

Local Port of Portland Bay 2020-2021 ANNUAL REPORT



Local Port of Portland Bay 2020-2021 ANNUAL REPORT

CONTENTS

1. Introduction	2
2. Local Port of Portland Bay Advisory Committee	2
3. Summary of Operations 2020 / 2021	4
3.1 Overview	4
3.2 Trawler Wharf	4
3.3 Portland Bay Marina	5
3.4 Swing Moorings and Aids to Navigation	5
3.5 Boat Ramps	5
3.5.1 Boat Ramp South	5
3.5.2 Boat Ramp North	5
3.6 Transit Jetty	5
3.7 Town Jetty	5
3.8 Local Port Events	6
3.9 Goals	6
4. Safety and Environment Management Plan (SEMP)	7
4.1 Incident Reports	7
4.2 Permits	7
5. Glenelg Shire Council Organisational Structure 2021 / 2022	8
6. Freedom of Information Act 1982 Disclosure	8
7. Protected Disclosure Act 2012	8
8. Annual Financial Report	9

Our Focus

- Recognises Portland's early maritime heritage.
- Provides access to the water and values sense of place.
- Maintains and grows existing maritime infrastructure.
- Supports the Glenelg Shire's emphasis on economic development.
- Accepts responsibility for preserving our environment.

Our Commitments

The Glenelg Shire Council has identified and created the following five key themes, which form the foundation and future direction of the Glenelg Shire Council for the 2017- 2021 period.



1. Introduction

Throughout the year the Local Port of Portland Bays Trawler Wharf continued to operate at capacity (at times over capacity) with the rafting up of certain vessels during peak periods. The Trawler Wharf is home to 12 permanent vessels, with a further 16 itinerant commercial vessels utilising the facility throughout the year. Itinerant vessels occupied the wharf for a total of 69 days during the 2020/2021 period.

The Glenelg Shire Council continues to drive the next phase of Local Port infrastructure investment proposals as contained in the 2016 'Marine Master Plan'. Construction is well underway with major infrastructure works including an extension to the Trawler Wharf pontoons, the Portland Bay Marina and the replacement of the Town Jetty.

The Trawler Wharf pontoon extension project will accommodate predominantly the southern rock lobster fishing fleet with an extra 14 berths available. The Trawler Wharf also seen the addition of the amenities block in 2021 to better cater for commercial trawlers.

The additional berths within the Local Port of Portland Bay is creating further demand for an on-water Fuel Facility within the Local Port of Portland Bay.

The Local Port management team continues to work with the Local Port's stakeholders including its users, the Port of Portland, and the Department of Transport to ensure the safe operation of the Local Port.

2. Local Port of Portland Bay Advisory Committee

Due to changes in the Local Government Act, the Local Port of Portland Bay Advisory Committee no longer exists.

The Glenelg Shire Council and the Local Port management team aims to continue to meet with stakeholders in a more informal capacity via its six-monthly community consultation meetings to discuss any issues regarding the Local Port of Portland Bay.

The function of the Advisory Committee was to provide advice to Council on policy, issues, and operations.

Previously, specific issues on which the Advisory Committee may have provided advice included:

- Strategic issues regarding port boundary management
- Asset management issues
- Operating policies and procedures
- Marine pollution management; and
- Safety and environmental management, risk audits and accreditation.

There were two Local Port of Portland Bay Advisory Committee Meetings held during 2020/2021. The Committee meetings allow the Local Port and the Port of Portland to discuss issues and update representatives about each of the Portland Harbor's current operational issues. Community representatives also had an opportunity to raise issues concerning the community and other Local Port stakeholders.

Former Local Port of Portland Bay Advisory Committee Members

Former Glenelg Shire Councillors

Cr Geoff White

Chair and Council representative

Cr Alistair McDonald,

Deputy Chair and Council representative

Port of Portland

Andrew Hays

Harbor Master

Matthew Peters

Operations Manager

Community Members

Les Thomas, Michael Pickles

Portland Coastguard

Christopher Hulonce

Glenelg Shire Council Officers

Edith Farrell

Director Assets

Scott Easson

Local Port Manager

Jenny Hogan

Local Port Administration Officer

Attendance Register - Advisory Committee Meetings 2020 - 2021

Member	Name	Attended	Apologies
Councillor	Geoff White	2	
Councillor	Alistair McDonald	2	
Port of Portland	Andrew Hays	2	
Port of Portland	Matthew Peters	2	
Coast Guard	Christopher Hulonce	1	1
Community Representative	Les Thomas	2	
Community Representative	Michael Pickles	1	1

3.1 Overview

The Glenelg Shire Councils Local Port of Portland Bay areas of Management comprise the Trawler Wharf, Boat Ramp South, Portland Bay Marina, Transit Jetty, Boat Ramp North, Henty beach swimming pontoon, Local Port Water Ways, Swing Moorings, Boat Ramp North Fish Weight station and the Aids to Navigation. Other facilities that fall under the Local Port's areas of management include the fish cleaning tables, Trawler Wharf amenities block, and associated car parks.

Like so many Victorian businesses and households, the Local Port of Portland Bay was also impacted by the coronavirus (COVID-19) pandemic. Itinerant visitors to the Portland Bay Marina dropped from a 2-yearly average of 95, down to 36 and the Trawler Wharf total itinerant days dropped from a 2-yearly average of 108, down to 69.

The pandemic also placed strain on Council resources and staff due to restrictions enforced through state and federal governments. Operational changes were periodically initiated with access to certain facilities restricted, extra cleaning regimes set, and closures to fish cleaning table area and boat ramps.



3.2 Trawler Wharf

The Trawler Wharf is currently home to 4 Commercial fishing trawlers, 5 Southern Rock Lobster fishing vessels, 3 Shark and line fishing vessels, 1 crab fishing vessels and 1 squid fishing vessel.

There is also itinerant berthing available for visiting vessels such as commercial fishing vessels, tugs, tender vessels, and other large vessels requiring refueling or the restocking of general stores and supplies. The Trawler Wharf registered approx. 16 itinerant vessels throughout the financial year with 69 days of itinerant berthing.

2020/2021 financial year also saw the addition of the amenities block, Oil recycling station upgrade, line marking and carparking improvements along with eliminating trip hazards associated with the bollards.

The Trawler Wharf pontoon extension project will result in an additional 12 berths to predominantly cater for Portland's Southern Rock Lobster Fishing Fleet. The \$1.2 million project funded by the Department of Transport - Working for Victoria funding program will be completed mid-late 2021.

Trawler Wharf Vessels

	Trawlers	Rock Lobster Vessels	Shark / Line Vessels	Itinerants	Itinerant Days Total	Total Vessels
2020 - 2021	4	6	3	16	69	29
2019 - 2020	5	5	3	19	78	32
2018 - 2019	5	5	3	11	138	24

3.3 Portland Bay Marina

The Portland Bay Marina comprises of 70 serviced berths (soon to be 105) which cater for annual leaseholders and visiting itinerant vessels. The Portland Bay Marina accommodated approximately 36 itinerant vessels throughout the year.

Portland Bay Marina - Itinerants Total	
2020 - 2021	36
2019 - 2020	88
2018 - 2019	103

The Portland Bay Marina extension project will provide an additional 34 berths. The \$1.2 million project funded by the Department of Transport - Regional Infrastructure fund will be completed mid-late 2021.

3.4 Swing Moorings and Aids to Navigation

There are now 6 active swing moorings within the Local Port of Portland bay. The Local Port also manages three aids to navigation throughout the Local Port's area of responsibility. These moorings and navigational aids were all inspected and maintained in September 2020.

3.5 Boat Ramps

3.5.1 Boat Ramp South

Minor concrete repairs to the ramp surface were completed along with a light pole replacement and upgrades to the current CCTV system.

3.5.2 Boat Ramp North

The fish cleaning tables have undergone multiple upgrades with extra wash down hoses installed, and a table lowered to cater for all abilities.



3.6 Transit Jetty

The replacement of the floating pontoons will take place late 2021, as this facility proves essential for the Local Ports operations. This facility is often used for the loading and unloading of vessels, refueling of vessels and short-term berthing to meet the users needs.



3.7 Town Jetty

The \$1.5 million project funded by the Department of Jobs, Precincts and Regions - Infrastructure Stimulus Fund program to reinstate the town jetty will entail a 175-metre-long floating pontoon which will provide all ability access and designated recreational fishing pontoons, seating, and an expansive width of 3.3 metres for promenading and general leisure.



3.8 Local Port Events

Due to the pandemic, numerous events such as the Upwelling Festival, school bay swims, Annual Hard Hat diving event and Whale boat races have not have proceeded throughout the Local Port of Portland Bay.

3.9 Goals

Key goals for the strategic plan have been formulated by considering the situation analysis and opportunities assessment.

1. Ensure sound management of the Local Port asset base.
2. Provide responsible safety & environmental management.
3. Recognise and promote Portland's early maritime heritage.
4. Expand berthing facilities within the Local Port to cater for current and future berthing demands.
5. Continuously improve the Local Ports facilities where possible.

Performance against Goals

1. All facilities are effectively maintained to a safe and suitable standard.
2. No major environmental management incidents have occurred within the Local Port.
3. The inclusion of the 25% discount to vessels that qualify for the "Australian Register of Historic Vessels" to promote and recognise Portland early maritime heritage.
4. Major construction projects underway which include:
 - a. Portland Bay Marina extension
 - b. Trawler Wharf Pontoon extension
 - c. Replacement of the Town Jetty
 - d. Replacement of the floating pontoons for the Transit Jetty
 - e. The completion of the Trawler Wharf amenities block
5. Summary of operations (Section 3) within this document outlines numerous improvements to the Local Ports facilities.



4. Safety and Environmental Management Plan (SEMP)

The SEMP is a legislative requirement under Part 6A of the Port Services Act 1995 (Vic.) and provides the basis and direction of Safety and Environment Management within Local Port of Portland Bay. The SEMP has been designed to promote the highest level of safety and environmental performance across all aspects of Local Port activities. It encourages management of related issues arising from port activities and operations for the benefit of employees, port users, and the wider community.

Early 2021, the Local Port of Portland Bay SEMP review was again undertaken and now encompasses much more detail surrounding the Marine Habitat surveys and Soil sediment sampling that was completed in preparation for the current Marine projects. This SEMP will now cater for all future Coastal Marine Act Consent applications throughout the Local Port of Portland Bay.

The 2021 review included all Local Port stakeholders with the public display periods

on the 'Your Say Glenelg' webpage. Local Port management extended invitations to the Portland community and Local Port stakeholders with any concerns or additions that felt was necessary.

The SEMP is a working document, with ongoing audits, and reviews undertaken when any significant incidents or near miss incidents occur, or when changes to key legislation, regulations or changes in the nature, scale or extent of port activities occur. The SEMP includes a detailed risk register which identifies all OH&S and Environmental risks within the Local Port along with the subsequent controls that have been developed.

Associated procedures such as Job Safety Analysis (JSA), Safe Work Method Systems and Permit processes for high-risk work continue to be reviewed and implemented for contractors working within the Local Port. A copy of the SEMP can be located on the Glenelg Shire Council website.

4.1 Incident Reports

There was a total of six incidents either involving the Local Port or Local Port staff. These include:

Local Port - List of Reported Incidents 2020 - 2021

	Incident Type	Facility	Date	Corrective Actions
1	Aggressive seal behaviour	Boat Ramp North - Fish cleaning area	13-Jul-20	Report to DELWP.
2	Damage to floating pontoons due to weather conditions	Portland Bay Marina	8-Aug-20	Continue to inspect pontoons hinges monthly.
3	Body was found floating in harbour	Trawler Wharf	5-Nov-20	Major investigation.
4	Man overboard	Portland Bay Marina	19-Mar-21	Extra Ladders and life buoys to be installed. Users urged to install own ladders on vessels.
5	Pontoon damage (Piano hinge)	Boat Ramp North	19-Apr-21	Redesign hinge system
6	Environmental - Diesel	Portland Bay Marina	7-Jun-21	Report to Port of Portland.

4.2 Permits

A total of 12 permits were issued through the Local Port Management team including 7 crane permits for the Trawler Wharf facility. The remaining permits were for either bunkering, school bay swims, hot work, or diving permits.

5. Glenelg Shire Council - Local Port Structure 2020 / 2021



6. Freedom of Information Act 1982 Disclosure

The Victorian Freedom of Information Act 1982 requires agencies to disclose actions taken in accordance with the Act. The following information is provided to satisfy this requirement for the period 1 July 2020 - 30 June 2021.

The delegated officer is the Director - Corporate Services.

7. Protected Disclosure Act 2012

The Victorian Protected Disclosure Act 2012 requires agencies to disclose actions taken in accordance with the Act. The following information is provided to satisfy requirements for the period 1 July 2020 - 30 June 2021.

The delegated Officer is the Director - Corporate Services. There were no matters referred during the reporting period.



Local Port of Portland Bay - Annual Financial Report

FOR THE YEAR ENDED 30 JUNE 2021

FINANCIAL REPORT		Page
	Certification of the Financial Statements	10
	RSD Audit Report	11
Financial Statements		
	Comprehensive Income Statement	13
	Balance Sheet	14
	Statement of Changes in Equity	15
	Statement of Cash Flows	16
	Statement of Capital Expenditure	17
	Overview	18
Notes to Financial Statements		
Note 1	Performance against budget	19
	1.1. Income and expenditure	19
	1.2. Capital expenditure	20
Note 2	Glenelg Shire Council and the Local Port Management team	21
Note 3	Employment Arrangements	21
Note 4	Contingent Liabilities and Contingent Assets	21
Note 5	Commitments	21
Note 6	Local Port of Portland Funding	22
	6.1. User fees	22
	6.2. Funding from other levels of government	22
	6.3. Other income	22
Note 7	Local Port of Portland Expenditure	22
	7.1. Employee costs	22
	7.2. Materials and services	23
	7.3. Depreciation	23
	7.4. Other expenses	23
Note 8	Our Financial Position	23
	8.1. Financial assets	23
	8.2. Trade and other receivables	23
Note 9	Property, plant and equipment	24

Certification of the Financial Statements

In the opinion of the Port Manager, the accompanying Annual Financial Statements and associated Notes of the Local Port of Portland Bay;

- a) Give a true and fair view of the Local Port's Comprehensive Income Statement as at 30 June 2021 and of the Local Port's Balance Sheet, Statement of Changes in Equity, and Statement of Cash Flows for the year ended 30 June 2021; and
- b) Complies with relevant Accounting Standards and the Port of Portland Bay Management Agreement dated 6 July 2017; and
- c) At the date of the statement, there are reasonable grounds to believe that the Local Port will be able to pay its debts as and when they become due and payable.



Greg Burgoyne
CHIEF EXECUTIVE OFFICER

Date: 27 September 2021



41A Breen Street
Bendigo, Victoria
PO Box 448, Bendigo, VIC, 3552

Ph: (03) 4435 3550
admin@rsdaudit.com.au
www.rsdaudit.com.au

INDEPENDENT AUDITOR'S REPORT TO THE PORT MANAGER OF LOCAL PORT OF PORTLAND BAY REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the accompanying financial report of Local Port of Portland Bay, which comprises the balance sheet as at 30 June 2021, the comprehensive income statement, statement of changes in equity, cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and statement by the Glenelg Shire Council Chief Executive Officer, on behalf of the Glenelg Shire Council.

In our opinion the financial report of Local Port of Portland Bay presents fairly, including giving a true and fair view of the financial position as at 30 June 2021 and of its performance for the year then ended in accordance with the accounting policies described in note 1 to the financial statements.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the entity in accordance with the auditor independence requirements and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. Those standards require that we comply with relevant ethical requirements related to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Council's Responsibility for the Financial Report

The Council, as Port Manager of Local Port of Portland Bay are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, and for such internal control as the members determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Council are responsible for assessing the ability of the Local Port of Portland Bay to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the Local Port of Portland Bay or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility for the Audit of the Financial Report

Our responsibility is to express an opinion on the financial report based on our audit. Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.



RSD Audit Pty Ltd
ABN 85 619 186 908
Liability limited by a scheme approved under Professional Standards Legislation



As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Port Manager, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Port Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We obtain sufficient appropriate audit evidence regarding the financial information of the entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with the members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

RSD Audit

A handwritten signature in blue ink, appearing to read 'P.P. Delahunty', enclosed in a rectangular box.

P.P Delahunty

Partner

Bendigo 27 September 2021

Comprehensive Income Statement For the Year Ended 30 June 2021

	Note	2021 \$'000	2020 \$'000
Income			
User fees	6.1	114	114
Grants - operating	6.2	186	182
Other income	6.3	12	-
Contribution - Monetary	6.3	31	-
Total income		343	296
Expenses			
Employee costs	7.1	(182)	(180)
Materials and services	7.2	(99)	(120)
Depreciation	7.3	(4)	(1)
Other expenses	7.4	(7)	-
Total expenses		(292)	(301)
Surplus/(deficit) for the year		51	(5)

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

Balance Sheet
As at 30 June 2021

	Note	2021 \$'000	2020 \$'000
Assets			
Current assets			
Cash and cash equivalents	8.1	-	66
Trade and other receivables	8.2	23	35
Total current assets		<u>23</u>	<u>101</u>
Non-current assets			
Property, infrastructure, plant and equipment	9	154	25
Total non-current assets		<u>154</u>	<u>25</u>
Total assets		<u>177</u>	<u>126</u>
Liabilities			
Current liabilities			
Total current liabilities		<u>-</u>	<u>-</u>
Non-current liabilities			
Total non-current liabilities		<u>-</u>	<u>-</u>
Total liabilities		<u>-</u>	<u>-</u>
Net assets		<u>177</u>	<u>126</u>
Equity			
Accumulated surplus		177	126
Total Equity		<u>177</u>	<u>126</u>

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

**Statement of Changes in Equity
For the Year Ended 30 June 2021**

	Note	2021 \$'000	2020 \$'000
Balance at beginning of the financial year		126	131
Surplus/(deficit) for the year		51	(5)
Balance at end of the financial year		177	126

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

Statement of Cash Flows
For the Year Ended 30 June 2021

	Note	2021 Inflows/ (Outflows) \$'000	2020 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
User fees		126	96
Grants - operating		186	182
Other receipts		28	-
Employee costs		(182)	(180)
Materials and services		(84)	(120)
Other expenses		(7)	-
Net cash provided by/(used in) operating activities		<u>67</u>	<u>(22)</u>
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	1.2	<u>(133)</u>	<u>(26)</u>
Net cash provided by/(used in) investing activities		<u>(133)</u>	<u>(26)</u>
Cash flows from financing activities			
Net increase (decrease) in cash and cash equivalents		(66)	(48)
Cash and cash equivalents at the beginning of the financial year		66	114
Cash and cash equivalents at the end of the financial year		<u>-</u>	<u>66</u>

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

**Statement of Capital Expenditure
For the Year Ended 30 June 2021**

	Note	2021 \$'000	2020 \$'000
Plant and Equipment			
Fixed Assets		5	-
Floating Plant		17	18
Non-Fixed Plant		3	3
		<u>25</u>	<u>21</u>
Infrastructure			
Fixed Assets		129	4
Total infrastructure		<u>129</u>	<u>4</u>
Total Capital Expenditure	9	<u>154</u>	<u>25</u>
Represented by:			
Assets - At Cost		159	26
Accumulated Depreciation		(5)	(1)
Net Capital Expenditure		<u>154</u>	<u>25</u>

The above statement of capital works should be read in conjunction with the accompanying notes.

Notes to the Financial Report For the Year Ended 30 June 2021

OVERVIEW

Statement of compliance

These financial statements are a special purpose financial report prepared in accordance with the Port of Portland Bay Management Agreement dated 6 July 2017. They consist of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, and notes accompanying these financial statements. The special purpose financial report complies with the recognition and measurement directives of Australian Accounting Standards, but are generally not required to comply with disclosure requirements of those standards.

Significant accounting policies

(a) Basis of accounting

The accrual basis of accounting has been used in the preparation of these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on professional judgement derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.

Notes to the Financial Report For the Year Ended 30 June 2021

Note 1 Performance against budget

The performance against budget notes compare Local Port of Portland Bay financial plan, expressed through its annual budget, with actual performance. Local Port of Portland Bay has adopted a materiality threshold of the lower of 10% percent or \$10K where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

1.1 Income and expenditure

	Budget 2021 \$'000	Actual 2021 \$'000	Variance 2021 \$'000	Variance 2021 %	Ref
Income					
User fees	135	114	(21)	-16%	1
Grants - operating	182	186	4	2%	
Other income	-	12	12	0%	2
Contribution - Monetary	-	31	31	0%	3
Total income	317	343	26	8%	
Expenses					
Employee costs	177	182	(5)	-3%	
Materials and services	138	99	39	28%	4
Depreciation	-	4	(4)	-	
Other expenses	6	7	(1)	-16%	5
Total expenses	321	292	29	9%	
Surplus/(deficit) for the year	(4)	51	(3)	-	

(i) Explanation of material variations

1	User Fees	Lower User Fees due to restrictions enforced for COVID-19
2	Other income	Adjustment for Council's contribution to specific operational requirements.
3	Contribution - Monetary	Contribution towards completion of capital project
4	Materials and services	Utilities are in line with budget. Contractor Payments are lower than 20/21
5	Other Expenses	Lower Actual costs due to lower Internal Fleet Allocation for Motor Vehicles

Notes to the Financial Report For the Year Ended 30 June 2021

1.2 Capital Expenditure

The POPB owns assets, which are included in these financial statements. In addition, it manages assets on behalf of other parties, the value of which is not included in these financial statements. In accordance with the Management Agreement;

- a. Other assets comprising Fixed Assets (such as Trawler Wharf and Jetty) which are owned by the State are utilised by the Port Of PB but are not considered to be controlled by the POPB and so these are not recorded on the balance sheet of POPB. That the POPB is responsible for the management, maintenance and operational control on behalf of TFV;
- b. Other assets, referred to as Non Funded assets, are owned by GSC and utilised by the POPB, but the council is responsible for the management, maintenance and operational control of the Non Funded assets. These are not recognised on the balance sheet of the Port;
- c. There are assets that are the property of the Port Manager (POPB).

	Budget 2021 \$'000	Actual 2021 \$'000	Variance \$'000	Variance %	Ref
Plant and Equipment					
Fixed Assets	-	7	7	100%	
Floating Plant	-	-	-	0%	
Non-Fixed Plant	-	-	-	0%	
Total Plant and Equipment	-	7	7		1
Infrastructure					
Fixed Assets	-	126	126	100%	
Total infrastructure	-	126	126	100%	2
Total capital expenditure	-	133	133	100%	
Represented by:					
New asset expenditure	-	133	133	100%	
Total capital expenditure	-	133	133	100%	

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Plant and Equipment	Plant & Equipment expenditure unbudgeted for 2020/2021 includes new Security Equipment
2	Infrastructure	Infrastructure expenditure unbudgeted for 2020/2021 includes new Trawler Wharf Amenities

Notes to the Financial Report For the Year Ended 30 June 2021

Note 2 Glenelg Shire Council and the Local Port Management team

Parent entity

Glenelg Shire Council is the Committee of Management for the Local Port of Portland Bay.

Former Advisory Committee Members

Due to changes in the Local Government Act, the Advisory Committee the Local Port of Portland Bay Advisory Committee no longer exists. These changes came into effect during 2020/2021. Details of persons that formerly held a position on the Advisory Committee during the reporting year are:

Glenelg Shire Council Councillors Representatives

Councillor Geoff White (ceased as a Councillor in October 2020)
Councillor Alistair McDonald (ceased as a Councillor in October 2020)

Glenelg Shire Council Officer Representatives

Scott Easson
Edith Farrell
Jenny Hogan

Port of Portland Representatives

Andrew Hays - Harbour Master
Matthew Peters - Operations Manager

Portland Coastguard Representatives

Christopher Hulonce

Community Representatives

Les Thomas
Michael Pickles

Related Party Disclosures

For 2020-2021 there have been no transactions, loans or commitments entered into with related parties.

Note 3 Employment Arrangements

Note - Greg Burgoyne, CEO of Glenelg Shire Council, has overall Management Responsibility of the Portland. No CEO salary is costed to Portland Bay Local Port.

The Local Port of Portland Bay utilises Glenelg Shire Council employees in its operations. The labour cost and associated Labour on costs are charged to the Local Port of Portland Bay on a cost basis. 4 employees perform 1.7 FTE hours of services for the local Port of Portland Bay.

Note 4 Contingent Liabilities and Contingent Assets

The Local Port of Portland Bay has provided no guarantees in respect of loans and overdrafts.

The Local Port of Portland Bay currently has no contingent assets.

The Local Port of Portland Bay currently has no contingent liabilities.

Note 5 Commitments

Contract 2015-16-57 for Waste Bin Collection at the foreshore is currently out of Contract. No future commitments at 30-06-2021.

**Notes to the Financial Report
For the Year Ended 30 June 2021**

Note 6 Local Port of Portland Funding	2021	2020
	\$'000	\$'000
6.1 User Fees		
Berth and Moorings	114	114
Total User Fees	<u>114</u>	<u>114</u>

User fees are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

6.2 Funding from other levels of government	2021	2020
	\$'000	\$'000
Grants were received in respect of the following :		
Summary of grants		
State funded grants	186	182
Total grants received	<u>186</u>	<u>182</u>
(a) Operating Grants		
<i>Recurrent - State Government</i>		
Department of Transport	186	182
Total recurrent operating grants	<u>186</u>	<u>182</u>
Total operating grants	<u>186</u>	<u>182</u>

Grant income is recognised at the point in time when the Local Port satisfies its performance obligations as specified in the underlying agreement.

6.3 Other Income	2021	2020
	\$'000	\$'000
Other income	12	-
Contribution - Monetary	31	-
Total User Fees	<u>43</u>	<u>-</u>

Note 7 Local Port of Portland Expenditure	2021	2020
	\$'000	\$'000
7.1 Employee costs		
Wages and salaries	145	145
Superannuation	14	12
Fringe benefits tax	-	6
Other - WorkCover & Leave Provisions	23	17
Total employee costs	<u>182</u>	<u>180</u>

**Notes to the Financial Report
For the Year Ended 30 June 2020**

	2021 \$'000	2020 \$'000
7.2 Materials and services		
Contract Expenses	44	65
Material Expenses	3	4
Internal Plant Hire	15	15
Legal Fees	1	-
Utility Expenses	35	34
Office Administration	1	1
Total Materials and Services	<u>99</u>	<u>120</u>
	2021 \$'000	2020 \$'000
7.3 Depreciation		
Floating Plant	1	1
Non-Fixed Plant	-	-
Fixed Assets	3	-
Total Depreciation	<u>4</u>	<u>1</u>
	2021 \$'000	2020 \$'000
7.4 Other Expenses		
Audit Fees	6	-
Other Expenses	1	-
Total Other Expenses	<u>7</u>	<u>-</u>
Note 8 Our Financial Position		
	2021 \$'000	2020 \$'000
8.1 Financial assets		
Cash and cash equivalents		
Cash at bank and on Hand	-	66
Total cash and cash equivalents	<u>-</u>	<u>66</u>
Total Financial Assets	<u>-</u>	<u>66</u>
The Cash & Cash equivalents balance has been reduced to \$0 due to Capital Expenditure		
	2021 \$'000	2020 \$'000
8.2 Trade and other receivables		
Current		
Receivables - General	23	35
Total Trade and other receivables	<u>23</u>	<u>35</u>

**Notes to the Financial Report
For the Year Ended 30 June 2021**

Note 9.1 Property, plant and equipment

Property, plant and equipment are measured on the cost basis less depreciation and any impairment losses.

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

	At Fair Value 30 June 2020 \$'000	Additions \$'000	Depreciation \$'000	At Fair Value 30 June 2021 \$'000
Plant and equipment	23	6	(3)	25
Infrastructure	2	127	(1)	129
Total Property, Plant and equipment	25	133	(4)	154

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are -

Infrastructure

Fixed Assets - Buildings	2.5%
Fixed Assets - Other Assets	14%

Plant and Equipment

Fixed Assets - Security Equipment	25%
Floating Plant	7%
Non-Fixed Plant	13%

Local Port of Portland Bay

Contact Details:

Glenelg Shire Council

PO Box 152 / 71 Cliff Street, Portland VIC 3305

P: (03) 5522 2200 E: enquirylocalport@glenelg.vic.gov.au

www.glenelg.vic.gov.au