



**Stornoway
Port**

Annual Report 2023

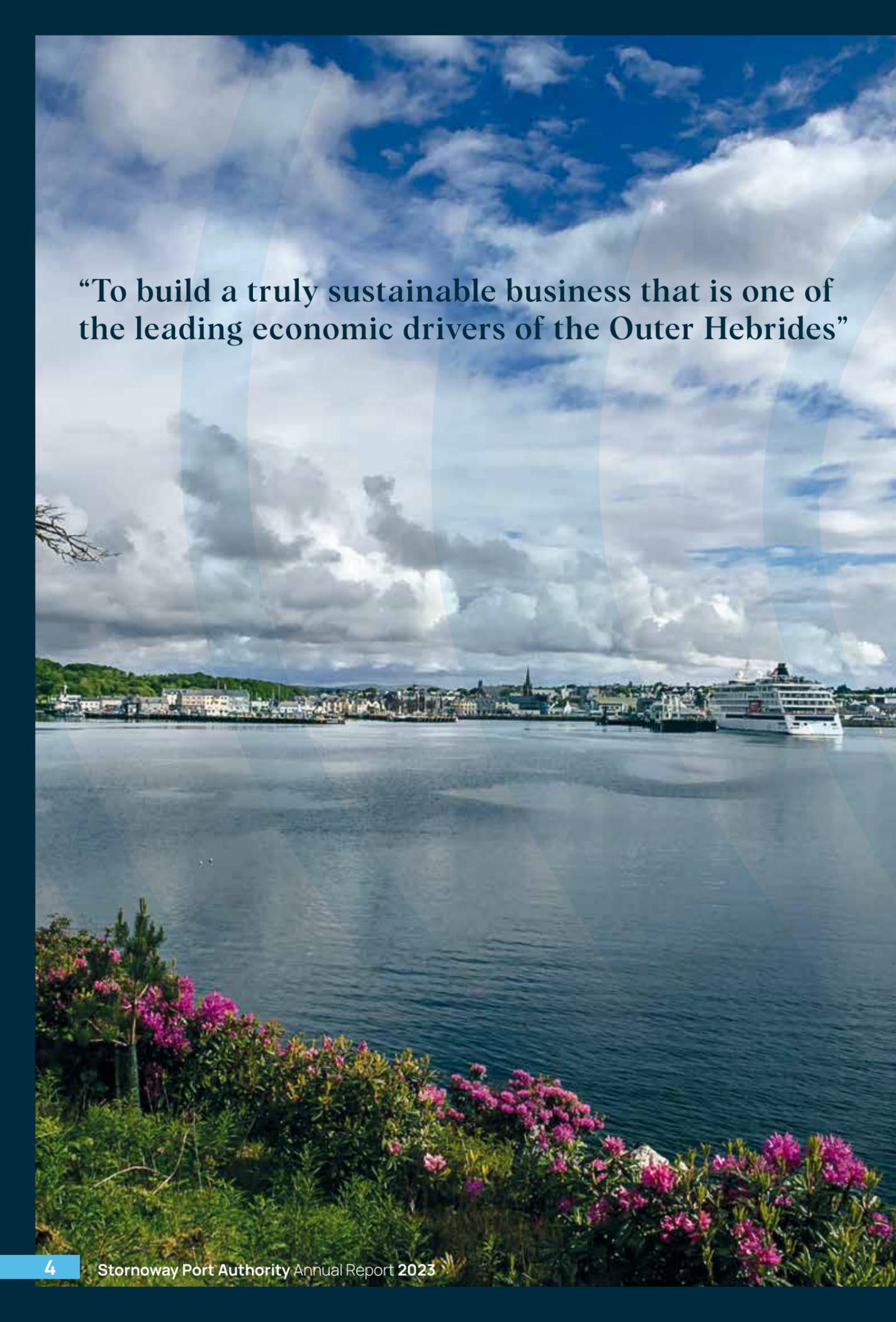


**Locally Invested.
Globally Recognised.**



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“To build a truly sustainable business that is one of the leading economic drivers of the Outer Hebrides”

Our Mission

Our Mission, Vision & Business Objectives

“To operate an efficient and well managed port to the highest standards of safety, security and environmental management, which will allow Stornoway Port to continue to grow and develop.”

Our Vision

“To build a truly sustainable business that is one of the leading economic drivers of the Outer Hebrides.”

Our Business Objectives

Growth

- Target minimum £7.5 million income by 2027
- Increase market share from new markets
- Realise the opportunities presented by marine renewables

Talent

- Foster an exciting and challenging culture to attract, develop and retain the best people
- A consistent and strong HSEQ track record

Stakeholder engagement

- Maintain Stornoway Port’s central role in the community and local/national economy
- Play a leading role in creating a shared vision of local economic opportunities
- Responsive and collaborative communications with our community

Identity

- Ensure Stornoway Port remains a significant driver of the local economy
- Position Stornoway as a globally recognised port
- Position Stornoway Port as an organisation to promote local business and opportunity

Customer relationship management

- Innovate and pivot Stornoway Port to remain relevant to changing market requirements
- Achieve and maintain outstanding customer service
- Build and maintain relationships with key customers and develop new customer opportunities

Chair's Statement



As Chair of Stornoway Port, I am honoured to reflect on a year of progress and transformation. The opportunities presented over the last 12 months have driven forward the ambition and achievements of our team, emphasising the critical role Stornoway Port plays in supporting the economy and community of the Outer Hebrides.

It is now seven years since the Board approved the **Port Masterplan**, a strategic vision that has guided the development of Stornoway Port, including the key investment projects highlighted in this report. The **Deep Water Terminal**, one of the most ambitious projects in the history of the Outer Hebrides, was structurally completed in 2023, remaining on schedule and within budget.

Margaret Ann Macleod
Chair

The completion of the **Marine Engineering Building on Goat Island**, which is now operating under a long-term lease, represents another milestone achieved in 2023. This development, alongside the Deep Water Terminal, underscores Stornoway Port's commitment to fostering growth across multiple industries while strengthening our financial resilience.

We have continued to progress relationships with offshore wind developers, recognising the potential of renewables as a key sector for future growth. At the same time, we have enhanced our focus on **international cruise tourism**, preparing for the Deep Water Terminal to host larger vessels and deliver increased visitor numbers in 2024 and beyond.

On behalf of the Board, I would like to extend my sincere thanks to both Mr Ian McCulloch and Mr Allan MacDonald who stepped down from the Board during 2023. Both have made an invaluable contribution to Stornoway Port during their tenure. Their expertise and commitment have played a vital role in shaping our strategic direction, particularly during the development of the Masterplan and the successful progression of the Deep Water Terminal.

Finally, I wish to thank Stornoway Port's employees for their dedication and professionalism throughout 2023. Their hard work has been instrumental to achieving the milestones we are able to document and celebrate in our Annual Report. Together, we are ensuring that Stornoway Port continues to be a vital driver of prosperity for our Islands.

2023 has been a year of progress and promise, and I look forward to the opportunities ahead as we continue to serve the people and businesses of the Outer Hebrides.

Chief Executive's Statement



In 2023, Stornoway Port experienced another year of growth and transformation as we continued to advance major projects and deliver value across all business areas. Income increased to £6.0 million, reflecting strong performance across key sectors, including cruise and leisure.

A highlight of 2023 was the continued construction of the Deep Water Terminal which reached structural completion by year-end. This transformational project remains a cornerstone of Stornoway Port's strategy to unlock new opportunities in cruise, renewables, and cargo. Cruise operations saw large passenger numbers throughout the year, laying the foundation for significant growth when the Deep Water Terminal becomes fully operational in 2024.

Alex Macleod
Chief Executive

The significant borrowing required to fund our capital projects, including the Deep Water Terminal, has introduced new challenges. As debt servicing becomes a core consideration, future plans and investments will need to account for these obligations.

We are looking forward to the full completion of the Deep Water Terminal in 2024 which will be a defining moment for Stornoway Port and the Outer Hebrides. It will position Stornoway as a hub for large cruise ships, renewable energy projects, and expanded cargo capabilities, providing a platform for long-term growth. To fully realise these opportunities, we will continue to work closely with our partners, stakeholders, and the local community, ensuring that our investments align with the region's needs.

This year hasn't been without its challenges for Stornoway Port with our passenger access system unfortunately experiencing a significant fault. We are actively exploring all options to resolve this issue in an effective manner. However, it is important that any solution we implement is not only timely but also the right fit for Stornoway Port's long-term needs. Our team is engaging with industry specialists and considering a range of approaches to ensure we deliver the best possible outcome. We appreciate the patience and understanding of our stakeholders as work towards a resolution.

I would like to thank the Board for their ongoing support and belief in our team. The dedication of our staff and their ability to adapt to evolving circumstances has been key to Stornoway Port's achievements this year. Their hard work has been instrumental in maintaining high standards across all areas, including health and marine safety, environmental stewardship, and customer service. Together, we remain focused on delivering a vibrant and sustainable future for Stornoway Port and the Outer Hebrides.

Trust Ports

Trust ports are a particular type of port model in the UK and this briefing is designed to provide a short overview of what they are and how they operate. Trust ports come in a wide variety of sizes and locations around the UK. There is often confusion as to who owns trust ports and how they should operate, so we have attempted to explain some of their characteristics.

The trust port model has stood the test of time, although the sector has gone through a process of modernisation. The result is a diverse and successful group of ports that is both popular with government, employees, stakeholders and importantly customers.

UK port ownership

There are three main types of Statutory Harbour Authorities (SHA) in the UK – private ports, municipal ports and trust ports, as well as a handful of smaller ports owned by parts of government. No port is the same, but all have various duties and responsibilities. Private or 'privatised' ports can have equity owners or shareholders and municipal ports are owned by local authorities. Trust ports are slightly different and often need explaining to both those outside but also inside our sector.

“Any profits trust ports make are reinvested back into the port”

Trust ports are both strategically and financially independent of government and operate largely in the private sector, although they are 'publicly accountable' to their stakeholders. In terms of their ownership, trust ports own themselves. There is a common misconception that trust ports are owned by government, but this is wrong. Trust ports actually own themselves and can't be owned by another body without a major legal change.

Revenues and finance

Trust port revenues are collected from customers and port users on a commercial basis, trust ports also pay taxes and receive no systematic public subsidies other than those which are, on occasion, made available, to all ports. Whilst operating in a commercially viable manner, any profits trust ports make are reinvested back into the port for the development of its own business activities and also for the benefit of the stakeholders.

Such stakeholders can include port users, employees and the local community, although as independent bodies, trust ports do need to be prudent and ensure they have sufficient funds to continue to operate and maintain and invest in their assets. For example, unlike ports that are owned by parent companies or local authorities, trust ports do not have a 'funder of last resort' and there is no obligation to provide a financial dividend to local communities.

Purpose and investment

The expression 'trust port' is not statutorily defined but may best be described as referring to a body created by or under statute for the purpose of managing a harbour that does not have a share capital. Trust ports, in the same manner as ports with a share capital, enter into a variety of vital commercial transactions with lenders and other commercial parties. Trust ports generally find that any investment proposals are assessed by lenders on the same basis as proposals from any other businesses. Lenders take into account the same factors they would normally including cash flow, balance sheet and the overall strategic direction of the port.

There are a wide variety of trust ports across the UK, in terms of both the size and type of operation. Some trust ports are primarily conservancy authorities, meaning they perform the basic but essential function of maintaining a safe harbour, whereas others undertake wider port operations. In all cases surplus revenues are recycled back for the benefit of the harbour and its stakeholders.

Legislation

Trust ports and all UK SHAs are governed by their own individual legislation (or harbour order), specific to their location and with differing constitutions. To amend such legislation all types of port must apply to their relevant part of government with a proposal.

Good governance

The government only has limited 'powers' over trust ports, and indeed all types of SHAs, and is not a 'regulator' of the sector as such. However, the Department of Transport and Transport Scotland have produced their own guidelines for trust port governance, but these are not legally binding. Transport Scotland have published 'Modern Trust Ports for Scotland: Guidance for Good Governance'.

It is expected that all trust ports in Scotland follow these guidelines where practicable, but where they do not, they should be able to explain why they have been unable to do so. It is acceptable for stakeholders to ask why these ports might not have, for example, attempted to update their own legislation and structures. However, any questions stakeholders might have should be raised with the port itself.

Much depends on the integrity of individual board members and, like a private company where the board is accountable to its shareholders, trust boards are essentially accountable to the local community.



Board Member Summary

Non-executive board members are appointed for a period of three years following a selection process involving advertisement and an interview, which is undertaken by an appointing panel consisting of the Chair and two independent advisors. In addition, the Board has the facility to appoint two co-opted members with applicable specialist knowledge for a maximum of one year. The breadth of skills across the current Board is continually under review, and a skills matrix is used to determine the professional skills to be included within any advertisement for non-executive board members. The role of a trust port board member is defined by Transport Scotland through their publication “Modern Trust Ports for Scotland: Guidance for Good Governance”.

“It is the duty of the board, at all times, to strike a balance that fully respects the interests of all stakeholders”.

Modern Trust Ports for Scotland: Guidance for Good Governance.

Our current Board contains a balance of specialist skills, the skills being recommended by the “Guidance for Good Governance”, including but not limited to the following, local government, finance, fishing & fish processing, the marine leisure industry, shipping, management, commercial and a wide variety of other applicable skills. The “Guidance for Good Governance” makes particular reference to the requirement to have, as a priority, adequate financial and commercial expertise on the board.

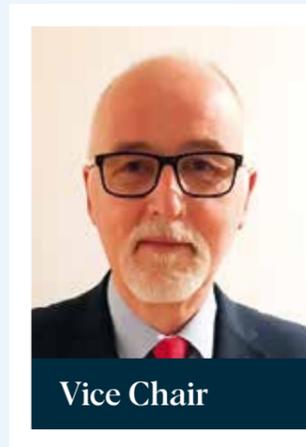
The Board



Chair

Mrs Margaret Ann Macleod

Margaret Ann Macleod joined Stornoway Port in November 2016 and has a business background in textile manufacturing, international sales and rural economic development. Appointed as Chief Executive at Harris Tweed Hebrides in 2023 having previously been Sales Director at the company, Margaret Ann has previously worked at a senior level for a number of other companies including; Highlands and Islands Enterprise, Johnstons of Elgin, RGU and Arcadia plc. Born and brought up in Carloway on the Isle of Lewis, Margaret Ann is a native Gaelic speaker, a working mother, and an active board member for a number of community organisations on the Island, including her current role as Chair of HI-Scot Credit Union. Margaret Ann was appointed Chair of Stornoway Port in February 2023.



Vice Chair

Mr Roddie Mackay

Roddie Mackay has owned and managed the RMk business in Stornoway for the past twenty five years. Roddie became a local councillor in 2007 and was the Leader of Comhairle nan Eilean Siar between 2017 and 2022 and latterly chaired the Highland and Islands Regional Economic Partnership as well as the Islands Growth Deal Joint Committee. Roddie joined the Board in May 2022.



Chief Executive

Mr Alex Macleod

Brought up in the village of Knock, Alex Macleod’s family has had a long connection with Stornoway Port. His great-grandfather owned and skippered the sailing vessel Muirneag, one of the most famous fishing vessels of its time.

Prior to joining Stornoway Port, Alex had a long career in the civil engineering construction industry, in Stornoway, the UK and abroad. He has been employed as Chief Executive since July 2015.

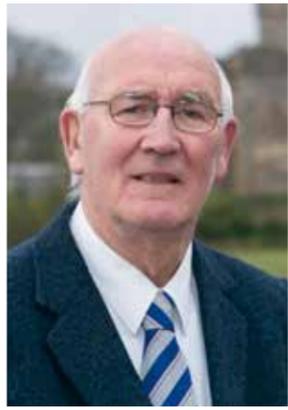


Mr Ian Burgess

Ian Burgess started his career in 1973 as a navigating cadet in the Merchant Navy, serving on tankers until 1984. He joined HM Coastguard in 1984, starting in the coordination centre in Stornoway and retired from full-time work in 2013. During his period with HM Coastguard, Ian gained extensive experience of change and safety management within the marine environment. He became a non-executive Director of NHS Western Isles in 2013 and became Chair in early 2019.

Ian's experience has given him access to the coastal communities within the Western Isles, working with volunteer teams and engaging with community stakeholders.

Following ten years of service on the Stornoway Port Board, including Vice Chair from 2015-2022, Ian is retiring from the Board in April 2024.



Mr John Nicolson

John Nicolson, a native of Point, has had a long career in the maritime industry and is particularly well known around Stornoway harbour where he worked in the fishing and fish processing industry for over 35 years. Following a career in the Merchant Navy where he served as a Master Mariner with Blue Star & Weston Shipping, John owned and operated the prawn trawlers Ivy Rose and Alpha. He was one of the founding members of the Stornoway Fisherman's Co-operative and served as both Chairman and General Manager. In 1985 John went to work for Ross Fish Ltd (now Young's Bluecrest) where he became the Buyer Export Manager. He worked in a number of roles with Young's including periods in Fort William and Northern Ireland, and finally as General Manager of Young's Goat Island factory until his retirement in 2012. John has also had leisure craft in Stornoway harbour for a number of years. He brings extensive maritime, fishing and business experience to the Board.



Mr Archie MacDonald

Archie MacDonald was employed by Highlands & Islands Enterprise for 33 years, including as Area Manager for the Western Isles for five years. Archie is a member of the Institute of Financial Accountants and during his career was involved in most of the economic development projects ongoing on the Islands. Archie has previously been appointed by HIE to the boards of a number of local organisations.

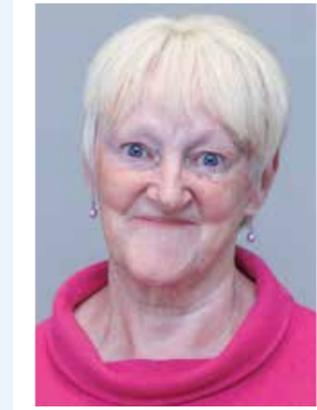
Archie, who joined the Board in January 2019, also served as Chair of the Board for Lews Castle College/University of the Highlands and Islands and is currently Chair of the Gerrarannan Trust.



Mr Murdo Maciver

Murdo Maciver joined the Board in 2022 following a distinguished career with Peterson Offshore Group, where he rose to the positions of Chief Operating Officer and Group Director before recently retiring. He was responsible for operations and delivery, as well as being a member of the management team, during which time he developed and acquired businesses in the Caribbean, Australia, Europe and the UK.

Murdo was previously a partner in SBS Logistics Ltd during a period of significant growth and also played a major role in the establishment of Decom North Sea, a supply chain forum for the decommissioning industry of which he acted as Chair and Director for over six years.



Mrs Seonag Mackinnon

Seonag Mackinnon, a native Gaelic speaker, was born and brought up in Harris. She was a primary teacher for 10 years and spent some time teaching in Rhenigidale when the school had only one pupil and the village did not have a road. She went to school on a Scalpay fishing boat. After a period as a head teacher, she worked as Primary Adviser and Quality Improvement Officer for Comhairle nan Eilean Siar. Passionate about our culture and language, Seonag has been very active in promoting Gaelic in Education. Before retiring, she was also Director of Education and Children's Services. Since retiring she served a term on the board of Skills Development Scotland. She has also involved herself with local charitable organisations such as Crossroads, Neuro Hebrides and Acair, the Gaelic Publishing Company. She is currently Chair of Acair. Seonag was co-opted to the Board in March 2023.



Mr Ian McCulloch

Ian McCulloch has enjoyed a 40 plus year career in the oil and gas industry; although now retired from full-time employment, Ian continues to undertake short term consultancy assignments. During his career, Ian held several senior management roles in operations, commercial, HSE, engineering, supply chain and decommissioning; these skills were developed across a wide range of assignments in the UK, USA, Dubai, Singapore, Indonesia and Algeria.

Ian, who joined the Board in August 2016 also previously served as a board member for Lews Castle College/UHI and as Chair of the Outer Hebrides Energy Group.

Following seven years service on the Board, including the last year as Chair, Ian resigned from the Board in February 2023.



Mr Allan Macdonald

Allan Macdonald was born and bred in Stornoway and educated in Aberdeen where he gained a BSc (Hons) in Geology and Petroleum Geology and at Heriot Watt to MSc level in Petroleum Engineering. Allan worked in the oil and gas industry for nine years, gaining experience in both drilling and production operations for multi-national companies within the UK and abroad. Since 2006 he has worked as Managing Director for a local business in the retail sector.

Allan enjoys outdoor pursuits and is an active member and qualified coach with Stornoway Canoe Club. He was appointed to the Stornoway Port Authority in May 2014. Following completion of his third term, including the last year as Vice Chair, Allan retired from the Board in April 2023.



Mr Iain Mackinnon

A Chartered Civil Engineer and Fellow of the Institution of Civil Engineers, Iain Mackinnon retired in 2023 from the role of Director for Investment Delivery at Comhairle nan Eilean Siar, where he was responsible for the development and delivery of a portfolio of major infrastructure projects in the Outer Hebrides.

His previous roles within the Comhairle included eleven years as Director of Technical Services, responsible for the management and maintenance of Comhairle-owned assets and infrastructure comprising roads, properties, piers and harbours, and the delivery of municipal services, comprising waste and public transport services.

Prior to that, Iain spent 19 years as a project engineer and project manager in the water and wastewater sector with the Comhairle, the North of Scotland Water Authority and Scottish Water, returning to the Comhairle in 2004. Iain joined the Board in May 2024.



Mr Callum Finlayson

Callum Finlayson has recently retired after a 45-year career with Shell, Northern Marine Ship Management and Denholm Ship Management. He spent the last five years in Nigeria where he was accountable for crude oil exports for Shell and a large variety of other local and international operators.

An experienced Master Mariner, Callum captained crude and LNG vessels earlier in his career, with the last 20 years spent in a variety of shipping and oil production roles in various locations around the world.

Callum joined the Board in May 2024.

Non-Executive Board Members	Joined The Board	Resigned / Retired	2023 Meetings Attended
Mrs Margaret Ann Macleod	November 2016		9/10
Mr Roddie Mackay	May 2022		10/10
Mr Ian Burgess	August 2014	April 2024	10/10
Mr John Nicolson	November 2015		10/10
Mr Archie MacDonald	January 2019		7/10
Mr Murdo Maciver	May 2022		10/10
Mrs Seonag Mackinnon	March 2023		5/7
Mr Ian McCulloch	August 2016	February 2023	1/1
Mr Allan MacDonald	May 2014	April 2023	4/4
Mr Iain Mackinnon	May 2024		-
Mr Callum Finlayson	May 2024		-
Executive Member	Joined The Board		2023 Meetings Attended
Mr Alex Macleod (Chief Executive)	August 2015		10/10



Principal Risks

A particular function of the Board is to review the principal risks to Stornoway Port. The Board has therefore identified significant risks which have been considered and these are included in the table below.

This list is not exhaustive but is a brief summary of what issues the Board must consider.

Risk item	Int/Ext Risk	Description	Potential impacts	Mitigating factors
Island Economy	External	Large changes to the local economy	<ul style="list-style-type: none"> The Port is unable to adapt to increased demand or potential new markets Lack of available accommodation Lack of available staff 	<ul style="list-style-type: none"> Continuous consultation with all levels of government
Destination Management	External	Local destinations do not react to increased cruise traffic	<ul style="list-style-type: none"> The Island is not ready for increasing numbers of cruise ship passengers Local tourist attractions "stand still" Local tourist destinations do not work together and as a result miss the opportunities Cruise traffic stops coming 	<ul style="list-style-type: none"> Stakeholder consultation Market Assessment studies Funding for destinations
Strategic Direction	Internal	Ensuring that the Port is reacting to an ever-changing political and economic situation	<ul style="list-style-type: none"> The Port is not able to adapt to a changing economic environment The Port is unable to meet the needs of our customers Potential to miss out on opportunities 	<ul style="list-style-type: none"> Communication and consultation with stakeholders Economic studies Effective board

Risk item	Int/Ext Risk	Description	Potential impacts	Mitigating factors
Loss of Community Acceptance	Internal	The Port is not understanding of the needs or wants of the community	<ul style="list-style-type: none"> The local community do not work with the Port The Port staff spend too much time reacting to press/public enquiries The trust of the community is lost, thereby having an impact on all projects and operations 	<ul style="list-style-type: none"> Community consultation Increased communication with public Website improvements Willingness to change
Financial	Internal	Ensuring that the Port understands both its current and future financial position	<ul style="list-style-type: none"> The Port is unable to manage its finances Cashflow presents a significant risk Investment opportunities are lost 	<ul style="list-style-type: none"> Management procedures Operational efficiency Internal and external auditors
Environmental	Internal	Ensure that the Port Authority minimises and limits the effects of environmental incidents	<ul style="list-style-type: none"> Pollution incident with long term effects Danger to public and Harbour users Impact upon future finance Reputational damage 	<ul style="list-style-type: none"> Continuous auditing Procedures 24/7 staffing Co-ordination with other bodies
Equipment Failure	Internal	The Port continues to maintain equipment to a high standard ensuring the safety of port users, staff and the general public	<ul style="list-style-type: none"> Injury to staff and public Downtime with associated impact upon operations and the general public Financial cost 	<ul style="list-style-type: none"> Maintenance regime – including maintenance management software Plant records/inspections Staff training
Lack of development Funds	Internal	Ensure that the Port budgets appropriately and determines all available funding sources	<ul style="list-style-type: none"> Worthwhile projects do not progress The incorrect projects progress 	<ul style="list-style-type: none"> Business planning and budgetary controls Financial awareness Prioritisation of projects

Risk item	Int/Ext Risk	Description	Potential impacts	Mitigating factors
Capital Projects	Internal	Ensure that the Port develops projects efficiently and to the requirements of the end users	<ul style="list-style-type: none"> That capital projects are not managed effectively or efficiently The final product is not suitable 	<ul style="list-style-type: none"> Ensure best value is recognised Project management expertise Improved procedures Operational involvement in decision making
Governance	Internal	To ensure that the Board operates effectively	<ul style="list-style-type: none"> The Board is not fit for purpose and is unable to fulfil its functions Wrong decisions are made 	<ul style="list-style-type: none"> The Board have sufficient knowledge and information to make the correct decisions Board member appraisal Skills matrix is maintained Adherence to the Guidance for Good Governance
Staff Effectiveness	Internal	Where the Port staff are neither trained nor experienced for the tasks they undertake	<ul style="list-style-type: none"> Staff carry out tasks incorrectly Potential for equipment failure, injury to persons, and damage to vessels Cost and operational issues 	<ul style="list-style-type: none"> Staff training Performance appraisals and reviews Management reviews Good management
Skills Shortages	Internal	Where there is a skill shortage in a Port specific role	<ul style="list-style-type: none"> Difficulty in hiring or retaining skilled staff in key areas of the business Impact and delays to Port operations due to a lack of expertise which can result in a negative customer experience 	<ul style="list-style-type: none"> Staff training and development plans Competitive compensation and benefits Good links with local schools and colleges Committed staff who feel valued

Risk item	Int/Ext Risk	Description	Potential impacts	Mitigating factors
IT Security Problems	Internal	Where an IT problem could cause severe implications for the running of the port	<ul style="list-style-type: none"> Finance system unable to invoice, or view financial reports Unable to respond to communications resulting in lost business 	<ul style="list-style-type: none"> IT expertise utilised by the Port IT audits Modern equipment and controls
Customers	Internal	Where the Port may lose customers due to customer dissatisfaction	<ul style="list-style-type: none"> Loss of business and income Reputational damage 	<ul style="list-style-type: none"> Customer consultation Service level review Communication with customers
Key Customer Dependency	Internal	The loss of a major customer/industry responsible for a high proportion of the Port's income	<ul style="list-style-type: none"> Financial repercussions for the Port and the wider Island economy Restricted range of local industries 	<ul style="list-style-type: none"> Ongoing relationship management Strategic financial management
Health & Safety	Internal	Where an incident could severely impact upon Port users, staff, public and/or equipment	<ul style="list-style-type: none"> Fatality, injury to staff, public & users Damage to equipment Operational problems including delays, unable to accommodate vessels, etc 	<ul style="list-style-type: none"> Internal & external audits RAMS procedures Insurance risk assessment Communication Staff training Signage
Marine Safety	Internal	Where a marine incident could severely impact upon Port users, staff, public and navigation	<ul style="list-style-type: none"> Vessel collision due to lack of operational procedures Vessel problem within harbour limits causes further incidents Pilotage problems Injury, potentially fatal, to public, Harbour users, staff, etc 	<ul style="list-style-type: none"> Adhere to Port Marine Safety Code Safety management System Marine policies Navigational Risk Assessment

Risk item	Int/Ext Risk	Description	Potential impacts	Mitigating factors
Commercial Interfaces	Internal	Where a tenant or commercial entity's work can have a severe effect upon the Port Authority	<ul style="list-style-type: none"> Contamination by third parties and tenants Oil pipeline issues Incident involving Goat Island tenants and slipway users 	<ul style="list-style-type: none"> Facility user's health, safety and environmental guidelines Management of tenants and third-party users
Port Security	Internal	Where a security incident either here or elsewhere can impact Port operations	<ul style="list-style-type: none"> Security incident on ferry, cruise ship, or other vessel Incident in other port or country wide has effect on security rating 	<ul style="list-style-type: none"> Port Facility Security Officer in position Approved Port Facility Security Plan Secure infrastructure
Pandemic	External	Where a nationwide/ international pandemic can impact port operations	<ul style="list-style-type: none"> Staff and customer safety at risk Potential to reduce revenue 	<ul style="list-style-type: none"> Professional management able to react quickly to new risks Cost forecasting with subsequent changes to budget
Climate Change	External	A rise in extreme weather as a result of climate change affects Port operations	<ul style="list-style-type: none"> Increased frequency of storms may damage port infrastructure Delays to lifeline deliveries Flooding 	<ul style="list-style-type: none"> Design infrastructure for potential change in climatic conditions Increased weather monitoring Improved communication



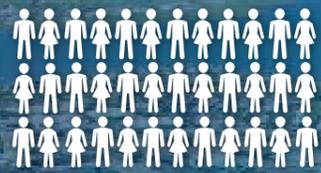
Port Highlights 2023

Ferry Passengers

up **5%**

to **300,525**

on 2022



111,542

Cars on the Ullapool
to Stornoway
Ferry route

up **7%** on 2022



£49m

on Deep Water
Terminal work
by end of 2023

21 Cruise
Maiden
calls



during 2023

13,615

Commercial Vehicles
on the Ullapool to
Stornoway Ferry
route up **2.3%** on 2022



1



Lost Time
Incident
in 2023

1,202

Pilotage
Acts

in 2023

Commenced
Net Zero
preliminary
investigations

MSC Preziosa
largest vessel
ever within the
Harbour limits

46k

Cruise
passengers
up from 15k
passengers
in 2022

1 million
tonnes
of rock
blasted
from the
hillside

1 million
tonnes
of gravel
dredged from the
harbour seabed
and reused

156
Boat hoist
lifts

88
Cruise calls
up from
60 calls
in 2022

Visiting
Cruise Ship GT:
2.63 million
up from
0.96 million
in 2022

Ascension
Pilot Boat
purchased

Our People



Kirsty Hutchison

Cruise Manager

- **How long have you been with the company?**

I started with Stornoway Port in December 2019 as Business Services Manager moving to Cruise Manager in 2024, so coming up to five years overall.

- **What inspired you to join Stornoway Port?**

Stornoway Port's focus on modernising and expanding its facilities through the Port Masterplan presented an exciting opportunity to contribute during a transformative period. I also valued the opportunity to work in a dynamic, fast-paced environment.

- **What's the most interesting thing about your job/what do you like best about your job?**

As a Cruise Manager, the most exciting part of my job is the variety it brings. Every day is different. I get to be involved in a wide range of activities, from marketing Stornoway as a destination to the cruise industry to assisting with operations on a cruise day. Having the opportunity to board cruise ships while in Stornoway is definitely a perk!

- **What challenges do you face in your job?**

One of the biggest challenges is the unpredictable nature of the job. This can range from dealing with sudden changes in itineraries due to weather or logistical issues, to handling passenger concerns. However, these challenges also make the job incredibly rewarding.

- **Where do you see yourself in five years' time?**

In five years, I see myself continuing to grow within the port and cruise industry, building on my experience as a Cruise Manager and continuing to promote the positive contribution cruise tourism makes to the local economy. Ultimately, I want to continue to contribute to the ongoing success and growth of the organisation.



Connor Chalmers

Port Technician

- **How long have you been with the company?**

I started at Stornoway Port in July 2022, so two and a half years.

- **What inspired you to join Stornoway Port?**

Having worked at sea for five years previously I had become increasingly curious about opportunities onshore. When I was made aware of the vacancy at Stornoway Port, I thought it was the perfect chance to work on the Island while remaining in the maritime industry.

- **What's the most interesting thing about your job/what do you like best about your job?**

The best part of my job is the number of opportunities that I have been presented with to expand and improve my skills and knowledge. Since starting at Stornoway Port I have been trained in maritime security, boat handling, crane operations and have been given an insight into the cruise industry.

- **What challenges do you face in your job?**

With such a broad remit within Stornoway Port it's rare you know what tomorrow will bring so you always have to be on your toes, ready to take on the next challenge.

- **Where do you see yourself in five years' time?**

Continuing with my professional development and to be living and working on the Island.

Port Marine Safety Code

As required at article 1.8 of the Port Marine Safety Code (PMSC), the Stornoway Port Authority (SPA) should publish its Marine Safety Plan for the conduct of marine operations in Stornoway Harbour every three years; A new plan was in effect from 1 January 2021.

Standing Objectives Attainment

Service Provision / Activity	Standing Objectives Attainment
1 Ensure all reasonably practicable steps are taken to identify the hazards and risks arising from operational activities within the Port and its approaches; and reduce risks to a level that is as low as is reasonably practicable.	The Port Authority has conducted port-wide navigational risk assessments and reviews on a periodic basis.
2 Reduce the likelihood and frequency of Navigational Incidents.	No serious incidents have occurred over the past year.
3 Maintain an effective Marine SMS.	The Port Authority's Designated Person, who is independent of the Authority has assessed that the safety management system is effective and reviews the same annually.
4 Communicate Stornoway Port Authority's ongoing efforts and achievements in managing the safety of navigation within the port.	The Port Authority summaries its Port Marine Safety performance within this Annual Report. The Port Authority has developed a new website which will make it easier to communicate matters of navigational safety.
5 Provide a pilotage service of well-trained, competent and authorised pilots, including the authorisation of pilotage exemptions to similar standards.	The Port employs sufficient qualified Pilots for current requirements, but trained additional Pilots in 2023 in advance of Deep Water Terminal operations in 2024.
6 Conservancy and Hydrographic Survey.	The Port has extensive hydrographic surveys of the harbour. Information is regularly submitted to the Hydrographic office enabling more regular chart updates.
7 Support, approve and facilitate on-water events within the Statutory Harbour Limits (SHL).	The Port Authority is taking an active role in water events, planning to avoid restrictions for Port users.
8 Encourage port user involvement in the maintenance of the Marine SMS and the overall improvement in the provision of marine safety.	The Port Authority consulted with Port users on a number of issues over the past few years, including the Port Masterplan, Pilotage Directions and General Directions. During 2023 the Port Authority will review the harbour user consultation process.

2021-2023 Objectives Attainment

Service Provision / Activity	2021-2023 Objectives Attainment
1 Marine Information Note 641 issued by the Maritime and Coastguard Agency (MCA) requires that every 3 years the Duty Holder must submit a signed statement to the MCA saying that the Port is compliant with the Port Marine Safety Code (PMSC).	The Port Authority external auditor (The Designated Person) confirmed the Port Authority's compliance with the Port Marine Safety Code in March 2021.
2 Review the 1976 Byelaws and prepare updated Byelaws approved by the Port Authority Board ready for informal public consultation. Having considered the feedback from the informal consultation, prepare updated Byelaws approved by the Port Authority Board ready for formal public consultation by Dec 2018. Informed by the formal public consultation, submit draft byelaws approved by the Port Authority Board to Transport for Scotland for approval.	Work on the Byelaws is ongoing, but the urgency has been reduced following the introduction of General Directions.
3 Ensure that the safety of navigation and compliance with the PMSC is maintained throughout the development, construction and subsequent operation of the Deep Water Terminal and that any operations associated with these activities remain within the scope of the port-wide risk assessment and at ALARP!	A navigational risk assessment has been undertaken for the Deep Water Terminal development, and this will be updated as the project proceeds to construction.
4 Put in place impartial, transparent and safe procedures to permit, lay, maintain, lift and operate moorings for recreational vessels to include: <ul style="list-style-type: none"> Drawing up a constitution, agreed with stakeholders to state how the moorings will be managed. Under the constitution agreed above, set-up a Moorings Committee to manage the moorings on behalf of the Authority. NB: this Committee will include executive representation from the Authority. Draw up an Individual Moorings Agreement, one to be signed by each mooring holder. 	It was intended that the constitutional work on moorings association would be completed early in 2022, however, with the introduction of the Newton Marina, the Harbourmaster has determined any urgency for additional moorings within the harbour has dissipated.
5 Commence procurement of a replacement pilot transfer vessel.	The Port Authority sourced a Pilot Boat from Montrose Port in 2023. This ensures that there is a coded Pilot Boat and a second coded vessel also available as back-up.
6 Review the port-wide Navigational Risk Assessment to include the impact of aspects of the Deep Water Terminal development as necessary.	The Port Authority is reviewing the Deep Water Terminal Navigational Risk Assessment as construction proceeds.

7	Conduct complete PMSC compliance audit in accordance with the MCA aide-mémoire as detailed at the PMSC Guide to Good Practice.	The PMSC compliance audit is being delayed until early 2024.
8	Review the Oil Spill Contingency Plan.	A updated Oil Spill Contingency Plan was awaiting approval at the end of 2023.
9	Review the Port Waste Management Plan.	A target date of 26 Mar 2024 has been set.

¹ ALARP: As Low As Reasonably Practical.

Aids to Navigation

As a Port Authority, Stornoway Port Authority is the Local Lighthouse Authority and as such must meet statutory duties associated with those responsibilities. A report into the availability of the Authority's various Aids to Navigation is therefore prescribed by regulation.

Performance is monitored and periodically audited by the National Lighthouse Authority, namely the Northern Lighthouse Board and a full audit took place within the reporting period.

Category	No. of Aids	Target Availability %	Availability %
CAT 1	7	99.8	99.90
CAT 2	26	99	99.76
CAT 3	3	97	100



Sustainability

The Outer Hebrides is a unique and beautiful part of Scotland, characterised by its natural beauty and distinctive way of life. Stornoway Port continues to play a vital role in supporting the prosperity of the Outer Hebrides by balancing environmental stewardship, economic growth, and community engagement for the benefit of all stakeholders.

Our environment

Stornoway Port remains committed to safeguarding Stornoway Harbour and its surrounding areas for current and future generations.

- We ensure that all relevant environmental bodies are consulted prior to undertaking any work in the harbour area to protect wildlife and the marine environment.
- Regular harbour clean-ups continue to be conducted to reduce pollution and preserve our marine ecosystem.
- Continuous monitoring of the harbour environment helps us to identify and address any emerging challenges.

In 2023, we began working with a consultant to develop a comprehensive **net zero strategy**. This initiative will engage stakeholders to identify actionable steps towards reducing our environmental impact. A data-gathering process is planned for 2024, with the aim of implementing identified changes thereafter.

Economic prosperity through trade

Stornoway Port is focused on fostering long-term sustainable employment on the Islands by advancing key infrastructure projects and embracing new opportunities.

- The full completion of the **Deep Water Terminal in 2024** will lay the foundation for enhanced trade and economic growth.
- The Newton Basin/Goat Island regeneration projects have improved the environment as well as creating jobs and economic benefit.
- Recognising the potential of the renewable energy sector, we are exploring additional resources and facilities to support **offshore and onshore energy production**.

A thriving community

Through our commitment to economic development and environmental sustainability, Stornoway Port continues to enable a thriving local community by fostering collaboration, shared goals, and mutual accountability.

- We maintain our strong support for local community groups and schools, hosting visits to the harbour area and organising educational activities to inspire the next generation.
- Our support of community events remains steadfast, including:
 - Stornoway Half Marathon
 - RNLI Open Day
 - Stornoway Carnival
 - Coastal rowing and traditional sailing
 - Swan sail training days
 - Providing space for local arts projects, both exterior and interior.

As we look to the future, our focus on sustainability will underpin all our initiatives, ensuring that the Outer Hebrides remains a vibrant, prosperous, and environmentally conscious region for generations to come.

Stornoway Port supported a number of local young people to attend the Tall Ships race between Norway and Shetland. This was a highly successful initiative for some of our young people.

Port Operations

Aquaculture/Fishing

Stornoway continues to serve as the hub for the aquaculture sector in the Outer Hebrides, which remains a vital part of the local economy. While Bakka Frost has ceased operations in Stornoway in 2024, **MacDuff Shellfish** has expanded its presence with the new state-of-the-art shellfish processing facility on Goat Island. This investment strengthens Stornoway Port's role in supporting the shellfish sector and highlights its importance in the sustainable harvesting and export of premium seafood.



Offshore and renewables

Stornoway has a long history of supporting offshore activities, from oil and gas operations to servicing vessels and the works associated with the Arnish Fabrication yard. However, the focus is shifting toward the future, with a commitment to **renewable energy**.

The **Deep Water Terminal** will be central to this strategy, as will the recently revived Arnish Fabrication yard, operated by Harland & Wolff. As a multi-use facility, it offers opportunities to support offshore wind, wave, and tidal energy projects. The Deep Water Terminal will position Stornoway Port to capitalise on Scotland's renewable energy ambitions, serving as a hub for assembly, deployment, and maintenance of renewable energy infrastructure. Stornoway Port's strategic location and infrastructure continue to attract interest from both national and international stakeholders.



Cruise

Cruise ship visits to Stornoway have become another cornerstone of Stornoway Port's operations and a significant contributor to Island tourism. The increasing number of cruise arrivals generates a **growing proportion of Stornoway Port's revenue**, underscoring its importance to the local economy. Beyond Stornoway Port, the cruise sector supports the wider tourism industry, bringing thousands of visitors to the Island each year, benefiting local businesses, attractions, and cultural initiatives.

The **Deep Water Terminal** will further enhance Stornoway's appeal as a cruise destination, accommodating larger vessels and enabling better access for passengers. Cruise tourism is a critical driver of economic growth, creating opportunities for businesses across the Island.



Ferries

The ferry service remains a lifeline for the Outer Hebrides, connecting Stornoway to the mainland and supporting the Island's economy. Operated by CalMac Ferries Ltd, the **M.V. Loch Seaforth** sails between Stornoway and Ullapool three times a day, transporting passengers, vehicles, and commercial freight. The vessel, the largest in the CalMac fleet, provides a service vital for residents, businesses, and visitors. The sailing takes two hours and 30 minutes and travels past the scenic Summer Isles and through Loch Broom. The 116-metre roll on roll off ferry is capable of operating 24 hours a day and has capacity for up to 700 passengers.

Looking to the future, there is a growing recognition of the need for a **dedicated freight ferry**. This would enhance resilience in the transport network and support the significant developments planned for the Island, including the fast-approaching major expansion of renewable energy projects. Such an investment would ensure the sustainability of the lifeline service and provide critical support for the growing demands of the Island's economy.



Port Operations

Purpose and investment

Stornoway Port remains committed to serving as an **economic driver for the community and the wider Island**. Stornoway Port provides a gateway for inward investment, creating opportunities across sectors from aquaculture and tourism to renewables and marine engineering.

Strategic sites like **Arnish** offer ready-to-use facilities for manufacturing, assembly, and deployment, bolstered by heavy load quay facilities and serviced plots. Stornoway Port continues to support innovation and growth in high-potential sectors, working with partners such as Harland & Wolff to unlock the full potential of these sites.

As the Island evolves, Stornoway Port is focused on ensuring that its infrastructure supports a sustainable, vibrant, and economically resilient future for the Outer Hebrides.



Business Objectives 2023

What Stornoway Port did in 2023 to achieve their Business Objectives

Growth

Target minimum £7.5 million income in 2027:

- **Continued with construction of the Deep Water Terminal:** Major construction milestones were achieved, with the terminal structurally complete by the end of the year, positioning it for operation in 2024.
- Income of £6.0 million achieved in 2023, on target to hit £7.5 million in 2027.

Increase market share from new markets:

- Completed the marketing plan for the Deep Water Terminal.
- Promoted the Goat Island developments, particularly the Marine Engineering Building, which was completed and leased on a long-term basis during 2023. This building will be used for construction of landing craft, small tugs etc.

Realise the opportunities presented by marine renewables:

- Continued collaboration with offshore wind developers, ensuring Stornoway Port's infrastructure plans remain aligned with the needs of ScotWind and other renewable projects.
- Working with local organisations to ensure Island opportunities and local benefits are best realised.

Talent

Fostering an exciting and challenging culture to attract, develop, and retain the best people:

- **Upskilled employees:** Delivered training programs to prepare staff for the operational demands of the Deep Water Terminal.
- Continuous review of the business structure, ensuring the operating business is able to adapt to ever-increasing requirements.
- Maintained positive public profile ensuring both staff and the general public realise the benefits and potential.

A consistent and strong HSEQ track record:

- **Incident Recorded in 2023:** Despite a strong safety culture, an incident during the year resulted in lost time. This event highlighted areas for improvement, prompting a review and enhancement of safety protocols.
- **Improved walkways and signage:** Continued investments in physical safety measures across the harbour.
- **Enhanced HSEQ systems:** Further developed health, safety, environmental, and quality management systems to prevent future incidents.

Stakeholder engagement

Maintain Stornoway Port's central role in the community and local/national economy:

- **Regular stakeholder contact:** Maintained open communication with key stakeholders and held regular updates on major projects.

Play a leading role in creating a shared vision of local economic opportunities:

- **Progressed the cruise destination plan:** Collaborated with CNES, HIE, OHT, and Visit Scotland to prepare for increased cruise traffic through the Deep Water Terminal.

Responsive and collaborative communications with our community:

- Issued regular updates on project progress and operational milestones via newsletters, press releases, and social media.
- Actively engaged with the community to address concerns and share opportunities arising from Stornoway Port's developments.

Identity

Ensure Stornoway Port remains a significant driver of the local economy:

- Strengthened partnerships with local and national agencies to promote opportunities from renewable energy.
- Continuous review of economic opportunities.

Position Stornoway as a globally recognised port:

- Finalised and implemented marketing plans that emphasised Stornoway Port's global potential, particularly with the Deep Water Terminal.
- Continued brand evolution to enhance visibility in key markets.

Position Stornoway Port as an organisation to promote local business and opportunity:

- Worked with the Cruise Forum and other stakeholders to maximise economic opportunities for local businesses.

Customer relationship management

Innovate and pivot Stornoway Port to remain relevant to changing market demands:

- Attended trade events in the cruise and renewables sectors to build connections and promote Stornoway Port's offerings.

Achieve and maintain outstanding customer service:

- **Continued to explore maintenance management software benefits:** Continued to integrate the system to improve maintenance processes and efficiency.

Build and maintain relationships with key customers and develop new customer opportunities:

- Appointed a Business Development Executive to pursue new markets and strengthen existing relationships.
- Structured the business to ensure commercial function has a senior role within the senior management structure.

Port Masterplan

The 2017 Stornoway Port Masterplan was an ambitious and extensive plan, setting out the framework for the physical development of Stornoway harbour over a 20-year period. Stornoway Port are aware that the development of our infrastructure is crucial to the economic future of Stornoway and the Outer Hebrides. The Stornoway Port Masterplan represented an opportunity to deliver socioeconomic transformation for the town and beyond.

The Masterplan also included, as the main structural element, the Deep Water Terminal project, a truly transformational project for the Islands. The terminal construction commenced in mid-2022. The Masterplan was always supposed to be developed in phases, with the differing phases dependent upon the outcome of earlier phases.



Stornoway Port now finds itself ahead of schedule where the initial elements of the Port Masterplan are either complete or underway. An updated Port Masterplan will be investigated over the next few years, when the full effects of the Deep Water Terminal are being realised. The learning from the construction of the Deep Water Terminal, will determine future phases of harbour development.

Designed to deliver socioeconomic transformation for the town and beyond, the Masterplan has already achieved significant milestones.

1. Goat Island projects:

- **Newton Marina:** Fully completed and operational.
- **Food Standards Building:** Successfully leased to MacDuff Seafoods.
- **100t Boat Hoist:** Fully functional and serving a variety of customers.
- **Marine Engineering Building:** Fully leased and in use since late 2023.

2. Deep Water Terminal:

- The cornerstone project of the Masterplan, to be **completed in 2024**, represents a transformative asset for the Islands.
- Efforts are now focused on unlocking the terminal's full potential to maximise its benefits for the region.

Additional infrastructure linked to the Deep Water Terminal will also generate positive outcomes:

- **Cromwell Street Quay:** A revitalised area enhancing the waterfront experience for visitors and locals.
- **New Pathway through the Castle Grounds:** Connecting the terminal and the town, providing improved access and a scenic route for visitors.

Looking forward, Stornoway Port is actively exploring the next phase of infrastructure investment. This includes:

- Developing an **improved road link to Arnish**, supporting industrial and logistical needs.
- Identifying resources and facilities to bolster **offshore and onshore energy production**, aligning with the growing focus on renewable energy.
- Improving facilities for existing customers and enabling further investment into the Island's economy.



Deep Water Terminal

The Deep Water Terminal is a transformative development for the Outer Hebrides, representing one of the most ambitious infrastructure projects ever undertaken in the region.

Throughout 2023, construction of the £59 million facility progressed smoothly, achieving significant milestones and remaining on schedule and within budget. By the end of the year, the terminal was structurally complete, setting the stage for its operational launch in 2024.



2023 achievements

The focus in 2023 was on delivering key construction elements, ensuring the terminal was prepared for final fit-out and operational readiness:

- **Dredging works:** Completed in the first quarter, achieving the required depths for accommodating larger vessels.
- **Rock extraction and reclamation:** Major excavation work supplied materials for bund walls, the terminal laydown area, and the haul road to the Arnish Fabrication Yard.
- **Quay wall and berthing dolphin construction:** Key infrastructure elements, including the quay walls and berthing dolphin, were completed on schedule, enabling the terminal to host larger vessels in the future.

By the end of the year, the terminal's physical build was finished, with remaining commissioning and outfitting scheduled for early 2024.



Positioning the terminal for future success

While the terminal was not yet operational, 2023 was a critical year for ensuring its future functionality across multiple sectors:

- **Cruise tourism:** The Deep Water Terminal is purpose-built to host the world's largest cruise ships, significantly enhancing Stornoway's ability to attract cruise operators and boost tourism across the Island.
- **Renewable energy:** Designed with the ScotWind offshore wind projects in mind, the terminal will serve as a key hub for assembly, deployment, and maintenance of renewable energy infrastructure.
- **Cargo and industrial support:** Expanded capabilities, including heavy cargo handling, will enable the terminal to serve industries such as aquaculture and marine engineering.

Economic and community impact in 2023

The successful progress of the Deep Water Terminal in 2023 underscored its importance to the long-term development of the Outer Hebrides:

- **Job creation during construction:** The project supported local employment, with the use of local materials and contractors where possible.
- **Catalyst for investment:** The completion of the physical build has already spurred additional investment interest in the area, particularly in sectors like tourism and renewables.
- **Community engagement:** Throughout 2023, Stornoway Port maintained regular communication with stakeholders, ensuring that the project aligns with community needs and expectations.

A year of significant progress

By the close of 2023, the Deep Water Terminal stood as a completed facility, ready for commissioning and operational readiness in 2024. This transformative project is poised to become a cornerstone of the region's economy, driving growth in cruise, energy, and industrial sectors, and ensuring a sustainable and prosperous future for the Outer Hebrides.



Business Objectives 2024 Projection

What Stornoway Port intends to do in 2024 to achieve its Business Objectives

Growth

Target minimum £7.5 million income in 2027:

- Complete construction of the Deep Water Terminal and generate revenue from the asset.
- Income of £6.0 million achieved in 2023, increase income further in 2024 through the projected additional cruise revenue.

Increase market share from new markets:

- Continuous refinement of the marketing plan for the Deep Water Terminal.
- Attendance at cruise/renewable energy events and conferences.

Realise the opportunities presented by marine renewables:

- Continued collaboration with offshore wind developers, ensuring Stornoway Port's infrastructure remains aligned with the needs of ScotWind and other renewable projects.
- Working with government and other organisations to ensure Island opportunities and local content are best realised.

Talent

Foster an exciting and challenging culture, to attract, develop and retain the best people:

- **Upskilling employees:** Deliver training programs to prepare staff for the operational demands of the Deep Water Terminal.
- Appoint a Chief Financial Officer to strengthen financial management and strategic oversight.
- Continuous review of the business structure, ensuring the operating business is able to adapt to the ever increasing requirements.

A consistent and strong HSEQ track record:

- Despite a strong safety culture an incident occurred during 2023 which resulted in lost time. This event identifies improvement areas for 2024.
- **Improve walkways and signage:** Continue investments in physical safety measures across the harbour.

Stakeholder engagement

Maintain Stornoway Port's central role in the community and local/national economy

- Engage proactively with the local community to address concerns and highlight opportunities from cruise and renewables growth.
- Maintain positive public profile ensuring both staff and the general public realise the benefits and potential of Stornoway Port's work.

Play a leading role in creating a shared vision of local economic opportunities:

- Become more active and vocal in the wider and indirect areas which ultimately affect Stornoway Port.
- Perform an active role in strategic planning around direct investment in the Island.

Responsive and collaborative communications with our community:

- Issue regular updates on project progress and operational milestones via newsletters, press releases, and social media.
- Actively engage with the community to address concerns and share opportunities arising from Stornoway Port's developments.

Identity

Ensure Stornoway Port remains a significant driver of the local economy:

- Strengthen partnerships with local and national agencies to promote opportunities from renewable energy.
- Continuous review of economic opportunities.

Position Stornoway as a globally recognised port:

- Finalise and implement marketing plans that emphasised Stornoway Port's global potential, particularly with the Deep Water Terminal.
- Continue brand evolution to enhance visibility in key markets.

Position Stornoway Port as an organisation to promote local business and opportunities:

- Work with the Cruise Forum and other stakeholders to maximise economic opportunities for local businesses.

Customer relationship management

Innovate and pivot Stornoway Port to remain relevant to changing market demands:

- Review management structure for changing business environments.
- Attend events in the cruise/renewables sectors to promote Stornoway Port's offerings.

Achieve and maintain outstanding customer service:

- Continue to integrate the maintenance management software to improve maintenance processes and efficiency.

Build and maintain relationships with key customers and develop new customer opportunities:

- Actively develop relationships with key renewable developers.
- Ensure commercial function has a senior role within the management structure.

Financial Statements

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2023

	2023	2022
	£	£
REVENUE	5,639,580	4,330,369
Cost of Sales	(2,273,642)	(2,383,325)
GROSS PROFIT	3,365,938	1,947,044
Administrative expenses	(2,404,947)	(1,088,614)
Other operating income	330,830	304,293
OPERATING PROFIT	1,291,821	1,162,723
Interest receivable and similar income	40,680	6,411
Other finance income	12,000	-
Interest payable and similar expenses	(792,831)	(113,974)
Other finance costs	-	(37,000)
PROFIT BEFORE TAXATION	551,670	1,018,160
Tax on profit	(272,992)	(225,357)
PROFIT FOR THE FINANCIAL YEAR	278,678	792,803

OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2023

	2023	2022
	£	£
PROFIT FOR THE YEAR	278,678	792,803
OTHER COMPREHENSIVE INCOME		
Actuarial gain/(loss) on pension deficit	(25,000)	2,518,000
Unrecognised Surplus	(160,500)	-
Income tax relating to components of other comprehensive (loss)/income	16,500	(415,800)
OTHER COMPREHENSIVE INCOME (LOSS)/ INCOME FOR THE YEAR, NET OF INCOME TAX	(169,000)	2,102,200
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	109,678	2,895,003

BALANCE SHEET

As at 31 December 2023

	2023		2022	
	£	£	£	£
FIXED ASSETS				
Property, plant and equipment		59,891,360		40,913,998
Investment property		4,617,934		3,642,000
		<u>64,509,294</u>		<u>44,555,998</u>
CURRENT ASSETS				
Debtors	1,598,687		1,436,950	
Cash at bank and in hand	4,316,971		3,114,652	
	<u>5,915,658</u>		<u>4,551,602</u>	
CREDITORS				
Amounts falling due within one year	<u>(7,189,846)</u>		<u>(3,854,628)</u>	
NET CURRENT (LIABILITIES)/ASSETS		<u>(1,274,188)</u>		<u>696,974</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		63,235,106		45,252,972
CREDITORS				
Amounts falling due after more than one year		(32,549,291)		(16,762,940)
PROVISIONS FOR LIABILITIES		(598,561)		(547,070)
ACCRUALS AND DEFERRED INCOME		(18,017,142)		(16,192,528)
PENSION ASSET		-		210,000
NET ASSETS		<u>12,070,112</u>		<u>11,960,434</u>
RESERVES				
Fair value reserve		102,540		102,540
Retained Earnings		<u>11,967,572</u>		<u>11,857,894</u>
		<u>12,070,112</u>		<u>11,960,434</u>





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