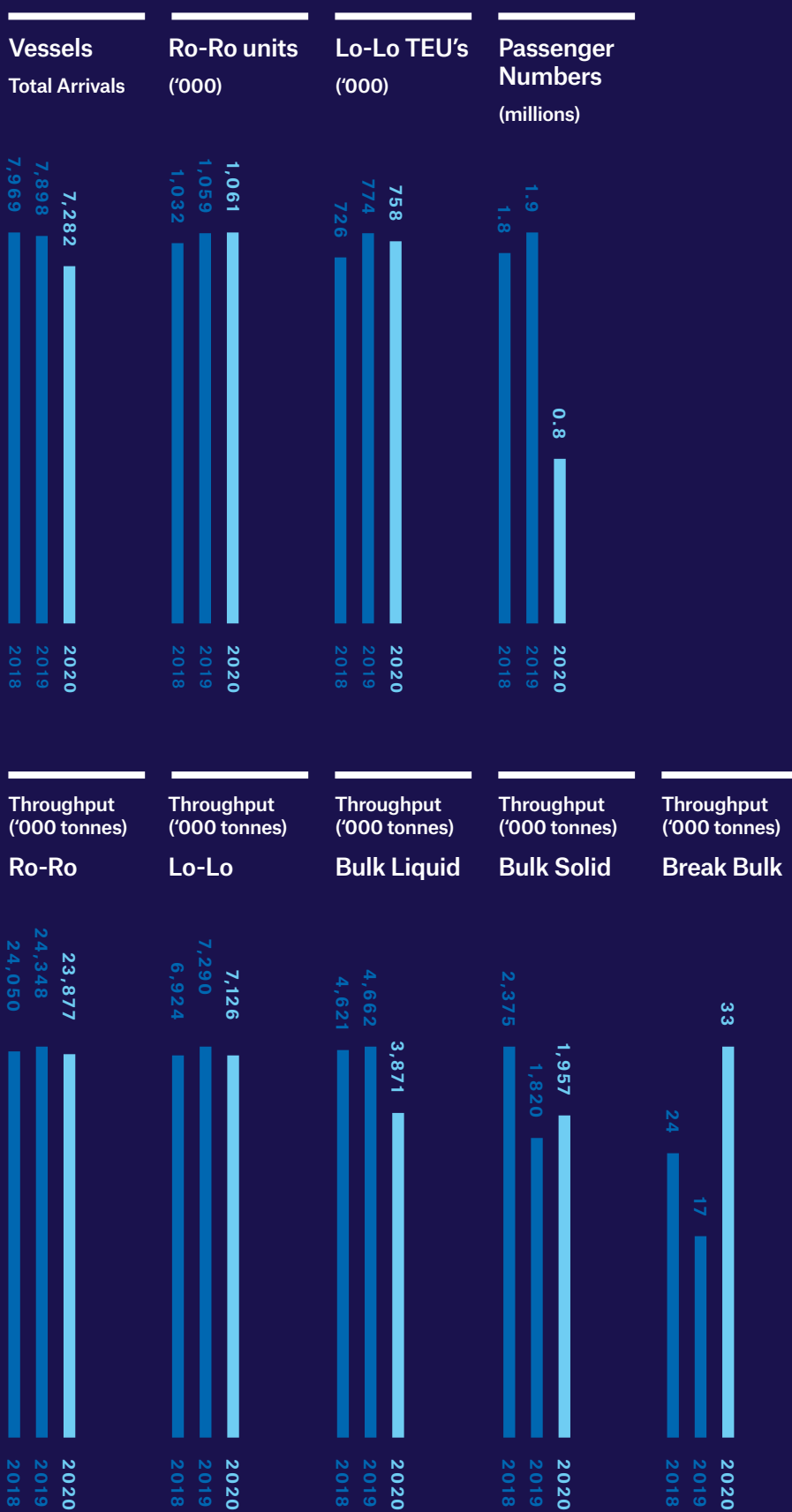
For comparison purposes, the un-audited statistics reproduced below cover trade for Dublin Port Company for the calendar years 2018 – 2020.

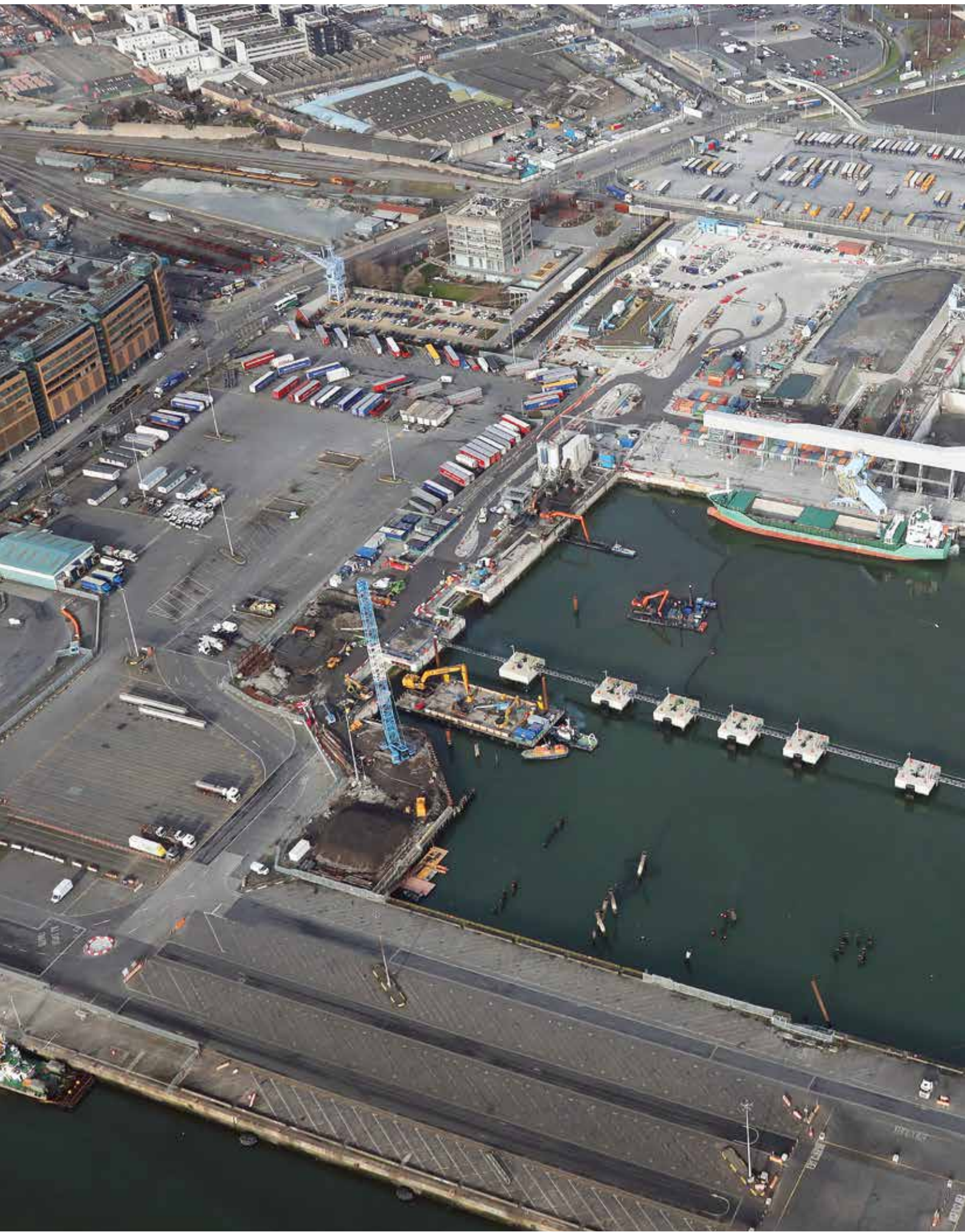
<b>Vessel Arrivals</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>Total</b>	<b>7,282</b>	<b>7,898</b>	<b>7,969</b>

<b>Throughput</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Ro-Ro	23,877	24,348	24,050
Lo-Lo	7,126	7,290	6,924
Bulk Liquid	3,871	4,662	4,621
Bulk Solid	1,957	1,820	2,375
Break Bulk	33	17	24
<b>Total ('000 tonnes)</b>	<b>36,864</b>	<b>38,138</b>	<b>37,994</b>

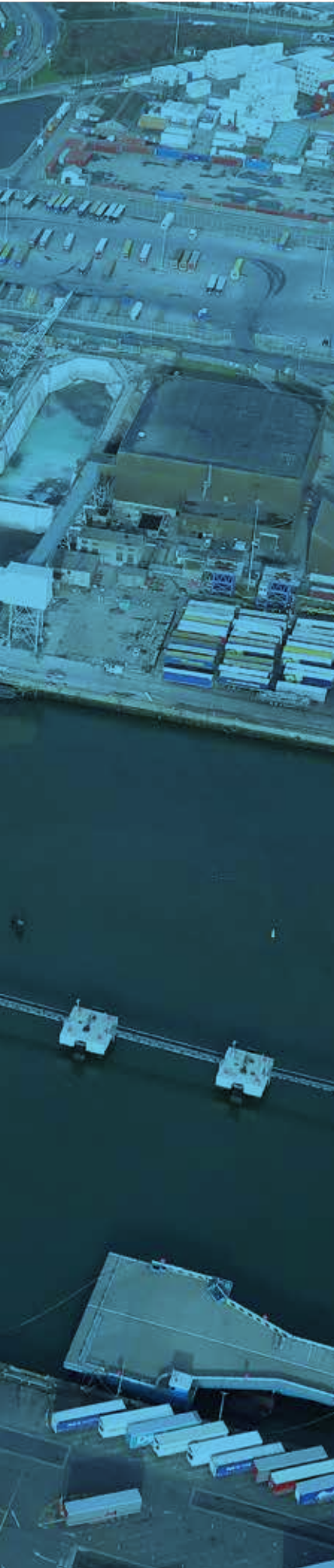
	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>Ro-Ro units ('000)</b>	<b>1,061</b>	<b>1,059</b>	<b>1,032</b>
<b>Lo-Lo TEU's ('000)</b>	<b>758</b>	<b>774</b>	<b>726</b>
<b>Passenger Numbers (millions)</b>	<b>0.8</b>	<b>1.9</b>	<b>1.8</b>











 **COMHLAUGHT CHALAFORT  
ÁTHA CLIATH  
DUBLIN PORT COMPANY**

# Alexandra Basin Redevelopment Project

Facilitating growth at  
Ireland's No.1 Port



**Co-financed by the European Union**  
Connecting Europe Facility







### **Dublin Port Company**

Port Centre, Alexandra Road  
Dublin 1, Ireland

Email: [info@dublinport.ie](mailto:info@dublinport.ie)  
Phone: +353 1 887 6000

[www.dublinport.ie](http://www.dublinport.ie)

