



Port Hedland Port Authority  
ANNUAL REPORT 2009



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**The Port Hedland Port Authority was established through the  
Port Authorities Act 1999.**

**Its principal place of business is The Esplanade, Port Hedland.**

Annual reports and other information are available on our Website: [www.phpa.com.au](http://www.phpa.com.au)

## The Year at a Glance

### Highlights

		Tonnes
30 June 2009	Record Annual Throughput	159,390,661
30 June 2009	Record Annual Iron Ore Throughput	153,895,882
30 June 2009	Record Monthly Throughput (July 2008)	14,434,003
28 June 2009	Record Single Tide Movement	841,062

### Shipping

	2008/09	2007/08	2006/07	2005/06	2004/05
Ratio of Accidents to Total Vessel Movements	.0016	.001	.000	.000	.000
Number of Vessels	1,214	1,027	888	925	895
Gross Registered Tonnage (millions)	89	74	63.6	56.4	56.3
Port Throughput – Cargo (millions)	159.4	130.7	111.8	110.6	108.5

### Finance and Performance

	2008/09 \$000	2007/08 \$000	2006/07 \$000	2005/06 \$000	2004/05 \$000
Total Revenue	47,853	38,253	27,130	24,184	19,699
Charges Against Revenue	41,005	32,777	23,534	19,477	17,296
Cumulative Profit (Loss)	101,811	47,627	45,143	44,241	24,414
Working Capital	3,105	-17,283	-6,952	3,004	-3
Fixed Assets at Book Value	124,014	74,109	53,748	43,466	43,609
Return on Assets	7.2%	6.3%	6%	7.7%	4.2%
Debt Ratio	1:2.3	1:2.5	1:3.5	1:4	1:8
Total Revenue Per Cargo Tonne (in cents)	30.0	29.3	24.3	21.9	18.1

## HISTORY

The coast of Western Australia was visited by many exploring parties prior to the foundation of the colony in 1829. However, it was not until 1863 that the vessel 'Mystery' dropped anchor in a mangrove inlet, which was subsequently given the name of Port Hedland after the Master of the 'Mystery', Captain Peter Hedland.

Towards the end of the century, it became apparent that the pastoral industry in the Eastern Pilbara needed a port, and in 1896 construction of the first Port Hedland jetty begun. With the discovery of gold in the Marble Bar area a few years later, the jetty was extended in 1908, and a railway between Marble Bar and Port Hedland was completed in 1911.

From then until the late 1930s, the port was mainly used for the import of stores and producer items for the local industries, and the export of pearl shell, wool, livestock, gold, tin and small amounts of copper.

After the Second World War, the port continued to serve the pastoral industry, and began to export significant quantities of manganese.

However, in 1965 the iron ore industry, as we know it today, began in the port, when Goldsworthy Mining Ltd (now BHP Billiton Iron Ore) dredged an approach channel and turning basin for ships of up to 65,000 Dead Weight Tonnes (DWT). At the same time the Leslie Salt Company (now Dampier Salt Ltd) commenced development of a solar salt industry. A new land backed wharf (No 3 Berth) was built to cater for salt exports and to improve the facilities available for the import of fuel and producer items.

Subsequently, the Mt. Newman Mining Company (now BHP Billiton Iron Ore) chose Port Hedland as its export port, and further dredging and development took place to allow the use of the port by large bulk carriers of up to 120,000 DWT. With experience, the size of vessels was increased, and vessels of up to 315m in length, and 185,000 DWT, were accepted.

In 1975/76 further work was carried out when extensions to the turning basin and some channel widening took place, allowing ships of up to 225,000 DWT to be handled. The condition of the original timber jetty (now designated No 2 Berth) was unsound and its demolition was commenced in 1976.

In 1986 major capital dredging was undertaken to deepen the channel by 2.5m. In conjunction with a computerised under keel clearance programme, (the first in an Australian port) this allowed the port to handle ships up to 330m, and 260,000 DWT.

The channel at Port Hedland is now 20 nautical miles in length for outward vessels, varying in both width and depth with minima of 183m and 14.2m respectively. Gated pairs of synchronised beacons, which are maintained and owned by the Port Authority, mark the channel to Port limits 10 nautical miles offshore. The Outer Channel (beyond Port Limits) which varies in width from 250m to 470m is marked by 13 synchronised beacons owned and maintained by the Australian Maritime Safety Authority.

In 2005 the Port Authority extended its No 1 Berth to recreate No 2 Berth. The combined berths can accommodate fully loaded Panamax size vessels, over a range of different cargoes. The shiploader on No 1 Berth handles bulk mineral exports.

The construction of a second berth on Finucane Island by BHP Billiton Iron Ore in 2004 together with the reconstruction of the original Goldsworthy wharf completed in 2007 as part of Rapid Growth Project 3 has BHP Billiton Iron Ore's shipping capacity at 129 Mtpa. Rapid Growth Projects 4 & 5 are underway which will increase capacity to 155 Mtpa and 205 Mtpa respectively. Two new berths at Harriet Point are currently under construction.

FMG completed construction of its Herb Elliott port facilities comprising two cape size berths with an installed capacity of 45 Mtpa and shipped its first ore in May 2008.

The first pile was driven for the new PHPA multi-user bulk export facility at Utah Point in March 2009 with completion expected mid 2010. The berth will be capable of receiving small cape size ships up to 120,000 DWT.

Today, the port continues to serve the mining and pastoral industries of the Pilbara. Iron ore continues to be the dominant export trade with Port Hedland being the largest iron ore export port in the world, but also important to the regional economy are exports of salt, manganese, chromite, copper concentrates and livestock. For the 2004/05 financial year the port became the first port in Australia to exceed 100 million tonnes in a single year. There have been record tonnage each year since and record tonnages are expected to continue over the years to come as the port experiences major exponential growth.

## Chairman and CEO's report

The Port witnessed a 22% surge in iron ore exports over the past year with record trade levels of 159.4 million tonnes for 2008/09. Port Hedland regained the title of largest tonnage port in Australia and largest bulk export port in the world. Plans are progressing for the development of an additional 11 berths in the Inner Harbour over the next five years which should bring the total Inner Harbour throughput to around 470 Mtpa. Development plans for a 400 Mtpa Port Hedland Outer Harbour off Finucane Island to cater for proponent needs beyond 2014 are advancing. The Port Authority has achieved its objectives for the year and it is thus with great pleasure that we submit this report.

Trade records were again set this year, primarily due to record iron ore exports of 154.2 million tonnes as Fortescue Metals Group (FMG)/The Pilbara Infrastructure (TPI) ramped up production at their new Herb Elliott port facilities with an annualized throughput rate of 37 Mtpa achieved as at June 2009. BHP Billiton Iron Ore (BHPBIO) exported 126.3 million tonnes, FMG 27.1 million tonnes and Atlas Iron 0.4 million tonnes. A record of 841,062 tonnes iron ore was sent out in 5 ships on the morning tide of the 26<sup>th</sup> June 2009. The combined iron content carried being equivalent to ten Sydney harbour bridges.

As a result of the downturn in trade in the fourth quarter of 2008, bulk minerals loaded over the Port Authority's No. 1 Berth shiploader totaled 1.9 million tonnes, less than the prior year's record of 2.2 million tonnes. Activity however returned to former highs in June 2009 with a record monthly throughput of 351,384 tonnes. Salt exports at 2.6 million tonnes were back at 2006/07 levels. Fuel imports reached a new record of 716,411 tonnes. General cargo, break bulk and container trade grew 47% in the past year from 159,000T to 234,000T. Ship calls for the year increased by 18% to 1,214 equating to roughly 3.5 per day on average.

The Port Authority continues to gear up to manage the significant future increases in shipping, the commencement of operations at Utah and to facilitate the numerous proponent projects and expansions, as well as implementing ongoing improvement measures. Seven additional Port Authority staff positions were filled during the year.

The Port Authority has implemented further safety, security and environmental improvements during the year, with positive results and the full support of port users. Community relations are good with close consultation on development plans and a number of community related projects being pursued. A Perth office was established in January 2009 in collaboration with Dampier Port Authority with a view to better service future proponent needs. A number of opportunities for the traditional owners have materialised as a result of the port collaboration and heritage agreement.

During the year it was necessary to increase Pilotage charges by 32% and tonnage dues by 10%. Wharfage, berthage & shiploader charges remained unchanged. The increase in pilotage charges are attributable to significant increases in the new helicopter and pilot boat service contract costs and to provide for enhanced services. For 2009/10 Port charges will generally be adjusted by CPI (5%) with the exception of tonnage dues escalated by 10%. The Cape vessel tonnage surcharge remains unchanged as does the PPHA shiploader charge.

The financial performance of the Port Authority reflected a net operating profit of \$56 million, as a result of a contribution of \$70 million towards the construction of the Utah Point berth and \$2.5 million received from BHPBIO towards repair works undertaken to the tug pens. The net operating profit attributable to normal PPHA operations was slightly below budget at \$6,848,000.

BHPBIO Rapid Growth Project, expansion projects are underway which will see the capacity increase to 205 Mtpa by 2011. Their next expansion RGP6 to 240 Mtpa is in the detailed planning stage and if approved by BHPBIO is expected to come on stream in 2012.

FMG/TPI's Herb Elliott port facilities comprising twin cape size berths are in the process of ramping up production to 45 Mtpa. Expansion plans for a third berth at Anderson Point (increasing throughput to 95 Mtpa) and a fourth berth in South West Creek giving a total capacity of 120 Mtpa remain under investigation.

The total approved long term capacity within the Inner Harbour is as set out below.

Class A Tidally constrained unrestricted Capes (generally 180,000T upwards – with priority sailing)	320 Mtpa
Class B Tidally constrained restricted Capes (generally 140 to 180,000T – secondary sailing priority)	70 Mtpa
Class C Non Tidally constrained vessels (generally up to 120,000T – third sailing priority)	80 Mtpa
<b>Total</b>	<b>470 Mtpa</b>

Negotiations to allocate Hancock Prospecting two berths in South West Creek with a capacity of 55 Mtpa are proceeding. Train unloading and stockyard facilities will be located on the Boodarie Industrial Estate. If successful this will result in a 25 Mtpa increase in the original allocation of 30 Mtpa and bring the Inner Harbour to 495 Mtpa.

One of the initiatives that PHPA has identified to increase the port's operating efficiency and eventual capacity is securing a maintenance dredge for PHPA's as well as other WA Ports needs with a view to dredging annually in lieu of 3 yearly. Tenders will be out late 2009 for this to secure on long term operating lease.

Iron Ore Junior producers (North West Iron Ore Alliance and others) have been allocated two berths in South West Creek with a medium term capacity allocation of 50 Mtpa B Class (upgraded from C Class capacity included above) on the condition that this capacity will be redirected to the Outer Harbour from 2020 should there be a requirement for these berths to service the Boodarie Industrial Estate.

PHPA's new berth at Utah Point is capable of handling vessels up to 120,000 tonnes deadweight with a capacity of between 17 - 20 Mtpa (C class) and designed to handle multiple bulk mineral products (including Manganese, Chromite, Iron Ore, Titanomagnetite and possibly Ilmenite in due course). 17.1 Mtpa capacity on a long term basis has been allocated to foundation customers, Consolidated Minerals, Process Minerals International, Atlas Iron, Aurox Resources, and Hitec Energy. Some short term capacity has been allocated to BHPBIO during the initial years of operation until Aurox Resources ramps up to full production. This berth is designed to receive 9 Mtpa by road with the balance either pumped by slurry pipeline (magnetite) or railed. Construction of the berth is well underway with completion expected mid 2010.

The transfer of Manganese and Chromite exports from No. 1 berth to Utah Point will enable significant expansion in general cargo, containers, fuel and concentrates over the existing public berths from 2010. New berths are planned to be developed at Lumsden Point to cater for the medium to long term growth in these commodities. Plans for a proponent funded logistics base at Lumsden Point comprising 1000m of shallow draft berths and 140 hectares of laydown area is being fast tracked by PHPA for completion in 2011/12. New tug pens to cater for the more powerful and enhanced harbour/escort tugs may also be accommodated as part of this facility.

The Global Financial Crisis impacted on PHPA's second quarter trade and caused the deferral of a number of proponent projects, including plans for a new 60,000 tonnes multi-user concentrates shed to handle copper and zinc concentrates.

To satisfy demands for capacity in excess of the 470/495 Mtpa Inner Harbour all proponents are being urged to consider export facilities via the Outer Harbour where a minimum 400 Mtpa of additional bulk export capacity will be able to be accommodated. The Outer Harbour is being planned to accommodate a total of 17 iron ore berths able to receive vessels up to 320,000T deadweight as well as a further 4 bulk liquids berths (LNG/LPG other). The stockyards will be located to the north of the Boodarie Industrial Estate. The Outer Harbour berths will be located roughly 4.5 kms offshore Finucane Island serviced by conveyors up to 13km long and a new channel.

Through detailed studies and investigations Port Hedland Port Authority has identified significant additional capacity through the Inner Harbour to meet immediate proponent demands and is fast tracking development plans for an Outer Harbour to meet growth aspirations for the foreseeable future. This growth will create significant challenges and opportunities for the Port Authority, the Town of Port Hedland and the State.

The significant increase in trade as well as the expansion programs continues to create environmental challenges. During the year PHPA has initiated several programs to manage environmental impacts including the development of a mangrove offset project and the development of the Port Hedland Industries Council. PHPA has also participated in a number of strategic programs including the Air Quality taskforce, the EPA Guidance Statement 29 review and other various

consultation with high level government representatives. In conjunction with the traditional owners of Port Hedland Harbour, PHPA are developing a Cultural Heritage Masterplan.

We extend our appreciation to the Directors, Port Authority staff, contractors and service providers for their significant contributions and dedication to achieve our stated mission of promoting, facilitating and expanding trade through the port via the provision of safe and efficient services and timely infrastructure development, whilst fulfilling our social and environmental responsibilities.

## Corporate Plan

The Authority's Vision, Mission and Broad Objectives provide guidance in its decision making.

### Vision

To be the "Port of Choice" for trade to and from the Pilbara and be the world's leading bulk commodities port.

### Mission

To promote, facilitate and expand trade through the port, via the provision of safe and efficient services, and timely infrastructure development, whilst fulfilling our social and environmental responsibilities.

### Achievements Against Major Goals Planned for 2008/2009

The Authority set a number of major goals for itself for 2008/2009 in its Statement of Corporate Intent submitted to the Minister for Transport. Those goals and the achievements in respect of those goals are detailed below.

Goals	Achievements
<b>Service Provision</b> The provision of reliable, competitive and efficient port and marine services that meet and are responsive to the needs of users.	
Minimal disruption to marine operations.	<ul style="list-style-type: none"> <li>• Due to effective management, minimal disruptions experienced due to the passage of tropical cyclones off the coast, this past season with a total of just 37 hours lost to port closure from 1 July 2008 to 30 June 2009.</li> <li>• Port Authority contracted service providers were reviewed and audited against KPIs and improvements actioned. Licensing arrangements were implemented for a number of non Port Authority provided services with performance monitored against KPI's.</li> <li>• Operating procedures were further reviewed and enhanced during the year with enhanced security and safe operating monitoring arrangements and enhanced operations, greatly improving the throughput performance of the PHPA berths.</li> <li>• Emergency response plans in place with a full blown regional Emergency Response exercise "exercise Blackjack" performed in September 2008. This was a total success with PHPA deemed fully prepared for such impact, albeit this has led to recommendations for the procurement of additional oil spill response equipment.</li> <li>• PHPA Vessel Movement Protocols implemented, including the OMC/Klein ship scheduling software, with further enhancements for fully web based system under development. PHPA now responsible for all ship scheduling within the port.</li> </ul>
Maintain efficient stevedoring services.	<ul style="list-style-type: none"> <li>• Stevedoring operations enhanced with all non exclusive operators licensed and collaborating with the Port Authority to enhance service delivery. PHPA continues to verify safety and environmental compliance and assists in troubleshooting for enhanced operating efficiencies as witnessed by average shiploader rate 8% higher than 2007/08 and a 44 % increase in general cargo and cement trade.</li> <li>• A non exclusive licence for the stevedoring services at the Utah Point Berth has been agreed with P&amp;O Automotive &amp; General Stevedoring, following conclusion of agreements for the in loading, out loading and stevedoring services between POAG's and all the respective Utah proponents</li> </ul>

	<ul style="list-style-type: none"> <li>• PPHA conducted an audit of P&amp;O in May 2009. Local P&amp;O management has changed and PPHA is working with P&amp;O to increase communication and consultation.</li> </ul>
<p>Improve operating and cost efficiencies of Port Authority contracted and third party provided services.</p>	<ul style="list-style-type: none"> <li>• The Pilot Boat and Helicopter services were retendered during 2009 with Guardian Marine and Jayrow being awarded five year contracts. While costs have increased the scope has been enhanced to cater for future projected increases in port activity, improved safety and security.</li> <li>• Negotiations with the incumbent pilotage service contractor for a new five year contract commencing July 2010 at reduced cost per ship pilotage has been successfully concluded.</li> <li>• PPHA introduced regular Port Service Provider meetings to provide the Port Service Providers a forum to discuss and resolve issues.</li> </ul>
<p>Maintain technological, leading edge port status and enhance infrastructure to suit.</p>	<ul style="list-style-type: none"> <li>• Leading edge ship scheduling software developed and implemented with Klein and OMC combining ship scheduling with Dynamic Under Keel Clearance and ship billing capability. Enhancements to achieve web based access for port users underway.</li> <li>• DUKC WaSP (Wave and Swell Predictor) now introduced and implemented to incorporate long range swell forecasting.</li> <li>• Portable Pilotage Units have been procured for all pilots, incorporating Dynamic Under Keel Clearance and navigation capabilities and now fully implemented.</li> <li>• Sailing separation between departing vessels of 30 minutes now implemented wherever possible. In June 2008, 5 Cape Size ships carrying 841,062T iron ore departed the port on a single tide over a period of 4 hours, greatly substantiating the future capacity modeling and potential of the port.</li> <li>• The Port Authority is investigating further increases in Inner Harbour capacity beyond the 470Mtpa declared in the last report, by means of securing a maintenance dredger to dredge annually in lieu of 3 yearly; a selective capital dredge campaign to cut high spots in the channel and a move towards “draft efficient ships”, coupled with larger more maneuverable tugs for berthing and escort. This is combined with further enhancements to capacity modeling, berth and shiploader configurations, vessel classification, port operating parameters, vessel movement protocols and plans to have a permanent pilot and tug simulator in Port Hedland.</li> <li>• Cavotec suction mooring system has been contracted for the new Port Authority berth at Utah Point, with other proponents investigating for their future berths in the port.</li> <li>• Port access and security controls, through installation of card swipe security access system, linked to maritime security identification cards has been once again deferred due to capital constraints. Projected to be installed during 2009/10.</li> <li>• Office extensions to the Marine Operations building were completed adding an additional 40% floor area.</li> </ul>

	<ul style="list-style-type: none"> <li>• Research is being conducted into the design of a new shipping control tower that will facilitate new technologies being introduced for ship management, including incident response.</li> </ul>
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Goals	Achievements
<b>Port Facilities</b> The provision and maintenance of suitable, reliable and competitive port facilities to meet user needs.	
Efficient and timely maintenance.	<ul style="list-style-type: none"> <li>• Pump barge commissioned to remove toe line sediments. Partial success at No 1 Berth with further work planned as shipping allows.</li> <li>• Received Government support to enter into long term contract for the supply and operation of a maintenance dredge. Tender to be advertised within second half of 2009. Dredging to be performed annually in lieu of every three years, which will greatly benefit proponents through increased departure drafts.</li> <li>• Employment of Electrical Supervisor to directly oversee electrical requirements.</li> <li>• Overhaul and refurbishment of ageing tug pen infrastructure continued with further selective replacement of perimeter sheet piles completed during the year.</li> </ul>
Provide facilities for increasing bulk export capacity.	<ul style="list-style-type: none"> <li>• Construction of PHPA's multi-user bulk export facility at Utah Point is underway with completion expected mid 2010. The berth is capable of receiving small cape size ships up to 120,000T deadweight and loading at up to 7500 tph. 17.1 Mtpa capacity has been approved and allocated with further capacity potential possible dependent on ship size presented by proponents and load out arrangements used.</li> <li>• BHPB RGP5 plans to expand to 205 Mtpa approved, 2 new berths cape size at Harriet Point under construction. RGP 6 to 240 Mtpa with 2 additional berths at Burgess Point awaiting final investment decision.</li> <li>• The Pilbara Infrastructure (FMG) completed the dredging of their 3<sup>rd</sup> berth at Anderson Point, including modifications to permit their shiploader to travel over two berths. Installed port capacity now around 50 Mtpa.</li> <li>• Allocations of 5 additional Cape size berths and circa 150 Mtpa of capacity to TPI, Hancock Prospecting and North West Iron Ore Alliance / non aligned juniors approved.</li> <li>• Concept plans and fatal flaw analysis for a new 400 Mtpa Outer Harbour completed. BHPB progressing plans for their 8 berth 200 Mtpa project Quantum. PHPA progressing investigations into an Infrastructure Provider funded 200 Mtpa 8 berth multi user facility, based on proponents funding own rail dump and stockyard infrastructure.</li> <li>• Plans for an infrastructure provider funded fourth multi user concentrate shed with a storage capacity of 60,000T approved. Go ahead placed on hold as a result of down turn in base metals demand (copper, zinc).</li> </ul>

<p>Improved shiploader performance.</p>	<ul style="list-style-type: none"> <li>• Successful trial of Variable Voltage Variable Frequency drive on boom conveyor to improve flow of copper concentrate. Will now apply technology to remaining belts in stages.</li> <li>• Design completed for spill plate, partially installed to be completed Oct 09.</li> <li>• Record monthly throughput of 351,384T achieved in June 2009.</li> <li>• Facilitated the export of 324,389T of aged Hot Briquetted Iron fines.</li> </ul>
<p>Ensure appropriate and compliant port infrastructure.</p>	<ul style="list-style-type: none"> <li>• Design and implementation of additional cyclone strengthening to the shiploader on No 1 Berth. Design and partial installation of new long travel buffers on No 1 Berth. To be completed in Oct 09.</li> <li>• Condition audit of control tower and administration building completed. Audit recommendations to be addressed in the coming year.</li> <li>• Administration building extended to accommodate increase in staff.</li> <li>• Older tug pen access arrangements removed and replaced with pontoons and gangways providing safe access at all tides for tug crews.</li> <li>• New Tug pens 9 &amp; 10 completed. Design options for 2 additional pens in the existing tug haven completed. Options for future tug pen needs at the safe boat haven (spoil bank) or rear of harbour also advanced.</li> <li>• Installation of electronic access control deferred to 2009/10.</li> </ul>

Goals	Achievements
<p><b>Planning and Development</b> Through forward planning, ensure that future development is not unreasonably constrained by external restrictions, effectively meets the needs of expected trades, is coordinated and efficiently uses the port area.</p>	
<p>Ultimate Development Plan update and Outer Harbour investigations.</p>	<ul style="list-style-type: none"> <li>• The port undertook further capacity modeling to evaluate channel capacity with the addition of the Outer Harbour and need for a second channel.</li> <li>• The Ultimate Development Plan of the port now incorporates the Outer Harbour and further iterations to include for a logistics base hub at Lumsden Point with 900m of land backed wharves and 140 hectares of laydown area in support.</li> <li>• Plans for a container and general cargo hub for the North West advanced. Initially serviced from PPHA's existing 1,2 &amp; 3 berths, moving to South West Creek and Lumsden Point berths in due course.</li> </ul>
<p>Pilbara Ports Study.</p>	<ul style="list-style-type: none"> <li>• In light of positive findings of the Outer Harbour studies, fallback options of a new port at Ronsard Island need not now be progressed.</li> </ul>
<p>Ensure construction activities progress to plan, with minimal impact on shipping.</p>	<ul style="list-style-type: none"> <li>• The Port Authority continues to provide timely and responsive assistance to BHPBIO and FMG/TPI and appointed contractors to facilitate the development of additional berths and associated infrastructure and stockyards.</li> <li>• The same assistance has also been provided to Hancock Prospecting and the North West Iron Ore Alliance / non aligned juniors to assist them with their capacity requirements and development of their planned berths.</li> </ul>

<p>Develop the new multi user berth at Utah Point with a view to completion by mid 2009.</p>	<ul style="list-style-type: none"> <li>Final environmental and heritage approvals received mid March 2009. Piling commenced immediately following receipt. Completion now projected mid 2010.</li> </ul>
<p>Facilitate progress on the Auslink road upgrade to the Great Northern Highway (GNH) in Port Hedland in view of additional traffic feeding the new berth at Utah Point and future rail and trade throughput generally.</p>	<ul style="list-style-type: none"> <li>Stage 1 of the Great Northern Highway (GNH) upgrade is underway with completion scheduled ahead of Utah commissioning. This will cater for increased road train traffic feeding Utah Point.</li> <li>PHPA continue to participation in planning committees for the new Wedgefield industrial land release as well as the re-alignment of the Great Northern Highway to the rear of Wedgefield with MRWA.</li> </ul>
<p>Town of Port Hedland Land Use Master Plan.</p>	<ul style="list-style-type: none"> <li>PHPA are working closely with the ToPH to achieve the port related outcomes of the Land Use Master Plan. These include the new GNH alignment to the rear of Wedgefield. Development of Lumsden Point and the Area C to the rear of Wedgefield. Progressing plans to direct rail traffic for the Outer Harbour and the western side of the port to the South of South Hedland. Hunt Point enhancements underway. Spoil Bank safe boat haven project, landscape master plan of the port areas, Marapikurrinya development and mangrove repropagation / boardwalk developments all advancing positively.</li> <li>The PHPA's Port Development Plan continues to evolve by way of an iterative process working closely with the ToPH / the Land Use Master Plan and concerned parties.</li> </ul>
<p>Pilbara Ports Authority.</p>	<ul style="list-style-type: none"> <li>Although moves to merge PHPA and Dampier Port Authority did not eventuate, both ports continue to collaborate closely on port development issues affecting the Pilbara. A joint Pilbara Ports Perth office was established in January 2009 to further this collaboration and better service the development and expansion needs of PHPA's future port users.</li> </ul>

Goals	Achievements
<p><b>Trade Facilitation</b> Facilitate trade and business opportunities within and through the port.</p>	
<p>Minimise future increases in core charges.</p>	<ul style="list-style-type: none"> <li>The bulk of the Port Authority charges remained unchanged during 2007/08 apart from a 10% increase in tonnage dues and 32% increase in pilotage charges. Wharfage, berthage &amp; shiploader charges remained unchanged. The increase in pilotage charges was necessitated as a result of the enhanced helicopter specification and second helicopter requirement, in addition to enhanced pilot boat requirements.</li> </ul>
<p>Progress port development.</p>	<ul style="list-style-type: none"> <li>The updated Ultimate Development Plan has been canvassed and further iterated with inputs from new prospective port users. The PHPA has actively facilitated all proponent development needs with minimal conflicts between respective port users developments.</li> </ul>
<p>Support increased production and shipping of all shippers.</p>	<ul style="list-style-type: none"> <li>DUKC upgrades implemented permit enhanced planning and forecasting.</li> <li>The Port is currently conducting a full towage review to enhance towage operations in the Port. The implementation of these recommendations will potentially increase shipping for all shippers.</li> </ul>

	<ul style="list-style-type: none"> <li>• The Port released the Vessel Movement Protocols to provide clear guidelines on the operation of the vessel scheduling within Port Hedland with the onset of the Port's move to a multi-user environment.</li> <li>• Securing a maintenance dredger to dredge annually in lieu of 3 yearly will greatly enhance the efficiency of shipping.</li> <li>• PHPA is also progressing plans to undertake a selective capital dredge campaign to cut high spots in the channel to further enhance draft availability and efficiencies of the shipping task.</li> </ul>
Grow container and break bulk trade.	<ul style="list-style-type: none"> <li>• A quantitative risk review was started in 2009 by external consultants to look at increased levels of ammonium nitrate being shipped through the Port.</li> <li>• Interest from customers has been limited for a container area although potential is growing. Majority of cargoes have been related to the construction activities with this trade growing 47% in the past year from 159,000T to 234,000T. Intention is to tender for a Build, Own, Operate partner in 2010 including AQIS washdown and fumigation facility to be operational following the Manganese and Chrome relocation to Utah.</li> </ul>
Capture port related industries for Port Hedland.	<ul style="list-style-type: none"> <li>• PHPA continues to have strong demand shown in a logistics base development and are working with a proponent to undertake a feasibility study, prepare engineering designs concept plans and undertake tidal analysis, environmental and heritage reviews. This development at Lumsden Point can be dovetailed to coincide with the reclaim of 140 hectares of land. This facilitate will not only support the offshore oil and gas industry, but also cement, ammonium nitrate, mining and earthmoving equipment imports.</li> </ul>

Goals	Achievements
<b>Financial</b> To establish pricing for users of port services and facilities commensurate with the achievement of the required return on Government investment and consistent with the Authority's trade facilitation objective.	
To keep increases in charges in line with target Rate of Return (ROR).	<ul style="list-style-type: none"> <li>• Port Authority charges remained unchanged except for pilotage and tonnage. These increases were necessary to cover the increased cost of contracted services (helicopter, pilot boat, maintenance including dredging and security services). Port charges will be adjusted by CPI in 2009/10.</li> <li>• Port Authority achieved a ROR of 7.2 % against the long term average target of 6.5%.</li> </ul>
Review implementation of International Financial Reporting Standards (IFRS).	<ul style="list-style-type: none"> <li>• The 2009 financial statements and notes are in compliance with IFRS reporting requirements.</li> </ul>

Goals	Achievements
<p><b>Human Resources</b> To provide a safe, healthy and supportive environment which encourages employees to work with commitment and enthusiasm to achieve corporate objectives.</p>	
<p>Increase port management, staff and enhanced service contracts to handle future exponential growth.</p>	<ul style="list-style-type: none"> <li>• An additional 7 new staff positions filled during the year.</li> <li>• Additional house constructed in new Pretty Pool development.</li> <li>• Further 5 blocks were purchased at Pretty Pool for staff housing to be constructed over the next two years.</li> </ul>
<p>Zero harm to employees and others in the port area.</p>	<ul style="list-style-type: none"> <li>• The target of 12 months Lost Time Injury (LTI) free was achieved on 1<sup>st</sup> August 2008 for the whole of port operations (excluding BHP Billiton and FMG operations).</li> <li>• The Port Authority is currently working towards AS/NZS 4801 Certification. A pre-audit was performed by SAI Global in February 2009 as part of the AS / NZS 4801 Certification process The Port Authority is currently working to develop and implement the necessary system procedures to enable the port to achieve AS/NZS 4801 Certification.</li> <li>• The PHPA risk matrix has been reviewed and as a result of the review a new risk matrix has been developed and implemented. The latest revision of the risk matrix has been inserted into the MYOSH Safety Management System.</li> <li>• The PHPA now has access to the Chem Watch Chemical Management System. The Chem Watch System will allow the PHPA to meet its obligations regarding the storage and use of chemicals and hazardous substances in the port.</li> <li>• The Port Authority Fitness for Work Policy – Drug and Alcohol Module blood alcohol concentration (BAC) cut-off limit was reduced to .02%</li> <li>• An operational risk review was performed in February 2009 to incorporate both land based and water based operations within the port. Key stakeholders were involved in the operational risk review workshop.</li> </ul>
<p>Employees skilled in their jobs.</p>	<ul style="list-style-type: none"> <li>• Staff training needs are identified through the Performance Appraisal Process and is ongoing. All staff participated in training either specific to their job or to the nature of the Port's activities.</li> <li>• Staff have attended extensive oil spill training courses (team leader training, basic operator, finance and administration, shoreline, Tier 2 and oiled wildlife training)</li> <li>• Port Marine Officer's have attended VTSSO training.</li> </ul>

Goals	Achievements
<b>Environment, Community, Safety and Health</b> To protect the environment of the port area and minimize the impacts of port activities on the environment and the community by ensuring that environmental management is incorporated in our operations and port development.	
Port Security improvements.	<ul style="list-style-type: none"> <li>• The latest version of the PHPA Port Security Plan was approved.</li> <li>• A security risk assessment was performed in February 2009.</li> <li>• The Port's perimeter fence was upgraded during the 2008/09 financial year.</li> <li>• The new Pilot boat contract includes safety and security patrols of the inner harbour and berth areas as well as channel, anchorage and outer Port area as required.</li> </ul>
Achieve ISO 14001 accreditation.	<ul style="list-style-type: none"> <li>• PHPA have continued to progress the development of an Environmental Management System based on the ISO14001 Standard. There has been significant integration with the Quality and Health and Safety Systems over this period.</li> </ul>
Maintain Marine Pollution Response capability.	<ul style="list-style-type: none"> <li>• The Port has gone out to tender for the lease of oil spill equipment to significantly increase the port's capability to respond to oil spills.</li> <li>• Exercise 'Black Jack' was conducted in September 2008.</li> <li>• The Port's Oil Pollution Management Plan was updated.</li> </ul>
Minimise contamination of the harbour sediments from product spillage.	<ul style="list-style-type: none"> <li>• PHPA have continued to upgrade bulk ship loading operations. A spill plate for the shiploader has been designed and fabricated and is currently in the process of being fitted. Temporary plastic bunding on the wharf is being progressively replaced with permanent concrete bunding and a water capture and recycling program has been designed.</li> <li>• Design and specification completed for the capture and treatment of wash down water. Project to be tendered as funds become available.</li> </ul>
Minimise dust escaping from PHPA area.	<ul style="list-style-type: none"> <li>• PHPA have continued to improve dust management at the Port. During the year, a new operational dust monitoring program was implemented, incorporating the addition of 5 E-Samplers and remote communications technology. A significant amount of data has been collected and an operational dust level warning system will be implemented.</li> <li>• POAGS took over the road sweeping contract during the year, we now have two road sweeping units operational at the port.</li> <li>• Review and upgrade of the No.1 Shiploading system has also taken place during the year.</li> </ul>
Target to manage mangrove habitats in accordance with the requirements of EPA Guidance Statement 29.	<ul style="list-style-type: none"> <li>• Significant research has been undertaken in the past year into mangrove habitats in Port Hedland Harbor. PHPA have been both classifying mangrove habitats in the harbor and researching the potential for offset for mangrove loss in the harbor ecosystem, including a mangrove regeneration project.</li> </ul>

Goals	Achievements
<p><b>Community Support</b> Establish and maintain a close relationship with the Port Hedland community in order to win support for current port operations and future developments.</p>	
<p>Be recognised as a good corporate entity.</p>	<ul style="list-style-type: none"> <li>• PHPA has invested over 2% of pre-tax profits into community related projects in 2008/09.</li> <li>• Lead role in the development of plans to establish a safe boat harbour at the yacht club site in collaboration with the Town of Port Hedland.</li> <li>• Lead role in negotiating the sale of surplus sand at the spoil bank to Landcorp for the Pretty Pool development. Resulting in over \$500,000 contribution to the ToPH administered fund for the safe boat harbour development.</li> <li>• Funding secured to develop a viewing tower as part of the Marapikurrinya development. Plans for the Marapikurrinya development incorporating a marine and indigenous interpretive centre and coffee shop progressing positively.</li> <li>• Port entrance upgrade completed and Landscape Master Plan for the Port finalised with a view to improve the Port town interface.</li> <li>• Funding secured for Hunt Point access track upgrade, elevated viewing area and public small boat access platform to be developed by 2010.</li> <li>• Port Collaboration and Heritage Agreement concluded with traditional land owners with local aboriginal employment and contracting opportunities realised.</li> <li>• PHPA continues to support the Seafarers' Centre as well as sundry sponsorship programs for sport, arts and community related projects.</li> <li>• PHPA continue to be a key sponsor of numerous local events, including the Australia Day fireworks, Port Hedland Golf Tournament, the Black Rock Stakes and Australia's North West Tourism – Pilbara Marketing Campaign.</li> </ul>

## Major Goals Planned for 2009/2010

### Service provision

- Maintain minimal disruption to marine operations.
- Maintain efficient stevedoring services.
- Improve operating and cost efficiencies of Port Authority contracted and third party provided services.
- Maintain technological, leading edge port status and enhance infrastructure to suit.

### Port facilities

- Secure Maintenance Dredger
- Provide facilities for increasing bulk export capacity.
- Improve shiploader performance.
- Ensure appropriate and compliant port infrastructure.
- Facilitate new office block development.
- Staff Housing development.

### Planning and development

- Ultimate Development Plan update and Strategic Regional Planning.
- Progress Outer Harbour development.
- Facilitate Inner Harbour proponent funded berth developments
- Progress PPHA berth and infrastructure developments
- Develop new port services infrastructure.

### Trade facilitation

- Progress port development.
- Support increased production and shipping of all shippers.
- Grow container and break bulk trade.
- Capture port related industries for Port Hedland.
- Minimise future increases in core charges.

### Financial

- To keep increases in charges in line with target ROR.
- Improve Port's business systems and achieve ISO 9001.

### Human resources

- Increased port management, staff and enhanced service provider contracts to handle future exponential growth.
- Zero harm to employees and others in the port area.
- Employees skilled in their jobs.
- To be responsive to the needs of staff for balancing work, family and cultural responsibilities.
- Ensure appropriate staffing levels are maintained (considering future staffing requirements) with the focus on attracting and retaining our valued people.
- Provide future opportunities for Aboriginal participation in port activities

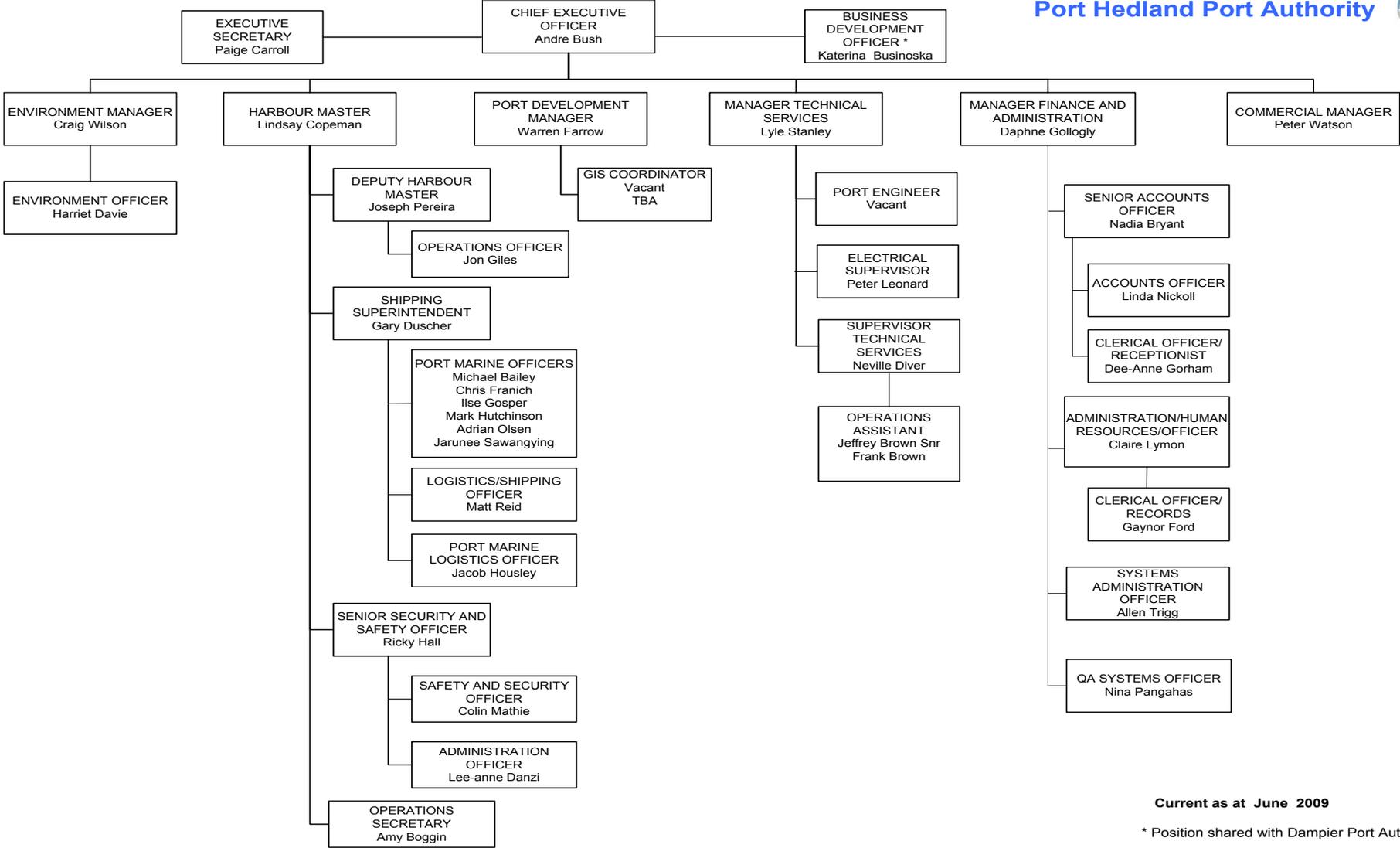
### Environment, community safety and health

- Port security improvements.
- Achieve ISO 14001 accreditation.
- Maintain Marine Pollution Response capability.
- Fully implement the 2009/10 PPHA Environmental Management Plan.
- Minimise contamination of the harbour sediments from product spillage.
- Minimise dust escaping from PPHA area.
- Ensure dust and noise impacts of future developments are sufficiently minimised / mitigated.
- Target to manage mangrove habitats in accordance with requirements of EPA Guidance Statement 29.

### Community support

- Be recognised as a good corporate entity.

Personnel



Current as at June 2009

\* Position shared with Dampier Port Authority

## Policy Statements

Port Hedland Port Authority workplace environment fosters fairness and equity, and does not tolerate any form of discrimination or harassment in the workplace. Port Hedland Port Authority actively encourages the provision of employment opportunities for the traditional owners within the Authority and through contractors to the Authority.

Planning and ensuring accountability for Equal Employment Opportunity (EEO) and Diversity programs has been made easier by the development of an EEO planning tool by the Office of Equal Employment Opportunity. This is a secure system for developing and maintaining Port Hedland Port Authority's EEO Management Plan.

The Port Hedland Port Authority's Representation in Relevant Equal Opportunity areas are as follows:

% Representation As at June 2009	
Women	39%
People from culturally diverse backgrounds	22%
Indigenous Australians	6%
People with Disabilities	0%

What was the Initiative	What was achieved?	What difference has it made to your agency?	How was the initiative evaluated
Team Leader Training	17% of staff participated	Employees skills enhanced in team leadership.	Feedback from participants
Shoreline Cleanup Training	Employees increased their expertise and familiarisation with shoreline procedures after a major spill	Broader based accumulation of knowledge.	Feedback from participants
Oil Wildlife Response	Staff trained in oil wildlife response is beneficial due to the unique ecological surroundings of the Port.	Broader based accumulation of knowledge in dealing with wildlife should an oil spill occur.	Feedback from participants

EEO policies and equity principles continue to be incorporated into the Authority’s operational and management practices. The Authority is committed to analysing workplace practices to ensure they do not directly or indirectly discriminate against employees or potential employees and address inequitable practices to avoid direct and indirect discrimination against any EEO groups.

Other workplace policies and practices are reviewed annually or when current legislation and Government requirements are changed.

**Workplace Injuries Performance Indicators**

	Notes	2008/09	2007/08	2006/07	2005/06	2004/05
Number of Fatalities	(1)	0	0	0	0	0
Number of Severe Claims	(2)	0	0	0	0	0
Number of Lost Time Injury/Diseases	(3)	0	0	0	0	0
Lost Time Injury Severity Rate	(4)	0	0	0	0	0

**Notes**

- 1) Number of compensated work related fatalities.
- 2) Number of claims in the financial year where the estimate for lost time exceeds 60 days. Fatal claims are included.
- 3) Number of claims occurring in the financial year where 1 day or more is estimated to be lost.
- 4) Number of severe claims divided by the number of Lost Time Injury/Diseases multiplied by 100.

**Staffing**

**New Appointments**

Port Development Manager  
 Commercial Manager  
 Business Development Officer  
 Port Marine Officer  
 Safety and Security Officer  
 Environmental Officer  
 QA Systems Officer  
 Port Engineer  
 Electrical Supervisor  
 Operations Assistant

Mr Warren Farrow  
 Mr Peter Watson  
 Ms Katerina Businoska  
 Mr Mark Hutchinson  
 Mr Colin Mathie  
 Ms Harriet Davie  
 Ms Nina Pangahas  
 Mr Ian Bernardo  
 Mr Peter Leonard  
 Mr Frank Brown

### Resignations & Retirements

Port Engineer	Mr Ian Bernardo
Operations Assistant	Mr Frank Brown Jnr
Port Marine Logistics Officer	Ms Mira Tolloczko
Safety and Security Officer	Mr Micheal Garvey

### Maternity Relief

Administration/Human Resource Officer	Mrs Robyn Dickens
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### Recruitment Practices

All recruitment and selection processes are undertaken in accordance with the criteria set down in the “Public Sector Standards in Human Resource Management”. Appointments are based on assessment of merit, equity and probity with full disclosure given to potential applicants of the provisions and entitlements applicable according to legislation and PHPA Staff agreement.

Once a reviewable selection decision is made, unsuccessful applicants are advised that they can make a breach of standard claim under the Public Sector Management (Breaches of Public Sector Standards Regulation) 2005. During 2008/2009 nil breaches were received.

### Equity & Diversity

PHPA has adopted and implemented policies on equal employment opportunities, anti-discrimination, and prevention of harassment and bullying. These policies are included in the Authority’s Human Resource Manual and are highlighted during employee inductions. PHPA continues to ensure that the principles of merit and equity are upheld in the processes associated with the recruitment, selection, and promotion of employees.

### Code of Conduct

PHPA has reviewed and rewritten the Code of Conduct and is currently implementing a Code of Ethics to be read in conjunction with the Code of Conduct. The Code of Ethics is a statement of ethical principles and values of the PHPA and is based on three universal ethical principles. These are: Equity and Justice, Respect for People, and Responsible Care. The Code of Conduct reflects the Authority’s principles, values, standards, policies and procedures. The Code of Conduct will assist all concerned to meet the minimum standards of conduct and integrity in the course of their employment and to promote professionalism and best practice in the provision of services to clients and the general public. The legislation requires a report to be submitted to the Commissioner for Public Sector Standards annually regarding the observance by members of staff to this Code of Conduct.

### Corruption Prevention

PHPA is required to specifically consider risk of corruption and misconduct of its staff. Achieving ‘best practice’ in the management of risk and preventing corruption where such circumstances can adversely affect the service delivery of the Port is a priority. PHPA actively promotes employee responsibility by identifying, minimising and preventing risk of corruption. The duty to act ethically and to comply with all relevant codes, governing employee

behaviour includes policies on computer use and the internet is acknowledged during induction and orientation of new employees.

### **Disability Access**

PHPA is committed to providing all people with disabilities access to facilities and services provided by PHPA and supports the contribution that people with disabilities has in the workplace.

### **Record Keeping**

PHPA has implemented a record keeping policy and plans in accordance with statutory requirements and throughout the year has monitored record handling practices and procedures to ensure compliance with the endorsed statutory requirements. New employees are informed of their obligations under the State Records Act, and are advised of their responsibility regarding Public Sector record keeping policies and procedures. An internal audit of the Authority's Record Keeping Plan will be conducted in 2009/10.

### **Freedom of Information**

The provisions of the Freedom of Information Act 1992 apply. During the year, we received four applications under the Act, which one has been complete, one is up for internal review and two have been passed onto the Information Commissioner for external review.

### **Workers Compensation & Injury Management**

Workers Compensation and Injury Management provides timely and effective intervention for employees that have injured themselves at work or those employees who have injuries that may affect their ability to undertake their duties. PHPA ensures that injured employees receive their entitlements and can access 'best practice' injury management interventions and rehabilitation programs including structured 'return to work' programs providing light or restricted duties for those employees with injuries. These programs are developed in conjunction with the employee, their doctor and medical providers, and their manager.

### **Future Direction – Human Resources**

PHPA's continued success is directly attributable to the efforts and commitment of our employees. The Authority is committed to developing a workplace culture where employees are valued and offered the opportunity to develop their skills and knowledge base. The Authority is also committed to achieving a balance between work and family life for its employees. Over the next 12 months, PHPA will continue to implement strategies aimed at improving workplace relations, encouraging employee development and improving employee satisfaction.

## Overview of Port Operations

### Introduction

2008 was a year of growth and new records, but not without challenges for Port Operations. The first and possibly most serious challenge was the accidental grounding of the Bulk Carrier "Iron King" as a result of a steering malfunction. Fortunately this event had a successful outcome with the vessel being refloated on the next tide and removed from the Port without further drama. This incident was a prelude to September when the Port tested its Port Security Plan and its Marine Oil Pollution Management Plan (MOPMP) (released in August 2008) through the medium of a security desktop exercise leading into full deployment oil spill exercise.

Exercise 'Black Jack' was a real time exercise that tested the Port's plans for Emergency/Oil Spill Response in great detail. Over 120 people from the port and external agencies participated in the response to a moderate (Tier 2) Oil Spill in the Harbour. The outcomes of this exercise were pleasing; whilst opportunities for improvement were identified the overall response demonstrated that the MOPMP was generally sound. Port staff and external agencies cooperated well with each other and the local community resulting in a smooth exercise. The management of safety and security through both of the above events reflects the steady improvement in safety performance enjoyed over the past year.

The Port has experienced a steady increase in the number of commercial trade vessels as well as a dramatic increase in the number of small craft movements associated with the development of Utah Point Berth and the dredging of FMG's 3<sup>rd</sup> berth pocket and the commencement in the last quarter, of BHP's Harriet Point berth dredging. In addition to a record annual throughput of 159,390,660 tonnes the Port was able to record a new single tide throughput record of 841,062 June 24 with 5 ships sailing on single tide. The previous record 657,029 has stood since February 2005. In June the Port Authority Shiploader achieved a record throughput of 351,384 tonnes.

The headings below highlight some of the work that has been accomplished by Operations during the 08/09 period. During the next twelve months Operations will be focusing on upgrading our systems, particularly safety and emergency response toward achieving standards that reflect our desire to be a world leading port.

### Trade and Shipping

The Port registered a record of 1214 ships visiting the port during the 2008/09 period. This is an increase of 187 ships that helped to contribute to a record cargo throughput of 159,390,660 tonnes for 2008/09.

Of this tonnage a record total of 153,895,882 tonnes of iron ore was exported through the port. Salt exports improved over the year with a total export of 2,609,954 tonnes. Manganese, Chromite, Copper Concentrate and aged Hot Briquetted Iron Fines exports accounted for 1,847,783 tonnes. Fuel imports grew with an annual total of 713,226 tonnes in the 2008/09 period. General and containerised cargo increased significantly when compared with the figures for 2007/08 and livestock exports totalled 5,825 tonnes.

The Port's current forecasts indicate that cargo throughput will continue to grow exponentially.

### Other Cargo

Ship loading rates for all dry bulk products increased from last financial year. The major products, Manganese and Chromite achieved a 5% and 8% increase in Gross Loading Rates (GLR) respectively from last year whilst the GLR for copper concentrate increased by 20%.

The GLR for Aged HBI Fines/ Iron Ore Blend increased by 8% from last year. The overall GLR for all bulk products increased by an average of 12% to 580 tonnes per hour and the net rate increased slightly over 1% to 692 tonnes per

hour. These increased rates can be attributed to a combination of improvements across the whole Port interface. Ship loader and wharf clean down times have continued at the improved rate set last year with most clean ups now completed within 12-18 hours.

The month of June 2009 saw 351,384 tonnes of bulk cargo tonnage shipped through No.1 berth shiploader setting a new record for cargo shipped through this bulk loading facility in a calendar month.

## **Port Operations**

Trade and other Port activity continued to increase throughout the year despite some doubt as to international economic outlook through the second half of the year. The Operations team maintained the manning levels established in 2007/08 and the team has been working well to manage daily operational requirements and strategic projects aimed at enhancing future port operations.

## **Port Security**

The latest version of the PHPA Port Security Plan was approved by the Secretary of the Department of Infrastructure, Transport, Regional Development and Local Government - Office of Transport Security on the 29<sup>th</sup> June 2009. The Port Security Plan is valid for a period of five (5) years from the aforementioned date.

A security risk assessment was performed in February 2009 to incorporate the requirements of the Maritime Security Risk Context Statement issued by the Office of Transport Security. Key stakeholders and Maritime Industry Participants (MIPs) were involved in the security risk assessment workshop. A number of new security measures and procedures have and will be developed and implemented as identified in the security risk assessment report treatment recommendations.

A section of perimeter fence, some of which had been damaged during cyclone George, has been replaced and upgraded with palisade fencing during the 2008/09 financial year.

## **Maritime Security Identification Cards (MSIC)**

During the 2008/09 financial year the Port Authority received 715 applications for MSIC. Since the Port Authority MSIC Issuing Body commenced operation in May 2006 4,000 plus applications for MSIC cards have been received by the Port Authority. The current demand as evidenced in the abovementioned figures demonstrates the necessity of this service for port users.

The Port has a compulsory induction program as part of the access requirements. The induction currently incorporates safety, security and environmental matters within the Port. The Port facilitated 1425 inductions during the 2008/09 period. During 2008/09 the Port reviewed the full induction package and has commissioned an upgrade that will also include cultural awareness.

## **Port Closure**

The total time the Port was closed for in 2008/09 was 37 hours. The Cyclone season for 2008/09 was an average season. The Port was closed for a total of 20 hours due to the threat posed by a tropical low during February. The Port was also closed to shipping for a further 17 hours during the Iron King Incident in July/Aug 08.

## Technological Improvements

### Dynamic Under Keel Clearance (DUKC) System

O'Brien Maritime Consultants (OMC) in consultation with PHPA and a number of other Ports, developed the Wave and Swell Predictor (WaSP) model which uses long range weather forecasting to "smooth" out sharp increases in swell caused by events such as cyclones, thereby lessening the negative effect this phenomenon has on the Draft and Tidal Window results of the DUKC®.

### Klein Vessel Traffic Management Information System (VTMIS)

Phase II of the Kleinport VTMIS has been successfully completed. Discussions with Klein systems Group regarding the progression to the Phase III installation have commenced. The introduction of Phase III will see the system upgraded to a fully web based traffic management system for the Port.

### Portable Pilot Unit (PPU)

PHPA currently operates six Portable Pilot Units. Portable Pilot Unit's are a portable navigation aid that superimposes the ships position onto an electronic chart indicating in real time the speed, direction and position of the vessel. PHPA have equipped these units with the latest electronic Chart Display and Information System (ECDIS) charts to enhance the unit's features.

## Marine Pilot Transfers

In the 2008/09 period 84% of all Marine Pilot transfers were undertaken by helicopter. Marine Pilot transfer by helicopter has been the Port's preference for the past 38 years.

Guardian Marine has been awarded a contract for the Provision of Port Vessel Services which includes the Marine Pilot Boat Transfers. This new contract includes a new vessel for these transfers to provide an enhanced service.

## Pilotage

There were a record number of 2487 inbound /outbound shipping movements for the 2008/09 financial year and 2456 of these movements were completed under pilotage. There are currently 10 pilots under contract to the Port. Port Hedland Pilots (PHP) have 12 months remaining on their current contract with the Port Authority and negotiations with PHP as preferred suppliers for a new 5 year contract commencing in July 2010 are well advanced.

## Shipping Control Tower

The role of the Shipping Control Tower, as always, plays a significant part in the overall effectiveness and efficiency of port operations. This past year has seen exponential growth in small craft movements within the harbour, associated with ongoing construction projects, using PHPA facilities.

In recognition of the vital role of the Port Marine Officer (PMO), significant emphasis has been placed on ensuring Tower staff are provided with the technological advancements and internationally accredited Vessel Traffic Service Officer (VTSO) training to assist them in providing a consistently high level of customer service. At present three officers have successfully completed the training package and as more places become available on subsequent courses PHPA Port Officers will be nominated.

The introduction of 8 hour shifts have ensured PMO's remain alert and focused during the course of their shift and are able to cope with the workload associated with ever increasing small craft traffic and greater numbers of cargo vessels visiting Port Hedland.

Technological upgrades to Tower software have also provided Port Officers with their own dedicated Ship Management database. The Klein, Vessel Traffic Management Information System (VTMIS) Phase II installation has been completed which includes a billing module whereby Finance can extract relevant billing information directly out of the system.

Staffing levels have remained constant with 7 PMO's employed to ensure the continuance of the 8 hour roster. All vessel scheduling for the Port is now done in house through the Logistics Ship Scheduler position. This position in consultation with the Shipping Superintendent provides timely advice on scheduling issues when and if they arise.

### **Iron King Grounding**

On 31 July 2008 the bulk carrier "Iron King" whilst departing the port loaded with iron ore experienced a steering malfunction in the vicinity of Beacon 46. The rudder of the Iron King jammed to starboard and the vessel, under power, left the channel and grounded on the channel side, destroying beacon 44 in the process. Initial efforts to refloat the vessel were unsuccessful.

The Vessel refloated 09:53 1 August 2008 and proceeded out to anchorage under the escort of eight tugs. No pollution resulted from the grounding. An offshore underwater inspection revealed damage to the hull and forward collision bulkhead but the hull itself was not breached. Tests of the steering gear were undertaken under the supervision of a technician from Porsgrunn, Norway, identified faults were rectified. The vessel was released from AMSA detention and sailed for Rizhao on 12 August 2008 at 16:55.

An independent investigation of the incident by the Dampier Port Authority Harbour Master led to four principal recommendations relating to the incident and two recommendations relating to the management of the response.

### **Exercise "Black Jack"**

Exercise "Black Jack" was conducted between Wednesday 3 and Friday 5 September 2008. The exercise was conducted in two distinct parts in order to best meet the security and oil spill objectives identified by PHPA. 115 people representing 27 agencies participated in the exercise in Port Hedland

The first part of the scenario involved a security incident onboard a vessel discharging Jet A1 fuel at Berth 3. The response to this scenario was deliberately limited to a desktop discussion by organizations represented in the Port Security Committee. The second part of the scenario was based on the same vessel alongside having interacted with a passing ship causing an oil spill.

The overall consensus from those who took part in the exercise was that the Port was able to respond to the demands of the incident and plans and processes in place were appropriate to respond to a major oil spill in port waters. A number of recommendations providing opportunities to continue the development of the overall response capability were provided by the exercise umpires. The Port has continued to work towards implementing these recommendations since the exercise.

## Occupational Health and Safety

The target of 12 months Lost Time Injury (LTI) free was achieved on 1 August 2008 for the whole of Port operations (excluding BHP Billiton and FMG operations). This is a very good achievement for the Port and certainly indicates that there has been a positive improvement in the safety performance of all stakeholders at the Port.

The Port Authority is currently working towards AS/NZS 4801 Certification. A pre-audit was performed by SAI Global in February 2009 as part of the AS / NZS 4801 Certification process. An Audit Report has been received from SAI Global. The Port Authority is currently working to develop and implement the necessary system procedures to enable the Port to achieve AS/NZS 4801 Certification.

The PHPA risk matrix has been reviewed and as a result of the review a new risk matrix has been developed and implemented. The latest revision of the risk matrix has been inserted into the MYOSH Safety Management System. This will ensure that all incidents reported to the PHPA are assessed using the one risk matrix and will ensure continuity when rating risks.

The PHPA now has access to the Chem Watch Chemical Management System. The Chem Watch System will allow the PHPA to meet its obligations regarding the storage and use of chemicals and hazardous substances in the port.

The Port Authority Fitness for Work Policy – Drug and Alcohol Module blood alcohol concentration (BAC) cut-off limit was reduced to .02% effective from 1<sup>st</sup> June 2008.

An operational risk review was performed in February 2008 to incorporate both land based and water based operations within the port. Key stakeholders were involved in the operational risk review workshop.

## Planning and Development

### Major Works 2008/09

The Port Authority has completed a number of major works for the year. Significant projects included the following:

**Staff Housing** – A further house was constructed on land purchased as part of the Stage 1 release at Pretty Pool. The house is now ready for occupation. An additional five vacant blocks were purchased as part of the Stage 4 Pretty Pool release and from blocks handed back to Landcorp. The Port will be seeking investors to build houses on these blocks with a lease back by the Port.



**Ship Scheduling Software** – Phase 1 of the Klein system was completed and Phase 2 was also implemented providing integration of the Klein system with the Port's billing processes and interface with Synergy. Pilots are now also able to access critical information for vessel sailings.



**Administration Building Extension** – the old administration building was extended by some 12m on both floors to create an additional 160m<sup>2</sup> of office space. The extension was designed such that the exterior is the same that of the existing building.

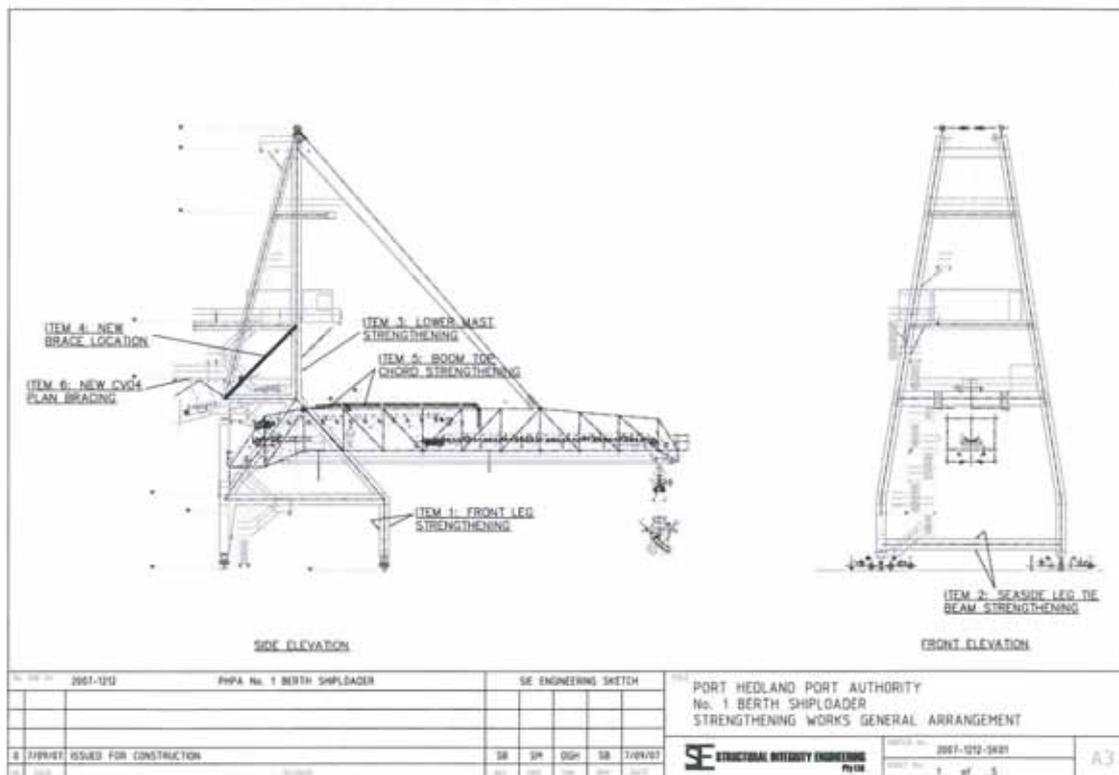
**Tug Haven Access Modifications** – Modifications to the old tug pens to remove the unsafe stairway access and replace them pontoons and gangways was completed. Local company won the tender to undertake the works. The demolition and installation for each of the three access ways needed to be completed within a two week tide cycle to avoid standby costs. This was easily achieved, a testament to the planning that was undertaken.



**Front Entry Statement** – In conjunction with the Town of Port Hedland's improvement program for the town centre, the Port undertook to improve the amenity of the entry into the Port. In conjunction with landscape architect, Council and the RSL a new entry statement was developed and implemented.



**Shiploader** – Previous structural audit of the shiploader identified some deficiencies in the event of a cyclone. Strengthening works were designed and installed to bring the machine back up to standard. In addition the lack of substantial buffers to prevent the shiploader running off the berth were highlighted as not conforming to the standard. New buffers have been designed and fabricated and are currently awaiting installation.



**Miscellaneous** – Additional minor works were undertaken to improve shiploader flowrate, upgrade staff housing, replace old electrical systems, fire fighting trailers, etc.

**Projects Planned for 2009/10**

**Staff Housing** – Port will continue to increase its base of housing units with the development of the Pretty Pool houses. An additional five housing blocks have been purchased from Landcorp in the second stage of the Pretty Pool development.



**Radar** – The current radar unit is beginning to fail regularly and it no longer meets the demands for the increased shipping activity in Port Hedland. It is proposed to lease a replacement unit with greater capacity.



**Tanks** – The existing four fresh water tanks have deteriorated beyond repair, only three tanks are operational. It is proposed to replace these four tanks with two new larger tanks and site them near the fire water tanks.

**Klein** – The next stage of the Klein system, Phase 3, will provide for the first stage of the optimization to meet the increase in shipping tonnages and allow for web based access by Port users.

**Swipe** – To further enhance the security and safety within the Port areas an electronic swipe access system will be installed during the year. System will comprise entry card readers at the main boom gate entry and at key buildings within the Port area.



**Container Yard and AQIS Facility** – Projections are that the Port could soon handle between 200-400,000T of containers within the next few years. It is proposed to invite interested companies to build and operate a container handling yard and AQIS facility within the Port to accommodate this trade.



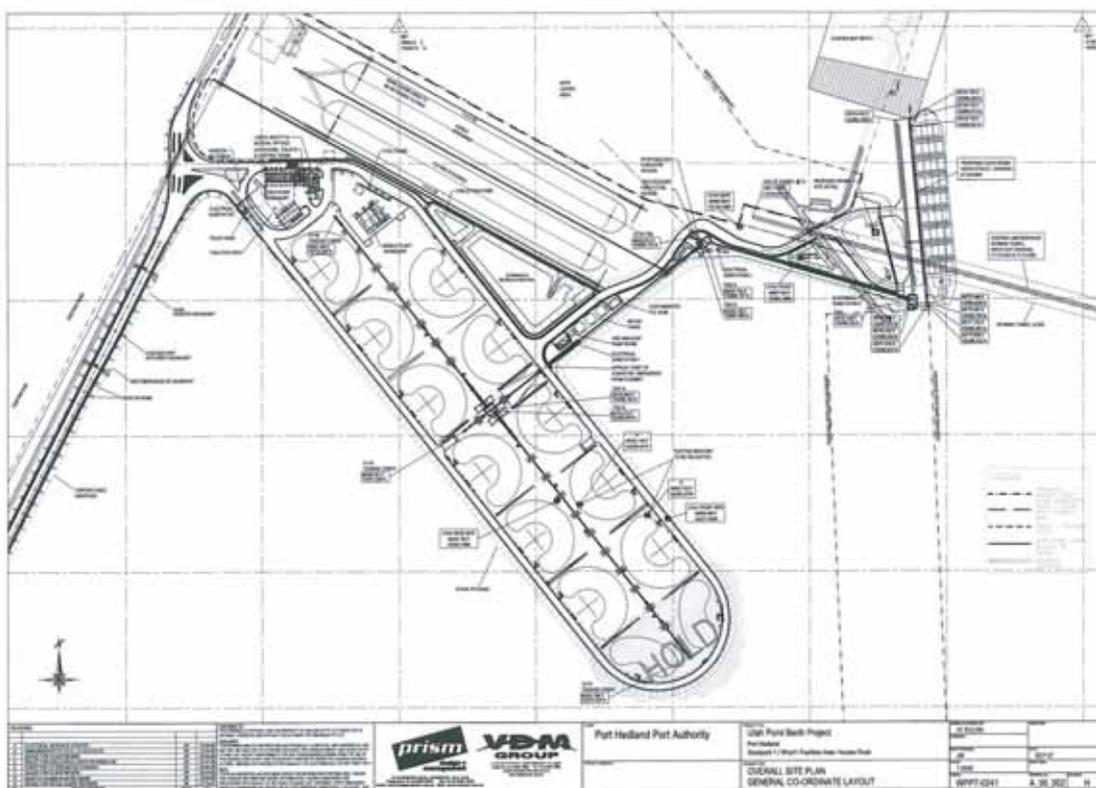
**Maintenance Dredger for the West Coast** – The recent difficulties with maintenance dredging has prompted the Port to investigate the feasibility of providing a maintenance dredger on the west coast similar to the operation by the Port of Brisbane in Queensland. The Port has received State Government support for the project. A tender for the supply and manning of the vessel will be advertised in 2009 with a view to the vessel beginning operations in July 2010

**Utah Berth Development** – By far the single biggest project for the Port in recent years, the PHPA’s Utah Point Berth Project commenced construction in 2009, and will continue throughout 2009-2010.

Located on the western side of the harbour, the new berth and stockpiling facility will have a capacity in the range 17-20Mtpa to accommodate the export requirements of the junior iron producers such as Aurox Resources and Atlas Iron. The current trade in manganese and chrome from Consolidated Minerals and Process Minerals International will relocate to the new facility.

The project received regulatory approval to start construction in March 2009 with site construction works starting soon after. At 30 June the project was approximately 30% complete with construction work on the wharf and access road progressing and the stockyard civils contractor mobilized. Long lead mechanical and electrical equipment including the shiploader and substations had been ordered for delivery to site.

The \$225 million dollar project is scheduled to be completed by the middle of 2010.



**Minor Works** – The program of upgrading outdated facilities will continue with particular focus on the telephone, weighbridge, helipad and electrical supply networks.

## Directors' Report

### Directors

#### **IAN WILLIAMS, BE.Elect., FIEAust., FAusIMM**

##### **Chairman**

Mr Williams was appointed Chairman on 1 September 2003 for a term expiring 30 June 2009. Ian is a widely experienced executive who has occupied a number of very senior positions within the mining and processing industries in Australian and overseas. Ian is an Adjunct Professor of the University of Queensland's Sustainable Mineral Institute. Ian holds a degree in Electrical Engineering and is a fellow of the Australasian Institute of Mining and Metallurgy and of Engineers Australia.

#### **GEOFFREY STOCKER**

##### **Deputy Chairman**

Mr Stocker was appointed to the Board on 18 September 2006 expiring on 30 June 2009. Mr Stocker is Managing Director of Pilbara Logistics Pty Ltd.

#### **MICHAEL DZIOMBAK**

##### **Director**

Mr Dziombak was first appointed to the Board on 10 October 2005 expiring 30 June 2009. Mr Dziombak is the President of the Port Hedland Chamber of Commerce. Bill holds a Diploma in Mechanical Engineering.

#### **ROGER RICHARDSON**

##### **Director**

Mr Richardson was reappointed to the Board on the nomination of BHP Billiton in 2001. Mr Richardson is Superintendent Shipping for BHP Billiton Iron Ore Pty Ltd and a former Town Councillor. Mr Richardson is also Chairman of the Tropical Cyclone Industrial Liaison Committee. Mr Richardson was reappointed in May 2008.

#### **ANTHONY COOKE**

##### **Director**

Mr Cooke was appointed to the Board on 31 December 2007 for a term of 2 years expiring on 31 December 2009. Mr Cooke is self employed and is the Director of Metanoia Consulting Pty Ltd trading as "Tony Cooke Consulting". Tony graduated from Curtin University with a social work degree and completed a Master of Arts in Social Party at the University of York in England. Tony also holds a Certificate IV in Adult Training and Assessment and completed the Australian Institute of Company Directors' Diploma.

#### **ALAN WATLING**

##### **Director**

Mr Watling was appointed to the Board on 31 December 2007 for a term of 2 years expiring on 31 December 2009. Mr Watling was Chief Operating Officer of Fortescue Metals Group. Mr Watling resigned from the Board 19<sup>th</sup> December 2008.

## **PAUL SLOCOMBE**

### **Alternative Director**

Mr Slocombe was appointed Alternate Director to Mr Evans from 26 February 2007. From May 2008 he became Alternate Director to Mr Richardson. Paul has Bachelor of Engineering (Metallurgical Engineering) (Honours) and a Graduate Diploma in Business.

## **Principal Activities**

Port Hedland Port Authority:

- Provides and maintains essential port facilities including the channel and turning basin, navigation aids, berths, shiploader, storage areas and utilities.
- Provides services for the safe movement of ships within the port including scheduling and movement control, pilotage, and under keel clearance optimisation.
- Controls services provided by others in the port including stevedoring, towage, and line boats.
- Controls the activities of others in the port including the planning and construction of dedicated private facilities.
- Leases industrial land.
- Plans for the future growth and development of the port.

There have been no significant changes in the nature of the principal activities during the financial year.

## **Operating Results**

Information on the operations and financial position of the Authority and its business strategies and prospects is summarised in the Highlights and Major Goals Planned on pages 8 – 17 in this Annual Report.

## **Dividends Paid or Recommended**

Dividends paid during the year are as follows:

A final dividend of \$ 1,869,338, as recommended in the 2008 report was paid in February 2009.

## **Likely Developments and Expected Results**

In the opinion of the Directors, no developments have occurred since 30 June 2009 which are likely to significantly affect the operations of the Port Authority as at the date of this report.

## **Significant Changes in the State of Affairs**

There have been no significant changes to the state of affairs of the Authority since the previous Directors' report.

## **Events Subsequent to Balance Date**

No events have occurred subsequent to Balance Date that require reporting.

## Remuneration Report

### Remuneration Policy

The Minister determines the emoluments of the Directors.

The Board, with the approval of the Minister determines the emolument package of the Chief Executive Officer. The Board delegates to the Chief Executive Officer the power to determine the terms and conditions of other senior executives in accord with competitive emolument packages for senior executives based on benchmarking with other organisations.

The performance and bonus of the Chief Executive Officer and senior executives is monitored against agreed criteria.

The CEO was eligible for a Risk Performance Bonus of 5% of base salary, payable at the sole discretion of the Board following a performance review. This was paid 4<sup>th</sup> of March, 2009.

The Harbour Master was eligible for a Performance Bonus of 5% of base salary, payable at the sole discretion of the CEO following a performance review. This was paid on 1<sup>st</sup> December, 2008.

The employment conditions of the CEO, Mr Andre Bush and other key management personnel are formalised in contracts of employment. Mr Bush is employed under a fixed five-year term contract which commenced on 6 December 2005 and expires 5 December 2010. The Harbour Master, Mr Lindsay Copeman is employed under a fixed five-year term contract which commenced on 11 October 2001 and was renewed for a further five-year term due to expire 12 November 2011.

Manager Technical Services, Mr Lyle Stanley, Manager Finance and Administration, Mrs Daphne Gologly, Deputy Harbour Master, Joseph Pereira and Environment Manager, Mr Craig Wilson are employed on five year fixed term contracts all to expire 1<sup>st</sup> May 2013. Commercial Manager, Mr Peter Watson is employed on a five year fixed term contract to expire 6<sup>th</sup> October 2013, Port Development Manager, Mr Warren Farrow is employed on a two year fixed term contract to expire 3<sup>rd</sup> November 2010. Business Development Officer, Ms Katerina Businoska is employed under a two year fixed term contract to expire 5<sup>th</sup> January 2011. Under these contracts the employees will be eligible for a Performance Bonus of 5% of base salary, payable at the sole discretion of the CEO following a performance review. The performance bonuses were paid to the above employees on the 19<sup>th</sup> June 2009.

## Directors' Emoluments

The emoluments of each Director of the Authority are as follows:

### 2009

Director	Directors' Fees	Committee Fees	Superannuation Benefits	Allowance	Non Cash Benefits	Total
I Williams	45,000	-	4,140	1,000	-	50,140
A Cooke	16,500	-	1,485	-	-	17,985
M Dziombak	16,500	-	1,485	-	-	17,985
G Stocker	22,700	-	2,044	-	-	24,744
R Richardson*	16,500	-	-	-	-	16,500
A Watling (Resigned 12/08)	16,183	-	1,456	-	-	17,639

\* Directors' fees are paid to the Directors' respective employers.

### 2008

Director	Directors' Fees	Committee Fees	Superannuation Benefits	Allowance	Non Cash Benefits	Total
Ian Williams	45,000	-	4,050	-	-	49,050
Terry Buck	8,355	-	752	-	-	9,107
Michael Dziombak	16,500	-	1,485	-	-	17,985
Anthony Cooke	8,250	-	742	-	-	8,992
Roger Richardson*	11,000	-	-	-	-	11,000
Alan Watling	8,250	-	-	-	-	8,250
Mick Evans*	9,625	-	-	-	-	9,625
Geoffrey Stocker	16,500	-	1,485	-	-	17,985

\* Directors' fees are paid to the Directors' respective employers.

## **Executives**

### **ANDRE BUSH**

#### **Chief Executive Officer**

Andre Bush, who has a BSc Civil Engineering (hons) with fields of special competence in General and Commercial Management, Project Management and Construction Management, took up his present role at Port Hedland Port Authority in December 2005. Prior to this he formed Marine Strategies (Pty) Ltd providing specialised marine consultancy services to the oil, gas and ore majors in Australia and internationally.

### **LINDSAY COPEMAN**

#### **Harbour Master**

Captain Lindsay Copeman joined the Port Hedland Port Authority in October 2001. He previously held the position of Deputy Harbour Master at Dampier Port Authority and was the Shipping Superintendent at Hamersley Iron. Lindsay has developed his extensive marine background during a 20 year seagoing career.

### **LYLE STANLEY**

#### **Manager Technical Services**

Lyle Stanley, who joined the Port Hedland Port Authority in September 2001 has a degree in Mechanical Engineering. Prior to joining the Port Lyle worked for Transfield Maintenance and BHP Transport and has a wide range of experience in port operations and port maintenance.

### **DAPHNE GOLLOGLY**

#### **Manager Finance & Administration**

Daphne Gollogly has a Bachelor of Business and is a Certified Practising Accountant and Registered Tax Agent. She has extensive experience in both commercial and public practice accounting. Her positions have included Chief Financial Officer of a national real estate group and Chief Financial Officer of an advertising agency before taking up her present role in 2007.

### **CRAIG WILSON**

#### **Environment Manager**

Craig Wilson holds a Masters of Environment and Business Management and a Bachelor of Applied Science (hons). He commenced with the Port in June 2003 and has extensive experience in environmental management in ports, having previously worked for over 5 years at the Port of Townsville.

### **PETER WATSON**

#### **Commercial Manager**

Peter Watson who has an Executive Certificate in Management and is currently studying towards a Diploma in Financial Markets joined the Port Authority in October 2008. Peter has 25 years experience in public and private hospitals, community health, psychiatric services and the community sector. Prior to joining the Port Authority Peter held the position as Acting Regional Director for WA Country Health Services Pilbara Region.

### **WARREN FARROW**

#### **Port Development Manager**

Warren Farrow holds a Bachelor in Civil Engineering (hons) and is currently towards a Master of Business Administration. Warren joined the Port Authority in November 2008 bringing extensive experience in engineering and engineering management primarily on large scale Pilbara resource development projects.

## Executive Emoluments

The emoluments of the Executive Officers receiving the highest emoluments for the Authority are as follows:

### 2009

Officer	Date Commenced	Salary	Superannuation Benefits	Incentives	Non Cash Benefits	Total
Andre Bush	06/12/05	270,828	36,549	13,649	23,522	344,548
Lindsay Copeman	11/10/01	226,734	30,105	16,236	17,875	290,950
Lyle Stanley	10/09/01	185,513	25,244	9,169	18,834	238,760

### 2008

Officer	Date Commenced	Salary	Superannuation Benefits	Incentives	Non Cash Benefits	Total
Andre Bush	06/12/05	211,033	33,857	10,049	37,338	292,277
Lindsay Copeman	11/10/01	185,472	33,211	8,714	17,875	245,272
Lyle Stanley	10/09/01	154,793	26,748	-	18,836	200,377

## Directors' Meetings

The number of meetings of the Authority's Board of Directors' held during this financial year and the number of meetings attended by each Director were:

	Directors' meetings		Special directors' meetings	
	No. of meetings held while in office	Meetings attended	No. of meetings held while in office	Meetings attended
Ian Williams	9	9		
Michael Dziombak	9	9		
Roger Richardson	9	7		
Geoff Stocker	9	8		
Paul Slocombe	9	1		
Anthony Cooke	9	8		
Alan Watling	4	3		

## Directors' Interest in Contracts

During or since the previous financial year, no Director has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received, or due and receivable in the accounts or the fixed salary of a full time employee) by reason of a contract made by the Port Authority with the Director or with a firm of which the Director is a member or an entity in which the Director has a substantial financial interest.

## **Rounding of Amounts**

The Authority is of a kind referred to in Class Order 98/0100, issued by the Australian Securities and Investments Commission, relating to the “rounding off” of amounts in the Directors’ Report. Amounts in the Directors’ Report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

## Environment

### Environmental Management Plan Review

The Authority's Environmental Management Plan was reviewed again this financial year as part of our continuous improvement program. Environmental audits of port activities were undertaken and significant environmental aspects and impacts identified. A number of new management initiatives have been planned for the 2009-10 financial year.

### Environmental Management System

Port Hedland Port Authority continued to work on the development of an ISO14001 Environmental Management System. A number of procedures have been identified and developed to standardise work practices throughout the Port. The Environmental Management System is being developed as part of an integrated system, with synergies with both the Quality Management and Occupational Health and Safety Management Systems.

### Air Quality Monitoring

An operational dust monitoring program has been developed for bulk commodities loading at No.1 Berth. This program has included the installation of five E-Samplers in the vicinity of the operations for the purpose of measuring dust emissions from the operations. Data has been collected for over three months and is at present being analysed to assist in developing alarm levels for operational controls.

The Port Authority's ambient dust monitor was upgraded during the year to provide daily reportable data. This now allows us to review data on a daily basis and detect and investigate dust issues over a much shorter time frame.

Port Hedland Port Authority has been instrumental in the formation of the Port Hedland Industries Council, whose purpose is initially to manage air quality and air quality monitoring in Port Hedland. Expressions of interest for membership have now been received and the Council will officially commence operating in the 2009-10 financial year.

### Long Term Sea Dump Permit

As part of our requirements under the Long Term Sea Dump Permit, the Port Authority has continued to review and update its Long Term Dredge Material Management Plan. A final copy has been submitted to the Department for the Environment, Heritage, Water and the Arts for approval.

As a requirement of the Long Term Dredge Material Management Plan, the Authority is developing a long term sediment monitoring program in a effort to better classify the sediments to be dredged to assist in the decision making process when considering the disposal options of the sediments. A draft program has been developed a will be submitted for the Technical Advisory and Consultative Committee for approval.

### Utah Point Berth Project Environmental Approvals

The Utah Point Berth Project was referred to the Environmental Protection Authority (EPA) in September 2006. The project was assessed by the EPA and given a Public Environmental Review (PER) level of environmental impact assessment. PHPA obtained the services of Sinclair Knight Merz (SKM) to assist in the delivery of a PER for the proposed project.

The Utah Point Berth Project received Ministerial Approval under Part IV of the *Environmental Protection Act 1986* early this year. The Project has also received approval under Part V of the *Environmental Protection Act 1986* and Ministerial Approval under the *Aboriginal Heritage Act 1972*.

A comprehensive Construction Environmental Management Plan has been developed to manage the environmental impacts of the project construction and assist construction contractors in developing their own Environmental Management Plans. A project Environmental Management System has also been developed to assist the Port Authority in meeting the conditions and commitments of our environmental approvals.

### **Mangrove Research**

Further work on mangrove research has taken place during the year, particularly relating to the mangrove offset project. A preferred site has been identified and significant work undertaken to determine proposed construction methodologies and techniques required to ensure maximum mangrove growth.

It is likely that the Port Authority will commission a pilot study during the next financial year.

### **Carbon Neutral Program**

Port Hedland Port Authority again participated in the Carbon Neutral Program. All of the carbon dioxide emissions from the Authority's vehicles, and other plant used throughout the port including front end loaders, other mobile plant and the pilot boat and work boat, were calculated and the appropriate number of trees planted to offset these emissions. The trees were planted in salinity affected areas of the state, resulting in an additional positive environmental outcome. In addition, the Authority also offset the equivalent carbon dioxide emissions from all air travel undertaken by staff.

### **Landscape Masterplan and Design Guidelines**

In an effort to improve the Ports' interface with the community and improve the visual amenity of the Port, the Port Authority has developed a Landscape Masterplan and Design Guidelines. The Landscape Masterplan sets out a strategy plan for the beautification of the Port through a number of distinct projects. The first of these projects was the upgrade to the port entrance which was completed during the financial year.

The Design Guidelines were developed to compliment the Landscape Masterplan and set out requirements for development on Port lands. The Design Guidelines set out various aspects for design including vegetation types, surface treatments, irrigation, fencing and signs and colour schemes.

To encourage existing Port lessees to improve their sites, the Port Authority has developed a rent rebate scheme where lessees can offset the capital cost of site upgrades through reduction in lease payments.

### **Marine Oil Pollution Management Plan**

Following significant review, the Port's Marine Oil Pollution Management Plan was released to coincide with exercise 'Black Jack'. The Plan has undergone significant update from the previous plan and provides the Port Authority with more confidence in the event of a major oil pollution event occurring.

## Aboriginal Heritage

### Port Collaboration and Heritage Agreement

In May 2008, Port Hedland Port Authority and Marapikurrinya Pty Ltd developed and ratified the Port Collaboration and Heritage Agreement. The Agreement allows for a cooperative approach to heritage management and the port for a better management outcome.

A number of initiatives were implemented during the year including the provision of employment positions, the provision of contracting opportunities through the Utah Point Project contracts, the development of a cultural awareness package and the development of a scope for a Cultural Heritage Master Plan.

Marapikurrinya Pty Ltd is also heavily involved in heritage site clearance work for the Utah Point Berth Project.

## Corporate Governance Statement

Port Hedland Port Authority and the Board are committed to achieving and demonstrating the highest standard of corporate governance.

The relationship between the Board and senior management is critical to the Authority's long term success. The Board has adopted the following corporate governance principles to enhance the interests of the government shareholder and other key stakeholders.

### Legislative Framework

Port Hedland Port Authority is commercialised trading entity under the *Port Authorities Act 1999*. The Act defines the functions of the Port Authority among others to facilitate trade, plan future growth and act in accordance with prudent commercial principles. The Act further defines the accountability of the Port to the State Government.

While Port Hedland Port Authority is substantially exempt from the provisions of the Public Sector Management Act 1985, it is still subject to audit by the Auditor General and the Commissioner of Public Sector Standards may direct the Board to report to the Commissioner.

### Board of Directors

The responsibilities of the Board include:

- Providing strategic guidance to the Authority including contribution to the development of and approving the corporate strategy;
- Reviewing and approving business plans, annual budgets and financial plans including available resources and major capital expenditure initiatives;
- Overseeing and monitoring;
  - Organisational performance and the achievement of the Authority's strategic goals and objectives;
  - Compliance with the Authority's Code of Conduct;
  - Progress of major capital expenditures and other significant corporate projects including any acquisitions or divestments;
- Monitoring financial performance including approval of the annual and half year financial reports and liaison with the Authority's auditors;
- Appointment, performance assessment and, if necessary, removal of the Chief Executive Officer;
- Ratifying the appointment and/or removal and contributing to the performance assessment for the members of the senior management team;
- Ensuring there are effective management processes in place and approving major corporate initiatives;
- Enhancing and protecting the reputation of the Authority; and
- Overseeing the operation of the Authority's system for compliance and risk management.

## **Composition of the Board**

The Authority had six non executive directors including the Chairman. The six directors were made up of five appointed by the Minister, plus one industry nominated Board Director. The Board generally meets once a month and as required during the year when special meetings may be called.

## **Appointments and Retirements of Directors**

The appointment of a Director is by the Minister in accordance with Section 7 (1) of the Port Authorities Act 1999. Directors are appointed for periods of up to three years and are eligible for reappointment. The Minister may at any time remove a Director from office and is not required to give any reason for doing so. The Minister appoints a Director as Chairman and another as Deputy Chairman.

## **Independent Professional Advice**

The Authority will permit any Director to seek external professional advice as considered necessary in the performance of their responsibility as a Director at the Authority's expense, with the approval of the Chairman.

## **Conflict of Interest**

In the event that a potential conflict of interest may arise, involved Directors must withdraw from all deliberations concerning the matter. They are not permitted to exercise any influence over other Board members and to make improper use of information or their position.

Fees for Directors are determined in accordance with Section 10 of the Port Authorities Act 1999.

## **Ethical and Public Sector Standards**

The Board recognises that the Authority's corporate governance, safety, occupational health, environmental and ethical standards must reflect best Australian and international practices. The Board therefore keeps these practices under review. All Directors and employees are required to meet the minimum standards set out under the Port Authorities Act (1999) and Section 8 and 9 of the Public Sector Management Act 1994 for Ethical Business Practice and Code of Conduct.

The Port has not had any incidences, complaints, or grievances regarding recruitment nor any cases of unfair dismissal. Occupational health issues and accidents were dealt with appropriately by management and no further action by the Board was required. The Authority has not had any breaches, alleged breaches or complaints against any staff member in relation to the Code of Conduct.

## Remuneration Committee

The Remuneration Committee consists of two Directors (currently I Williams and A Cooke) and the CEO for review of employees of the Authority. All Directors are involved in the performance and review of the remuneration of the Chief Executive Officer. A comprehensive annual review includes performance evaluation, having regard to comparative remuneration and independent advice as necessary. Ministerial approval is sought for recommendations to the salary and conditions for the Chief Executive Officer.

## Audit Committee

The Audit Committee of the Board consists of two Directors (A Watling until his resignation and I Williams) along with the CEO and Manager Finance and Administration and performs the following functions:

- Ensures compliance with statutory responsibilities relating to accounting policy and disclosure;
- Liaises with, assesses the quality and reviews the scope of work and reports of the external and internal auditors;
- Assesses the adequacy of accounting, financial and operating controls;
- Reviews proposed reported financial information and recommends its approval or otherwise to the board;
- Monitors the identification, management and control of risk.

## Internal Audit

Through the Internal Audit process the auditors work with the management of Port Hedland Port Authority to improve business processes and provide reasonable assurance that the activities of the Port are carried out efficiently and effectively in accordance with sound business practices, regulatory and legislative requirements.

Internal Audit work during 2008/09 year included reviews of contract, cash and asset management, capital budgeting, network management, insurance, leases, procurement, purchasing and accounts payable, receipts and banking.

## Internal Controls and Risk Management

Procedures have been established at the Executive and Board level that are designed to safeguard the assets and interests of the Authority and to ensure the integrity of reporting.

These include accounting, financial reporting and internal control policies and procedures.

The Authority has in place the following arrangements to monitor:

- Approval and review by the Board of the annual budget, Statement of Corporate Intent and Strategic Development Plan. These are to be agreed between the Minister and the Board with the concurrence of the Treasurer;
- Authorisation of major capital and contract commitments by the Board;
- Guidelines, limits and controls on all financial exposure;
- A comprehensive annual insurance program operated with the assistance of professional outside advisors;
- Compliance with equal opportunity covering affirmative action, sexual harassment, discrimination and the environment;
- A regulatory compliance program to cover corporations law requirements.

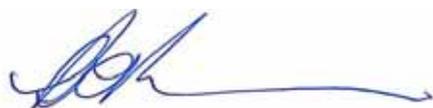
The Board reviews actual financial results against budget each month. The Authority prepares six monthly financial statements and performance reports which are submitted to the Minister.

Risk management is discussed at monthly senior managers' meetings where operational and business risks are assessed and appropriate action implemented.

### **Expenditure Guidelines**

The Authority has clearly defined guidelines for operating and capital expenditure. These include monthly reports against budget for the major business units as well as formally approved levels of delegated financial authority endorsed by the Board. The Authority is required to obtain the approval of the Minister for major capital works expenditure that exceeds \$2,000,000. The Board also reviews capital expenditure and cash flows on a monthly basis.

Signed in accordance with a resolution of the Directors.



Mr R Richardson  
Director

18 September 2009  
Port Hedland



Mr B Dziombak  
Director

18 September 2009  
Port Hedland



Port Hedland Port Authority  
**Financial Statements**

# PORT HEDLAND PORT AUTHORITY FINANCIAL STATEMENTS – 30 JUNE 2009

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The Port Hedland Port Authority was established through the  
Port Authorities Act 1999.

Its principal place of business is The Esplanade, Port Hedland.

Annual reports and other information are available on our Website: [www.phpa.com.au](http://www.phpa.com.au)



## FINANCIAL OVERVIEW

### ANALYSIS OF REVENUE BY SOURCE

	2008/09		2007/08		VARIATION	
	\$000	%	\$000	%	\$000	%
Charges on Ships	28,712	24	21,105	55	7,607	9
Charges on Cargo	10,716	9	10,569	28	147	-
Lease Rental	6,041	5	5,484	14	557	1
Other Revenue	74,884	62	1,095	3	73,789	90
<b>Total</b>	<b>120,353</b>	<b>100</b>	<b>38,253</b>	<b>100</b>	<b>82,100</b>	<b>100</b>

### PRINCIPAL ITEMS OF REVENUE AND EXPENDITURE

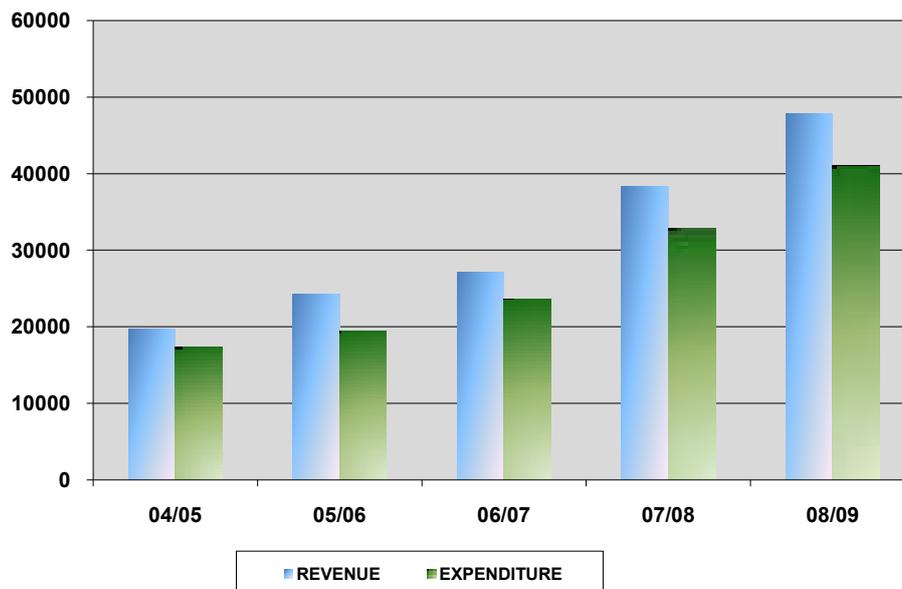
	2008/09		2007/08		2006/07		2005/06		2004/05	
	\$000	%	\$000	%	\$000	%	\$000	%	\$000	%
<b>REVENUE</b>										
Pilotage and Tonnage	27,298	23	19,641	51	13,402	49	12,267	51	10,896	55
Wharfage and Berthage	8,476	7	7,827	20	6,422	24	5,641	23	4,205	21
Other	84,579	70	10,785	29	7,306	27	6,276	26	4,598	24
<b>Total</b>	<b>120,353</b>	<b>100</b>	<b>38,253</b>	<b>100</b>	<b>27,130</b>	<b>100</b>	<b>24,184</b>	<b>100</b>	<b>19,699</b>	<b>100</b>

### CHARGES AGAINST REVENUE

	2008/09		2007/08		2006/07		2005/06		2004/05	
	\$000	%	\$000	%	\$000	%	\$000	%	\$000	%
Maintenance	9,108	22	7,982	24	4,935	21	3,578	18	3,532	20
Salaries	4,042	10	3,303	10	2,647	11	1,867	10	1,734	10
Depreciation	6,699	16	4,732	14	4,178	18	3,094	16	2,924	17
Pilotage and Hydro Survey	10,840	27	8,141	25	6,580	28	5,575	28	5,167	30
Other Charges	10,317	25	8,619	27	5,194	22	5,363	28	3,939	23
<b>Total</b>	<b>41,006</b>	<b>100</b>	<b>32,777</b>	<b>100</b>	<b>23,534</b>	<b>100</b>	<b>19,477</b>	<b>100</b>	<b>17,296</b>	<b>100</b>

**APPROPRIATION STATEMENT**

	2008/09	2007/08	2006/07	2005/06	2004/05
	\$000	\$000	\$000	\$000	\$000
Operating Net Profit / (Loss)	6,848	5,476	3,596	4,707	2,403
Capital Contributions	72,500	-	-	-	-
Income Tax Expense	(23,584)	(1,854)	(1,189)	(1,497)	(732)
Prior Period Tax Adjustments	289	116	100	-	-
Transfer Catastrophe Reserve			-	-	-
Accumulated Profit	47,627	45,143	44,241	24,414	23,553
<b>Total</b>	<b>103,680</b>	<b>48,881</b>	<b>46,748</b>	<b>27,624</b>	<b>25,224</b>
<b>Less Appropriations</b>					
Catastrophe Salvage Reserve	-	-	-	-	-
Adjustment for Prior Periods (IFRS)	-	-	-	16,617	-
Accumulated Profits	-	-	-	-	-
Tax Effect	-	-	-	-	-
Increase in Prior Year Dividend	-	-	-	-	-
Dividend Paid	(1,869)	(1,254)	(1,605)	-	(810)
<b>Accumulated Profit as at 30 June</b>	<b>101,811</b>	<b>47,627</b>	<b>45,143</b>	<b>44,241</b>	<b>24,414</b>

**Figure 1 - PHPA OPERATING REVENUE & EXPENDITURE**


**Income Statement for the Year Ended 30 June 2009**

	Notes	<b>2009</b>	2008
		<b>\$'000</b>	\$'000
Revenue	3	<b>46,920</b>	37,824
Other Income	3	<b>73,433</b>	429
Depreciation and Amortisation Expense	5	<b>(6,699)</b>	(4,733)
Marine Expenses		<b>(14,713)</b>	(11,518)
Port Operations Expenses		<b>(1,813)</b>	(1,956)
General Administration		<b>(3,086)</b>	(2,272)
Asset Maintenance		<b>(8,587)</b>	(7,804)
Environmental Expenses		<b>(749)</b>	(314)
Port Utilities		<b>(971)</b>	(967)
Safety and Security		<b>(1,586)</b>	(1,556)
Finance Costs	6	<b>(2,325)</b>	(1,439)
Other Expenses	7	<b>(476)</b>	(218)
<b>Profit before income tax</b>		<b>79,348</b>	5,476
Income tax expense	8	<b>(23,295)</b>	(1,738)
<b>Net profit/(loss)</b>		<b>56,053</b>	<b>3,738</b>

*The above income statement should be read in conjunction with the accompanying notes.*

**Balance Sheets as at 30 June 2009**

	Notes	2009 \$'000	2008 \$'000
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	10	47,082	1,165
Trade and other receivables	11	8,715	9,588
Inventories		344	322
Current tax asset	11	-	1,891
<b>Total current assets</b>		<b>56,141</b>	<b>12,966</b>
<b>Non current assets</b>			
Cash and cash equivalents	10	-	2,500
Property, plant and equipment	13	127,551	74,109
Deferred tax assets	14	1,002	1,564
<b>Total non current assets</b>		<b>128,553</b>	<b>78,173</b>
<b>Total assets</b>		<b>184,694</b>	<b>91,139</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	15	17,038	6,811
Loan	15	15,000	25,000
Current tax liabilities		20,118	-
Provisions	16	880	825
<b>Total current liabilities</b>		<b>53,036</b>	<b>32,636</b>
<b>Non current liabilities</b>			
Other non-current liabilities	17	25,985	5,825
Deferred tax liabilities	17	1,465	2,839
Provisions	18	732	547
<b>Total non current liabilities</b>		<b>28,182</b>	<b>9,211</b>
<b>Total liabilities</b>		<b>81,218</b>	<b>41,847</b>
<b>Net Assets</b>		<b>103,476</b>	<b>49,292</b>
<b>EQUITY</b>			
Contributed equity		1,665	1,665
Retained earnings		101,811	47,627
<b>Total equity</b>		<b>103,476</b>	<b>49,292</b>

*The above balance sheets should be read in conjunction with the accompanying notes.*

**Statement of Changes in Equity for the Year Ended 30 June 2009**

	Notes	<b>2009</b>	2008
		<b>\$'000</b>	\$'000
<b>Balance of equity at start of period</b>		<b><u>49,292</u></b>	<u>46,808</u>
<b>Contributed Equity</b>			
Balance at start of period		<b>1,665</b>	1,665
Capital Contribution		<u>-</u>	<u>-</u>
Balance at end of period		<b>1,665</b>	1,665
<b>Retained Earnings</b>			
Balance at start of period		<b>47,627</b>	45,143
Profit for the period		<b>56,053</b>	3,738
Dividends paid	19	<u><b>(1,869)</b></u>	<u>(1,254)</u>
Balance at end of period		<b>101,811</b>	47,627
<b>Balance of equity at end of period</b>		<b><u>103,476</u></b>	<u>49,292</u>
Total income and expenditure for the period			

*The above statement of changes in equity should be read in conjunction with the accompanying notes.*

**Cash Flow Statements for the Year Ended 30 June 2009**

	Notes	2009	2008
		\$'000	\$'000
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of goods and services tax)		119,748	32,006
Payments to suppliers and employees (inclusive of goods and services tax)		<u>(22,223)</u>	<u>(30,724)</u>
		97,525	1,282
Other revenue		589	580
Other receipts		20,160	5,825
Interest paid		(2,287)	(1,407)
Interest received		1,127	415
Income taxes paid		<u>(2,098)</u>	<u>(3,003)</u>
<b>Net cash (outflow) inflow from operating activities</b>	27	<u>115,016</u>	<u>3,692</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(60,392)	(25,137)
Proceeds from sale of property, plant and equipment		<u>662</u>	<u>34</u>
<b>Net cash inflow (outflow) from investing activities</b>		<u>(59,730)</u>	<u>(25,103)</u>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		-	25,000
Repayment of borrowings		(10,000)	-
Dividends paid	19	<u>(1,869)</u>	<u>(1,254)</u>
<b>Net cash inflow (outflow) from financing activities</b>		<u>(11,869)</u>	<u>23,746</u>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>43,417</b>	2,335
Cash and cash equivalents at the beginning of the financial year		<u>3,665</u>	<u>1,330</u>
<b>Cash and cash equivalents at the end of the financial year</b>	10	<u><u>47,082</u></u>	<u><u>3,665</u></u>

*The above cash flows statement should be read in conjunction with the accompanying notes.*

## Notes to the Financial Statements and Forming Part of the Accounts for the Year Ended 30 June 2009

### Note 1. Basis of Preparation

#### (a) Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (AASBs) (including Australian Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the financial reporting provisions of the Port Authorities Act 1999, except as disclosed in note 1(b).

The financial statements were authorised for issue on [day-month-year] by the Board of Directors of Port Hedland Port Authority ("the Authority").

#### (b) Presentation of the income statement

During the year ended 30 June 2009 the Authority modified the income statement presentation of expenses using a classification based on the nature of expenses. Comparative amounts were reclassified for consistency.

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

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

The directors have concluded that the financial statements present fairly the Authority's financial position, financial performance and cash flows and that it has complied with applicable standards and interpretations, except that it has departed from AASB 101, para 88, to achieve a fair presentation.

Total employee benefits expenses are disclosed in note 8 to the financial statements.

#### (c) Basis of measurement

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

#### (d) Functional and presentation currency

These financial statements are presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000) unless otherwise stated.

## Note 2. Summary of Significant Accounting Policies

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

Certain comparative amounts have been reclassified to conform with the current year's presentation (see note 1(b)).

### (a) Revenue recognition

Revenue from ordinary activities is net of returns and taxes, for services to entities outside the Authority and is recognised as revenue when the services have been provided. Lease revenue, derived from the lease of vacant land and buildings is recognised in income a straight line basis over the lease term. Other Revenue and Interest Revenue which includes interest on short term investments, is recognised when accrued.

### (b) Income tax

The Authority operates within the national tax equivalent regime ("NTER") whereby an equivalent amount in respect of income tax is payable to the State Government. The calculation of the liability in respect of income tax is governed by NTER guidelines and directions approved by Government.

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

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

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

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

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

### (c) Receivables

Trade debtors are recognised and carried at the original invoice amounts less an allowance for any uncollectible amounts. Debtors are generally settled within 30 days except for property rentals, which are governed by individual lease agreements.

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

**(d) Inventories**

Inventories consist of stores which are measured at the lower of cost and net realisable value.

**(e) Property, plant and equipment**

Land and buildings (note 13) are shown at cost less subsequent depreciation for buildings. All other property, plant and equipment is stated at cost less depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Authority and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

Buildings and Port Improvements	25 - 40 years	Straight line
Capital and Periodical Dredging	3 - 40 years	Straight line
Navigational Aids	2 - 10 years	Straight line
Wharves and Utilities	10 – 40 years	Straight line
Office Furniture, Fittings and Equipment	3 – 20 years	Straight line

Capital dredging is expenditure undertaken to deepen the existing channel and berth pockets. Periodical dredging of silt build up in the channel over a 3 or 4 year cycle is also classified as capital dredging.

**(f) Impairment**

Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units).

Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

**(g) Leases**

Leases in terms of which the Authority assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Other leases are operating leases and the leased assets are not recognised on the Authority's balance sheet.

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

**(h) Financial instruments**

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

- Loans and receivables;
- Held to maturity investments; and
- Financial liabilities measured at amortised cost.

Refer to Note 20 for further information on the classification of financial instruments.

Initial recognition and measurement is at fair value. The transaction cost or face value is equivalent to the fair value. Subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables and payables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

**(i) Payables**

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

**(j) Borrowing Costs**

Borrowing costs are expensed as incurred.

**(k) Employee benefits**

The liability for annual and long service leave expected to be settled within 12 months after the balance sheet date is recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled. Annual and long service leave expected to be settled more than 12 months after the balance sheet date is measured at the present value of amounts expected to be paid when the liabilities are settled. Leave liabilities are in respect of services provided by employees up to the balance sheet date.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions. In addition, the long service leave liability also considers the experience of employee departures and periods of service.

The expected future payments are discounted to present value using market yields at the balance sheet date on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

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

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

Contributions are made by the Authority to employee superannuation funds and are charged as expenses as when incurred.

**(l) Dividends**

Dividends are recognised as a liability in the period in which they are declared.

**(m) Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash on hand, cash at bank, at call deposits and term deposits due within 30 days.

For the purpose of the cash flow statement, cash equivalents consist of cash and cash equivalents as defined above.

**(n) Goods and services tax**

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

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

**(o) New standards and interpretations not yet adopted**

The following standards, amendments to standards and interpretations have been identified as those which may impact the entity in the period of initial application. They are available for early adoption at 30 June 2009, but have not been applied in preparing this financial report:

- Revised AASB 123 *Borrowing Costs* removes the option to expense borrowing costs and requires that an entity capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. The revised AASB 123 will become mandatory for the Authority's 30 June 2010 financial statements. The Authority currently does not capitalize borrowing costs directly attributable to qualifying assets, however the Authority will from 30 June 2010 financial statements.

**Note 3. Revenue**

Revenue consists of the following items	<b>2009</b>	2008
	<b>\$'000</b>	\$'000
<b>Rendering of Services</b>		
Charges on Cargo	<b>10,532</b>	10,309
Charges on Ships	<b>17,371</b>	13,932
Shipping Services	<b>11,619</b>	7,466
Interest Revenue	<b>1,127</b>	415
Rental and Leases	<b><u>6,271</u></b>	<u>5,702</u>
	<b><u>46,920</u></b>	<u>37,824</u>
<b>Other Revenue</b>		
Other Revenue	<b><u>933</u></b>	<u>429</u>
Revenue from Ordinary Activities	<b><u>47,853</u></b>	<u>38,253</u>
Contribution from Users for Port Infrastructure (a)	<b><u>72,500</u></b>	<u>-</u>
<b>Total Revenue</b>	<b><u>120,353</u></b>	<u>38,253</u>

(a) Represents funds contributed by users for the construction of Utah Point Berth and Tug Pen Access Modifications.

**Note 4. Expenses**

Operating expenses are presented on the face of the income statement using a classification based on the nature of expenses (see note 1(b)). Marine expenses include those expenses derived from water based activities, port operations expenses include those expenses related to land based support activities, whilst general administration expenses includes expenditure of an administrative nature.

**Note 5. Depreciation and Amortisation Expense**

	<b>2009</b>	2008
	<b>\$'000</b>	\$'000
<b>Depreciation</b>		
Buildings and Port Improvement	495	420
Navigation Aids	361	361
Wharves and utilities	969	889
Other Equipment	<u>1,016</u>	<u>893</u>
	<u>2,841</u>	<u>2,563</u>
<b>Amortisation</b>		
Capital Dredging	<u>3,858</u>	2,170
	<u>3,858</u>	2,170
<b>Total Depreciation and Amortisation</b>	<u><u>6,699</u></u>	<u><u>4,733</u></u>

**Note 6. Finance Costs**

	<b>2009</b>	2008
	<b>\$'000</b>	\$'000
Interest Expensed	1,335	-
WATC Interest and Borrowing Costs	<u>990</u>	<u>1,439</u>
	<u>2,325</u>	<u>1,439</u>

**Note 7. Other Expenses**

	<b>2009</b>	2008
	<b>\$'000</b>	\$'000
Rented Accommodation	352	178
Loss on Disposal of Fixed Assets	108	17
Doubtful Debts	9	23
Bad Debts	<u>7</u>	<u>-</u>
	<u>476</u>	<u>218</u>

## Note 8. Income Tax Expense

	2009	2008
	\$'000	\$'000
<b>(a) Income Tax Expense</b>		
Current Taxation	24,107	-
Deferred Income Tax	(523)	1,854
Under (Over) Provision in Prior Year	<u>(289)</u>	<u>(116)</u>
	<u>23,295</u>	<u>1,738</u>
<b>(b) Numerical Reconciliation of Income Tax Expense to Prima Facie Tax Payable</b>		
Profit Before Income Tax Expense	<u>79,348</u>	<u>5,476</u>
Tax at the Australian Tax Rate of 30% (2008 - 30%)	23,804	1,643
Tax Effect of Amounts Which are not Deductible (Taxable) in Calculating Taxable Income:		
Entertainment and Travel	18	6
Non Deductible Consulting Expense	126	201
Investment Allowance	(153)	-
Adjustment to tax fixed asset	(171)	-
Other	(44)	-
Depreciation on Plant and Equipment (Non Depreciable for Tax)	<u>4</u>	<u>4</u>
	23,584	1,854
Under (Over) Provision in Prior Years	<u>(289)</u>	<u>(116)</u>
Total Income Tax Expense	<u>23,295</u>	<u>1,738</u>

The \$21m tax on capital contribution will be returned to PHPA as a state equity contribution refer Note 24.

## Note 9. Employee Benefits

	2009	2008
	\$'000	\$'000
Wages and salaries (a)	4,009	3,054
Superannuation (b)	555	403
Long Service Leave	253	40
Annual Leave	<u>279</u>	<u>373</u>
	<u>5,096</u>	<u>3,870</u>

(a) Includes the value of the fringe benefit to the employee plus the fringe benefit tax component.

(b) Includes defined benefits plan.

**Note 10. Cash and Cash Equivalents**

	<b>2009</b>	2008
	<b>\$'000</b>	\$'000
<b>Current</b>		
Cash on Hand	1	1
Cash at Bank	504	1,164
Restricted Cash (a)	<u>46,577</u>	<u>-</u>
	<u><b>47,082</b></u>	<u>1,165</u>
<b>Non-Current</b>		
Restricted Cash (a)	<u>-</u>	<u>2,500</u>
	<u>-</u>	<u>-</u>
	<u><b>47,082</b></u>	<u>3,665</u>

(a) Restricted cash held to be used only for the purpose of capital expenditure.

**Note 11. Current Assets – Trade and Other Receivables**

	<b>2009</b>	2008
	<b>\$'000</b>	\$'000
<b>Net trade Receivables</b>		
Trade Receivables	8,687	9,583
Provision for Doubtful Debts	(9)	(23)
Prepayments	<u>37</u>	<u>28</u>
	<u><b>8,715</b></u>	<u>9,588</u>
<b>Current Tax Asset</b>		
Current Tax Asset	<u>-</u>	<u>1,891</u>
	<u><b>8,715</b></u>	<u>11,479</u>

	<b>2009</b>	2008
	<b>\$'000</b>	\$'000
<b>Ageing of Receivables Past due but not Impaired</b>		
Not more than 3 months	711	605
More than 3 months but less than 6 months	-	-
More than 6 months but less than 1 year	-	-
More than 1 year	<u>-</u>	<u>-</u>
	<u><b>711</b></u>	<u>605</u>

**Note 12. Current Assets - Inventories**

	<b>2009</b>	2008
	<b>\$'000</b>	\$'000
Spares – at Cost	<u><b>344</b></u>	<u>322</u>

**Note 13. Non Current Assets - Property, Plant and Equipment****Land and Buildings**

## Freehold Land

At Cost	<u><b>2,839</b></u>	<u>640</u>
	<u><b>2,839</b></u>	<u>640</u>

## Buildings

At Cost	<b>17,387</b>	14,488
Less: Accumulated Depreciation	<u><b>(4,603)</b></u>	<u>(4,121)</u>
	<u><b>12,784</b></u>	<u>10,367</u>

## Capital Dredging

At Cost	<b>21,909</b>	25,553
Less: Accumulated Depreciation	<u><b>(6,239)</b></u>	<u>(5,878)</u>
	<u><b>15,670</b></u>	<u>19,675</u>

**Plant and Equipment**

## Navigational Aids

At Cost	<b>7,940</b>	7,541
Less: Accumulated Depreciation	<u><b>(4,497)</b></u>	<u>(4,285)</u>
	<u><b>3,443</b></u>	<u>3,256</u>

## Wharves and Utilities

At Cost	<b>39,538</b>	33,492
Work in Progress	<b>53,806</b>	6,624
Less: Accumulated Depreciation	<u><b>(9,326)</b></u>	<u>(8,356)</u>
	<u><b>84,018</b></u>	<u>31,760</u>

## Other Equipment

At Cost	<b>14,384</b>	13,245
Less: Accumulated Depreciation	<u><b>(5,587)</b></u>	<u>(4,834)</u>
	<u><b>8,797</b></u>	<u>8,411</u>
	<u><b>127,551</b></u>	<u>74,109</u>

**Reconciliations**

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current and previous financial year are set out below:

	<b>Freehold land</b>	<b>Buildings and port improvement</b>	<b>Capital dredging</b>	<b>Navigation aids</b>	<b>Wharves and utilities</b>	<b>Other equipment</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Carrying Amount at 1 July 2008	640	10,367	19,675	3,256	31,760	8,411	74,109
Additions & WIP	2,199	2,912	(147)	595	53,227	1,606	60,392
Disposals	-			(47)	-	(204)	(251)
Depreciation Expense	-	(495)	(3,858)	(361)	(969)	(1,016)	(6,699)
Carrying Amount at 30 June 2009	<u>2,839</u>	<u>12,784</u>	<u>15,670</u>	<u>3,443</u>	<u>84,018</u>	<u>8,797</u>	<u>127,551</u>

**Impairment of Assets**

There were no indications of impairment to property, plant and equipment as at 30 June 2009.

The Authority held no goodwill or intangible assets with an indefinite useful life at reporting date.

All surplus assets at 30 June 2009 have been classified as non-current assets held for sale or written off.

**Note 14. Non-Current Assets - Deferred Tax Assets**

	2009	2008
	\$'000	\$'000
<b>The Balance Comprises Temporary Differences Attributable to:</b>		
Movements:		
Opening Balance at 1 July	1,564	671
Charged/(Credit) to the Income Statement	(801)	892
Movement Attributable to the Prior Year Adjustments	<u>239</u>	<u>1</u>
Closing Balance at 30 June	<u><u>1,002</u></u>	<u><u>1,564</u></u>
<b>Amounts recognised in profit or loss:</b>		
Accrued Expenses	39	30
Employee Benefits	484	412
Incentive Provision	22	-
Doubtful Debts	3	7
Income Received in Advance	381	245
Capital Works Expenditure	65	42
Environmental Impact Expenditure	-	1
Business Related Costs	8	16
Carried Forward Losses	-	811
	<u><u>1,002</u></u>	<u><u>1,564</u></u>

**Note 15. Current Liabilities****Trade and Other Payables**

Trade and Other Payables	14,573	4,389
Rental Received in Advance	1,269	817
Other Payables	869	901
Accrued Expenses	<u>327</u>	<u>704</u>
	<u><u>17,038</u></u>	<u><u>6,811</u></u>

**Loans**

WA Treasury Corporation Loans	<u>15,000</u>	<u>25,000</u>
	<u><u>15,000</u></u>	<u><u>25,000</u></u>

**Note 16. Current Liabilities - Provisions**

	<b>2009</b>	2008
Employee Benefits - Annual Leave	<b>560</b>	594
Employee Benefits - Long Service Leave	<b>284</b>	197
Other Employee Benefits	<b>36</b>	34
	<b><u>880</u></b>	<u>825</u>

## Movements in Provisions

Movements in each class of provision during the financial year are set out below.

<b>2009</b>	<b>Employee Benefits – Annual Leave</b>	<b>Employee Benefits – Long Service Leave</b>	<b>Other Employee Benefits – Pension Scheme</b>	<b>Total</b>
	\$'000	\$'000	\$'000	\$'000
Current				
Carrying Amount at Start of Year	594	197	34	825
Additional Provisions Recognised	273	87	2	362
Payments/Other Sacrifices of Economic Benefits	(307)	-	-	(307)
Carrying Amount at End of Year	<u>560</u>	<u>284</u>	<u>36</u>	<u>880</u>

Reconciliation of other employee benefits – pension scheme, see note 18 (a).

**Note 17. Non Current Liabilities****Deferred Tax Liabilities**

	<b>2009</b>	2008
The Balance Comprises Temporary Difference Attributable to:	<b>\$'000</b>	\$'000
Fixed Assets	<b>1,456</b>	2,830
Others	<b>9</b>	9
	<u><b>1,465</b></u>	<u>2,839</u>
Net Deferred Tax Liabilities	<u><b>1,465</b></u>	<u>2,839</u>

**Movements:**

Opening Balance at 1 July	<b>2,839</b>	94
Charged/(Credit) to the Income Statement	<b>(1,324)</b>	2,745
Movement Attributable to the Prior Year Adjustments	<u><b>(50)</b></u>	<u>-</u>
Closing Balance at 30 June	<u><b>1,465</b></u>	<u>2,839</u>

**Other Non Current Liabilities**

Prepaid Revenue	<b>25,985</b>	3,325
Capital Works Reimbursement in Advance	<u>-</u>	<u>2,500</u>
	<u><b>25,985</b></u>	<u>5,825</u>

**Note 18. Non-Current Liabilities - Provisions**

	2009	2008
Employee Benefits - Long Service Leave	428	260
Other Employee Benefits	<u>304</u>	<u>287</u>
	<u><u>732</u></u>	<u><u>547</u></u>

## Movements in Provisions

Movements in each class of provision during the financial year, other than employee benefits, are set out below.

2009	Employee Benefits		Total
	– Long Service Leave	Other Employee Benefits	
	\$'000	\$'000	\$'000
<b>Non Current</b>			
Carrying Amount at Start of Year	260	287	547
Additional Provisions Recognised	168	51	219
Payments/Other Sacrifices of Economic Benefits	-	(34)	(34)
Carrying Amount at End of Year	<u>428</u>	<u>304</u>	<u>732</u>

**(a) Pension and Gold State Scheme****Reconciliation of the Present Value of the Defined Benefit Obligation**

	2009	2008
	\$'000	\$'000
Present Value of Defined Benefit Obligations at the Beginning of the Year	287	383
Interest Cost	19	22
Actuarial (Gains)/Losses	32	(86)
Benefits Paid	<u>(34)</u>	<u>(32)</u>
Present Value of Defined Benefit Obligations at End of the Year	<u><u>304</u></u>	<u><u>287</u></u>

Two persons remain in this scheme

**Note 19. Dividends**

	2009	2008
	\$'000	\$'000
Dividends Paid in the financial year	<u><u>1,869</u></u>	<u><u>1,254</u></u>

A dividend is recommended after financial year end by the board in accordance with S84 of the Port Authorities Act 1999, based on the dividend formula agreed between the Minister for Transport and the Treasurer. A dividend amount of \$2,651k will be proposed for the year ended 30 June 2009 (2008: \$1,869k). The dividend has been waived on the \$70m capital contribution and the Directors will recommend to also exclude \$2.5m capital contribution from the dividend calculation.

## Note 20. Financial Instruments

### (a) Financial Risk Management Objectives and Policies

Financial instruments held by the Authority are cash and cash equivalents, term deposits, loans, Treasurer's advances and receivables and payables. The Authority has limited exposure to financial risks. The Authority's overall risk management program focuses on managing the risks identified below.

#### *Credit risk*

Credit risk arises when there is the possibility of the Authority's receivables defaulting on their contractual obligations resulting in financial loss to the Authority. The Authority measures credit risk on a fair value basis and monitors risk on a regular basis.

The maximum exposure to credit risk at balance sheet date in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment, as shown in the table at Note 11.

The Authority trades only with recognised, creditworthy third parties. The Authority has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Authority's exposure to bad debts is minimal. There are no significant concentrations of credit risk.

The Authority has very low levels of default. All overdue accounts are reviewed monthly by the Board and legal action instigated if necessary. There has only been one case where this action was necessary in the current year and none in the prior year.

Provision for impairment of financial assets is calculated based on past experience, and current and expected changes in client credit ratings. For financial assets that are either past due or impaired, refer to Note 11 'Receivables'.

#### *Liquidity risk*

The Authority is exposed to liquidity risk through its trading in the normal course of business. Liquidity risk arises when the Authority is unable to meet its financial obligations as they fall due. The Authority's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, loans and finance leases. The Authority has appropriate procedures to manage cash flows by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

#### *Market risk*

The Authority does not trade in foreign currency and is not materially exposed to other price risks (*for example, equity securities or commodity prices changes*). The Authority's exposure to market risk for changes in interest rates relate primarily to the long-term debt obligations. The Authority's borrowings are all obtained through the Western Australian Treasury Corporation (WATC) and are at fixed rates with varying maturities. The risk is managed by WATC through portfolio diversification and variation in maturity dates. Other than as detailed in the Interest rate sensitivity analysis table, the Authority has limited exposure to interest rate risk because it has no borrowings other than WATC borrowings.

**(b) Categories of Financial Instruments**

In addition to cash and bank overdraft, the carrying amounts of each of the following categories of financial assets and financial liabilities at the balance sheet date are as follows

	<b>2009</b>	2008
<b>Financial Assets</b>	<b>\$'000</b>	\$'000
Cash and cash equivalents	<b>47,082</b>	3,665
Loans and receivables	<b>8,715</b>	9,588
Held-to-maturity investments	<u>-</u>	<u>-</u>
	<b><u>55,797</u></b>	<b><u>13,253</u></b>

	<b>2009</b>	2008
<b>Financial Liabilities</b>	<b>\$'000</b>	\$'000
Bank overdraft	-	-
Financial liabilities measured at amortised cost	<u>28,501</u>	<u>31,810</u>
	<b><u>28,501</u></b>	<b><u>31,810</u></b>

**(c) Composition and Maturity Analysis**

Trade and sundry payables are expected to be paid as follows:

	<b>2009</b>	2008
	<b>\$'000</b>	\$'000
Less than 6 months	<b>12,232</b>	15,993
6 months to 1 year	<b>15,000</b>	15,000
1 to 5 years	-	-
Over 5 years	<u>-</u>	<u>-</u>
	<b><u>27,232</u></b>	<b><u>30,993</u></b>

Receivables are expected to be collected as follows:

	<b>2009</b>	2008
	<b>\$'000</b>	\$'000
Less than 6 months	<b>8,678</b>	9,560
6 months to 1 year	-	-
1 to 5 years	-	-
Over 5 years	<u>-</u>	<u>-</u>
	<b><u>8,678</u></b>	<b><u>9,560</u></b>

2009	Within one year Weighted Average Interest Rate	Floating	Non Interest	Total
		Interest Rate	Bearing	
Financial Assets and Liabilities		\$'000	\$'000	\$'000
Cash and Deposits	3.79%	47,080	1	47,081
Receivables		-	8,715	8,715
WATC Borrowings	5.68%	(15,000)	-	(15,000)
Trade and Other Payables		-	(17,038)	(17,038)
Net Financial Assets (Liabilities)		32,080	(8,322)	23,758

2008	Within one year Weighted Average Interest Rate	Floating	Non Interest	Total
		Interest Rate	Bearing	
Financial Assets and Liabilities		\$'000	\$'000	\$'000
Cash and Deposits	5.90%	3,664	1	3,665
Receivables		-	9,588	9,588
WATC Borrowings	7.29%	(25,000)	-	(25,000)
Trade and Other Payables		-	(6,810)	(6,810)
Net Financial Assets (Liabilities)		(21,336)	2,779	(18,557)

**(d) Net Fair Value of Financial Assets and Liabilities**

The net fair value of cash and cash equivalents and non interest bearing monetary financial assets and financial liabilities of the Authority approximates their carrying amounts.

	2009		2008	
	Carrying Amount \$'000	Fair Value \$'000	Carrying Amount \$'000	Fair Value \$'000
<b>On Balance Sheet</b>				
<i>Non Traded Financial Assets</i>				
Cash	1,904	1,904	3,664	3,664
Deposits	45,177	45,177	-	-
Trade Debtors	8,687	8,687	9,583	9,583
Trade Creditors	(11,905)	(11,905)	(5,100)	(5,100)
Other Creditors	(5,133)	(5,133)	(1,710)	(1,710)
	<b>38,730</b>	<b>38,730</b>	<b>6,437</b>	<b>6,437</b>

**(e) Interest rate sensitivity analysis and price risk**

The following table represents a summary of the interest rate sensitivity of the Authority's financial assets and liabilities at the balance sheet date on the surplus for the period and equity for a

**1% change in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.**

	<b>2008/09</b>				
	<b>Carrying amount</b>	<b>-1% change</b>		<b>+1% change</b>	
		<b>Profit</b>	<b>Equity</b>	<b>Profit</b>	<b>Equity</b>
	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)
<i>Interest rate sensitivity analysis</i>					
<b>Financial Assets</b>					
Cash and cash equivalents	47,080	(471)	(471)	471	471
Receivables	8,687	(87)	(87)	87	87
Other financial assets					
<b>Financial Liabilities</b>					
Payables	17,038	(170)	(170)	170	170
Borrowings	15,000	(150)	(150)	150	150
Other financial liabilities					

	<b>2007/08</b>				
	<b>Carrying amount</b>	<b>-1% change</b>		<b>+1% change</b>	
		<b>Profit</b>	<b>Equity</b>	<b>Profit</b>	<b>Equity</b>
	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)
<i>Interest rate sensitivity analysis</i>					
<b>Financial Assets</b>					
Cash and cash equivalents	3,664	(36)	(36)	36	36
Receivables	9,583	(96)	(96)	96	96
Other financial assets					
<b>Financial Liabilities</b>					
Payables	6,810	(68)	(68)	68	68
Borrowings	25,000	(250)	(250)	250	250
Other financial liabilities					

## Note 21. Director and Executive Disclosures

### (a) Directors

The following persons were directors of Port Hedland Port Authority during the financial year:

#### Chairman – Non Executive

I Williams

#### Directors – Non Executive

M Dziombak

A Cooke

R Richardson

G Stocker

A Watling (resigned in 2008)

P Slocombe – Alternate Director

### (b) Key Management Personnel

The following also had the authority and responsibility for planning, directing and controlling the activities of the Authority, directly or indirectly during the financial year:

<b>Name</b>	<b>Position</b>
A Bush	Chief Executive Officer
L Copeman	Harbour Master
L Stanley	Manager Technical Services
D Gollogly	Manager Finance & Administration
C Wilson	Environment Manager
P Watson	Commercial Manager
W Farrow	Port Development Manager

All of the above persons were also specified executives during the year ended 30 June 2009.

The emoluments of each director of the Port Hedland Port Authority and the key management personnel has been disclosed in the Directors' Report.

## Note 22. Remuneration of Auditors

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

	2009	2008
	\$'000	\$'000
Auditing the accounts and the financial statements	<u>23</u>	<u>23</u>

## Note 23. Contingencies

### Contingent Liabilities

Under the Contaminated Sites Act 2003, the Authority is required to report known and suspected contaminated sites to the Department of Environment and Conservation (DEC). In accordance with the Act, DEC classifies these sites on the basis of the risk to human health, the environment and environmental values. Where sites are classified as contaminated – remediation required or possibly contaminated – investigation required, the Authority may have a liability in respect of investigation or remediation expenses.

Port Hedland Port Authority have made submissions under the Act and where the possibility of contamination is suspected the Port is working with the lessees to investigate and will work with them to remediate should remediation be required.

## Note 24. Commitments

<b>Service Contracts – Port Operations</b>	<b>2009</b>	2008
	\$'000	\$'000
Within One Year	10,564	4,687
Later Than One Year but Not Later Than 5 Years	37,743	16,315
Later Than 5 Years	<u>2,500</u>	<u>3,880</u>
<b>Total</b>	<b><u>50,807</u></b>	<b><u>24,882</u></b>

### Capital Commitments

Within One Year	45,609	11,391
Later Than One Year but Not Later Than 5 Years	-	-
Later Than 5 Years	<u>-</u>	<u>-</u>
<b>Total</b>	<b><u>45,609</u></b>	<b><u>11,391</u></b>

### Operating Lease Commitments

Within One Year	102	-
Later Than One Year but Not Later Than 5 Years	77	-
Later Than 5 Years	<u>-</u>	<u>-</u>
<b>Total</b>	<b><u>179</u></b>	<b><u>-</u></b>

Construction has commenced on a new \$225million multi-user public berth at Utah Point, Port Hedland.

PHPA has finalised most agreements with foundation customers to provide funding of \$105m by way of prepaid charges and capital contributions. The agreements for prepaid charges provide that the funds advanced will be applied as future prepaid revenue for these customers as they utilize the new port facilities. Further, the prepaid charge agreements provide a notional interest cost of the advanced funds which will be credited to these customers and will also be used as prepaid revenue.

The amount advanced as at 30 June 2009 was \$24.65 million, included as part of prepaid revenue in Note 17 and the capital contribution of \$70 million has been received.

The remaining \$120 million will be sourced from port borrowings, which will be fully repaid with port user fees within ten years.

#### Lease Rentals

Properties are leased to tenants under operating leases with rental payments in accordance with the terms of the lease agreement. Minimum lease payments receivable on property leases are as follows:

Minimum lease payments under non-cancellable operating leases not recognised in the financial statements are as follows:	2009	2008
	\$'000	\$'000
Within One Year	3,893	2,632
Later Than One Year but not Later than Five Years	14,249	9,890
Later Than Five Years	39,855	12,524

## Note 25. Related Parties

#### Directors

Mr. R Richardson and his alternate Mr. P Slocombe are employees of BHP Billiton Iron Ore Pty Ltd. Mr A Watling, also a director, was an employee of Fortescue Metals Group Pty Ltd. Both BHPB and FMG use port facilities for the export of iron ore commodities and the terms or trade offered to these customers are equivalent to those offered to all other port users.

BHPB and FMG are leaseholders of the Port Hedland Port Authority, and the lease agreements are based on normal commercial terms and conditions.

Port Hedland Port Authority lease a house from Mr. André Bush to assist with staff housing needs. This house is leased at the lower end of market rates.

Mr. Ian Williams has declared a non-pecuniary interest in the Pinc Group. Pinc Group provide management posts as part of a PHPA integrated construction management team for the construction of the Utah Berth.

#### Remuneration Benefits

Information on remuneration of Directors is disclosed in the Directors' Report.

## Note 26. Events Occurring after the Balance Sheet Date

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

## Note 27. Reconciliation of Profit after Income Tax to Net Cash Inflow from Operating Activities

	2009	2008
	\$'000	\$'000
Profit for the Year	56,053	3,738
Depreciation and Amortisation	6,699	4,733
Net (Gain) Loss on Sale of Non-Current Assets	(410)	8
Decrease (Increase) in Trade Debtors	882	(5,344)
Decrease (Increase) in Inventories	(22)	35
Decrease (Increase) Prepayments	(9)	(17)
Increase (Decrease) in Accrued Charges	3,103	878
Increase (Decrease) in Trade Creditors	7,125	(4,835)
(Increase) Decrease in Future Income Tax Benefit	562	(892)
Increase (Decrease) in Provisions for Income Taxes Payable	22,009	(3,117)
Increase (Decrease) in Provision for Deferred Income Tax	(1,374)	2,745
Increase (Decrease) Prepaid Revenue	20,160	5,825
Increase (Decrease) in Other Provisions	<u>239</u>	<u>(65)</u>
Net Cash (Outflow) Inflow From Operating Activities	<u><u>115,013</u></u>	<u><u>3,692</u></u>

## Note 28. Release of Financial Statements

It is anticipated that the Board of the Port Hedland Port Authority will authorise the release of the 2009 financial statements on the 18<sup>th</sup> September 2009.

## Note 29. Segment Reporting

The Port Hedland Port Authority operates under one geographical segment and one industry.

## Directors' Declaration

In the opinion of the directors of Port Hedland Port Authority (the "Authority"):

- (a) the financial statements and notes, set out on pages 53 - 81, are in accordance with the financial reporting provisions of the Port Authorities Act 1999, including:
  - (i) giving a true and fair view of the Authority's financial position as at 30 June 2009 and of its performance, for the financial year ended on that date; and
  - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Port Authorities Act 1999;
- (b) there are reasonable grounds to believe that the Authority will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:



Mr. R Richardson

Director

18 September 2009  
Port Hedland



Mr B Dziombak

Director

18 September 2009  
Port Hedland



## Auditor General

### INDEPENDENT AUDIT REPORT ON PORT HEDLAND PORT AUTHORITY

#### To the Parliament of Western Australia

I have audited the financial report of the Port Hedland Port Authority, which comprises the Balance Sheet as at 30 June 2009, Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year ended on that date, a summary of significant accounting policies, other explanatory Notes and the Directors' Declaration.

#### Directors' Responsibility for the Financial Report

The directors of the Port Hedland Port Authority are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Port Authorities Act 1999. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### Summary of my Role

As required by the Port Authorities Act 1999, my responsibility is to express an opinion on the financial report based on my audit. This was done by testing selected samples of the audit evidence. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion. Further information on my audit approach is provided in my audit practice statement. Refer [www.audit.wa.gov.au/pubs/AuditPracStatement\\_Feb09.pdf](http://www.audit.wa.gov.au/pubs/AuditPracStatement_Feb09.pdf).

An audit does not guarantee that every amount and disclosure in the financial report is error free, nor does it examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the financial report.

#### Audit Opinion

In my opinion, the financial report of the Port Hedland Port Authority is in accordance with schedule 5 of the Port Authorities Act 1999, including:

- (a) giving a true and fair view of the Authority's financial position as at 30 June 2009 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

GLEN CLARKE  
ACTING AUDITOR GENERAL  
23 September 2009

## 2009/10 Financial Estimates

### Operating Budget 2009/10

(Not subject to audit)

In Accordance with the Port Authorities Act 1999, the Authority is required to prepare and submit a Statement of Corporate Intent including annual estimates to the responsible Minister. The Port Hedland Port Authority's 2009/10 budget was prepared in December 08 and after endorsement by the Authority's board it was subsequently submitted to the Minister for Transport for approval.

In framing the budget every effort is made to achieve the Port Authority's financial obligations, maintain a balance between Government requirements, the Port Authority's financial well being and the satisfaction of its customers.

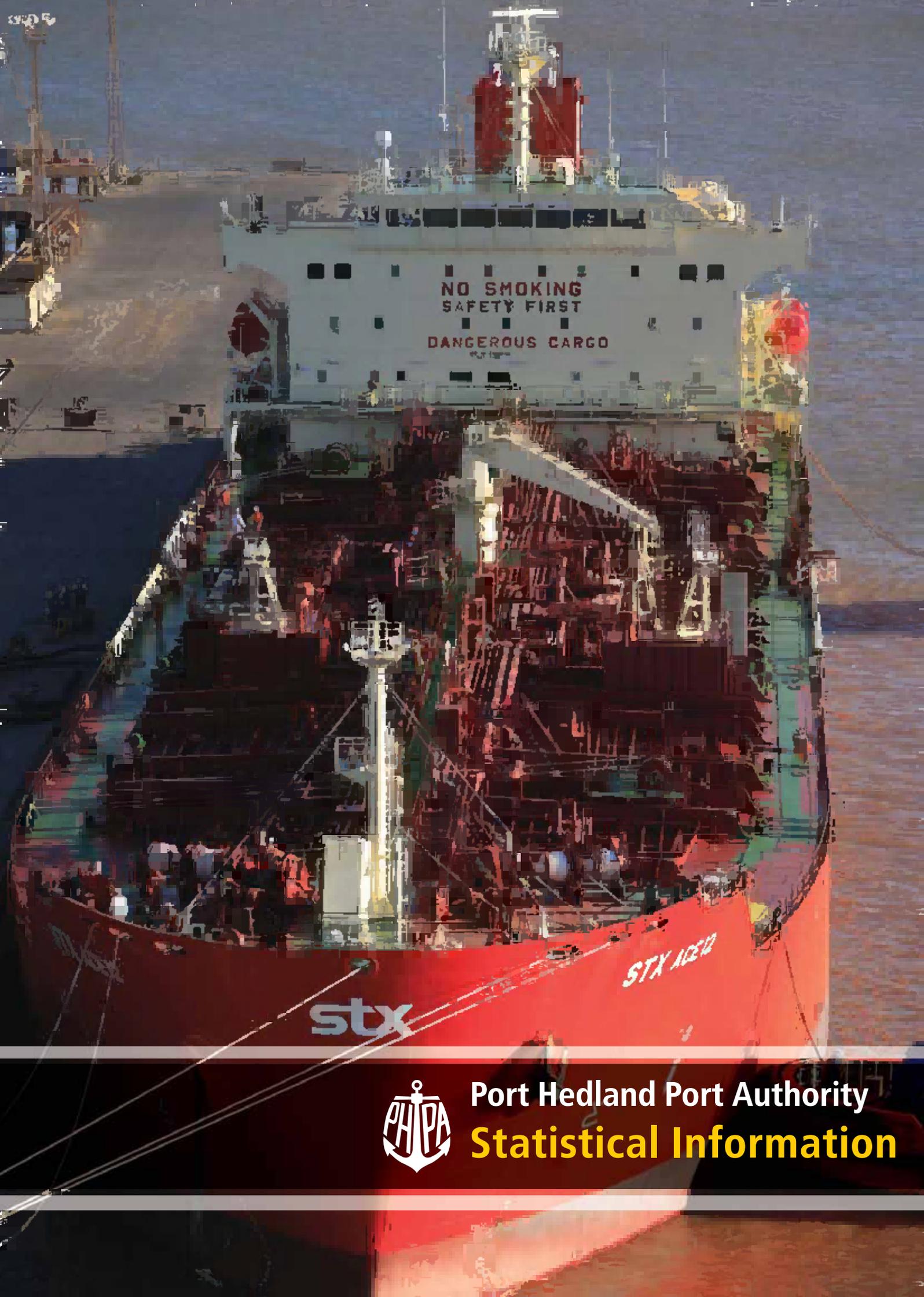
The summary of the Operating budget, which appears below, is predicated on customers' forecast throughputs and estimated expenditure to service that activity.

	<b>2008/09</b>	<b>2009/10</b>
	<b>Actual</b>	<b>Estimate</b>
	<b>\$000</b>	<b>\$000</b>
<b>Revenue Account</b>		
Pilotage Dues	11,619	16,661
Tonnage Dues	15,679	21,785
Wharfage	7,097	9,801
Berthage	1,380	1,372
Lease Rentals	6,041	7,017
Other	6,037	12,117
<b>Total Earnings</b>	<b>47,853</b>	<b>68,753</b>
<b>Expenses</b>		
Salaries and Employee Related Costs	5,446	8,354
Pilotage Services	10,749	14,231
Maintenance	9,199	13,215
Depreciation	6,699	7,804
Other	8,913	22,906
<b>Total Expenses</b>	<b>41,006</b>	<b>66,510</b>
<b>Surplus / (Deficit)</b>	<b>6,847</b>	<b>2,243</b>

**Capital Works Programme 2009/10**

(Not subject to audit)

	<b>2009/10</b>
<b>Approved New Capital Works 2009/10</b>	
Shiploader Improvements	450
Building Modifications	300
Housing Upgrades	200
Office Equipment	300
Utilities (Replace Water Tanks)	400
Upgrade Berth Fire Alarms	600
Relocate Windsock	300
Security Improvements (Electronic Access)	400
Replace Weighbridge	400
Minor Works	850
<b>Total for 2009/2010</b>	<b>4,200</b>
<b>Capital Works in Progress 2009/10</b>	
Utah Point Multi-User Berth	162,800
<b>Total for 2009/2010</b>	<b>162,800</b>



NO SMOKING  
SAFETY FIRST  
DANGEROUS CARGO

stx

STX ACELD



Port Hedland Port Authority  
**Statistical Information**

## Performance Indicators

### Operational

The Outcome is to provide expert marine pilotage to allow uninterrupted movement in and out of the port for shipping, including ultra large bulk carriers.

	2008/09	2007/08	2006/07	2005/06	2004/05
No of Piloted Movements	2,456	2,060	1,807	1,879	1,755
Port Closure (hours)	37.5	76.5	146	112	-
Number of Accidents to Vessels and Port	4	2	2	1	-
Ratio of Accidents/Total Vessel Movements <sup>(a)</sup>	.0016	.001	-	-	-

### Port Services

The objective is to provide wharves, storage facilities and services to meet customers' needs in a cost effective manner.

Berth Occupancy (per cent): <sup>(b)</sup>	2008/09	2007/08	2006/07	2005/06	2004/05
Nelson Point Berth	85%	86%	87%	87%	84%
Finucane Island Berth	86%	80%	58%	62%	61%
PHPA No 1 Berth	56%	61%	56%	52%	41%
PHPA No 2 Berth	42%	48%	57%	16%	-
PHPA No 3 Berth	46%	44%	45%	45%	50%
Anderson Point	67%	68%	-	-	-

### Average Berth Hours: <sup>(c)</sup>

Nelson Point Berth	40hrs	36hrs	34hrs	36hrs	34hrs
Finucane Island Berth	38hrs	35hrs	93hrs	37hrs	40hrs
PHPA No 1 Berth	55hrs	57hrs	61hrs	61hrs	40hrs
PHPA No 2 Berth	48hrs	53hrs	75hrs	65hrs	-
PHPA No 3 Berth	29hrs	31hrs	35hrs	33hrs	36hrs
Anderson Point	48hrs	48hrs	-	-	-

#### KEY:

- (a) Number of accidents to annual ship movements (accident is defined as 'any event involving the movement of a ship, which resulted in damage').
- (b) The total ship alongside hours for each berth expressed as a percentage of the total hours in the year.
- (c) The total ship alongside hours of each berth divided by the number of vessels using the berth throughout the year.

<b>Average Cargo Tonnes Lifted Per Vessel:</b>	<b>2008/09</b>	<b>2007/08</b>	<b>2006/07</b>	<b>2005/06</b>	<b>2004/05</b>
Iron Ore Vessels					
Nelson Point	165,647	165,592	165,760	155,428	142,810
Finucane Island	169,762	166,319	161,043	124,474	155,721
Anderson Point	169,161	151,566	-	-	-
Salt Vessels	36,760	38,246	47,669	39,369	40,665
Fuel Tankers (inc bitumen)	14,047	14,119	13,277	17,526	12,213
General Cargo	1,642	1,654	2,538	2,507	7,527
Bulk Cargo Vessels	27,698	25,259	27,166	31,830	28,912
Acid	8,175	9,949	8,549	7,789	7,957

The larger the lift the greater the economies of scale and thus containment or actual reduction of cost. PHPA has no control over selection of vessels but does control some of the facilities, which they use. Our aim, therefore, is to make these latter compatible with the needs of larger vessels.

<b>Wharf Turnover</b> In Tonnes Per Linear Metre of Berth Face	<b>2008/09</b>	<b>2007/08</b>	<b>2006/07</b>	<b>2005/06</b>	<b>2004/05</b>
Nelson Point Berths	92,138	102,928	103,537	98,500	100,816
Finucane Island Berths	90,099	77,400	64,363	67,415	61,870
Anderson Point Berths	36,084	2,193	-	-	-
PHPA Berths	10,422	10,303	9,853	10,432	13,153
Goods Offloading Facility	-	4	-	-	-

<b>PHPA Wharves Only:-</b>	<b>2008/09</b>	<b>2007/08</b>	<b>2006/07</b>	<b>2005/06</b>	<b>2004/05</b>
Wharf Utilisation	48%	54%	53%	37%	59%

<b>Throughput in Tonnes Per Hour</b>					
Salt	1,225	1,158	1,137	1,102	1,101
Oil	562	564	470	561	423
General Cargo	41	29	34	43	22
Misc Bulk Minerals	387	357	304	334	503

Total Cost Per Cargo Tonne (cents per tonne)	22	21	17	17.6	15.9
Total Cost Per Gross Registered Tonnes	40	37	30	31.2	28.2

## Statistical Information 2009

### Wharf Throughput in Tonnes

	2008/09	2007/08	2006/07	2005/06	2004/05
Nelson Point	60,626,839	67,726,640	68,127,360	64,812,663	66,337,433
Finucane Island	65,697,947	55,883,272	38,489,207	40,313,940	36,998,727
Anderson Point	27,573,294	1,667,233	-	-	-
Goods Offloading Facility	-	365	-	-	-
PHPA Berths	5,492,581	5,429,697	5,192,865	5,497,481	4,686,195

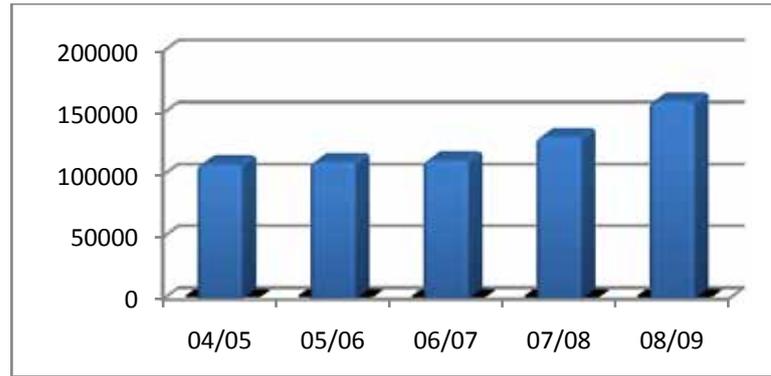
### Port Trade

Imports (tonnes)	2008/09	2007/08	2006/07	2005/06	2004/05
Sulphuric Acid	73,577	69,649	145,336	147,987	95,487
Ammonium Nitrate	-	389	-	-	-
Cement	82,803	25,148	6,872	-	-
Caustic Soda	7,433	7,032	-	-	-
Bitumen	3,185	1,284	3,825	4,348	3,359
Containerised Cargo	10,717	4,930	1,989	6,152	14,970
Fuel Oils	713,226	619,957	527,256	433,807	389,700
General	117,925	65,557	127,161	37,030	18,822
	<b>1,008,866</b>	<b>793,946</b>	<b>812,686</b>	<b>629,325</b>	<b>522,338</b>

Exports (tonnes)	2008/09	2007/08	2006/07	2005/06	2004/05
Iron Ore	153,895,882	125,267,292	106,616,567	105,105,905	103,325,323
Hot Briquetted Iron	-	-	-	20,698	10,837
HBI Fines	324,389	321,702	-	-	-
Salt	2,609,954	2,409,527	2,669,441	3,346,372	3,619,241
Manganese	920,216	1,217,026	1,184,927	1,058,844	705,790
Feldspar	-	-	-	7,874	8,906
Copper	423,050	417,075	249,824	169,856	68,084
Chromite	180,128	209,792	219,337	259,458	258,080
Livestock	5,825	7,951	6,335	2,626	5,477
General /Containers	22,350	62,897	50,562	23,125	20,617
	<b>158,381,794</b>	<b>129,913,262</b>	<b>110,997,437</b>	<b>109,994,759</b>	<b>108,022,355</b>

<b>Total Throughput</b>	<b>159,390,660</b>	<b>130,707,208</b>	<b>111,810,123</b>	<b>110,624,084</b>	<b>108,544,693</b>
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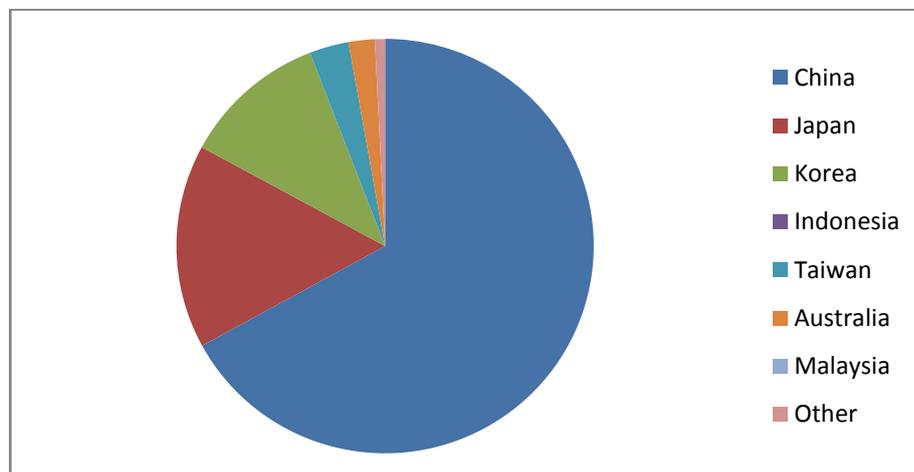
Figure 1 - Total Tonnes Throughput (\$000's)



Main Cargo Distribution by Destination

	Iron ore				Salt			
	2008/09		2007/08		2008/09		2007/08	
	Tonnes 000's	%	Tonnes 000's	%	Tonnes 000's	%	Tonnes 000's	%
China	103,129	67	63,597	51	93	4	-	-
Japan	24,481	16	30,598	24	836	32	905	38
S. Korea	17,276	11	19,599	16	482	18	622	26
Indonesia	-	-	-	-	614	24	597	25
Taiwan	4,683	3	5,950	5	441	17	212	9
Malaysia	-	-	-	-	-	-	55	2
Australia	3,114	2	4,114	3	-	-	-	-
Other	1,212	1	1,407	1	143	5	18	1
<b>Total</b>	<b>153,895</b>		<b>125,267</b>		<b>2,609</b>		<b>2,409</b>	

Figure 2 – Main cargo distribution by destination



**Containerised Cargo**

	2008/09	2007/08	2006/07	2005/06	2004/05
No. of TEU's	176	324	210	507	895

**Gross Registered Tonnage of Vessels Entered Distributed by Cargo Type**

	2008/09	2007/08	2006/07	2005/06	2004/05
Iron Ore	82,996,579	68,315,684	58,338,083	57,614,630	57,225,780
Hot Briquetted Iron	-	-	-	15,820	36,008
HBI Fines	236,882	219,724	-	-	-
Salt	1,742,586	1,661,542	1,680,950	2,142,246	2,285,244
Bulk and General Cargo	2,163,149	2,380,782	2,303,426	1,688,012	1,188,071
Fuel Tankers (inc Bitumen/Acid)	1,547,710	1,231,187	1,163,630	710,479	655,084
Livestock	40,274	142,019	41,546	30,452	43,907
Nil Cargo	379,937	60,898	86,912	168,450	13,395
<b>Total</b>	<b>89,109,117</b>	<b>74,011,836</b>	<b>63,614,547</b>	<b>62,370,089</b>	<b>61,447,489</b>

**Number of Vessels Entered Distributed by Cargo Type**

	2008/09	2007/08	2006/07	2005/06	2004/05
Iron Ore	915	755	650	708	681
Hot Briquette Iron	-	-	-	1	1
HBI Fines	7	7	-	-	-
Salt	71	63	56	82	89
Bulk and General Cargo	140	132	109	80	76
Fuel Tankers (inc Bitumen/Acid)	60	51	57	44	40
Livestock	9	10	9	4	8
Nil Cargo	21	19	16	11	8
<b>Total*</b>	<b>1,214</b>	<b>1,027</b>	<b>897</b>	<b>925</b>	<b>895</b>

\* Total number of distinct visits to Port Hedland. On a single visit a vessel may take (and therefore be included in) more than one type of cargo ie livestock and general.

Commonwealth and fishing vessels which do not carry cargo and which are not rated in terms of Gross Registered Tonnage are not included in the 'Gross Registered Tonnage' table.

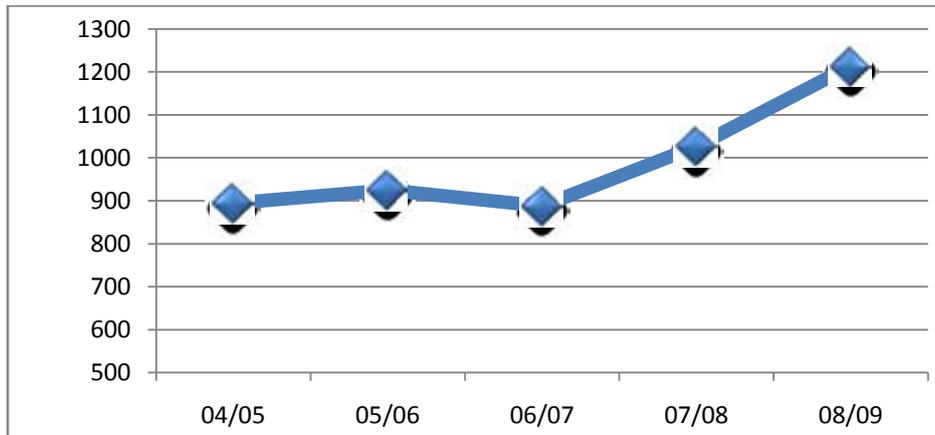
All Vessels Entered – Nationality (Includes Commonwealth, Naval and Service Vessels)

Flag	2008/09		2007/08		2006/07		2005/06		2004/05	
	No.	%	No.	%	No.	%	No.	%	No.	%
Antigua & Barbuda	18	1.5	19	1.9	16	1.8	17	1.8	26	2.9
Australia	16	1.3	11	1.1	14	1.6	10	1.1	14	1.6
Bahamas	24	2.0	31	3.0	28	3.2	34	3.7	18	2.0
Belgium	27	2.2	25	2.4	17	1.9	16	1.7	9	1
Bermuda	12	1.0	6	0.6	11	1.2	18	1.9	12	1.3
China	21	1.7	28	2.7	17	1.9	18	1.9	16	1.8
Cyprus	41	3.4	29	2.8	24	2.7	25	2.7	40	4.5
Denmark	11	0.9	10	1.0	2	0.2	-	-	2	0.2
French Antarctic Territory	6	0.5	5	0.5	-	-	-	-	-	-
Greece	52	4.3	64	6.2	67	7.5	74	8.0	49	5.5
Hong Kong	116	9.5	79	7.7	60	6.8	89	9.6	74	8.3
Italy	3	0.2	2	0.2	1	0.1	6	0.6	10	1.1
Japan	13	1.1	8	0.8	15	1.7	18	1.9	19	2.1
Liberia	41	3.4	37	3.6	44	5.0	53	5.7	35	3.9
Malta	67	5.5	32	3.1	30	3.4	19	2.1	17	1.9
Marshall Island	31	2.5	25	2.4	15	1.7	16	1.7	13	1.5
Netherland	1	0.1	1	0.1	16	1.8	8	0.9	4	0.4
Netherlands	32	2.6	26	2.5	-	-	-	-	-	-
Norway	4	0.3	7	0.7	2	0.2	4	0.4	2	0.2
Panama	430	35.4	352	34.3	300	33.8	299	32.3	352	39.3
Philippines	19	1.6	10	1.0	13	1.5	11	1.2	9	1.0
Singapore	85	7.0	60	5.8	57	6.4	56	6.1	40	4.5
South Korea	55	4.5	65	6.3	48	5.4	50	5.4	56	6.3
St Vincent	-	-	1	0.1	5	0.6	5	0.5	2	0.2
Taiwan	19	1.6	34	3.3	28	3.2	25	2.7	35	3.9
United Kingdom	33	2.7	37	3.6	35	3.9	27	2.9	14	1.6
Other	37	3.2	23	2.2	23	2.6	26	2.8	27	3.0
<b>Total</b>	<b>1,214</b>		<b>1,027</b>		<b>888</b>		<b>925</b>		<b>895</b>	

Ships Piloted by Vessel Size (Vessel Size Measurement in Deadweight Tonnes)

	2008/09		2007/08		2006/07		2005/06		2004/05	
	No.	%	No.	%	No.	%	No.	%	No.	%
Up to 49,999	261	21	240	24	200	23	180	19	192	21
50,000 to 99,999	36	3	34	3	44	5	138	15	101	11
100,000 to 149,999	22	2	33	3	51	6	75	8	103	12
150,000 to 199,999	735	61	577	57	486	55	462	50	400	45
200,000 to 249,999	153	13	137	13	107	12	70	8	99	11
250,000 and over	7	1	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,214</b>		<b>1,021</b>		<b>888</b>		<b>925</b>		<b>895</b>	

**Figure 3 – Number of Ships Piloted**



**Pilot Transit Mode of Operation**

	2008/09		2007/08		2006/07		2005/06		2004/05	
	No.	%								
Helicopter	2,081	85	1,790	87	1,523	84	1,673	89	1,590	91
Pilot Boat	375	15	270	13	284	16	206	11	165	9
<b>* Total</b>	<b>2,456</b>		<b>2,060</b>		<b>1,807</b>		<b>1,879</b>		<b>1,755</b>	

\* Excludes in port movements where the helicopter or pilot boat are not used.