



**KIMBERLEY
PORTS**
AUTHORITY

2023 ANNUAL REPORT





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01.

CHAIR & CEO REPORT





Luke Westlake
CEO

During 2022-23 Kimberley Ports Authority (**KPA**) continued working with Kimberley port managers: the Shire of Derby West Kimberley for Derby and Cambridge Gulf Ltd for Wyndham, through the transition of reporting to KPA and being regulated under the *Port Authorities Act 1999*.

From July 2021, KPA's infrastructure planning and strategic objectives have covered the entire Kimberley region which has provided improved insight into regional development and the interface with ports in the logistics supply chain.



Reece Waldock, AM
Chair

Kimberley port managers retain separate financial records to KPA, providing monthly updates and an annual financial outcome report following an independent audit of their accounts. Other activities such as trade, general safety information, environmental and infrastructure projects and strategic initiatives are outlined in this report. All ports are now involved in KPA's internal audit and compliance programme with infrastructure and assets, and health and safety being the subject of the 2022-23 audit. The audit provided some improvement recommendations that are being attended to by port managers.

The flood event in early 2023 affected the entire Kimberley logistics supply chain and Port of Broome was used for barge loading operations to supply the towns of Derby and Fitzroy Crossing with emergency supplies. Mt Gibson Iron enhanced the barge landing at Broome so these essential services could continue to operate and supply their Koolan Island operations. Halls Creek, Kununurra and Wyndham were also isolated, due to flooding, and Cambridge Gulf Ltd constructed a barge ramp adjacent to the Wyndham Port to receive vital supplies.

KPA has commenced working towards placing a sustainability lens on all port activities. Ports Australia - Sustainability Strategy Development Guide has been used to identify the process of implementing strategies that support sustainability practices. The initial focus will be on using the United Nations Sustainability Development Goals (SDG) as a way of linking activities to sustainable goals. Internally KPA has commenced linking current practices to the SDG and the next step is a materiality assessment to be conducted with customers, employees and stakeholders to narrow down the actions that matter to the community within which we operate. Throughout the Annual Report the SDG icons have been used where activities match sustainability development goals.



Port of Broome emergency barge operations

KPA has been working with regulatory bodies to gain approvals that will increase trade opportunities at the Kimberley ports, including:

- First Point of Entry applications have been progressing throughout the year with the Federal Government's Department of Infrastructure, Transport, Regional Development, Communications and the Arts for the Ports of Wyndham and Broome for import cargo receivals and the Port of Broome for disembarking international cruise passenger baggage inspections, and
- A Part V licence from the Western Australian Government's Department of Water and Environmental Regulation for mineral sands exports in Broome.

KPA continues with Community Consultation Committee meetings that include representatives from communities adjacent to Kimberley ports. Sponsorship support has benefited a number of groups including the Broome Chamber of Commerce, Broome Senior High School, Shinju Matsuri Festival, Derby Photographic Art Prize, and the Kimberley Economic Forum. KPA's largest sponsorship beneficiary is Environs Kimberley for an ongoing seagrass monitoring programme in Roebuck Bay.

Across the Kimberley there was a total of 1,562 vessel visits, slightly down compared to 2021-22. The vessel visits numbers varied for each port as follows:

- Yampi Sound had a total of 37 an increase of 51%;
- Derby had a total of 366 a decrease of 8.5%;
- Wyndham had a total of 117 a decrease of 21%, and
- Broome had a total of 1,042 a decrease of 5%.

The minerals sands exports will provide consistent trade through the Port of Broome and assist in KPA's future profitability.

Trade tonnages for the Kimberley increased in total to 3,172,144 for 2022-23 when compared to 2,335,309 in 2021-22. The significant increase was due to Yampi Sound bulk iron ore export volumes being higher and a small tonnage increase in Broome. The Ports of Derby and Wyndham recorded lower tonnage throughput. The decrease in Derby was attributed to a decrease in mining equipment movements, some of which were the barge movements from Broome direct to Koolan Island during the flood period, and a small decrease in barramundi farm trade. The Port of Wyndham decrease was due to reduction in cattle exports and crude oil, also partly due to the flood event, and iron ore exports ceased altogether. Some trade reductions were offset by the resumption of nickel exports and ad-hoc vessel calls for exporting scrap metal.

KPA predicted a loss of \$2.7 million for the year, however a marginal profit of \$0.2 million was achieved with the assistance of State Government support of \$2.5 million for taking on the responsibilities of the additional Kimberley ports. Port of Broome also focused on expenditure reduction to assist in achieving profitability.

Kimberley Marine Support Base Pty Ltd (KMSB) has conducted planning meetings throughout the year with KPA for the construction of a floating Kimberley Marine Offloading Facility. KPA has received a detailed verification report on the design integrity of the marine structure which followed physical modelling and simulation testing of the facility design. KMSB announced final commitment to the project, post the end of the financial year, and will be progressing construction going forward to meet trade demand at Port of Broome.

Sheffield Resources Ltd, and partners, announced their Final Investment Decision in October 2022 to proceed with the Thunderbird Mineral Sands project. An amendment to the Ministerial Statement 1080 was approved by the Environmental Protection Authority for Kimberley Mineral Sands Pty Ltd (KMS) to export bulk product through the Port of Broome. KPA has been working with KMS and its logistics providers for the start of exports in early 2024. The minerals sands exports will provide consistent trade through the Port of Broome and assist in KPA's future profitability.

Luke Westlake was appointed Chief Executive after an external recruitment process was completed in April 2023. Luke was previously KPA's Chief Operating Officer, and then Acting CEO, and has admirably led the organisation throughout the financial year. A new Harbour Master Captain Rohan Wadhwa and Chief Financial Officer Charles Nganga were also appointed during the year.

Jodie Ransom, KPA's Deputy Chair, resigned in April 2023 due to a change in her work role. KPA thanks Jodie for the valued and insightful input at meetings over the last four years and wishes her well. Director Paul Larsen was appointed Deputy Chair and Fiona Wee is welcomed as a new Director bringing her maritime experience to Board deliberations.

02.

AGENCY OVERVIEW



2.1 Agency Performance

The following information provides a measurement of agency performance against the Kimberley Ports Authority's approved 2022-23 Budget.

2.1.1 Financial Targets

Financial Targets 2022-23	Target \$000's / %	Actual \$000's / %	Variation \$000's / %
Gross revenue	26,355	24,091	-2,264
Total services costs	-29,051	-23,888	5,162
Profit/Loss before tax	-2,696	203	5,549
Net Tax Equivalent paid to Treasury	0	0	0
Profit/Loss after tax	-2,696	203	2,848
Expected Dividend to be paid to Treasury	0	152	-1,319
Net increase/(decrease) in cash (from Statement of Cash Flows)	-2,440	5,932	8,372
Rate of Return on Assets	-3.16%	0.22%	3.38%
Capital Expenditure	-2,700	-3,738	-1,038
Total Assets	85,352	91,772	6,421

Table 1 Financial Targets 2022-23

Variations in revenue from budget for financial year 2022-23 were primarily due to a decrease in the number of vessels calling at the Port of Broome in the second half of the year. In 2022-23, KPA continued to receive the Kimberley ports amalgamation subsidy of

\$2.5 million to assist in defraying costs associated with taking responsibility of the ports from the Department of Transport. This assistance along with the continued cost-saving measures has enabled KPA to make a profit of \$0.2 million, before tax and dividend payments.

2.2 Ministerial Directions

No Ministerial directions were received during the period.

2.3 Governance

2.3.1 Equal Opportunity

KPA has an Equal Employment Opportunity Procedure that is updated every two years to ensure ongoing relevance to workplace dynamics and legislation. The last update was undertaken in July 2023. The Equal Employment Opportunity Management Plan is being updated.

KPA continues to ensure it has a workplace that fosters fairness, equity and diversity by providing equal opportunity employment based on merit, regardless of: sex, age, race, pregnancy, marital status, sexual orientation, family responsibility, religious or political conviction or impairment.

During 2022 KPA participated in a benchmarking project, undertaken by Deloitte Access Economics on behalf of Port of Melbourne, which compared workforce matters among other parameters of 10 ports around Australia. Some of the data gathered included that:

- Smaller regional ports tend to have more male employees;
- Regional ports tend to have a higher percent of a younger workforce;
- Ports that provide their own stevedores have a higher percentage of casual employees;
- Aboriginal employees represent 14% of KPA's employees, and
- Females in leadership positions was 33% at KPA.

2.3.2 Human Resources

The Acting CEO Luke Westlake was appointed as CEO in April 2023 after an external recruitment process. The Port Engineer was the Acting Chief Operating Officer at the end of the reporting period, with an external recruitment process under way. A new Chief Financial Officer and Harbour Master were appointed and commenced at KPA in May 2023.

KPA had 73 full-time, part-time and casual employees during the reporting period. Additional casual stevedores were recruited to ensure a pool of trained employees were available to meet fluctuating trade demands.

Several employees have undertaken KPA sponsored studies throughout the year including attending an Australian Institute of Company Directors course, Certified Management Accountants course, Certificate IV Accounting and Bookkeeping, and an Australasian Inter-service Incident Management System course for Maritime Emergencies. KPA actively encourages upskilling employees and there has been a range of training undertaken including: upgrading crane licenses, working at heights, mobile harbour crane rescue, and dogman skills.

In May 2023, KPA began a recruitment process for a position in human resources and industrial relations, and another in occupational safety and health. At the end of the reporting period, these positions had been filled and candidates were due to start in the second half of 2023.

Throughout the reporting period, management and employees have been negotiating the Stevedore and Maintenance Employees Enterprise Agreement, which is near finalisation.

2.3.3 The State Records Act 2000

KPA has a registered Recordkeeping Plan – RKP 202005, which includes underpinning internal Recordkeeping Procedures for KPA. ELO Digital, a fully functional Electronic Document Recording Management System is used for recordkeeping purposes. KPA provides Recordkeeping Procedures to new employees who are also trained to use ELO Digital and about the importance of recordkeeping.

2.3.4 Freedom of Information

An Information Statement is updated annually in June to maintain currency of KPA's information. The Information Statement explains how to lodge a Freedom of Information request, lists associated charges, and a copy of the document is available either from the Port Authority office or via the website – www.kimberleyports.wa.gov.au.

There was one FoI application received and responded to during the financial year 2022-23.

2.3.5 Electoral Act 1907 - Section 175ZE

In accordance with Section 175ZE of the Electoral Act 1907, the following expenses were incurred by KPA in media advertising and market research:

Expenditure Agency	Class	Amount
Hunter Communications	Media Advertising Organisation	8,500
Minq Design Studio	Media Advertising Organisation	5,220
The West Australian Newspapers Ltd	Media Advertising Organisation	3,780
Thryv Australia Pty Ltd	Media Advertising Organisation	1,229
Telstra	Media Advertising Organisation	963
Seek	Media Advertising Organisation	375
Broome Chamber of Commerce	Media Advertising Organisation	160
Total		\$ 20,227

Table 2 Electoral Act 1907 - Section 175ZE

2.3 Governance (Continued)

2.3.6 Risk Management

KPA has a holistic, integrated risk management framework which is integral to strategic and business planning, effective corporate governance and optimal operations. KPA's approach is to manage risks within its risk appetite, in a manner that effectively mitigates downside risk and optimises available opportunities.

KPA's Leadership Team regularly review the organisations strategic, operational and project risks and opportunities to ensure they are effectively managed and controlled/optimised. The KPA Board has an Audit and Risk sub-Committee who meet regularly to review and monitor the organisations risk profiles.

Key risk management activities undertaken during the reporting period include:

- Reviewing and updating KPA's operational risks at all its ports including Broome, Wyndham, Derby and Yampi Sound; and
- Project risk assessments at the Port of Broome including the mineral sands export, removal of the wharf shed, wharf extension works and the proposed Kimberley Marine Support Base.

2.3.7 Compliance with Legislation

KPA engages professional legal consultants to provide legal advice on a range of matters, and to ensure documentation and agreements meet best practice and comply with relevant legislation. KPA receives newsletters and circulars to stay informed of significant changes to key legislation, particularly in the area of safety and the environment.

From 1 July 2023 the Government Trading Enterprises Act 2023 and Regulations will apply to some Government Trading Enterprises, including Port Authorities, and is to be read in conjunction with the *Port Authorities Act 1999*.

2.3.8 Insurance of Directors and Officers

KPA's Directors and Officers are insured against liability for costs and expenses incurred by them in defending any civil or criminal proceedings arising out of the lawful performance of their duties. Coverage excludes conduct involving a number of matters, such as wilful breach of duty in relation to their employment by KPA.

2.3.9 The Public Sector Management Act 1994 Section 31 (1) Framework

Compliance issues:	In order to achieve best practice in compliance, KPA has a range of behavioural procedures in place.
Public Sector Standards (PSS) Breach claims:	Nil returns
WA Code of Ethics Reports of non-compliance with WA Code of Ethics:	Nil returns
Agency Code of Conduct:	One breach
Harassment and Bullying Procedure	One breach

Table 3 Public Sector Management Act Reporting

2.3.10 Corruption Prevention

KPA has a comprehensive system of codes, policy statements and procedures that form the basis of its corruption prevention system. The Code of Conduct, Delegated Authority Procedure and Policy Statements are approved by the KPA Board and each staff member is required to read and acknowledge receipt of the relevant documents and agree to abide by its terms.

In accordance with Section 23 of the *Port Authorities Act 1999*, KPA provides updated copies of the Code of Conduct to the Public Sector Commission. KPA's Code of Conduct addresses:

- Customer Service;
- Conflicts of Interest;
- Offer and Acceptance of Gifts and other Incentives;
- Personal behaviour with customers and work colleagues;
- Professional Integrity;
- Corruption;
- Release and use of Port Authority Information, and
- Use of Port Authority Resources.

During 2022-23 inhouse integrity training was delivered to 55 percent of employees, and training continues, particularly for casual employees who are difficult to schedule for training sessions. KPA undertook a Fraud and Corruption risk assessment and arising treatment action plans are being implemented. A Fraud and Corruption Control Plan has been documented and distributed to employees, using a Learning Management System.

KPA has a Delegated Authority Procedure setting out clear lines of authority for Board members through to purchasing by employees. Staff members authorised to purchase goods and services, on behalf of KPA, are assigned limits on the value of goods and services they can purchase. Separately KPA's procedures also address approved expenditure on entertainment, plus expenditure limits for credit cards to ensure correct expenditure protocols are followed.

The Procurement Procedure sets clear guidelines regarding the process to be followed when services and products are procured. A Contract Management Procedure has been introduced to guide and assist managers' enforce contract protocols and obligations.

The *Public Interest Disclosure Act 2003* enables persons to make disclosures about wrongdoing within the WA public sector, local government and public universities without fear of reprisal. KPA's Public Interest Disclosure Officer is obligated to investigate, assess and where appropriate, refer misconduct allegations to the relevant authorities.

KPA's website sets out the process to be followed if an individual wishes to make a Public Interest Disclosure. KPA received no Public Interest Disclosure notifications during 2022-23.

2.3.11 Compliance with Treasurer's Instruction 321 - Credit Card Authorised Use

There was an investigation of personal use of a credit card, which continued from 2021-22 into 2022/23, and was reported to the Office of the Auditor General and Public Sector Commission. The funds involved have been reimbursed to KPA. There were four minor mistaken use of credit cards by employees that were reimbursed to KPA.

2.3.12 Customer Liaison

KPA uses a range of methods to monitor customer satisfaction including regular face to face operational meetings, and hosting meetings to respond to enquiries. The CEO meets a range of customers to ensure services meet industry requirements and to plan for future port utilisation.

KPA has a Customer Service Charter that outlines expected service levels and provides information on how to communicate customer / stakeholder feedback. A customer / stakeholder feedback form is available on the KPA website. KPA has three Community Consultation Committee's based across the Kimberley in Broome, Derby/Yampi Sound and Wyndham where community members are consulted on port activities and are able to raise matters in relation to any port developments.

Osprey hatchlings Port of Broome



2.4 Environmental Management



KPA recognises the importance of environmental protection and is committed to acting in an environmentally responsible and sustainable manner. KPA aims to continuously improve environmental performance and minimise

environmental impacts across operations, both land and marine. KPA has an environmental management system and maintains an Environmental Management Plan.

There were no significant environmental incidents during the reporting period.

KPA is committed to reducing its greenhouse gas emissions and identified its scope 1, 2 and 3 emissions boundary for its ports during the reporting period. KPA is following the State Government's Emissions Reduction Framework and is in the process of creating an emissions inventory and calculating its emissions.

2.4.1 Port of Broome



KPA continued to work with the Department of Biodiversity, Conservation and Attractions and Yawuru to discuss trans-boundary issues relating to Port of Broome waters and the Yawuru Nagulagun Roebuck Bay Marine Park. The three

organisations have a Memorandum of Agreement for the marine park and meet on a regular basis to share relevant information, provide updates on new projects and to ensure lines of communication are maintained.

KPA completed marine monitoring in port waters including water quality, benthic habitat and sediment sampling and the results continue to indicate a healthy marine environment. KPA also continued its groundwater monitoring program with bi-annual sampling occurring at the end of the wet and dry seasons.

During the reporting period KPA monitored for the presence of invasive marine pests through the State Wide Array Surveillance Program (SWASP), a collaborative marine biosecurity surveillance network with the Department of Primary Industries and Regional Development. The SWASP involves the deployment of arrays under the wharf, crab condos and shoreline searches to identify potential invasive marine species. KPA has continued to contribute to the Broome Community Seagrass Monitoring Project which monitors seagrass within Roebuck Bay.

KPA has commenced work to obtain a licence for the export of mineral sands under Part V of the Environmental Protection Act 1986 (EP Act) at the Port of Broome.

2.4.2 Other Kimberley Ports

Cambridge Gulf Ltd (CGL) amended its existing environmental licence to remove cattle yards and made minor alterations to the mineral concentrate requirements. CGL also commenced the process to add lead export to its licence, with proposed works including the construction of a washdown bay for container cleaning.

Oil Spill Exercise

2.5 Organisational Structure

Minister for Ports	Hon Rita Saffioti, MLA Hon David Michael, MLA (from 8 June 2023)
Board Members	Reece Waldoock AM (Chair) Jodie Ransom (Deputy Chair) (until 22 April 2023) Paul Larsen (Deputy Chair) (from 15 May 2023) Kylie Bartle Magued Moftah Fiona Wee (from 15 May 2023)
Acting Chief Executive Officer and Chief Executive Officer	Luke Westlake (from 12 April 2023)
Harbour Master Marine Manager	Captain David Duncan (from 22 May 2023)
Harbour Master	Captain Rohan Wadhwa (from 2 May 2023)
CFO	Charles Nganga, B.Sc. Accounting, M.Sc. Business Finance, CPA, CGMA (from 1 May 2023)
CFO	David Burgess BCom, CA (to 18 April 2023)
Engineer and Acting Chief Operating Officer	Scott Baker BE (Hons) MIEAust
HSER Manager	Veronica Mair BEc (Hons) MScTech (OHS) MEnvMgt (from 4 November 2022)
Acting HSER Manager	Matthew Dunkerley B.Sc GradDip OHS (to 4 November 2022)
Governance Manager	Rosemary Braybrook BBus (PR)
Finance Manager	Jaye Robertson BCom, CMA (from 10 October 2022)
Operations Manager	Malcolm Gower

Postal Address	PO Box 46 Broome, Western Australia 6725
Office Address	549 Port Drive Broome, Western Australia 6725
Telephone	08 9194 3100
Facsimile	Operations 08 9194 3188
Email	info@kimberleyports.wa.gov.au
Website	www.kimberleyports.wa.gov.au

Table 4 Organisational Structure

Organisational Chart

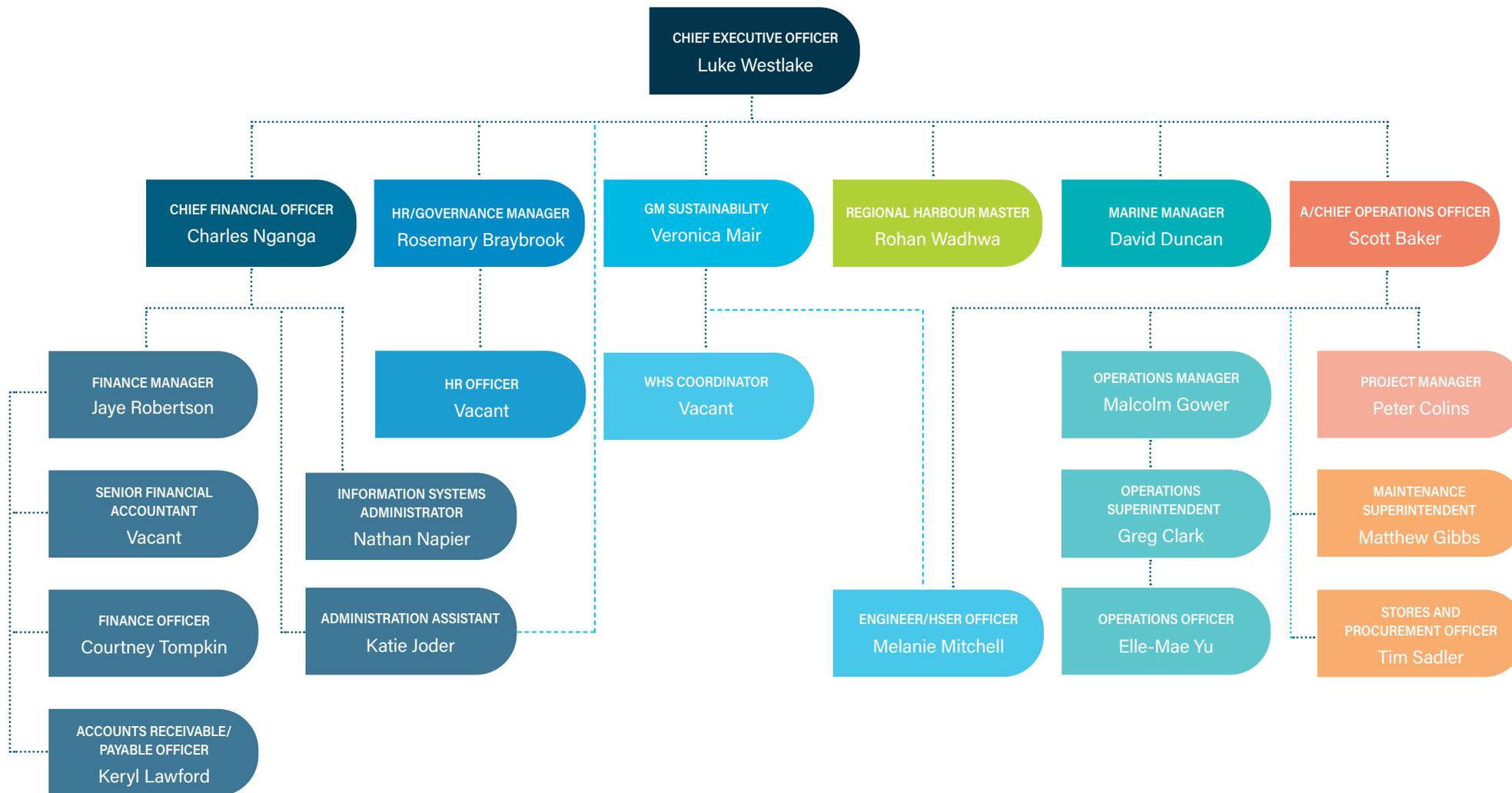


Figure 1 Organisational Chart as at 30 June 2023

03.

OPERATIONAL INFORMATION



3.1 Occupational Health and Safety



KPA is committed to workplace health, safety and injury management. KPA's Board and Leadership team place a high priority on safety and ensure that safety considerations are integrated into all areas of its operation.

KPA consults widely with employees and other workers in a variety of ways including meetings, forums, surveys, toolbox talks, noticeboards and an electronic reporting system.

KPA has a work health and safety management system that aligns to ISO45001. An internal audit on KPA's Health, Safety and Environment (HSE) systems was completed during the reporting period and the recommendations arising from the audit are being addressed.

KPA is committed to assisting employees who have become injured or ill due to work, to return to their pre-existing duties, as soon as medically appropriate in accordance with the Workers Compensation and Injury Management Act 1981. KPA has a Workplace Injury Management Procedure at the Port of Broome that is distributed to all employees and information on injury management is included in new employee inductions. As part of the injury management process KPA develops return to work plans with the injured worker, their supervisor, and the return to work coordinator. Injury Management Training for Managers and Supervisors was run by RiskCover in May 2023 for the Port of Broome.

3.1.1 Port of Broome

The Port of Broome has elected and trained health and safety representatives and the HSE Committee meets monthly to discuss safety issues and review safety data.

Employees completed a range of internal and external safety training courses in 2022-23 including working at heights, first aid, fire warden, incident investigation training for supervisors and strong spine training.

KPA offered flu vaccinations and skin checks for all employees. An Employee Assistance Program was available for employees during the reporting period and an RU OK? breakfast was held to promote mental health awareness.

3.1.2 Other Kimberley Ports

The Port of Wyndham maintains a Work Health and Safety management system that is compliant with ISO45001. The operator has two employee health and safety representatives and CGL holds monthly HSEQ meetings where employees and management can raise Health, Safety, Environmental and Quality (HSEQ) issues or suggestions and share information.

3.1.3 Asbestos Management

KPA has asbestos registers at each of its ports which detail the presence of asbestos containing materials (ACM). During the reporting period asbestos removal activities were completed at the ports of Broome and Wyndham. At the Port of Wyndham, asbestos handling training was undertaken by the Operations Manager and all known asbestos has been removed from the site. KPA met its reporting requirements as part of the State Government's endorsed targets from the National Strategic Plan for Asbestos Awareness and Management 2019-2023.



Unloading Oil and Gas Xmas Trees

3.1 Occupational Health and Safety (Continued)

Annual Safety Performance for KPA Employees

	2020-21	2021-22	2022-23	Targets	Comments
Number of fatalities	0	0	0	0	Target met
Lost time injury and/or disease incident rate*	2.20%	0.00%	0.00%	0 or 10% reduction in incidence rate	Target met
Lost time injury and/or disease severity rate	0	0	0	0 or 10% reduction in severity rate	Target met
Percentage of injured workers returned to work i) within 13 weeks	100%	N/A	N/A	Greater than or equal to 80%	Target met
Percentage of injured workers returned to work ii) within 26 weeks	NA	N/A	N/A	Greater than or equal to 80%	Target met
Percentage of managers and supervisors trained in OSH and injury management responsibilities within 3 years	43%	85%	90%	Greater than or equal to 80%	Target met

Table 5 Safety Performance Targets

*The LTI/Disease incidence rate was calculated using the Public Sector Commission formula

3.2 Operational Performance

3.2.1 Vessel Visits

KPA experienced a total of 1,562 vessel visits at the Ports of Broome, Derby, Wyndham and Yampi Sound during the financial year. Approximately 60 percent of vessel visits occurred during the dry season months of April through to September with a drop in vessel visits between December and February.

2022/2023	2022						2023						Total
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	
Small Commercial (Pearling / Fishing / Private / Charter)	80	89	87	69	59	49	31	47	78	61	87	96	833
Government (Navy, Customs, Fisheries)	11	8	12	12	4	0	4	6	0	6	4	3	70
Cruise - (Large (>1900 pax), Medium (300 - 1900 pax), Small (<300pax))	31	38	34	27	20	9	0	2	12	23	34	37	267
Livestock	5	5	5	5	0	0	0	0	1	1	3	4	29
Large Commercial (Petroleum, General Cargo and Bulk Products)	6	5	5	7	8	10	5	5	8	6	9	10	84
Oil & Gas (Rig Tenders/Seismic/Rotors)	28	27	28	29	33	25	16	23	19	19	16	16	279
Monthly Total	161	172	171	149	124	93	56	83	118	116	153	166	1,562

Table 6 KPA Total Vessel Visits 2022-23

KPA Vessel Visits FY2022-23



Figure 2 KPA Total Vessel Visits 2022-23

3.2 Operational Performance (Continued)

3.2.2 Port of Broome

The Port of Broome had 1,042 vessel visits for the financial year. This was a 5 percent reduction from the previous financial year.

INPEX offshore drilling operations continued throughout the financial year and Browse Basin offshore oil and gas maintenance activities will utilise the port up until December 2023. There was a 23 percent reduction in oil and gas vessel visits for the financial year.

Small cruise ship numbers touring the Kimberley coastline have continued to remain strong with 200 vessel visits during the financial year, similar to the 2021-22 year. Larger cruise ships have slowly started to return post COVID-19 with a total of 13 large and medium size cruise vessels visiting the Port of Broome.

There was a reduction in live cattle exports through the Port of Broome as a result of the January 2023 flooding and resulting stock losses in the Kimberley. A total of 24 livestock vessels were loaded through the port compared to 33 the previous year.

Petroleum vessels were down 19 percent compared to the previous financial year, mainly attributed to the reduction in oil and gas vessel visits. Small commercial vessel visits and government vessels remained steady.

There was a 50 percent reduction in general cargo vessels such as cement and casing due to ad-hoc import approvals no longer being permitted. A First Point of Entry application for the Port of Broome is progressing with the Federal Government's Department of Infrastructure, Transport, Regional Development, Communications and the Arts, which should address this issue in the long-term.

Port of Broome Vessel Visits

2022-23	2022						2023						Total
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	
Pearling	9	20	21	15	9	3	4	1	8	6	15	26	137
Fishing	8	9	6	4	8	10	7	7	9	3	11	11	93
Private & Charter (includes O&G Support)	19	18	22	14	9	3	20	14	18	26	20	23	206
Government (Navy, Customs, Fisheries)	11	8	12	12	4	0	4	6	0	6	4	3	70
Cruise - (Large (>1900 pax))	0	0	0	1	1	0	0	0	3	1	2	0	8
Cruise - Medium (300 - 1900 pax)	0	0	0	0	1	1	0	0	1	0	1	1	5
Cruise - Small (<300pax)	24	29	30	24	18	8	0	2	7	17	18	23	200
Livestock	4	5	3	5	0	0	0	0	0	1	2	4	24
Petroleum	2	1	2	2	1	2	1	0	2	1	1	2	17
General Cargo (Bags, BBLK & Casing)	0	1	0	0	0	2	0	0	0	0	0	0	3
Oil & Gas (Rig Tenders/Seismic/Rotors)	28	27	28	29	33	25	16	23	19	19	16	16	279
Monthly Total	105	118	124	106	84	54	52	53	67	80	90	109	1042

Table 7 Port of Broome Vessel Visits 2022-23

As per Figure 3 the Port of Broome experienced less vessel visits in total during the 2022-23 financial year.

Broome Vessel Visits FY2022-23

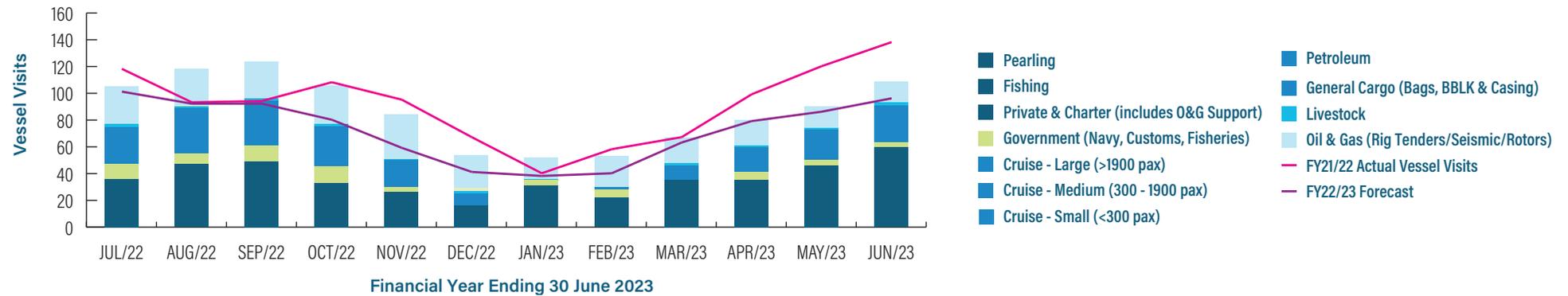


Figure 3 Port of Broome Vessel Visits 2022-23

Figure 4 shows berth availability at the Port of Broome during the financial year. As can be seen the berths were occupied at approximately 50 percent and above during the busier dry season months. As per normal trends berth occupancy decreases during the wet season.

Broome Berth Availability FY2022-23



Figure 4 Port of Broome Berth Availability 2022-23

3.2 Operational Performance (Continued)

3.2.3 Port of Derby

The Port of Derby continued to support Mount Gibson Iron’s Koolan Island iron ore mining operation as well as Marine Produce of Australia’s Cone Bay Barramundi aquaculture project.

A total of 270 landing barges visited the Port of Derby loading diesel, water, mining equipment and other materials to be transported to Koolan Island.

Marine Produce of Australia’s support vessel visited the Port of Derby on 55 occasions to load ice and fish food, and unload barramundi.

Port of Derby Vessel Visits

2022-23	2022						2023						Total
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	
Fishing (incl MPA)	5	6	7	5	4	6	0	2	5	4	4	7	55
Private and Charter	1	1	3	1	1	0	0	1	1	-	3	2	14
Barges MGI and CMC	30	30	25	29	26	25	0	22	26	13	23	21	270
Government (Navy, Customs, Fisheries)	0	0	0	0	0	0	0	0	0	0	0	0	0
Cruise - Small (<300pax)	5	6	2	2	0	0	0	0	1	3	5	3	27
Monthly Total	41	43	37	37	31	31	0	25	33	20	35	33	366

Table 8 Port of Derby Vessel Visits 2022-23

Derby Vessel Visits FY2022-23



Figure 5 Port of Derby Vessel Visits 2022-23

3.2.4 Port of Wyndham

In late 2021 Panoramic Resources re-opened the Savannah Nickel mine and exports of nickel concentrate recommenced through the Port of Wyndham. Throughout the financial year mine site production reached capacity resulting in an average of one vessel per month exporting nickel concentrate.

Similar to the Port of Broome livestock vessel numbers were down as a result of the January 2023 Kimberley floods. The closure of the Great Northern

Highway and collapse of the Fitzroy River bridge has also prevented Buru Energy exporting crude oil through the port in the second half of the financial year.

Other vessel types visiting the Port of Wyndham during the financial year have remained relatively steady compared to previous years.

Port of Wyndham Vessel Visits

2022-23	2022						2023						Total
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	
Fishing	0	0	0	0	0	0	0	0	0	0	0	0	0
Private / Charter / Other	8	5	3	1	2	2	0	0	11	9	11	6	58
Government (Navy, Customs, Fisheries)	0	0	0	0	0	0	0	0	0	0	0	0	0
Cruise - Medium (300 - 1900 pax)	0	0	0	0	0	0	0	0	0	0	0	0	0
Cruise - Small (<300pax)	2	3	2	0	0	0	0	0	0	2	8	10	27
Livestock	1	0	2	0	0	0	0	0	1	0	1	0	5
Petroleum Imports	1	1	1	1	1	1	1	1	1	1	0	2	12
Fertiliser	0	0	0	0	0	0	0	1	0	0	0	0	1
Crude Oil Exports	0	0	0	0	1	0	0	0	0	0	0	0	1
Iron Ore Exports	0	0	0	0	0	0	0	0	0	0	0	0	0
Products of the Soil Exports	0	0	0	1	0	1	0	0	0	0	0	0	2
Nickel Exports	1	0	0	1	1	1	1	1	1	0	2	1	11
Monthly Total	13	10	8	4	5	5	2	3	14	22	22	19	117

Table 9 Port of Wyndham Vessel Visits 2022-23



Port of Wyndham wharf

3.2 Operational Performance (Continued)

Wyndham Vessel Visits FY2022-23

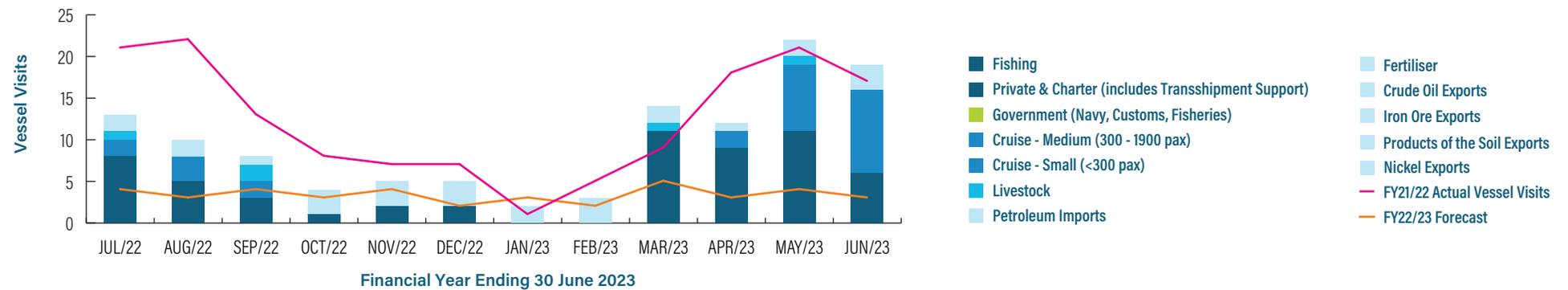


Figure 6 Port of Wyndham Vessel Visits 2022-23

3.2.5 Port of Yampi Sound

Port of Yampi Vessel Visit

2022-23	2022						2023						Total
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	
Iron Ore Exports	2	1	2	2	4	3	2	2	4	4	6	5	37
Monthly Total	2	1	2	2	4	3	2	2	4	4	6	5	37

Table 10 Port of Yampi Sound Vessel Visits 2022-23

Iron Ore exports continued from Mount Gibson's Koolan Island operation with a total of 37 shipments.

3.3 Trade Statistics

A total of 3,172,144 tonnes were imported and exported through KPA managed ports during the financial year.

Port	Tonnage
Broome	319,829
Derby	50,647
Wyndham	206,932
Yampi	2,594,736
Total	3,172,144

Table 11 Kimberley Ports Total Trade - Tonnages



Skandi Darwin Oil and Gas service vessel

3.3.1 Port of Broome

A total of 319,829 tonnes were exported and imported through the Port of Broome during the financial year. Petroleum imports contributed to a total of 36 percent of total tonnage through the port and oil and gas related cargo 18 percent of total tonnage.

Commodity	YTD Tonnage
Petroleum - Imports	113,965
BBLK Bags - Imports	8,528
O&G Vessels - Inbound	19,648
Cattle & Fodder - Exports	26,949
Water - Outbound	41,664
Bunkers - Outbound	70,060
O&G Vessels - Outbound	38,601
Other Miscellaneous	414
Total	319,829

Table 12 Port of Broome Trade 2022-23

Port of Broome Commodity Throughput FY2022-23

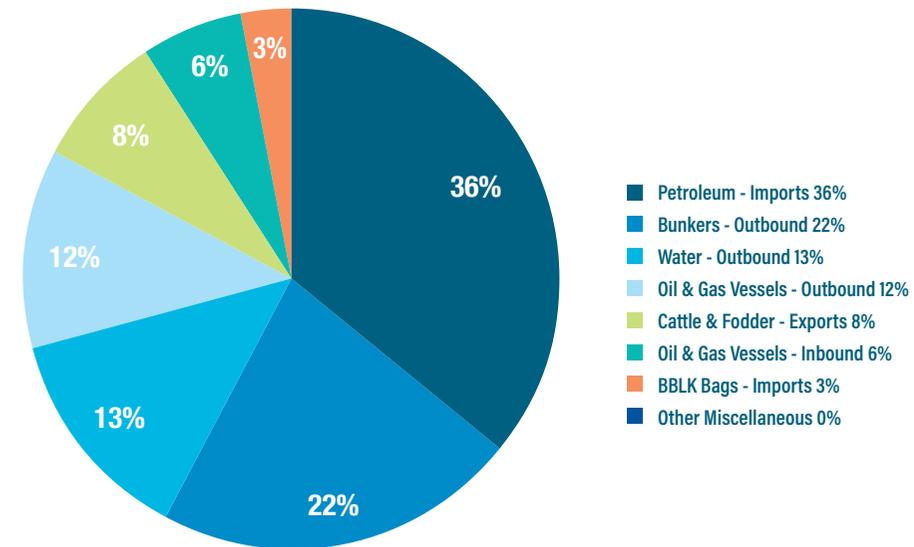


Figure 7 Port of Broome Trade 2022-23

3.3.2 Port of Derby

A total of 50,647 tonnes were exported and imported through the Port of Derby during the financial year. A total of 84 percent of the total tonnage can be attributed to handling of equipment and material associated with Mount Gibson Iron's Koolan Island operation.

Commodity	YTD Tonnage
Fish - Inbound	1,122
General - Inbound	108
Fish Food - Outbound	2,366
Ice - Outbound	913
Hazardous - Outbound (AN etc)	6,364
Diesel & Bunkers - Outbound	18,862
Water - Outbound	848
ISO Cement - Outbound	3,388
Mining Equipment & General - Outbound	16,676
Total	50,647

Table 13 Port of Derby Trade 2022-23

Port of Derby Commodity Throughput FY2022-23

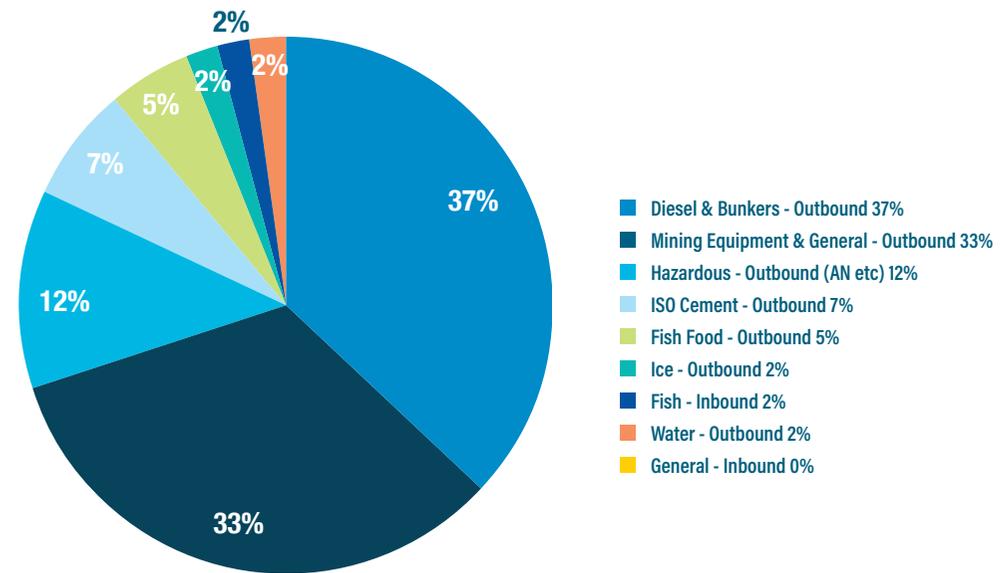


Figure 8 Port of Derby Trade 2022-23

3.3 Trade Statistics (Continued)

3.3.3 Port of Wyndham

A total of 206,932 tonnes were exported and imported through the Port of Wyndham during the financial year. A total of 41 percent of the total tonnage can be attributed to the Savannah Nickel Project.

Commodity	YTD Tonnage
Fuel - Imports	38,957
Cattle & Fodder - Exports	5,883
Nickel- Exports	84,402
Crude Oil - Exports	9,747
Products of the Soil - Exports	34,052
Bunkers - Outbound	927
Fertiliser - Import	6,501
Scrap Steel - Export	26,463
Total	206,932

Table 14 Port of Wyndham Trade 2022-23

3.3.4 Port of Yampi Sound

A total of 2,594,736 tonnes of iron ore were exported through the Port of Yampi Sound during the financial year.

Port of Wyndham Commodity Throuhput FY2022-23

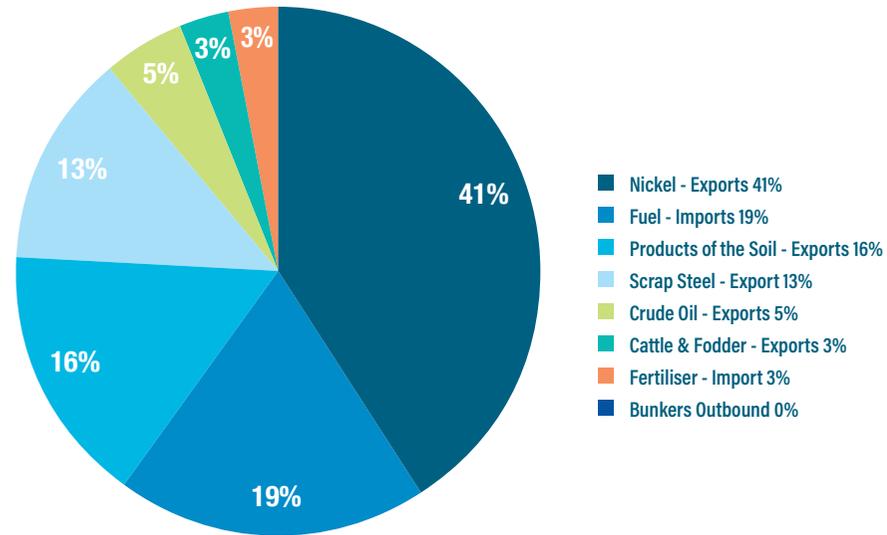


Figure 9 Port of Wyndham Trade 2022-23

3.4 Infrastructure Improvement and Maintenance

KPA continued to undertake repairs and maintenance to the Broome wharf including application of protective coating to the wharf substructure and installation of underdeck trolley rails to facilitate future maintenance.

Inspections were completed to the electrical infrastructure in Derby and Wyndham which identified a number of issues due to the aged infrastructure. A capital works program is underway to replace the most of the low voltage and high voltage internal network.

To facilitate the export of mineral sands from the Kimberley Mineral Sands Thunderbird project, a project has been initiated to demolish the cargo shed on the wharf, extend areas of the wharf and construct new amenity facilities. Detailed design of the works is underway with construction expected to start in the second half of 2024.

Port of Derby wharf repair works



04.

DIRECTORS' REPORT



4.1 Role of the Board

In accordance with Schedule 5, Division 3 of the *Port Authorities Act 1999* (WA), as continued under the *Government Trading Enterprises Act 2023* (WA) effective date on 1 July 2023, the Directors of Kimberley Ports Authority present their report for the 12 months ended 30 June 2023.

4.2 Directors' Rights

If required, Directors are provided with access to independent legal or financial advice, as an approved KPA expense, and are entitled to access KPA records for a period of seven years following retirement from the Board.

4.3 Directors' Details

The names and details of the Directors of the Kimberley Ports Authority during the financial year ending 30 June 2023 were:

4.3.1 Mr Reece Waldock AM - Chair

Mr Waldock was previously Director General of Transport following a 20 year career with various State Government transport agencies with 15 years as CEO. He was appointed the inaugural head of three Transport agencies in May 2010, Director General Transport, Commissioner Main Roads WA and Chief Executive Officer of the Public Transport Authority. Prior to his public sector career Reece held a number senior management roles with BHP.

Mr Waldock is currently Chair of the Planning and Transport Research Centre and formerly a Commissioner of NTC and a Director of Infrastructure Australia.

Reece has a Master of Business and a Bachelor of Science (Metallurgy with distinction), is a Fellow of the Australian Institute of Company Directors and the Chartered Institute of Logistics and Transport.

Mr Waldock was appointed to the Board on 1 January 2019 and his current term expires on 30 June 2024.

4.3.2 Ms Jodie Ransom - Deputy Chair

Ms Ransom started her career with BHP as a cadet, serving on a number of BHP owned vessels before moving into a variety of management roles, both operational and commercial, including with Alcoa, CBH Group and MUR Shipping Australia. Jodie started with Svitzer Australia in October 2019 as General Manager - West.

Prior to joining the KPA board, Jodie was a director with Pilbara Ports Authority and has gained a GAICD qualification.

Ms Ransom was appointed to the KPA Board on 1 January 2020 and resigned effective from 22 April 2023.

4.3.3 Mr Paul Larsen - Deputy Chair from 15 May 2023

Mr Larsen has experience as a senior executive in the transport and infrastructure industries having been the CEO and a Director of Arc Infrastructure for 12 years between 2007 and 2019.

Paul is on the board of Centurion Transport, Perron Group, Qube Property and Zero2Hero, an independent West Australian not-for-profit working to reduce youth suicide.

Paul's qualifications include a Bachelor of Business, CPA and GAICD accreditation.

Mr Larsen was appointed to the Board on 1 July 2019 and his current term expires on 31 December 2024.

4.3 Directors' Details (Continued)

4.3.4 Ms Kylie Bartle

Ms Bartle is a resident of Broome who first arrived in the Kimberley 27 years ago chasing adventure and pioneering marine tourism in the region.

Kylie now leads two family owned remote marine tourism ventures and is a proactive supporter of tourism in the region. Kylie is a passionate advocate of Indigenous collaboration and is committed to improving opportunities and showcasing the Kimberley as a world-class tourism destination.

Ms Bartle was appointed to the Board on 1 January 2020 and her current term expires on 31 December 2025.

4.3.5 Mr Magued Mofteh

Mr Mofteh brings a unique blend of business leadership, governance competencies and board experience that have been acquired in Australian and International civil engineering and multidisciplinary construction. With a proven track record in complex asset development spanning 40 years, managing delivery performance in major social and economic infrastructures, including ports, marine and mining infrastructure.

In these roles, Magued has contributed to the building of a positive, performance focused, one business culture. Having operated in highly competitive engineering, mining, infrastructure environment, Magued has accumulated acute commercial and transactional experience, across all aspects of governance, finance, strategy, and risk.

Magued has an MBA from Deakin University - Technology Management, Graduate Diploma in Management (AGSM), Diploma of Engineering (Structural), Certificate of Arbitration from the University of Adelaide and has a GAICD accreditation.

Mr Mofteh was appointed to the Board on 28 January 2021 and his current term expires on 31 December 2024.

4.3.6 Ms Fiona Wee

Ms Wee brings a wealth of maritime experience in bulk shipping, port operations including pilotage and harbour towage, offshore marine operations, ship chartering, and international trade and export operations. Fiona's career has specialised in the marine industry, both offshore oil and gas, and bulk ore/mining industries, and most recently establishing her own marine consultancy company, with clients in numerous industries including marine pilotage, mining, transport, and oil and gas.

Fiona is an experienced manager and company director. She is currently a joint CEO and Director of Laveer Maritime, and served as a Director on the former previous Dampier Port Authority. Fiona is the current Chair of Just Peoples, a not-for-profit organisation dedicated to supporting local leaders in Asia, Africa and Mexico to create sustainable change to reduce poverty in their own communities.

Fiona has post graduate qualifications in Maritime Management and gained a GAICD qualification.

Ms Wee was appointed to the Board on 15 May 2023 and her current term expires on 30 April 2026.

4.3.7 Retirements, Appointments and Continuation in Office of Directors

KPA's Deputy Chair Jodie Ransom resigned in April 2023 to take up a position at Fremantle Ports Authority. Paul Larsen was appointed Deputy Chair, and Fiona Wee as a Director on 15 May 2023 with Fiona's term expiring on 30 April 2026.

The following reappointments were made during the year:

- Deputy Chair Paul Larsen was reappointed to 31 December 2024;
- Director Kylie Bartle was reappointed to 31 December 2025, and
- Director Mofteh was reappointed to 31 December 2024.

4.4 Directors Meetings

During the financial year 2022-23 the Directors held six ordinary Board meetings.

Members Name	Six Ordinary Board meetings	Two Special meetings
Reece Waldock (Chair)	6	2
Jodie Ransom (Deputy Chair)	5/5	1/1
Paul Larsen	6	2
Kylie Bartle	6	2
Magued Moftah	6	2
Fiona Wee	1/1	1/1

Table 15 KPA Board Meetings 2022-23

KPA has two Board sub-Committees that conducted meetings during the reporting period being:

- Audit and Risk; and
- Governance, Human Resources and Sustainability.

The following table outlines the membership and number of meetings held and attended.

Members Name	Audit and Risk – three meetings conducted	Governance, Human Resources and sustainability – three meetings conducted
Reece Waldock	3	3
Jodie Ransom	0	2/2
Paul Larsen	3	0
Kylie Bartle	0	3
Magued Moftah	3	0
Fiona Wee	0/0	0/0

Table 16 KPA Sub-Committee Meetings 2022-23

4.5 Strategic Achievements

Outcomes arising from the 2022-23 strategic objectives outlined in KPA's Statement of Corporate Intent are recorded in the table below:

Objective: Develop business opportunities across the Kimberley		
Strategic Objective	Targets	Management Outcomes
New Trade Sectors utilise Kimberley Ports.	Increase trade across the Kimberley ports compared to 2021-22.	<p>Except for Yampi Sound all Kimberley ports vessel numbers were down from 2021-22.</p> <p>Port of Broome tonnage throughput was slightly up from last year, while Yampi Sound experienced a significant increase in tonnages of iron ore exported, other ports trade was down from 2021-22.</p>
Facilitate sand mining exports at Ports of Wyndham and Derby.	Complete by June 2023.	Export enquiries responded to, with no further queries received to date.
Facilitate Defence Force arrangements at Port of Broome.	Complete by June 2023.	Increased interest shown by the Australian Defence Force and consultants in Northern Australia. Waiting on outcomes from current inquiries and meetings.
Facilitate Kimberley Mineral Sands exports at Ports of Derby and Broome.	Complete by June 2023.	<p>Kimberley Mineral Sands Pty Ltd received EPA approval for the amended export conditions within the previous Ministerial Statement 1080, for bulk exports from Port of Broome.</p> <p>KPA received State Government funding approval to undertake wharf works to facilitate efficient bulk exports of \$15 million.</p> <p>Detailed design for wharf works is near completion and tenders will be sought in first half 2024.</p>
Develop Supply Base capability at Port of Broome.	December 2022.	This specific proposal has lapsed.

Objective: Enhance Cyber Security		
Strategic Objective	Targets	Management Outcomes
KPA to achieve appropriate level of compliance with cyber security standards.	Pass an audit with no medium to major non-compliances reported.	A cyber security audit is scheduled for second half 2023.
Objective: Understand and consolidate the Kimberley Ports operations and asset maintenance		
Develop governance and reporting framework for the Board.	Finalise December 2022.	Management and lease agreement obligations lists are reviewed at each Board meeting and risks associated with the amalgamated ports have been identified and are being actioned.
Confirm operator requirements in terms of assets and maintenance.	Ports pass a compliance audit for HSE and security standards.	<p>Asset planning is included in KPA's Strategic Asset Management Plan and minor works budget.</p> <p>The Internal Audit in 2022-23 included assets and maintenance; and HSE at all Kimberley ports, and matters identified are being addressed.</p> <p>Ports security was reviewed and gates installed at Port of Wyndham to regulate traffic and separate operational traffic from public vehicles.</p>
Strengthen relationships with customers, managers and the community.	Ongoing.	Regular Ports Advisory meetings take place with KPA and port managers. The Board conducts meetings annually at each port forging relationships with the managers, and Community Consultation Committees have been established with local stakeholders attending.
Develop scope for the Kimberley Ports Master Plan.	June 2023.	KPA is preparing the tender documents for the Master Plan compilation work which will start with the Ports of Derby and Yampi Sound.

4.5 Strategic Achievements (Continued)

Objective: Proactive facilitation of Kimberley Marine Support Base, comprising a floating wharf, along with associated onshore terminal facilities.		
Strategic Objective	Targets	Management Outcomes
<p>Undertake an assessment of KMSB's cyclone loading and redundancy engineering.</p> <p>Approve KMSB's final engineering drawings.</p> <p>Review final design documentation that specifies vessel types the KMSB facility is designed to accommodate, including mooring and operational layouts.</p> <p>Ensure compliance with commitment process documented in the Constructions Works Lease and Licence.</p> <p>Plan for integration of security, environmental, safety and operational practices.</p>	<p>No delays in the KMSB's project caused by KPA.</p>	<p>KMSB met Commitment Notice obligations, post the end of 2022-23, and will be progressing construction activities in 2023-24.</p>
<p>Develop landside plan including the road access, walkway, relocating the security gatehouse and traffic management.</p>	<p>Port of Broome services meet demand - and 65 percent agreement among customers.</p>	<p>75 percent of surveyed customers were satisfied with KPA's services provided at Port of Broome in 2022.</p> <p>Traffic management planning is progressing and finalisation depends on KMSB's final facility design, laydown area and construction schedule.</p> <p>Once the final logistics for the mineral sands exports are identified truck activities within the port will necessitate further traffic management changes.</p>

Objective: Ensuring Port of Broome is development ready in line with the master plan and to ensure facilitation of economic benefits to the region. (Continued)		
Strategic Objective	Targets	Management Outcomes
Prepare a business case to become First Point of Entry accredited for cruise ship passenger transfers and container trade facilitation.	Lodge business case with Federal and State Governments by December 2022.	KPA resubmitted an amended FPoE application for the Port of Broome to the Federal Department of Infrastructure, Transport, Regional Development and Communications in May 2023 to change the location of landside facilities. An FPoE application was submitted for the Port of Wyndham to gain approval for container receivals. State Government business cases are being prepared for funding the establishment of the FPoE facilities.
Develop a Climate Change Adaption Strategy.	June 2023.	Planning workshops were conducted in October 2021, and the strategy is to be developed by December 2023.
Develop a Structure Plan to underpin the Master Plan.	June 2023.	Pending allocation of extra resources.
Construction of alternative infrastructure to support industry requirements at Port of Broome.	Sign off on plan and business case for the Port of Broome Southern wharf extension.	This initiative is no longer required.

Table 17 Strategic Planning Initiatives

4.6 Operating Results

KPA's economic objectives are to employ sound financial management and to enhance trade. KPA aims to achieve its set rate of return on assets, while providing the most cost-effective service to port users. The rate of return for the period was 0.22 percent. This rate of return is calculated on profit before borrowing and taxation costs, divided by the written down value of total assets.

The result for 2022-23 was a profit before tax of \$0.2 million against a budgeted loss of (\$2.696 million). The positive result was primarily due to continued cost-saving measures, the amalgamation subsidy of \$2.5 million to assist in defraying costs associated with taking responsibility of the ports from the Department of Transport and the increase in the number of oil and gas, and small cruise vessels calling at the Port of Broome in the first part of the year.

4.6.1 Revenue

Shipping activity was down against budget due to a decrease in the number of vessels calling at the Port of Broome in the second part of the year.

The reduction in shipping revenue is primarily due to fewer:

- **General cargo vessels**

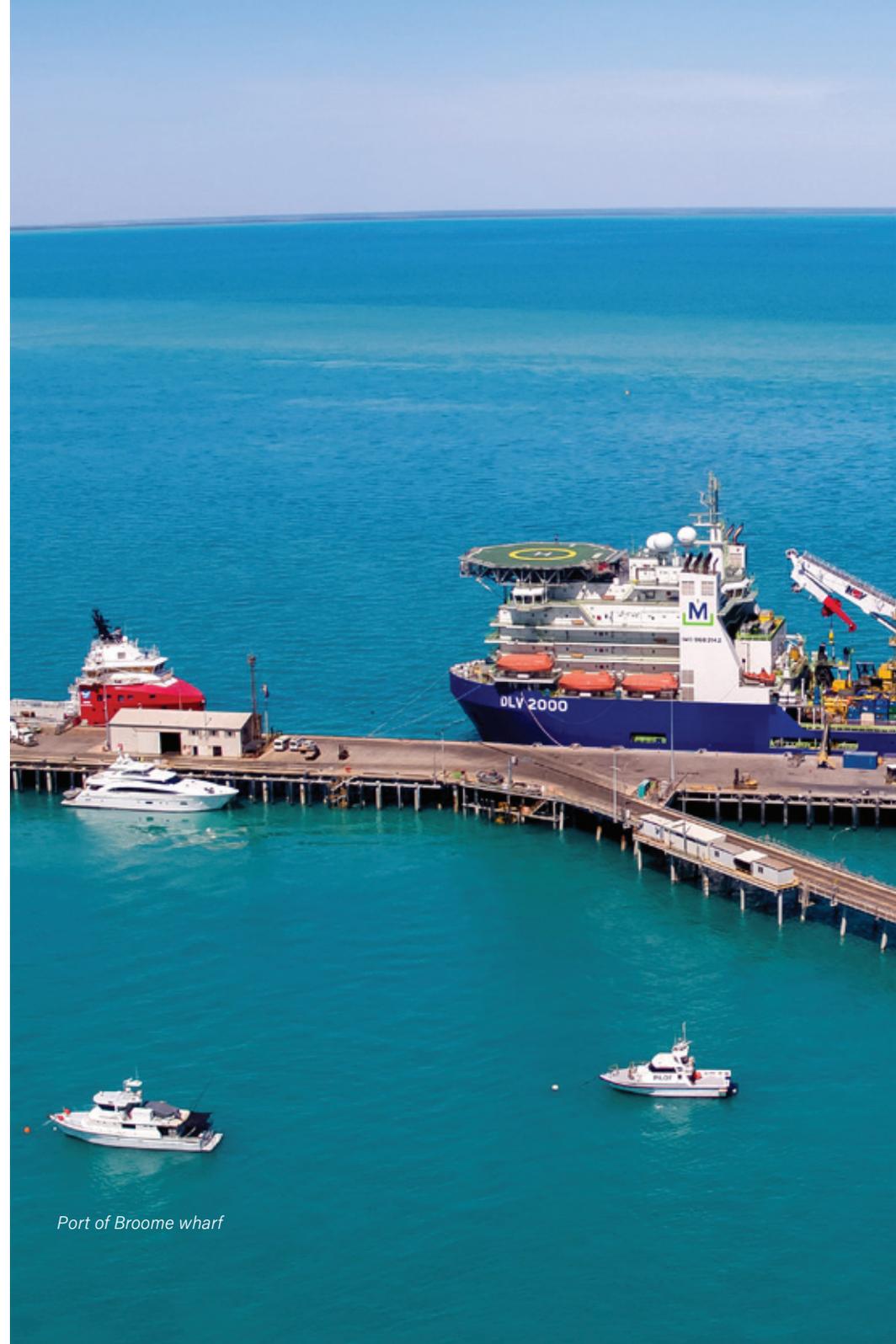
The current FPoE determination at the Port of Broome is impacting general cargo vessels ability to gain approval to import cargo into Broome and as a result less general cargo vessels are calling. These have historically been a high source of revenue for KPA.

- **Livestock**

The livestock trade has been impacted by the weather events in the Kimberley and lower cattle prices, resulting in lower numbers of live cattle exports.

- **Oil and Gas**

Fewer vessels have been berthing at the Port of Broome due to a reduction in the vessels supporting Browse Basin maintenance activities.



Port of Broome wharf



Port of Broome wharf

• Non-Shipping Revenue

The total non-shipping revenue, excluding West Australian Government subsidies, was down 18.8 percent against budget.

4.6.2 Expenditure

Total expenditure was below budget by \$5.2 million, due to the decrease in the number of vessels calling at the Port of Broome in the second half of the year, hence the servicing costs were lower.

4.6.3 Appointment of Auditors

The Auditor General's Office has been appointed as KPA's auditor in accordance with Schedule 5 Section 37(2) of the *Port Authorities Act 1999*. The total fee payable for the financial year ending 30 June 2023 is \$59,250.

4.7 Dividends

A dividend of \$152,000 was declared for the 2022-23 financial year.

4.8 Significant Changes in the State of Affairs

The Government Trading Enterprises Bill 2023 passed in both Houses of Parliament. The Bill received Royal Assent on 22 June 2023 and is now called the Government Trading Enterprises Act 2023 (GTE Act). Part 1 of the GTE Act went into effect on Royal Assent. The remaining parts of the GTE Act went into effect on proclamation on 1 July 2023.

4.9 Events Subsequent to Reporting

Transactions and events that occurred between end of June and the date of approval of the financial statements were 'non-adjusting' events.

4.10 Likely Developments

KPA expects to continue towards achieving sustained profitability.

4.11 Remuneration Report

The following tabulations are provided in accordance with Schedule 5, Clause 13(c)(ii) of the *Port Authorities Act 1999*. The nature and amount of each major element of remuneration for each Director, plus three key management personnel of the Authority, who received the highest remuneration, are included in the following tables:

Directors 2022-23

Surname	Given Name	Position	Type of Remuneration	Period of Membership	Remuneration	Superannuation	Total
Waldock	Reece	Chair	Annual	12 Months	\$59,359	\$6,233	\$65,591
Larsen	Paul	Director/Deputy Chair	Annual	12 Months	\$31,336	\$3,290	\$34,626
Bartle	Kylie	Director	Annual	12 Months	\$28,389	\$2,981	\$31,370
Moftah	Magued	Director	Annual	12 Months	\$28,389	\$2,981	\$31,370
Ransom	Jodie	Deputy Chair	Annual	10 Months	\$25,989	\$2,729	\$28,718
Fiona	Wee	Director	Annual	1.5 Months	\$3,601	\$378	\$3,979
					\$177,063	\$18,592	\$195,655

Table 18 Directors Remuneration 2022-23

Directors 2021-22

Surname	Given Name	Position	Type of Remuneration	Period of Membership	Remuneration	Superannuation	Total
Waldock	Reece	Chair	Annual	12 Months	\$58,269	\$5,827	\$64,096
Ransom	Jodie	Deputy Chair	Annual	12 Months	\$30,818	\$3,082	\$33,900
Larsen	Paul	Director	Annual	12 Months	\$30,512	\$3,051	\$33,563
Bartle	Kylie	Director	Annual	12 Months	\$27,970	\$2,797	\$30,767
Moftah	Magued	Director	Annual	12 Months	\$27,970	\$2,797	\$30,767
					\$175,539	\$17,554	\$193,093

Table 19 Directors Remuneration 2021-22

Executives 2022-23

Name	Salary	Termination	Superannuation	Total
Westlake, L	\$330,510	\$ -	\$33,476	\$363,986
Duncan, D	\$272,997	\$ -	\$28,665	\$301,662
Baker, S	\$265,634	\$ -	\$27,892	\$293,526
	\$869,141	\$ -	\$90,033	\$959,174

Table 20 Executive Remuneration 2022-23

Executives 2020/21

Name	Salary	Termination	Superannuation	Total
Faulkner, C	\$347,877	\$23,077	\$34,691	\$405,645
Duncan, D	\$261,250	\$ -	\$26,125	\$287,375
Westlake, L	\$253,273	\$ -	\$25,328	\$278,601
	\$862,400	\$23,077	\$86,144	\$971,621

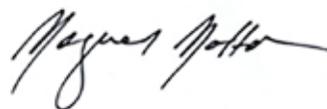
Table 21 Executive Remuneration 2021-22

4.12 Rounding Off

Amounts have been rounded off to the nearest thousand dollars in the Director's Report and Financial Statements.



Paul Larsen
Director



Magued Moftah
Director

05.

FINANCIAL STATEMENTS



Statement of Comprehensive Income For the year ended 30 June 2023

	Notes	2023 \$'000	2022 \$'000
REVENUE			
Revenue	4	20,490	21,673
Other Income	4	3,601	4,002
EXPENDITURE			
Port operations expenses	5	(7,969)	(7,640)
Depreciation and amortisation	6	(4,072)	(4,227)
General administration expenses	7	(5,355)	(4,893)
Asset maintenance		(2,740)	(3,277)
Port utilities		(1,384)	(1,293)
Finance expenses	8	(463)	(523)
Safety & security		(535)	(515)
Environmental expenses		(532)	(73)
Other expenses	9	(838)	(673)
Profit / (Loss) before income tax		203	2,561
Income tax expense	10	-	-
Net Profit / (Loss) after tax		203	2,561

	Notes	2023 \$'000	2022 \$'000
OTHER COMPREHENSIVE INCOME			
Other comprehensive income		-	-
Total other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME / (LOSS)		203	2,561

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position As at 30 June 2023

	Notes	2023 \$'000	2022 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	11	17,105	12,173
Trade and other receivables	12	2,362	3,441
Current tax asset	10	-	-
Total Current Assets		19,467	15,614
Non-Current Assets			
Property, plant and equipment	13	70,565	71,822
ROU property, plant and equipment	13(a)	1,079	1,154
Intangible assets	14	661	590
Total Non-Current Assets		72,305	73,566
TOTAL ASSETS		91,772	89,180
LIABILITIES			
Current Liabilities			
Trade and other payables	15	1,913	1,812
Interest bearing borrowings	16	1,823	1,734
Provisions	17	2,175	1,922
Lease liability	13(b)	410	342
Other current liabilities	18	7	100
Total Current Liabilities		6,328	5,910

	Notes	2023 \$'000	2022 \$'000
Non-Current Liabilities			
Interest bearing borrowings	16	4,385	6,208
Lease liability	13(b)	676	805
Provisions	17	70	69
Total Non-Current Liabilities		5,131	7,082
TOTAL LIABILITIES		11,459	12,992
NET ASSETS		80,313	76,188
EQUITY			
Contributed equity	19	87,253	83,331
Accumulated Losses	19	(6,940)	(7,143)
TOTAL EQUITY		80,313	76,188

The Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity For the year ended 30 June 2023

	Notes	Contributed Equity \$'000	Accumulated Losses \$'000	Total Equity \$'000
Balance at 1 July 2021		67,861	(9,704)	58,157
Total comprehensive loss for the year		-	2,561	2,561
Transactions with owners in their capacity as owners:				
Equity Contributions	19	15,470	-	15,470
Balance at 30 June 2022		83,331	(7,143)	76,188
Balance at 1 July 2022		83,331	(7,143)	76,188
Total comprehensive income for the year		-	203	203
Transactions with owners in their capacity as owners:				
Equity Contributions	19	3,922	-	3,922
Balance at 30 June 2023		87,253	(6,940)	80,313

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Cash Flows For the year ended 30 June 2023

	Notes	2023 \$'000	2022 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		24,780	24,557
Payments to suppliers and employees		(21,546)	(20,402)
Government contributions		2,500	3,100
Interest received		373	5
Interest paid		(463)	(492)
Income taxes paid		-	-
Net cash inflow / (outflow) from operating activities	20	5,644	6,768
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment and intangibles		(2,531)	(1,099)
Proceeds from sale of property, plant and equipment		-	278
Net cash (outflow) from investing activities		(2,531)	(821)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(1,734)	(1,649)
Lease liability payment		(369)	(366)
Net cash (outflow) from financing activities		(2,103)	(2,015)

	Notes	2023 \$'000	2022 \$'000
CASH FLOWS FROM STATE GOVERNMENT			
Capital appropriation		3,922	2,000
Net cash inflow from State Government		3,922	2,000
Net increase / (decrease) in cash and cash equivalents			
		4,932	5,932
Cash and cash equivalents at the beginning of the period		12,173	6,241
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	11	17,105	12,173

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

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Note 1 - Basis of preparation

a) Statement of compliance

The Kimberley Ports Authority ("**the Authority**") is a WA Government entity, controlled by the State of Western Australia, which is the ultimate parent. The Authority is a not-for-profit entity (as profit is not its principal objective) that prepares general purpose financial statements in accordance with Australian Accounting Standards (**AASBs**) (including Australian Interpretations) adopted by the Australian Accounting Standards Board (**AASB**) and the financial reporting provisions of the *Government Trading Enterprise Act 2023*.

The financial statements were authorised for issue on 7 September 2023 by the Board of Directors of the Authority.

b) Presentation of the statement of comprehensive income

The financial statements comprise full year results from the amalgamated entity, which includes the Ports of Broome, Wyndham, Derby and Yampi Sound.

Statement of Comprehensive Income classification of expenses by nature is considered to provide more relevant and reliable information than classification by function due to the nature of the Authority's operations.

According to AASB 101 Presentation of Financial Statements, expenses classified by nature are not reallocated among various functions within the entity. However, the Authority has allocated employee benefits expenses to various line items on the Statement of Comprehensive Income including port operations expenses, general administration, and asset maintenance. This allocation reflects the internal reporting structure of the Authority which allocates labour expenses to significant expense items in the Statement of Comprehensive Income based on the nature of the expenses incurred. The Authority believes that the allocation is more relevant to the understanding of the financial performance of the Authority and does not result in a function of expense presentation.

c) Basis of measurement

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention.

d) Functional and presentation currency

These financial statements are presented in Australian dollars which is the Authority's functional currency. All financial information presented in Australian dollars has been rounded to the nearest thousand dollars (**\$'000**) unless otherwise stated.

e) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

(i) Note 17 Employee benefits

- Annual Leave
- Long Service Leave
- Personal Leave
- Time in Lieu
- Fringe Benefits tax

(ii) Note 6 Depreciation expense

- Useful lives

Note 2 - Summary of significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements unless otherwise stated.

a) Revenue recognition

In accordance with AASB 15 Revenue from Contracts with Customers, revenue is recognised at the transaction price as the Authority satisfies a performance obligation by transferring a promised service or goods to a customer. Revenue is recognised for the major business activities as follows:

(i) Rendering of Services

Revenue from services rendered is recognised to the extent that the performance obligation is provided at the reporting date. Revenue for services includes charges on cargo, charges on ships and shipping services. Revenue from charges on cargo and charges on ships is recognised over time where the customer simultaneously receives and consumes the benefits.

Contract liabilities represent income received in advance and are released to the Statement of Comprehensive Income as the performance obligations are satisfied over that period to which the income relates.

Payment of services rendered is typically due 14 days after the date of issue of the invoice. As the invoices are issued after the entity has satisfied its performance obligations and services have been rendered there is generally no obligation for returns, refunds or any other similar obligations.

(ii) Rental income

Rental income is recognised in the Statement of Comprehensive Income on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

(iii) Government Contributed assets

Government contributed assets or services received by the Authority is recognised as income at the fair value of the assets or services where they can be reliably measured.

b) Finance income and expenses

Finance income comprises interest income on funds invested and interest receivable from debtors. Interest income is recognised as it accrues in the Statement of Comprehensive Income using the effective interest method.

Finance costs comprise interest expense on borrowing and finance charges payable under finance leases. All borrowing costs are recognised in the Statement of Comprehensive Income using the effective interest method. The interest expense component of finance lease payments is also recognised in the Statement of Comprehensive Income using the effective interest method.

Borrowing costs are recognised as expenses in the period in which they are incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset in which case they are capitalised as part of the cost of the asset, in accordance with AASB 123 Borrowing Costs.

In determining the amount of borrowing costs to be capitalised during the financial year, investment revenue earned directly relating to borrowings, is deducted from the borrowing costs incurred.

Note 2 - Summary of Significant Accounting Policies

(Continued)

c) Income Tax

The Authority operates within the National Tax Equivalent Regime (“**NTER**”) whereby an equivalent amount in respect of income tax is payable to the State Government. The calculation of the liability in respect of income tax is governed by NTER guidelines and directions approved by Government.

As a consequence of participation in the NTER, the Authority is required to comply with AASB 112 Income Taxes.

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the Statement of Comprehensive Income except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantially enacted at the reporting date and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit/loss.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

d) Receivables

(i) Trade receivables

Trade receivables are recognised and carried at the original invoice amounts less an allowance for any uncollectable amounts. Receivables are generally settled within 14 days except for property rentals, which are governed by individual lease agreements.

The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectable are written-off against the allowance account. The allowance for uncollectable amounts (expected credit loss) is raised when there is objective evidence that the Authority will not be able to collect a debt.

(ii) Lease receivables

A lease receivable is recognised for leases of property which effectively transfers to the lessee substantially all of the risks and benefits incidental to legal ownership of the leased asset. The lease receivable is initially recognised as the amount of the present value of the minimum lease payments receivable at the reporting date plus the present value of any unguaranteed residual value expected to accrue at the end of the lease term.

Finance lease payments are allocated between interest revenue and reduction of the lease receivable over the term of the lease in order to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease with interest revenue calculated using the interest rate implicit in the lease recognised directly in the Statement of Comprehensive Income.

e) Property, plant and equipment

(i) Capitalisation / expensing of assets

Items of property, plant and equipment purchased or constructed costing more than \$5,000 are recorded at the cost of acquisition less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, and any other costs directly attributable to bringing the asset to a working condition for its intended use.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is calculated as the difference between the net proceeds from disposal and the carrying amount of the item and is recognised in the Statement of Comprehensive Income.

(ii) Initial recognition and measurement

Property, plant and equipment are initially recognised at cost.

For items of property, plant and equipment acquired at no cost or for nominal cost, the cost is the fair value at the date of acquisition.

(iii) Subsequent costs

Any subsequent cost of replacing/upgrading an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Authority and its cost can be measured reliably.

(iv) Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

(v) Depreciation

Items of property, plant and equipment are depreciated on either a straight-line or diminishing basis in the Statement of Comprehensive Income over the estimated useful lives of each component. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Authority will obtain ownership by the end of the lease term. Land is not depreciated.

Property, plant and equipment, excluding freehold land, are depreciated at rates based on the expected useful lives using the straight line method. Depreciation on assets under construction commences when the assets are ready for use. Depreciation is charged to the Statement of Comprehensive Income.

The depreciation rate range for the various classes of non-current assets are as follows:

Improvements	20 - 40 years
Buildings	2 - 50 years
Infrastructure	5 - 40 years
Harbour facilities	7 - 40 years
Access Channel	5 - 40 years
Electronic	2 - 20 years
Plant & equipment	1 - 25 years
Furniture & fittings	5 - 20 years
Motor vehicles	5 - 10 years
Low Value Pool	3 - 5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Note 2 - Summary of Significant Accounting Policies

(Continued)

f) Intangible assets

(i) Capitalisation / expensing of assets

Acquisitions of intangible assets and internally generated intangible assets are capitalised. The cost of using the asset is expensed (amortised) over their useful life. Intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

(iii) Computer software

Software that is an integral part of the related hardware is treated as property, plant and equipment. .

(iv) Amortisation

Intangible assets are amortised on a straight-line basis in the Statement of Comprehensive Income over their estimated useful lives, from the date that they are available for use. The estimated useful lives for the current and comparative years are as follows:

Computer software	2 to 5 years
--------------------------	--------------

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

g) Impairment

Property, plant and equipment and intangible assets are tested for any indication of impairment at each reporting date. Where there is any indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised. As the Authority is a not-for-profit entity, unless an asset has been identified as a surplus asset, the carrying amounts of assets are reviewed at each reporting date to determine whether there is any indication of impairment.

If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of an asset's fair value less costs to sell and depreciated replacement cost.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/ amortisation reflects the level of consumption or expiration of the asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment at each reporting date irrespective of whether there is any indication of impairment.

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairment at the end of each reporting period.

Impairment losses are recognised in the Statement of Comprehensive Income.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

h) Finance instruments

In addition to cash and cash equivalents, the Authority has three categories of financial instruments:

1. Loans measured at amortised cost;
2. Receivables; and
3. Financial liabilities measured at amortised cost.

Financial instruments have been disaggregated into the following classes:

(i) Financial Assets

Cash and cash equivalents

Trade and other receivables

(ii) Financial Liabilities

Trade payables and accruals

Borrowings

Finance lease liabilities

Refer to Note 21 for further information on the classification of financial instruments.

Initial recognition and measurement is at fair value plus directly attributable transaction costs for assets not carried at fair value through the Statement of Comprehensive Income. Subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables and payables approximates their carrying amount because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material. Gains or losses are recognised when the financial assets are derecognised or impaired.

i) Payables

Payables, including trade payables, amounts payable and accrued expenses, are recognised for amounts to be paid in the future for goods and services received prior to the reporting date. The carrying amount is equivalent to fair value, as they are generally settled within 30 days.

j) Borrowings

All borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. Subsequent measurement is at amortised cost using the effective interest rate method.

Gains and losses are recognised in the Statement of Comprehensive Income when the liabilities are derecognised, as well as through the amortisation process.

Borrowing costs are expensed as incurred unless they relate to qualifying assets.

k) Employee benefits

The liability for annual and long service leave expected to be settled within 12 months after the reporting date is recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled using the remuneration rates expected to apply at the time of settlement.

Annual and long service leave expected to be settled more than 12 months after the reporting date is measured at the present value of amounts expected to be paid when the liabilities are settled. Leave liabilities are in respect of services provided by employees up to the reporting date.

Note 2 - Summary of Significant Accounting Policies

(Continued)

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted to present value using market yields at the reporting date on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

All annual leave and unconditional long service leave provisions are classified as current liabilities as the Authority does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Associated payroll on-costs are included in the determination of other provisions.

l) Leases

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

Lease Liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Authority's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties.

When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

m) Dividends

Dividends are declared and recognised as a liability in the period in which the Minister's approval and the Treasurer's concurrence is received.

n) Provisions

A provision is recognised if, as a result of a past event, the Authority has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

The unwinding of the discount is recognised as a finance cost.

o) Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash on hand, cash at bank, at call deposits and term deposits with original maturities of no greater than 90 days.

For the purpose of the Statement of Cash Flows, cash equivalents consist of cash and cash equivalents as defined above.

p) Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount of Goods and Services Tax (**GST**), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.

Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

q) Contributed equity

The Authority receives support from the Western Australian Government (see note 19). The amount received is recognised directly as a credit to contributed equity.

r) Current and non current classification

Assets and liabilities are presented in the Statement of Financial Position on current and non-current classification.

An asset is classified as current when it is either expected to be realised or consumed in the normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when it is either expected to be settled in the normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current.

s) Changes in accounting policies, new and amended accounting standards and interpretations

In the current year, the Authority has adopted all new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period. It has been determined that there is no material impact of any new and revised standards or interpretations on the Authority. Thus no material change is necessary to the Authority's accounting policies.

Note 3 - Expense by nature

Operating expenses are presented on the face of the Statement of Comprehensive Income using a classification based on the nature of expenses (see note 1(b)). Port operations expenses include those expenses related to land based support activities whilst general administration expenses includes expenditure of an administrative nature.

Note 4 - Revenue

	2023	2022
	\$'000	\$'000
Revenue consists of the following items:		
Revenue		
Charges on ships	10,178	11,471
Charges on cargo	6,654	6,940
Rentals and leases	3,157	2,784
Shipping services	501	469
Total revenue	20,490	21,664
Other Income		
Government Contributions (b)	2,500	3,100
Wyndham CGL Profit Share	315	97
Finance Income (a)	373	9
Net loss on disposal of property, plant & equipment	(26)	14
Non Shipping Income	439	791
Other Income	3,601	4,011

(a) Interest income is interest received from bank accounts held.

(b) Government contributions include Port Amalgamation funding (FY 2023: \$2.5m, FY 2022: \$2.5m) and Covid 19 Relief (FY 2023 \$0, FY 2022: \$0.6m)

Note 5 - Port operations expenses

	2023	2022
	\$'000	\$'000
Indirect salaries and wages - operations	4,604	3,749
Shipping activity	1,776	2,223
Minor asset purchases and equipment hire costs	1,589	1,668
Total port operations expense	7,969	7,640

Note 6 - Depreciation and amortisation

	2023	2022
	\$'000	\$'000
Depreciation		
Improvements	67	67
Buildings	139	174
Infrastructure	552	549
Harbour Facilities	1,527	1,646
Access Channel	388	388
Electronic	60	80
Plant and Equipment	624	592
Furniture and Fittings	3	6
Motor Vehicles	78	68
Low Value Pool	42	63
Right of use assets (AASB16)	383	373
Total depreciation	3,863	4,006
Amortisation		
Intangible Assets	209	221
Total amortisation	209	221
Total depreciation and amortisation	4,072	4,227

Note 7 - General administration expenses

	2023	2022
	\$'000	\$'000
Administration employee expenses	1,977	2,437
Administration expenses	3,378	2,456
Total general administration expense	5,355	4,893

Note 8 - Finance expenses

	2023	2022
	\$'000	\$'000
Interest expense	384	442
Finance charges	79	81
Finance costs	463	523

Note 9 - Other Expenses

	2023	2022
	\$'000	\$'000
Employee on-costs (a)	665	569
Short Term/Low Value Lease Expenses	53	2
Net loss on disposal of assets	-	-
Other	120	102
	838	673

(a) Includes workers' compensation insurance, payroll tax and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liability is included at Note 17 Provisions. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employee on-costs.

Note 10 - Income tax

(i) Recognised in profit or loss

	2023 \$'000	2022 \$'000
Current tax expense		
Current year	-	-
Prior year adjustment	-	-
	-	-
Deferred tax expense		
Current tax expense/benefit	-	-
Prior year adjustment	-	-
	-	-
Total income tax benefit/(expense) pre derecognition of deferred tax asset	-	-
Derecognise current year deferred tax asset	-	-
Derecognise prior year deferred tax asset	-	-
Total income tax benefit/(expense) post recognition of deferred tax asset	-	-

(ii) Reconciliation between tax expense and profit before tax

	2023 \$'000	2022 \$'000
Loss for the year	203	2,561
Total tax benefit / (expense)	-	-
Profit / (Loss) after tax	203	2,561
Tax using the statutory tax rate of 25%	(51)	(640)
Non-deductible expenses	(142)	(6)
Sundry items	(5)	(3)
Adjustments for prior period	-	-
Income tax benefit/(expense) pre non recognition of deferred tax asset	(198)	(649)
Adjustment for deferred tax assets not previously brought to account and movement in temporary differences	198	649
Income tax benefit/(expense) post derecognition of deferred tax asset	-	-

(iii) Deferred tax

	2023 Statement of Financial Position \$'000	2022 Statement of Financial Position \$'000	2023 Statement of Comprehensive Income \$'000	2022 Statement of Comprehensive Income \$'000
Deferred tax liabilities				
Receivables	-	-	-	-
FBT Instalment	5	4	1	2
ROU Asset	270	289	(19)	101
Gross Deferred Tax Liabilities	275	293	(18)	103
Deferred tax assets				
Accrued Income	-	-	-	(325)
Property, plant and equipment	306	260	46	50
Lease Liability	271	287	(16)	102
Payables	121	17	104	(6)
Prepaid rental	2	25	(23)	(126)
Employee benefits	562	498	64	17
Business related costs	182	44	138	44
Carried forward tax losses	2,210	2,659	(449)	(638)
Gross Deferred Tax Assets	3,654	3,790	(136)	(882)

Note 10 - Income tax (Continued)

	2023 Statement of Financial Position \$'000	2022 Statement of Financial Position \$'000	2023 Statement of Comprehensive Income \$'000	2022 Statement of Comprehensive Income \$'000
Adjustment in respect of income tax of previous years	(83)	336	(419)	184
Unrecognise current year deferred tax asset	198	649	(451)	1,618
Unrecognise prior year deferred tax asset	(3,497)	(4,482)	985	(817)
Gross Deferred Tax Assets	272	293	(21)	103
Set-off of deferred tax liabilities pursuant to the set-off provisions	(272)	(293)	21	(103)
Net deferred tax assets	-	-	-	-
Prior period adjustments	-	-	-	-
Deferred tax charge	-	-	-	-

(iv) Tax liability

	2023 \$'000	2022 \$'000
Current tax liability (asset)	-	-
Total current tax liability (asset)	-	-

(v) Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

	2023 \$'000	2022 \$'000
Deductible temporary differences - other	1,173	838
Tax losses on revenue account	2,210	2,659
	3,383	3,497

The deductible temporary differences and tax losses do not expire under current legislation.

Note 11 - Cash and cash equivalents

	2023 \$'000	2022 \$'000
Bank balances	17,105	12,173
Cash and cash equivalents in the Statement of Cash Flows	17,105	12,173

The Authority's exposure to interest rate risk and sensitivity analysis for financial assets, disclosed in note 16 and liabilities are disclosed in note 21(i).

Note 12 - Trade and other receivables

	2023 \$'000	2022 \$'000
Current		
Trade receivables	1,866	3,227
Less: allowance for expected credit losses	-	-
	1,866	3,227
Other receivables:		
Prepayments	123	112
Accrued revenue	58	5
Wyndham 50% profit / loss provision	315	97
Balance at the end of the year	2,362	3,441

The Authority does not hold any collateral as security or other credit enhancements relating to receivables.

The Authority does not hold any financial assets that had to have their terms renegotiated that would have otherwise resulted in them being past due or impaired.

As at 30 June, the ageing analysis of trade debtors past due but not impaired is as follows:

	2023 \$'000	2022 \$'000
Not more than 3 months	15	896
More than 3 months but less than 6 months	34	57
More than 6 months but less than 1 year	-	-
More than 1 year	-	-
	49	953

Note 13 - Property, plant and equipment

	2023 \$'000	2022 \$'000
Land		
At cost	5,893	5,893
	5,893	5,893
Improvements		
At cost	2,210	2,210
Less: accumulated depreciation	(645)	(578)
Less: accumulated impairment losses	-	-
	1,565	1,632
Buildings		
At cost	5,474	5,371
Less: accumulated depreciation	(1,911)	(1,817)
Less: accumulated impairment losses	-	-
	3,563	3,554
Infrastructure		
At cost	16,448	14,397
Less: accumulated depreciation	(3,516)	(2,964)
Less: accumulated impairment losses	-	-
	12,932	11,433
Harbour Facilities		
At cost	43,090	43,142
Less: accumulated depreciation	(18,385)	(16,876)
Less: accumulated impairment losses	-	-
	24,705	26,266

	2023 \$'000	2022 \$'000
Access Channel		
At cost	15,162	15,162
Less: accumulated depreciation	(1,690)	(1,302)
Less: accumulated impairment losses	-	-
	13,472	13,860
Electronic Equipment		
At cost	886	842
Less: accumulated depreciation	(739)	(687)
Less: accumulated impairment losses	-	-
	147	155
Plant and Equipment		
At cost	9,563	9,044
Less: accumulated depreciation	(2,291)	(1,692)
Less: accumulated impairment losses	-	-
	7,272	7,352
Furniture and Fittings		
At cost	53	47
Less: accumulated depreciation	(40)	(37)
Less: Accumulated impairment losses	-	-
	13	10

	2023	2022
	\$'000	\$'000
Motor Vehicles		
At cost	780	669
Less: accumulated depreciation	(314)	(301)
Less: accumulated impairment losses	-	-
	466	368
Low Value Pool		
At cost	562	540
Less: accumulated depreciation	(479)	(436)
Less: accumulated impairment losses	-	-
	83	104
Total property, plant and equipment		
At cost	100,120	97,317
Less: accumulated depreciation	(30,010)	(26,690)
Less: accumulated impairment losses	-	-
	70,110	70,627
Add: Work in progress (at cost)	455	1,195
	455	1,195
Total property, plant and equipment	70,565	71,822

Reconciliation of carrying amounts:

	2023	2022
	\$'000	\$'000
Land		
Carrying amount at 1 July	5,893	1,291
Additions	-	4,602
Disposals	-	-
Impairment losses	-	-
Carrying amount at 30 June	5,893	5,893
Improvements		
Carrying amount at 1 July	1,632	1,699
Additions	-	-
Transfer from work in progress	-	-
Depreciation for the year	(67)	(67)
Disposals	-	-
Accumulated depreciation on disposals	-	-
Impairment losses	-	-
Carrying amount at 30 June	1,565	1,632
Buildings		
Carrying amount at 1 July	3,554	2,481
Additions	33	1,253
Transfer from work in progress	135	-
Depreciation for the year	(139)	(174)
Disposals	(65)	(9)
Accumulated depreciation on disposals	44	3
Impairment losses	-	-
Carrying amount at 30 June	3,562	3,554

Note 13 - Property, plant and equipment (Continued)

	2023 \$'000	2022 \$'000
Infrastructure		
Carrying amount at 1 July	11,433	4,338
Additions	69	7,652
Transfer from work in progress	1,982	-
Depreciation for the year	(552)	(549)
Disposals	-	(14)
Accumulated depreciation on disposals	-	6
Impairment losses	-	-
Carrying amount at 30 June	12,931	11,433
Harbour Facilities		
Carrying amount at 1 July	26,266	27,912
Additions	-	-
Transfer from work in progress	-	-
Depreciation for the year	(1,527)	(1,646)
Disposals	(52)	-
Accumulated depreciation on disposals	18	-
Impairment losses	-	-
Carrying amount at 30 June	24,705	26,266

	2023 \$'000	2022 \$'000
Access Channel		
Carrying amount at 1 July	13,860	14,248
Additions	-	-
Transfer from work in progress	-	-
Depreciation for the year	(388)	(388)
Disposals	-	-
Accumulated depreciation on disposals	-	-
Impairment losses	-	-
Carrying amount at 30 June	13,472	13,860
Electronic Equipment		
Carrying amount at 1 July	155	218
Additions	53	77
Transfer from work in progress	-	-
Depreciation for the year	(60)	(80)
Disposals	-	(167)
Accumulated depreciation on disposals	-	107
Impairment losses	-	-
Carrying amount at 30 June	148	155

	2023 \$'000	2022 \$'000
Plant and Equipment		
Carrying amount at 1 July	7,352	7,889
Additions	247	50
Transfer from work in progress	294	123
Depreciation for the year	(624)	(592)
Disposals	(8)	(230)
Accumulated depreciation on disposals	11	112
Impairment losses	-	-
Carrying amount at 30 June	7,272	7,352
Furniture & Fittings		
Carrying amount at 1 July	10	32
Additions	6	2
Transfer from work in progress	-	-
Depreciation for the year	(3)	(6)
Disposals	-	(61)
Accumulated depreciation on disposals	-	43
Impairment losses	-	-
Carrying amount at 30 June	13	10
Motor Vehicles		
Carrying amount at 1 July	368	301
Additions	212	186
Depreciation for the year	(78)	(68)
Disposals	(21)	(120)
Accumulated depreciation on disposals	(15)	69
Impairment losses	-	-
Carrying amount at 30 June	466	368

	2023 \$'000	2022 \$'000
Low Value pool		
Carrying amount at 1 July	104	167
Additions	21	-
Transfer from work in progress	-	-
Depreciation for the year	(42)	(63)
Disposals	-	-
Accumulated depreciation on disposals	-	-
Carrying amount at 30 June	83	104
Work in progress:		
Carrying amount at 1 July	1,195	571
Additions	3,559	3,253
Transfers to expenditure	(1,609)	(2,506)
Transfers to property, plant and equipment	(2,410)	(123)
Transfers to intangibles	(280)	-
Carrying amount at 30 June	455	1,195
Total property, plant and equipment	70,565	71,822

Note 13(A) - ROU Property, plant and equipment

The right of use Assets and Lease Liabilities are a result of applying AASB 16. The Authority leases buildings and equipment that are applicable to this standard as outlined below.

The Authority leases buildings and equipment comprising

1. Building leases consist of Lot 549 Port Drive
2. Forklift fleet
3. ICT Server infrastructure - New Equipment Lease

	2023 \$'000	2022 \$'000
Right of use assets - buildings & equipment at cost	1,716	1,408
Less: accumulated depreciation	(637)	(254)
	1,079	1,154

ROU Property, plant and equipment:		
Carrying amount at 1 July	1,154	725
Additions	308	797
Depreciation for the year	(383)	(372)
Disposals	-	(711)
Accumulated depreciation on disposals		715
Carrying amount at 30 June	1,079	1,154

Note 13(B) - Lease liabilities

	2023 \$'000	2022 \$'000
Current	410	342
Non-Current	676	805
	1,086	1,147

Amounts recognised in profit or loss

	2023 \$'000	2022 \$'000
Interest on lease liabilities	46	20
Expense related to short term leases	53	-
Expense related to leases of low value assets excluding short term leases of low value assets	-	2

Amounts recognised in statement of cash flows

	2023 \$'000	2022 \$'000
Total cash outflow for leases	(369)	(366)
	(369)	(366)

Note 14 - Intangible Assets

	2023 \$'000	2022 \$'000
Computer software		
At cost	1,637	1,357
Less: accumulated amortisation	(976)	(767)
Total intangible assets	661	590

Reconciliation of carrying amounts:

Computer software		
Carrying amount at 1 July	590	811
Additions	-	-
Transfer from work in progress	280	-
Amortisation for the year	(209)	(221)
Disposals	-	-
Accumulated amortisation on disposals	-	-
Carrying amount at 30 June	661	590

Note 15 - Trade and other payables

	2023	2022
	\$'000	\$'000
Current		
Trade payables	1,413	1,419
Accrued expenses	500	393
	1,913	1,812

The Authority's exposure to liquidity risk related to trade and other payables is disclosed in note 21(i).

Note 16 - Interest bearing borrowings

This note provides information about the contractual terms of the Authority's interest bearing borrowings, which are measured at amortised cost. For more information about the authority's exposure to interest rate, see note 16(ii) and liquidity risk, see note 21(i).

	2023	2022
	\$'000	\$'000
Current liabilities		
Direct Borrowings	1,823	1,734
	1,823	1,734
Non-current liabilities		
Direct Borrowings	4,385	6,208
	4,385	6,208

Financing arrangements

The Authority has access to the following lines of credit:

	2023	2022
	\$'000	\$'000
Total facilities available:		
Liquid facility and direct borrowings	6,208	7,900
	6,208	7,900
Facilities utilised at the end of the reporting period:		
Liquid facility and direct borrowings	6,208	7,942
	6,208	7,942
Total facilities not utilised at the end of the reporting period:		
Liquid facility and direct borrowings	-	(42)

At reporting date, the Authority has an approved financing facility from Western Australian Treasury Corporation (WATC) for 30 June 2023 of \$6.2 million (2022: \$7.9 million).

Note 16 - Interest bearing borrowings (Continued)

(i) Master Lending Agreement (MLA)

For the purposes of accessing more simplified and flexible borrowing arrangements, the Authority entered into a MLA with the WATC on 1 February 2008 which consolidates all of the existing agreements into one facility.

(ii) Significant terms and conditions

Direct borrowings comprise of six (6) loans at fixed interest rates from WA Treasury Corporation and are repayable in accordance with a fixed repayment schedule;

- (1) \$11.320m entered into in September 2014 with \$1.700m still available, with fixed monthly principal and interest repayments that will result in the loan being fully settled in February 2025. The effective interest rate on the loan is 5.98%.
- (2) \$2.073m entered into in June 2020 with \$323k still available, with fixed monthly principal and interest repayments that will result in the loan being fully settled in July 2026. The effective interest rate on the loan is 5.78%.
- (3) \$1.800m entered into in September 2014 with \$672k still available, with fixed monthly principal and interest repayments that will result in the loan being fully settled in September 2032. The effective interest rate on the loan is 4.35%.
- (4) \$3.077m entered into in September 2014 with \$1.661m still available, with fixed monthly principal and interest repayments that will result in the loan being fully settled in January 2029. The effective interest rate on the loan is 5.13%.
- (5) \$0.800m entered into in June 2015 with \$722k still available, with fixed monthly principal and interest repayments that will result in the loan being fully settled in July 2030. The effective interest rate on the loan is 3.88%.
- (6) \$1.328m entered into in September 2014 with \$1.13m still available, with fixed monthly principal and interest repayments that will result in the loan being fully settled in June 2025. The effective interest rate on the loan is 0.65%.

(iii) Interest rate risk exposure

2023	Fixed interest rate						Total \$'000
	1 year or less \$'000	Over 1 to 2 years \$'000	Over 2 to 3 years \$'000	Over 3 to 4 years \$'000	Over 4 to 5 years \$'000	More than 5 years \$'000	
Interest bearing borrowings:							
Direct borrowings (WATC)	1,823	1,557	731	544	1,553	-	6,208
	1,823	1,557	731	544	1,553	-	6,208

Weighted average interest rate:

Direct borrowings 4.91%

2022	Fixed interest rate						Total \$'000
	1 year or less \$'000	Over 1 to 2 years \$'000	Over 2 to 3 years \$'000	Over 3 to 4 years \$'000	Over 4 to 5 years \$'000	More than 5 years \$'000	
Interest bearing borrowings:							
Direct borrowings (WATC)	1,734	1,823	1,557	731	544	1,553	7,942
	1,734	1,823	1,557	731	544	1,553	7,942

Weighted average interest rate:

Direct borrowings 4.96%

Note 17 - Provisions

	2023	2022
	\$'000	\$'000
Current		
Annual leave (a)	887	825
Personal leave (b)	258	152
Time in lieu (c)	134	115
Long service leave (d)	878	813
Fringe benefits tax	18	17
	2,175	1,922
Non-current		
Long service leave (d)	70	69
	70	69

(a) Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the reporting date. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

Within 12 months of the reporting date	474	437
More than 12 months after the reporting date	413	388
	887	825

(b) Personal leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the reporting date. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

Within 12 months of the reporting date	84	74
More than 12 months after the reporting date	174	78
	258	152

(c) Time in lieu leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the reporting date. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

Within 12 months of the reporting date	134	115
	134	115

(d) The settlement of long service leave liabilities gives rise to the payment of employment on-costs including workers compensation premiums and payroll tax. The provision is measured at the present value of expected future payments.

Within 12 months of the reporting date	354	312
More than 12 months after the reporting date	594	570
	948	882

Note 18 - Other Current Liabilities

	2023	2022
	\$'000	\$'000
Prepaid lease and licence income	7	100
Total other liabilities	7	100

Note 19 - Equity

The WA Government holds the equity interest in the Authority on behalf of the community. Equity represents the residual interest in the net assets of the Authority.

	2023 \$'000	2022 \$'000
Contributed equity		
Balance at start of year	83,331	67,861
Equity contributions in the year	3,922	15,470
Balance at end of year	87,253	83,331
Accumulated Losses		
Balance at start of year	(7,143)	(9,704)
Profit for the year	203	(2,561)
Balance at end of year	(6,940)	(7,143)

Equity contributions include:

- State-owned assets transferred from WA Government to KPA as part of amalgamation (2023: Nil, 2022: \$13.47m),
- Contribution for financial support (2023: \$1.5m, 2022: \$1.5m)
- Contribution for minor works at the Ports of Wyndham, Derby and Yampi Sound (2023: \$0.5m, 2022: \$0.5m)
- 2021-22 Dividend return by Equity Injection(2023: 1.922m)

Note 20 - Reconciliation of cash flows from operating activities

	2023 \$'000	2022 \$'000
Cash flows from operating activities		
Profit/(Loss) for the period	203	2,561
Adjustments for:		
Depreciation	3,863	4,006
Amortisation of intangible assets	209	221
(Gain) / loss on sale of property, plant and equipment	26	(14)
Operating profit before changes in working capital and provisions	4,301	6,774
Changes in assets and liabilities		
Change in trade and other receivables	1,149	245
Change in prepayments	(11)	22
Change in accrued income	(52)	(5)
Change in trade and other payables	(102)	30
Change in prepaid income	92	(483)
Change in provisions	266	185
	5,643	6,768

Note 21 - Financial instruments

(i) Financial risk management objectives and policies

The Authority's principal financial instruments comprise cash and cash equivalents, receivables, payables, interest bearing borrowings and finance leases. The Authority has limited exposure to financial risks. The Authority's overall risk management program focuses on managing the risks identified below.

The fair values and carrying amounts of various financial instruments recognised at reporting date are noted below:

	Note	2023		2022	
		Carrying Amount	Fair Values	Carrying Amount	Fair Values
Cash & cash equivalents	11	17,105	17,105	12,173	12,173
Trade and other receivables	12	2,362	2,362	3,441	3,441
Lease Liabilities	13	(1,086)	(1,086)	(1,147)	(1,147)
Trade and other payables	15	(1,913)	(1,913)	(1,812)	(1,812)
Interest bearing borrowings	16	(6,208)	(6,241)	(7,942)	(8,161)
		10,259	10,227	4,713	4,494

The carrying amounts of (1) cash and cash equivalents, (2) trade and other receivables, (4) trade and other payables are a reasonable approximation of their fair values on account of their short maturity cycle.

The fair value of interest bearing borrowings is provided by WATC. The Authority does not expect prepayments of those loans and borrowings.

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates that will affect the Authority's income or the value of its holdings of financial instruments. The Authority does not trade in foreign currency and is not materially exposed to other price risks.

The Authority's exposure to market risk for changes in interest rates relates primarily to its long-term debt obligations. The Authority's borrowings are all obtained through the WATC and are at fixed rates with varying maturities. The risk is managed by WATC through portfolio diversification and variation in maturity dates. Other than as detailed in the interest rate sensitivity analysis in the table below, the Authority has limited exposure to interest rate risk because it has no borrowings other than WATC borrowings (fixed interest rate).

Note 21 - Financial instruments (Continued)

Sensitivity analysis

The Authority's policy is to manage its finance costs using a mix of fixed and variable debt with the objective of achieving optimum returns whilst managing interest rate risk to avoid uncertainty and volatility in the market place.

At the reporting date, if interest rates had moved as illustrated in the table below, with all the other variables held constant, the effect would be as follows:

	Carrying Amount (\$'000)	+0.50% change		(0.50%) change	
		Profit (\$'000)	Equity (\$'000)	Profit (\$'000)	Equity (\$'000)
2023					
Financial Assets					
Cash and cash equivalents	17,105	86	86	(86)	(86)
Total Increase / (Decrease)	17,105	86	86	(86)	(86)

	Carrying Amount (\$'000)	+0.50% change		(0.50%) change	
		Profit (\$'000)	Equity (\$'000)	Profit (\$'000)	Equity (\$'000)
2022					
Financial Assets					
Cash and cash equivalents	12,173	61	61	(61)	(61)
Total Increase / (Decrease)	12,173	61	61	(61)	(61)

Credit risk

Credit risk arises when there is the possibility of the Authority's receivables defaulting on their contractual obligations resulting in financial loss to the Authority. The Authority measures credit risk on a fair value basis and monitors risk on a regular basis. With respect to credit risk arising from cash and cash equivalents, the Authority's exposure to credit risk arises from default of the counter party, with a maximum exposure equal to the carrying amount of the cash and cash equivalents.

The Authority operates predominantly within the shipping and cargo handling industry and accordingly is exposed to risks affecting that industry. The maximum exposure to credit risk at reporting date in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment, as shown in the table at Note 21 (ii).

The Authority follows stringent credit control and management procedures in reviewing and monitoring debtor accounts and outstanding balances as evidenced by the historical aged debtor balances. In addition, management of receivables includes frequent monitoring thereby minimising the Authority's exposure to bad debts. For financial assets that are either past due or impaired, refer to note 12 'Trade and other receivables'.

The Authority's credit risk management is further supported by rental agreements and sections 116 & 117 of the Port Authorities Act 1999. Section 116 refers to the liability to pay port charges in respect of vessels and Section 117 refers to the liability to pay port charges in respect of goods. Port charges are defined in Section 115.

Liquidity risk

Liquidity risk is the risk that the Authority will not be able to meet its financial obligations as they fall due.

The Authority's objective is to maintain a balance between continuity of funding and flexibility through the use of cash reserves and its borrowing facilities. The Authority manages its exposure to liquidity risk by ensuring that appropriate procedures are in place to manage cash flows, including monitoring forecast cash flows to ensure sufficient funds are available to meet its commitments.

	Weighted Average Interest Rate	Fixed Interest Rate \$'000	Floating Interest Rate \$'000	Non Interest Bearing \$'000	Total \$'000
2023					
Financial Assets & Liabilities					
Cash & cash equivalents	2.08%	-	17,105	-	17,105
Trade and other receivables	-	-	-	2,356	2,356
Lease Liabilities	-	-	-	(1,086)	(1,086)
Interest bearing borrowings	4.91%	(6,208)	-	-	(6,208)
Trade and other payables	-	-	-	(1,913)	(1,913)
Net Financial Assets (Liabilities)		(6,208)	17,105	(643)	10,253

	Weighted Average Interest Rate	Fixed Interest Rate \$'000	Floating Interest Rate \$'000	Non Interest Bearing \$'000	Total \$'000
2022					
Financial Assets & Liabilities					
Cash & cash equivalents	0.10%	-	12,173	-	12,173
Trade and other receivables	-	-	-	3,441	3,441
Lease Liabilities	-	-	-	(1,147)	(1,147)
Interest bearing borrowings	4.96%	(7,942)	-	-	(7,942)
Trade and other payables	-	-	-	(1,812)	(1,812)
Net Financial Assets (Liabilities)		(7,942)	12,173	482	4,714

Note 21 - Financial instruments (Continued)

The table below reflects the contractual maturity of financial liabilities and financial assets. The table includes both interest and principal cashflows:

	Carrying amount	6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	more than 5 years
2023	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets						
Cash and cash equivalents	17,105	17,105	-	-	-	-
Trade and other receivables	2,362	2,362	-	-	-	-
	19,467	19,467	-	-	-	-

	Carrying amount	6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	more than 5 years
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial liabilities						
Trade payables and accruals	(1,913)	(1,913)	-	-	-	-
Borrowings	(6,208)	(1,040)	(1,040)	(1,722)	(2,077)	(1,083)
Lease Liabilities	(1,086)	(205)	(205)	(433)	(243)	-
	(9,208)	(3,159)	(1,244)	(2,155)	(2,319)	(1,083)
Net maturity	10,259	16,308	(1,244)	(2,155)	(2,319)	(1,083)

	Carrying amount	6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	more than 5 years
2022	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets						
Cash and cash equivalents	12,173	12,173	-	-	-	-
Trade and other receivables	3,441	3,441	-	-	-	-
	15,614	15,614	-	-	-	-

	Carrying amount	6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	more than 5 years
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial liabilities						
Trade payables and accruals	(1,812)	(1,812)	-	-	-	-
Borrowings	(7,942)	(1,040)	(1,040)	(2,079)	(3,798)	(1,071)
Lease Liabilities	(1,147)	(171)	(171)	(353)	(452)	-
	(10,901)	(3,023)	(1,211)	(2,432)	(4,250)	(1,071)
Net maturity	4,713	12,591	(1,211)	(2,432)	(4,250)	(1,071)

Note 21 - Financial instruments (Continued)

(ii) Categories of financial instruments

Set out below are the carrying amounts of the Authority's financial instruments. The directors consider the carrying amounts of the financial instruments represent their net fair value except for special borrowings whose fair value is disclosed at Note 21(i).

	Notes	2023 \$'000	2022 \$'000
Financial assets			
Cash and cash equivalents	11	17,105	12,173
Trade and other receivables	12	2,356	3,441
		19,461	15,614
Financial Liabilities			
Lease Liabilities	13	(1,087)	(1,147)
Trade and other payables	15	(1,913)	(1,812)
Interest-bearing borrowings:			
Fixed rate borrowings	16	(6,208)	(7,942)
		(9,208)	(10,901)

The Authority's exposure to interest rate risk on the interest-bearing borrowings is disclosed in note 16.

(iii) Fair values

All financial assets and liabilities recognised in the balance sheet, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes.

Note 22 - Dividends

	2023 \$'000	2022 \$'000
	-	-
Dividends paid in the financial year	-	-

In accordance with Government Financial Policy, WA Ports are required to pay dividends of 75% of after tax profits, adjusted for special circumstances as approved by Government. From 1 July 2014, an amendment to Section 84 of the *Port Authorities Act 1999* came into effect which provides for Government to request an interim dividend recommendation be made by the Board. In respect on the financial years ended 30 June 2022 and 30 June 2023 no dividends were paid.

Dividends, to the extent that they are not paid within the period, are recognised as a liability in the period in which they are declared. In accordance with Australian Accounting Standards, the final dividend relating to the financial results for the year ended 30 June 2023 has not been provided for as it is expected to be declared by the Board of Directors and approved by Government after the reporting date.

Note 23 - Commitments

(i) Capital expenditure commitments

Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:

	2023 \$'000	2022 \$'000
Within 1 year	186	801
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
	186	801

(ii) Non-cancellable operating lease commitments

Commitments for minimum lease payments are payable as follows:

	2023 \$'000	2022 \$'000
Within 1 year	478	478
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
	478	478

(iii) Other expenditure commitments

	2023 \$'000	2022 \$'000
Remote Area Housing Tenancy Commitments	209	14
	209	14

(iv) Operating leases receivable

Future minimum rentals receivable for operating leases at reporting date:

	2023 \$'000	2022 \$'000
Within 1 year	2,587	2,407
Later than 1 year and not later than 5 years	8,593	7,955
Later than 5 years	9,445	8,475
	20,625	18,837

Operating leases receivable are in respect of the Authority's property leases. Lease payments are in accordance with the terms of their respective lease agreements. Many leases include an option to renew.

v) Other receivables

	2023 \$'000	2022 \$'000
Remote Area Housing Tenancy Receivables	10	14
	10	14

Note 24 - Remuneration of auditor

Remuneration payable to the Auditor General in respect to the audit for the current financial year is as follows:

	2023 \$'000	2022 \$'000
Auditing the accounts and financial statements	59	45
	59	45

Note 25 - Related party transactions

The Authority is a wholly-owned public sector entity that is controlled by the State of Western Australia

Related parties of the Authority include:

- all Ministers and their close family members, and their controlled or jointly controlled entities;
- all senior officers and their close family members, and their controlled or jointly controlled entities;
- other department and statutory authorities, including their related bodies, that are included in the whole of government consolidated financial statements;
- associates and joint ventures of an entity that are included in the whole of Government consolidated financial statements; and
- the Government Employees Superannuation Board (**GESB**).

Material transactions with related parties

The Authority has been notified that no current WA State Government Minister has declared related party transaction in the financial year.

Key Management Personnel Compensation

The Authority has determined that key management personnel include Ministers and senior officers of the Authority. However, the Authority is not obligated to compensate Ministers, and therefore disclosures in relation to Ministers compensation may be found in the Annual Report on State Finances. Total compensation includes the superannuation expense incurred by the Authority in respect of senior officers.

Senior Officers

	2023 \$'000	2022 \$'000
Short-term employee benefits	1,777	1,945
Post-employment benefits	206	208
Other long-term benefits	40	43
Termination benefits	38	44
Total compensation of Senior Officers	2,061	2,240

Transactions with related parties

The following transactions occurred with related parties:

	2023 \$'000	2022 \$'000
Provision of annual leases to Department of Fisheries for land and Pump Station	(42)	(42)
Provision of berthage services to Great Escape Charter Company	(10)	(13)
	(52)	(55)

There were no transactions for goods and services to any other related parties at the current and previous reporting date.

Significant transactions with Government-related entities

In conducting its activities, the Authority is required to transact with the State and the entities related to the State. These transactions are generally based on the standard terms and conditions that apply to all agencies. Such transactions include:

- income from State Government (Note 4)
- equity contributions (Note 19)
- superannuation payments to GESB (Notes 5 and 7)
- amounts due to the Treasurer (Note 16)
- insurance payments to the Insurance Commission and Riskcover fund (Note 7)
- remuneration for services provided by the Auditor General (Note 24)

Receivable from and payable to related parties

	2023	2022
	\$'000	\$'000
Great Escape Charter Company	1	-

Loans to/from related parties

There were no loans to or from related parties at the current or previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 26 - Contingent liabilities and assets

There are no contingent liabilities and assets at reporting date.

Note 27 - Subsequent events

There has not risen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Authority, to affect significantly the operations of the Authority, the results of those operations, or the state of affairs of the Authority, in future financial years.

Declaration in relation to Kimberley Ports Authority's financial statements by Chief Executive Officer and Chief Financial Officer

To the Kimberley Ports Authority (Authority) Board of Directors,

In accordance with the *Government Trading Enterprise Act 2023* and regulation 9 of the *Government Trading Enterprises Regulations 2023*, the CEO and CFO declare that:

- a) The financial records of the Authority for the financial year have been properly maintained; and
- b) The financial statements and notes for the financial year comply with the accounting standards; and
- c) The financial statements and notes for the financial year give a true and fair view.



Luke Westlake
Chief Executive Officer

Date: 7/9/23



Charles Nganga, CPA, CGMA
Chief Financial Officer

Date: 7/9/2023

Directors' Declaration

In the opinion of the Directors of Kimberley Ports Authority (the "Authority"):

(a) the financial statements and notes are prepared in accordance with Government Trading Enterprises Act 2023, including section 176 and the Government Trading Enterprises Regulations 2023, and:

(i) gives a true and fair view of the financial position at 30 June 2023 and of its performance for the financial year ended on that date; and

(ii) in accordance with Australian Accounting Standards and the Corporations Regulations 2001;

(b) there are reasonable grounds to believe that the Authority will be able to pay its debts as and when they become due and payable.

The directors have been given the declaration by the Chief Executive Officer and Chief Financial Officer for the reporting year ended 30 June 2023.

Signed in accordance with a resolution of the Directors:



Paul Larsen
Director

Date: 7/9/23



Magued Moftah
Director

Date: 7/9/23

Independent Auditor's Report



Auditor General

INDEPENDENT AUDITOR'S REPORT 2023 Kimberley Ports Authority

To the Parliament of Western Australia

Opinion

I have audited the financial report of the Kimberley Ports Authority (the Authority), which comprises:

- the Statement of Financial Position as at 30 June 2023, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended
- notes to the financial report, including a summary of significant accounting policies
- the directors' declaration.

In my opinion, the financial report of the Authority is prepared in accordance with the *Government Trading Enterprises Act 2023*, including section 176 and the *Government Trading Enterprises Regulations 2023*, and:

- gives a true and fair view of the financial position at 30 June 2023 and of its performance for the year then ended
- in accordance with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial report section of my report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

The directors are responsible for the other information. The other information is the information in the Authority's annual report for the year ended 30 June 2023, but not the financial report and my auditor's report.

My opinion on the financial report does not cover the other information and accordingly, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

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7th Floor Albert Facey House 469 Wellington Street Perth MAIL TO: Perth BC PO Box 8489 Perth WA 6849 TEL: 08 6557 3500

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to those charged with governance and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

Responsibilities of the directors for the financial report

The directors of the Authority are responsible for:

- keeping proper records
- preparation of the financial report in accordance with the *Government Trading Enterprises Act 2023*, including section 176 and the *Government Trading Enterprises Regulations 2023* that gives a true and fair view in accordance with Australian Accounting Standards and Corporations Regulations 2001
- such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for:

- assessing the Authority's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Authority.

Auditor's responsibilities for the audit of the financial report

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial report. The objectives of my audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards 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 the financial report. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

A further description of my responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

My independence and quality management relating to the report on the financial report

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQM 1 Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements, the Office of the Auditor General maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the Authority for the year ended 30 June 2023 included in the annual report on the Authority's website. The Authority's management is responsible for the integrity of the Authority's website. This audit does not provide assurance on the integrity of the Authority's website. The auditor's report refers only to the financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on the website, they are advised to contact the Authority to confirm the information contained in the website version.



Tim Sanya
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
12 September 2023

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**KIMBERLEY
PORTS**
AUTHORITY

📍 549 Port Drive Broome WA 6725
PO Box 46 Broome 6725

☎ (08) 9194 3100

@ info@kimberleyports.wa.gov.au

🌐 www.kimberleyports.wa.gov.au

