



Ports North

# STATEMENT OF CORPORATE INTENT 2013 / 2014

Issued 23 April 2013

**FAR NORTH QUEENSLAND PORTS CORPORATION LIMITED  
(TRADING AS PORTS NORTH)**

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# 1. SCOPE / POLICY POSITION

## INTRODUCTION

This Statement of Corporate Intent (SCI) for Far North Queensland Ports Corporation Limited, trading as Ports North for the financial year ending 30 June 2014, has been prepared in accordance with the *Government Owned Corporations Act 1993* (GOC Act) This SCI is to be read in conjunction with the Ports North's 2013-18 Corporate Plan.

### 1.1 MAIN UNDERTAKINGS

Ports North's core business is the following:

- Manage the Port infrastructure and operations at the trading Ports of Cairns, Cape Flattery, Karumba, Mourilyan, Skardon River and Community Ports of Quintell Beach and Thursday Island and non-trading Ports of Cooktown and Burketown and the Cityport precinct;
- Manage operations and develop opportunities for general cargo and other bulk products;
- Develop, manage and lease Strategic Port Land; and
- Manage services and functions that support the core business.

### 1.2 CORPORATE AND OPERATIONAL PERFORMANCE OUTCOMES

Ports North key corporate objectives for 2013/14 are:

**Objective 1** - Identify and develop new trade and business opportunities and grow existing business that results in increased profitability/sustainability without compromising current operations

Strategy	KPI	KPI Measure	Target
Strategy 1 Grow existing trade and develop new trade and business	New trade and commercial opportunities	New trade or commercial opportunity established	1
	Work with Advance Cairns and Tradelinked to promote Cairns as a base for PNG supply	Promotion of Cairns to potential customers	3
	Marina occupancies target achieved	Occupancy percentage	70%
	Target additional cruise shipping visits and home porting opportunities	Number of cruise ships Successful CDU Conference in Cairns  Work with Coordinator General in delivery of Cairns Shipping Development Project	21 ships September 2013 – Well attended with positive feedback EIS on program
	Support the regional economy by facilitating growth in trade and business opportunities in the region	Work with proponents and regional economic agencies to facilitate growth	Ongoing
	Support the regional economy by supporting the tourism industry and provision of facilities	Work with cruise, reef companies and the regional tourism body to facilitate tourism growth through the Port of Cairns	Ongoing

**Objective 2 - Manage and develop Port property to provide long term financial return to the company while contributing to sustainable regional development**

Strategy	KPI	KPI Measure	Target
Strategy 2 Develop property plans and delivery strategy to maximise property value and effectively manage property portfolio	Cairns Tingira Street land development	New lease established	1
	Property market conditions reviewed annually to identify market timing	Market review completed	Annually
	Liberty Street land released to market	Liberty Street land EOJ	November 2013
	Statutory review of Regional Ports Land Use Plans	Mourilyan public consultation commenced	June 2014
		Karumba public consultation commenced	June 2014
		Thursday Island public consultation commenced	June 2014
	If the Cairns Performing Arts Centre is located on Strategic Port Land ensure that the solution is compatible with Cityport whilst protecting port operations	Cairns Performing Arts Centre solution to be agreed with Council and Government and is compatible with Cityport whilst protecting Port operations  Ensure Government is informed of Cairns Regional Council's project milestones  Ensure commercial outcomes of land dealings on Precinct 2	Achieved  Ongoing  Commercial outcomes achieved
Cityport Masterplan review completed and presented to Government following the finalisation of the Cairns Performing Arts Centre outcome	Plan reviewed and endorsement sought from Cairns Regional Council	Within nine months of finalisation of Cairns Performing Arts Centre solution	
No material adverse audit reports on property matters without appropriate Management response	Number of reports	Nil	

**Objective 3 - Plan, develop and manage Port infrastructure and assets to improve Port efficiency and meet the needs of our customers on a sustainable basis that considers financial, environment and social impacts**

Strategy	KPI	KPI Measure	Target
Strategy 3 Maintain and operate port infrastructure considering safety, environment, efficiency and cost effectiveness	Assets maintained in accordance with Maintenance Strategy	Maintenance regimes in place	Ongoing
	Safety incidences on port facilities	Number of incidences	No injury to members of the public due to Ports North's facilities or activities
	Work with TMR on ownership and management of Community Ports	Ownership and management determined	December 2013
	Improved operational cost efficiencies	Delivery of service at reduced operational expense	Achieve budget
Strategy 4 Identify and implement initiatives that promote excellence within environmental management	Minimise environmental impacts through effective environmental management of port operations	Environmental Management System in place and updated	Ongoing
		Environmental incidences	No environmental incidences related to Ports North's activities
	Karumba Lead Contamination Strategy implemented	Strategy implemented	Ongoing
Strategy 5 Identify and develop strategic plans and deliver infrastructure projects for future port developments to meet trade growth in a sustainable manner	Port development plans updated for Cairns and Mourilyan	Plans updated reflecting the Great Barrier Reef Ports Strategy and Queensland Ports Strategy and ready for public consultation	June 2014
	Progress the implementation of the Cairns Shipping Development Project	Progress of the EIS for State and Federal Government approvals	On budget and program
	Capital projects delivered on time and within budget	On time and within budget	The time and budget to be in accordance with SCI and as approved by shareholding Ministers

<b>Objective 4 - Maintain a positive, productive and supportive relationship with employees, stakeholders and community</b>			
<b>Strategy</b>	<b>KPI</b>	<b>KPI Measure</b>	<b>Target</b>
<i>Strategy 6</i> Engage and support stakeholders and communities in which the ports operate	Customer engagement Strategy implemented	Strategy implemented	Ongoing
	Community information needs are met through provision of high quality website	High quality website in place with feedback opportunities	Ongoing
	Plans, developments and initiatives are effectively communicated to the community	Regular events and news items are published	Quarterly
	Active engagement of customers, regional development bodies and potential mining companies	Engagement undertaken	Two major engagements with key industry stakeholders in significant ports
	Be proactively involved in regional economic forums and Boards	Effective participation in economic forums and Boards	Represented on all key regional economic forums and Boards
<i>Strategy 7</i> Attract, develop and retain motivated employees	Percent of positions advertised and filled	Percentage	100%
	Employee turnover	Percentage	<15%
	Implementation of Performance and Development Review System	Staff participation in annual reviews	100% staff participation
	Training plans developed for all staff	Percentage training delivered	>80% planned training achieved
	A safe working environment	Level of Lost Time Injuries	Zero Lost Time Injuries
	Implementation of the Safety Management System	Extent of safety policy breaches	Progress is maintained with zero breaches of safety policy
<b>Objective 5 – Maintain an excellence in Corporate Governance with appropriate finance, risk, and corporate governance systems and culture</b>			
<b>Strategy</b>	<b>KPI</b>	<b>KPI Measure</b>	<b>Target</b>
<i>Strategy 8</i> Establish best practice Corporate Governance system including robust risk, business and financial management and reporting systems	Robust Corporate Governance arrangements are in place	No material adverse audit reports without appropriate Management response	Ongoing
	Finance reporting processes developed and implemented	Reporting processes in place	Ongoing
	Comply with Quarterly Report requirements, including key performance indicators	Quarterly Reports issued complete and on time	Quarterly
	Port Pricing Strategy in place	Port Pricing Strategy developed and an implementation program agreed	January 2014
	Risk Management System in place with regular review	Risk Management outcomes to be in accordance with requirements of the Audit and Risk Committee and Board	No material adverse audit reports without appropriate management response
	Effective emergency management plans with regular exercise program	Exercise program implemented and undertaken	Annual exercise
	Effective security plans with audits and exercise program	Exercise and audit program implemented	No adverse findings without appropriate Management response

## PERFORMANCE DRIVERS

The key business drivers and issues that have the potential to impact on performance of the Corporation include:

- The key strategic risks as identified in the Corporate Plan.
- The strength of the Cairns regional economy and tourism market which has a flow on effect on the business performance of the Marina, Reef Fleet, property and petroleum imports. Any further deterioration of the property market has the potential to impact rentals and future property developments.
- The extent that Cairns businesses can secure export opportunities in PNG and Gulf mine developments will influence cargo volumes.
- The commodity prices of sugar, timber and magnetite which will drive cargo volumes.
- The Community, business and regulatory agencies support for Port cruise expansion project
- Obtaining environmental approvals and managing EIS and offset costs for the Cairns Shipping Development project
- Delivering on efficiencies through reduction of operational expenses against previous forecasts.

## 2. MANDATORY MATTERS

In accordance with section 119(3) of the GOC Act, the Board of Ports North undertakes that the financial and non-financial targets in sections 2.1 and 2.2 and the financial statements in section 3.1 will form the basis for assessment of quarterly outcomes as reported to shareholding Ministers. Definitions for the financial and non-financial SCI targets are provided in Attachment 1 and are consistent with the Key Performance Indicator (KPI) definitions included in the Corporate Plan and quarterly reporting templates submitted by Ports North to shareholding Ministers.

### 2.1 FINANCIAL KEY PERFORMANCE INDICATORS (KPI'S)

In accordance with the above corporate and operational objectives, the Board of Ports North undertakes to achieve at least the following performance targets in 2013/14:

FY2014 Budget Quarter				Financial KPIs	FY2012 Actual	FY2013 Forecast	FY2013 Est. Act	FY2014 Forecast
Sep \$'000	Dec \$'000	Mar \$'000	Jun \$'000					
696	3,570	2,198	2,946	Earnings Before Interest and Tax (\$'000)	(9,650)	9,108	10,179	9,410
1,798	4,675	3,306	4,053	EBITDA (\$'000)	12,146	14,189	15,260	13,832
460	1,977	1,511	2,036	Net Profit After Tax (\$'000)	(17,676)	6,268	6,685	5,984
(3,952)	(1,438)	(2,413)	(1,908)	Economic Profit (\$'000)	(27,684)	(11,366)	(10,600)	(9,167)
0.22%	1.17%	0.72%	0.96%	Return on Assets	(3.16)%	2.84%	3.17%	3.08%
0.23%	1.23%	0.75%	1.01%	Return on Operating Assets	(3.32)%	2.98%	3.32%	3.22%
0.00%	0.00%	0.00%	0.00%	Debt to Debt + Equity	0.00%	0.00%	0.00%	0.00%
0.18%	0.82%	0.63%	0.84%	Return on Equity	(6.98)%	2.43%	2.59%	2.48%
0%	0%	0%	0%	Interest Cover	0%	0%	0%	0%
3.65	2.26	2.18	2.19	Current Ratio	3.51	3.44	3.41	2.19
1,144	1,325	1,922	2,040	Capital Expenditure (\$'000)	13,260	14,857	12,300	6,431
100%	100%	100%	100%	Planned Maintenance Performed (%)	92%	100%	100%	100%

FY2012 Earnings Before Interest and Tax (EBIT) of \$(9,650K) was adversely affected by one off charges totalling \$17.87M. These charges arose from the revaluation of assets at 30 June 2012 and the impairment of work in progress on the Foreshore Development Project. These one off charges include a \$5.04M write down of Investment Property, an \$8.72M write down of existing Property, Plant and Equipment and \$4.10M other impairment. Estimated actual Net Profit After Tax for FY2012 was reduced due to Capital Gains Tax of \$9M that arose as a result of the signing of the lease on the land associated with the proposed Cairns Entertainment Precinct. FY2012 ratios are also affected by these issues.

EBIT for FY2013 and FY2014 is not affected by any large one off charges. EBIT reduction in FY2014 is driven by reduced interest revenue due to \$31M equity withdrawal. EBIT in FY2013 and FY2014 includes funding to cover the income tax payable on grant income relating to the Cairns Shipping Development Project EIS.

### 2.2 NON-FINANCIAL KPI'S

In accordance with the above Corporate and Operational Objectives, the Board of Ports North undertakes to achieve the following non-financial performance targets in 2013/14:

FY2014 Budget Quarter				Non Financial KPIs	FY2012 Actual	FY2013 Forecast	FY2013 Est. Act	FY2014 Forecast
Sep	Dec	Mar	Jun					
1,247,466	1,208,857	1,048,026	1,047,257	<b>Operational</b>				
504	560	481	483	Trade ( tonnes)	4,344,152	4,754,338	4,614,338	4,551,606
73%	73%	67%	68%	No. of Vessels to Port	2,464	2,162	2,156	2,028
				Marina Berth Occupancy (%)	75%	68%	68%	70%
0	0	0	0	<b>Reputation</b>				
0	0	0	0	No. of Environmental - reportable breaches	0	0	0	0
0	0	0	0	No. of Security issues reported	5	0	1	0
0	0	0	0	Lost Time Injury Frequency Rate (LTIFR)	9.63	0	0	0
0	0	0	0	Lost Time Injury Duration Rate (LTIDR)	9	0	0	0
15%	15%	15%	15%	Staff Turnover (annualised %)	15%	10%	19%	15%
54	54	54	54	No. of Net FTE Staff numbers	60	57	54	54
<10	<10	<10	<10	No. of Community Complaints	10	<10	18	<10
100%	100%	100%	100%	Compliance with Reporting Requirements (%)	100%	100%	100%	100%

## 2.3 ASSUMPTIONS

Ports North's undertaking to achieve its performance outcomes is predicated upon the following assumptions:

Assumptions	FY2012 Actual	FY2013 Forecast	FY2013 Est. Act	FY2014 Forecast
<b>Economic Indices</b>				
CPI	3.0%	3.0%	3.0%	2.2%
Wages Growth	4.0%	4.0%	4.0%	4.0%
Interest Rates	n/a	n/a	n/a	n/a
<b>Revenue (\$'000)</b>	37,571	37,852	38,583	37,280
<b>Operating Expenses (\$'000)</b>	47,221	28,744	28,404	27,870
<b>Cairns Activity</b>				
Sugar ( Tonnes)	157,239	216,999	216,999	218,658
Molasses ( Tonnes)	36,410	40,000	40,000	49,722
Petroleum ( Tonnes)	544,748	535,134	535,134	574,209
LPG ( Tonnes)	15,021	16,283	16,283	16,250
Fertiliser ( Tonnes)	46,839	40,775	40,775	41,816
General Cargo ( Tonnes)	229,395	190,324	190,324	197,795
Total Cargo Throughput ( Tonnes)	1,029,652	1,039,515	1,039,515	1,098,450
Marlin Marina Passengers (#)	665,503	655,950	655,950	759,345
Marina Average Occupancy (%)	75%	68%	68%	70%
<b>Regional Ports</b>				
<b>Karumba Activity</b>				
Livestock ( Tonnes)	5,261	5,886	5,886	5,234
General Cargo ( Tonnes)	9,559	5,100	5,100	8,352
Zinc and Lead ( Tonnes)	964,731	1,067,355	1,067,355	965,302
<b>Thursday Island Activity</b>				
General Cargo ( Tonnes)	102,449	83,450	83,450	83,268
<b>Mourilyan Activity</b>				
Sugar ( Tonnes)	322,425	480,000	480,000	480,000
Molasses ( Tonnes)	79,657	58,000	58,000	51,000
Livestock ( Tonnes)	-	-	-	-
Woodchip/Timber (Tonnes)	51,133	200,000	60,000	60,000
<b>Cape Flattery Activity</b>				
Silica Sand ( Tonnes)	1,777,000	1,815,032	1,815,032	1,800,000
<b>Quintell Beach Activity</b>				
General Cargo ( Tonnes)	2,285	-	-	-
Total Cargo Throughput ( Tonnes)	3,314,500	3,714,823	3,574,823	3,453,156
<b>Total Cargo Throughput ( Tonnes)- All Ports</b>	<b>4,344,152</b>	<b>4,754,338</b>	<b>4,614,338</b>	<b>4,551,606</b>

Note: Marina occupancy reflects predominately the increased marina capacity and a reduction in demand.

## 2.4 COMMUNITY SERVICE OBLIGATIONS (CSO)

No CSOs have been identified for Ports North in 2013/14.

## 2.5 EMPLOYMENT AND INDUSTRIAL RELATIONS (E&IR) PLAN

An E&IR Plan meeting the requirements of Section 149 of the GOC Act is provided to shareholding Ministers as Attachment 2 to this SCI.

## 3. ADDITIONAL MATTERS

### 3.1 FINANCIALS

#### 3.1.1 Group

#### STATEMENT OF COMPREHENSIVE INCOME (CONSOLIDATED)

FY2014 Budget Quarter					FY2012	FY2013	FY2013	FY2014
Sep	Dec	Mar	Jun		Actual	Budget	Est. Act.	Forecast
\$'000	\$'000	\$'000	\$'000		\$'000	\$'000	\$'000	\$'000
				<b>Operational Revenue</b>				
1,808	1,909	1,669	1,727	Regional	6,773	7,174	6,905	7,112
2,932	2,763	2,625	2,465	Cairns Port	9,590	10,000	10,013	10,786
4,740	4,672	4,294	4,192		16,363	17,174	16,918	17,898
				<b>Commercial Revenue</b>				
148	148	148	148	Regional	553	595	595	592
2,323	2,302	2,352	2,411	Cairns Port	8,835	9,199	8,974	9,388
2,471	2,450	2,500	2,559		9,388	9,794	9,569	9,980
				<b>Recoverables / Other <sup>(1)</sup></b>				
100	100	66	607	Regional	3,074	2,729	2,826	873
1,544	2,371	1,362	2,292	Cairns Port	7,292	6,988	8,056	7,569
242	248	229	241	Corporate	1,454	1,167	1,214	960
1,886	2,719	1,657	3,140		11,820	10,884	12,096	9,402
<b>9,097</b>	<b>9,841</b>	<b>8,451</b>	<b>9,891</b>	<b>Total Revenue</b>	<b>37,571</b>	<b>37,852</b>	<b>38,583</b>	<b>37,280</b>
1,545	1,727	1,518	1,573	Labour	6,281	5,936	5,969	6,362
745	745	745	745	Energy & Land Rates	2,784	2,968	2,928	2,980
34	35	51	49	Marketing & Business Development	273	161	177	169
-	-	-	-	Rebates <sup>(4)</sup>	133	-	-	-
3,113	808	957	1,061	Maintenance, Stores & Materials	5,838	5,475	5,483	5,939
840	896	875	944	Administration & Consultants	3,751	3,146	3,020	3,554
1,102	1,105	1,108	1,107	Depreciation <sup>(5)</sup>	3,926	4,826	4,826	4,422
-	-	-	-	Impairment <sup>(2)</sup>	4,104	255	255	-
-	-	-	-	Write down of PPE	8,724	-	-	-
-	-	-	-	Write down of Investment Property	5,042	-	-	-
1,023	955	1,000	1,466	Recoverables / Other Expenses <sup>(3)</sup>	6,365	5,977	5,747	4,444
<b>8,401</b>	<b>6,271</b>	<b>6,253</b>	<b>6,945</b>	<b>Total Expenses</b>	<b>47,221</b>	<b>28,744</b>	<b>28,404</b>	<b>27,870</b>
<b>696</b>	<b>3,570</b>	<b>2,198</b>	<b>2,946</b>	<b>Earnings Before Interest &amp; Tax</b>	<b>(9,650)</b>	<b>9,108</b>	<b>10,179</b>	<b>9,410</b>
-	-	-	-	Interest	-	-	-	-
<b>696</b>	<b>3,570</b>	<b>2,198</b>	<b>2,946</b>	<b>Net Profit Before Tax</b>	<b>(9,650)</b>	<b>9,108</b>	<b>10,179</b>	<b>9,410</b>
236	1,593	687	910	Income Tax	8,026	2,840	3,494	3,426
<b>460</b>	<b>1,977</b>	<b>1,511</b>	<b>2,036</b>	<b>Net Profit after Tax</b>	<b>(17,676)</b>	<b>6,268</b>	<b>6,685</b>	<b>5,984</b>

(1) Recoverables and Other revenue include electricity revenue, security charges, pilot transfers, dredging recoverable, grants and other income. Reduction in FY2014 is in relation to reduced recoverable dredging in Karumba and reduced interest revenue.

(2) FY2012 includes \$5.04M writedown of Investment Property and \$8.72M writedown of Property, Plant and Equipment resulting from revaluation as well as \$4.10M impairment.

(3) Recoverables and Other Expenses include electricity cost of sales, dredging recoverable and other expenses. Reduction in FY2014 is in relation to reduced recoverable dredging in Karumba.

(4) Rebates are now offset against the relevant income category

(5) Increased depreciation as a result of revaluation in FY2012.



## STATEMENT OF FINANCIAL POSITION (CONSOLIDATED)

FY2014 Budget YTD					FY2012	FY2013	FY2013	FY2014
Sep	Dec	Mar	Jun		Actual	Budget	Est. Act.	Forecast
\$'000	\$'000	\$'000	\$'000		\$'000	\$'000	\$'000	\$'000
				<b>Current Assets</b>				
58,271	25,440	27,422	28,434	Cash assets <sup>(1)</sup>	64,929	55,932	59,829	28,434
7,276	7,057	7,146	7,069	Receivables	7,033	7,273	7,376	7,069
32	32	32	32	Inventories	32	32	32	32
1,584	1,137	781	301	Other Current Assets	258	305	305	301
67,163	33,666	35,381	35,836		72,252	63,542	67,542	35,836
				<b>Non-Current Assets</b>				
104,526	103,786	103,090	102,072	Property, Plant & Equipment <sup>(4)</sup>	109,646	105,946	105,946	102,072
148,016	148,301	149,136	151,461	Investment Property <sup>(4)</sup>	138,341	150,318	147,761	151,461
-	-	-	-	Receivables	-	-	-	-
664	672	680	705	Deferred Tax Assets <sup>(3)</sup>	658	680	691	705
-	-	-	-	Other Assets	-	-	-	-
253,206	252,759	252,906	254,238		248,645	256,944	254,398	254,238
<b>320,369</b>	<b>286,425</b>	<b>288,287</b>	<b>290,074</b>	<b>Total Assets</b>	<b>320,897</b>	<b>320,486</b>	<b>321,940</b>	<b>290,074</b>
				<b>Current Liabilities</b>				
5,797	7,024	7,257	6,621	Payables	5,671	7,068	7,034	6,621
-	-	-	-	Current Interest Bearing Liabilities	-	-	-	-
2,398	1,261	1,434	1,448	Current Tax Liabilities <sup>(5)</sup>	10,074	1,729	2,800	1,448
8,512	4,921	5,997	6,716	Current Provisions <sup>(2)</sup>	3,144	7,950	8,283	6,716
1,683	1,665	1,570	1,552	Other Current Liabilities	1,678	1,700	1,700	1,552
18,390	14,871	16,258	16,337		20,567	18,447	19,817	16,337
				<b>Non-Current Liabilities</b>				
-	-	-	-	Non-Current Interest Bearing Liabilities	-	-	-	-
24,544	24,571	24,600	24,926	Deferred Tax Liabilities <sup>(3)</sup>	24,287	24,479	24,479	24,926
196	196	196	215	Non-Current Provisions	249	196	196	215
24,740	24,767	24,796	25,141		24,536	24,675	24,675	25,141
<b>43,130</b>	<b>39,638</b>	<b>41,054</b>	<b>41,478</b>	<b>Total Liabilities</b>	<b>45,103</b>	<b>43,122</b>	<b>44,492</b>	<b>41,478</b>
<b>277,239</b>	<b>246,787</b>	<b>247,233</b>	<b>248,596</b>	<b>Net Assets</b>	<b>275,794</b>	<b>277,364</b>	<b>277,448</b>	<b>248,596</b>
				<b>Equity</b>				
216,073	185,073	185,073	185,073	Contributed Equity	216,073	216,073	216,073	185,073
41,204	41,204	41,204	41,204	Reserves	41,654	41,654	41,654	41,204
19,721	19,721	19,721	19,721	Opening Retained Profits	35,746	18,067	18,067	19,721
241	789	1,235	2,598	Current Year Result	(17,679)	1,570	1,654	2,598
<b>277,239</b>	<b>246,787</b>	<b>247,233</b>	<b>248,596</b>	<b>Shareholder's Equity</b>	<b>275,794</b>	<b>277,364</b>	<b>277,448</b>	<b>248,596</b>

(1) Reduction is due to a combination of major capital works and capital gains tax payment associated with the proposed Cairns Entertainment Precinct

(2) Provisions were lower in FY2012 due to no dividend being anticipated and hence no dividend provision being created

(3) In the FY2012 Annual Report Deferred Tax Assets of \$0.658M have been offset against Deferred Tax Liabilities of \$24.945M giving final balance of \$24.287M

(4) Revaluation in FY2012 together with major capital works program

(5) Reduction is due to capital gains tax payment associated with the proposed Cairns Entertainment Precinct in FY2012

## STATEMENT OF CASH FLOWS (CONSOLIDATED)

FY2014 Budget YTD					FY2012	FY2013	FY2013	FY2014
Sep	Dec	Mar	Jun		Actual	Budget	Estd Act	Forecast
\$'000	\$'000	\$'000	\$'000		\$'000	\$'000	\$'000	\$'000
				<b>Cash Flows From Operating Activities</b>				
8,630	8,865	8,132	8,654	Receipts From Customers	33,647	35,589	34,899	34,280
(9,148)	(4,527)	(3,347)	(5,766)	Payments to Suppliers and Employees	(24,560)	(23,476)	(23,261)	(22,788)
514	248	229	240	Interest Received	2,980	2,103	2,455	1,232
-	-	-	-	Dividends Received	-	-	-	-
-	-	-	-	Interest and Other Finance Costs Paid	-	-	-	-
-	-	-	-	Grants Received	-	-	-	-
690	649	410	635	GST Received From ATO	2,689	3,008	2,753	2,384
(1,030)	(1,144)	(810)	(873)	GST Paid to ATO	(3,544)	(3,593)	(3,700)	(3,856)
844	1,125	822	865	GST Received From Customers	3,471	3,768	3,841	3,655
(664)	(428)	(504)	(578)	GST Paid to Suppliers	(2,886)	(3,048)	(2,773)	(2,174)
<b>(164)</b>	<b>4,788</b>	<b>4,932</b>	<b>3,177</b>	<b>Net Cash Flows From Operating Activities</b>	<b>11,797</b>	<b>14,351</b>	<b>14,215</b>	<b>12,733</b>
				<b>Cash Flows From Investing Activities</b>				
-	-	-	-	Proceeds From Sale of Shares	-	-	-	-
-	-	-	-	Proceeds From Sale of PPE and Investment Property <sup>(1)</sup>	38	-	-	-
(400)	(1,235)	(2,457)	(1,568)	Payments for PPE and Investment Property	(12,577)	(14,833)	(12,276)	(5,660)
<b>(400)</b>	<b>(1,235)</b>	<b>(2,457)</b>	<b>(1,568)</b>	<b>Net Cash Flows From Investing Activities</b>	<b>(12,539)</b>	<b>(14,833)</b>	<b>(12,276)</b>	<b>(5,660)</b>
				<b>Cash Flows From Financing Activities</b>				
-	-	-	-	Repayment of Borrowings	-	-	-	-
-	-	-	-	Proceeds from Borrowings	-	-	-	-
-	-	-	-	<b>Net Cash Flows From Financing Activities</b>	-	-	-	-
				<b>Cash Flows From Government</b>				
-	-	-	-	Proceeds From Share Issue <sup>(2)</sup>	9,000	-	-	-
-	(31,000)	-	-	Share Buyback	-	-	-	(31,000)
-	2,357	-	-	Government Grant - EIS	-	2,500	3,571	2,357
-	(5,030)	-	-	Dividend Paid	-	-	-	(5,030)
(994)	(2,711)	(493)	(597)	Income Tax (Equivalent) Paid <sup>(3)</sup>	(1,621)	(11,015)	(10,610)	(4,795)
<b>(994)</b>	<b>(36,384)</b>	<b>(493)</b>	<b>(597)</b>	<b>Net Cash Flows From Government</b>	<b>7,379</b>	<b>(8,515)</b>	<b>(7,039)</b>	<b>(38,468)</b>
<b>(1,558)</b>	<b>(32,831)</b>	<b>1,982</b>	<b>1,012</b>	<b>Net Increase/(Decrease) in Cash Held</b>	<b>6,637</b>	<b>(8,997)</b>	<b>(5,100)</b>	<b>(31,395)</b>
59,829	58,271	25,440	27,422	Cash at the Beginning of the Year	58,292	64,929	64,929	59,829
<b>58,271</b>	<b>25,440</b>	<b>27,422</b>	<b>28,434</b>	<b>Cash at the End of the Year</b>	<b>64,929</b>	<b>55,932</b>	<b>59,829</b>	<b>28,434</b>

(1) FY2012 includes sale of motor vehicles and minor computer equipment.

(2) FY2012 includes equity injection of \$9M for income tax owing on Cultural Precinct Lease.

(3) FY2012 represents tax paid for the year. FY 2013 includes payment of \$8.6m tax in respect of gain on the proposed Cairns Entertainment Precinct Lease.

Equity Injections/Withdrawals	FY2012 Actual \$'000	FY2013 Budget \$'000	FY2013 Est. Act. \$'000	FY2014 Forecast \$'000
Equity Injections	-	-	-	-
Equity withdrawals	-	-	-	(31,000)
<b>Net Equity</b>	-	-	-	<b>(31,000)</b>

Dividends, Tax Equivalent Payments (TEPs) and Community Service Obligation (CSOs)	FY2012 Actual \$'000	FY2013 Budget \$'000	FY2013 Est. Act. \$'000	FY2014 Forecast \$'000
Dividends provided <sup>(1)</sup>	-	-	5,030	3,386
Income Tax Expense/(Benefit)	8,026	2,840	3,494	3,426
CSO Receipts	-	-	-	-

(1) Dividends provided are calculated in accordance with the Ports North Dividend Policy - refer Section 3.6

### 3.2 MAJOR UNDERTAKINGS AND BUSINESS

There are no plans for significant disposals or acquisitions of assets during 2013/14.

### 3.3 CAPITAL EXPENDITURE PROGRAM

Asset	Budgeted Total Cost \$'000	FY2013 Est. Act \$'000	2014 Forecast \$'000	Expected Completion Date
<b>Assets Under Construction</b>				
<b><i>Shareholding Minister approved</i></b>				
C5 - Foreshore Development	22,374	8,500	1,000	FY2015
C14 - Cityport Commercial allowance	3,870	100	200	FY2020
<b>subtotal</b>	<b>26,244</b>	<b>8,600</b>	<b>1,200</b>	
<b>Capital Expenditure planned to commence in FY2014</b>				
<b><i>Capital expenditure yet to be approved</i></b>				
S3 - Tingira Street Development	31,048	na	880	FY2021
SP3 - Tingira street Warehouse	2,370		120	FY2015
S7 - General Cargo Consolidation	12,550		100	FY2017
C6 - Site Decontamination	1,700		500	FY2017
S12/M2 - Lease Acquisitions	500		250	FY2014
SM1 - Cairns Shipping Development Project EIS Approvals	4,750	na	2,650	FY2015
T5/T6 - Horn Island Cargo Wharf & Access Road	1,950		250	FY2017
Minor Capital Works	481		481	FY2014
<b>subtotal</b>	<b>55,349</b>		<b>5,231</b>	
<b>TOTAL</b>	<b>81,593</b>	<b>8,600</b>	<b>6,431</b>	

### 3.4 MAJOR INITIATIVES BEING UNDERTAKEN BY PORTS NORTH

A summary of the Major Initiatives are:

- Finalisation of the Cityport Masterplan Review subject to the Cairns Performing Arts Centre finalisation.
- Work closely with the Department of State Development, Infrastructure and Planning and the Coordinator General in the delivery of the Cairns Shipping Development Project's EIS.
- Seeking to establish shipping links to PNG and expanded trade opportunities out of Cairns and Mourilyan. Examine infrastructure requirements to meet additional trade needs.
- Explore long term options for the viability of the Port of Karumba considering the potential closure of the MMG Century export facility.
- Complete the Cairns and Mourilyan Masterplans.
- Deliver on real and measurable savings and improvements in Port efficiencies as part of the back to basics approach to the business performance.

### 3.5 SPONSORSHIP, ADVERTISING, CORPORATE ENTERTAINMENT, DONATIONS AND OTHER ARRANGEMENTS

Consistent with Government issued *Corporate Entertainment and Hospitality Guidelines 2008* and Ports North's Corporate Entertainment and Hospitality Policy, Ports North has budgeted the following total amounts for Sponsorship, Advertising, Corporate Entertainment, Donations and Other Arrangements for 2013/14. Full details of the budgeted expenditure are provided in Attachment 3 to the SCI.

#### Total for ALL Expenditure Items (over and under \$5,000)

Activity	2012/13 Budget \$'000	2012/13 Est Actuals \$'000	2013/14 Budget \$'000
Sponsorship	49.1	49.1	44.3
Advertising	14.0	14.0	5.4
Corporate Entertainment	15.5	15.5	16.5
Donations	0.0	0.0	0.0
Strategic Community and Stakeholder Engagement Activities	81.5	81.5	90.5
<b>Total</b>	<b>160.1</b>	<b>160.1</b>	<b>156.7</b>

### 3.6 OTHER

#### 3.6.1 Prudential Financial Information

The Board will ensure Ports North takes full responsibility to ensure that prudent financial practices will be applied both within the corporation and within its subsidiaries (whether fully controlled or otherwise). Without limiting the obligations imposed on the Board and the CEO by the GOC Act and, where applicable, the *Corporations Act 2001* (Cth), this includes a commitment to:

- abide by the *Code of Practice for Government Owned Corporations' Financial Arrangements* (Code of Practice), as issued by the Queensland Government; and
- establish, maintain and implement appropriate financial risk management practices and policies required and as specified in the Code of Practice.

#### 3.6.2 Dividend Policy and Payment

Ports North's policy is to recommend and pay a dividend amount equivalent to 80% (or the percentage approved by shareholding Ministers, if different) of Ports North's adjusted consolidated profit for 2013/14. The adjusted profit is defined as the total of the income less expenses (including income tax equivalent expense), excluding the components of other comprehensive income, adjusted for material non-cash items including any associated tax credit or expense and excluding the profits from Community Ports.

	Plan FY2014 \$'000
Net Profit after Tax	5,984
Less: Increase in the Value of Investment Property	(1,000)
Less: Community Ports Net Profit after Tax	(751)
Adjusted Net Profit for Dividend Calculations	<u>4,233</u>
Dividend Payable at 80%	<u><u>3,386</u></u>

### 3.6.3 Government Policies

Ports North will comply with all the relevant Government Policies relating to the operations of its Ports.

# Performance Agreement

## DIRECTORS' STATEMENT AND AGREEMENT OF SHAREHOLDING MINISTERS

This SCI and all attachments, for the financial year 2013/14, are presented in accordance with Chapter 3, Part 8 of the *Government Owned Corporations Act 1993* (GOC Act).

In accordance with Chapter 1, Part 3, Section 7 of the GOC Act, the SCI represents a formal performance agreement between the Board of Ports North and its shareholding Ministers, with respect to the financial and non-financial performance targets specified for the financial year. The SCI also represents an acknowledgement of an agreement to major activities, objectives, undertakings, policies, investments and borrowings of Ports North for 2013/14.

This SCI is consistent with Ports North's 2013 to 2018 Corporate Plan submitted to, and agreed to by, shareholding Ministers in accordance with Chapter 3, Part 7 of the GOC Act.

In signing the document the Board of Ports North undertakes to ensure that the document, and all reports to shareholding Ministers, are prepared with accuracy and timeliness.

In signing this document Ports North's Board undertakes to achieve the targets proposed in the SCI for 2013/14.

Major changes to key assumptions and outcomes detailed in this SCI, and which come to the Board's attention during the year, will be brought to the attention of shareholding Ministers. Any modifications to this SCI will be dealt with in accordance with the GOC Act.

This SCI is signed by the Chairman on behalf of all the Directors in accordance with a unanimous decision of the Board of Ports North:

Brett Moller (Chairman)

/ /2013

/ /2013

/ /2013

\_\_\_\_\_  
The Hon Tim Nicholls MP  
Treasurer and Minister for Trade

\_\_\_\_\_  
The Hon Scott Emerson MP  
Minister for Transport and Main Roads

# Attachment 1

## List of financial and non-financial target definitions



## DEFINITIONS

KPI	Use	Definition
Capital Expenditure	Measures spending on capital projects	Amount incurred by Ports North on capital projects to the end of the reporting period.
Compliance with Reporting Deadlines	Indicates performance of Ports North regarding reporting requirements	Compliance with Statutory Reporting Timeframes and Data Submission and Reporting Requirements in Treasury Financial Circulars (%). For clarity, Number of deadlines complied with / Total number of deadlines.
Current Ratio	Indicates ability of Ports North to meet debts as they fall due.	Current assets / current liabilities.
Customer Satisfaction Index (%)	Indicates level of customer satisfaction with Ports North	Overall percentage satisfaction with port services based on an annual survey of key customers and stakeholders. <i>Note: to be reported annually.</i> [OGOC / QT to confirm requirement on ports to complete these surveys.]
Debt to Debt + Equity Ratio	Measures financial leverage	Debt divided by the total of debt and equity (using balances current as at the end of the reporting period).
EBIT		Group Earnings Before Interest and Tax
EBITDA		Group Earnings Before Interest, Tax, Depreciation and Amortisation. Measures the group earnings in terms of cash-related items only.
Economic Profit	Measures financial performance based on residual value created after deducting cost of capital (i.e. minimum expected rate of return)	Financial performance of the company based on residual wealth calculated by deducting the cost of capital from its operating profit. Measured by EBIT- Notional tax expense - (Capital Invested*Cost of Capital) where Capital Invested = Total Assets - non interest bearing liabilities and Notional tax expense = EBIT * 30%. Note the cost of capital is a post tax WACC.
Environmental – Reportable Environmental Protection Act (EPA) breaches (#)	Measures environmental performance of Port. Qualitative information on response to breaches to be included in quarterly report	Number of reportable breaches of the <i>Environmental Protection Act (1994)</i> .
Interest Cover	Measures ability to service debt	Earnings before Interest and Tax ( <i>but after any abnormal or extraordinary items</i> ) divided by interest cost (for clarity - includes capitalised interest, but excludes finance charges)
Lost Time Injury Duration Rate (LTIDR)	Indicates average duration of injuries	Total days of lost time for injury and disease for every million hours worked. Calculated as number of working days lost to injuries X 1,000,000/ number of injury occurrences. Calculated for employees and contractors directly employed by the Port (ie this excludes services sub-contracted to external service providers eg. port security)
Lost Time Injury Frequency Rate (LTIFR)	Indicates average frequency of injuries	The number of lost time occurrences of injury or disease for every million hours worked. Calculated as number of lost time injury occurrences X 1,000,000/ employee hours. Calculated for employees and contractors directly employed by the Port (ie this excludes services sub-contracted to external service providers eg. port security)



KPI	Use	Definition
Marina Berth Occupancy Rate	Indicates the level of occupancy of marina berths	Measures Ports North's marina occupancy. Measured as $\frac{\sum \text{number berth occupied or leased days in the period}}{\text{number of available berths} * \text{days in the period}}$
Net FTE staff numbers	Measures number of FTEs employed by Ports North	Measures Ports North's efforts at hiring and maintaining the budgeted staff numbers as set in the Establishment Plan. Reported as net number of staff full time equivalents employed by Ports North at the end of the period.
Number of Security Issues Reported	Measures security issues. Qualitative report on serious security threats or breaches to be incorporated into quarterly report	Number of security events as defined in the <i>Maritime Transport and Offshore Facilities Security Act 2003 (Cth)</i> reported during the period.
NPAT	Measures profitability	Group Net Profit After Tax.
Planned Maintenance Performed (%)	Measures the performance of maintenance tasks planned. To be considered with qualitative reporting in the quarterly report	Total number of planned maintenance activities weighted by cost completed / scheduled maintenance activities for the period weighted by cost. Expressed as a percentage. Calculated as: $\left[ \frac{\sum \text{maintenance completed} * \text{budgeted cost of maintenance activities completed}}{\sum \text{maintenance planned} * \text{budgeted cost of maintenance planned}} \right]$
Return on Equity		Group Operating Profit after tax ( <i>but before any abnormal or extraordinary items</i> ) divided by the average contributed equity plus asset revaluation reserve.
Return on Assets	Measures return generated on asset base. Measures affected by asset revaluations, asset age, legacy agreements	Group Operating Profit before Interest and tax ( <i>but after any abnormal or extraordinary items</i> ), divided by the total average assets.
Return on Operating Assets	Measures return on operating assets of the entity	Group Earnings before Interest and Tax ( <i>but after any abnormal or extraordinary items</i> ), less income from investments, divided average of group operating assets (for clarity this excludes legacy assets and less assets under construction but includes strategic port land)
Staff Turnover	Indicator of loss of human capital to the entity	The annualised number of staff leaving the GOC in the period divided by the total number of full time equivalent staff at the end of the period.
Trade	Measures the volumes that are moving through the port	Total trade of both inbound and outbound during the period. To be presented separately for bulk: tonnes, Container: Tonne Equivalent Units (TEUs), Cars: units.
Vessels to Port	Measures vessel traffic through the port	Number of commercial vessels that berth at the port for the purpose of loading or unloading during the period.

# Attachment 2

## Employment and Industrial Relations Plan



## SHAREHOLDER INFORMATION

### 1. Employment and Industrial Relations Direction

Ports North is committed to being an employer of choice with a work environment that attracts, develops and retains motivated capable people who can deliver on the business objectives.

Ports North recognises the need to have plans and systems in place that support this commitment and minimise risks associated with employment related issues in the workplace. To assist in this area a Human Resources Management Plan is developed annually based on the model below, with strategies and key performance indicators aimed at achieving positive outcomes for the business and its employees.

Ports North’s Board of Directors have a Human Resources Committee which monitors the implementation of the Human Resources Management Plan and discusses the development of policies, procedures and systems consistent with this Plan.



### 2. Significant and Emerging Issues

A significant issue for Ports North during the Plan period will be the re-negotiation of the two Enterprise Agreements (Ports North Administrative and Technical Enterprise Agreement 2011 and Ports North Operations and Maintenance Enterprise Agreement 2011) which will expire on 30 June 2014. Ports North will be seeking to engage Unions early in 2014 with a view to having the negotiations concluded by June 2014.

Retaining and developing the necessary skills required in the organisation continues to be a key focus for Ports North. While the organisation’s activities are diverse and span a large geographic area, the workforce is small. As a result, there is a need for many of the positions, in particular Management roles, to be multi-skilled. This requirement can prove difficult in recruiting suitable candidates; therefore, it will be necessary for the organisation to continue with its succession planning and training and development programs to up-skill and develop existing employees.

### 3. Senior Executive Remuneration (1 January 2013)

<i>CEO / Senior Executives</i>	<i>Base Salary</i> <sup>1</sup>	<i>Employer Superannuation Contribution</i> <sup>2</sup>	<i>Total Fixed Remuneration</i> <sup>3</sup>	<i>Performance Payment Made</i> <sup>4</sup>
Mr Chris Boland Chief Executive Officer	257,589	32,229	289,818	31,512
Mr Michael Colleton General Manager Commercial	190,644	24,306	214,950	23,538
Mr Alan Vico General Manager Planning and Projects	171,670	21,887	193,557	20,694
Ms Kerry Egerton General Manager Corporate Services	165,171	21,059	186,230	20,995
Mr Nick Good Chief Financial Officer	158,492	15,454	173,946	12,453

- Notes:
1. Includes salary sacrifice items plus cash salary
  2. Employer contributions to superannuation (other than by salary sacrifice)
  3. Sum of columns 1 and 2
  4. This is the actual payment made in the year immediately preceding the plan year relating to performance in the financial year two years prior to the plan period.

### 4. Employment Conditions

Ports North's main industrial instruments are its Enterprise Agreements (Ports North Administrative and Technical Enterprise Agreement 2011 and Ports North Operations and Maintenance Enterprise Agreement 2011). Employment conditions included in the Agreements are summarised in the table below.

The Port Authority Award 2010 would have application but for the operation of the corporation's agreements, and is utilised for the "better off overall test" for the Agreements under the *Fair Work Act 2009*.

In addition to the employees covered by the Enterprise Agreements, Ports North has six employees engaged on Employment Contracts.

<i>Award/Agreement</i>	<i>Conditions</i>	<i>Employees</i>	<i>Expiry Date</i>
Ports North Administrative and Technical Enterprise Agreement 2011	<ul style="list-style-type: none"> <li>• 36.25 hrs/week</li> <li>• 5 weeks annual leave</li> <li>• 15 days sick leave</li> <li>• 13 wks after 10 yrs long service leave</li> <li>• Overtime / Time off in Lieu</li> <li>• Aggregated salary arrangement</li> </ul>	27 Employees <ul style="list-style-type: none"> <li>• Administration</li> <li>• Clerical</li> </ul>	30 June 2014
Ports North Operations and Maintenance Enterprise Agreement 2011	<ul style="list-style-type: none"> <li>• 38 hrs/week</li> <li>• 5 weeks annual leave/6 weeks for shift worker</li> <li>• 15 days sick leave</li> <li>• 13 wks after 10 yrs long service leave</li> <li>• Overtime / Time of in Lieu</li> <li>• Aggregated salary arrangement</li> </ul>	24 Employees <ul style="list-style-type: none"> <li>• Tradesperson</li> <li>• Seaport Officers</li> <li>• Labourers</li> <li>• Plant Operators</li> </ul>	30 June 2014

## 5. Enterprise Bargaining

Ports North concluded its Enterprise Agreement process in November 2011 resulting in two new Agreements for a three year period commencing 1 July 2011 and expiring 30 June 2014. The Agreements have a 2.5% per annum base wage and a 1% productivity funded increase and the 0.5% off-wages increase payable on 1 July for each year of the Agreement.

The wage increases include productivity payments which will be funded from productivity initiatives outlined in the Enterprise Agreement. Ports North will provide shareholding Ministers with quarterly reports on the implementation and progress of the productivity initiatives included in Ports North's Enterprise Agreements.

Ports North will commence the re-negotiation of the two Enterprise Agreements during the Plan period and will be seeking to engage Unions early in 2014 with a view to having the negotiations concluded by June 2014.

The workplace does not have any industrial issues or claims and no matters have been raised by employees at this stage for inclusion in the next round of negotiations.

## 6. Workforce Planning

Ports North's has a workforce of approximately 57 positions. Employment policies are underpinned by a clear recognition of the need for a skilled and viable workforce which takes into account the need for on-going renewal and appropriate training to ensure there is sufficient capacity within the organisation to replace retiring or departing employees. Ports North has limited opportunities for apprentices and trainees due to the size and composition of the workforce. Below is a summary of the workforce by employment category and these numbers are expected to be consistent for the Corporate Plan period to 2017/18.

<b>Employment Category</b>	<b>30 January 2013</b>
Permanent Full Time	49
Permanent Part-time	2
Other Contract	1
Senior Executive Contract	5
<b>Total Directly Employed Workforce</b>	<b>57</b>

## 7. Workplace Health & Safety

All employees are responsible for safety in the workplace; however, the Board and Management are ultimately accountable for ensuring that risk of injury in Ports North workplaces is controlled. The effectiveness of Ports North's Safety Management Framework and associated systems are under continuous review by Management and the Safety Committee. The Framework is reviewed and approved by the Board annually.

## 8. Equal Employment Opportunity and Anti-Discrimination

Under section 148 of the GOC Act, Ports North is a relevant Equal Employment Opportunity (EEO) agency for the *Public Service Act 2008*, Chapter 2. In accordance with section 31 of the *Public Service Act 2008*, Ports North provides the Public Service Commissioner with a report about the outcome of actions required under section 30 of the *Public Service Act 2008* during the financial year.

## **9. Job Security**

Ports North has provided a commitment to no forced redundancies in its current Enterprise Agreements. Ports North's direct employed workforce is small and relatively static. This is not expected to change over the next few years as business growth remains steady.

The existing Ports North Enterprise Agreements provide for the following redundancy provisions:

- Notice period for ordinary termination as outlined in the Enterprise Agreement.
- 4 weeks' severance pay for more than one year of continuous service (but less than two).
- 3 weeks' pay pro-rata for every additional year of continuous service cumulative to a maximum of 52 weeks.
- Pro-rata long service leave.
- Outplacement and financial advice support.

## **10. Superannuation**

Ports North is prescribed by regulation to remit employer superannuation contributions to QSuper Limited. The terms of the Ports North Enterprise Agreements 2011 confirm that QSuper arrangement. Accordingly, Ports North does not offer further Choice of Fund to employees.

## **11. Consultation and Reporting**

Ports North has undertaken consultation on this Plan with Queensland Treasury and Trade, Public Service Commission Industrial and Employee Relations Division and interested industrial organisations who are involved with the enterprise bargaining process.

# Attachment 3

## Sponsorship, Advertising, Corporate Entertainment, Donations and Other Arrangements

The following Tables provide a breakdown on planned expenditure FY2014 and comparison with budget and estimated actual expenditure FY2013, including details of specific activities above \$5K and a summary of Corporate Entertainment activities below \$5K.

**TABLE 1:** Sponsorship, Advertising, Corporate Entertainment, Donations and Other Activities  
Details of Individual Expenditure Items

Activity	Description / Benefit	2013 Forecast \$'000	2013 Estimated Actual \$'000	2014 Forecast \$'000	Quarter 2013/14 \$'000				2013/14 Per Head Budget \$'000
					Sept	Dec	Mar	Jun	
<b>SPONSORSHIP</b>									
Individual entity over \$5,000	Cairns Amateurs	5	5	0	0	0	0	0	
Individual entity over \$5,000	CDU Conference	10	10	0	0	0	0	0	
Individual entity over \$5,000	Cairns Indigenous Art Fair	10	10	10	0	0	0	10	
Individual entity over \$5,000	Cairns Yacht Club	5	5	0	0	0	0	0	
<b>Total over \$5,000</b>		<b>30</b>	<b>30</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10</b>	
Other (total) below \$5,000		19.1	19.1	34.3	14.7	5.7	5.7	8.2	
<b>TOTAL (1)</b>		<b>49.1</b>	<b>49.1</b>	<b>44.3</b>	<b>14.7</b>	<b>5.7</b>	<b>5.7</b>	<b>18.2</b>	
<b>ADVERTISING</b>									
<b>Total over \$5,000</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Other (total) below \$5,000		14	14	5.4	1.35	1.35	1.35	1.35	
<b>TOTAL (2)</b>		<b>14</b>	<b>14</b>	<b>5.4</b>	<b>1.35</b>	<b>1.35</b>	<b>1.35</b>	<b>1.35</b>	
<b>CORPORATE ENTERTAINMENT</b>									
<b>Total over \$5,000</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Other (total) below \$5,000		15.5	15.5	16.5	3	7.5	3	3	
<b>TOTAL (3)</b>		<b>15.5</b>	<b>15.5</b>	<b>16.5</b>	<b>3</b>	<b>7.5</b>	<b>3</b>	<b>3</b>	
<b>DONATIONS</b>									
<b>Total over \$5,000</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Other (total) below \$5,000		0	0	0	0	0	0	0	
<b>TOTAL (4)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

.....continued



Activity	Description / Benefit	2013 Forecast \$'000	2013 Estimated Actual \$'000	2014 Forecast \$'000	Quarter 2013/14 \$'000				2013/14 Per Head Budget \$'000
					Sept	Dec	Mar	Jun	
<b>STRATEGIC COMMUNITY AND STAKEHOLDER ENGAGEMENT ACTIVITIES</b>									
Membership over \$5,000	Advance Cairns	20	20	20	0	20	0	0	
Membership over \$5,000	TTNQ	13	13	15	15	0	0	0	
Membership over \$5,000	Ports Australia	25	25	27	0	0	0	27	
Membership over \$5,000	Queensland Ports Association	9	9	9	0	9	0	0	
Membership over \$5,000	Cruise Downunder	6	6	6	0	0	0	6	
<b>Total over \$5,000</b>		<b>73</b>	<b>73</b>	<b>77</b>	<b>15</b>	<b>29</b>	<b>0</b>	<b>33</b>	
Other (total) below \$5,000		8.5	8.5	13.5	.7	7.3	4.5	1	
<b>TOTAL (5)</b>		<b>81.5</b>	<b>81.5</b>	<b>90.5</b>	<b>15.7</b>	<b>36.3</b>	<b>4.5</b>	<b>34</b>	
<b>TOTAL (1) + (2) + (3) + (4) + (5)</b>		<b>160.1</b>	<b>160.1</b>	<b>156.7</b>	<b>34.75</b>	<b>50.85</b>	<b>14.55</b>	<b>56.55</b>	

**TABLE 2:** Corporate Entertainment

Details of Total Forecast Expenditure under \$5,000

Activity	2013 Forecast \$'000	2013 Actuals \$'000	2013/14 No. of Activities	2013/14 Forecast \$'000	Quarter 2013/14 \$'000			
					Sept	Dec	Mar	Jun
<b>Corporate Entertainment Total</b>								
• Staff Functions	7.1	7.1	5	6.5	0.5	5	0.5	0.5
• Business Development	3.7	3.7	15	5	1.25	1.25	1.25	1.25
• Stakeholder and Community Engagement	4.7	4.7	15	5	1.25	1.25	1.25	1.25
<b>TOTAL UNDER \$5,000</b>	<b>15.5</b>	<b>15.5</b>	<b>35</b>	<b>16.5</b>	<b>3</b>	<b>7.5</b>	<b>3</b>	<b>3</b>