



**KIMBERLEY
PORTS**
AUTHORITY



ANNUAL REPORT



Port of Broome wharf McDermott's DLV 2000

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CHAIR AND CEO REPORT 2021/22



During 2021/2022 Kimberley Ports Authority (**KPA**) took over the responsibility of the Kimberley ports of Derby, Wyndham and Yampi Sound previously vested with the Department of Transport.

The Ports of Derby and Wyndham are leased and managed by the Shire of Derby West Kimberley and Cambridge Gulf Ltd, respectively. The Port of Yampi Sound includes Koolan and Cockatoo Islands with KPA's main responsibility being for marine safety and security and licencing of port related services.

Within this Annual Report all financial transactions between KPA and the appointed port managers are recorded, however the port managers retain separate financial records to KPA and they will report on financial outcomes post an independent audit of their accounts. Other activities such as trade, general safety information, environmental and infrastructure projects and strategic initiatives will be outlined in this report.

Trade for Port of Broome has returned to pre pandemic levels particularly with an ongoing drilling campaign undertaken by INPEX. While general cargo and cattle exports at 92,478 head remained steady increases in vessels visits were experienced in the following sectors:

- 46% in oil and gas,
- 11% in small Government vessels, and
- 25% in small cruise,
- 46% in small commercial operators.
- 40% in petroleum deliveries,

Iron ore exports ceased in September 2021 for Port of Wyndham but nickel exports recommenced in December 2021. Small cruise vessel visits, with less than 300 passengers, surged in 2021/22 for both the Ports of Broome and Wyndham. Port of Derby's main activity was the barge operations servicing Mt Gibson Iron on Koolan Island with equipment, supplies including fuel; and receipt of barramundi and exporting consumables to Marine Produce Australia's Barramundi farm. A total of 1,662 vessels visited Kimberly ports throughout 2021/22 with 2,335,309 tonnes being imported and exported during the period.



Luke Westlake
Acting CEO



Reece Waldock, AM
Chair



Delivery of Port of Broome's Mobile Harbour Crane

Given the trade turnaround and State Government support KPA recorded a profit of \$2.561M before tax and dividend for the 2021/22 year.

Given the trade turnaround and State Government support KPA recorded a profit of \$2.561M before tax and dividend for the 2021/22 year compared to a forecast loss of \$3.036M. KPA received \$600,000 for COVID-19 WA Recovery Plan projects, and a \$2.5M subsidy to defray the costs of taking responsibility for the Kimberley ports. KPA also received \$1.5M of a \$3M equity injection to offset previous years' trade downturn and losses.

KPA did not record any significant environmental incidents during the year and continued to conduct monitoring of water quality, benthic habitat and sediment sampling throughout the year. No LTIs were recorded during 2021/22. Safety is always a focus for KPA and supervisors and managers underwent training in the application of the new Work Health and Safety legislation introduced in Western Australia. Both the Ports of Broome and Wyndham have Health Safety and Environment Committees that meet regularly throughout the year to discuss infectious disease control, safety improvements and training, and safe systems of work. Port of Broome has a wellbeing programme providing opportunities to obtain influenza vaccinations, and conducted onsite health presentations on cancer prevention and healthy lifestyles. KPA also has an Employee Assistance Program and held an RUOK breakfast to promote mental health awareness.

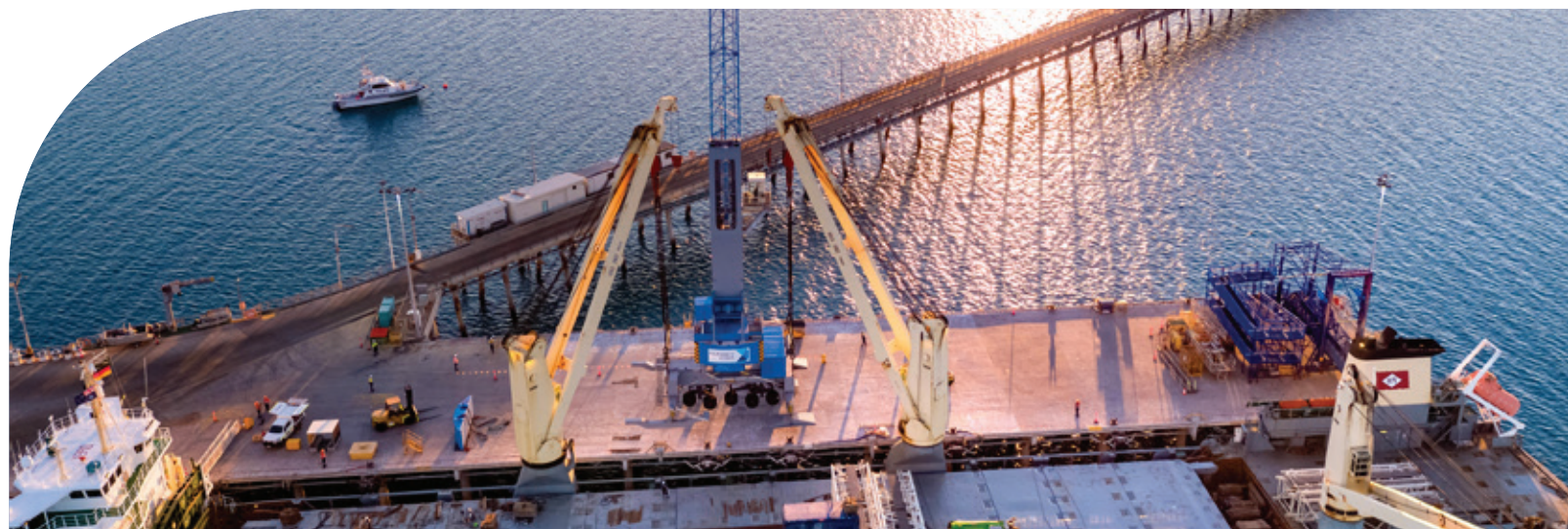
While repairs and maintenance works proceeded as usual for Port of Broome; 20 metres of the concrete deck was replaced at the Port of Derby during the year utilising mostly KPA employees and local contractors. Audits of infrastructure and equipment have been a focus at the Kimberley ports and replacement and/or repairs planning is proceeding across the Ports Broome, Derby and Wyndham.

KPA continued with the Community Consultation Committee meetings for Port of Broome and established committees for Port of Wyndham; and Derby and Yampi Sound combined. A stakeholder survey was conducted late in the year resulting in 81% of respondents agreeing that KPA is working hard to grow trade at the Port of Broome. Community organisations and peak business groups were supported through KPA's sponsorship program which saw the Shinju Matsuri Festival, Broome Chamber of Commerce, Broome Senior High School, the Derby Photographic and Art Prize and the Economic Forum conducted by the East Kimberley Chamber of Commerce receive funding throughout the year.

Kimberley Marine Support Base Pty Ltd have continued negotiations with a preferred facility operator and infrastructure constructors and announced post 2021/22 that Petersons would be their operator and TAMS would be the onsite constructors. Finalisation for the facility design and model building, for testing, is now underway and progress is being made towards a final announcement regarding the project by Q1 2023.

The KPA Board remained constant throughout the year with no departures and existing Directors being reappointed. Directors undertook professional development in governance throughout the year and all have attended the Australian Institute of Company Directors training course during their careers. CEO Craig Faulkner left KPA during June 2022 to pursue other opportunities and the Board wish him well in his endeavours and recognises the work he achieved at KPA. Luke Westlake has been appointed Acting CEO for a period and a recruitment campaign will commence post 2021/22.

Delivery of Port of Broome's Mobile Harbour Crane



AGENCY OVERVIEW



2.1 Agency Performance

The following information provides a measurement of agency performance against the Kimberley Ports Authority's forecast in the 2021/22 Statement of Corporate Intent.

2.1.1 Financial Budget

Financial Targets 2021/22	Budget \$000's / %	Actual \$000's / %	Variation \$000's / %
Gross revenue	21,558	25,675	4,117
Total services costs	-24,594	-23,114	1,480
Profit/Loss before tax	-3,036	2,561	5,597
Net Tax Equivalent paid to Treasury	-	-	-
Profit/Loss after tax	-3,036	2,561	5,597
Expected Dividend to be paid to Treasury	-	1,922	1,922
Net increase/(decrease) in cash (from Statement of Cash Flows)	-1,069	5,932	7,001
Rate of Return on Assets	-5.00%	2.87%	7.87%
Capital Expenditure	2,736	1,099	1,637
Total Assets	83,391	89,180	5,692

Table 1 Financial Targets 2021/22

Variations in revenue from budget for financial year 2021/22 was due to receiving funding from the West Australian Government, being the remaining COVID-19 WA Recovery Plan project funding of \$600,000 and the Kimberley ports amalgamation subsidy of \$2.5 million to assist in defraying costs associated with taking responsibility of the Kimberley ports from the Department of Transport. This assistance along with the continued cost-saving measures and an increase in vessel visits back to pre-COVID-19 pandemic levels has enabled a profit of \$2.561 million, before tax and dividend payments.

2.1 Agency Performance (Continued)

2.1.2 Customer Satisfaction

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 feedback. A customer feedback form is available on the KPA website. KPA publishes and distributes a range of customer and stakeholder information updates. A customer survey was conducted in late June 2022 achieving a 39 percent response rate, with a customer satisfaction rating of 75 percent.

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 2021. The Equal Employment Opportunity Management Plan was reviewed in mid-2020.

KPA continues to ensure that 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.

2.3.2 Human Resources

In June 2022 CEO Craig Faulkner stepped down and Luke Westlake, previously the Chief Operating Officer, was appointed Acting CEO. During the reporting period KPA employed 72 full-time, part-time and casual employees. Additional casual stevedores have been recruited to ensure there is a pool of trained employees to meet fluctuating trade demands.

One employee has taken advantage of KPA's Education Assistance Procedure and is studying for a Graduate Certificate in Asset Management and workplace training continues on a needs basis. Several employees are undertaking the Certificate IV Training and Assessment course to ensure training standards are met when providing in-house training.

KPA Management will issue a Notice of Employee Representational Rights in July 2022 to commence negotiations in the Stevedoring and Maintenance Enterprise Agreement which expires in August 2022.

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. Recordkeeping Awareness training is provided for employees, role dependent. KPA provides Recordkeeping Procedures to new office personnel who are also trained, in-house, in using ELO Digital.

2.3.4 Freedom of Information

The 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 Fol application received and responded to during the financial year 2021/22.

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
Minq Design Studio	Media Advertising Organisation	\$5,340
The West Australian Newspapers Ltd	Media Advertising Organisation	\$4,835
Telstra	Media Advertising Organisation	\$4,327
Thryv Australia Pty Ltd	Media Advertising Organisation	\$1,170
Boab UAS Pty Ltd	Media Advertising Organisation	\$395
Seek	Media Advertising Organisation	\$295
Broome Chamber of Commerce	Media Advertising Organisation	\$136
Total		\$16,499

Table 2 Advertising 2021/22

2.3 Governance (Continued)

2.3.6 Risk Management

KPA follows a robust framework for managing organisational risk across all enterprise components. Risk is managed from operator level using dynamic risk assessments, to operational and strategic levels by department leaders. KPA's Leadership Team hold regular reviews of risks to ensure adequate assessment of risk levels. The KPA Board have an Audit and Risk sub-Committee who meet regularly to review and monitor risk profiles.

During 2021/22 KPA continued to execute its five-year implementation roadmap as part of its Risk Management Framework. KPA has continued to review and update operational risks following the Kimberley ports amalgamation and to align with the current trade, commercial and social environments across the Kimberley.

Key risk focus areas over the last 12 months include:

- Vigilant review of the COVID-19 landscape and management of infectious disease risks to minimise workplace transmission and maintain continuity of essential services;
- Planning, preparation and engagement of key stakeholders and terminal operators regarding risks and opportunities associated with the transfer of State assets through the Kimberley Ports amalgamation process, and
- Continued planning around risks associated with key trade opportunities associated with the export of mineral sands from the Ports of Broome and Derby, and the continued construction considerations and proposals from Kimberley Marine Support Base Pty Ltd.

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.

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:	Nil breaches
Harassment and Bullying Procedure:	One breach

Table 3 *Public Sector Management Act Reporting*

2.3 Governance (Continued)

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.

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.

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 2021/22.

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

There were two instances of personal use of KPA issued credit cards by personnel. One incident has been resolved with reimbursement of the mistaken use, and the other incident is under investigation as it spans the financial year end.

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 has continued 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 continued to undertake marine monitoring 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.

KPA has maintained active involvement with the Dinosaur Coast Management Group (**DCMG**) regarding the development of a management plan for conservation of the dinosaur footprints in Broome sandstone. KPA primarily has been involved in advising DCMG about how Port areas are managed, and our environmental protocols and how KPA can assist in conservation.

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 WA Department of Primary Industries and Regional Development. The SWASP involves the deployment of arrays under the wharf 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.

Nickel exports, through the Port of Wyndham, resumed during the year and sediment sampling is undertaken to monitor levels of heavy metals within the port area and adjacent nickel storage facility. An amendment to Cambridge Gulf Ltd's (**CGL**) Environmental Licenses is being sought to remove the cattle yard reporting requirement as the yards were demolished in 2020/21 and cattle are now delivered direct onto vessels. Demolition of the old Port of Wyndham office commenced in late 2021/22, which is the last building that contains asbestos and administration of the port is now undertaken from the CGL's office building, immediately adjacent to the Port.

2.5 Organisational Structure

Minister	Hon Rita Saffioti, MLA Minister for Ports
Board Members	Reece Waldock AM (Chair) Jodie Ransom (Deputy Chair) Paul Larsen Kylie Bartle Magued Mofteh
Chief Executive Officer	Craig Faulkner BBus (Accounting), Grad. Cert. Management, CPA, MAICD (to June 10, 2022)
Acting CEO	Luke Westlake (from 11 June 2022)
Harbour Master	Captain David Duncan
GM Finance	Carlee Ryan BCom, CPA (to 27 August 2021)
CFO	David Burgess BCom CA (from 1 December 2021)
Chief Operating Officer	Luke Westlake (to June 10, 2022)
Engineer and Acting COO	Scott Baker BE (Hons) MIEAust (from 11 June 2022)
HSER Manager	Veronica Mair BEc (Hons) MScTech (OHS) MEnvMgt (to 21 February 2022)
	Matthew Dunkerley B.Sc GradDip OHS (from 17 January 2022)
Governance Manager	Rosemary Braybrook BBus (PR)

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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

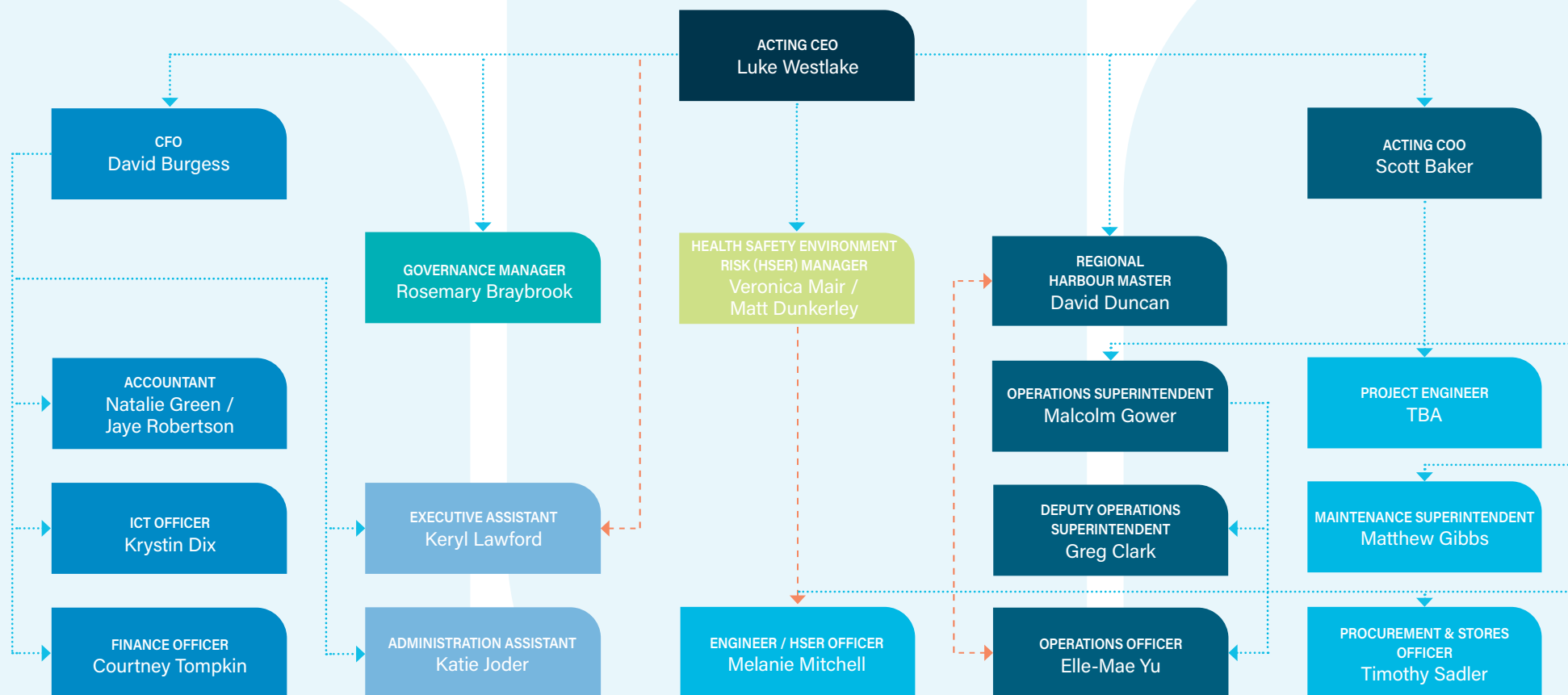


Figure 1 Organisational Chart

OPERATIONAL PERFORMANCE



3.1 Occupational Health and Safety

Kimberley Ports Authority is committed to providing a safe and healthy work environment. 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 has a Health Safety and Environment (**HSE**) Committee with six elected and trained employee safety representatives and four management representatives. The HSE Committee meet monthly providing a forum to table safety issues and review safety data. During the reporting period, the HSE Committee discussed common operational matters such as training, safe systems of work, safety improvements, infectious disease control and other HSE matters.

During the reporting period a safety survey was circulated to the KPA workforce an overall positive result was returned, similar to the 2019 survey. The survey allowed respondents to provide responses with graded pre-populated responses, and an opportunity to provide a written response. This information will allow KPA to further improve safety culture at the Port of Broome and provide an opportunity for improvement when the next survey is circulated in two years.

Employees completed a range of internal and external safety training courses in 2021/22 including working at heights, first aid, rigging and dogging, fire warden and new stevedore inductions. KPA supervisors and managers have also attended training for key changes to Work Health and Safety legislation (**WHS**) prior to the introduction of the modernisation of Western Australia's WHS laws. During the reporting period KPA have onboarded an online platform to provide a Learning Management System (**LMS**). This system moves all training online from a paper-based system and allows efficient and simplified management of training records. The LMS also allows the opportunity for in-field training and inspections to be completed electronically with the use of tablets and other portable devices, where checklists can be finalised and photos can be provided to support all administrative training functions.

KPA again provided a flu vaccination program for all employees prior to the 2022 flu season. KPA maintained an Employee Assistance Program during the reporting period and conducted onsite health toolbox presentations for employees on healthy lifestyle, cancer prevention and the effects of tobacco smoke. An R U OK? Breakfast for employees was held to promote mental health awareness.

KPA has an occupational health and safety management system (**OHSMS**) which identifies, assesses and controls health and safety hazards and risks. KPA's OHSMS is aligned to AS4801, and work continues to address minor non-conformances arising from an audit report to achieve ISO45001 compliance.



Port of Wyndham wharf

3.1 Occupational Health and Safety (Continued)

Safety information including notices and monthly statistics are communicated to employees through team meetings, toolbox talks and workplace notice boards. The Port Induction also provides employees and port users with important safety and environment information. The online KPA Port Induction has been updated to reflect current Port of Broome operations to ensure accurate safety information, expectations and key knowledge is transferred to Port users, contractors and KPA personnel.

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's Workplace Injury Management Procedure 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.

Annual Safety Performance for KPA Employees

	2019/20	2020/21	2021/22	Targets	Comments
Number of fatalities	0	0	0	0	Target met
Lost time injury and/or disease incident rate*	0	2.20%	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	0	100%	N/A	Greater than or equal to 80%	Target met
Percentage of injured workers returned to work ii) within 26 weeks	0	NA	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	90%	43%	85%	Greater than or equal to 80%	Target met

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

Table 5 Annual Safety Performance for KPA employees

3.2 Operational Performance

3.2.1 Vessel Visits

KPA experienced a total of 1,662 vessel visits at the Ports of Broome, Derby, Wyndham and Yampi Sound during the financial year. Approximately 60% of vessel visits occurred during the dry season months of April through to September with a drop in vessel visits between December and February.

KPA Total Vessel Visits 2021/22	2021						2022						Total
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	
Small Commercial (Pearling / Fishing / Private / Charter)	93	80	77	67	54	52	34	39	47	61	87	100	791
Government (Navy, Customs, Fisheries)	11	7	8	12	10	3	5	5	10	10	11	10	102
Cruise - Small (<300pax)	31	37	26	28	26	7	0	3	17	38	32	30	275
Livestock	8	6	6	6	2	0	1	0	1	4	6	4	44
Large Commercial (Petroleum, General Cargo, Bulk Products)	6	6	6	6	5	6	2	6	5	4	8	11	71
Oil & Gas (Rig Tenders/Seismic/Rotors)	34	22	23	29	36	43	25	36	31	33	34	33	379
Monthly Total	183	158	146	148	133	111	67	89	111	150	178	188	1662

Table 6 KPA Total Vessel Visits 2021/22

KPA Total Vessel Visits FY21/22

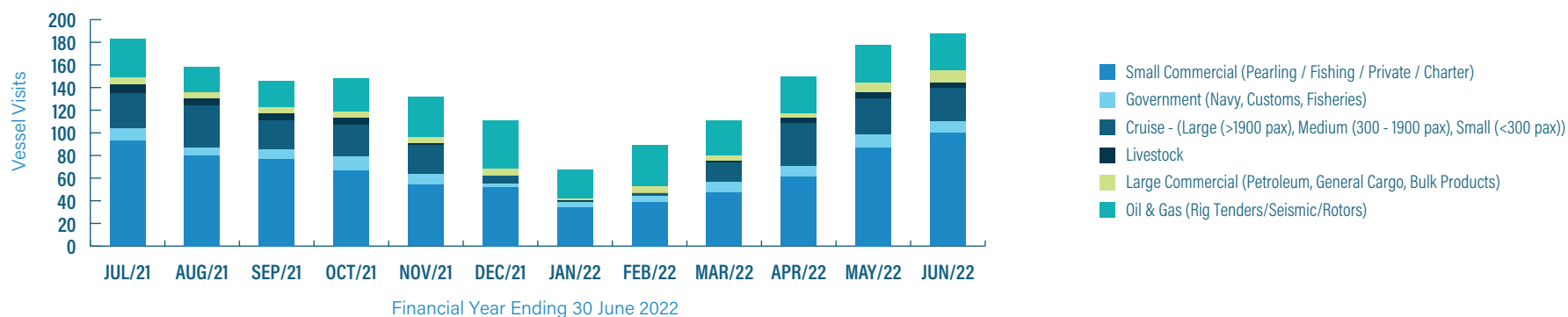


Figure 2 KPA Total Vessel Visits 2021/22

3.2.2 Port of Broome

The Port of Broome experienced a strong year in terms of vessel visits with 1,094 vessel visits for the financial year. This was a 38% increase compared to last financial year and a return to pre-COVID visit numbers.

INPEX offshore drilling operations as well as offshore oil and gas maintenance contractors in the Browse Basin and Shell support vessels servicing Prelude utilised the Port of Broome during the financial year resulting in a 46% increase in oil and gas vessel visits.

Small cruise ships touring the Kimberley coastline have continued to increase as the COVID-19 pandemic has been controlled with 204 vessel visits during the financial year, a 25% year on year increase. The Port of Broome did not facilitate any visits from large cruise ships, during the financial year, due to the Federal Government's COVID-19 ban on international and large cruise vessels operating in Australia.

Live cattle exports through the Port of Broome remained consistent with a total of 33 vessel visits and 92,478 head of cattle exported.

An additional six petroleum vessels visited the Port of Broome compared to last year with the upturn attributed to the increase in oil and gas vessel activity and the requirement for bunkers as well as the busy tourist season in the Kimberley region.

Small commercial vessel visits increased by 46%, small government vessels increased by 11% and general cargo vessels remained steady.

Port of Broome Vessel Visits 2021/22	2021						2022						Total
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	
Pearling	11	11	10	11	2	3	1	1	2	9	12	19	92
Fishing	8	11	9	10	12	7	5	8	5	110	13	12	110
Private & Charter (includes O&G Support)	21	14	13	12	8	5	4	3	5	9	23	30	147
Government (Navy, Customs, Fisheries)	11	7	8	12	10	3	5	5	10	10	11	10	102
Cruise - (Large (>1900 pax))	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)	21	23	21	26	23	7	0	3	12	22	20	26	204
Livestock	5	4	6	5	1	0	0	0	1	3	4	4	33
Petroleum	2	1	2	2	1	2	1	3	2	2	1	2	21
General Cargo (Bags, BBLK & Casing)	0	0	0	0	2	0	0	0	0	0	2	2	6
Oil & Gas (Rig Tenders/Seismic/Rotors)	34	22	23	29	36	43	25	36	31	33	34	33	379
Monthly Total	113	93	92	107	95	70	41	59	68	98	120	138	1094

Table 7 Port of Broome Vessel Visits 2021/22

3.2 Operational Performance (Continued)

As per Figure 3 the Port of Broome is forecast to experience similar vessel visits during the 22/23 financial year.

Port of Broome Vessel Visits FY21/22

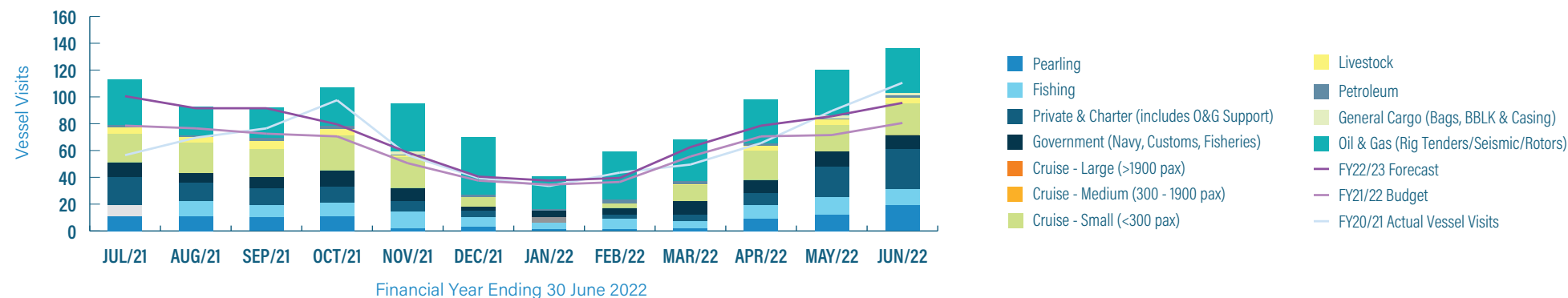


Figure 3 Port of Broome Vessel Visits 2021/22

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% and above during the busier dry season months. As per normal trends berth occupancy decreases during the wet season.

Broome Berth Availability FY21/22

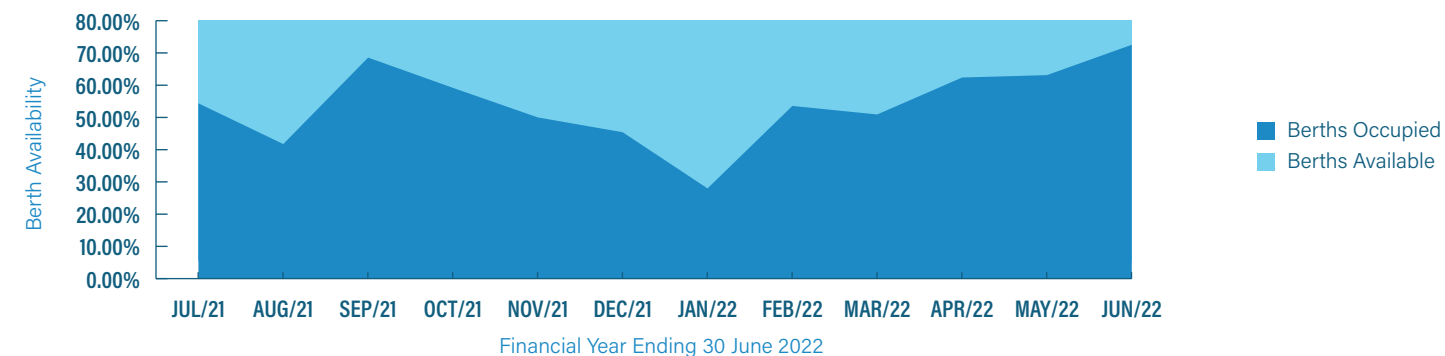


Figure 4 Port of Broome Berth Availability 2021/22

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 Cone Bay Barramundi aquaculture project.

A total of 297 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 79 occasions to load ice and fish food, and unload barramundi.

Port of Derby Vessel Visits 2021/22	2021						2022						Total
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	
Fishing (incl MPA)	7	8	6	6	7	7	6	5	7	6	9	5	79
Private & Charter	0	2	4	2	0	0	0	0	0	5	3	0	16
Barges MGI & CMC	40	29	26	24	23	26	18	19	26	20	22	24	297
Government (Navy, Customs, Fisheries)	0	0	0	0	0	0	0	0	0	0	0	0	0
Cruise - Small (<300pax)	1	2	3	1	0	0	0	0	0	1	0	0	8
Monthly Total	48	41	39	33	30	33	24	24	33	32	34	29	400

Table 8 Port of Derby Vessel Visits 2021/22

Derby Vessel Visits FY21/22

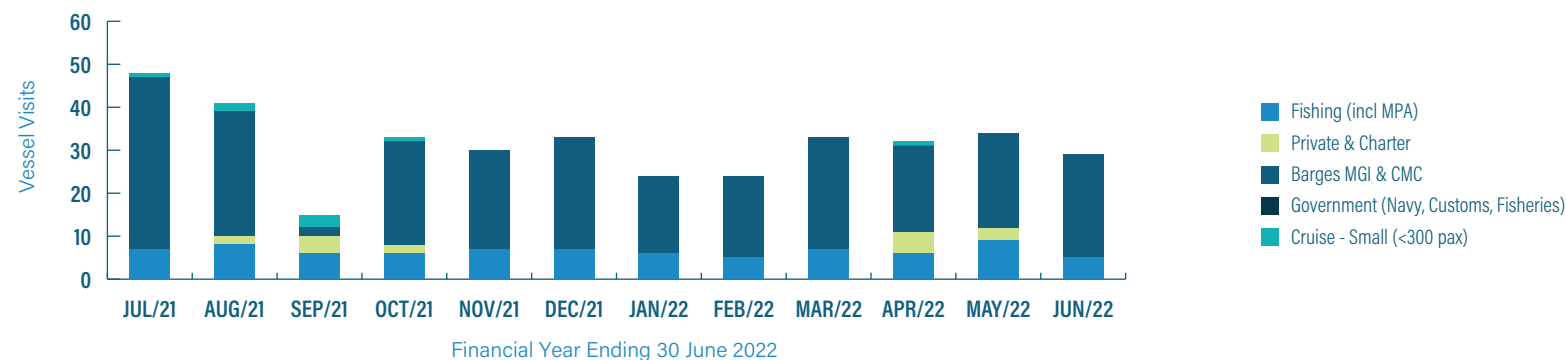


Figure 5 Port of Derby Vessel Visits 2021/22

3.2 Operational Performance (Continued)

3.2.4 Port of Wyndham

Iron ore exports through the Port of Wyndham ceased in September 2021 as the Ridges Iron Ore Project was placed into care and maintenance.

In late 2021 Panoramic Resources re-opened the Savannah Nickel mine and exports of nickel concentrate recommenced through the Port of Wyndham. It is expected as the mine ramps up there will be approximately one shipment a month through the port.

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 2021/22	2021						2022						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 (includes Transshipment Support)	6	5	9	2	2	4	0	3	2	2	5	10	50
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)	9	12	2	1	3	0	0	0	5	15	12	4	63
Livestock	3	2	0	1	1	0	1	0	0	1	2	0	11
Petroleum Imports	1	0	1	2	1	1	0	0	1	0	2	1	10
Fertiliser	0	0	0	0	0	0	0	0	0	0	0	0	0
Crude Oil Exports	1	0	0	1	0	0	0	1	0	0	0	1	4
Iron Ore Exports	1	3	1	0	0	0	0	0	0	0	0	0	5
Products of the Soil Exports	0	0	0	1	0	1	0	0	0	0	0	0	2
Nickel Exports	0	0	0	0	0	1	0	1	1	0	0	1	4
Monthly Total	21	22	13	8	7	7	1	5	9	18	21	17	149

Table 9 Port of Wyndham Vessel Visits 2021/22

Wyndham Vessel Visits FY21/22

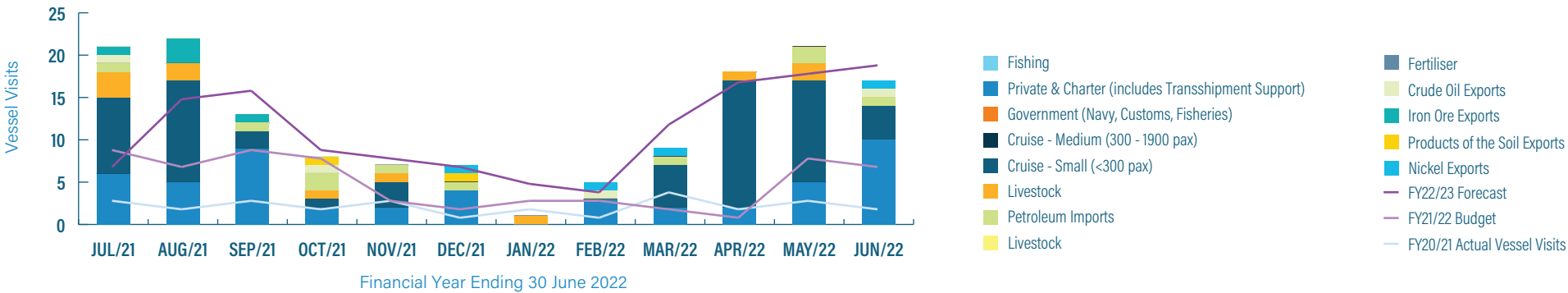


Figure 6 Port of Wyndham Vessel Visits 2021/22

Port of Wyndham wharf Devon Express



3.2 Operational Performance (Continued)

3.2.5 Port of Yampi Sound

Port of Yampi Vessel Visits 2021/22	2021						2022						Total
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	
Iron Ore Exports	1	2	2	0	1	1	1	1	1	2	3	4	19
Monthly Total	1	2	2	0	1	1	1	1	1	2	3	4	19

Table 10 Port of Yampi Sound Vessel Visits 2021/22

Iron Ore exports continued from Mount Gibson Koolan Island operation with a total of 19 shipments. During the year work was undertaken by Mount Gibson to the mine and associated infrastructure which was completed in March 2022 resulting in an increase in shipments during the June quarter.

3.3 Trade Statistics

A total of 2,335,309 tonnes were imported and exported through KPA managed Ports during the financial year.

Port	Tonnage
Broome	315,442
Derby	65,161
Wyndham	442,008
Yampi	1,512,698
Total	2,335,309

Table 11 Kimberley Ports Total Trade - Tonnages



3.3.1 Port of Broome

A total of 315,442 tonnes were exported and imported through the Port of Broome during the financial year. Petroleum imports contributed to a total of 39% of total tonnage through the port and oil and gas related cargo 20% of total tonnage.

Commodity	YTD Tonnage
Petroleum - Imports	122,644
BBLK Bags - Imports	4,013
BBLK Tubular - Imports	-
General - Imports	-
O&G Vessels - Inbound	26,904
Cattle & Fodder - Exports	40,720
General - Exports	73
Water - Outbound	43,562
Bunkers - Outbound	39,568
O&G Vessels - Outbound	37,959
Total	315,442

Table 12 Port of Broome Trade 2021/22

Broome Annual Trade Breakdown FY21/22

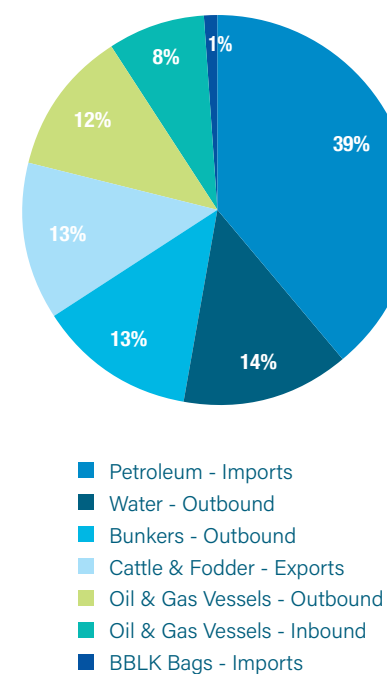


Figure 7 Port of Broome Trade 2021/22

3.3 Trade Statistics (Continued)

Figures 8 and 9 show export and import trends over the last five years. As can be seen total export and import tonnage returned to pre-COVID levels this financial year.

5 Year Export Throughput

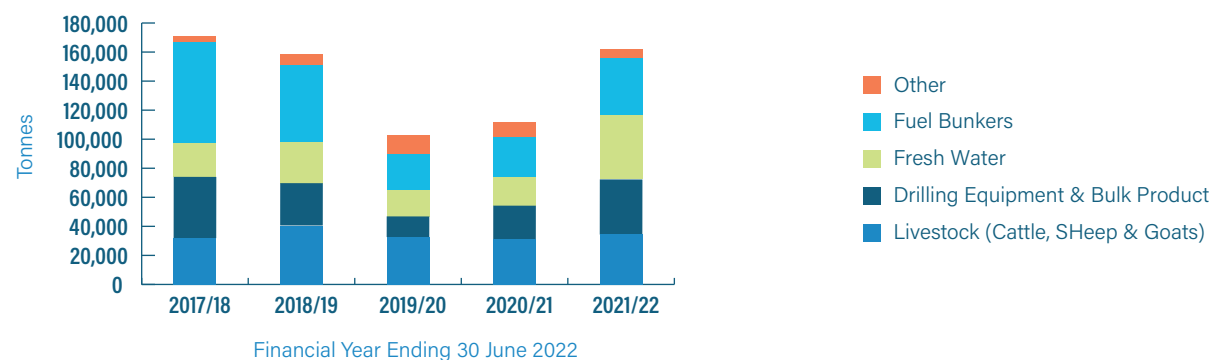


Figure 8 Port of Broome Exports Five Year Trend

5 Year Import Throughput

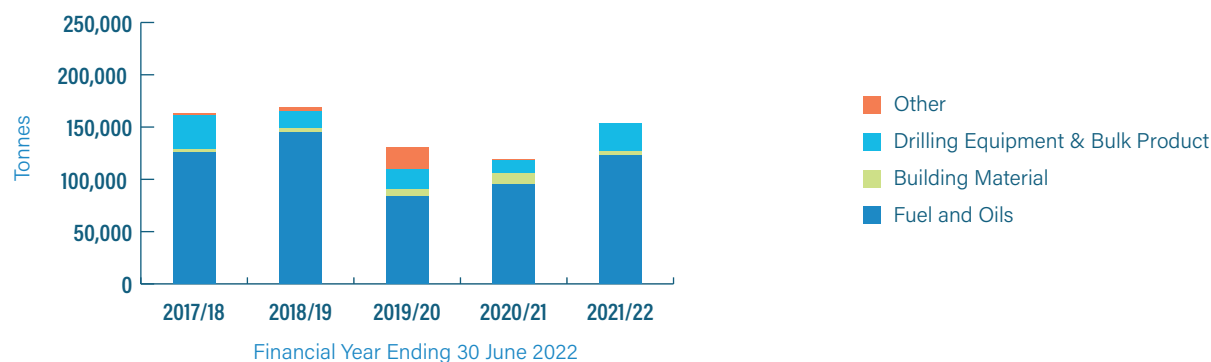


Figure 9 Port of Broome Imports Five Year Trend

3.3.2 Port of Derby

A total of 65,161 tonnes were exported and imported through the Port of Derby during the financial year. A total of 84% of the total tonnage can be attributed to handling of equipment and material associated with Mount Gibson's Koolan Island operation.

Commodity	YTD Tonnage
Fish - Inbound	1,357
General - Inbound	153
Fish Food - Outbound	3,299
Ice - Outbound	1,076
Hazardous - Outbound (AN etc)	4,018
Diesel & Bunkers - Outbound	18,915
Water - Outbound	635
Mining Equipment & General - Outbound	35,708
Total	65,161

Table 13 Port of Derby Trade 2021/22

Derby Annual Trade Breakdown FY21/22

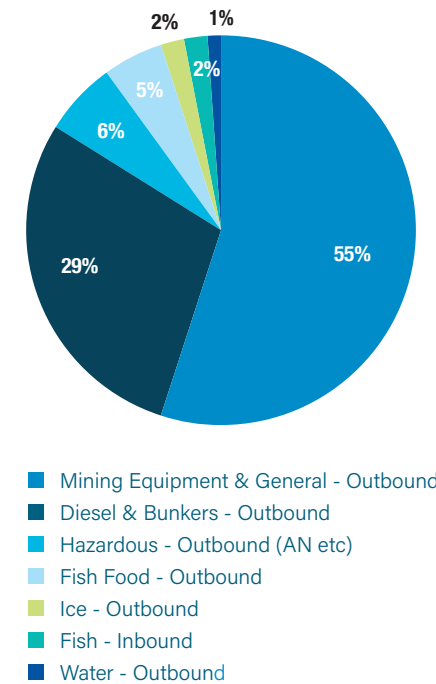


Figure 10 Port of Derby Trade 2021/22



Koolan Island

3.3 Trade Statistics (Continued)

3.3.3 Port of Wyndham

A total of 442,008 tonnes were exported and imported through the Port of Wyndham during the financial year. A total of 61% of the total tonnage can be attributed to the Ridges Iron Ore Project that is now in care and maintenance. It is expected tonnage through the Port of Wyndham will decrease next financial year although exports from the Savannah Nickel Project are expected to occur monthly.

Commodity	YTD Tonnage
Fuel - Imports	41,122
BBLK - Imports	-
General Cargo - Imports	-
Cattle & Fodder - Exports	13,895
Iron Ore - Exports	267,034
Nickel- Exports	41,110
Crude Oil - Exports	39,301
Products of the Soil - Exports	35,148
Water - Outbound	-
Bunkers - Outbound	1,000
General Cargo - Outbound	3,398
Total	442,008

Table 14 Port of Wyndham Trade 2021/22

Wyndham Annual Trade Breakdown FY21/22

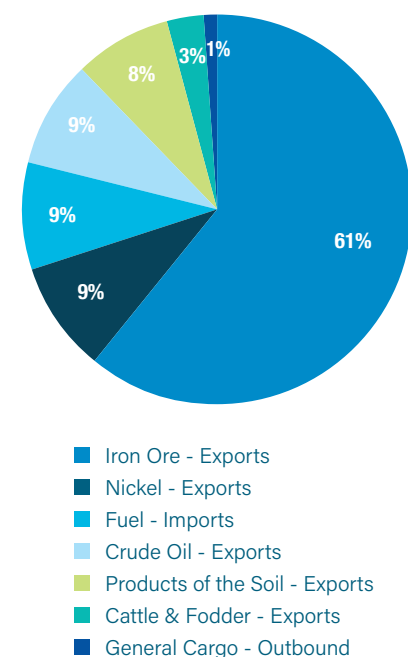


Figure 11 Port of Wyndham Trade 2021/22

3.3.4 Port of Yampi Sound

A total of 1,512,698 tonnes of iron ore were exported through the Port of Yampi Sound during the financial year.

3.4 Infrastructure Improvement and Maintenance

KPA continued to undertake repairs and maintenance to the Broome wharf funded through the WA Covid Recovery Plan. This work consisted of applying protective coating to the wharf substructure.

KPA commenced design, procurement and construction of new water and power supply to the wharf to replace ageing infrastructure and increase supply capacity. This work will continue through 2022/23.

At the Port of Derby KPA undertook the replacement of approximately 20m of deck that was severely corroded. This work occurred during an intensive eight week shutdown and included steel deck and concrete deck replacement and application of protective coating to all steelwork. An audit has been undertaken on the electrical network and a new underdeck stair system is being designed.

Planning work has been carried out at the Port of Wyndham for replacement of the underdeck walkway to facilitate future maintenance, inspection of the wharf concrete deck and an audit of the electrical network. A study is also being prepared on the feasibility of refurbishing the existing shiploading system.

Additional security fencing and gates have been installed at the Port of Wyndham to provide an effective barrier to third party access off the public road Port Drive to safely manage local traffic.



Port of Derby wharf repairs

DIRECTORS' REPORT

04.



4.1 Role of the Board

In accordance with the *Port Authorities Act 1999* (WA) the Board of Kimberley Ports Authority is its governing body, and the Board in the name of the Port Authority, is to perform the functions, determine the policies and control the affairs of the Port Authority.

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 2022 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 Research Centre (**PATREC**), and a Commissioner of NTC.

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 her current term expires on 30 June 2022.

4.3 Directors' Details (Continued)

4.3.3 Mr Paul Larsen

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 and Youth Focus, an independent West Australian not-for-profit working to reduce youth suicide. For the last five years Paul has taken part in the Hawaiian Ride for Youth spending five days riding 700 kilometres from Albany to Perth to raise money for the important work Youth Focus undertakes in preventing youth suicide.

Mr Larsen was appointed to the Board on 1 July 2019 and his current term expires on 30 June 2022.

4.3.4 Ms Kylie Bartle

Ms Bartle is a resident of Broome who first arrived in the Kimberley 23 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 30 June 2023.

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.

Mr Mofteh was appointed to the Board on 28 January 2021 and his current term expires on 27 January 2023.

4.3.6 Retirements, Appointments and Continuation in Office of Directors

KPA's Chair Reece Waldock was reappointed to 30 June 2024 and Director Kylie Bartle was also reappointed to 30 June 2023 during the reporting period.

4.4 Directors Meetings

During the financial year 2021/22 the Directors held six ordinary Board meetings.

Members Name	Six Ordinary Board meetings
Reece Waldock (Chair)	6
Jodie Ransom (Deputy Chair)	6
Paul Larsen	6
Kylie Bartle	5
Magued Moftah	6

Table 15 KPA Board Meetings 2021/22

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

Audit and Risk; and

Governance and Human Resources.

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

Members Name	Audit and Risk – three meetings conducted	Governance and Human Resources – three meetings conducted
Reece Waldock	3	3
Jodie Ransom	0	3
Paul Larsen	3	0
Kylie Bartle	1	1
Magued Moftah	3	0

Table 16 KPA Sub-Committee Meetings 2021/22

4.5 Planned Achievements

Outcomes arising from the 2021/22 objectives within the Statement of Corporate Intent are recorded in the table below:

Objective: Develop business opportunities across the Kimberley.		
Strategic Objective	Targets	Management Outcomes
Identify trade opportunities near each Kimberley port and exploit existing infrastructure / equipment to support trade.	Increase in trade figures from the 2020/21 year for all ports.	Kimberley ports vessel visits exceeded 2020/21 numbers except for Yampi Sound which was slightly down.
Facilitate sand mining exports at Ports of Wyndham and Derby.	Complete by June 2022.	Export enquiries responded to and awaiting any further development for sand exports.
Facilitate Defence Force arrangements at Port of Broome.	Complete by June 2022.	Australian Defence Force requirements are currently being met with existing infrastructure.
Facilitate Sheffield Resources mineral sands exports at the Ports of Derby and Broome.	Complete by June 2022.	Kimberley Mineral Sands Pty Ltd's exports are pending EPA approval of an amendment to the export conditions within the previous Ministerial Statement 1080, and finalisation of a lease at the Port of Derby.
Finalise accreditation for ISO 45001: 2018 Occupational Health and Safety Management and ISO14001: 2016 Environmental Management systems at Port of Broome.	Successful audit against standards compliance.	An Occupational Health and Safety gap analysis has been undertaken for Port of Broome and KPA working towards accreditation by June 2023.

Objective: Enhance Cyber Security.		
Strategic Objective	Targets	Management Outcomes
KPA to become compliant with the Australian Signals Directorate Essential Eight cyber security standards.	Pass an audit with no medium to major non-compliances reported.	Level one has been reached for all Essential Eight cyber security mitigation controls.
Objective: Strategic Asset Planning undertaken for Kimberley Ports.		
Strategic Asset Plans formulated for all Kimberley Ports.	Complete by December 2021.	The Strategic Asset Plan 2022 and onwards includes planning for all Kimberley ports.
An AIS system to be deployed across the region.	Complete by December 2021.	AIS vessel tracking deployed across the region.
Develop HSE standards for Kimberley ports.	Ports pass a compliance audit for HSE standards.	Management is working with Port of Wyndham and Derby to maintain and improve HSE compliance. HSE checklists have been prepared to perform an audit.
HSE, security and assets audits and reports finalised.	Ports pass a compliance audit for HSE and security standards.	An asset, and security audit has been completed, with the HSER audit pending for Q4 2022.

4.5 Planned 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> <ul style="list-style-type: none"> • Complete preliminary landside concept plan; • Review final design documentation that specifies vessel types the KMSB facility is designed to accommodate, including mooring and operational layout, and • Ensure compliance with commitment process documented in the CWLL. 	No delays in the KMSB project caused by KPA.	Review of the final facility design is pending the finalisation of the appointment of a construction company, an operator and tank testing the model.
Objective: Ensuring Port of Broome is development ready in line with the master plan and to ensure facilitation of economic benefits to the region.		
Develop landside plan including the walkway, relocating the security gatehouse and traffic management.	Port of Broome services meet demand - 65% agreement among customers.	<p>75 percent of customers were satisfied with KPA's services provided at Port of Broome.</p> <p>Pedestrian numbers are being counted at the walkway, and usage included in a stakeholder survey.</p> <p>Traffic management planning is progressing and finalisation depends on KMSB's final facility design, laydown area and construction schedule.</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 2021.	A scaled design concept has been submitted to the Federal Department of Infrastructure, Transport, Regional Development and Communications to gain approval for a container park and refer facilities; and a disembarking cruise passenger baggage inspection facility. The project will be introduced within two tranches over three years, when approved and funding allocated.
Develop a Climate Change Adaption Strategy.	Complete by December 2021.	Planning workshops were conducted in October 2021, and the strategy is to be developed by December 2023.
Develop a Structure Plan to underpin the Port of Broome Master Plan.	Complete by June 2022.	Pending allocation of extra resources.
Planning for the construction of alternative infrastructure to support industry requirements.	Complete by June 2022.	Draft requirements completed, awaiting KMSB Final Investment Decision.
Prepare a business case for the removal of the wharf shed to provide greater space and operational flexibility.	Complete by June 2022.	The wharf shed removal forms part of the First Point of Entry business case still pending design approval from the Federal Government and funding.
Develop a new business case for the KPA Board, reviewing all crane options.	Complete by July 2021.	Extra cranes are being provided by a contractor, as required by KPA.

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 a 2.87 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 2021/22 was a profit before tax of \$2.561 million against a budgeted loss of (\$3.036 million). The positive result was primarily due to receiving funding from the West Australian Government totalling \$3.1M, being \$600,000 to finalise a COVID-19 WA Recovery Plan projects and \$2.5M in operating subsidies to offset the ports amalgamation costs. The subsidies together with continued cost-saving measures and an increase in vessel visits back to pre-COVID-19 pandemic levels contributed to achieving a profit.

4.6.1 Revenue

Shipping activity remained low in the first part of the year due to the effects of COVID-19, however an increase in vessel visits at the Port of Broome was experienced as the year progressed with encouraging signs for the future. Figure 12 shows revenue realised from each shipping industry, with the oil and gas sector remaining the major revenue generator.

Revenue by Industry

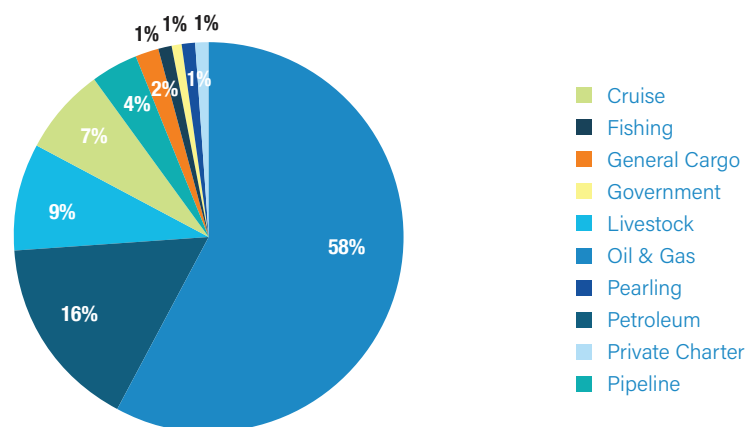


Figure 12 Port of Broome Shipping Revenue 2021/22

4.6.2 Expenditure

Total expenditure was above budget by \$575k, this was due to increased general expenditure associated with the increase in shipping activity returning to pre-COVID-19 pandemic levels at the Port of Broome

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 2022 is \$45,000.

4.7 Dividends

A dividend of \$1.922M was declared for the 2021/22 financial year.

4.8 Significant Changes in the State of Affairs

As of 1 July 2021, the legislative responsibility for the ports of Wyndham, Derby and Yampi Sound were transferred from the Department of Transport (DoT) to KPA. Work has been undertaken with port operators at the Ports of Wyndham, Derby, and Yampi Sound to affect a seamless transition to KPA's management under the *Port Authorities Act 1999*.

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 KPA, who received the highest remuneration, are included in the following tables:

4.11 Remuneration Report (Continued)

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 18 KPA Director Remuneration 2021/22

Directors 2020/21

Surname	Given Name	Position	Type of Remuneration	Period of Membership	Remuneration	Superannuation	Total
Waldock	Reece	Chair	Annual	12 Months	\$55,938	\$5,314	\$61,252
Ransom	Jodie	Deputy Chair	Annual	12 Months	\$30,581	\$2,905	\$33,486
Larsen	Paul	Director	Annual	12 Months	\$30,512	\$2,899	\$33,411
Bartle	Kylie	Director	Annual	12 Months	\$27,970	\$2,657	\$30,627
Dartnell	Anna	Director	Annual	6 Months	\$13,985	\$1,329	\$15,314
Moftah	Magued	Director	Annual	5 Months	\$12,191	\$1,158	\$13,349
					\$ 171,176	\$16,262	\$187,438

Table 19 KPA Director Remuneration 2020/21

Executives 2021/22

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 20 KPA Executive Remuneration 2021/22

Executives 2020/21

Name	Salary	Termination	Superannuation	Total
Faulkner, C	\$348,447	\$ -	\$33,102	\$381,549
Duncan, D	\$277,802	\$ -	\$24,812	\$302,614
Kleiman, C	\$53,034	\$232,896	\$15,214	\$301,144
	\$679,283	\$232,896	\$73,129	\$985,308

Table 21 KPA Executive Remuneration 2020/21

4.12 Rounding Off

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



Reece Waldock, AM
Chair

15 September 2022



Jodie Ransom
Deputy Chair

15 September 2022

FINANCIAL STATEMENTS

05.



Statement of Comprehensive Income For the year ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000
REVENUE			
Revenue	4	21,673	12,944
Other Revenue	4	4,002	2,983
EXPENDITURE			
Port operations expenses	5	(7,640)	(5,110)
Depreciation and amortisation	6	(4,227)	(3,783)
General administration expenses	7	(4,893)	(4,611)
Asset maintenance		(3,277)	(3,049)
Port utilities		(1,293)	(987)
Finance expenses	8	(523)	(607)
Safety & security		(515)	(467)
Environmental expenses		(73)	(71)
Other expenses	9	(673)	(999)
Profit / (Loss) before income tax		2,561	(3,757)
Income tax expense	10	-	-
Net Profit / (Loss) after tax		2,561	(3,757)

	Notes	2022 \$'000	2021 \$'000
OTHER COMPREHENSIVE INCOME			
Other comprehensive income		-	-
Total other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME / (LOSS)		2,561	(3,757)

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

Statement of Financial Position As at 30 June 2022

	Notes	2022 \$'000	2021 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	11	12,173	6,241
Trade and other receivables	12	3,441	3,703
Current tax asset	10	-	-
Total Current Assets		15,614	9,944
Non-Current Assets			
Property, plant and equipment	13	71,822	61,148
ROU property, plant and equipment	13(a)	1,154	725
Intangible assets	14	590	811
Total Non-Current Assets		73,566	62,684
TOTAL ASSETS		89,180	72,628
LIABILITIES			
Current Liabilities			
Trade and other payables	15	1,812	1,781
Interest bearing borrowings	16	1,734	1,649
Provisions	17	1,922	1,734
Lease liability	13(b)	1,147	711
Other current liabilities	18	100	582
Total Current Liabilities		6,715	6,457

	Notes	2022 \$'000	2021 \$'000
Non-Current Liabilities			
Interest bearing borrowings	16	6,208	7,942
Provisions	17	69	72
Total Non-Current Liabilities		6,277	8,014
TOTAL LIABILITIES		12,992	14,471
NET ASSETS		76,188	58,157
EQUITY			
Contributed equity	19	83,331	67,861
Accumulated Losses	19	(7,143)	(9,704)
TOTAL EQUITY		76,188	58,157

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 2022

	Notes	Contributed Equity \$'000	Accumulated Losses \$'000	Total Equity \$'000
Balance at 1 July 2020		63,861	(5,947)	57,914
Total comprehensive loss for the year		-	(3,757)	(3,757)
Transactions with owners in their capacity as owners:				
Contributed equity	19	4,000	-	4,000
Balance at 30 June 2021		67,861	(9,704)	58,157
Balance at 1 July 2021		67,861	(9,704)	58,157
Total comprehensive income for the year		-	2,561	2,561
Transactions with owners in their capacity as owners:				
Contributed equity	19	15,470	-	15,470
Balance at 30 June 2022		83,331	(7,143)	76,188

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows For the year ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		24,557	12,830
Payments to suppliers and employees		(20,402)	(15,526)
Government contributions		3,100	2,706
Interest received		5	12
Interest paid		(492)	(607)
Income taxes paid		-	-
Net cash inflow / (outflow) from operating activities	20	6,768	(585)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment and intangibles		(1,099)	(4,790)
Proceeds from sale of property, plant and equipment		278	906
Net cash (outflow) from investing activities		(821)	(3,884)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(1,649)	(1,569)
Lease liability payment		(366)	(454)
Net cash (outflow) from financing activities		(2,015)	(2,023)

	Notes	2022 \$'000	2021 \$'000
CASH FLOWS FROM STATE GOVERNMENT			
Capital appropriation		2,000	4,000
Net cash inflow from State Government		2,000	4,000
Net increase / (decrease) in cash and cash equivalents		5,932	(2,492)
Cash and cash equivalents at the beginning of the period		6,241	8,733
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	11	12,173	6,241

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

Kimberley Ports Authority (“the Authority”) is a not-for-profit reporting entity 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 *Port Authorities Act 1999*.

The financial statements were authorised for issue on 15 September 2022 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 for the year ended 30 June 2022. Comparative period financial statements are for the Port of Broome only for the year ended 30 June 2021.

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.

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. Shipping services are generally recognised at the point in time.

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) Contributed assets

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	10 - 20 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	2 - 20 years
Motor vehicles	5 - 10 years
Low Value Pool	3 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. Software that is not an integral part of the related hardware and is controlled by the Authority is treated as an intangible asset.

(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 & 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 & 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.

The Authority revised one accounting policy for the year ended 30 June 2022. KPA's accounting capitalisation threshold was reviewed and increased to \$5,000 (up from \$1,000) effective from 1 July 2021.

Note 3 - Expenses 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

	2022 \$'000	2021 \$'000
Revenue consists of the following items:		
Revenue		
Charges on ships	11,471	6,113
Charges on cargo	6,940	4,555
Rentals and leases	2,784	1,991
Shipping services	469	273
Interest Income (a)	9	12
Total revenue	21,673	12,944
Other revenue		
Government Contributions (b)	3,100	2,706
Wyndham CGL Profit Share	97	-
Net gain on disposal of property, plant & equipment	14	-
Other	791	277
Other revenue	4,002	2,983

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

(b) Government contributions include Port Amalgamation funding (FY 21/22: \$2.5m, FY 20/21: \$0) and Covid 19 Relief (FY 21/22: \$600k, FY 20/21: \$2.706m)

Note 5 - Port Operations Expenses

	2022 \$'000	2021 \$'000
Indirect salaries and wages - operations	3,749	3,445
Shipping activity	2,223	1,201
Minor asset purchases and equipment hire costs	1,668	464
Total port operations expenses	7,640	5,110

Note 6 - Depreciation and Amortisation

	2022 \$'000	2021 \$'000
Depreciation		
Improvements	67	67
Buildings	174	155
Infrastructure	549	310
Harbour Facilities	1,646	1,685
Access Channel	388	388
Electronic	80	92
Plant and Equipment	592	337
Furniture and Fittings	6	10
Motor Vehicles	68	70
Low Value Pool	63	61
Right of use assets (AASB16)	373	454
Total depreciation	4,006	3,629
Amortisation		
Intangible Assets	221	154
Total amortisation	221	154
Total depreciation and amortisation	4,227	3,783

Note 7 - General Administration Expenses

	2022 \$'000	2021 \$'000
Administration employee expenses	2,437	2,660
Other	2,456	1,951
Total general administration expenses	4,893	4,611

Note 8 - Finance Expenses

	2022 \$'000	2021 \$'000
Interest expense	442	525
Finance charges	81	82
Finance expenses	523	607

Note 9 - Other Expenses

	2022 \$'000	2021 \$'000
Employee on-costs (a)	569	494
Short Term/Low Value Lease Expenses	2	9
Net loss on disposal of assets	-	273
Other	102	223
Total other expenses	673	999

(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

	2022 \$'000	2021 \$'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

	2022 \$'000	2021 \$'000
Profit/ (Loss) for the year	2,561	(3,757)
Total tax benefit / (expense)	-	-
Profit / (Loss) after tax	2,561	(3,757)
Tax using the statutory tax rate of 25%	(640)	976
Non-deductible expenses	(6)	(6)
Sundry items	(3)	-
Adjustments for prior period	-	-
Income tax benefit/(expense) pre non recognition of deferred tax asset	(649)	970
Deferred tax asset not recognised	-	(970)
Adjustment for deferred tax assets not previously brought to account and movement in temporary differences	649	-
Income tax benefit/(expense) post derecognition of deferred tax asset	-	-

Note 10 - Income Tax (Continued)**(iii) Deferred tax**

	2022 Statement of Financial Position \$'000	2021 Statement of Financial Position \$'000	2022 Statement of Comprehensive Income \$'000	2021 Statement of Comprehensive Income \$'000
Deferred tax liabilities				
Receivables	-	-	-	(1)
FBT Instalment	4	2	2	(1)
ROU Asset	289	188	101	72
Gross Deferred Tax Liabilities	293	190	103	70
Deferred tax assets				
Accrued Income	-	325	(325)	325
Property, plant and equipment	260	210	50	(110)
Lease Liability	287	185	102	71
Payables	17	23	(6)	8
Prepaid rental	25	151	(126)	63
Employee benefits	498	481	17	(50)
Borrowing costs	-	-	-	-
Business related costs	44	-	44	-
Carried forward tax losses	2,659	3,297	(638)	580
Gross Deferred Tax Assets	3,790	4,672	(882)	887

	2022 Statement of Financial Position \$'000	2021 Statement of Financial Position \$'000	2022 Statement of Comprehensive Income \$'000	2021 Statement of Comprehensive Income \$'000
Adjustment in respect of income tax of previous years	336	152	184	152
Recognition of deferred tax assets to offset the income tax expense	649	(969)	1,618	738
Unrecognise prior year deferred tax asset	(4,482)	(3,665)	(817)	(1,707)
Gross Deferred Tax Assets	293	190	103	70
Set-off of deferred tax liabilities pursuant to the set-off provisions	(293)	190	(103)	70
Net deferred tax assets	-	-	-	-
Prior period adjustments	-	-	-	-
Deferred tax charge	-	-	-	-

Note 10 - Income Tax (Continued)

(iv) Tax liability

	2022 \$'000	2021 \$'000
Current tax liability (asset)	-	-
Total current tax liability (asset)	-	-
	2022 \$'000	2021 \$'000
Unrecognised deferred tax assets		
Deferred tax assets have not been recognised in respect of the following items:		
Deductible temporary differences - other	838	1,185
Tax losses on revenue account	2,659	3,297

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

Note 11 - Cash and Cash Equivalents

	2022 \$'000	2021 \$'000
Bank balances	12,173	6,241
Cash and cash equivalents in the Statement of Cash Flows	12,173	6,241

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

Note 12 - Trade and Other Receivables

	2022 \$'000	2021 \$'000
Current		
Trade receivables	3,227	3,569
Less: allowance for expected credit losses	-	-
	3,227	3,569
Other receivables:		
Prepayments	112	134
Accrued revenue	5	-
Wyndham 50% profit	97	-
Balance at the end of the year	3,441	3,703

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:

Not more than 3 months	896	1,028
More than 3 months but less than 6 months	57	68
More than 6 months but less than 1 year	-	-
More than 1 year	-	-
	953	1,096

Note 13 - Property, Plant and Equipment

	2022 \$'000	2021 \$'000
Land		
At cost	5,893	1,291
	5,893	1,291
Improvements		
At cost	2,210	2,210
Less: accumulated depreciation	(578)	(511)
Less: accumulated impairment losses	-	-
	1,632	1,699
Buildings		
At cost	5,371	4,127
Less: accumulated depreciation	(1,817)	(1,646)
Less: accumulated impairment losses	-	-
	3,554	2,481
Infrastructure		
At cost	14,397	6,759
Less: accumulated depreciation	(2,964)	(2,421)
Less: accumulated impairment losses	-	-
	11,433	4,338

Harbour Facilities		
At cost	43,142	43,142
Less: accumulated depreciation	(16,876)	(15,230)
Less: accumulated impairment losses	-	-
	26,266	27,912
Access Channel		
At cost	15,162	15,162
Less: accumulated depreciation	(1,302)	(914)
Less: accumulated impairment losses	-	-
	13,860	14,248
Electronic Equipment		
At cost	842	932
Less: accumulated depreciation	(687)	(714)
Less: accumulated impairment losses	-	-
	155	218
Plant and Equipment		
At cost	9,044	9,100
Less: accumulated depreciation	(1,692)	(1,211)
Less: accumulated impairment losses	-	-
	7,352	7,889

Note 13 - Property, Plant and Equipment (Continued)

	2022 \$'000	2021 \$'000
Furniture and Fittings		
At cost	47	106
Less: accumulated depreciation	(37)	(74)
Less: Accumulated impairment losses	-	-
	10	32
Motor Vehicles		
At cost	669	603
Less: accumulated depreciation	(301)	(302)
Less: accumulated impairment losses	-	-
	368	301
Low Value Pool		
At cost	540	540
Less: accumulated depreciation	(436)	(373)
Less: accumulated impairment losses	-	-
	104	167
Total property, plant and equipment		
At cost	97,317	83,971
Less: accumulated depreciation	(26,690)	(23,394)
Less: accumulated impairment losses	-	-
	70,627	60,577

	2022 \$'000	2021 \$'000
Add: Work in progress (at cost)	1,195	571
	1,195	571
Total property, plant and equipment	71,822	61,148

Reconciliation of carrying amounts:

	2022 \$'000	2021 \$'000
Land		
Carrying amount at 1 July	1,291	1,291
Additions	4,602	-
Disposals	-	-
Impairment losses	-	-
Carrying amount at 30 June	5,893	1,291
Improvements		
Carrying amount at 1 July	1,699	1,766
Additions	-	-
Transfer from work in progress	-	-
Depreciation for the year	(67)	(67)
Disposals	-	-
Accumulated depreciation on disposals	-	-
Impairment losses	-	-
Carrying amount at 30 June	1,632	1,699

	2022 \$'000	2021 \$'000
Buildings		
Carrying amount at 1 July	2,481	2,648
Additions	1,253	-
Transfer from work in progress	-	-
Depreciation for the year	(174)	(155)
Disposals	(9)	(17)
Accumulated depreciation on disposals	3	5
Impairment losses	-	-
Carrying amount at 30 June	3,554	2,481

Infrastructure		
Carrying amount at 1 July	4,338	4,642
Additions	7,652	-
Transfer from work in progress	-	6
Depreciation for the year	(549)	(310)
Disposals	(14)	-
Accumulated depreciation on disposals	6	-
Impairment losses	-	-
Carrying amount at 30 June	11,433	4,338

	2022 \$'000	2021 \$'000
Harbour Facilities		
Carrying amount at 1 July	27,912	29,623
Additions	-	-
Transfer from work in progress	-	39
Depreciation for the year	(1,646)	(1,685)
Disposals	-	(142)
Accumulated depreciation on disposals	-	77
Impairment losses	-	-
Carrying amount at 30 June	26,266	27,912

Access Channel		
Carrying amount at 1 July	14,248	14,636
Additions	-	-
Transfer from work in progress	-	-
Depreciation for the year	(388)	(388)
Disposals	-	(96)
Accumulated depreciation on disposals	-	96
Impairment losses	-	-
Carrying amount at 30 June	13,860	14,248

Note 13 - Property, Plant and Equipment (Continued)

	2022 \$'000	2021 \$'000
Electronic Equipment		
Carrying amount at 1 July	218	249
Additions	77	79
Transfer from work in progress	-	-
Depreciation for the year	(80)	(92)
Disposals	(167)	(113)
Accumulated depreciation on disposals	107	95
Impairment losses	-	-
Carrying amount at 30 June	155	218
Plant and Equipment		
Carrying amount at 1 July	7,889	3,447
Additions	50	30
Transfer from work in progress	123	5,830
Depreciation for the year	(592)	(337)
Disposals	(230)	(3,401)
Accumulated depreciation on disposals	112	2,320
Impairment losses	-	-
Carrying amount at 30 June	7,352	7,889

	2022 \$'000	2021 \$'000
Furniture & Fittings		
Carrying amount at 1 July	32	47
Additions	2	-
Transfer from work in progress	-	-
Depreciation for the year	(6)	(10)
Disposals	(61)	(30)
Accumulated depreciation on disposals	43	25
Impairment losses	-	-
Carrying amount at 30 June	10	32
Motor Vehicles		
Carrying amount at 1 July	301	371
Additions	186	-
Depreciation for the year	(68)	(70)
Disposals	(120)	-
Accumulated depreciation on disposals	69	-
Impairment losses	-	-
Carrying amount at 30 June	368	301

	2022 \$'000	2021 \$'000
Low Value pool		
Carrying amount at 1 July	167	163
Additions	-	43
Transfer from work in progress	-	22
Depreciation for the year	(63)	(61)
Disposals	-	-
Accumulated depreciation on disposals	-	-
Carrying amount at 30 June	104	167
Work in progress:		
Carrying amount at 1 July	571	2,200
Additions	3,253	6,794
Transfers to expenditure	(2,506)	(2,156)
Transfers to property, plant and equipment	(123)	(6,267)
Transfers to intangibles	-	-
Carrying amount at 30 June	1,195	571
Total property, plant and equipment	71,822	61,148

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 a forklift fleet. Building leases consist of Lot 549 Port Drive and Lot 698 Port of Pearls House, the latter which matured on 30/06/2021 and was not renewed. The building lease for 680 Murray Street ended in December 2020.

	2022 \$'000	2021 \$'000
Right of use assets - buildings & equipment at cost	1,408	1,179
Less: accumulated depreciation	(254)	(454)
	1,154	725

ROU Property, plant and equipment:		
Carrying amount at 1 July	725	416
Additions	797	857
Depreciation for the year	(372)	(453)
Disposals	(711)	(131)
Accumulated depreciation on disposals	715	36
Carrying amount at 30 June	1,154	725

Note 13(B) - Lease Liabilities

Current	1,147	711
	1,147	711

Note 14 - Intangible Assets

	2022 \$'000	2021 \$'000
Computer software		
At cost	1,357	1,357
Less: accumulated amortisation	(767)	(546)
Total intangible assets	590	811

Reconciliation of carrying amounts:

Computer software		
Carrying amount at 1 July	811	595
Additions	-	-
Transfer from work in progress	-	370
Amortisation for the year	(221)	(154)
Disposals	-	(27)
Accumulated amortisation on disposals	-	27
Carrying amount at 30 June	590	811

Note 15 - Trade and Other Payables

	2022 \$'000	2021 \$'000
Current		
Trade payables	1,419	1,415
Accrued expenses	393	366
	1,812	1,781

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 and liquidity risk, see note 21(i).

	2022 \$'000	2021 \$'000
Current liabilities		
Direct borrowings	1,734	1,649
	1,734	1,649
Non-current liabilities		
Direct borrowings	6,208	7,942
	6,208	7,942
	2022 \$'000	2021 \$'000
Financing arrangements		
The Authority has access to the following lines of credit:		
Total facilities available:		
Liquid facility and direct borrowings	7,900	9,600
	7,900	9,600
Facilities utilised at the end of the reporting period:		
Liquid facility and direct borrowings	7,942	9,591
	7,942	9,591
Total facilities not utilised at the end of the reporting period:		
Liquid facility and direct borrowings	(42)	9

At reporting date, the Authority has an approved financing facility from Western Australian Treasury Corporation (WATC) for 30 June 2022 of \$7.9 million (2021: \$9.6 million).

(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 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 September 2014 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 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 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) \$1.328m entered into in June 2015 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) \$0.800m entered into in June 2020 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%.

Note 16 - Interest Bearing Borrowings (Continued)

Interest Rate Risk Exposure

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%

2021	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)	1,649	1,734	1,823	1,557	731	2,097	9,591
	1,649	1,734	1,823	1,557	731	2,097	9,591

Weighted average interest rate:

Direct borrowings 4.99%

Note 17 - Provisions

	2022 \$'000	2021 \$'000
Current		
Annual leave (a)	825	805
Personal leave (b)	152	139
Time in lieu (c)	115	104
Long service leave (d)	813	680
Fringe benefits tax	17	6
	1,922	1,734
Non-current		
Long service leave (d)	69	72
	69	72

- (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	437	398
More than 12 months after the reporting date	388	407
	825	805

- 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	74	66
More than 12 months after the reporting date	78	74
	152	140

- (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	115	104
	115	104

- (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	312	230
More than 12 months after the reporting date	570	522
	882	752

Note 18 - Other Current Liabilities

	2022 \$'000	2021 \$'000
Prepaid lease and licence income	100	582
Total other liabilities	100	582

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.

	2022 \$'000	2021 \$'000
Contributed equity		
Balance at start of year	67,861	63,861
Equity contributions in the year (a)	15,470	4,000
Balance at end of year	83,331	67,861
Accumulated Losses		
Balance at start of year	(9,704)	(5,947)
Profit /(Loss) for the year	2,561	(3,757)
Balance at end of year	(7,143)	(9,704)

(a) Equity contributions include:

- State-owned assets transferred from WA Government to KPA as part of the Ports Amalgamation of the Ports of Wyndham, Derby, and Yampi Sound (2022: \$13.47m, 2021: nil),
- Contribution for financial support (2022: \$1.5m, 2021: \$4m)
- Contribution for minor works at the Ports of Wyndham, Derby, and Yampi Sound (2022: \$0.5m, 2021: nil)

Note 20 - Reconciliation of cash flows from operating activities

	2022 \$'000	2021 \$'000
Cash flows from operating activities		
Profit / (Loss) for the period	2,561	(3,757)
Adjustments for:		
Depreciation	4,006	3,629
Amortisation of intangible assets	221	154
(Gain) / loss on sale of property, plant and equipment	(14)	273
Operating profit before changes in working capital and provisions	6,774	299
Changes in assets and liabilities		
Change in trade and other receivables	245	(1,780)
Change in prepayments	22	(3)
Change in accrued income	(5)	5
Change in trade and other payables	30	931
Change in prepaid income	(483)	75
Change in provisions	185	(112)
Change in income tax	-	-
Net cash inflow / (outflow) from operating activities	6,768	(585)

State-owned assets, totalling \$13.47 million were transferred from WA Government to KPA as a distribution of equity resulting in a significant non cash transaction in the financial year ended 30 June 2022.

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	2022 \$'000		2021 \$'000	
		Carrying Amount	Fair Values	Carrying Amount	Fair Values
Cash & cash equivalents	11	12,173	12,173	6,241	6,241
Trade and other receivables	12	3,441	3,441	3,703	3,703
Lease Liabilities	13	(1,147)	(1,147)	(711)	(711)
Trade and other payables	15	(1,812)	(1,812)	(1,781)	(1,781)
Interest bearing borrowings	16	(7,942)	(8,161)	(9,591)	(10,745)
		4,713	4,494	(2,139)	(3,293)

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.

Note 21 - Financial instruments (Continued)

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).

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.

The Authority constantly analyses its interest rate exposure. Within this analysis consideration is given to potential renewals of existing positions and alternative financing structures.

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	+0.50% change		(0.50%) change	
	(\$'000)	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)
	Carrying Amount	+0.50% change		(0.50%) change	
	(\$'000)	Profit (\$'000)	Equity (\$'000)	Profit (\$'000)	Equity (\$'000)
2021					
Financial Assets					
Cash and cash equivalents	6,241	31	31	(31)	(31)
Total Increase / (Decrease)	6,241	31	31	(31)	(31)

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.

Note 21 - Financial instruments (Continued)

The weighted average interest rate for each category of financial instrument is as follows:

	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	4,713

	Weighted Average Interest Rate	Fixed Interest Rate \$'000	Floating Interest Rate \$'000	Non Interest Bearing \$'000	Total \$'000
2021					
Financial Assets & Liabilities					
Cash & cash equivalents	0.31%	-	6,241	-	6,241
Trade and other receivables	-	-	-	3,703	3,703
Lease Liabilities	-	-	-	(711)	(711)
Interest bearing borrowings	-	(9,591)	-	-	(9,591)
Trade and other payables	4.99%	-	-	(1,781)	(1,781)
Net Financial Assets (Liabilities)		(9,591)	6,241	1,211	(2,139)

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

[illegible]

Note 21 - Financial instruments (Continued)

	Carrying amount \$'000	6 months or less \$'000	6 - 12 months \$'000	1 - 2 years \$'000	2 - 5 years \$'000	more than 5 years \$'000
2021						
Financial assets						
Cash and cash equivalents	6,241	6,241	-	-	-	-
Trade and other receivables	3,703	3,703	-	-	-	-
	9,944	9,944	-	-	-	-
	Carrying amount \$'000	6 months or less \$'000	6 - 12 months \$'000	1 - 2 years \$'000	2 - 5 years \$'000	more than 5 years \$'000
Financial liabilities						
Trade payables and accruals	(1,781)	(1,781)	-	-	-	-
Borrowings	(9,591)	(1,040)	(1,040)	(2,079)	(5,271)	(1,678)
Lease Liabilities	(711)	(173)	(173)	(117)	(248)	-
	(12,083)	(2,994)	(1,213)	(2,196)	(5,519)	(1,678)
Net maturity	(2,139)	6,949	(1,213)	(2,196)	(5,519)	(1,678)

(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	2022 \$'000	2021 \$'000
Financial assets			
Cash and cash equivalents	11	12,173	6,241
Trade and other receivables	12	3,441	3,703
		15,614	9,944
Financial liabilities			
Lease Liabilities	13	(1,147)	(711)
Trade and other payables	15	(1,812)	(1,781)
Interest-bearing borrowings:			
Fixed rate borrowings	16	(7,942)	(9,591)
		(10,901)	(12,083)

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

	2022 \$'000	2021 \$'000
	-	-
Dividends paid in the financial year	-	-

In accordance with Government Financial Policy, WA Ports are required to pay dividends of 75% (2021: 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 2021 and 30 June 2022 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 2022 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:

	2022 \$'000	2021 \$'000
Within 1 year	801	-
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
	801	-

(ii) Non-cancellable operating lease commitments

	2022 \$'000	2021 \$'000
Commitments for minimum lease payments are payable as follows:		
Within 1 year	478	364
Later than 1 year and not later than 5 years	-	72
Later than 5 years	-	-
	478	436

(iii) Other expenditure commitments

	2022 \$'000	2021 \$'000
Remote Area Housing Tenancy Commitments	14	242
	14	242

(iv) Operating leases receivable

	2022 \$'000	2021 \$'000
Future minimum rentals receivable for operating leases at reporting date:		
Within 1 year	2,407	1,989
Later than 1 year and not later than 5 years	7,955	6,247
Later than 5 years	8,475	8,781
	18,837	17,017

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

	2022 \$'000	2021 \$'000
Remote Area Housing Tenancy Receivables	14	100
	14	100

Note 24 - Remuneration of auditor

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

	2022 \$'000	2021 \$'000
Auditing the accounts and financial statements	45	47
	45	47

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.

Parent entity

Kimberley Ports Authority is the parent entity

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

	2022 \$'000	2021 \$'000
Short-term employee benefits	1,945	1,960
Post-employment benefits	208	211
Other long-term benefits	43	42
Termination benefits	44	173
Total compensation of Senior Officers	2,240	2,386

Transactions with related parties

The following transactions occurred with related parties:

- KPA has two leases in operation with the Department of Fisheries for land known as Lot 505-512 & Pump Station for annual lease revenue of \$41,892 (2021: \$39,627).

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

Note 25 - Related party transactions (Continued)

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

There were no outstanding balances at the reporting date in relation to transactions with related parties.

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.

Directors' Declaration

In the opinion of the directors of Kimberley Ports Authority:

- a. The financial statements and notes for the period ending 30 June 2022 comply with Australian Accounting Standards, *Port Authorities Act 1999* and the *Corporations Regulations 2001*; and
- b. Give a true and fair view of the financial position of the Kimberley Ports Authority as at 30 June 2022 and of its performance, as represented by the results of its operations and its cash flows for the financial year ended on that date; and
- c. There are reasonable grounds to believe that the Kimberley Ports Authority will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the directors on x September 2022.



Reece Waldock, AM
Chairman

15 September 2022



Jodie Ransom
Deputy Chair

15 September 2022

Independent Auditor's Report



Auditor General

INDEPENDENT AUDITOR'S REPORT 2022 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 2022, 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 (Schedule 5 of the *Port Authorities Act 1999*, and:

- gives a true and fair view of the Authority's financial position at 30 June 2022 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.

Responsibilities of the directors for the financial report

The directors of the Authority are responsible for:

- keeping proper records
- preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, and Schedule 5 of the *Port Authorities Act 1999*
- such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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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 statements. 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.aasb.gov.au/auditors_responsibilities/ar4.pdf.

My independence and quality control 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 ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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 2022, 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.

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.

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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 2022 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.



Grant Robinson
Assistant Auditor General Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
16 September 2022

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**KIMBERLEY
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AUTHORITY

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