

2024 Annual Report & Financial Statements



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Strategic Report	3 - 35	Governance	24
Chair’s Statement	3	Board and Senior Management Team	25 - 27
Chief Executive’s Statement	4 - 5	Directors’ Report	28 - 31
Purpose, Vision, Values and Strategy	6 - 7	Directors’ Responsibilities Statement	32
Harbourmaster’s Statement	8	Independent Auditor’s Report to the Members	33 - 35
Safety & Security	9		
Our Business and Operations	10 - 14	Financial Statements	36 - 66
Our People	15	Officers and Professional Advisers	36
Environment	16 - 17	Profit and Loss Account	37
Stakeholder Engagement	18 - 19	Statement of Comprehensive Income	37
Chief Financial Officer’s Statement	20 - 21	Balance Sheets	38 - 39
Principal Risks & Uncertainties	22 - 23	Statement of Changes in Equity	40
		Statement of Cash Flows	41
		Notes to the Financial Statements	42 - 66



STRATEGIC REPORT

WELCOME FROM
OUR CHAIR,
DR SIÂN GEORGE

This is my first annual report, and an opportunity to introduce myself to all our stakeholders.

One of the first questions many people have asked me since I joined the Port Authority is “What motivated you to join the Port of Milford Haven?” I was highly motivated by the professional challenge of leading the Board of the UK’s major energy port during these extraordinarily exciting times, but I was also motivated by my personal background.

I grew up in the Outer Hebrides. The rugged coastlines and hard-working communities of Pembrokeshire, striving to make a life and a living on the edge of Europe, remind me of home. There is a word in Scots Gaelic, ‘dùthchas’, which describes the feeling of belonging to – and being responsible for – a place, its people and culture. There is no direct translation in English, but the Welsh talk of *cynefin* in the same way. This perhaps explains why I was so inspired by the fact that Milford Haven is a trust port, anchored in its local community. This status means that our commercial success can help foster regional socio-economic benefits, whilst conserving and keeping people safe on the beautiful Milford Haven Waterway.

We recorded profits of £1.9m on total revenues of £43.2m, up from 2023 due to additional income from our newly acquired businesses in the hospitality sector, despite slightly reduced shipping volumes.

For the first time, diversified income from activities outside our traditional shipping role account for nearly half our revenues. Earnings from our hospitality and tourism businesses surpassed those from our biggest terminal customer. Our diversified investments have been an important step for us. As seen this year, they contribute to a more stable financial performance and ensure we can keep investing in the needs of our core energy sector customer during quiet years. Supporting the needs of our customers will always be a key focus.

Oil and gas imports were slightly down this year; but activities related to decarbonisation strategies - from developments in hydrogen to the launch of the Celtic Freeport – intensified. This gives an indication of how continual energy evolution will present economic opportunities for our region.

I have a strong background in marine renewables, which positions me well to support the Port of Milford Haven as we navigate the challenges associated with investing in new and emerging energy opportunities at the right time. Today, our job is to keep doing what we are doing: delivering excellent service to our customers, safely building capability and resilience and diversifying with confidence in a way that strengthens both our business and the businesses and communities around us. This is the best way to make sure we are ready to respond to developers looking to access the abundant renewable energy in the Celtic Sea.

The team’s collaborative efforts have been fantastic this year. Their efforts brought the Deputy Prime Minister, Secretary of State for Wales and Prif Weinidog to our Port, to promote the future opportunities at the Port. They were attending the formal opening of the Pembroke Dock Marine facility, including the new giant slipway, which was part funded by the Swansea Bay City Deal. This is just one example of how well the team has done to raise the profile of our region and promote the role it has to play in delivering energy evolution over the next few decades. We also enjoy unstinting support from local stakeholders, notably our colleagues at Pembrokeshire County Council.

Joining with a fresh pair of eyes, I have been struck by the vision and energy of every member of staff at the Port. I have also been touched by their warm welcome; and by the kind support my predecessor Chris Martin has given to help bring me up to speed.

I have great pleasure in presenting my first annual report and very much look forward to my first full year at the Port of Milford Haven, connecting with all the people and businesses that make this such a special part of the world.

S. George

Dr Siân George, Chair

CHIEF EXECUTIVE STATEMENT

Tom Sawyer, Chief Executive



2024 played out against a fluid global backdrop in which the criticality of our Port as the UK's Western Energy Gateway was once again reinforced. Important therefore that we focused on the things that were within our control: safely, responsibly and effectively operating our Port (our purpose), whilst becoming ever more resilient, diversifying our revenues, and doing this in accordance with our values and in the service of our customers, our partners, our Waterway communities, and future generations.

We are therefore delighted that, despite reduced shipping volumes, 2024 was another year of growth for our Port. We saw a 4.6% increase in our sales revenue and a 65.9% increase in our operating profit. But we also saw positive trends in our customer and stakeholder relationships, our service resilience, our diversification of non-port-revenues, and our contribution to our coastal communities and future generations.

In September, for the first time, we convened a port-wide workshop at which attendees agreed that as a 'partnership of service providers and customers across the Haven Waterway, we are committed to be the UK's Energy Port of Choice by working collaboratively to deliver a year-round, safe, efficient and integrated port'. This commitment to shared endeavour is vital to the long term commercial success of the Waterway and directly supports national priorities for growth, security and the managed change to the UK's energy mix. This partnership approach, captured in our charter entitled 'Haven Waterway 2030 and beyond - securing tomorrow with action today', is already having a positive impact for our customers and our customer's customers. This report carries ample evidence of our continued work to invest in our core port operations; more people, better boats and better technology are central to our priority for sustaining an excellent service and building resilience and capacity.

As part of our contribution to work on the future energy security and mix, we have also been deeply involved in developing opportunities for growth and greater prosperity across our region. The opening of the Pembroke Dock Marine project at Pembroke Port in August by the Deputy Prime Minister, Prif Weinidog and the Secretary of State for Wales, marked another significant milestone in creating infrastructure for the renewables epoch. We played a leading role in the creation of the Celtic Freeport that seeks to deliver over

11,000 jobs and billions of pounds of investment through the opportunities created in the Celtic Sea for Floating Offshore Wind (FLOW). For us, with a strong appetite for investment at Pembroke Port, the FLOW opportunity is currently risky and the scale and duration of the opportunity is unclear. We therefore welcomed the invitation, in late 2024, to join a Welsh Government 'Task and Finish Group for Offshore Wind', the purpose of which is to unlock a winning and investible FLOW proposition and produce a plan for Wales in which Welsh wind powers Welsh growth and prosperity, as part of a decarbonised UK energy mix.

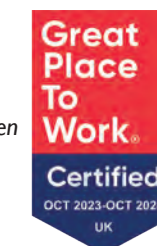
First and foremost we are a port. It's why we exist, and it will always be our primary focus. However, in direct support of our quest for long term Waterway and business resilience, and in order to provide a stronger financial underpinning to our port capabilities and delivery, we completed the strategic acquisition of the St Brides Spa Hotel as part of our ongoing revenue diversification activities. In so doing, and in combination with previous diversification initiatives, we are now far less vulnerable to variations in shipping volumes. In 2024, non-port-revenues represented 45% of our overall sales revenue (up from 39% in 2023), and at the group level this insulates us from shipping fluctuations. Indeed, hospitality and tourism generated more income for us in 2024 than the busiest of our energy terminal customers. This should be very reassuring to all our customers and stakeholders as it underpins our ability to invest with greater confidence in our core port operations.

2024 saw another fabulous series of outdoor events at Milford Waterfront, a place that bustles with restaurants, cafés, retail outlets and the fishing industry, attracting visitors in their tens of thousands. The Tŷ Hotel Milford Waterfront once again exceeded expectations and the marina itself has a waiting list longer than the total number of berths available. How we invest in our communities is a key consideration for us; it requires investment that is deeply connected and impactful for our communities. We built spaces and created opportunities for local employment and new business; McDonalds, Greggs and the new Tŷ Hotel Milford Waterfront account for 130 new posts in the county alone.



Importantly, as a trust port, greater financial resilience also enables us to more consistently deliver benefit to our port communities, local businesses and partners; and this has been valued at over £500,000 in 2024. We put money and time directly into good causes that are working to create a fairer society. We worked with partners to deliver important environmental improvements on the Waterway. We supported education around water safety, art and culture, and invested to make sure more people can enjoy blue spaces around our coastline. Some examples of these important actions are mentioned across this annual report because we feel it's important to be measured by community impact as much as for commercial achievements.

We are delighted that Year 2 of our 5 year strategy cycle is being felt positively by our customers and stakeholders. In the summer, we asked them 'How is the Port of Milford Haven performing overall against your expectations?'. The answer was that 80% of respondents felt that we are either meeting or exceeding expectations; this compared to 51% in 2020. Couple that with us retaining our certification as a Great Place to Work™, and the trajectory, inside and outside of our business, seems very positive.



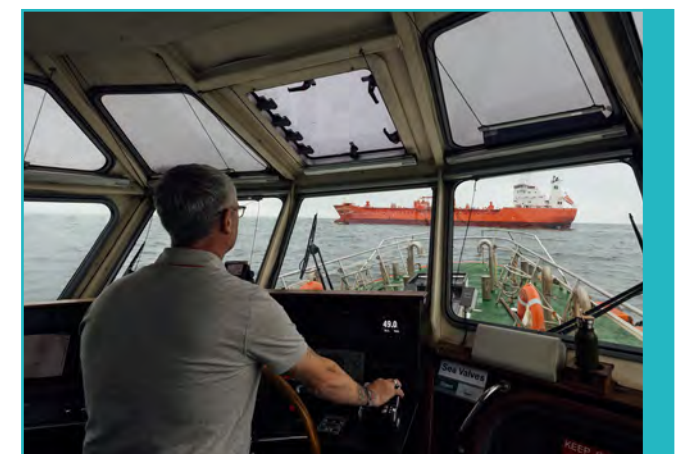
In closing, allow me to mention three people. We welcome Dr Siân George as our new Chair; Siân brings an enormous wealth of experience from the renewables, commercial and public sectors. She replaces Dr Chris Martin following his 13 years of tireless service at the Port which was rightly recognised with the award of an OBE in the King's New Years Honours List.

In October, we mourned the death of Mr Ian Edwards from the Celtic Collection, our partners for hotel operations. Ian was our mentor, guide and trusted friend on our venture into the hotel business; we miss him as a titan of his profession and as a wonderful ally.

2024 has been a strong year of progress across our business and the Waterway. This happened through the hard work and commitment of magnificent colleagues, customers, stakeholders and communities, unified by a shared commitment to our Waterway. We were better in 2024 than we were in 2023, and for that I give my sincere and unreserved thanks to all concerned. Onwards.

T Sawyer

Tom Sawyer, Chief Executive





PURPOSE, VISION, VALUES AND STRATEGY



OUR PURPOSE

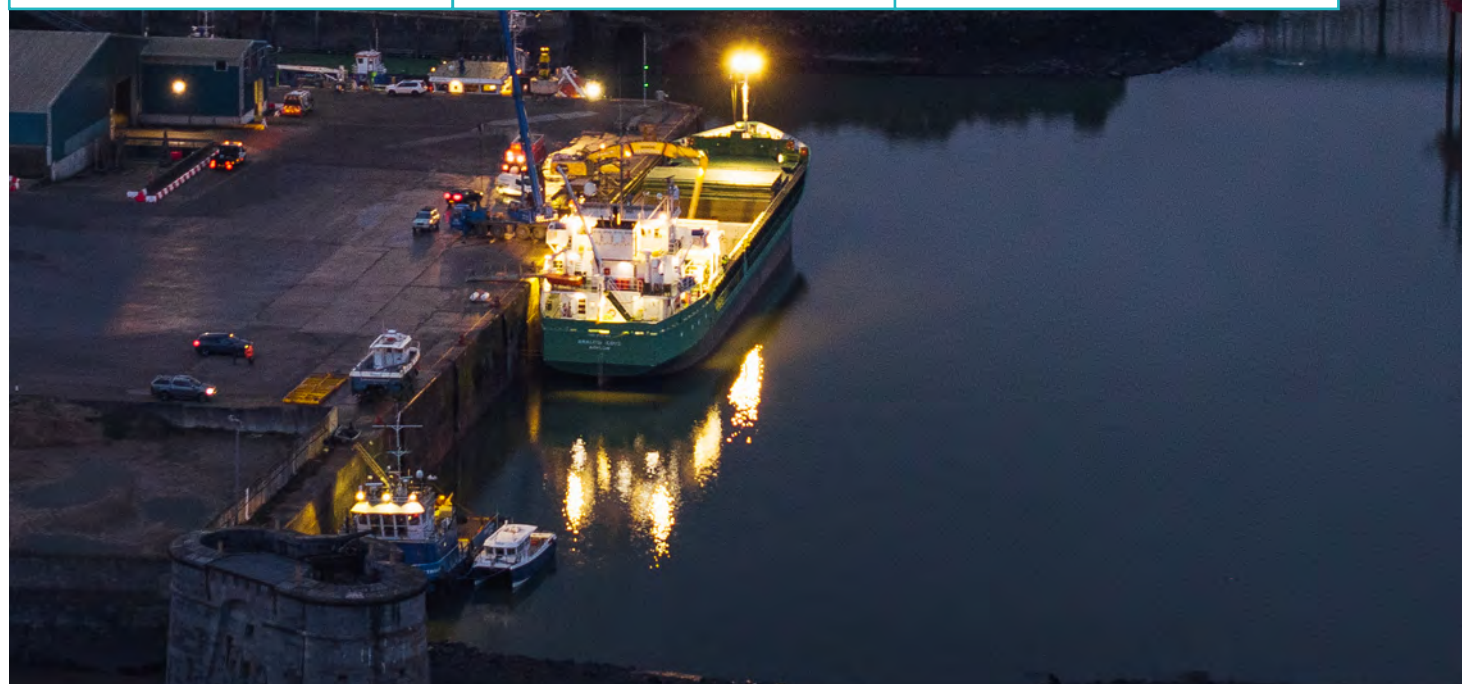
To operate the UK's leading energy port safely, responsibly, and effectively.

OUR VISION

To always be proud custodians of the Haven Waterway; trusted to safely deliver resilience, and to support sustainable coastal communities for the prosperity of future generations.

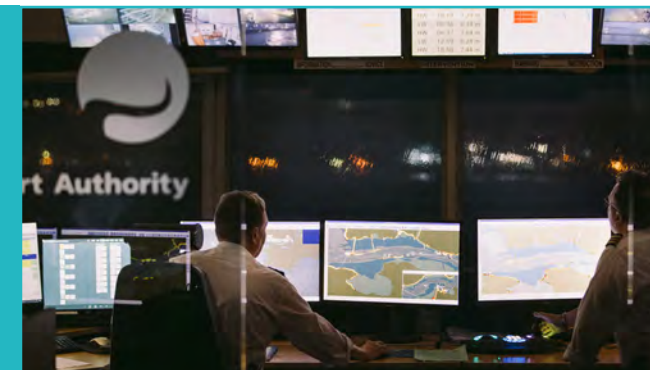
OUR VALUES

We have an unwavering focus on Safety, which is at the heart of everything we do. We strive for Excellence through Collaboration, with a Sustainable conscience.



PURPOSE, VISION, VALUES & STRATEGY

OUR STRATEGY



Expand our world-class pilotage capability.

What we've done so far:

- Ensuring a resilient and efficient service to our customers, we invested in a new industry leading pilot launch.
- Upgrading our navigation training suite has improved training and is helping us explore new capabilities and ways of operating.
- Appointing new staff in front line and supervisory roles brings greater resilience to our operations so we can maintain an excellent service and handle events such as adverse weather.

Develop Milford Waterfront as a leading destination for tourism, culture, heritage and leisure.

What we've done so far:

- Building our event hosting timetable to generate footfall that benefits local businesses.
- Improving access and facilities to ensure Milford Waterfront is a high-quality destination for all comers.
- Delivering infrastructure to enhance the fishing docks through the DEFRA UK Seafood Fund.

Develop Pembroke Port as a multi-purpose, future-energy-ready port with an early phase destination offering.

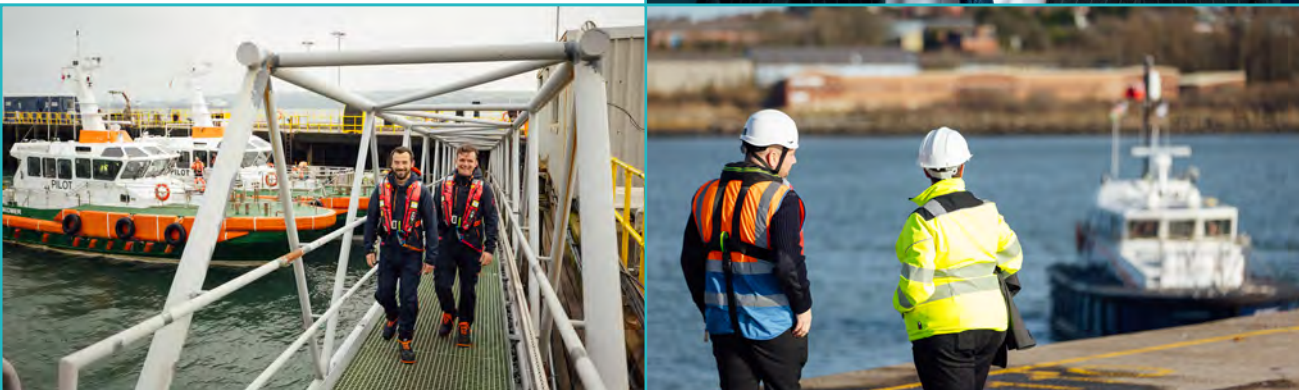
What we've done so far:

- As a key partner in the Celtic Freeport, we work to make sure the whole region can win opportunities in the marine renewables sector.
- Our investment in Pembroke Dock Marine, including the giant slipway, part funded by the Swansea Bay City Deal, was completed. It's been a significant indicator of our commitment to supporting growth in renewables.
- Our collaboration in energy diversity is bringing innovators such as ERM and Haush, exploring the potential of new energy technologies.



HARBOURMASTER'S STATEMENT

Mike Ryan, Harbourmaster



2024 was a year of fluctuating shipping traffic, with a quiet middle of the year bookended by busy winter periods. As usual, international gas markets dictated much of the LNG activity, and a planned maintenance shutdown at Valero also affected traffic.

The metric used to calculate our port charges, gross tonnage, fell from 58.7m tons in 2023 to 47.9m tons in 2024, a decrease of 18.4%. With shipping movements falling slightly from 1,909 to 1,893. The total weight of cargo moved was 32.8m tonnes, a fall from 34.7m tonnes in 2023.

I was pleased to see our marine department continue to demonstrate our responsiveness to the needs of our terminal customers. We've continued to invest in this critical part of our operations to ensure we can always deliver what our customers need. Regarding our teams, there were new personnel both on the water and in VTS. The keel laying for our new pilot boat took place, setting the countdown going for the arrival of a vessel that will significantly enhance our capabilities. We also carried out an upgrade to key infrastructure and equipment.

The increasing frequency of bad weather events demands a combination of well-planned procedures and rapid, professional reaction to changing circumstances. Storms towards the end of the year tested our capabilities on that front. They also reminded us of the importance of teamwork. We brought together customers and other key partners who ensure the Port functions smoothly and safely, to discuss how we can all work more closely together to share the burden of challenging issues such as bad weather.

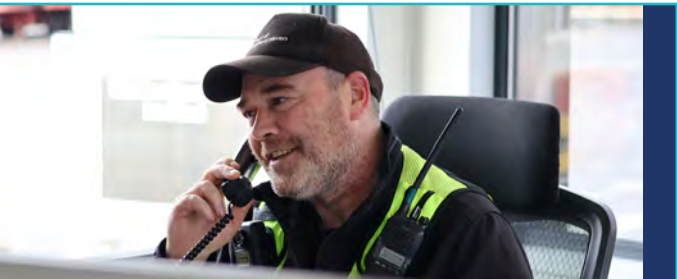
I was also pleased to see a successful conclusion to our prosecution of a jet-ski user who broke three byelaws and endangered the lives of their passenger and others last summer. We have a duty to ensure everyone's safety on the Waterway but this prosecution was a reminder to all users that this responsibility is shared by everyone. If you use the Waterway, either commercially or for leisure, you must behave safely, responsibly and with consideration for others.

M Ryan

Mike Ryan, Harbourmaster



SAFETY & SECURITY



Safety

As part of our ongoing maintenance and new projects in 2024 we continued to work across the Port's diverse infrastructure locations and operations, which included new construction projects. Many of our projects relied on close collaboration with approved contractors. We enhanced our contractor induction process in 2024 to include a specific Contractor Safety culture video and we reviewed our safety handbook, adding operational area specific safety control measures.

To test our incident response preparedness, emergency scenario training was carried out throughout the year in all operational areas to ensure plans remain relevant and we are well placed to recover quickly from business interruption.

The Marine Safety Plan for the Port including the Milford Docks Company are reviewed as part of our compliance with the Ports & Marine Facilities Safety Code. Every three years we reconfirm to the Maritime and Coastguard Agency our compliance with the Code. This was last completed for the Port in 2023 and will be next completed for the Port and Milford Docks in 2026.

Marine Safety Plan reporting		2024	2023
Milford Haven Port Authority	Actions identified:	56	54
	Completion target rate achieved:	98%	95%
Milford Docks	Actions identified:	15	n/a
	Completion target rate achieved:	100%	n/a
Total		71	54

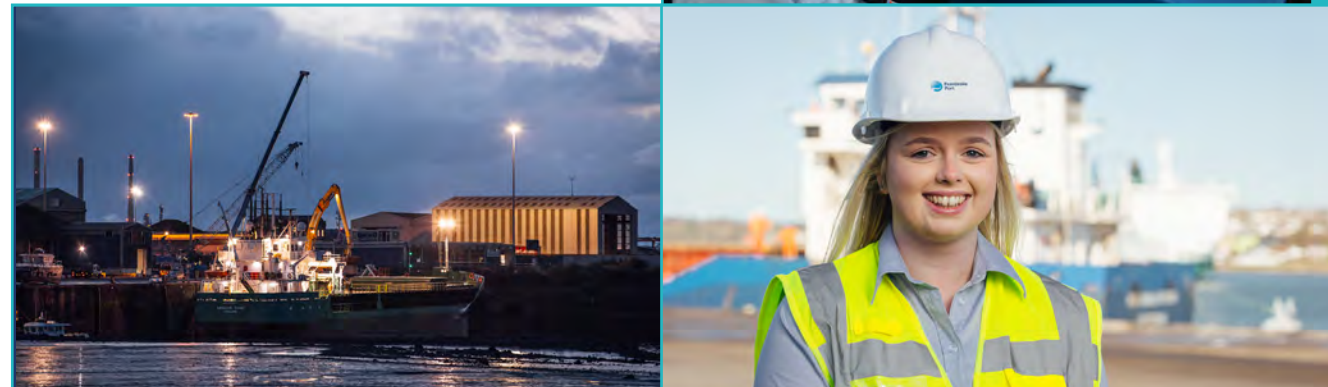
Security

There were no security incidents to report in 2024. We continue to work closely with the Department for Transport to ensure restricted areas follow the International Ship and Port Facility Security Code (ISPS) whilst also considering and implementing appropriate security measures across the Port's areas of responsibility. The wider port security and infrastructure is managed through the Milford Haven Port Security Authority (PSA), a consortium of Port Facility Security Officers (PFSOs) responsible for each of the key waterway terminals and led by the Port of Milford Haven. Meetings are chaired by the Port's Head of Safety & Security who is also the Port Security Officer (PSO).

An annual multi-agency training scenario was also carried out to test the PSA's resilience to a port-wide emergency.



OUR BUSINESS & OPERATIONS



Our Business Model

We are a trust port and were established in 1958 through an Act of Parliament. This, and subsequent Acts, form our constitution.

We operate on a commercial basis, charging port fees for providing conservancy and pilotage services to the vessels delivering or collecting products at the energy terminals located on the Milford Haven Waterway. Our core Marine Services now sit alongside a diverse range of business interests including Quayside Services, Hospitality & Tourism, and Property & Development.

As a trust port, we do not have shareholders. All profit is retained and is available for re-investment into the business in order that the Port is handed on in the same or better condition to future generations. On the back of our commercial success, we also make significant charitable contributions.



Our Operations

Marine Services

2024 reminded us, and all other commercial operators who use the Waterway, that unpredictable weather events are here to stay. In a busy port, planning for the unknown is as much about communication as it is about training and preparation. Stormy weather causes delays which can be expensive for our customers.

For us, successful working partnerships bring improved customer satisfaction, well-coordinated working collaborations and the fostering of mutual respect between all those who operate on the Waterway, from the largest customer to the smallest stakeholder. Our collaborative planning for both Storms Darragh and Éowyn helped reduce cargo handling disruption before, during and after the events. There were no incidents reported on the Waterway during the storms. Close collaboration also came to the fore when the temporary closure of Holyhead Port saw us introduce a temporary third ferry sailing slot from Pembroke Dock Ferry Terminal. It was another superb example of how we work effectively with multiple partners to maintain safe operations and ensure security of energy supplies, as well as providing continuity for other UK trade.

The keel laying ceremony for our new pilot launch took place in October. This new vessel is an important step in a long-term, multi-million-pound investment programme aimed at enhancing our pilotage capabilities, providing first-rate pilotage operations at the UK's leading energy port. It will arrive ready for sea trials by the end of 2025.



Sailors who are familiar with the 'Pole', the Mid Channel Rock lighthouse at the entrance to the Port, will have noticed it is now bright yellow. This is the only outward sign of a multi-million-pound investment to upgrade and reinforce this iconic beacon that has guided shipping in and out of the Waterway over nearly 60 years. As well as being an all-weather navigation aid, it is a vital source of data about sea and weather conditions that helps maintain safe and effective operations.

Understanding the ever-evolving requirements of Waterway customers and anticipating future needs has become more streamlined in recent years thanks to our investment in the navigation simulator suite on Milford Docks. In 2024 we upgraded the facility, installing more powerful processing and display equipment, providing a real step-change in the technology and performance capability. We have already held training involving our Pilots and Svitser tug teams since the upgrade and it has received excellent reviews.

Our 2023 commitment to operating two pilot boats is also nearing completion. We know this capability is a priority for our terminal customers and we have remained transparent in our efforts to meet their expectations as we strengthen our crew resilience.

Waterway safety for leisure users is also a key priority. We work closely with RNLI, Coastguard, Police and Border Force, with our newly named Harbour Patrol vessel remaining an important presence in the boating season.

A couple of notable incidents were reported among leisure users on the Waterway in 2024. An MCA investigation, supported by the Port, is still underway into an incident between a speedboat and a kayak. This was an extremely serious collision, and it was fortunate the kayaker was not gravely injured. We also launched the prosecution of a jet ski user who was stopped by Marine Police after several reports of reckless behaviour. They were found guilty of failing to uphold three of the Port's byelaws including aquaplaning in a minimum wake zone and received fines. We hope this successful prosecution highlights the need for everyone to behave safely and responsibly on the Waterway.

Supporting our marine customers

We worked hard in 2024 to refocus on our customers' needs. Understanding the changing landscape in which they trade and operate is very important. To facilitate this deeper understanding, we held a workshop in October with senior leaders from the oil and gas sector as well as service providers integral to the port operation, including shipping agents and tug operators. There was wide-ranging discussion on ways to maximise efficiency and improve our service reliability for international energy customers. Having everyone in the same room brought home the fact that while each individual business has its own pressures, constraints and aspirations, the reality of operating in a busy port with external factors such as weather, means we all must collaborate more closely to achieve balance, efficiency and achieve the best outcomes.

One of the key immediate outputs of the discussion was agreement for all organisations to work towards a set of principles, a charter, to help us all deliver on the long-term success of the Port:

- Partnership Working: Collaborating to challenge current thinking, fostering innovation and continuous improvement
- Maximising Safety: Operating to the highest safety standards whilst using an analytically based, dynamic and responsive marine risk process
- Enhancing Reliability of Service: Developing a transparent, optimised and integrated port coordination and planning environment that maximises the reliability and availability of the Port
- Sustainability: A pan-port, long-term commercial view that secures the future prosperity of each of the businesses operating within the Port of Milford Haven, their communities, and their environment

As the UK's leading energy port handling or processing around twenty percent of the UK's energy needs, it is critical to the resilience and security of UK energy that we provide a port service that is safe, reliable and efficient 24 hours a day, 7 days a week, 365 days a year. We hope the charter will help us all work in harmony while we achieve that.

OUR BUSINESS & OPERATIONS



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Quayside Services

Pembroke Port

Berth occupancy was 61% in 2024, and although that was down from 2023, the quantity of cargo transferred rose significantly to 52,000 tonnes, helping boost revenues to the highest level in 10 years.

There has been some caution around the future use of space for the renewables sector. However, in 2024 as the Celtic Freeport took shape, it became clear that together with our Celtic Freeport partners at Associated British Ports Port Talbot, we could handle any space-hungry FLOW activity.

We remain committed to FLOW (and renewables developments) despite our bid not succeeding for the government's Floating Offshore Wind Manufacturing Investment Scheme (FLOWMIS). As a Celtic Freeport partner, we see ABP Port Talbot's successful bid as a key win for the region.

In August we were joined by Deputy Prime Minister, The Rt Hon Angela Rayner MP, Prif Weinidog, Eluned Morgan MS, and the Secretary of State for Wales, The Rt Hon Jo Stevens MP, for the official opening of the new Pembroke Dock Marine facility.¹ The development that included a supersize slipway, expanded laydown spaces, workboat pontoons and renovated office spaces were part of the £60 million development, funded by the Swansea Bay City Deal through the UK and Welsh Governments, and through our own private investment. Our Pembroke Dock Marine partners, Marine Energy Wales, ORE Catapult and Celtic Sea Power, had delivered project elements that further expanded the Waterway's proposition with Ministers hearing how the new facilities and services alongside a high skill supply chain have made the Waterway an exceptionally attractive base for offshore renewable developers.

We saw two new hydrogen projects attracted by this regional proposition. ERM launched the UK's first offshore hydrogen production trials from our quayside. It represented an important step forward for the large-scale production of low-carbon hydrogen. We also saw green hydrogen innovation company Haush headquarter their UK operations at the Fleet Surgeon's House. They will be installing a 15MW green hydrogen electrolyser within the space created through the Pembroke Dock Marine project. They will also be developing opportunities across the UK to supply green hydrogen for transport, site power generation and combined heat and power usage.

This is a frontier technology, but ERM's and Haush's arrival demonstrates Pembroke Port and the Waterway as a whole are an attractive proposition for this sector. Pembroke Port's freeport status was cited as a benefit, along with the facilities, skillsets, and broad supply chain of local firms in the area. There is of course a significant potential market for green hydrogen on the doorstep, including for marine support vessels and our own fleet of dock vehicles.

Other opportunities around future underwater infrastructure needs in the Celtic Sea, including cabling, anchors, chains and moorings were explored in 2024 and there will be more activity in 2025 to attract contracts in that sector. A valuable contract to store undersea power cable at Pembroke Port continued in 2024 and is just one example of the value that exists in the supply chain around ongoing energy developments.

We carried out a successful dredging campaign off the quay at Gate One in 2024. Maintaining, or even exceeding the control depth of 8.1m is important if we are to remain attractive to as many vessels and cargos as possible.



Pembroke Dock Ferry Terminal

2024 brought plenty of opportunity to demonstrate our team's ability and eagerness to adapt to customers' needs and maintain an excellent service. The team at the ferry terminal served four different vessels for the Pembroke-Rosslare crossing, each requiring different configurations on the dockside.

There was a late surge in freight traffic positively distorting year-on-year trends due to the temporary closure of Holyhead Port during December and into early January.

Milford Fish Docks

We remain an essential base for our inshore fishing fleet and a vital connection between consumers and sustainable sources of fresh local seafood.

We are committed to investing in this historic fishing base and 2024 saw the start of a multi-million-pound enhancement to our facilities at Milford Fish Docks, with support from the DEFRA UK Seafood Fund. These works included upgrades to the Flake Ice Plant, the J Shed unit that accommodates fish-related tenants, and the acquisition of eight container storage units. Early in 2025, a new pontoon for up to 25 inshore fishing vessels along with two new lock pontoons will be delivered boosting the fleets' capability to sustainably land, process and add value to their catch here in Milford Haven, ahead of onward supply to local, regional and international markets.

Hospitality & Tourism

Hospitality and Tourism had another exciting year. The decision to expand into this sector by building a marina adjacent hotel (leased and managed by The Celtic Collection) has exceeded expectations. The Tŷ Hotel Milford Waterfront completed its second full year of trading with occupancy levels ahead of our initial expectations.

The hotel also demonstrated that jobs in hospitality can be exceptionally rewarding, with 4 internal promotions, of which 3 were into management positions. The hotel, Costa Coffee and the newly opened McDonalds and Greggs restaurants have also created 130 new positions in Milford Haven in the past 2½ years.

We made an additional investment in the hospitality and tourism sector during the year with the purchase of St Brides Spa Hotel and the Marina Fish and Chip restaurant in Saundersfoot. Once again, we are partnering with The Celtic Collection to deliver first class hospitality experiences, this time in the heart of the Pembrokeshire Coast National Park. This latest investment allows us to promote the fantastic coastal community of Saundersfoot, home to Pembrokeshire's only other trust port, and support Visit Pembrokeshire's ambition for the county to become a top 5 UK destination choice.

The investment is not only financially pragmatic but it is also strategically sound. This financial contribution ensures we can keep investing with confidence in our core operations, as it puts us in a stronger financial position to weather fluctuations in other areas of our operations, ensuring our energy terminal customers receive the quality of service they need, regardless of the fortunes of global energy markets.

Our investment in the quayside around Milford Waterfront continued in 2024. The Plaza outside the Tŷ Hotel Milford Waterfront was redeveloped as part of our mission to create inviting outdoor "hang out" spaces.

In our second year as their Major Events partner, we hosted the Milford Haven Round Table's Big Beer Festival, the carnival, and fireworks display, all of which were a great success, attracting visitors in the thousands once again to Milford Waterfront. We also welcomed back the Paddle Steamer Waverley in June and hope to see her again in 2025. One cruise ship, Star Legend, called into the Waterway carrying cyclists from North America on a luxury bike cruise who enjoyed a special cycling Tour de Pembrokeshire!

Continuing the theme of attracting footfall to boost awareness of the amazing collection of businesses that have taken hold on Milford Waterfront, we hosted a series of markets through the summer with a festive Christmas Market to cap off the year.

The "in between" space beneath Victoria (Hakin) Bridge has hosted some great pop-up activities in past years, including the hugely successful Under the Bridge campaign which saw us partner with Milford Youth Matters to stage activities for young people during summer holidays.

OUR BUSINESS & OPERATIONS

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In December we lodged a planning application for an exciting new play space that will include a pump track, bike safety and parkour parks. The space has always been a magnet for young people and the new park will add even more opportunity for positive and active play for young people.

Working with the Open To All project, we carried out an accessibility audit in November looking at all our public facing areas at Milford Waterfront with the goal of making our destination welcoming to people of all abilities. We will now develop a plan of works to make improvements. There will be some easy wins, but we must also plan better design into future developments.

Milford Marina

Milford Marina maintained a strong trading performance in 2024 with 100% occupancy. The potential future customers on our waiting list increased again demonstrating strong demand for our Marina and Milford Waterfront destination. Our visiting boating numbers also increased, which is good evidence that this destination is appealing whether accessed by land or water.

We aim to provide exceptional facilities and outstanding customer service for our berthholders and have a suite of enhancements being delivered in 2025.

Property & Developments

Havens Head Retail Park reached 100% occupancy in 2024, which was a welcome milestone after some difficult years for the retail sector following COVID. McDonalds' new restaurant and drive-thru opened its doors in February, with Greggs following shortly after in the retail park, adding further buzz to this now bustling area.

Overall occupancy of our commercial lets at the end of December 2024 was at 98.5% in Milford Haven and 84.7% in Pembroke Port.

Whilst planning and preparation helped our business minimise the impact of storms on marine operations, there was notable damage caused by Storm Darragh to the roofs of our two historic Sunderland hangars in Pembroke Port. The Eastern Hangar was particularly affected, and the presence of large solar arrays on the structures will make the repairs more complex.

The retail and hospitality areas of Milford Waterfront have undergone significant improvements in recent years with new additions and facelifts. Our focus turned to the commercial area in 2024 and one of our oldest warehouses, J Shed, was re-clad and re-roofed, with solar PV added, new roller doors installed and internal enhancements. This was only possible thanks to the DEFRA UK Seafood Fund and will benefit the local fishing businesses who operate from there.

There are exciting plans for another heritage commercial property in Milford Docks, the "S-Shed" a building previously occupied by Pembrokeshire College as an Engineering Centre of Excellence on a long-term lease. After laying vacant for several months, plans were submitted to re-purpose the property into a central hub for our business support teams. Although the external changes will be limited, the placement of so many of our staff in the heart of Milford Waterfront will help reinforce the connections between our people and many of the communities and businesses with which we work.



OUR PEOPLE



We were proud and delighted to retain accreditation as a 'Great Place to Work™' in 2024. We were first certified in 2023 by this globally recognised scheme that places emphasis on staff engagement, trust, culture and values.



While last year was notable by the level of participation by staff, with 84% of employees taking part, we recorded a remarkable 90% engagement this time around. This increased participation has brought in even more valuable feedback which helped us refine our People strategy.

Our People strategy is focused on ensuring we have sufficient, capable and motivated people to support successful business delivery. We remain committed to being a great place to work and an employer of choice by providing a working environment and conditions that support our staff to perform their best and deliver excellence for our customers, now and in the future.

2024 saw 32 new employees join the Port, 11 of which have been part of our investment into the Marine team (which included 5 additional deckhands, 1 new pilot, 1 new VTS role and additional marine engineering support roles).

This represents comparatively quick growth for us, building further on increases in 2023. Helping new staff on board and settling into our working culture is important. The feedback of the Great Place to Work™ scheme points to some success in getting new teams to gel.

The survey also picked up some positive feedback for our staff wellness programmes for 2024, which included therapy dog visits, stress management and relaxation, financial wellness sessions and staff flu vaccinations. Many of these activities were staff led, provided by volunteering employees.

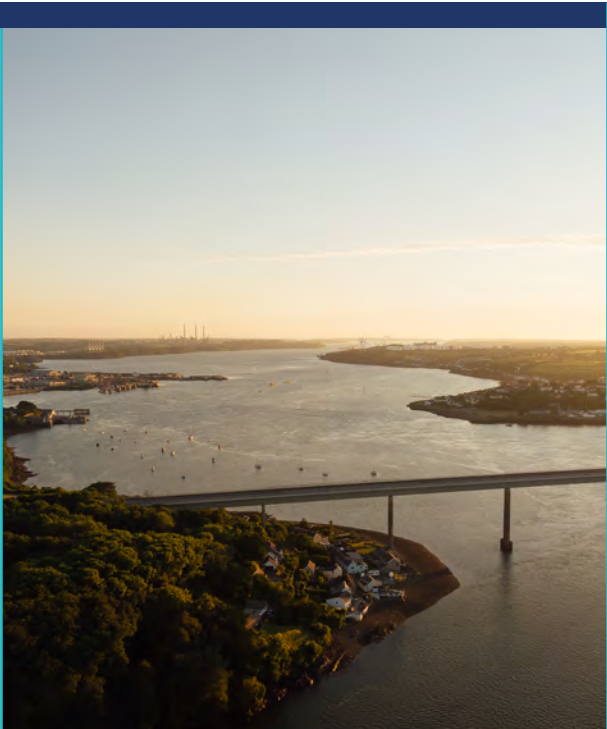
As part of our training and skills development programme, all employees received health and safety awareness, security and General Data Protection Regulation training. We also worked with a leading global marine consultancy to enhance training and competencies for launch crews where we had several new recruits.

Ten more staff have now passed our 20-year service milestone, of which seven exceeded a quarter century. Also notable in 2024, showing the possibilities for career development within the organisation, Anna Malloy, who joined in 2007 as a marketing assistant, was appointed our new Communications and Marketing Director and promoted to the Senior Management Team.



ENVIRONMENT

Ports, and particularly ports central to the UK's energy security play a critical role in decarbonising the nation. A key part in this is better understanding our own emissions. We calculate and report on scope 1 (direct) and scope 2 (indirect purchased electricity) emissions annually. Our total renewable energy generation for 2024 was over 3 million GWh (gigawatt hours), avoiding the release of approximately 633.21 tonnes of CO₂ equivalent emissions to the atmosphere.



Emissions source	2024 emissions (tCO _{2e})	2023 emissions (tCO _{2e}) (Re-stated)
Scope 1		
Diesel	1238.79	1308.88
Petrol	10.80	12.06
Natural Gas	88.84	82.02
Propane	0.65	0.86
Biomass	1.31	1.24
Scope 1 Total	1340.39	1405.07
Scope 2		
Purchased Electricity (Location-Based)	279.46	373.90
Purchased Electricity (Market-Based)*	0.00	0.00
Scope 1 & 2 Total (Location-Based)	1619.85	1778.97
Scope 1 & 2 Total (Market-Based)*	1340.39	1405.07
Carbon intensity**		
Carbon Intensity (tCO _{2e} /£1m gross turnover)	31.0	34.0
	£43.2m gross turnover in 2024	£41.3m gross turnover in 2023

Onsite renewable energy generation	2024	2023
Total generation kilowatt hours	3,058,236**	4,703,091
Emissions avoided (tCO _{2e})	633	974
% of total scope 1 & 2 emissions***	47	69

*Using the Market-Based Approach, purchased electricity certified by the Renewable Energy Guarantees of Origin (REGO) scheme demonstrates electricity has been generated from renewable sources and as such has a carbon intensity of zero.
**There was a reduced level of onsite renewable energy generation in 2024 due to a technical fault at Liddeston solar array.
*** Calculated using Market-Based Approach.

2024 was a pivotal year for the Port as we undertook an exciting, and challenging, project to calculate our first comprehensive greenhouse gas inventory that included 6 categories of scope 3 (indirect value chain) emissions relevant to our business.

This vital work enables us to establish our first comprehensive carbon footprint to measure, model and set interim science-based targets against. Not to mention the identification of emissions hotspots (areas of our operations with disproportionately higher associated emissions relevant to our overall carbon footprint) highlighted by this study has informed a strategic carbon reduction opportunities roadmap, allowing us to prioritise future actions in our ongoing decarbonisation journey.

Decarbonisation of maritime and energy-intensive industry that centres around ports like ours is one of the key challenges we face in reducing emissions associated with port operations. One potentially exciting collaboration to emerge out of 2024 was the arrival of green energy and technology developer Haush at Pembroke Port in December (see Quayside Services). Haush is developing trials to fast-track hydrogen production and refuelling services for onshore and offshore servicing of vessel fleets. This includes siting a semi-permanent green hydrogen refuelling facility within Pembroke Port, close to their proposed 15MW green hydrogen production units (which awaits a planning decision).

Sustainability is one of our core values. It's about creating opportunities today without compromising the needs of our future generations. We particularly recognise the need to adapt and build resilience to our changing climate. In response to the voluntary invitation from the Secretary of State and DEFRA to participate in the Fourth Round of the Climate Adaptation Reporting Power, we developed and submitted an updated Climate Change Risk Assessment and Adaptation Plan at the close of the year. This will inform both the UK's Climate Change Risk Assessment and our own adaptation measures to mitigate the impacts of climate change. Our Adaptation Plan addresses what we consider climate change risks and opportunities to our Port, mitigation measures we have

adopted since our last submission in response to ARP2, and a summary of proposed adaptation actions to build resilience moving forward. It also includes consideration of our interdependencies and how we collaborate with local communities, customers, government agencies and the ports and maritime sector.

We continue to host the Pembrokeshire Marine Special Area of Conservation (SAC) Officer who has been working on the national species restoration project 'Natur am byth!' on secondment to the Marine Conservation Society. Within this project, 20,000 native oysters were deployed in the upper reaches of the Waterway in May and they will be subject to ongoing video monitoring. Further oysters will follow. In addition, some oyster "hotels" have been installed at Rudders Boatyard which help to facilitate engagement activity. Native oysters are ecosystem engineers and have been proven to improve water quality through the filtration mechanism by which they feed.

Port staff took part in a range of engaging and impactful volunteering activities focused on sustainability and our environment in 2024, including beach cleans, litter picks, invasive species control workshops and seashore and seagrass surveys. Our staff took part in a volunteer citizen science project in November and December. This was a repeat of the SWEPT survey conducted in the Waterway six years ago. Results were relatively unchanged with widespread high levels of nutrients, largely from agricultural runoff.

We also supported the Pembroke River Restoration Project with funding for over 600 trees and providing volunteers to help plant them. The pilot project, which aims to improve the water quality of Pembroke River and the Pembrokeshire Marine SAC, was supported by Natural Resources Wales (NRW), Pembrokeshire County Council, Pembrokeshire Coast National Park Authority, West Wales Rivers Trust, Dŵr Cymru, Wildlife Trust South and West Wales, Pembroke Town Council and Pembrokeshire Nature Partnership.

Port volunteers also lent a helping hand in conducting local coastal otter surveys around the county. Results will be available in 2025.



STAKEHOLDER ENGAGEMENT



As a trust port we are accountable to a broad range of stakeholders including customers, Government and the local community. We regularly create opportunities for two-way engagement with our stakeholders and value their input into our strategy. As we set about ensuring this Port is handed on in a better condition to future generations, it is important that we understand the views of anyone who uses or is connected to the Port, or whose livelihood is dependent on it.

We held our annual stakeholder meetings in Milford Haven and Pembroke Dock in June. Both events were well attended and provided valuable opportunities to provide an update on our strategy and report on progress against it. These meetings are attended by our board members.

Our stakeholder survey, launched in August, produced one notable and welcome statistic where 80% of respondents believed we are meeting or exceeding their expectations, up from 51% in 2020.

We have a long history of supporting our communities through direct financial contributions and indirect assistance. With our trust port status and future generations as our ultimate stakeholders, we place significant emphasis on ensuring we support and deliver a broad spectrum of activities for our younger community members.

As our footprint of operations expand, we meet more and more individuals, groups and organisations working hard to make life better in Pembrokeshire. In 2024 we donated over £500,000 to community initiatives. We also took the decision to appoint PAVS – Pembrokeshire Association of Volunteer Services – to help us coordinate our Community Fund. Working in collaboration with PAVS, we expect many more community groups to be able to access our funding and for those valuable donations to be used to create positive

impact across communities in Pembrokeshire. As part of the process we have fully immersed the green energy fund into the scheme encouraging more groups to help us take care of our environment.

Our staff continued to throw their energies into other community actions including beach cleans, water surveys and activities raising money for causes close to their hearts.

Our community support is focused on three key themes. Those are the themes which funding applications must fall within, but they are also the foundation for all the work we do in supporting our communities:

1. A safe, inclusive and enjoyable Waterway

With our overriding focus on safety, financial support went once again towards pontoon facilities on the Waterway. We believe activities on the Waterway should be open to as many people as possible and safe water access is key to that. Other safety outreach included a campaign on the dangers of tombstoning and funding the teaching of important water safety skills to over 200 children from coastal schools in Pembrokeshire, in partnership with Windswept CIC in Dale. The Swim Safe courses included what to do in an emergency, survival techniques and recognising risks associated with water.

We also supported groups that help remove barriers to enjoyment of the Waterway. We launched a new partnership with Blue Horizons Surf School that enables more inclusive access to the Milford Haven Waterway. Research consistently points to the fact that being on or by the water is good for our health and wellbeing, and the scheme charts boat trips onboard a vessel adapted for wheelchairs.

2. A vibrant and prosperous community

True prosperity is not about money. As part of our commitment to support prosperity in communities around the Waterway, we work with organisations that bring vibrancy and richness to people's lives. Our collaboration with Milford Haven Round Table to stage major events at Milford Waterfront in 2024 was a huge success. Events such as the fireworks and beer festival generate the sort of positive energy that reinforces the sense that great things happen here. This draws more people, benefitting brilliant local businesses who in turn add so much to the landscape and prosperity of Pembrokeshire.

Our two-year funding partnership with the Torch Theatre continued in 2024, delivering engaging and creative activities for students including workshops, performances and tours of the building expanding young peoples' knowledge, experiences and aspirations. This beacon of the Pembrokeshire arts scene and youth drama is fast approaching its half century, and we are proud to continue to support a centre that's enriched our communities for so long.

We continued our sponsorship for the Duke of Edinburgh scheme as a Gold Associate Supporter. It's a great programme enabling young people to gain new experiences and valuable skills for work and life.

Staying with a learning theme, we joined forces with Pembrokeshire County Council, Pembrokeshire College and other industry partners to launch the Sustainable Power, Renewables, and Construction (SPARC) Alliance in March, to promote gender diversity in these underrepresented industries. The SPARC initiative currently embeds practitioners in Pembrokeshire schools, educating female pupils in Year 8 (12-13 year olds) on the opportunities in the industry, to inspire their future careers.

It was another busy and rewarding year for us working with organisations who provide valuable support and a much-needed safety net for vulnerable people across our communities.

Milford Youth Matters completed another successful year of outreach, both with their summer Under the Bridge campaign curating activities for young people in the holidays and through their Winter Warmer Nights, giving 11-17-year-olds an opportunity to socialise with their friends, stay warm,



enjoy a hot meal and watch films. 2024 marked eight years of our support for Milford Youth Matters and we signed a new agreement for a further 3 years of support in recognition of the positive impact they have on our community.

We supported Step into January with Megan's Starr Foundation encouraging people to walk 10,000 steps every day of the month to raise money for this important charity, supporting young people and raising awareness of bullying and mental health.

3. A sustainable and resilient environment

Maintaining our environment is a key area of delivery, with specific projects outlined in the Environment section. They included our continuing support of the Pembrokeshire Marine SAC Officer and associated delivery of the national species restoration project Natur am byth! which saw 20,000 native oysters deployed in the upper reaches of the Waterway alongside the installation of oyster "hotels" at Rudders Boatyard. We also repeated support for the SWEPT citizen science project, and supported the Pembroke River Restoration Project with funding for over 600 trees and staff volunteering to help plant them. Our staff also helped undertake a coastal otter survey and we look forward to the results which are due in 2025.

On the theme of sustainability and environment, we sponsored flagship education programme 'Tomorrow's Changemakers', inspired by Wales' Wellbeing of Future Generations Act, the new Curriculum for Wales and the UN Global Goals. Delivered by local education enterprise, Cymbrogi Futures, the programme brought together secondary school students on a learning journey that ended in a 'hackathon' challenge in which they are invited to showcase what they'd learned and present their ideas for how they'd solve a real-life 'wicked problem.' Students from Milford Haven School came second in the competition that started with 800 learners from across Pembrokeshire and Carmarthenshire.

Our environment also includes our physical spaces and access to them. We worked with the Open To All project to better understand accessibility at Milford Waterfront with the goal of making our destination welcoming to people of all abilities. We will now develop a plan of works to make improvements as well as integrate learning into future plans.

CHIEF FINANCIAL OFFICER'S STATEMENT

Jonathan Chitty, Chief Financial Officer



Financial Performance

The Group reports turnover of £43.2m (2023 £41.3m) for the year, representing growth of 4.6%. Over the past 3 years this reflects average growth of 20% for the Group due to continued strength in shipping revenues (though these fell slightly in 2024), expansion of our hospitality activities, and inflationary impacts.

The overall growth in revenue achieved by the Group in 2024 is driven by income from our diversified activities, with rents generated by our commercial property portfolio up 18.2% and sales generated in our hospitality venues up 97.7%, nearly double. The overall mix between core ship dues and pilotage:non-core diversified activities was 55:45 for 2024, from 61:39 in 2023, reflecting success in the diversification strategy we have been pursuing in recent years.

Profitability was also up on previous years, with £6.8m operating profit generated by the Group (2023 - £4.1m). Our investment property portfolio suffered another loss on revaluation in year of £0.7m (2023 - £1.2m) despite the overall rental income improving year on year due to the general commercial property market conditions continuing a downward trajectory in recent years.

Profit before tax for the Group was £4.1m (2023 - £1.3m) after accounting for the loss on revaluation and finance costs for the year. Net profit for the year is £1.9m after tax charges of £2.2m, this compares to a net loss in 2023 of £1.0m after tax charges of £2.3m.



	2024		2023
	£'m	£'m incr/(decr)	£'m
Turnover	43.2	1.9	41.3
EBITDA*	11.0	(1.4)	12.4
Operating Profit	6.8	2.7	4.1
Cash flow from operating activities	5.8	2.7	3.1
Cargo Volume (tonnes)	32.8m**	(1.9)	34.7m
Dues paying ships (gross tonnage)	47.9m	(10.8)	58.7m
Dues paying ship movements (number)	1,893	(16)	1,909

*EBITDA is restated in 2023 to be before depreciation, amortisation and impairment and/or revaluation of assets.
** Provisional number for 2024 (final figure expected Summer 2025).

We have continued to invest heavily in our Group, both in the core Port business and in our diversification strategy. Total investment in fixed assets was £15.3m (2023 - £29.0m) in the year, taking our capital spend over the past 2 years to nearly £45m. The investments made in 2024 include the overhaul of the key navigational aid known as Mid Channel Rock, a major upgrade of our pilotage and navigational simulator and the continuation of the new pilot boat due for delivery in 2025. These investments demonstrate our commitment to ensure our world-class pilotage teams and supporting boat crew have best-in-class assets to facilitate them in their demanding roles.

We are always seeking opportunities to add to our diversified income streams and following on from the successful opening of our hotel in Milford Waterfront we identified an established hotel and restaurant in our home county that would allow synergies to be leveraged by our trusted third-party operator, the Celtic Collection. The acquisition completed in late May 2024 with cash payable on completion of £14.6m, including costs. The newly acquired venues performed in line with expectations for the remainder of 2024.

Funding

The Group ended the year with net debt of £15.3m (2023 net cash of £5.1m). This is the first time the Port has reported a net debt position, representing the tactical decision to support our strategy for growth. The Port has a combined facility available of up to £40m across several funding mechanisms which are committed until 2027.

Outlook

The global energy markets which largely determine our revenues for the core activity of pilotage services are relatively stable but do have volatile periods. We are anticipating a similar level of revenues from that activity in 2025 and expect our diversified income streams to also deliver a similar level of income for us. Whilst the geopolitical environment remains dynamic, we have minimum revenue guarantees in place which provides us with some financial resilience if the global or regional shipping demand declines dramatically, and we also have the benefit of strong diversified revenue streams which accounted for nearly half of total Group turnover in 2024.

We will be continuing to invest in core port business along with maintenance and upgrades to our property and hospitality portfolios. We are all very excited to welcome our new pilot vessel in 2025.

There is sufficient headroom in our committed financing facilities to support the upcoming investments if the operating cash flows generated from core and diversified incomes are not sufficient in the short term.

J. Chitty

Jonathan Chitty, Chief Financial Officer



PRINCIPAL RISKS AND UNCERTAINTIES

The Board reviews the Corporate Risk Register on a regular basis and is responsible for setting the risk appetite for specific risk categories. The principal risks and uncertainties facing the business, and actions taken to mitigate them, are:

Risk		Mitigation
Risk to Operational Continuity	The Port of Milford Haven is the UK's leading energy port and therefore we recognise the potential impacts associated with a business disruption.	<p>We maintain and exercise a robust set of contingency and emergency plans, which involve working closely with our stakeholders to ensure we are prepared should an interruption occur. More generally in relation to operational risk, we are committed to ensuring effective and efficient operations and have established a Port Integrated Management System (PIMS) and a Safety and Environmental Management System (SEMS) to help continually improve performance. These systems follow the Plan-Do-Check-Act cycle.</p> <p>As a port we recognise the challenges that climate change could bring to our operations in relation to more frequent, severe and extreme weather patterns. We will continue to mitigate potential risks by monitoring weather conditions in conjunction with stakeholders, and by increasing our focus on resilience strategies and the greater need for comprehensive climate data.</p> <p>As impactful issues arise (and as evidenced by our response to the COVID-19 pandemic, the war in Ukraine, and increasing energy costs) our focus is always on safety and ensuring minimal business disruption: we determine our priorities for maintaining operational resilience and focus efforts on mitigations to continue safe operations.</p> <p>The digital world creates many risks for a business, with an ever-increasing risk of cyber-attacks. We mitigate the risk of breaches through the implementation of multiple layers of software and processes, including firewalls, VPN (Virtual Private Network) access and penetration testing. We regularly monitor and test the effectiveness of our IT security infrastructure and our ability to defend against current and future cyber risks.</p>
Risk to Financial Resilience	Our financial instruments comprise borrowings, cash and various items such as trade debtors and creditors that arise directly from our operations. We are not generally exposed to movements in exchange rates as we trade in sterling (GBP) with major customers, and currencies other than sterling are only occasionally used.	Our policy is to ensure that sufficient funding is available at all times for resilience purposes. We invest our cash balances in UK banks with low-return/low-risk deposits. We finance our operations with a mixture of retained earnings and term debt. Loans are at a fixed rate or based on widely recognised index rate benchmarks and we have a revolving credit facility to support short-term needs and future investments. We do not actively seek high-risk, high return projects and are circumspect in choosing our trading partners and, where appropriate, joint venture partners. We adopt financial controls in line with industry best practice. The cost-of-living crisis in the UK is an evolving issue that is impacting our employees as well as the organisation. We aim to mitigate the impacts of high inflation with pricing decisions but are aware that this is more challenging in a period of low economic growth.
Revenue Risk	The Port has traditionally been reliant on the revenue earned from dues charged on vessels visiting the energy terminals on the Waterway. This reliance can create a short-term risk of revenues being subject to large fluctuations in demand within the oil and gas industry. A longer-term risk is presented by the net zero ambitions of the Welsh and UK Governments and, as the energy model develops, we may see changes to how the Waterway is used, which may result in reduced income from shipping dues from the traditional oil and gas sectors.	Securing contractual guaranteed volumes from the terminals helps/seek to mitigate the risk of fluctuating demand levels and enables the Port to make the investments required to be able to provide a reliable and safe pilotage service. The Port has introduced new revenue streams which will also help us mitigate against the short-term risk of significant revenue fluctuations and also the longer-term risks of decline in demand for oil and gas. In the face of higher levels of complexity and uncertainty, our risk and resilience capabilities will drive better outcomes through transformation and innovation. Our investments at Pembroke Port are an example of this, with the aim of building a future-proof modern port which can provide solutions to both the established generation of energy providers as well as the emerging technologies.



Risk		Mitigation
Risk to Fit for Purpose Assets	We have a wide variety of assets that are required to deliver services to our customers, and we continue to seek new opportunities to maximise the use of these.	We are committed to ensuring adequate stewardship and maintenance of our assets. We have adopted a risk-based approach, implementing our Asset Management policy and undertaking what is reasonable and practical to ensure assets remain in a suitable condition through a robust inspection and maintenance regime. It is recognised that climate changes such as sea level rise could impact on the Port's assets and is therefore considered as part of the Port's risk assessment process and Climate Change Adaptation considerations.
Risk to Reputation and Influence	Our reputation and influence can be affected by internal failures, by external events outside our control and through the management of our stakeholder expectations.	In addition to our internal controls, we have the long-established Port Advisory Committee and have good control over our messaging and relations with the media through a proactive Communications & Marketing department. We reinvest our profits into the business to secure the future sustainability of the Port, which in turn has positive impacts across Pembrokeshire and Wales in terms of job creation and economic growth. We also have powers within our Acts to make investments which are likely to provide economic, social, cultural or environmental benefits to all or some of the population of Pembrokeshire.
Regulation, Governance and Compliance Risk	As a trust port, we are governed by Acts of Parliament. In addition, we adopt a best practice code of governance using the Department for Transport's guidance document "Ports Good Governance Guidance" to ensure an efficient, accountable and competitive trust port. The obligations on the Port therefore are (1) first and foremost to comply with its Acts, and (2) operate so far as reasonably practicable and relevant to the particular circumstances of the Port of Milford Haven, in accordance with the guidance set out in "Ports Good Governance Guidance".	To meet and ensure ongoing compliance with these obligations, we have developed a Governance Manual, established an Audit & Risk Committee and conduct internal and external audits. We have policies and procedures in place to meet with legal obligations and industry standards, such as the Department for Transport's Port Marine Safety Code. These are reviewed regularly, underpinned by a continual focus on ensuring our employees abide by the highest standards of governance, compliance and integrity while focused on achieving our strategy. We recognise the long-term risks associated with Climate Change and compliance with UK Government's commitment to achieving a net zero carbon economy by 2050. Mitigations currently include carbon-offsetting and will continue to evolve as new technologies emerge to support our industry in reducing its carbon footprint.
Culture, Values and Behaviours Risk	It is recognised that we undertake activities that pose significant safety risks. Our core values - Safety, Collaboration, Excellence and Sustainability - are central to our credibility and provide our team with the confidence to deliver safe and superior services.	Our services are provided by dedicated employees, and we aim to create an environment where they are motivated and empowered to the full extent of their abilities. We adopt a positive safety culture through the proactive reporting of accidents, incidents, near misses and concerns through our Assurance Framework which is part of the Group's over-arching Risk Management structure that sets out its approach to dealing with risk and ensures the comprehensive management of risk in all its forms. To mitigate behavioural risks, we invest in our people through training and reward and have implemented an employee recognition scheme. We also conduct a Great Place To Work™ survey to gather feedback to guide our actions and have established Wellbeing Champions and Mental Health First Aiders. Our leaders work hard to embody our values and vision and cultivate a positive culture. We remain closely engaged with all stakeholders to manage the various implications resulting from the current economic and societal vulnerabilities. The number one priority remains the safety/wellbeing of our people and visitors to our sites.

The Strategic Report has been approved by the Board of Directors and signed on behalf of the Board.

S George
Dr Siân George, Chair
10 April 2025
Gorsewood Drive, Milford Haven, Pembrokeshire, SA73 3EP

GOVERNANCE

The Port of Milford Haven is an independent statutory undertaking. It was first established as the Milford Haven Conservancy Board in 1958 by a specific Act of Parliament (the Milford Haven Conservancy Act 1958). In 1986, the Conservancy Board became the Milford Haven Port Authority (through the Milford Haven Port Authority Act 1986). Today, the Milford Haven Port Authority (MHPA) is the statutory harbour authority and is our legal name, though we commonly trade as the Port of Milford Haven.

A framework of Acts (including the two noted above) form our constitution, defining what we may or may not do and how we are governed. They confer certain powers on the Port within the defined port limits, for example in relation to setting the rules for navigation and the power for directing vessels. It also confers obligations, such as the obligation to maintain, improve, protect, and regulate navigation, and rights, such as the right to levy charges.

The Port of Milford Haven is a trust port. We do not pay out any dividends to shareholders, nor do we receive direct budgetary support from government. We operate on a commercial basis and invest any surplus profit back into the business to support the continuing and long-term success of the Port for the benefit of our stakeholders.

In addition to the Acts, the Port of Milford Haven complies with the Department for Transport's Ports Good Governance Guidance. This guidance, which does not have any legal force, authoritatively sets out principles of openness, accountability, and fitness for purpose in managing harbours in the broad public interest. It covers corporate governance, stakeholder engagement, provision of information, safety, and other topics. Governance is addressed as part of the Directors' Report in the next section.

For financial reporting, the Port of Milford Haven along with its subsidiaries represents the Group.



GOVERNANCE BOARD AND SENIOR MANAGEMENT TEAM

The Board is instrumental in shaping our strategic and operational developments. Our Non-Executive Directors are well-positioned to support our diversification strategy as well as our core operations. The Chief Executive and the

Senior Management Team (SMT) are accountable to the Board for the delivery of the agreed strategy, implementation of Board policy, and the management of the business and affairs of the Port and Group.



Dr Siân George
Chair

BOARD

Siân brings a wealth of Board level experience, with a notable maritime, energy and safety focus. She is particularly recognised for her experience and knowledge of the marine renewables sector, where she has been a strong voice for UK and European policy and regulatory reform, working with stakeholders to help secure over €300m of public funding initiatives for the sector and overseeing an award winning strategic vision for developing Europe's marine energy resources. Siân has a strong reputation for fostering constructive stakeholder relationships, and extensive experience working in safety-critical and highly regulated sectors.



Gareth Powell
Vice Chair and Non-Executive Director

BOARD

With over 30 years experience working in the public, private and voluntary sectors, Gareth has an exceptional understanding of business operations with particular focus on financial operations, governance, strategic management, business growth management and stakeholder alignment. Trained as a Chartered Accountant, Gareth was most recently the Chief Operating Officer of BBC Cymru Wales and a Member of the BBC Cymru Wales Board.



Richard 'Tom' Sawyer
Chief Executive

BOARD, SENIOR MANAGEMENT TEAM

A passionate advocate for the opportunities presented by Pembrokeshire and the region, Tom's focus is to drive performance, strengthen existing relationships and build sustainable future propositions. He works alongside the Board and the Leadership Team to ensure the continued smooth running of the Port's core operations while overseeing the exciting next chapter in the Port's continued transformation.



Jonathan Chitty
Chief Financial Officer

BOARD, SENIOR MANAGEMENT TEAM

Jonathan ensures the business and the Board are appropriately advised on all financial matters with experience across multi-sectors, and in financial management and strategy. He brings wide reaching commercial and operational insights, focused on maintaining effective core services while exploring new ventures.



Mike Ryan
Harbourmaster

BOARD, SENIOR MANAGEMENT TEAM

Responsible for the safe use of the Waterway by all users, Mike works with the Board and the operational business units to ensure our marine operations work effectively, and that we maintain the level of service our customers expect from us. Gained during a long naval career, Mike brings extensive experience in managing complex operational situations. His focus is on delivering strategic and operational goals, and on maximising efficiencies and best practice in a safe working environment.



Vidette Swales
Human Resources Director

SENIOR MANAGEMENT TEAM

Vidette's clear focus is on developing our most important asset, our people. A Fellow of the Chartered Institute of Personnel and Development, Vidette has over 25 years' experience in HR roles encompassing both public and private sectors. She works closely with the Board and across the business to deliver an enhanced employee experience and ensures everyone is positioned to deliver the needs of our diverse business and support our united goals.

BOARD & SENIOR
MANAGEMENT TEAM

Cont.../



Natalie Britton
Operations
Director

SENIOR MANAGEMENT TEAM

Natalie focuses on maintaining operational excellence across our land side operations with additional responsibility for safety, environmental and quality commitments across the Port. A qualified Chemical Engineer, Natalie brings a wealth of experience from the chemical, energy, and marine sectors, and has significant operational experience with some of the Port's major Waterway stakeholders.



Matt Jones
Project
Director

SENIOR MANAGEMENT TEAM

With a wealth of experience in delivering complex organisational projects at both operational and strategic levels, Matt is leading on the delivery of the Port's ambitious project portfolio. His aim is to ensure that current and future project activity complements long-term aims and continues to enhance operational activities and support commercial opportunities by managing change effectively.



Anna Malloy
Communications
and Marketing
Director

SENIOR MANAGEMENT TEAM

Anna leads the public affairs, marketing, media relations, sustainability, and community relations activities. She plays a central role in the development of new and existing relationships, including strategic partnerships such as the Celtic Freeport and the Milford Haven Energy Cluster, as well as local community partnerships with charitable groups and organisations. Having been promoted a number of times since being

appointed as Marketing Assistant 17 years ago, Anna is a champion for the development of local, home-grown talent.



Debra Bowen Rees
Non-Executive
Director

BOARD

Debra developed her extensive experience in stakeholder relations during her role as CEO at Cardiff Airport. She has an in-depth understanding of Welsh political and business environments, building on experience gained as Senior Officer in the Armed Forces working in diverse functional areas across and beyond government including international engagement and influence. As an experienced

Board Director, she brings an important dynamic to the Board as it diversifies and as its stakeholder base broadens.



Erica Cassin
Non-Executive
Director

BOARD

Erica has over 20 years' experience in the Human Resources sector holding senior positions with many household names. She is passionate about empowering people to reach their full potential and fostering environments where every individual can thrive by being their true authentic self. An experienced HR coach, she has led significant organisational transformation, reshaping companies and business models to adapt to advances in market conditions, while improving their performance and effectiveness. Erica's strengths in leading cultural change is invaluable in her role on the Port's Board as it focuses on its own culture during an exciting time of diversification.



James Nyhan
Non-Executive
Director

BOARD

James' focus is on addressing the energy diversity challenges and opportunities for the Port. With over 30 years of international experience in the energy sector, he has a clear understanding of traditional and developing energy markets having worked in various roles with Royal Dutch Shell. He brings wide ranging commercial experience to his role as a Non-Executive Director and aims to continue

the progress made on energy developments within the Port for the benefit of the wider community of west Wales.



David Martin
Non-Executive
Director

BOARD

David has worked with Linklaters LLP since 2000 and has been a Partner since 2012. He has worked in the firm's London, Abu Dhabi, Dubai and Hong Kong offices. He brings a deep wealth of experience in infrastructure projects in the ports, shipping and airports sectors, with direct experience in freeports. He is considered a market leading adviser on digital/telecoms infrastructure. David grew up in Pembrokeshire and, with strong family links in the county and in particular Milford Haven, remains a frequent visitor. He has recently started to learn Welsh.



James Higham
Non-Executive
Director

BOARD

James has over 35 years experience in marine operations gained during his career with the Royal Navy. He led on the engineering and technical aspects of all Royal Naval and Royal Fleet Auxiliary shipping and was a Naval Base Commander for Portsmouth. He brings extensive experience in marine operational safety, risk and strategic leadership, and advises at UK government level.

Board developments:

■ Incoming Members

- Dr Siân George, joined 22 June 2024
- Gareth Powell, Vice-Chair & Non-Executive Director, joined 1 February 2024
- David Martin, Non-Executive Director, joined 1 February 2024
- James Higham, Non-Executive Director, joined 1 February 2024

■ Outgoing Members:

- Dr Chris Martin, Chair and Non-Executive Director, resigned 21 June 2024
- Debra Williams, Non-Executive Director, resigned 28 February 2024
- Steve Phillips, Non-Executive Director, resigned 30 June 2024
- Ian Shipperley, Non-Executive Director, resigned 30 June 2024



GOVERNANCE

DIRECTORS' REPORT

The Directors present their Annual Report and audited financial statements for the year ended 31 December 2024.

Principal activity and review of the business

The principal activity of the Port is to provide safe navigation and marine services on the Milford Haven Waterway. This, together with the Port's and Group's other activities, and the principal risks and prospects, is reviewed in the Strategic Report (which also includes the strategic information required by Schedule 7 to the Accounting Regulations which we have chosen to include in that section of the annual report and financial statements).

The Port of Milford Haven Board - Chair, Dr Siân George

The determination and implementation of the Group's strategy is the Board's key remit. In addition, the Board is ultimately responsible for the operational performance, including safety performance, of the Group. It is therefore part of the Board's role to monitor the performance of the Senior Management Team (SMT) and satisfy itself, through review of various reporting systems and procedures including the use of risk registers, that our operations are legally compliant, operate to the highest standards of safety, and with appropriate financial prudence.

The Milford Haven Port Authority Act 2002, as amended by the Milford Haven Port Authority Harbour Revision Order 2012, specifies that the Board shall comprise the Chair, between six and eight other Non-Executive Directors, the Chief Executive and up to three other Executive Directors.

The Chair is appointed by the Secretary of State for Transport through an open competitive selection process. All other Non-Executive Directors are appointed by the Board itself through a similarly open process. For any Board position, including the Chair, the position is advertised, and an appointment panel formed including an external independent member to shortlist and interview candidates. In every case the appointment panel recommends its preferred candidate for appointment. Each appointment is for an initial three-year term which is in line with UK Government's Ports Good Governance Guidance policy.



The recruitment and appointment of Directors is in accordance with guidelines laid down by the Government for all trust ports and follows what are commonly termed the 'Nolan principles'. All Directors must adhere to the following guiding principles of conduct:

- | | | |
|----------------|------------------|-------------|
| ■ Independence | ■ Selflessness | ■ Honesty |
| ■ Openness | ■ Accountability | ■ Integrity |
| ■ Leadership | ■ Objectivity | |

The duties of a Director are akin to those of a director of a company; to be accountable for the proper exercise of the Port's statutory functions, the identification and setting of business strategy and policies, the delivery of port and harbour services, and to provide proper oversight and direction in relation to the safety of operations and the financial performance of all business activities. Selection and appointment of Non-Executive Directors should be based on each Non-Executive bringing a particular skill set or specialisation to the Board to cover the following headings:

- | | | |
|-----------|----------------|--------------|
| ■ Chair | ■ Strategy | ■ Energy |
| ■ Finance | ■ Stakeholders | ■ Commercial |
| ■ Marine | ■ HR | |

These skill sets may be amended from time-to-time to reflect the changing business interests of the Port.

The Board meets regularly, at least six times a year. The Non-Executive Directors also meet without the Executive Directors, and on occasion without the Chair, to review the general workings of the Board.

A register of Directors' interests is maintained which includes landholdings, shareholdings and other responsibilities and appointments, together with the requirement to identify any issues that could be perceived as a conflict of interest. The Group also maintains a hospitality register for all Directors and managers to record external hospitality received.

Committees

The Board operates the following committees to support its functions:

Audit & Risk Committee - Chair, Gareth Powell

Purpose: Consider any matter relating to the financial affairs of the Group and include the monitoring of financial reporting, accounting policies, matters relating to the auditors, the adequacy of the internal financial controls and to review and monitor the overall risk strategy, including the Risk Management Policy that sets out the Board's Risk Appetite Statement. The Audit & Risk Committee has primary responsibility for the appointment, reappointment and removal of external auditors and safeguards the auditor's independence. The Committee also considers all relevant internal audit reports and risks to support the Board in the discharge of its risk management responsibilities. The Audit & Risk Committee comprises three Non-Executive Directors with the Chief Executive and the Chief Financial Officer also in attendance. The Chair of this Committee is the Non-Executive Director with the appropriate finance and risk background.

Nominations & Remuneration Committee - Chair, Erica Cassin

Purpose: Determine/review the structure, size and composition of the Board, making use of the output of the Board evaluation process as appropriate, and to make recommendations to the Board, as applicable, with regard to any changes. To develop and have oversight of the Port's remuneration policies and practices ensuring they are appropriate to attract and retain the right skills, experience, knowledge and behaviours to support the achievement of the Port's strategy as well as affordability/sustainability overall. It also ensures that levels of Board remuneration and expenses claimed are detailed in the Annual Accounts. It consists of not less than three Non-Executive Directors including the Chair. The HR Director acts as Secretary to the Committee (in a non-voting capacity).

Port Advisory Committee - Chair, Debra Bowen Rees

Purpose: Across the Port of Milford Haven Stakeholder Community, gain and maintain support and advocacy for the Port's strategy and operations and to provide a broad stakeholder view directly to the Board. The Port is required by Section 15 of the Milford Haven Conservancy Act 1983 to maintain an Advisory Committee in connection with the

discharge of the Port's functions and the use of the Haven. The Ports Good Governance Guidance provides clear advice to ports that effective engagement with stakeholders is essential to both maintain stakeholders' understanding of the Waterway, and for the Port to understand stakeholders' views about the Waterway and key issues from their perspective. These dual functions (one statutory and one best practice) are fulfilled by the Port Advisory Committee. Membership of this committee comprises three Non-Executive Directors and three Port of Milford Haven Executive Directors together with up to 21 other stakeholders representing commercial port users, local community, leisure users, central and local government, and the local economy.

The Board is also directly accountable for:

Executive

The Chief Executive and the Senior Management Team (SMT) are accountable to the Board for the delivery of the agreed strategy, implementation of Board policy, and the management of the business and affairs of the Port and Group. The SMT meets regularly.

Corporate Governance

The Directors are committed to high standards of corporate governance and have implemented systems of corporate governance compliant with the principles of the Ports Good Governance Guidance and the relevant sections of the UK Corporate Governance Code.

Charitable and Political Donations

The Board has oversight of the Community Benefits strategy through which charitable donations are made.

The Ports Good Governance Guidance outlines ways trust ports can re-invest surpluses to support the continuing and long-term success of a port for the benefit of its stakeholders. It states that in addition to investment on a commercial basis a trust port can:

- invest in infrastructure, with a longer-term view than might be expected on a purely commercial basis;
- invest in infrastructure or environmental improvements to a higher standard or greater extent, bringing quantifiable benefits to stakeholders;
- undertake activities that have a lower commercial return than a private sector port would undertake, but which delivers benefits for stakeholders, such as local communities;
- provide additional employee training where this helps to develop the local skills base; and
- make charitable contributions or grants to community projects or organisations.

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The Port makes a range of charitable donations to local good causes via its Community Fund. Charities, voluntary organisations, community organisations and social enterprises that are working within Pembrokeshire are encouraged to apply to the Community Fund for support. 81 applications were supported in 2024. The Port's wider Community Support programme (which includes the community fund) has been valued at over £500,000 for 2024.

With the first change of UK government in 14 years, 2024 was the ideal time to set out the case for our region's industrial strategy afresh. Key activity included:

- Welsh Labour Gala Dinner (11th April), £8,000+VAT
- Welsh Labour Conference: Dinner (16th November), £1,500+VAT
- Welsh Labour Conference: Observer PLUS with ABP (16th / 17th November), £2,000+VAT

Internal Control and Risk Management

The Directors are responsible for the Group's system of internal control. Such a system provides reasonable but not absolute assurance against material loss or misstatement.

Key procedures that have been established include an organisational structure with clear operating procedures, lines of responsibility and delegated authority. In particular, there are defined procedures for:

- capital investment covering appraisal and authorisation
- financial reporting within a comprehensive financial planning and accounting framework
- internal audit to monitor the system of internal control
- risk management, and
- the procurement of goods and services.

The Directors have reviewed the effectiveness of the system of internal control in accordance with the principles included in the UK Corporate Governance Code and other relevant guidance.

Investment Policy

The Group's policy is to ensure that investments made are commercially viable, providing sustainability for the Group, its users, its employees, and other stakeholders.

Going Concern

The Directors have reviewed the forecast financial position of the Group and the Port, against the expected recurring operational income, expenditure, and interest costs in conjunction with the Group's and the Port's funding position and banking covenants. The Directors consider that the Group and the Port have more than sufficient resources to continue in operational existence for a period of at least 12 months from the approval of the 31 December 2024 financial statements. For this reason, the Directors continue to adopt the going concern basis in preparing the Group's and the Port's financial statements.

Financial Risk Management

The Group is exposed to financial risks from interest bearing assets and liabilities. Whilst these are not material, they may expose the Group to financial risks including foreign exchange risk, interest rate risk, credit risk and liquidity risk.

- Foreign exchange risk: Where applicable, the Group is able to mitigate foreign exchange risk with the use of forward contracts. As at 31 December 2024, the Group had no material foreign exchange risk (2023: £nil).
- Interest rate risk: The Group has interest bearing assets which are invested at differing interest rates; decisions on interest rate protection mechanisms are taken on a case by case basis. There was interest rate protection in place at 31 December 2024 to mitigate some of the risk of fluctuations in interest rates on the new borrowing in the year, but none in the prior year due to the low level of borrowings previously.
- Credit risk: The Group has no significant concentration of credit risk. The Group has implemented policies that require appropriate credit checks on potential credit customers before sales commence. Interest bearing assets are only invested with financial institutions that have high credit ratings.
- Liquidity risk: The Group mitigates liquidity risk by maintaining a balance of cash and investing in short-term interest-bearing assets to allow flexibility and continuity of funding. As at 31 December 2024, the Group has a credit facility agreement, entered into in 2023 alongside a loan agreed with a 20-year repayment term from 2023.

Corporate Social Responsibility

The Group recognises its responsibilities to the communities which are affected by its business and reviews its policies about environmental, societal and governance matters as necessary. Any issues arising are addressed in the Strategic Report. Any matters in any of these categories which may materially affect the business of the Group are reviewed as required by the Board.

Future developments

Details of future developments are detailed in the Strategic Report and form part of this report.

Events after the balance sheet date

There are no significant events since the balance sheet date.

Directors

The Directors who served during the year and up to the date of this report are disclosed on page 36.

Directors' indemnities

The Group has third party indemnity provision for the benefit of the Directors which is in force at the date of this report. This indemnity provision covers Directors of the Port and the Directors of each subsidiary company.

Disclosure of information to the Auditor

Each Director at the date of approval of this report confirms that: (1) so far as the Director is aware, there is no relevant audit information of which the Group's auditor is unaware; and (2) the Director has taken all the steps that he/she reasonably ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Group's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

Board Meeting Attendance 2024	Board	Audit & Risk Committee	Nominations & Remuneration Committee	Port Advisory Committee
Total number of meetings	8	5	6	1
Board Members				
Chris Martin	5 (of 5)		3 (of 3)	
David Martin	8		4 (of 5)	
Debra Bowen Rees	8		5	1
Debra Williams	1 (of 1)		1 (of 1)	
Erica Cassin	7		6	1
Gareth Powell	8	5		
Ian Shipperley	5 (of 5)	1 (of 3)		
James Higham	7	2 (of 4)		
James Nyhan	6	4		
Jonathan Chitty*	8	5		1
Mike Ryan*	6			
Siân George	3 (of 3)		3 (of 3)	
Steve Phillips	5 (of 5)	3 (of 3)		
Tom Sawyer*	7	2	5 (of 5)	1

* Executive Directors

Approved by the Board of Directors and signed on behalf of the Board

S George
Dr Siân George, Chair
10 April 2025
Gorsewood Drive, Milford Haven, Pembrokeshire, SA73 3EP

GOVERNANCE

DIRECTORS' RESPONSIBILITIES STATEMENT

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland”. 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 state of affairs of the Group and the Port and of the profit or loss of the Group and the Port for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Port will continue in business.



The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Port's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Port and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied by the United Kingdom Harbours Act 1981. They are also responsible for safeguarding the assets of the Group and the Port and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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



GOVERNANCE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

Opinion

We have audited the financial statements of Port of Milford Haven (the 'Port') and its subsidiaries (the 'group') for the year ended 31 December 2024 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including *Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the Port's affairs as at 31 December 2024 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group and Port in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the Port and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 Port'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 Port or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Our approach to identifying and assessing the risks of material misstatements in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group and the Port through discussions with directors and other management, and from our commercial knowledge and experience of the relevant sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group and the Port, including the Companies Act 2006;
- we assessed the extent of compliance with laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the group and the Port's financial statements to material misstatements, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from the financial statements, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Port's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Port'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 Port and the Port's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr John Griffiths
(Senior Statutory Auditor)



For and on behalf of UHY Hacker Young,
Statutory Auditor

Chartered Accountants
Newport, Gwent United Kingdom
10 April 2025



GOVERNANCE

FINANCIAL STATEMENTS



Chief Executive Richard 'Tom' Sawyer
Chief Financial Officer Jonathan Chitty
Harbourmaster Mike Ryan

Registered Office
Gorsewood Drive, Milford Haven,
Pembrokeshire, SA73 3EP

Officers

Chair:

- Chris Martin, resigned 21 June 2024
- Siân George, appointed 22 June 2024

Non-Executive Directors:

- David Martin, appointed 1 February 2024
- Debra Bowen Rees
- Debra Williams, resigned 28 February 2024
- Erica Cassin
- Gareth Powell, appointed 1 February 2024 (Vice-Chair)
- Ian Shipperley, resigned 30 June 2024
- James Higham, appointed 1 February 2024
- James Nyhan
- Steve Phillips, resigned 30 June 2024

Executive Directors

- Jonathan Chitty
- Mike Ryan
- Richard 'Tom' Sawyer

Professional Advisers

Banker

HSBC Bank plc, 56 Queen Street,
Cardiff, United Kingdom

Solicitors

Hill Dickinson LLP, St. Paul's Square,
Liverpool, United Kingdom

Auditor

UHY Hacker Young, Bradbury House,
Newport, United Kingdom

PORT OF MILFORD HAVEN GROUP PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2024

	Notes	2024 £'m	2023 £'m
TURNOVER	3	43.2	41.3
Cost of sales		(24.1)	(24.9)
GROSS PROFIT		19.1	16.4
Administrative expenses		(12.3)	(12.3)
OPERATING PROFIT	4	6.8	4.1
Interest receivable and similar income	9	-	-
Interest payable and similar expenses	10	(1.9)	(1.6)
Fair value gains and losses on financial instruments	11	(0.1)	-
Fair value gains and losses on investment properties	16	(0.7)	(1.2)
PROFIT BEFORE TAXATION		4.1	1.3
Tax on profit	12	(2.2)	(2.3)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	28	1.9	(1.0)

GROUP STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

	2024 £'m	2023 £'m
Profit/(loss) for the year	1.9	(1.0)
Other comprehensive income		
Actuarial gain/(loss) on defined benefit pension schemes	6.3	(4.0)
Cash flow hedges gain arising in the year	-	-
Tax relating to other comprehensive income	(1.4)	0.9
Other comprehensive income/(loss) for the year	4.9	(3.1)
Total comprehensive income/(loss) for the year	6.8	(4.1)

GROUP BALANCE SHEET

As at 31 December 2024

		2024		2023	
	Notes	£'m	£'m	£'m	£'m
FIXED ASSETS					
Goodwill	14		6.6		-
Tangible assets	15		105.9		84.0
Investment property	16		35.0		32.6
			147.5		116.6
CURRENT ASSETS					
Stocks	20	0.6		0.5	
Debtors	21	10.2		12.8	
Cash at bank and in hand		2.2		20.1	
		13.0		33.4	
CREDITORS:AMOUNTS FALLING DUE WITHIN ONE YEAR					
	22	(19.6)		(13.6)	
NET CURRENT (LIABILITIES)/ASSETS			(6.6)		19.8
TOTAL ASSETS LESS CURRENT LIABILITIES			140.9		136.4
CREDITORS:AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR					
	23		(43.3)		(43.8)
PROVISIONS FOR LIABILITIES					
Deferred tax liability	25	6.6		0.9	
			(6.6)		(0.9)
NET ASSETS EXCLUDING PENSION LIABILITY			91.0		91.7
DEFINED BENEFIT PENSION LIABILITY			(5.0)		(12.5)
NET ASSETS			86.0		79.2
CAPITAL AND RESERVES					
Called up share capital	28		-		-
Revaluation reserve	28		21.6		22.3
Profit and loss reserves			64.3		56.8
Equity attributable to owners of the parent			85.9		79.1
Non-controlling interest			0.1		0.1
TOTAL EQUITY			86.0		79.2

PORT BALANCE SHEET

As at 31 December 2024

		2024		2023	
	Notes	£'m	£'m	£'m	£'m
FIXED ASSETS					
Tangible assets	15		74.2		68.6
Investment property	16		21.0		20.2
Investments	17		50.0		34.7
			145.2		123.5
CURRENT ASSETS					
Stocks	20	0.5		0.4	
Debtors	21	9.6		10.9	
Cash at bank and in hand		0.7		18.2	
		10.7		29.5	
CREDITORS:AMOUNTS FALLING DUE WITHIN ONE YEAR	22	(25.3)		(22.5)	
NET CURRENT (LIABILITIES)/ASSETS			(14.5)		7.0
TOTAL ASSETS LESS CURRENT LIABILITIES			130.7		130.5
CREDITORS:AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	23		(42.5)		(43.8)
PROVISIONS FOR LIABILITIES					
Deferred tax liability	25	2.7		-	
			(2.7)		-
NET ASSETS EXCLUDING PENSION SURPLUS/(DEFICIT)			85.5		86.7
DEFINED BENEFIT PENSION SURPLUS/(DEFICIT)	27		1.3		(5.8)
NET ASSETS			86.8		80.9
CAPITAL AND RESERVES					
Called up share capital			-		-
Revaluation reserve	28		24.7		25.7
Profit and loss reserves	28		62.1		55.2
TOTAL EQUITY			86.8		80.9

As permitted by s408 Companies Act 2006, the Port has not presented its own profit and loss account and related notes. The Port’s profit for the year was £1.0m (2023 - £0.2m profit).

The financial statements were approved by the board of directors and authorised for issue on 10 April 2025 and are signed on its behalf by:

J Chitty

Jonathan Chitty,
Chief Financial Officer

GROUP STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	Share capital £'m	Revaluation reserve £'m	Profit and loss reserves £'m	Total £'m
Balance at 1 January 2023	-	24.2	58.9	83.1
Year ended 31 December 2023:				
Loss for the year	-	-	(0.9)	(0.9)
Other comprehensive income:				
Actuarial loss on defined benefit plans	-	-	(4.0)	(4.0)
Tax relating to other comprehensive income	-	-	0.9	0.9
Total comprehensive loss	-	-	(4.0)	(4.0)
Transfer to reval reserve in relation to revaluation of investment properties	-	(1.2)	1.2	-
Transfer to reval reserve in relation to disposal of revalued fixed assets	-	(0.7)	0.7	-
Balance as at 31 December 2023	-	22.3	56.8	79.1
Year ended 31 December 2024:				
Profit for the year	-	-	1.9	1.9
Other comprehensive income:				
Actuarial gains on defined benefit plans	-	-	6.3	6.3
Tax relating to other comprehensive income	-	-	(1.4)	(1.4)
Total comprehensive income	-	-	6.8	6.8
Transfer to reval reserve in relation to revaluation of investment properties	-	(0.7)	0.7	-
Balance at 31 December 2024		21.6	64.3	85.9

PORT STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	Share capital £'m	Revaluation reserve £'m	Profit and loss reserves £'m	Total £'m
Balance at 1 January 2023	-	26.5	56.9	83.4
Year ended 31 December 2023:				
Profit for the year	-	-	0.2	0.2
Other comprehensive income:				
Actuarial loss on defined benefit plans	-	-	(3.6)	(3.6)
Tax relating to other comprehensive income	-	-	0.9	0.9
Total comprehensive loss	-	-	(2.5)	(2.5)
Transfer to reval reserve in relation to revaluation of investment properties	-	(0.1)	0.1	-
Transfer to reval reserve in relation to disposal of revalued fixed assets	-	(0.7)	0.7	-
Balance as at 31 December 2023	-	25.7	55.2	80.9
Year ended 31 December 2024:				
Profit for the year	-	-	1.0	1.0
Other comprehensive income:				
Actuarial gains on defined benefit plans	-	-	6.3	6.3
Tax relating to other comprehensive income	-	-	(1.4)	(1.4)
Total comprehensive income	-	-	5.9	5.9
Transfer to reval reserve in relation to revaluation of investment properties	-	(1.0)	1.0	-
Balance at 31 December 2024	-	24.7	62.1	86.8

GROUP STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

	Notes	2024 £'m	2023 £'m
Cash flows from operating activities			
Cash generated by operations	32	8.3	7.5
Interest paid		(1.9)	(1.1)
Income taxes paid		(0.6)	(3.3)
Net cash inflow from operating activities		5.8	3.1
Investing activities			
Purchase of business (net of cash acquired)	29	(13.9)	-
Purchase of tangible fixed assets		(11.0)	(28.9)
Proceeds from disposal of tangible fixed assets		-	1.1
Purchase of investment property		(2.5)	(0.1)
Capital grants received		1.2	25.2
Net cash used in investing activities		(26.2)	(2.7)
Financing activities			
Proceeds from new bank loans		3.0	15.0
Repayment of bank loans		(0.5)	(3.0)
Net cash generated from financing activities		2.5	12.0
Net (decrease)/increase in cash and cash equivalents		(17.9)	12.4
Cash and cash equivalents at beginning of year		20.1	7.7
Cash and cash equivalents at end of year		2.2	20.1

I. Accounting Policies

I.1 Accounting convention

The Milford Haven Port Authority is a trust port, a statutory entity that was brought into existence by a specific Act of Parliament - The Milford Haven Conservancy Act 1958. The financial statements have been prepared in accordance with the Harbours Act 1964, as amended by the Transport Act 1981 and subsequent legislation, which requires that the financial statements be prepared in accordance with the requirements of the Companies Act 2006, and in accordance with applicable United Kingdom accounting standards. The financial statements are prepared under the historical cost convention as modified by the revaluation of investment properties and modified to include certain items at fair value and in accordance with Financial Reporting Standard 102 (FRS 102). The particular accounting policies, which have been adopted on a consistent basis in the current and prior year, are described below. Reporting currency is in GBP and rounding is to the nearest million to one decimal place. The registered office is Gorsewood Drive, Milford Haven, Pembrokeshire SA73 3EP. The Port meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Exemptions have been taken in relation to financial instruments, remuneration of key management personnel and related party disclosure.

I.2 Basis of consolidation

The consolidated financial statements of the Group include the financial statements of the Port and its subsidiary companies, joint ventures and associates for the year ended 31 December 2024 as listed in note 18. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Subsidiaries are consolidated in the group’s financial statements from the date that control commences until the date that control ceases.

I.3 Going concern

The financial statements have been prepared on the going concern basis. The Directors have reviewed the budget for 2025 and the forecast financial position of the Group against the expected recurring operational income, expenditure and interest costs in conjunction with the Group’s funding position and banking covenants. The Directors consider that the Group has more than sufficient resources to continue in operational existence for the foreseeable future. For this reason, the Directors continue to adopt the going concern basis in preparing the Group’s financial statements.

I.4 Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to third party customers. This comprises revenue from charges to port users and from rents of both operational and investment property. Turnover is recognised in the period in which it is earned, including amounts recognised under minimum volume commitments from port users.

The Port has some long-term contracts which include minimum volume commitments that require the port user to pay a minimum annual fee irrespective of the extent to which the port is used. These contracts entitle the port user to an agreed level of services up to the minimum amount, and services in excess of the minimum amount are chargeable as they are utilised. To the extent that the minimum volume levels are not fully utilised within a year, the balance not utilised can be carried forward as a credit by the customer and used against future services in excess of the minimum volume level.

I.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 50 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

I.6 Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Assets in the course of construction are capitalised and categorised as ‘Development costs’, there is no depreciation on development costs. Once crystallised into an asset, the development costs are transferred to the appropriate category of asset that is created and depreciation is charged if applicable for that category of asset.

Depreciation is provided in equal annual instalments over the estimated useful lives of the assets. There is no depreciation on freehold land. The rates of depreciation are as follows:

Property (excluding investment property)	10 - 50 years
Plant and equipment	3 - 50 years
Fixtures and fittings	3 - 50 years
Specialised marine assets	2 - 125 years
Dredging works	20 years
Development costs	No depreciation

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

I.7 Investment property

Property (including land held for development) is classified as investment property if it is not occupied by the Group or used by such to provide operational port services that are material in nature. Investment property is measured at fair value annually after initial recognition at cost. The fair value will be based on market evidence by appraisals undertaken each year and by professional valuers if the Directors deem necessary. All changes in fair value of investment property will pass through the profit and loss account and are transferred to the Revaluation Reserve. Depreciation is not provided on investment properties.

I.8 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the Port’s financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

I.9 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of

an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

I.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Provision is made for obsolete, slow-moving or defective items where appropriate. Stock is issued on the First In First Out (FIFO) basis.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

I.11 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

I.12 Financial instruments

The group has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

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NOTES TO THE GROUP FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

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Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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 the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. 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 there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment 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.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

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 finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the

instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.13 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.14 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.15 Retirement benefits

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

For defined benefit schemes, the amounts charged to operating profit are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the profit and loss account if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in the statement of comprehensive income.

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the Group, in separate trustee-administered funds. Pension scheme assets and liabilities are measured on an actuarial basis using a discount rate equivalent to the current rate of return on a high quality (AA) corporate bond. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet.

1.16 Leases

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

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Indirect costs incurred in negotiating and arranging an operating lease are charged directly to the profit and loss account.

1.17 Government grants

In line with FRS 102, grants are categorised into three classes; Class 1 for revenue grants, Class 2 for capital grants and Class 3 for capital investment grants.

Class 1: Revenue grants are credited to the profit and loss account to match the costs of the project – write-off method.

Class 2: Capital grants (those with no on-going commitment) are credited to the profit and loss account once any performance criteria are satisfied – performance method.

NOTES TO THE GROUP FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

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Class 3: Capital investment grants (those with on-going commitment) are released to the profit and loss account over the expected useful lives of the associated fixed asset.
Deferred grants will be held as current and will be assessed into an appropriate class at completion.

1.18 Foreign exchange

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. These translation differences are dealt with in the profit and loss account.

2. Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.
The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Impairment

Certain of the Port (and Group's) specialised marine assets and freehold land and property are used in operations that have seen a reduction in turnover over recent years due to the post-Brexit international trade environment. As a result an impairment loss was required to reduce the carrying value of the assets to the expected value in use, which has been calculated using projections on a discounted cash flow basis, including a terminal value factor based on the perpetual growth method given the long-term nature of the assets. The pre-impairment carrying value of the assets exceeded the value in use by £nil (2023: £3.0m) and therefore no impairment loss has been recognised in the period.
The discount rate was used based on a market derived weighted average cost of capital as at 31 December 2024 of

10.5% (2023: 10.5%). An increase in the discount rate of 0.1% (2023: 0.1%) has the impact of reducing the present value of future cash flows at 31 December 2024 by £14,000 (2023: £18,000). A reduction of the discount rate to 0% (2023: 4.4%) would result in no requirement for an impairment as the present value of future cash flows would be increased by £nil (2023: £3.0m).

Capitalisation of development costs

Included within development costs, are capitalised development costs in respect of the Milford Waterfront and Pembroke Dock Marine projects and any other assets in the course of construction in the Port. It is the Directors' judgement that these projects will become cash-generating assets. It is recognised that, should the projects not crystallise, the costs would need to be written off to the profit and loss account. As part of the annual impairment review, the Directors identified certain Milford Waterfront development projects with costs of £nil (2023: £0.3m) and Pembroke Dock Marine Development costs of £nil (2023: £4.4m) where there was a high degree of uncertainty over their projected recoverable value and these were written off to the profit and loss account accordingly. Remaining development costs as at 31 December 2024 include £0.1m (2023: £0.1m) for Pembroke Dock Marine (with the majority of this project completed in the prior year) and 'assets in the course of construction' with net book value of £9.9m (2023: £1.8m) as described in note 15.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Long term contracts

In accounting for revenue from long-term contracts, where volumes under those contracts have exceeded the minimum volume commitment, estimates are made in order to determine the value of additional revenue which is considered to have been earned. This estimate reflects uncertainties over whether any future rebate may be provided to the customer in respect of the related minimum volume agreement. Where amounts received may be subject to some level of rebate dependent on future volumes, an estimate is made of the appropriate amount to defer until such time as the associated uncertainty is resolved. The amount of revenue deferred due to such uncertainties was £nil as at 31 December 2024 (2023: £2.7m) because the uncertainty was resolved in the year and the deferred income related to this matter was no longer needed to be recognised.

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Employee benefits

The Group operates two defined benefit pension schemes and some operational pilots are members of the Pilots National Pension Fund. The value of scheme liabilities has been prepared by the actuary for each scheme based on assumptions agreed with the Directors. The assumptions reflect the unique properties of each scheme where appropriate. See note 27 for further information.

Revaluation of assets

Investment properties are classified on the basis of the FRS 102 definition and are included at fair value. The Directors determine fair value based on assumptions specific to the investment portfolio in addition to reference to the wider market, and consider advice received from an independent valuer who will, in turn, undertake desktop or full valuations as the Directors require, to support the determination of fair value. Further information regarding investment properties is in note 16.

3. Turnover and other revenue

	2024 £'m	2023 £'m
Turnover analysed by class of business		
Ship, passenger and goods due	16.1	17.3
Pilotage services	7.8	8.0
Marine services	5.3	6.5
Rents	3.9	3.3
Miscellaneous income	-	0.1
Solar income	1.4	1.7
Leisure	8.7	4.4
	43.2	41.3

	2024 £'m	2023 £'m
Other revenue		
Interest income	-	(0.1)

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

4. Operating profit

	2024 £'m	2023 £'m
Operating profit for the year is stated after charging/(crediting):		
Government grants amortisation	(0.6)	(4.4)
Depreciation of owned tangible fixed assets	4.8	4.3
Impairment of owned tangible fixed assets	-	8.1
(Profit)/loss on disposal of tangible fixed assets	-	0.6
Investment property impairment/(reversal)	-	(0.4)
Amortisation of intangible assets	0.1	-
Hire and operating lease charges	0.4	0.3

NOTES TO THE GROUP FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

5.Auditor's remuneration

	2024 £'000	2023 £'000
Fees payable to the Port's auditor and associates:		
For audit services		
Audit of the financial statements of the Port and company	55	89
Audit of the financial statements of the Port's subsidiaries	53	42
	108	131
For other services		
Taxation compliance services	-	22
Other taxation services	-	15
	-	37
For services in respect of associated pension schemes		
Audit-related assurance services	5	29

6. Employees

The average monthly number of persons (excluding non-executive directors) employed by the group and Port during the year was:

	Group		Port	
	2024 No.	2023 No.	2024 No.	2023 No.
Operational staff	202	160	123	110
Office staff	96	96	96	96
Total	299	256	219	206

The following aggregate remuneration includes amounts paid to Directors:

	Group		Port	
	2024 £'m	2023 £'m	2024 £'m	2023 £'m
Wages and salaries	13.4	13.9	12.1	12.4
Social security costs	1.4	1.2	1.3	1.2
Pension costs	1.5	1.7	1.5	1.7
	16.3	16.8	14.9	15.3

NOTES TO THE GROUP FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

7. Key management personnel remuneration

	2024 £'000	2023 £'000
Fees - Non-Executive Directors	205	155
Aggregate emoluments (excluding defined benefit pension contributions) - Executive Directors	628	527
Pension costs - Executive Directors	52	41
Senior Management Team	735	607
	1,620	1,330

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2023 - 3).

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2024 £'000	2023 £'000
Remuneration for qualifying services	271	214

The average monthly number of Directors during the year was 11 (2023: 10).

8. Pilotage

Compliance with the Statutory Harbour Undertakings (Pilotage Accounts) Regulations 1988 requires that revenue and expenditure applicable to pilotage activities be separately identified as follows:

	Group and Port	
	2024 £'m	2023 £'m
Turnover		
Providing pilotage services	7.6	7.8
Issue and use of pilotage exemption certificates	0.2	0.2
	7.8	8.0
Expenditure		
Providing services of a pilot	3.8	3.8
Providing, maintaining and operating pilot boats	3.1	2.4
Administration and other costs	1.4	2.5
	8.3	8.7

NOTES TO THE GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

9. Interest receivable and similar income

	2024 £'m	2023 £'m
Interest income		
Interest receivable from group companies	-	-
	2024 £'m	2023 £'m
Investment income includes the following:		
Interest on financial assets not measured at fair value through profit or loss	-	-

10. Interest payable and similar expenses

	2024 £'m	2023 £'m
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	1.4	1.2
	1.4	1.2
Other finance costs:		
Net interest on the net defined benefit liability	0.5	0.4
Total finance costs	1.9	1.6

11. Amounts written off investments

	2024 £'m	2023 £'m
Fair value gains/(losses) on financial instruments		
Loss on hedging instrument in a fair value hedge	(0.1)	-

12. Taxation

	2024 £'m	2023 £'m
Current tax		
UK corporation tax on profits for the current period	1.1	0.7
Adjustments in respect of prior periods	(0.6)	-
Total current tax	0.5	0.7
Deferred tax		
Origination and reversal of timing differences	0.9	0.5
Adjustment in respect of prior periods	0.8	1.1
Total deferred tax	1.7	1.6
Total tax charge	2.2	2.3

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2024 £'m	2023 £'m
Profit before taxation	4.1	1.3
Expected tax charge based on the standard rate of corporation tax in the UK of 25.00% (2023: 23.52%)	1.0	0.3
Tax effect of expenses that are not deductible in determining taxable profit	0.9	2.9
Tax effect of income not taxable in determining taxable profit	(0.1)	(0.9)
Adjustments in respect of prior years	0.2	(1.1)
Effect of change in corporation tax rate	-	-
Deferred tax adjustments in respect of prior years	-	1.1
Deferred tax not provided	0.2	-
Taxation charge	2.2	2.3

In addition to the amount charged to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2024 £'m	2023 £'m
Deferred tax arising on:		
Actuarial differences recognised as other comprehensive income	1.4	(0.9)

The rate of tax of 25% was enacted at the reporting date and deferred tax assets and liabilities have been calculated using that rate.

NOTES TO THE GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

13. Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	Notes	2024 £'m	2023 £'m
In respect of:			
Property, plant and equipment	15	-	8.1
Recognised in:			
Cost of sales		-	8.1

The impairment losses in respect of financial assets are recognised in other gains and losses in the profit and loss account. Reversals of previous impairment losses have been recognised in profit or loss as follows:

	Notes	2024 £'m	2023 £'m
In respect of:			
Investment property	16	-	0.4
Recognised in:			
Cost of sales		-	0.4

14. Intangible fixed assets

Group	Notes	Goodwill £'m
Cost		
At 1 January 2024		-
Additions - business combinations	29	6.7
At 31 December 2024		6.7
Amortisation and impairment		
At 1 January 2024		-
Amortisation charged for the year		0.1
At 31 December 2024		0.1
Carrying amount		
At 31 December 2024		6.6
At 31 December 2023		-

The Port had no intangible fixed assets at 31 December 2024 or 31 December 2023.

During 2024, Milford Waterfront Resort Limited acquired the St. Bride's Hotel and Marina Restaurant in Saundersfoot. St Brides Spa Hotel Limited and On The Shore Restaurants Limited are both consolidated into the Group. Amortisation of goodwill will be over 50 years in line with the life of the assets it relates to.

15. Tangible fixed assets

Group	Notes	Property (excluding investment property) £'m	Plant and equipment £'m	Fixings and fittings £'m	Specialised marine assets £'m	Dredging works £'m	Development costs £'m	Total £'m
Cost or valuation								
At 1 January 2024		19.0	43.9	-	70.2	2.0	10.6	145.7
Additions		-	1.8	0.7	0.2	-	8.3	11.0
Business combinations	29	16.1	0.1	0.1	-	-	-	16.3
Disposals		-	(0.1)	-	-	-	-	(0.1)
Transfers		-	0.2	-	-	-	(0.2)	-
Transfer to investment property		(0.9)	-	-	-	-	-	(0.9)
At 31 December 2024		34.2	45.9	0.8	70.4	2.0	18.7	172.0
Depreciation and impairment								
At 1 January 2024		4.6	20.7	-	25.7	2.0	8.7	61.7
Depreciation charged in the year		0.6	2.3	0.1	1.8	-	-	4.8
Eliminated in respect of disposals		-	(0.1)	-	-	-	-	(0.1)
Transfer to investment property		(0.3)	-	-	-	-	-	(0.3)
At 31 December 2024		4.9	22.9	0.1	27.5	2.0	8.7	66.1
Carrying amount								
At 31 December 2024		29.3	23.0	0.7	42.9	-	10.0	105.9
At 31 December 2023		14.4	23.2	-	44.5	-	1.9	84.0

Port	Property (excluding investment property) £'m	Plant and equipment £'m	Specialised marine assets £'m	Dredging works £'m	Development costs £'m	Total £'m
Cost or valuation						
At 1 January 2024	7.4	37.1	70.2	2.0	10.6	127.3
Additions	-	1.6	0.2	-	8.3	10.1
Disposals	-	(0.1)	-	-	-	(0.1)
Transfers	-	0.2	-	-	(0.2)	-
Transfer to investment property	(0.9)	-	-	-	-	(0.9)
At 31 December 2024	6.5	38.8	70.4	2.0	18.7	136.4
Depreciation and impairment						
At 1 January 2024	4.2	18.1	25.7	2.0	8.7	58.7
Depreciation charged in the year	0.2	1.9	1.8	-	-	3.9
Eliminated in respect of disposals	-	(0.1)	-	-	-	(0.1)
Transfer to investment property	(0.3)	-	-	-	-	(0.3)
At 31 December 2024	4.1	19.9	27.5	2.0	8.7	62.2
Carrying amount						
At 31 December 2024	2.4	18.9	42.9	-	10.0	74.2
At 31 December 2023	3.2	19.0	44.5	-	1.9	68.6

More information on impairment movements in the year is given in note 13.

NOTES TO THE GROUP FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

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As part of the annual impairment review, the Board has not identified any cost for impairment for development projects (2023: £4.6m), specialised marine assets (2023: £2.2m) and freehold land and property (2023: £0.8m), where there was a high degree of uncertainty over their projected recoverable value.

Some of the Port (and Group's) specialised marine assets and freehold land and property are used in operations that have seen a reduction in turnover over recent years due to the post-Brexit trade environment. As a result an impairment loss was required to reduce the carrying value of the assets to the expected value in use, which has been calculated using projections on a discounted cash flow basis. The pre-impairment carrying value of the assets exceeded the value in use by £nil (2023: £3.0m) and therefore no impairment loss has been recognised in the period.

The discount rate was estimated based on a market derived weighted average cost of capital as at 31 December 2024 of 10.5% (2023: 10.5%). An increase in the discount rate of 0.1% (2023: 0.1%) has the impact of reducing the present value of future cash flows at 31 December 2024 by £14,000 (2023: £18,000). A reduction of the discount rate to 0% (2023: 4.4%) would result in no requirement for an impairment as the present value of future cash flows would be increased by £nil (2023: £3.0m).

In the Group, Milford Waterfront Resort Limited has acquired two major assets which are included in the additions above. It also acquired two companies, St. Bride's Spa Hotel Limited and On The Shore Restaurants Limited, the assets of each are included in the group acquisitions figures above. The freehold property purchased has been uplifted to fair value with the resulting fair value increases included in the fair value adjustment figure. The fair value increase will be depreciated over the useful life of the assets, which is 50 years.

16. Investment property

	Group 2024 £'m	Port 2024 £'m
Fair value		
At 1 January 2024	32.6	20.2
Additions through external acquisition	2.5	1.2
Transfers from owner-occupied property	0.6	0.6
Net gains or losses through fair value adjustments	(0.7)	(1.0)
At 31 December 2024	35.0	21.0

Cushman & Wakefield, suitably qualified external valuers with detailed historical knowledge of the Group's assets, completed a desktop valuation of all investment properties focusing on any significant changes to properties and markets as at 31 December 2024. Their valuation confirmed the assessment of fair value, using a variety of bases such as market value, letting value and occupancy terms, which, for the Group amounted to £35.0m (2023: £32.6m) with leasehold investment property (all long leasehold) of £2.8m (2023: £1.3m). In the Port, investment property amounted to £21.0m (2023: £20.2) with leasehold investment property (all long leasehold) of £1.0m (2023: £1.0m). The depreciated historical cost of the Group's investment properties held at fair value is £46.6m and for the Port is £29.4m.

17. Fixed asset investments

	Notes	Group 2024 £'m	2023 £'m	Port 2024 £'m	2023 £'m
Investments in subsidiaries	18	-	-	21.5	21.5
Loans to subsidiaries	18	-	-	28.5	13.2
		-	-	50.0	34.7

Movements in fixed asset investments

Port	Shares in subsidiaries £'m	Loans to subsidiaries £'m	Total £'m
Cost or valuation			
At 1 January 2024	21.5	13.2	34.7
Additions	-	15.3	15.3
At 31 December 2024	21.5	28.5	50.0
Carrying amount			
At 31 December 2024	21.5	28.5	50.0
At 31 December 2023	21.5	13.2	34.7

The additions in the current year is in respect of a loan to the subsidiary company Milford Waterfront Resort Limited to invest in two new subsidiaries as per below and in the prior year is in respect of a loan to the subsidiary company Milford Waterfront Resort Limited to fund the construction of a hotel. The loan has a term of 5 years remaining, with interest rate of 1.5% per annum above the base rate of the Bank of England. As a long-term loan to a group company, it has been classified as a fixed asset.

18. Subsidiaries

Details of the company's subsidiaries at 31 December 2024 are as follows:

Name of undertaking	Address	Nature of business	Class of shares held	% Held Direct	Indirect
Milford Docks Company	United Kingdom	Dock Operator	£1 Ordinary	98.20	-
Milford Haven Properties Limited	United Kingdom	Solar Park	£1 Ordinary	100.00	-
MHPA PFP (General Partner) Limited	United Kingdom	Pension Fund Partner	£1 Ordinary	100.00	-
MHPA PFP Limited Partnership	United Kingdom	Pension Limited Partner	£1 Ordinary	100.00	-
MHPA RBS Trustee Company Limited	United Kingdom	Pension Trustee Company	£1 Ordinary	100.00	-
Havens Head Retail Park Limited	United Kingdom	Retail Park	£1 Ordinary	100.00	-
Milford Waterfront Resort Limited	United Kingdom	Hotel Owner	£1 Ordinary	100.00	-
St. Bride's Spa Hotel Limited	United Kingdom	Hotel Owner	£1 Ordinary	-	100.00
On The Shore Restaurants Limited	United Kingdom	Restaurant Owner	£1 Ordinary	-	100.00

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NOTES TO THE GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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The Port and all of its subsidiaries have 31 December year-ends.

Milford Docks Company is registered at The Old Sail Loft, Milford Docks, Milford Haven, Pembrokeshire, SA73 3AF.

Milford Haven Properties Limited is registered at Gorsewood Drive, Milford Haven, Pembrokeshire, SA73 3EP.

MHPA RBS Trustee Company Limited is registered at Gorsewood Drive, Milford Haven, Pembrokeshire, SA73 3EP.

Havens Head Retail Park Limited is registered at Gorsewood Drive, Hakin, Milford Haven, Pembrokeshire, SA73 3EP.

Milford Waterfront Resort Limited is registered at Gorsewood Drive, Hakin, Milford Haven, Pembrokeshire, SA73 3EP.

St. Bride's Spa Hotel Limited is registered at Gorsewood Drive, Hakin, Milford Haven, Pembrokeshire, SA73 3EP.

On The Shore Restaurants Limited is registered at Gorsewood Drive, Hakin, Milford Haven, Pembrokeshire, SA73 3EP.

All of the above companies were incorporated in England and Wales.

MHPA PFP (General Partner) Limited and MHPA PFP Limited Partnership are registered at Lomond House, 9 George Square, Glasgow, Scotland, G2 1QQ and were incorporated in Scotland.

On 24 May 2024, Milford Waterfront Resort Limited invested in two major assets and two companies St Brides Spa Hotel Limited and On The Shore Restaurants Limited in the hospitality sector, buying 100% of shares of both companies. During the year, the personnel have been transferred to a third party under TUPE and at the year-end, the assets of these two companies have been transferred into Milford Waterfront Resort Limited.

The Group has an interest in a limited partnership registered in Scotland, MHPA PFP Limited Partnership, which is fully consolidated into these Group accounts. The Group has taken advantage of the exemption conferred by regulation 7 of the Partnerships (Accounts) Regulations 2008 and has therefore not appended the accounts of these qualifying partnerships to these accounts. Separate accounts for MHPA PFP (General Partner) Limited are filed separately with Companies House but the accounts of MHPA PFP Limited Partnership are not required to be and have not been filed at Companies House.

19. Financial instruments

	Group		Port	
	2024 £'m	2023 £'m	2024 £'m	2023 £'m
Carrying amount of financial assets include:				
Instruments measured at fair value through profit or loss	0.1	0.2	0.1	0.2

20. Stocks

	Group		Port	
	2024 £'m	2023 £'m	2024 £'m	2023 £'m
Stock of raw material and consumables	0.6	0.5	0.5	0.4

21. Debtors

	Group		Port	
	2024 £'m	2023 £'m	2024 £'m	2023 £'m
Amounts falling due within one year:				
Trade debtors	4.7	4.8	4.5	4.6
Corporation tax recoverable	1.1	0.8	1.1	0.8
Amounts owed by group undertakings	-	-	0.3	0.2
Derivative financial instruments	0.1	0.2	0.1	0.2
Other debtors	1.2	2.8	0.9	2.7
Prepayments and accrued income	3.1	4.2	2.7	2.0
	10.2	12.8	9.6	10.5
Amounts falling due after more than one year:				
Deferred tax asset (note 25)	-	-	-	0.4
Total debtors	10.2	12.8	9.6	10.9

Amounts due from Group undertakings do not bear interest, are secured and are repayable on demand. There are no amounts falling due after more than one year for the Group (2023: £nil). Prepayments in the group in the prior year include an advance payment made on the construction of a new investment property for the subsidiary Havens Head Retail Park Limited, completed in 2024 and recognised as an asset.

22. Creditors: amounts falling due within one year

		Group		Port	
	Notes	2024 £'m	2023 £'m	2024 £'m	2023 £'m
Bank loans	24	3.8	0.5	3.8	0.5
Trade creditors		1.9	1.2	1.4	0.9
Amounts owed to group undertakings		-	-	12.8	10.4
Corporation tax payable		0.3	-	-	-
Other taxation and social security		0.4	0.4	0.4	0.4
Deferred income and grants	26	3.2	5.0	2.5	4.8
Other creditors		2.6	0.7	1.5	0.4
Accruals and deferred income		3.9	5.8	2.9	5.1
Deferred consideration	29	3.5	-	-	-
		19.6	13.6	25.3	22.5

Amounts owed to Group undertakings do not bear interest, are secured and are repayable on demand.

23. Creditors: amounts falling due after more than one year

		Group		Port	
	Notes	2024 £'m	2023 £'m	2024 £'m	2023 £'m
Bank loans and overdrafts	24	13.7	14.5	13.7	14.5
Deferred grants	26	29.6	29.3	28.8	29.3
		43.3	43.8	42.5	43.8

The HSBC bank facility expiring during 2023 was extended for five years to 2028 on 20 April 2023 and is secured over certain fixed assets of the Group. Interest is charged monthly at a commercial margin over the SONIA rate. As part of the extension of the bank facility arrangements, a new 5-year term loan of £15m was drawn down with repayments on a 20-year amortisation rate beginning May 2024.

NOTES TO THE GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

24. Loans and overdrafts

	Group		Port	
	2024 £'m	2023 £'m	2024 £'m	2023 £'m
Bank loans	14.5	15.0	14.5	15.0
Revolving credit	3.0	-	3.0	-
Payable within one year	3.8	0.5	3.8	0.5
Payable after one year	13.7	14.5	13.7	14.5

The HSBC bank facility was renewed in the prior year and extended for five years to 2028. It is secured over certain fixed assets of the Group and interest was charged monthly at a commercial margin over the SONIA rate. As mentioned in note 23, the loan in the prior year is a 5 year term loan of £15m for the Group and Port, with repayments on a 20 year amortisation rate beginning May 2024. In the current year, there are amounts drawn under the revolving credit facility.

Pursuant to the Milford Haven Port Authority Harbour Revision Order 2000, the Port was authorised as at 31 December 2024 to borrow sums not exceeding £50 million.

Under the Milford Docks Act 1981, the Milford Docks Company is empowered to raise finance by the creation and issue of share capital, or by loans or mortgage of the undertaking, or by the creation and issue of debenture loans, or wholly or partly by one or more of those modes up to a maximum of £20m. The debenture loan is secured on the undertakings of the Milford Docks Company and is not subject to repayment. In accordance with section 3 of The Milford Docks Act 1972, the debenture loan can be purchased and cancelled by the Milford Docks Company at the discretion of the Directors.

25. Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and port, and movements thereon:

	Liabilities		Assets	
Group	2024 £'m	2023 £'m	2024 £'m	2023 £'m
Accelerated capital allowances	3.9	2.4	-	-
Retirement benefit obligations	0.2	(1.5)	-	-
FV adjustment on acquisitions	2.5	-	-	-
	6.6	0.9	-	-

	Liabilities		Assets	
Port	2024 £'m	2023 £'m	2024 £'m	2023 £'m
Accelerated capital allowances	2.5	-	-	(1.1)
Retirement benefit obligations	0.2	-	-	1.5
	2.7	-	-	0.4

	Group 2024 £'m	Port 2024 £'m
Movements in the year:		
Liability/(Asset) at 1 January 2024	0.9	(0.4)
Charge to profit or loss	1.7	1.7
Charge to other comprehensive income	1.5	1.4
Deferred tax in acquired company	-	-
FV adjustment on acquisition	2.5	-
Liability at 31 December 2024	6.6	2.7

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The group deferred tax liability set out above relates predominately to:

- Accelerated capital allowances and is expected to reverse over the useful economic lives of the related assets.
- on the fair value adjustment of assets on the acquisition of St. Brides Spa Hotel Limited and On The Shore Restaurants Limited. It is expected to reverse over 50 years in line with the useful life of the associated goodwill recognised.

26. Deferred Income

	Group		Port	
	2024 £'m	2023 £'m	2024 £'m	2023 £'m
Arising from government grants	31.3	29.9	30.4	29.9
Other deferred income	1.5	4.4	0.9	4.2
	32.8	34.3	31.3	34.1

Deferred income is included in the financial statements as follows:

Current liabilities	3.2	5.0	2.5	4.8
Non-current liabilities	29.6	29.3	28.8	29.3
	32.8	34.3	31.3	34.1

During the year, the Port received capital investment grants of £0.1m (2023: £26.8m), capital grants of £1.0m (2023: £0.1m) and revenue grants, for expenditure which is included within the operational expenses of the Port, totalling £10,622 (2023: £101,405). There is also a grant within the newly acquired subsidiary of £0.9m. As per the grant policy, capital grants have been released in the period as performance criteria have been fulfilled. Some capital investment grants have been released in the prior period as the grant is associated with investment property, which is not depreciated. Capital grants not complete are disclosed as current until they are assessed on completion, and are then held as current or non-current liabilities depending on the life of the associated asset.

27. Retirement benefit schemes

	2024 £'m	2023 £'m
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	0.3	0.3

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

Defined benefit schemes

The Group operates a number of schemes providing benefits for its employees as follows:

- The Milford Docks Company Staff Pension Scheme (MDCSBS), a defined benefit pension scheme providing benefits based on final pensionable pay for some of the Port's full time staff. The scheme went through a buy-out in December 2023 and has no assets, liabilities or members at 31 December 2023, wound-up in 2024.

NOTES TO THE GROUP FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

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(b) Milford Haven Port Authority Retirement Benefits Scheme (MHPARBS), a defined benefit pension scheme providing benefits for the Port's staff. During 2009, the Port made the decision to change this scheme with effect from 1 January 2010 to provide benefits based on either Career Average Revalued Earnings or final pensionable pay. Benefits provided up to 31 December 2009 were based on final pensionable pay. The service cost of the scheme is charged to the profit and loss account so as to spread the cost of pensions over the employees' working lives with the Port. The contributions are determined by a qualified actuary on the basis of triennial valuations.

The pension contribution for the year was £1.4m (2023: £1.4m). There were no outstanding contributions payable to the fund at the end of the year (2023: £nil).

The most recent actuarial valuation was as at 1 January 2024 which showed that the value of the scheme's assets amounted to 107% of the value of the liabilities of the scheme. The Port expects to contribute £1.0m to this scheme during the year to 31 December 2025.

There is to be a defined contribution section within MHPARBS for new joiners, the employer contributions have been transferred to a National Employment Savings Trust (NEST) provision until a defined contribution section of the pension scheme is in operation. The subsidiary Milford Waterfront Resort Limited also has a National Employment Savings Trust (NEST) pension scheme. The employer contributions of £0.3m (2023: £0.2m) for the Group and £0.3m (2023: £0.2m) for the Port have been paid across to the scheme.

(c) In addition to the above schemes, some operational pilots are members of the Pilots' National Pension Fund (PNPF). Contributions payable to the PNPF amounted to £12,000 (2023: £13,000). The Port, in common with other competent harbour authorities, is making recovery plan payments to the PNPF. The Port's share of the deficit is calculated and recognised in line with defined benefit scheme accounting under FRS 102 and payments are made as they are invoiced by the Trustee. During the year, the Port paid deficit contributions of £0.8m (2023: £0.7m) and will continue to pay for the remaining 4 years of the 2013, 16-year deficit plan and remaining 4 years of the 2019, 8-year deficit plan. An amount of £0.8m will be payable in respect of all deficit plans for this scheme in 2024.

Key assumptions	MHPARBS	2024 MDCSBS	PNPF	MHPARBS	2023 MDCSBS	PNPF
	%	%	%	%	%	%
Discount rate	5.5	n/a	5.4	4.5	4.8	4.5
Expected rate of increase of pensions in payment	2.7	n/a	2.4	2.5	2.7	2.2
Expected rate of salary increases	n/a	n/a	2.4	n/a	n/a	2.2
Inflation rate	3.2	n/a	3.1	3.1	3.3	3.0
CARE revaluation	3.1	n/a	n/a	3.0	n/a	n/a

Mortality assumptions	MHPARBS	2024 MDCSBS	PNPF	MHPARBS	2023 MDCSBS	PNPF
	Years	Years	Years	Years	Years	Years
Assumed life expectations on retirement at age 65:						
Longevity in years at age 65 for current pensioners						
- Males	21.3	n/a	22.5	21.2	18.7	22.5
- Females	23.8	n/a	24.5	23.7	23.4	24.5
Longevity in years at age 65 for future pensioners						
- Males	22.2	n/a	24.0	22.1	19.3	24.0
- Females	24.9	n/a	26.4	24.8	24.1	26.4

Pension Funding Partnership

On 10 December 2013, the Group made a contribution to the MHPARBS of £8.5m. On the same day, the Trustee of this scheme invested £8.5m in MHPA PFP Limited Partnership, a Scottish Limited Partner (SLP). SLP was established by the Group to hold loan notes issued by Milford Haven Properties Limited, a wholly-owned subsidiary of the Group, with a value of £13.0m. The Group retains control over this partnership, and as such, is fully consolidated within these Group financial statements. As a partner in SLP, MHPARBS is entitled to an annual coupon on the share of the profits of SLP each year for 20 years.

Under FRS 102, the investments held by MHPARBS in SLP, an entity included within the consolidated results, do not represent a plan asset for the purposes of the Group's consolidated accounts. This is due to the definition of plan assets excluding any non-transferable financial instruments issued by SLP and held by MHPARBS. Accordingly, MHPARBS's deficit position presented in these Group financial statements does not reflect the current value of the investment in SLP held by MHPARBS. Distributions from SLP to MHPARBS will be reflected as pension contributions in these Group accounts on a cash basis. For the Port, the investment held by MHPARBS represents a scheme asset, and accordingly, the pension deficit position reflects the current value of the investment.

The amounts included in the balance sheet arising from obligations in respect of defined benefit plans are as follows:

Group	2024 £'m	2023 £'m
Present value of defined benefit obligations	56.6	65.0
Fair value of plan assets	(51.6)	(52.5)
Deficit in scheme	5.0	12.5

NOTES TO THE GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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The amounts included in the balance sheet arising from the company's obligations in respect of defined benefit plans are as follows:

Port	2024 £'m	2023 £'m
Present value of defined benefit obligations	56.6	65.0
Fair value of plan assets	(57.9)	(59.2)
(Surplus)/deficit in scheme	(1.3)	5.8
Total (asset)/liability recognised	(1.3)	5.8

Group	2024 £'m	2023 £'m
<i>Amounts recognised in the profit and loss account</i>		
<i>Costs/(income):</i>		
Current service cost	1.1	1.5
Net interest on net defined benefit liability/(asset)	0.5	0.3
The effect of any curtailment or settlement	-	(3.1)
Other costs and income	0.1	-
Total costs/(income)	1.7	(1.3)

Group	2024 £'m	2023 £'m
<i>Amounts recognised in other comprehensive income</i>		
<i>Costs/(income):</i>		
Actual return on scheme assets	0.8	(2.8)
Less: calculated interest element	2.4	2.7
Return on scheme assets excluding interest income	3.2	(0.1)
Other gains and losses	(9.5)	4.1
Total costs/(income)	(6.3)	4.0

	Group 2024 £'m	Port 2024 £'m
<i>Movements in the present value of defined benefit obligations</i>		
Liabilities at 1 January 2024	65.0	65.0
Current service cost	1.1	1.1
Benefits paid	(3.3)	(3.3)
Contributions from scheme members	0.3	0.3
Interest cost	2.9	2.9
Other	(9.4)	(9.4)
At 31 December 2024	56.6	56.6

	Group 2024 £'m	Port 2024 £'m
<i>Movements in the fair value of plan assets</i>		
Fair value of assets at 1 January 2024	52.5	59.2
Interest income	2.3	2.7
Return on plan assets (excluding amounts included in net interest)	(3.2)	(3.2)
Benefits paid	(3.3)	(3.3)
Contributions by the employer	3.0	2.2
Contributions by scheme members	0.4	0.4
Other	(0.1)	(0.1)
At 31 December 2024	51.6	57.9

The actual return on plan assets was £2.6m (2023 - £2.6m).

	Group		Port	
	2024 £'m	2023 £'m	2024 £'m	2023 £'m
<i>Fair value of plan assets</i>				
Equity instruments	31.8	31.2	31.8	31.1
Debt instruments	1.4	1.3	1.4	1.3
Property	5.0	6.1	5.0	6.1
Cash	2.8	1.3	2.8	1.3
Annuity contracts	-	0.1	-	0.1
Gilts	10.6	12.5	10.6	12.5
Investment in SLP	-	-	6.3	6.8
	51.6	52.5	57.9	59.2

NOTES TO THE GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

28. Reserves

Revaluation reserve

This reserve records any (i) excess of fair value over depreciated historic cost for investment properties and (ii) any excess of depreciated replacement cost revaluations of other property, plant and equipment in the Group and the Port and, at the balance sheet date, amounted to £21.6m (2023: £22.3m) for the Group and £24.7m (2023: £25.7m) for the Port. It includes historical valuations of specialised marine assets up to 31 December 2015 when deemed cost at the last formal valuation at 31 December 2013 was adopted and will remain an unrealised reserve. In the year, £nil (2023: £0.7m) of this reserve has been transferred to the profit and loss account reserve in the Group, for disposal of some fixed assets which had excess of depreciated replacement cost revaluations.

Profit and loss account

This records cumulative profit and loss.

29. Acquisition of a business

On 24 May 2024 the group acquired St. Brides Spa Hotel and Marina Restaurant which encapsulated 100 percent of the issued capital of St. Brides Spa Hotel Limited and On The Shore Restaurants Limited and associated properties.

	Book Value £'m	Adjustments £'m	Fair Value £'m
Net assets acquired			
Tangible fixed assets	6.3	10.0	16.3
Stock	-	-	-
Debtors	0.2	-	0.2
Cash and cash equivalents	0.7	-	0.7
Non current liabilities	(0.9)	-	(0.9)
Creditors	(2.4)	-	(2.4)
Deferred tax	-	(2.5)	(2.5)
Total identifiable net assets	3.9	7.5	11.4
Goodwill			6.7
Total consideration			18.1
The consideration was satisfied by:			£'m
Cash			14.0
Deferred consideration			3.5
Acquisition costs			0.6
			18.1

Contribution by the acquired business for the reporting period included in the group statement of comprehensive income since acquisition:

	£'m
Turnover	4.1
Profit after tax	0.6

30. Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

Operating leases are varied in length, rental charges and other various clauses as agreed at the time of the agreement with each supplier and are in the hotel subsidiary.

	Group		Port	
	2024 £'m	2023 £'m	2024 £'m	2023 £'m
Within one year	-	-	-	-
Between two and five years	-	-	-	-
	-	-	-	-

Lessor

At the reporting end date the group had contracted with tenants for the following minimum lease payments:

Operating leases are varied in length, rental charges and other various clauses as agreed at the time of the agreement with each customer. Any legal costs or other costs associated with setting up the lease are charged to the profit and loss account as incurred.

	Group		Port	
	2024 £'m	2023 £'m	2024 £'m	2023 £'m
Within one year	3.6	2.7	2.3	1.6
Between two and five years	8.5	6.5	5.9	3.7
In over five years	14.3	9.4	12.1	9.3
	26.4	18.6	20.3	14.6

31. Capital commitments

Amounts contracted for but not provided in the financial statements:

	Group		Port	
	2024 £'m	2023 £'m	2024 £'m	2023 £'m
Acquisition of tangible fixed assets	3.9	5.5	3.9	5.5

In the current and prior year, the Group has committed to costs relating to the construction of a pilot boat.

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

32. Cash generated by group operations

	2024 £'m	2023 £'m
Profit/(loss) after taxation	1.9	(0.9)
Adjustments for:		
Taxation charged	2.2	2.3
Finance costs	1.9	1.5
Investment income	-	-
Gain on disposal of tangible fixed assets	-	0.5
Fair value loss on investment properties	0.7	1.2
Amortisation and impairment of intangible assets	0.1	-
Depreciation and impairment of tangible fixed assets	4.8	4.3
Impairment of investment properties	-	7.7
Other gains and losses	0.1	-
Pension scheme non-cash movement	(1.2)	(1.3)
Amortisation of capital grants	(0.6)	(4.4)
Movements in working capital:		
Increase in stocks	(0.1)	-
Decrease/(increase) in debtors	3.0	(0.1)
Decrease in creditors	(1.6)	(0.8)
Decrease in deferred income	(2.9)	(2.5)
Cash generated by operations	8.3	7.5

33. Analysis of changes in net funds/(debt) - group

	1 January 2024 £'m	Cash flows £'m	31 December 2024 £'m
Cash at bank and in hand	20.1	(17.9)	2.2
Borrowings excluding overdrafts	(15.0)	(2.5)	(17.5)
	5.1	(20.4)	(15.3)

34. Related party transactions

The Group has taken advantage of the exemption contained in FRS 102, Section 33 which does not require the Port to disclose transactions with other group companies.

35. Controlling party

The Port of Milford Haven is a Trust Port, a statutory entity that was brought into existence by a specific Act of Parliament – The Milford Haven Conservancy Act 1958. Like the Memorandum and Articles of Association of a conventional trading company, these Acts are the constitution for the Port, defining what it may or may not do, and how it governs itself in terms of appointing its Board and conducting its affairs. The Acts confer certain powers on the Port within the defined port limits, for example in relation to setting the rules for navigation, the power for directing vessels and powers of compulsory acquisition. It also confers obligations, such as the obligation to maintain, improve, protect and regulate navigation, and rights, such as the right to levy charges.

The Port of Milford Haven is therefore an independent statutory undertaking not owned by anybody. The Port does not pay out any dividends to third parties, and nor does it receive direct budgetary support from government.



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