



Ports North

STATEMENT OF CORPORATE INTENT 2014 / 2015

Issued 31 May 2014

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

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Contents

1. Scope / Policy Position	3
1.1 Main Undertakings.....	3
1.2 Corporate and Operational Performance Outcomes.....	3
2. Mandatory Matters	7
2.1 Financial Key Performance Indicators (KPI's).....	7
2.2 Non-Financial KPI's.....	7
2.3 Assumptions.....	8
2.4 Community Service Obligations (CSO).....	9
2.5 Employment and Industrial Relations (E&IR) Plan.....	9
3. Additional Matters	10
3.1 Financials.....	10
3.1.1 Group.....	10
3.2 Major Undertakings and Business.....	13
3.3 Capital Expenditure Program.....	13
3.4 Major Initiatives Being Undertaken by Ports North.....	13
3.5 Sponsorship, Advertising, Corporate Entertainment, Donations and Other Arrangements.....	14
3.6 Other.....	14
3.6.1 Prudent Financial Information.....	14
3.6.2 Dividend Policy and Payments.....	14
3.6.3 Government Policies.....	15
Performance Agreement	16
Attachment 1 – List of Financial and Non-Financial Target Definitions	17
Attachment 2 – Employment and Industrial Relations Plan	20
Attachment 3 – Sponsorship, Advertising, Corporate Entertainment, Donations and Other Arrangements	25

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 2015, 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 2014-19 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;
- Manage services and functions that support the core business;
- Facilitate economic development in the region; and
- The significant project that will be undertaken during this SCI period is the implementation of the proposed Cairns Shipping Development Project.

1.2 CORPORATE AND OPERATIONAL PERFORMANCE OUTCOMES

Ports North key corporate objectives for 2014/15 are:

Objective 1 - Identify and develop new trade and business opportunities and grow existing business to provide value to Ports North and its shareholders			
Strategy	KPI	KPI Measure	Target
<i>Strategy 1</i> Identify and develop trade and business opportunities	Develop and implement a Business Development Strategy to increase throughput, better utilise existing assets and grow revenues	Board approved Strategy Strategy implementation	December 2014 Strategy milestones achieved
	Grow existing maritime and reef tourism business	Maritime revenue growth Increased Marina occupancy	7% by 30 June 2015 Average 2% annual growth over 5 years
		Cruise Ship numbers Reef Passenger numbers	25 ship visits 5% by 30 June 2015
	Work with proponents and regional economic agencies to facilitate new trade and business opportunities	Promotion of Cairns to potential customers	3 potential customers
	Target additional cruise shipping visits and home porting opportunities	Marketing Strategy developed and implemented	December 2014 Strategy milestone achieved
	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 through 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 sustainable commercial return to Ports North and its shareholders			
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 program finalised	Program completed	December 2014
	Property market conditions reviewed annually to identify market timing	Market review completed	April 2015
	Liberty Street land released to market	Liberty Street land EOI	November 2014
	Statutory review of Regional Ports Land Use Plans	Mourilyan Land Use Plan updated	March 2015
		Karumba Land Use Plan updated	March 2015
	Thursday Island Land Use Plan updated	March 2015	
Cityport Masterplan review completed	Plan reviewed and endorsement sought from Cairns Regional Council	June 2015	
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, meet the needs of customers and contribute to sustainable regional development			
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
	Improved operational cost efficiencies	Delivery of service at reduced operational expense	Achieve budget
Strategy 4 Identify and develop strategic plans and deliver infrastructure projects for future Port developments to meet trade growth in a sustainable manner	New Masterplan developed for Cairns and Mourilyan reflecting the Queensland Ports Strategy and the Queensland Port Masterplanning Guidelines	Masterplan scope defined and consultancy awarded	March 2015
	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
Objective 4 – Maintain organisational capability and governance system to deliver the business requirements and maintain the organisation's reputation			
Strategy	KPI	KPI Measure	Target
Strategy 5 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 2015
	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

Objective 4 – Maintain organisational capability and governance system to deliver the business requirements and maintain the organisation's reputation

Strategy	KPI	KPI Measure	Target
Strategy 6 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 7 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
Strategy 8 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

Objective 5 – Complete the Environmental Impact Statement (EIS) and project delivery of the Cairns Shipping Development Project

Strategy	KPI	KPI Measure	Target
Strategy 9 Obtain State and Commonwealth approvals of the Project's EIS	Lodgement and approval of the EIS with the State and Commonwealth Authorities	Lodge the EIS	September 2014
		Approval of the EIS	May 2015
	Effective stakeholder and media management	Community relations and Stakeholder Engagement Strategy approved by the Board	July 2014
		Maintain Project support by key business leaders and customers	Support maintained
Strategy 10 Secure Project funding and manage Project delivery	Early works funding submission issued to Government	Submission issued to shareholding Ministers	December 2014
	Work with Government and others to investigate funding options for the Cairns Shipping Development Project	Funding options provided to shareholding Ministers	February 2015
	Develop a Project Implementation Plan covering Project delivery strategy, communication strategy and Project budget and timelines	Project Implementation Plan approved by the Board	April 2015
	Project approval submission issued to shareholding Ministers	Submission issued to shareholding Ministers	May 2015
	Subject to shareholding Ministers approval, the Cairns Shipping Development Project is delivered on time and within budget	On time and within budget	The time and budget to be in accordance with Project approval by shareholding Ministers

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.
- The commodity prices and market conditions of sugar, timber and magnetite which will drive cargo volumes.
- Any further deterioration of the property market has the potential to impact rentals and future property developments.
- Cairns shipping numbers to the Port of Cairns have declined in recent years with the vessels anchoring at Yorkeys Knob and Port Douglas increasing as vessel sizes are beyond the Cairns Port's channel capacity.
- Increased environmental activism and its impact on the Cairns Shipping Development Project. This ongoing issue needs careful management by Ports North, Queensland Ports Association and the State and Federal Governments. Increased regulatory controls and conditions has the potential to delay, add costs and prevent the Cairns Shipping Development Project.
- 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 2014/15:

FY2015 Budget Quarter				Financial KPIs	FY2013 Actual	FY2014 Forecast	FY2014 Est. Act	FY2015 Forecast
Sep \$'000	Dec \$'000	Mar \$'000	Jun \$'000					
840	4,112	2,664	3,658	Earnings Before Interest and Tax (\$'000)	8,681	9,410	11,829	11,274
1,945	5,220	3,777	4,773	EBITDA (\$'000)	14,876	13,832	16,416	15,715
484	2,774	1,761	2,457	Net Profit After Tax (\$'000)	6,378	5,984	7,123	7,476
(3,450)	(1,155)	(2,184)	(1,507)	Economic Profit (\$'000)	(11,631)	(9,167)	(7,519)	(8,230)
0.29%	1.42%	0.92%	1.25%	Return on Assets	2.73%	3.08%	3.90%	3.86%
0.30%	1.49%	0.97%	1.32%	Return on Operating Assets	2.86%	3.22%	4.07%	4.06%
0.00%	0.00%	0.00%	0.00%	Debt to Debt + Equity	0.00%	0.00%	0.00%	0.00%
0.21%	1.22%	0.77%	1.08%	Return on Equity	2.48%	2.48%	2.94%	3.28%
0%	0%	0%	0%	Interest Cover	0%	0%	0%	0%
2.51	2.99	3.00	2.75	Current Ratio	4.48	2.19	2.50	2.75
1,498	1,104	1,019	2,377	Capital Expenditure (\$'000)	9,871	6,431	6,391	5,998
100%	100%	100%	100%	Planned Maintenance Performed (%)	98%	100%	100%	100%

FY2014 Earnings Before Interest and Taxation (EBIT) includes \$0.639M of interest earned on \$31M of equity which has been returned to Government. FY2014 also includes \$1.136M of revenue in relation to the income tax component of the Cairns Shipping Development Project's EIS funding, FY2015 only includes \$0.440M of this funding. After adjusting for these two items EBIT for FY2015 is 7.8% higher than the FY2014 Estimated Actual.

The improvement in EBIT in FY2015 is largely due to new magnetite exports from Mourilyan and a combination of slightly higher prices and slightly higher trade volumes of sugar and petroleum in the Cairns Port whilst containing expenditure.

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 2014/15:

FY2015 Budget Quarter				Non Financial KPIs	FY2013 Actual	FY2014 Forecast	FY2014 Est. Act	FY2015 Forecast
Sep	Dec	Mar	Jun					
1,271,828	1,376,002	1,143,595	1,179,413	Operational				
535	550	499	506	Trade (tonnes)	4,240,977	4,551,606	4,686,852	4,970,838
71%	68%	60%	63%	No. of Vessels to Port	2,464	2,162	2,156	2,090
				Marina Berth Occupancy (%)	75%	70%	70%	66%
0	0	0	0	Reputation				
0	0	0	0	No. of Environmental - reportable breaches	3	0	3	0
0	0	0	0	No. of Security issues reported	3	0	5	0
0	0	0	0	Lost Time Injury Frequency Rate (LTIFR)	-	0	0	0
0	0	0	0	Lost Time Injury Duration Rate (LTIDR)	-	0	0	0
15%	15%	15%	15%	Staff Turnover (annualised %)	20%	15%	6%	<15%
66	66	66	66	No. of Net FTE Staff numbers	54	54	66	66
<10	<10	<10	<10	No. of Community Complaints	19	<10	5	<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	FY2013 Actual	FY2014 Forecast	FY2014 Est. Act	FY2015 Forecast
Economic Indices				
CPI	3.0%	3.0%	3.0%	2.6%
Wages Growth	4.0%	4.0%	4.0%	3.0%
Interest Rates	n/a	n/a	n/a	n/a
Revenue (\$'000)	35,594	37,280	44,358	49,649
Operating Expenses (\$'000)	26,913	27,870	32,529	38,375
Cairns Activity				
Sugar (Tonnes)	187,023	218,658	250,000	278,292
Molasses (Tonnes)	49,674	49,722	57,000	49,770
Petroleum (Tonnes)	554,776	574,209	574,209	584,031
LPG (Tonnes)	16,369	16,250	16,250	16,133
Fertiliser (Tonnes)	50,362	41,816	41,816	41,816
General Cargo (Tonnes)	197,404	197,795	180,421	188,061
Total Cargo Throughput (Tonnes)	1,055,608	1,098,450	1,119,696	1,158,103
Marlin Marina Passengers (#)	742,035	759,345	780,598	815,151
Marina Average Occupancy (%)	75%	70%	70%	66%
Regional Ports				
Karumba Activity				
Livestock (Tonnes)	8,487	5,234	5,234	7,600
General Cargo (Tonnes)	6,427	8,352	8,352	2,280
Zinc and Lead (Tonnes)	880,124	965,302	965,302	1,067,355
Thursday Island Activity				
General Cargo (Tonnes)	77,487	83,268	83,268	69,000
Mourilyan Activity				
Sugar (Tonnes)	423,325	480,000	570,000	550,000
Molasses (Tonnes)	73,546	51,000	75,000	76,500
Livestock (Tonnes)	-	-	-	-
Woodchip/Timber (Tonnes)	36,460	60,000	60,000	-
Minerals (Tonnes)	-	-	-	240,000
Cape Flattery Activity				
Silica Sand (Tonnes)	1,678,060	1,800,000	1,800,000	1,800,000
Quintell Beach Activity				
General Cargo (Tonnes)	1,453	-	-	-
Total Cargo Throughput (Tonnes)	3,185,369	3,453,156	3,567,156	3,812,735
Total Cargo Throughput (Tonnes)- All Ports	4,240,977	4,551,606	4,686,852	4,970,838

The cargo volumes have been based on discussions with customers. Magnetite exports are forecast to commence in FY2015 through the Port of Mourilyan.

In relation to the Cairns Shipping Development Project it has been assumed that the EIS will be completed in FY2015. No allowance has been made for the construction phase of the project. Separate ministerial approval will be sought from shareholding Ministers for the construction phase following the successful completion of the EIS.

In relation to Port Pilotage the FY2014 estimated actual and FY2015 forecast are prepared on the basis that there is no change to the volume of business and the present network pricing arrangements are

continued. Consequently, Ports North's income and expenses arising from Pilotage are assumed to net off to zero.

2.4 COMMUNITY SERVICE OBLIGATIONS (CSO)

No CSOs have been identified for Ports North in 2014/15.

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)

FY2015 Budget Quarter					FY2013	FY2014	FY2014	FY2015
Sep	Dec	Mar	Jun		Actual	Budget	Est. Act.	Forecast
\$'000	\$'000	\$'000	\$'000		\$'000	\$'000	\$'000	\$'000
				Operational Revenue				
3,053	3,016	2,802	2,573	Cairns Port	10,381	10,786	10,826	11,444
1,972	2,274	1,839	2,154	Regional ⁽⁴⁾	6,609	7,112	7,466	8,239
5,025	5,290	4,641	4,727		16,990	17,898	18,292	19,683
				Commercial Revenue				
2,382	2,381	2,385	2,449	Cairns Port	8,907	9,388	9,337	9,597
145	239	241	242	Regional	579	592	553	867
2,527	2,620	2,626	2,691		9,486	9,980	9,890	10,464
				Recoverables / Other ⁽¹⁾				
1,379	2,194	1,427	2,393	Cairns Port	7,423	7,569	8,404	7,393
3,094	110	68	87	Regional	455	873	1,586	3,359
1,979	2,063	1,700	1,881	Pilotage	-	-	5,046	7,623
294	294	246	293	Corporate	1,240	960	1,140	1,127
6,746	4,661	3,441	4,654		9,118	9,402	16,176	19,502
14,298	12,571	10,708	12,072	Total Revenue	35,594	37,280	44,358	49,649
2,686	2,946	2,680	2,752	Labour	6,030	6,362	9,389	11,064
748	783	768	741	Energy & Land Rates	2,509	2,980	2,973	3,040
41	40	37	34	Marketing & Business Development	101	169	169	152
-	-	-	-	Rebates	8	-	-	-
3,621	1,290	1,100	1,545	Maintenance, Stores & Materials	6,188	5,939	6,398	7,556
1,058	1,045	1,064	1,010	Administration & Consultants	2,671	3,554	3,581	4,177
1,105	1,108	1,113	1,115	Depreciation	4,860	4,422	4,587	4,441
-	-	-	-	Impairment ⁽²⁾	208	-	-	-
-	-	-	-	Write down of PPE ⁽²⁾	1,127	-	-	-
-	-	-	-	Write down of Investment Property ⁽²⁾	-	-	-	-
4,199	1,247	1,282	1,217	Recoverables / Other Expenses ⁽³⁾	3,211	4,444	5,432	7,945
13,458	8,459	8,044	8,414	Total Expenses	26,913	27,870	32,529	38,375
840	4,112	2,664	3,658	Earnings Before Interest & Tax	8,681	9,410	11,829	11,274
-	-	-	-	Interest	-	-	-	-
840	4,112	2,664	3,658	Net Profit Before Tax	8,681	9,410	11,829	11,274
356	1,338	903	1,201	Income Tax	2,303	3,426	4,706	3,798
484	2,774	1,761	2,457	Net Profit after Tax	6,378	5,984	7,123	7,476

(1) Recoverables and Other revenue include electricity revenue, security charges, Pilotage services, dredging recoverable, grants and other income. Increase in FY2014 Est. Act. and FY15 is primarily in relation to recoverable dredging in Karumba and addition of Pilotage business area.

(2) These changes arose from the internal revaluation of assets as 30 June 2013.

(3) Recoverables and Other Expenses include electricity cost of sales, dredging recoverable and other expenses. Increases in FY2014 Est. Act. and FY2015 Forecast are in relation to increased recoverable dredging in Karumba and the addition of Pilotage business area.

(4) Increase in Operational Revenue is due mostly to the commencement of Magnetite exports from Mourilyan.

STATEMENT OF FINANCIAL POSITION (CONSOLIDATED)

FY2015 Budget YTD					FY2013	FY2014	FY2014	FY2015
Sep	Dec	Mar	Jun		Actual	Budget	Est. Act.	Forecast
\$'000	\$'000	\$'000	\$'000		\$'000	\$'000	\$'000	\$'000
				Current Assets				
30,402	28,770	29,942	32,080	Cash assets ⁽¹⁾	58,374	28,434	31,962	32,080
6,715	6,488	6,485	6,505	Receivables	6,878	7,069	6,205	6,505
24	24	24	24	Inventories	23	32	23	24
1,432	1,027	1,126	277	Other Current Assets	236	301	228	277
38,573	36,309	37,577	38,886		65,511	35,836	38,418	38,886
				Non-Current Assets				
104,131	103,458	102,445	102,064	Property, Plant & Equipment ⁽³⁾	104,943	102,072	104,474	102,064
147,407	147,820	148,482	150,870	Investment Property ⁽³⁾	144,748	151,461	146,928	150,870
-	-	-	-	Receivables	-	-	-	-
854	865	874	876	Deferred Tax Assets ⁽³⁾	634	705	886	876
-	-	-	-	Other Assets	-	-	-	-
252,392	252,143	251,801	253,810		250,325	254,238	252,288	253,810
290,965	288,452	289,378	292,696	Total Assets	315,836	290,074	290,706	292,696
				Current Liabilities				
2,607	2,956	2,292	2,484	Payables	2,496	6,621	2,279	2,485
-	-	-	-	Current Interest Bearing Liabilities	-	-	-	-
2,112	594	557	671	Current Tax Liabilities ⁽⁴⁾	1,971	1,448	2,570	671
8,603	6,500	7,787	8,836	Current Provisions ⁽⁵⁾	8,517	6,716	8,390	8,836
2,023	2,108	1,906	2,129	Other Current Liabilities	1,641	1,552	2,128	2,128
15,345	12,158	12,542	14,120		14,625	16,337	15,367	14,120
				Non-Current Liabilities				
-	-	-	-	Non-Current Interest Bearing Liabilities	-	-	-	-
24,674	24,677	24,692	24,982	Deferred Tax Liabilities ⁽²⁾	24,218	24,926	24,660	24,982
666	666	666	646	Non Current Provisions ⁽⁵⁾	277	215	648	646
25,340	25,343	25,356	25,628		24,495	25,141	25,308	25,628
40,685	37,501	37,898	39,748	Total Liabilities	39,120	41,478	40,675	39,748
250,280	250,951	251,480	252,948	Net Assets	276,716	248,596	250,031	252,948
				Equity				
187,178	187,178	187,178	187,178	Contributed Equity	216,073	185,073	187,178	187,178
40,701	40,701	40,701	40,701	Reserves	41,352	41,204	40,701	40,701
22,152	22,152	22,152	22,152	Opening Retained Profits	18,067	19,721	19,291	22,152
249	920	1,449	2,917	Current Year Result	1,224	2,598	2,861	2,917
250,280	250,951	251,480	252,948	Shareholder's Equity	276,716	248,596	250,031	252,948

(1) Reduction is due to a an Equity Withdrawal of \$31M in FY2014.

(2) In the FY2013 Annual Report Deferred Tax Assets of \$0.634M have been offset against Deferred Tax Liabilities of \$24.217M giving final balance of \$23.583M.

(3) Increase in FY2014 Est. Act. due to addition of Pilotage assets \$2.1M for Property, Plant and Equipment together with capital works program.

(4) Reduction from FY2014 Est. Act. To FY2015 Forecast is due to increased quarterly instalment payments and reduced EIS funding.

(5) Increase in FY2014 Est. Act. is due to the inclusion of Employee Liabilities resulting from transfer of Pilotage business.

STATEMENT OF CASH FLOWS (CONSOLIDATED)

FY2015 Budget YTD					FY2013	FY2014	FY2014	FY2015
Sep	Dec	Mar	Jun		Actual	Budget	Estd Act	Forecast
\$'000	\$'000	\$'000	\$'000		\$'000	\$'000	\$'000	\$'000
				Cash Flows From Operating Activities				
13,337	12,255	10,167	10,923	Receipts From Customers	33,948	34,280	40,724	46,682
(13,268)	(6,537)	(7,685)	(6,250)	Payments to Suppliers and Employees	(23,210)	(22,788)	(27,064)	(33,740)
317	294	246	293	Interest Received	2,475	1,232	1,538	1,150
-	-	-	-	Dividends Received	-	-	-	-
-	-	-	-	Interest and Other Finance Costs Paid	-	-	-	-
-	-	-	-	Grants Received	-	-	-	-
864	703	435	572	GST Received From ATO	2,539	2,384	2,093	2,574
(1,415)	(1,284)	(1,093)	(1,118)	GST Paid to ATO	(3,444)	(3,856)	(3,807)	(4,910)
1,418	1,264	1,083	1,114	GST Received From Customers	3,534	3,655	3,840	4,879
(1,056)	(478)	(453)	(619)	GST Paid to Suppliers	(2,317)	(2,174)	(2,215)	(2,606)
197	6,217	2,700	4,915	Net Cash Flows From Operating Activities	13,525	12,733	15,110	14,029
				Cash Flows From Investing Activities				
-	-	-	-	Proceeds From Sale of Shares	-	-	-	-
-	-	-	-	Proceeds From Sale of PPE and Investment Property ⁽¹⁾	43	-	-	-
(1,486)	(1,091)	(959)	(2,343)	Payments for PPE and Investment Property	(9,797)	(5,660)	(6,368)	(5,879)
(1,486)	(1,091)	(959)	(2,343)	Net Cash Flows From Investing Activities	(9,754)	(5,660)	(6,368)	(5,879)
				Cash Flows From Financing Activities				
-	-	-	-	Repayment of Borrowings	-	-	-	-
-	-	-	-	Proceeds from Borrowings	-	-	-	-
-	-	-	-	Net Cash Flows From Financing Activities	-	-	-	-
				Cash Flows From Government				
-	-	-	-	Proceeds From Share Issue	-	-	-	-
-	-	-	-	Share Buyback ⁽²⁾	-	(31,000)	(31,000)	-
494	366	366	366	Government Grant - EIS	-	2,357	4,916	1,594
(767)	(4,261)	(935)	(799)	Dividend Paid	-	(5,030)	(5,154)	(4,261)
(767)	(2,863)	(935)	(799)	Income Tax (Equivalent) Paid ⁽³⁾	(10,326)	(4,795)	(3,916)	(5,365)
(273)	(6,758)	(569)	(433)	Net Cash Flows From Government	(10,326)	(38,468)	(35,154)	(8,032)
(1,562)	(1,632)	1,172	2,140	Net Increase/(Decrease) in Cash Held	(6,555)	(31,395)	(26,412)	118
31,962	30,400	28,768	29,940	Cash at the Beginning of the Year	64,929	59,829	58,374	31,962
30,400	28,768	29,940	32,080	Cash at the End of the Year	58,374	28,434	31,962	32,080

(1) FY2013 includes sale of motor vehicles and minor computer equipment.

(2) Equity Withdrawal in relation to Cairns Entertainment Precinct.

(3) FY2013 includes payment of \$8.6m tax in respect of gain on the proposed Cairns Entertainment Precinct Lease.

	FY2013	FY2014	FY2014	FY2015
	Actual	Budget	Est. Act.	Forecast
	\$'000	\$'000	\$'000	\$'000
Equity Injections/Withdrawals				
Equity Injections	-	-	2,105	-
Equity withdrawals	-	(31,000)	(31,000)	-
Net Equity	-	(31,000)	(28,895)	-

	FY2013	FY2014	FY2014	FY2015
	Actual	Budget	Est. Act.	Forecast
	\$'000	\$'000	\$'000	\$'000
Dividends, Tax Equivalent Payments (TEPs) and Community Service Obligation (CSOs)				
Dividends provided ⁽¹⁾	5,154	3,386	4,261	4,559
Income Tax Expense/(Benefit)	2,303	3,426	4,706	3,798
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 2014/15.

3.3 CAPITAL EXPENDITURE PROGRAM

Asset	Budgeted Total Cost \$'000	FY2014 Est. Act \$'000	2015 Forecast \$'000	Expected Completion Date
Assets Under Construction				
<i>Shareholding Minister approved</i>				
C5 - Foreshore Development	22,092	100	1,640	FY2015
C14 - Cityport Commercial allowance	3,870	100	300	FY2020
SM1 - Cairns Shipping Development Project EIS Approvals	4,638	2,650	1,026	FY2015
Subtotal	30,600	2,850	2,966	
<i>Capital expenditure yet to be approved</i>				
S3 - Tingira Street Development	32,521	880	483	FY2021
SP3 - Tingira Street Warehouse	120		120	FY2015
S7 - General Cargo Consolidation	12,350	100	-	FY2018
C6 - Site Decontamination	1,700	100	400	FY2017
S12/M2 - Lease Acquisitions	250		375	FY2015
T5/T6 - Horn Island Cargo Wharf & Access Road	2,150	250	-	FY2017
M3 - Mourilyan Land Development	3,000	1,750	250	FY2017
Minor Capital Works	1,404	461	1,404	FY2015
Subtotal	53,495	3,541	3,032	
TOTAL	84,095	6,391	5,998	

3.4 MAJOR INITIATIVES BEING UNDERTAKEN BY PORTS NORTH

A summary of the Major Initiatives are:

- 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.
- Finalisation of the Cityport Masterplan Review.
- Seeking 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.
- Commence 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 2014/15. 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	2013/14 Budget \$'000	2013/14 Est Actuals \$'000	2014/15 Budget \$'000
Sponsorship	44.3	44.3	40.8
Advertising	5.4	5.4	5.4
Corporate Entertainment ⁽¹⁾	16.5	16.5	17.1
Donations	0.0	0.0	0.0
Strategic Community and Stakeholder Engagement Activities ⁽²⁾	90.5	91.3	106.9
Total	156.7	157.5	170.2

(1) The small increase in Corporate Entertainment arises from taking over the Pilotage function.

(2) Ports North has become a Corporate Member of Gulf Savannah Development Inc. at a cost of \$15,000 per annum.

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 Chief Executive Officer 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 2014/15. 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 FY2015 \$'000
Net Profit after Tax	7,476
Less: Increase in the Value of Investment Property	(1,000)
Less: Community Ports Net Profit after Tax	(777)
Adjusted Net Profit for Dividend Calculations	<u>5,699</u>
Dividend Payable at 80%	<u><u>4,559</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 2014/15, 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 2014/15.

This SCI is consistent with Ports North's 2014 to 2019 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 2014/15.

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)

/ /2014

/ /2014

/ /2014

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

While it is expected Ports North will have completed negotiations for the Ports North Administrative and Technical Enterprise Agreement and the Ports North Operations and Maintenance Enterprise Agreement prior to this Plan period, negotiations to resolve a new Enterprise Agreement to replace the existing Maritime Safety Queensland Marine Pilots (Cairns, Townsville and Mackay Region) Agreement 2009-2012 will be taking place during the first few months of the Plan period. The Maritime Safety Queensland Marine Pilots (Cairns, Townsville and Mackay Region) Agreement expired in 2012 and has been extended via a Memorandum of Understanding (MOU) until 31 October 2014.

The marine Pilotage business was transferred from Maritime Safety Queensland to Ports North in November 2013 and, based on the short time frame afforded to learn the new business and based on maritime Pilotage history in other Australian Ports, it is expected this will be a challenging negotiation in order for Ports North to improve productivity and implement changes to current practices.

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 2014)

<i>CEO / Senior Executives</i>	<i>Base Salary</i> ¹	<i>Employer Superannuation Contribution</i> ²	<i>Total Fixed Remuneration</i> ³	<i>Performance Payment Made</i> ⁴
Mr Chris Boland Chief Executive Officer	268,782	33,675	302,457	32,605
Mr Michael Colleton General Manager Commercial	199,132	25,389	224,521	24,311
Mr Alan Vico General Manager Planning and Projects	178,594	22,770	201,364	21,988
Ms Kerry Egerton General Manager Corporate Services	171,560	21,873	193,433	21,323
Mr Nick Good Chief Financial Officer	165,353	16,123	181,476	19,708

- 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, Ports North Operations and Maintenance Enterprise Agreement 2011 and Maritime Safety Queensland Marine Pilots (Cairns, Townsville and Mackay Region) Agreement 2009-2012. Employment conditions included in the Agreements are summarised in the table below.

In respect of the Ports North Administrative and Technical Enterprise Agreement and Ports North Operations and Maintenance Enterprise Agreement, 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 including five on Senior Executive contracts and one on a Senior Manager contract.

<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"> • 36.25 hours/week • 5 weeks annual leave • 15 days sick leave • 13 weeks after 10 years long service leave • Overtime / Time off in Lieu • Aggregated salary arrangement 	27 Employees <ul style="list-style-type: none"> • Administration • Clerical • Technical 	30 June 2014
Ports North Operations and Maintenance Enterprise Agreement 2011	<ul style="list-style-type: none"> • 38 hours/week • 5 weeks annual leave/6 weeks for shift workers • 15 days sick leave • 13 weeks after 10 years long service leave • Overtime / Time of in Lieu • Aggregated salary arrangement 	23 Employees <ul style="list-style-type: none"> • Tradesperson • Seaport Officers • Labourers • Plant Operators 	30 June 2014

Award/Agreement	Conditions	Employees	Expiry Date
Maritime Safety Queensland Marine Pilots (Cairns, Townsville and Mackay Region) Agreement 2009-2012 Agreement extended via Memorandum of Understanding in November 2013	<ul style="list-style-type: none"> • 24 hour x 7 day/week roster • 5 weeks annual leave • 10 days sick leave • 13 weeks after 10 years long service leave • Medical Reimbursement Scheme • Gym membership reimbursement • Paid public holidays (11 pa) • Paid days off in lieu 	12 Employees • Marine Pilots	31 October 2014

4. Enterprise Bargaining

Ports North expects to have completed negotiations for the Ports North Administrative and Technical Enterprise Agreement and the Ports North Operations and Maintenance Enterprise Agreement prior to this plan period. All wage increases will be funded from productivity initiatives and progress on the achievement of the initiatives will be reported in quarterly reports to shareholding Ministers.

Negotiations to resolve a new Enterprise Agreement to replace the existing Maritime Safety Queensland Marine Pilots (Cairns, Townsville and Mackay Region) Agreement 2009-2012 will commence around May 2014 with a view to being completed by 31 October 2014. The Maritime Safety Queensland Marine Pilots (Cairns, Townsville and Mackay Region) Agreement expired in 2012 and has been extended via an MOU until 31 October 2014.

This will be Ports North's first Enterprise Agreement negotiation with Marine Pilots and will prove challenging for the organisation based on maritime Pilotage history in other Australian Ports and the short timeframe afforded to learn the new business following the transition on 2 November 2013.

The focus of this negotiation will be identification and implementation of productivity initiatives, organisational improvements and changes to business practices that deliver benefits to the organisation.

The Enterprise Bargaining process will be undertaken in accordance with Government GOC Bargaining Guidelines and Wages Policy.

5. Workforce Planning

Ports North has a workforce of approximately 68 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.

Employment Category	30 January 2014
Permanent Full Time	59
Permanent Part Time	3
Other Contract	1
Senior Executive Contract	5
Total Directly Employed Workforce	68

6. 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 biennially.

7. 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.

8. Redundancy Policies

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. Should business requirements change and the organisation requires greater flexibility in order to achieve its goals and objectives, Ports North's Enterprise Agreements do provide the following redundancy provisions:

- Notice period for ordinary termination as outlined in the Enterprise Agreement.
- Four weeks' severance pay for more than one year of continuous service (but less than two).
- Three 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.

Redundancy arrangements for Chief and Senior Executives are in accordance with the *Policy for Government Owned Corporation Chief and Senior Executive Employment Arrangements 2013*.

9. Superannuation

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

The QSuper defined benefit fund is now closed to new employees, therefore, all new employees are offered membership of the QSuper Accumulation Fund. Effective 1 July 2014 all employees have options for contribution rates to QSuper as follows:

Employee	Employer
5%	12.75%
4%	11.75%
3%	10.75%
2%	9.75%
0%	9.50%

10. Consultation

Ports North has undertaken consultation on this plan with the Public Service Commission and consultation with unions and staff will take place as part of the Enterprise Bargaining process.

11. Implementation

Ports North's various Policies, procedures, Frameworks and reporting structures reflect the activities outlined in this Plan.

Attachment 3

Sponsorship, Advertising, Corporate Entertainment, Donations and Other Arrangements

The following Tables provide a breakdown on planned expenditure FY2015 and comparison with budget and estimated actual expenditure FY2014, 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	2014 Forecast \$'000	2014 Estimated Actual \$'000	2015 Forecast \$'000	Quarter 2014/15 \$'000				2014/15 Per Head Budget \$'000
					Sept	Dec	Mar	Jun	
SPONSORSHIP									
Individual entity over \$5,000	Cairns Indigenous Art Fair	10	10	10	0	0	0	10	
Total over \$5,000		10	10	10	0	0	0	10	
Other (total) below \$5,000		34.3	34.3	30.8	13.7	5.7	5.7	5.7	
TOTAL (1)		44.3	44.3	40.8	13.7	5.7	5.7	15.7	
ADVERTISING									
Total over \$5,000		0	0	0	0	0	0	0	
Other (total) below \$5,000		5.4	5.4	5.4	1.35	1.35	1.35	1.35	
TOTAL (2)		5.4	5.4	5.4	1.35	1.35	1.35	1.35	
CORPORATE ENTERTAINMENT									
Total over \$5,000		0	0	0	0	0	0	0	
Other (total) below \$5,000		16.5	16.5	17.1	3.7	7.4	3	3	
TOTAL (3)		16.5	16.5	17.1	3.7	7.4	3	3	
DONATIONS									
Total over \$5,000		0	0	0	0	0	0	0	
Other (total) below \$5,000		0	0	0	0	0	0	0	
TOTAL (4)		0	0	0	0	0	0	0	

.....continued

Activity	Description / Benefit	2014 Forecast \$'000	2014 Estimated Actual \$'000	2015 Forecast \$'000	Quarter 2014/15 \$'000				2014/15 Per Head Budget \$'000
					Sept	Dec	Mar	Jun	
STRATEGIC COMMUNITY AND STAKEHOLDER ENGAGEMENT ACTIVITIES									
Membership over \$5,000	Advance Cairns	20	20	20	0	20	0	0	
Membership over \$5,000	TTNQ	15	15	17	17	0	0	0	
Membership over \$5,000	Ports Australia	27	27	27	27	0	0	0	
Membership over \$5,000	Queensland Ports Association	9	9	9	0	9	0	0	
Membership over \$5,000	Cruise Downunder	6	6	6.5	0	0	0	6.5	
Membership over \$5,000	Gulf Savannah	0	0	15	15	0	0	0	
Total over \$5,000		77	77	94.5	59	29	0	6.5	
Other (total) below \$5,000		13.5	14.3	12.4	0	5.5	6.6	0.3	
TOTAL (5)		90.5	91.3	106.9	59	34.5	6.6	6.8	
TOTAL (1) + (2) + (3) + (4) + (5)		156.7	157.5	170.2	77.75	48.95	16.65	26.85	

TABLE 2: Corporate Entertainment

Details of Total Forecast Expenditure under \$5,000

Activity	2014 Forecast \$'000	2014 Actuals \$'000	2014/15 No. of Activities	2014/15 Forecast \$'000	Quarter 2014/15 \$'000			
					Sept	Dec	Mar	Jun
Corporate Entertainment Total								
• Staff Functions	6.5	6.5	5	7.5	1.2	5	0.65	0.65
• Business Development	5	5	10	3	0.75	0.75	0.75	0.75
• Stakeholder and Community Engagement	5	5	20	6.6	1.75	1.65	1.6	1.6
TOTAL UNDER \$5,000	16.5	16.5	35	17.1	3.7	7.4	3	3