Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2024

GLADSTONE PORTS CORPORATION

ACN 131 965 896

Gladstone Ports Corporation

Growth, prosperity, community.

110 YEARS 1914 - 2024

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PURPOSE AND SCOPE

Gladstone Ports Corporation Limited (GPC) is a company Government Owned Corporation (GOC), constituted on 1 July 2008 under the provisions of the *Government Owned Corporations Act 1993* (the Act).
These statements have been prepared to:

(i) Comply with the provisions of the *Corporations Act 2001*, and other prescribed requirements

(ii) Comply with the provisions of the *Financial Accountability Act 2009* and other prescribed requirements

(iii) Communicate information concerning GPC's financial performance for the year and its financial position at year end.

The statements are general purpose in nature and provide a full presentation of all the financial activities of GPC. The consolidated financial statements of GPC for the year ended 30 June 2024 were authorised for issue to shareholding Ministers in accordance with a resolution of the Directors on 23 August 2024.

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DIRECTORS' REPORT

The Directors present their report together with the auditor's report and the consolidated financial statements of Gladstone Ports Corporation Limited (GPC), being Gladstone Ports Corporation Limited (the parent) and its controlled entity (Gladstone Marine Pilot Services Pty Ltd) for the year ended 30 June 2024.

The Board comprises non-executive Directors with diverse business experience as well as community leadership roles. The criteria for membership of the Board are in accordance with the *Corporations Act 2001* and the *Government Owned Corporations Act 1993*. The *Government Owned Corporations Act 1993* requires that, in appointing a person as Director, the Governor in Council must have regard to that person's ability to contribute to the Group's commercial performance and implementation of its Statement of Corporate Intent (SCI). Directors are appointed for a term of not more than five years but may be re-appointed.

In order to comply with the provisions of the *Corporations Act 2001* the Directors submit their report for the year ended 30 June 2024.

DIRECTORS

The names and details of the Company's Directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Name and qualifications	Experience and skills
Adrian Noon M. Pub. Pol. ANU, B.Econ (HONS 1ST CLASS), B.Bus (Comm.) *Chair* Member – Audit and Risk Committee Member – People Performance and Culture Committee	Adrian brings over 40 years' experience and a broad range of skills including economic, policy, corporate strategy, governance, crisis management, sustainable development, corporate social responsibility, project advisory and business planning advice. He has run his own economic advisory business for over 10 years focusing on economic regulation, policy advisory, commercial analysis and strategy, and project analysis. He has been involved at both the Queensland and Commonwealth Government levels with fiscal policy, intergovernmental relations, Government Owned Corporations (GOC), infrastructure, planning, commercial negotiations, and project development. Adrian has published a number of academic papers related to economic issues and is heavily involved in Queensland softball. He is a Graduate of the Australian Institute of Company Directors, and member of the Economic Society of Australia – Queensland Branch. First appointed June 2024 Current term 1 June 2024 – 31 May 2028

Name and qualifications	Experience and skills
Grant Cassidy OAM FAICD *Director* Chair – Audit and Risk Committee	Grant is an experienced Company Director and long-term resident and business owner in Central Queensland. For the past 22 years, Grant has been Managing Director of his private businesses, operated under the Cassidy Hospitality Group banner. Grant's previous 15-year career in the media industry has provided him with an in-depth knowledge of sales, marketing and media management. As a very active and long-term contributor to the area's community organisations, Grant was Chair of Capricorn Enterprise (the region's peak Tourism and Economic Development organisation) for 10 years, as well as a former serving Board Director at Tourism Queensland, where he also chaired their Audit and Risk Committee. He also served on the boards of CQ University and Rockhampton Girls Grammar School. Grant is the current Chair of Regional Development Australia — Fitzroy Central West Region, Vice Chair of Beef Australia and Chair of the Rockhampton Salvation Army Red Shield Business Appeal Committee. He is a Fellow of the Australian Institute of Company Directors, Director of the Northern Australia Infrastructure Facility (NAIF) and chairs their People and Remuneration Committee. Grant is also Managing Director of GRC Pastoral which operates a beef cattle and broadacre farming operation. First appointed October 2015 Current term 1 October 2023 – 30 September 2025
Peta Jamieson BA (Hons), GradCertBA, MScEnvMgt, GAICD *Director* Member – People Performance and Culture Committee	Peta has over 25 years' experience working for and with all levels of government and has a breadth of both executive and operational experience and a clear understanding of how government, its policies and processes work. During her career Peta was a driver of the microeconomic reform of local governments while working for the Queensland Government, with a focus on financial sustainability and capacity-building campaigns for all councils. Peta is a strong advocate for the Bundaberg and Wide Bay Burnett region. Peta is also Chair of the Wide Bay Hospital and Health Board and member of its Finance Committee, Executive Committee, Audit & Risk Committee and Safety & Quality Committee. First appointed October 2015 Current term 1 October 2023 – 30 September 2025
Ryl Gardner BA (Econ. & I.R), GDip Management GAICD, MAHRI *Director* Chair – People Performance and Culture Committee	Ryl is a senior HR Specialist with more than three decades of practical experience across a range of industries and Government sectors. As an experienced leader, Ryl has managed her own management consulting and Business Performance Coaching business for more than 20 years. She has significant experience in designing and managing change processes and an in depth knowledge of best practice and business improvement in employee management. She is a strong advocate of regional Queensland with strong family ties to Central Queensland. She has been a Member and Chair of the CQ University Gladstone Regional Engagement Committee since 2010. She is an appointed Member of the CQU Ceremonial and Honorary Awards Committee, an Industry Advisor to the Faculty of Business (HR) – Bachelor and Masters programs and a Student Mentor. First appointed October 2021 Current term 1 June 2024 – 31 May 2028

Name and qualifications	Experience and skills
Melody Ingra B.Ed. (Education) *Director* Member – People Performance and Culture Committee	Melody is a proud Gooreng Gooreng / Wakka Wakka woman from Yallarm (Gladstone). An experienced Teacher and Company Director with over 25 years practical experience across various industries, government sectors and NGO's. Melody is currently the National Cultural Liaison for Goodstart Early Learning and Chairperson of the Aboriginal and Torres Strait Islander Community Controlled Health Service. She has worked in the education sector for over 25 years as a Teacher, Educator, Principal Project Officer and Indigenous Educator Advisor. She was an inaugural Coach for the Indigenous Women in Leadership program and has delivered Aboriginal Cultural Awareness to over 1000 people across the nation. Melody is actively involved in First Nations community's across Queensland, with strong connection to Gladstone being born and raised there as a Traditional Custodian, with family ties to the region. First appointed October 2022 Current term 13 October 2022 – 30 September 2025
Annette Woods BE (Engineering - Civil) *Director* Member – Audit and Risk Committee	Annette is a senior executive leader with an extensive career in project delivery and business transformation within industries spanning across shipping ports, rail, logistics, mining and technology, in both government and private sectors. As a previous Executive General Manager of both Sydney Ports Corporation and Newcastle Port Corporation, Annette brings experience including overseeing development of Port Botany's third container terminal and master planning for expansion of the Port of Newcastle. In 2011 Annette successfully led port and rail capacity growth for a multinational mining and resources company, across the ports of Abbott Point, Hay Point and Gladstone, Queensland. Her previous governance roles include membership of a global company's mining and metal capital investment committee, overseeing investment decisions and delivery for major projects in Australia, South America and Canada. Annette has held both Head and Vice President roles in strategy, business transformation and project management. She has led global value driven cost reduction, productivity and cultural change programs. Annette is a regular mentor with the Queensland Resources Council's Women in Mining & Resources mentoring program and holds a Bachelor of Engineering (Civil) from the University of Adelaide. First appointed October 2023 Current term 1 October 2023 – 30 September 2026

Name and qualifications	Experience and skills
Deirdre Swan LLB (Laws) *Director* Member – People Performance and Culture Committee	Deirdre has led an extensive career spanning over 45 years in the area of industrial relations in both Queensland and at a national level. Deirdre holds the degrees of a Bachelor of Arts (major Economics) and a Bachelor of Laws from Queensland University. In 1990, Deirdre was admitted as a Barrister in the Supreme Court of New South Wales. Deirdre is recognised as the first female organiser in the Australian Workers Union who then went on to become an elected National Vice President of the Union. Deirdre was appointed to the Queensland Industrial Relations Commission in 1990 as a Commissioner and later was appointed Deputy President of the Commission. Also during this period, Deirdre was appointed to the position of a Deputy President of Fair Work Australia. Both positions were held simultaneously. After retirement from these positions, Deirdre was appointed as an Acting Magistrate in the Queensland Magistrates Court. Deirdre was often a guest lecturer at three major Brisbane Universities and other bodies on industrial relations matters. During 2022, Deirdre, together with two other industrial relations specialists undertook the review of the current Queensland Workplace Health and Safety Act. Deirdre has often provided mentorship to women in leadership roles. She is also a member of the Australian Association of Women Judges. First appointed October 2023 Current term 1 October 2023 – 30 September 2026

PREVIOUS DIRECTORS

Dr Anthony Lynham (Chair) BDSc BMED (HONS), FRACDS (OMS) FRCS ED, GAICD	First appointed August 2021 Resigned 31 May 2024
Dr Poya (PJ) Sobhanian BDSc (UQ), GAICD	First appointed October 2020 Term expired 30 September 2023
Dr Prins Ralston DJS, LLM, LLB, BBus (ACC), BBus(Comp) FCPA, FAICD, FACS	First appointed October 2020 Term expired 30 September 2023
Paul Heagney BCom, GDipAppFinInv	First appointed October 2020 Term expired 30 September 2023
Paul Binsted BEc. and LLB	First appointed December 2022 Resigned 19 December 2023

ACTING COMPANY SECRETARY

Name and qualifications	Experience and skills
Kylee Lockwood	Kylee Lockwood was appointed to the role of Acting Company Secretary on 7 February 2024. Kylee provides corporate governance advice and secretariat support to the GPC Board, and is responsible for corporate governance, compliance, records and information management at the Corporation. Kylee has over 20 years' experience across Governance, Risk, Compliance, Safety, Environment, and Management Systems in both the public and private sectors.
Anna Hebron BCom, GradDipAppCorpGov, FGIA, GAICD	Anna Hebron was appointed to the role of Acting Company Secretary on 1 July 2024. Anna provides secretariat support to the GPC Board. Anna has over 20 years' experience across government, commercial and not-for-profit sectors focusing on culture, strategy, change, governance, risk, human resources and corporate services. She is a highly experienced executive leader, non-executive Director, strategic advisor and consultant.

PREVIOUS ACTING COMPANY SECRETARY

Stacey Hogarth BBus (Mgt), GradDipAppCorpGov, MBA, FGIA, AAICD	Appointed 20 March 2023 to 30 March 2024

PRINCIPAL ACTIVITIES

The consolidated entity's principal activities are to:

a) provide import and export shipping infrastructure to the Central Queensland region through the Port of Gladstone, Port of Rockhampton and Port of Bundaberg, and encourage the use of these facilities for the economic benefit of stakeholders along with the non-trading Port of Maryborough (PoM). As a non-trading Port, GPC undertakes limited responsibilities associated with managing the PoM;
b) manage cargo handling facilities for coal and other bulk products at Port of Rockhampton, RG Tanna Coal Terminal, Barney Point Terminal and Auckland Point facilities;
c) develop, manage and lease land and other assets for port related purposes; and
d) manage ancillary services and functions which support core business activities.

OPERATING RESULTS FOR THE YEAR

The Group's net profit after income tax is $129.28M (2023: $114.19M) representing an increase of 13% from the previous year. The results included net revaluation increases of $12.9M (2023: decrease $2.84M) and impairment losses of $10.86M. The net revaluation increases related to property, plant and equipment revaluation decreases of assets of $2.88M and investment property revaluation increases of $15.78M. Total income was $618.51M, an increase from 2023 of $55.69M.

AUDITOR INDEPENDENCE

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is included following the Directors' Report.

DIVIDENDS

Dividends paid to shareholders during the financial year were as follows:

	2024 $'000	2023 $'000
Dividends paid from prior year profits	117,617	-
	Cents per share	**Cents per share**
Dividend per share	29.25	-

In addition to the above dividends, the Directors recommended the payment of a final dividend at 100% of profits, adjusted in line with shareholding Ministers' approval. The final dividend amounts to $127.69M (31.76 cents per share).

REVIEW OF FINANCIAL CONDITIONS AND LIKELY DEVELOPMENTS

Trade performance remained steady during the year with all three trading GPC ports contributing to the 118.92 MT throughput, 7.18 MT more than last year's throughput as a result of an increase in coal and liquefied natural gas (LNG) exports. The Port of Gladstone recorded a throughput of 118.34 MT led by coal, LNG and alumina-related exports. 65.96 MT of coal exports were facilitated by the Port of Gladstone, 6.11 MT increase in exports.

Whilst coal export volumes increased from the previous year, LNG exports remained steady, with 23.69 MT of LNG transported predominately into Asia, compared to 22.14 MT in the previous year. 0.33 MT of product was handled through the Port of Bundaberg during the year and an increased diversity of trade product is setting the foundation for future growth at the port. Ammonium nitrate was the major driver through the Port of Rockhampton further substantiating the Port as a significant contributor to facilitating hazardous goods for the State.

Global economic growth continues to remain subdued, noting inflation remain above target for most advanced economies, with GPC anticipating these similar macro-economic conditions to continue through FY2025. The energy forecast, particularly for LNG through FY2025, remains in line with this year's expectations. Demand for both metallurgical and thermal coal is stable, but supply is expected to remain constrained across the east coast. Nevertheless, coal exports are projected to exceed the volumes seen this year.

Ordinary property revenue has increased from last year with trends moving upward on the property market with an increased interest in port land for renewables industry.

REVIEW OF FINANCIAL CONDITIONS AND LIKELY DEVELOPMENTS (CONTINUED)

GPC continues to support the energy transition to renewables, specifically focused on immediately facilitating the imports of wind and solar developments, and is focused on assessing the infrastructure that underpins growth. With GPC strongly supporting the Government's initiatives in the renewable industry sector, infrastructure, master plans and strategic approvals will be required for this new renewables economy and sound investment options will be considered to match forward demand in the context of hydrogen, green ammonia developments and manufacturing.

GPC will constantly monitor for the most diligent sequencing of infrastructure investment to support the demand expected with renewables, containerised freight and other emerging trades. An increasing focus will be on facilitating ancillary and common user infrastructure, including incremental channel staging to support sustainable development and growth.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of GPC during the year ended 30 June 2024.

ENVIRONMENTAL REGULATION

The Group's operations are subject to significant environmental regulations under both Commonwealth and State legislation. Compliance to these obligations are rigorously monitored and reported as required under GPC's accredited ISO14001:2015 Environmental Management System. Further information can be found in the 2024 Annual Report.

RESPONDING TO CLIMATE CHANGE

The Group continues the finalisation of a Climate Change Strategy (the strategy) which sets a framework to guide GPC towards reduced carbon emissions and provide direction to respond and adapt to the physical and transition risks of climate change. The strategy seeks to achieve this by outlining achievable actions based on prioritised risks, opportunities and commitments.

The strategy encompasses the Group's climate change direction statement, and strategic framework underpinned by a strategic roadmap using a risk based approach to capture the Group's position, approach and actions in response to climate change. It guides the Group's operations to a low emission future in line with the Queensland Government's climate change strategy and targets that is likely to deliver multiple benefits including:

a) providing decision useful and forward looking information to develop adaptation response;

b) informing key assumptions and accounting judgements in future Climate Related Financial Disclosures (CRFD's) guided by the Australian Accounting Standards Board (AASB) Sustainability Reporting Standards as mandated by the *Corporations Act 2001 (Cth)*; and

c) providing assurance and economic confidence to decision makers that climate change risk and uncertainty has been actively considered and addressed delivering a sustainable, resilient and fit-for-purpose business into the future.

The Group has already made achievements on its climate journey with a reduction of Greenhouse Gas (GHG) emissions since reporting began in 2009 through a number of voluntary energy and fuel reduction programs based on the carbon abatement hierarchy of control. A cross functional working group has been established to assess future CRFD requirements and develop an action plan to ensure all disclosure requirements are made when they become mandatory.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year the Group indemnified all Directors and Executive Officers in respect of Directors and Officers liability and company reimbursement insurance. The base premium paid amounted to $208,950.

Under the policy the insurer agrees to pay:

a) all losses which each insured person becomes legally obligated to pay on account of any claims for wrongful acts; and
b) all losses for which the company may grant indemnification to each insured person.

The Group has not otherwise during or since the end of the financial year, except to the extent permitted by law, indemnified an officer of the Company against a liability incurred as such an officer.

DIRECTORS' ATTENDANCE AT BOARD AND COMMITTEE MEETINGS

	Board		Audit and Risk Committee		People, Performance and Culture Committee	
	Eligible to Attend	Number Attended	Eligible to Attend	Number Attended	Eligible to Attend	Number Attended
Adrian Noon[1]	1	1	-	-	1	1
Grant Cassidy OAM	10	10	8	8	-	1*
Peta Jamieson	10	10	-	3*	3	3
Ryl Gardner	10	9	-	2*	3	3
Melody Ingra	10	8	-	2*	3	3
Annette Woods[2]	8	8	5	6*	-	2*
Deidre Swan[2]	8	7	-	4*	3	3
Dr Anthony Lynham[3]	9	8	8	7	2	2
Paul Binsted[4]	4	4	3	3	-	-
Dr Poya (PJ) Sobhanian[5]	2	2	2	2	-	-
Dr Prins Ralston[5]	2	2	2	2	-	-
Paul Heagney[5]	2	2	-	-	-	-

*Attended as an observer

[1] Appointed to Board in June 2024
[2] Appointed to Board in October 2023
[3] Resigned May 2024
[4] Resigned December 2023
[5] Ceased September 2023

COMMITTEE MEMBERSHIP

The Group has established an Audit and Risk Committee (ARC) and a People Performance and Culture Committee (PPCC).

Memberships of the Committees at the date of this report are:

Audit and Risk Committee:
Grant Cassidy OAM – Chair
Adrian Noon
Annette Woods

People Performance and Culture Committee:
Ryl Gardner - Chair
Adrian Noon
Peta Jamieson
Melody Ingra
Deirdre Swan

DIRECTORS' INTERESTS

The Directors have no interest in any shares of the Group as all shares are held for the benefit of the State of Queensland by Ministers of the Crown.

REMUNERATION OF KEY MANAGEMENT PERSONNEL

Note 26 of the consolidated financial statements provides detailed disclosures relating to the remuneration of key management personnel. The term key management personnel refers to those persons having the authority and responsibility for planning, directing and controlling the activities of GPC, directly or indirectly, including any Director of GPC.

RISK MANAGEMENT

The Group, in carrying out its business, maintains a risk management philosophy that appropriately:

a) protects the wellbeing of the Group's workforce, the wider community in which it operates and its physical environment;
b) manages threats that could adversely affect the Group's ability to meet its corporate objectives, its growth in shareholder value and its stewardship of company assets; and
c) guarantees that systems and procedures are established to identify emerging and future risks pertinent to the Group's sustainability.

PROCEEDINGS ON BEHALF OF THE COMPANY

GPC was served on 27 February 2018 with proceedings filed in the Supreme Court of Queensland (Court) by Murphy Operator Pty Ltd, Tobari Pty Ltd and SPW Ventures Pty Ltd. The Claim is a representative class action brought against GPC by litigation funders on behalf of the following 3 categories of claimant: (1) commercial fishing group members; (2) fish processing group members; and (3) fish wholesaling group members. The Claim arises from the conduct of the Fisherman's Landing Expansion Project and the Western Basin Dredging and Disposal Project by GPC. GPC has engaged legal representatives to act on its behalf and is continuing to defend the Claim.

In 2023 the plaintiffs were granted leave to amend their pleadings expanding the case to include design and construction allegations against GPC, increasing the evidence task, complexity of hearing, costs and timeframes.

GPC appealed the decision and on 7 May 2024, the Court of Appeal ruled in favour of GPC, overturning the original decision, dismissing the expanded claim, and ordering the plaintiff to cover all of GPC's costs. The effect of the appeal decision being the scope of the case faced by GPC is reduced to the original narrower claims. GPC does not expect a trial to occur before mid-2025.

SUBSEQUENT EVENTS

Craig Haymes ceased his employment as CEO on 24 July 2024. Under the terms of his contract he was paid his outstanding entitlements, three (3) months' payment in lieu of notice, and a termination payment equal to six (6) month's salary.

Kim Gebers has been appointed as Acting CEO effective from 25 July 2024.

There has not been any other matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future years.

ROUNDING OF AMOUNTS

The company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. Amounts in the financial statements and Directors' Report have been rounded to the nearest one thousand dollars, unless otherwise stated.

The Directors' Report is signed in accordance with a resolution of the Directors made pursuant to s298 (2) of the *Corporations Act 2001*. On behalf of the Directors:

AKPNoon

Adrian Noon
Chair
Dated: 23 August 2024

AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of Gladstone Ports Corporation Limited

This auditor's independence declaration has been provided pursuant to s.307C of the *Corporations Act 2001*.

Independence declaration

As lead auditor for the audit of Gladstone Ports Corporation Limited for the financial year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Gladstone Ports Corporation Limited and the entities it controlled during the period.

23 August 2024

Bhavik Deoji
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2024

	Note	2024 $'000	2023 $'000
Revenue from contracts with customers	6(a)	559,273	517,520
Other income	6(b)	59,238	45,299
Total income		**618,511**	**562,819**
Employee benefits expenses	6(d)	(163,973)	(155,923)
Operational expenses	6(c)	(152,634)	(126,789)
Depreciation/amortisation expenses	6(c)	(89,495)	(87,827)
Finance costs	6(c)	(28,878)	(28,075)
Impairment	12(a),(d)	(10,855)	-
Net profit/(loss) on disposal of non-current assets		(1,116)	891
Fair value revaluation decrease of property, plant and equipment	12(c)	(2,878)	(7,791)
Revaluation increase of investment properties	12(c)	15,779	4,947
Profit before income tax		**184,461**	**162,252**
Income tax expense	7(a)	(55,177)	(48,058)
Profit for the year		**129,284**	**114,194**
Profit attributable to:			
Owners of Gladstone Ports Corporation Limited		**129,284**	**114,194**
Items that will not be reclassified subsequently to profit or loss			
Revaluation increase/(decrease) of property, plant and equipment and intangible assets	12(c)	(11,014)	(38,674)
Income tax relating to components of other comprehensive income	7(e)	3,304	11,602
Other comprehensive income for the year, net of income tax		**(7,710)**	**(27,072)**
Total comprehensive income for the year		**121,574**	**87,122**
Total comprehensive income for the year is attributable to:			
Owners of Gladstone Ports Corporation Limited		**121,574**	**87,122**

The accompanying notes form part of these financial statements

Consolidated Statement of Financial Position as at 30 June 2024

	Note	2024	2023
Assets		$'000	$'000
Current assets			
Cash and cash equivalents	8	58,961	32,364
Cash advance facility	9	413,374	260,396
Trade and other receivables	10	72,859	100,337
Inventories	11	20,906	18,516
Prepayments		7,980	6,952
Assets classified as held for sale		141	591
Total current assets		**574,221**	**419,156**
Non-current assets			
Property, plant and equipment	12(a)	1,860,414	1,905,050
Prepayments		717	291
Deferred tax assets	7(d)	28,260	26,101
Intangible assets	13	24,653	28,890
Right-of-use assets	21	5,359	3,444
Investment properties	14	111,793	96,078
Total non-current assets		**2,031,196**	**2,059,854**
Total assets		**2,605,417**	**2,479,010**
Liabilities			
Current liabilities			
Trade and other payables	15	56,515	45,974
Contract and other liabilities	16	25,834	24,672
Provisions	18	181,805	171,738
Lease liabilities	21	1,273	1,247
Income tax payable	7(c)	14,246	10,315
Total current liabilities		**279,673**	**253,946**
Non-current liabilities			
Contract and other liabilities	16	7,158	8,374
Borrowings	17	775,409	775,219
Provisions	18	21,316	18,807
Lease liabilities	21	11,300	9,552
Deferred tax liabilities	7(e)	293,976	301,110
Total non-current liabilities		**1,109,159**	**1,113,062**
Total liabilities		**1,388,832**	**1,367,008**
Net assets		**1,216,585**	**1,112,002**
Equity			
Issued capital		778,596	667,896
Asset revaluation reserve	19	355,375	363,486
Retained earnings		82,614	80,620

Total equity	1,216,585	1,112,002

The accompanying notes form part of these financial statements

Consolidated Statement of Changes in Equity for the year ended 30 June 2024

	Note	Issued capital $'000	Asset revaluation reserve $'000	Retained earnings $'000	Total $'000
Opening balance as at 1 July 2022		**663,896**	**391,472**	**83,129**	**1,138,497**
Total comprehensive income attributable to owners					
Profit for the year		-	-	114,194	**114,194**
Other comprehensive income		-	(27,072)	-	**(27,072)**
Transfers within equity					
Disposal of revalued assets		-	(914)	914	-
Transactions with owners in their capacity as owners					
Shareholders' equity contribution[i]		4,000			**4,000**
Dividends provided for or paid	20	-	**-**	(117,617)	**(117,617)**
Closing balance as at 30 June 2023		**667,896**	**363,486**	**80,620**	**1,112,002**
Opening balance as at 1 July 2023		**667,896**	**363,486**	**80,620**	**1,112,002**
Total comprehensive income attributable to owners					
Profit for the year				129,284	**129,284**
Other comprehensive income			(7,710)		**(7,710)**
Transfers within equity					
Disposal of revalued assets			(401)	401	-
Transactions with owners in their capacity as owners					
Shareholders' equity contribution[ii]		110,700	-	-	**110,700**
Dividends provided for or paid	20			(127,691)	**(127,691)**
Closing balance as at 30 June 2024		**778,596**	**355,375**	**82,614**	**1,216,585**

I The $4.0M shareholders' equity contribution relates to a milestone completed under the Australian and Queensland Governments' 2020 project agreement for the Port of Bundaberg Common User Infrastructure (conveyor) project linked to the Hinkler Regional Deal.

ii The $110.7M shareholders' equity contribution relates to $10.7M milestones completed under the Australian and Queensland Governments' 2020 project agreement for the Port of Bundaberg Common User Infrastructure (conveyor) project linked to the Hinkler Regional Deal, and $100.0M equity contribution for the development of the Northern Trade Precinct.

The accompanying notes form part of these financial statements

Consolidated Statement of Cash Flows for the year ended 30 June 2024

	Note	2024 $'000	2023 $'000
Cash flows from operating activities			
Receipts from customers		691,093	581,880
Tax equivalents paid to Queensland Treasury		(57,235)	(41,783)
Net amounts to ATO		(36,519)	(29,158)
Payments to suppliers		(169,522)	(161,836)
Payments to employees		(160,369)	(155,395)
Payments for leases (short term, low value)		(1,025)	(1,047)
Interest received		14,871	7,213
Interest paid		(23,322)	(22,475)
Other finance costs		(5,556)	(5,600)
Net cash inflows from operating activities	8(a)	**252,416**	**171,799**
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment and investment properties		195	1,497
Purchase of property, plant and equipment		(62,468)	(72,150)
Purchase of intangibles		(1,805)	(4,043)
Transfers (to)/from Queensland Treasury		(152,978)	(110,016)
Net cash outflows from investing activities		**(217,056)**	**(184,712)**
Cash flows from financing activities			
Repayment of borrowings		190	(76)
Payment of principal portion of lease liabilities		(2,036)	(1,792)
Dividends paid		(117,617)	-
Shareholders' equity contribution		110,700	4,000
Net cash inflows/(outflows) from financing activities		**(8,763)**	**2,132**
Net increase/(decrease) in cash and cash equivalents		**26,597**	**(10,781)**
Cash and cash equivalents at the beginning of the financial year		**32,364**	**43,145**
Cash and cash equivalents at the end of the financial year	8	**58,961**	**32,364**

The accompanying notes form part of these financial statements.

Notes to the Consolidated Financial Statements

1. General information

The financial statements comprise the consolidated financial statements of the Group. The Group is a for-profit entity and consists of GPC and its wholly owned subsidiary, Gladstone Marine Pilot Services Pty Ltd. GPC is a public company incorporated and operating in Australia. GPC's registered office and principal place of business is:

40 Goondoon Street
Gladstone QLD 4680
Tel: (07) 4976 1333

The consolidated entity's principal activities are to:

a) provide import and export shipping infrastructure to the Central Queensland region through the Port of Gladstone, Port of Rockhampton and Port of Bundaberg, and encourage the use of these facilities for the economic benefit of stakeholders along with the non-trading Port of Maryborough (PoM). As a non-trading Port, GPC undertakes limited responsibilities associated with managing the PoM;
b) manage cargo handling facilities for coal and other bulk products at Port of Rockhampton, RG Tanna Coal Terminal, Barney Point Terminal and Auckland Point facilities;
c) develop, manage and lease land and other assets for port related purposes; and
d) manage ancillary services and functions which support core business activities.

Information on the Group's structure is provided in Note 4 and the Consolidated entity disclosure statement. Information on other related party relationships is provided in Note 27.

2. Basis of preparation

(1) Presentation

Historical cost convention
These financial statements have been prepared under the historical cost convention, except for the revaluation of certain classes of property plant and equipment and investment property measured at fair value.

Functional and presentation currency
The consolidated financial statements are presented in Australian Dollars which is the entity's functional currency.

Rounding of amounts
The company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. Amounts in the financial statements and Directors' Report have been rounded to the nearest one thousand dollars, unless otherwise stated.

2. Basis of preparation (continued)

Foreign currency transactions and balances
In preparing the financial statements, transactions in currencies other than Australian Dollars are recorded at the rates of exchange prevailing on the dates of the transactions. At each Statement of Financial Position date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the Statement of Financial Position date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Goods and services tax (GST)
Revenues, expenses and assets are recognised net of the amount of 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 or part of the item of expense. Trade receivables and payables are stated with the amount of GST included.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to the taxation authority.

Cash flows are included in the Consolidated Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities that are recoverable from or payable to the taxation authority, are classified as operating cash flows.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of the receivables in the Consolidated Statement of Financial Position.

(2) Basis of consolidation

The consolidated financial statements represent the financial statements of GPC and its subsidiary.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. Details of the subsidiary are listed in Note 4 and the Consolidated entity disclosure statement. Parent entity financial information is listed in Note 5.

(3) Statement of compliance

These consolidated financial statements are a general purpose financial report and have been prepared in accordance with the *Corporations Act 2001*, the *Government Owned Corporations Act 1993 (Qld)*, applicable Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

The consolidated financial statements of the Group for the year ended 30 June 2024 were authorised for issue in accordance with a resolution of the directors on 23 August 2024.

2. Basis of preparation (continued)

(4) Changes in accounting policies, disclosures, standards and interpretations

Accounting policies
Unless otherwise stated, all accounting policies applied are consistent with those of the prior year.

New or amended Accounting Standards and Interpretations
The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period and application to the Group. The application of these standards and interpretations did not have a material impact on the Group's financial statements.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2024. The Group does not expect there to be any material impact from these amendments.

3. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

The areas involving a higher degree of judgement and complexity, or areas where assumptions and estimates significant to the financial statements are disclosed in the following notes:

Revenue recognition and measurement	Note 6
Recovery of deferred tax assets	Note 7(d)
Estimation of useful lives of assets	Note 12(a)
Valuation of property, plant and equipment	Note 12(c)
Impairment	Note 12(d)
Recognition of intangible assets	Note 13
Provision for rehabilitation	Note 18

4. Interests in other entities

Details of the Group's subsidiary are as follows:

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			30 June 2024	30 June 2023
Gladstone Marine Pilot Services Pty Ltd	Pilotage services	Australia	100%	100%

5. Parent entity information

The accounting policies of the parent entity, which have been applied in determining the financial information shown below, are the same as those applied in the consolidated financial statements.

	2024 $'000	2023 $'000
Financial position		
Assets		
Current assets	573,883	418,856
Non-current assets	2,029,884	2,058,622
Total assets	**2,603,767**	**2,477,478**
Liabilities		
Current liabilities	278,389	252,829
Non-current liabilities	1,108,793	1,112,647
Total liabilities	**1,387,182**	**1,365,476**
Net assets	**1,216,585**	**1,112,002**
Equity		
Issued capital	778,596	667,896
Reserves	355,375	363,486
Retained earnings	82,614	80,620
Total equity	**1,216,585**	**1,112,002**
Financial performance		
Profit for the year	129,284	114,194
Other comprehensive income	(7,710)	(27,072)
Total comprehensive income	**121,574**	**87,122**
Commitments for the acquisition of property, plant and equipment		
Due not later than 1 year	24,457	22,184

These commitments are not recognised as liabilities as the relevant assets have not yet been received.

The parent entity did not have any contingent liabilities as at 30 June 2024 or 30 June 2023.

6. Profit before income tax

(a) Revenue from contracts with customers

The Group is in the business of providing import and export shipping infrastructure services including cargo handling facilities and ancillary services. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Revenue has been calculated based on existing contracts. Harbour dues, tonnage rates, other shipping charges and cargo handling charges for all vessels are invoiced after departure of the vessel. The normal credit term is 30 days from the end of month in which the service is delivered.

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	2024 $'000	2023 $'000
Revenue from contracts with customers		
Types of services		
Cargo handling charges	350,943	313,972
Harbour dues	114,945	119,630
Tonnage rates	64,215	57,032
Pilotage	29,170	26,886
Total	**559,273**	**517,520**
Timing of revenue recognition		
Revenue for services recognised over time	350,943	313,972
Revenue for transactions transferred at a point in time	208,330	203,548
Total	**559,273**	**517,520**

Set out below is the changes in contract liabilities:

	2024 $'000	2023 $'000
Amounts included in contract liabilities at the beginning of the year	220	2,008
Revenue recognised at the end of the year	2,773	(1,788)
Amounts included in contract liabilities at the end of the year	**2,993**	**220**

6. Profit before income tax (continued)

Performance obligations

Information about the Group's performance obligations are summarised below:

- Cargo handling charges
  The performance obligation is to provide cargo handling services over the contract period. Certain contracts contain take-or-pay arrangements which customers are required to nominate the minimum tonnage processed over an annual period. Some of these contracts contain provisions giving customers the right to carry forward unused take-or-pay tonnage.

- Harbour dues
  The performance obligation is to provide port access services over the contract period. Certain contracts contain take-or-pay arrangements which customers are required to nominate the minimum tonnage processed over an annual period.

  The performance obligation for cargo handling and harbour dues is satisfied at either a point in time based on tonnage processed or over time based on the contractual term. Payment is generally due upon completion of services provided based under general trading terms. To the extent that customers carry forward unused take-or-pay, revenue is deferred until such time that the tonnes have been utilised by the customers.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 30 June is as follows:

	2024 $'000	2023 $'000
Within one year	2,993	220

(b) Other income

Property income from investment properties is recognised in revenue on a straight-line basis over the term of the lease.

Interest received is recognised using the effective interest method.

Recoverable work revenue is received as a result of rehabilitation work or other work performed by the Group for which a contribution towards costs is received. During the prior financial year a reallocation of recoverable rehabilitation revenue resulted in a debit balance for the year ended 30 June 2023.

In respect of income received, pursuant to the obligations of lessees to restore the premises leased, where the Group is the lessor, the income is recognised at the point of time when the Group becomes entitled to receive such payments from lessees.

Other income in prior year includes $22M which relates to a settlement amount from a contracted party in lieu of fulfilling their contractual obligations for the year ended 30 June 2023.

6. Profit before income tax (continued)

In respect of works performed for environment restoration pursuant to the LNG contracts, income is recognised over a period of time over which such works are performed by the Group. The income recognised is matched with the corresponding costs incurred in carrying out these works.

	Note	2024 $'000	2023 $'000
Other income			
Smallcraft services		2,593	1,981
Interest received		15,591	7,996
Property revenue	14	16,886	12,702
Recoverable works		10,529	(11,715)
Other shipping charges		11,287	9,859
Other		2,352	2,476
Proceeds on settlement		-	22,000
Total		**59,238**	**45,299**

(c) Expenses

	Note	2024 $'000	2023 $'000
Operational expenses			
Contractors		59,063	47,182
Services and consultants		28,835	27,641
Indirect taxes and government charges		9,843	8,131
Materials and supplies		20,467	18,282
Energy		21,754	20,998
Insurance		10,496	8,614
Licence fees		209	273
Short term lease payments		908	936
Low value lease payments		116	111
Bad debts and expected credit loss provision		149	(1,915)
Rehabilitation provision		(300)	(3,624)
Other		1,094	160
Total		**152,634**	**126,789**
Depreciation/amortisation expenses			
Property, plant and equipment	12(a)	81,548	80,018
Right of use assets	21	1,905	1,671
Amortisation of intangibles	13	6,042	6,138
Total		**89,495**	**87,827**
Finance Costs			
Interest on debt and borrowings		22,808	22,040
Interest on lease liabilities	21	514	436
Competitive neutrality fee		5,556	5,599
Total		**28,878**	**28,075**

Finance costs

Finance costs are expensed in the period in which they occur using the effective interest method. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. No borrowing costs were capitalised in 2024 or 2023.

6. Profit before income tax (continued)

(d) Employee benefits expenses

Employee benefits	2024 $'000	2023 $'000
Wages and salaries	119,114	112,552
Annual leave expense	10,364	9,100
Personal leave expense	4,503	4,151
Long service leave expense	762	2,577
Rostered day off ("RDO") Expense	31	73
Employer superannuation contributions	13,694	12,298
Employer defined benefits contribution	1,934	1,996
Other employee benefits	1,064	1,625
Employee related expenses		
Workers compensation premium	1,307	1,241
Payroll tax expense	6,543	5,758
Other employee related expenses	4,657	4,552
Total	**163,973**	**155,923**

Wages and salaries and leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave, personal leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Wages and salaries due but unpaid at reporting date are recognised in the Consolidated Statement of Financial Position at the current salary rates. As the Group expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts.

Superannuation

Post-employment benefits for superannuation are provided through defined contribution (accumulation) plans or the Australian Retirement Trust (QSuper) defined benefit plan as determined by the employee's conditions of employment.

Defined Contribution Plans - Contributions are made to eligible complying superannuation funds based on the rates specified in the relevant Enterprise Bargaining Agreement other conditions of employment. Contributions are expensed when they are paid or become payable following completion of the employee's service each pay period.

Defined Benefit Plan - The liability for defined benefits is held on a whole-of-government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*. The amount of contributions for defined benefit plan obligations is based upon the rates determined on the advice of the State Actuary. Contributions are paid by the Group at the specified rate following completion of the employee's service each pay period. The Group's obligations are limited to those contributions paid.

7. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax - income tax equivalents
The Group is exempt from income tax under section 24AM of the *Income Tax Assessment Act 1997 (Cth).* However, pursuant to the *Government Owned Corporations Act 1993* and the National Tax Equivalent Regime, the Group is required to make payments to the Queensland Government, equivalent to the amount of any Commonwealth income tax for which an exemption is received.

The income tax equivalent expense (referred to as income tax expense) for the period is the tax payable on the current period's taxable income based on the Australian corporate income tax rate for each jurisdiction adjusted by changes in deferred tax assets and deferred tax liabilities attributable to temporary differences and unused tax losses.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

Offsetting deferred tax balances
Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Deferred tax is accounted for in respect of temporary differences arising from differences between the carrying amount of assets and liabilities and the corresponding tax base.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and tax offsets, to the extent that it is probable that sufficient future taxable profits will be available to utilise them.

However, deferred tax assets and liabilities are not recognised for taxable temporary differences related to investments in subsidiary where the parent is able to control the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

7. Taxation (continued)

Investment allowances and similar tax incentives
Entities within the Group may be entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure (e.g. the Research and Development Tax Incentive regime or other investment allowances). The Group accounts for such allowances as tax credits, which means that the allowance reduces current tax exposure.

Tax consolidation
GPC and its wholly-owned entity are a tax consolidated group for income tax purposes. The head entity in this Group is GPC.

The head entity and the controlled entity in the tax consolidated group continue to account for their own current and deferred tax amounts. The Group has applied group allocation approach in determining the appropriate amount of current taxes and deferred taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

(a) Income tax expense

	2024 $'000	2023 $'000
Profit before income tax	184,461	162,252
Prima facie tax at 30% (2023: 30%)	55,338	48,676
Non-deductible (revenue)/expenses	319	1,736
Research and development tax offset provision	(760)	(850)
Prior year (over)/under provision	280	(1,504)
Income tax expense	**55,177**	**48,058**
Comprised of:		
Deferred tax asset	(2,159)	2,835
Deferred tax liability	(3,830)	(2,857)
Income tax payable	61,166	48,080
	55,177	**48,058**

(b) Amounts charged or credited directly to equity

	2024 $'000	2023 $'000
Deferred income tax related to items charged or credited directly to equity		
Net gain on revaluation of property, plant and equipment	238,153	241,457
Transition of new accounting standards	(2,920)	(2,920)
Deferred income tax reported in equity	**235,233**	**238,537**

7. Taxation (continued)

(c) Income tax payable

	2024 $'000	2023 $'000
Opening balance	10,315	4,018
Charged to income	61,166	48,080
Payments	(57,235)	(41,783)
Closing balance	**14,246**	**10,315**

(d) Deferred tax asset

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

	2024 $'000	2023 $'000
Long service leave	8,099	7,663
Personal leave	3,174	3,017
Annual leave	5,534	5,320
RDO	237	216
Public holidays	77	66
Accrued expenses	81	96
Provision for obsolete stock	162	176
Provision for rehabilitation	3,630	3,720
Provision for revenue received in advance	1,609	1,609
Provision for doubtful debts / expected credit losses	179	135
Contract liability	898	66
Lease liabilities	3,772	3,240
Unearned revenue	808	777
Closing balance	**28,260**	**26,101**
Opening balance	26,101	28,936
Amount credited to Statement of Profit or Loss and Other Comprehensive Income	2,159	(2,835)
Closing balance	**28,260**	**26,101**

(e) Deferred tax liability

	2024 $'000	2023 $'000
Inventory	5,480	4,955
Property, plant and equipment	277,000	284,658
Revenue received in advance	11,496	11,497
Closing balance	**293,976**	**301,110**
Opening balance	301,110	315,569
Amount charged to Statement of Profit or Loss and Other	(3,830)	(2,857)
Comprehensive Income	(3,304)	(11,602)
Closing balance	**293,976**	**301,110**

8. Cash and cash equivalents

For the purposes of the Consolidated Statement of Financial Position and the Consolidated Statement of Cash Flows, cash assets include all cash and cheques receipted but not banked at 30 June as well as deposits at call with financial institutions.

Cash at bank earns interest at floating rates based upon daily bank deposit rates. Money market investments are limited to investments in bank-backed securities or short-dated securities guaranteed through Queensland Treasury Corporation (QTC). Credit risk exposure on these investments is minimised by the short-term nature of the investment. Cash at bank and on call includes restricted amounts. The balance for this year is $15.24M (2023: $4.02M). This balance for current year relates to retentions held by the Group pursuant to Port Service Agreements and Coal Handling Agreements and other securities.

	2024 $'000	2023 $'000
Cash at bank and on hand	58,961	32,364

(a) **Reconciliation of profit for the year to net cash provided by operating activities**

	2024 $'000	2023 $'000
Profit for the year	129,284	114,194
Depreciation/amortisation expense	89,495	87,827
Revaluation of non-current assets	(12,901)	2,844
Impairment of non-current assets	10,855	-
Net (profit)/loss on sale of property, plant and equipment	1,116	(891)
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	27,479	(34,943)
(Increase)/decrease in inventories	(2,390)	(2,566)
(Increase)/decrease in prepayments	(1,452)	(1,056)
(Increase)/decrease in deferred tax asset	(2,159)	2,835
Increase/(decrease) in trade and other payables	10,541	5,498
Increase/(decrease) in contract and other liabilities	(55)	2,767
Increase/(decrease) in provisions	2,502	(8,150)
Increase/(decrease) in income tax payable	3,931	6,297
(Decrease)/increase in deferred tax liability	(3,830)	(2,857)
Net cash inflow from operating activities	**252,416**	**171,799**

9. Cash Advance Facility

Under the Queensland Government's cash management regime, Government Owned Corporations (GOCs) advance all surplus cash to Queensland Treasury. Queensland Treasury pays interest on these advances at the QTC Cash Fund rate.

GOC access to the advances is generally subject to notification periods of 24 to 48 hours. Because of the short term nature of the advances, their carrying amount is assumed to represent fair value.

At 30 June 2024, the balance held in QTC Cash Advance Facility was $413,373,856 (2023: $260,396,000).

10. Trade and other receivables

Trade receivables are measured at amortised cost which approximates their fair value at reporting date. Trade receivables are unsecured, non-interest bearing, and are generally on terms of 30 to 90 days.

	2024	2023
Current	**$'000**	**$'000**
Trade receivables	71,855	75,706
Less: loss allowance	(597)	(449)
	71,258	**75,257**
Accrued interest	1,597	877
Other receivables	4	24,203
Total	**72,859**	**100,337**

Reconciliation of loss allowance:	2024	2023
	$'000	**$'000**
Opening balance as at 1 July	449	5,274
Movement in loss allowance	148	(4,485)
Write-off	-	(340)
Closing balance as at 30 June	**597**	**449**

10. Trade and other receivables (continued)

The maximum exposure to credit risk at balance date for receivables is the gross carrying amount of those assets inclusive of any provisions for impairment or allowance for ECL.

The major component of debtor exposure is to coal producers using the Port of Gladstone for the export of product. Coal producers are mostly major listed companies or their related companies and account for 73% (2023: 56%) of trade receivables at balance date. Credit is only available to established customers on 30-day terms except in the case of coal exporters who may be required to make payment within 14 days of receipt of monthly statements. Credit risk exposure is minimised in the case of term leases where personal guarantees are required from directors of small private companies. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. Refer to Note 22(a) credit risk exposure for further information.

Historically GPC used the credit risk rating by credit agencies (i.e., non-modelled approach) of the counterparty to determine the expected credit losses for the portfolio. The Group used credit rating agency historical default rates based on groupings of customers with similar loss patterns using three material groupings based on the bands of credit rating i.e., from AAA to A-, BBB+ to B-, and unrated entities reflecting the different customer profiles for these bands. At each reporting date, the loss rates were updated and changes in the forward-looking estimates analysed for provisioning.

As credit rating agency data is no longer readily publicly available, for the financial year ended 30 June 2024, the Group shifted to a provision matrix using the simplified approach to measure expected credit losses of Trade and other receivables. Under this simplified approach, the Group is not required to track the changes in the credit risk, but instead recognise a loss allowance based on lifetime expected credit losses at each reporting date.

The calculations reflect historical observed default rates calculated using credit losses experienced on past sales transactions during the last 5 years preceding 30 June 2024. The historical default rates are then by adjusted by reasonable and supportable forward-looking information for expected changes in macroeconomic indicators that affect the future recovery of those receivables. The Group uses a single grouping for customers to determine expected credit losses, in conjunction with specific provisions for individual customers where there is evidence of distress or default.

Set out below is the information about credit risk exposure on the Group's trade receivables:

2024 Aging	Gross Receivables $'000	Loss Rate applied [1] %	Life Time ECL $'000	Specific Provision $'000	Total Loss Allowance $'000
Current	65,753	.03%	19	210	229
One month	2,637	.46%	12	13	25
Two months	59	.49%	-	13	13
Three months	37	.50%	-	14	14
Three Months +	334	.53%	2	314	316
Total	**68,820**		**33**	**564**	**597**

[1]Loss rates are applied to receivable balances for which no specific provision has been raised.
In the prior year, the provision was based on a non-modelled approach based on specific factors for the nature of the receivables. The provision balance and the percentage applied is as per below:

Credit Risk

30 June 2023	AAA to A-	BBB – B-	Unrated
Receivables balance ($'000)	24,318	21,481	27,492
ECL%	0.05%	0.43%	1.25%
ECL ($'000)	(12)	(93)	(343)
Balance not impaired	24,306	21,388	27,149

11. Inventories

Inventories are valued at the lower of cost and net realisable value. Cost assigned to an inventory item is on the basis of weighted average costs.

Inventories include spares used for the purpose maintaining assets. Upon use, the spares are either expensed or capitalised, based on the nature of maintenance activities and whether such activities would meet the criteria for capitalisation under AASB 116 *Property, Plant and Equipment*.

	2024 $'000	2023 $'000
Spares	21,446	19,101
Provision for obsolete stock	(540)	(585)
Total	**20,906**	**18,516**

In 2024, inventories of $24,575,740 (2023: $13,682,678) were recognised as an expense during the year and included in Operational Expenses – Materials and Supplies. Fuel amounting to $16,163,728 (2023: $15,064,099) was recognised as an expense during the year and included in Operational Expenses – Energy.

12. Property, plant and equipment

(a) Balances and reconciliations of carrying amount

2024	Land $'000	Buildings $'000	Channels, swing basins and berth pockets $'000	Commercial wharves $'000	Recreational and fishing wharves $'000	Roads and services (structural improvements) $'000	Plant $'000	Furniture and fittings $'000	Capital works in progress $'000	Total $'000
Categorisation of fair value hierarchy	Level 3	Level 3	Level 3	Level 3	Level 3	Level 3	Level 3	Level 3		
Opening balance as at 1 July 2023	126,801	49,463	768,607	216,069	1,384	140,483	539,250	912	62,081	**1,905,050**
Work in progress ("WIP") additions	-	-	-	-	-	-	-	-	62,340	**62,340**
Transfers (to)/from WIP	-	954	-	9,321	-	16,917	44,188	51	(71,431)	**-**
Disposals	-	(4)	-	(630)	-	-	(45)	(2)	-	**(681)**
Transfers (to)/from expense	-	-	-	-	-	-	-	-	-	**-**
Transfers (to)/from assets held for sale	-	-	-	-	-	-	-	-	-	**-**
Depreciation	-	(2,385)	(8,975)	(8,492)	(133)	(8,530)	(52,915)	(118)	-	**(81,548)**
Revaluations	(649)	(466)	(2,787)	(2,253)	(15)	(1,333)	(6,388)	(1)	-	**(13,892)**
Impairment	-	-	-	-	-	(10,855)	-	-	-	**(10,855)**
Carrying amount at 30 June 2024	**126,152**	**47,562**	**756,845**	**214,015**	**1,236**	**136,682**	**524,090**	**842**	**52,990**	**1,860,414**

12. Property, plant and equipment (continued)

(a) Balances and reconciliations of carrying amount (continued)

2023	Land $'000	Buildings $'000	Channels, swing basins and berth pockets $'000	Commercial wharves $'000	Recreational and fishing wharves $'000	Roads and services (structural improve-ments) $'000	Plant $'000	Furniture and fittings $'000	Capital works in progress $'000	Total $'000
Categorisation of fair value hierarchy	Level 3	Level 3	Level 3	Level 3	Level 3	Level 3	Level 3	Level 3		
Opening balance as at 1 July 2022	128,162	47,553	783,930	218,736	1,533	140,682	580,482	1,031	58,865	**1,960,974**
Work in progress ("WIP") additions	-	-	-	-	-	-	-	-	90,508	**90,508**
Transfers (to)/from WIP	1,009	5,813	2,107	13,327	39	10,998	34,551	5	(67,849)	**-**
Disposals	-	-	-	-	-	-	(362)	(3)	-	**(365)**
Transfers (to)/from expense									(19,443)	**(19,443)**
Transfers (to)/from assets held for sale	(141)	-	-	-	-	-	-	-	-	**(141)**
Depreciation	-	(2,325)	(9,047)	(8,348)	(137)	(6,624)	(53,421)	(116)	-	**(80,018)**
Revaluations	(2,229)	(1,578)	(8,383)	(7,646)	(51)	(4,573)	(22,000)	(5)	-	**(46,465)**
Impairment	-	-	-	-	-	-	-	-	-	**-**
Carrying amount at 30 June 2023	**126,801**	**49,463**	**768,607**	**216,069**	**1,384**	**140,483**	**539,250**	**912**	**62,081**	**1,905,050**

12. Property, plant and equipment (continued)

Property, plant and equipment (PP&E), except for WIP, are stated at fair value, less accumulated depreciation and any impairment losses. WIP is stated at cost, net of accumulated impairment losses, if any.

Initial recognition
PP&E is recognised at cost, being the fair value of consideration paid at the date of acquisition plus any incidental costs attributable to the acquisition. The cost of PP&E constructed by the Group includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

An asset recognition threshold of $1,000 has been adopted and applies to all items of PP&E acquired with a useful life of more than one year.

Any cost that increases the originally assessed capacity or production capacity of an item of PP&E is capitalised. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the PP&E as a replacement only if it is eligible for capitalisation. All other repairs and maintenance are recognised as an expense in the Consolidated Statement of Profit or Loss and Other Comprehensive Income as incurred.

Depreciation
Depreciation is recognised on a straight-line basis on PP&E, so as to reflect the consumption of the economic benefits over their expected economic lives. The depreciation rates used for each class are as follows:

Buildings	1.0%-20.0%
Channels, swing basins and berth pockets	1.0%
Commercial wharves	1.5%-20.0%
Recreational and fishing wharves	2.0%-20.0%
Roads and services (structural improvements)	1.0%-20.5%
Plant	1.0%-50.0%
Furniture and fittings	2.5%-50.0%

Where items of PP&E have separately identifiable components, these components are assigned useful lives distinct from the asset to which they relate. The assets' useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year end.

The estimation of the useful lives of PP&E has been based upon historical experience as well as manufacturers' warranties (for plant and equipment) and turnover policies (for motor vehicles). In addition, the condition of the items of PP&E is assessed at least annually and considered against the remaining useful life.

Disposal
An item of PP&E is de-recognised upon disposal or when no further economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition is included in the Consolidated Statement of Profit or Loss and Other Comprehensive Income in the year an item of PP&E is de-recognised.

12. Property, plant and equipment (continued)

(b) Carrying amounts if assets were measured at cost less accumulated depreciation

If PP&E was measured using the cost model the carrying amounts would be as follows:

Asset category	2024 Net book value $'000	2023 Net book value $'000
Land	91,288	91,289
Buildings	47,265	48,680
Channels, swing basins and berth pockets	214,131	216,516
Commercial wharves	193,015	191,282
Recreational and fishing wharves	1,307	1,448
Roads and services (structural improvements)	166,009	158,055
Plant	498,613	505,109
Furniture and fittings	860	932
Capital works in progress	52,990	62,081
Total	**1,265,478**	**1,275,392**

(c) Valuations

Measurement after initial recognition
Revaluation increments are credited to the asset revaluation reserve, net of tax, except to the extent that they reverse a revaluation decrement previously recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. Revaluation decrements are recognised in profit or loss, except to the extent they offset a previous revaluation increment. In this case the decrement is recorded in the asset revaluation reserve. The accumulated depreciation is reversed to the revalued amounts.

The Group uses an income-based approach to determine fair value, with management establishing the appropriate inputs to the model. Management estimated the fair value of the Group's PP&E using a discounted cash flow (DCF) model.

All items of PP&E held at fair value are classified as level 3 on the fair value hierarchy which is consistent with prior year.

Summary of key inputs and assumptions
The fair value of assets was determined using projected revenue, capital and operating cash flows for the ten years ending 30 June 2034. Management judgement was applied to forecast future tonnages taking into account historical data where it exists. Management applied the following key assumptions:

12. Property, plant and equipment (continued)

(c) Valuations (continued)

- One unit of account is utilised as the three geographical areas of the company are intrinsically linked and product is interchanged where possible;
- Key inputs within the model relating to capital and operating expenditure are derived from known and future planned capital and operating works that are aligned to the delivery of GPC's core strategic goals, asset management strategies and future strategic plans as well as the incorporation of recurring expenditure required to maintain effective business operations in line with known and anticipated operating parameters and conditions.
- Future growth rates are determined through detailed review of future macro-economic factors, and guidance provided through the Reserve Bank of Australia growth rate assumptions, namely CPI.
- Revenue forecast is based upon contractual arrangements where they exist or historic tonnage throughput.
- A terminal value was calculated based upon the assumption that the cash flows in year ten will continue indefinitely into the future. A CPI rate of 2.5% (2023: 2.5%) is applied, when calculating terminal values to reflect inflation for long term growth in these cash flows.
- The weighted average cost of capital (WACC) nominal, post-tax rate of 7.0% (2023: 6.6%) was adopted when discounting back to a present day estimated value. Management determined this rate in consultation with independent experts.
- Given the nature of GPC's infrastructure assets and the industries in which it operates, the WACC rate applied has been calculated as if it were operating in a regulated environment.
- Mid-period discounting has been applied to discount future cash flows to their net present value which imply that cash flows are earned, on average, midway through a financial year.
- The demand profile utilised in the fair value assumptions is based on current expectations based on production profiles used by customers and expectations of global demand on coal. To the extent that significant changes are made to the coal demand this would impact the overall asset values and likely result in a significant decrease in the fair value. GPC will continue to monitor this.

Sensitivity analysis was undertaken as follows:

Level 3 input	Fair Value output	Rate Used by Group
CPI rate +0.5 post tax	1,934,900	2,002,361
CPI rate -0.5 post tax	2,067,421	2,002,361
WACC rate +0.6 post tax	1,712,529	2,002,361
WACC rate -0.4 post tax	2,244,716	2,002,361
Terminal Growth Rate +0.5	2,226,325	2,002,361
Terminal Growth Rate -0.5	1,823,191	2,002,361
Expansionary Capital delayed 1 year	2,043,151	2,002,361
Expansionary Capital +5%	1,978,115	2,002,361
Expansionary Capital -5%	2,026,608	2,002,361

12. Property, plant and equipment (continued)

As required under AASB 116, the Group has an obligation to revalue its PP&E with sufficient regularity to ensure that the carrying amounts do not differ materially from those which would be determined using fair value at the end of the reporting period.

Excluding capital WIP which are measured at cost, the resulting valuation increment or decrement calculated under the DCF model is then allocated across remaining unimpaired assets based upon their respective gross replacement cost.

The reconciliation of revaluations across each item is shown below:

	Note	2024 $'000	2023 $'000
Valuation adjustment to Consolidated Statement of Financial Position			
Property, plant and equipment revaluations	12(a)	(13,892)	(46,465)
Investment property	14	15,779	4,947
		1,887	**(41,518)**
Valuation adjustments to Consolidated Statement of Profit or Loss and Other Comprehensive Income			
Statement of Profit or Loss			
Revaluation decreases of property, plant and equipment		(2,878)	(7,791)
Revaluation increase of investment properties		15,779	4,947
Other Comprehensive Income			
Revaluation decrement of property, plant and equipment		(11,014)	(38,674)
Total		**1,887**	**(41,518)**

(d) Impairment

Projects completed as part of the investment in community assets that are of a capital nature are capitalised and impaired. Impairment occurs due to the Group generating minimal or no income return on these assets. The reconciliation of impairment is shown below:

	Note	2024	2023 $'000

		$'000	
Impairment charged to Statement of Profit or Loss and Other Comprehensive Income	12(a)	10,855	-

13. Intangible assets

Intangible assets of the Group comprise purchased software and internally developed software. Intangible assets with a historical cost or other value equal to or greater than $100,000 are recognised in the Consolidated Statement of Financial Position. Items with a lesser value are expensed. All intangible assets of the Group are amortised on a straight line basis over the intangible's useful life of between 3 and 15 years.

Reconciliation of the carrying amount for intangible assets at 30 June 2024:

	Gross $'000	Accumulated Amortisation $'000	Balance at 30 June $'000
Purchased Intangible assets	38,061	(29,139)	8,922
Internally generated intangible assets	22,839	(13,081)	9,758
Capital WIP	5,973	-	5,973
Total	**66,873**	**(42,220)**	**24,653**

Represented by movements in the carrying amount:

	Carrying amount at 1 July $'000	WIP additions $'000	Transfer (to)/from WIP $'000	Amortisation $'000	Carrying amount at 30 June $'000
Purchased Intangible assets	10,658	-	1,730	(3,466)	8,922
Internally generated intangible assets	12,334	-	-	(2,576)	9,758
Capital WIP	5,898	1,805	(1,730)		5,973
Total	**28,890**	**1,805**	**-**	**(6,042)**	**24,653**

Reconciliation of the carrying amount for intangible assets at 30 June 2023:

	Gross $'000	Accumulated Amortisation $'000	Balance at 30 June $'000
Purchased Intangible assets	36,758	(26,100)	10,658
Internally generated intangible assets	23,053	(10,719)	12,334
Capital WIP	5,898	-	5,898
Total	**65,709**	**(36,819)**	**28,890**

Represented by movements in the carrying amount:

	Carrying amount at	Transfer	Carrying amount at

	1 July $'000	WIP additions $'000	(to)/from WIP $'000	Amortisation $'000	30 June $'000
Purchased Intangible assets	12,741	-	1,449	(3,532)	10,658
Internally generated intangible assets	14,160	-	780	(2,606)	12,334
Capital WIP	4,084	4,043	(2,229)	-	5,898
Total	**30,985**	**4,043**	**-**	**(6,138)**	**28,890**

14. Investment properties

	Note	2024 $'000	2023 $'000
Opening balance		**96,078**	**90,770**
Additions		128	1,053
Transfers (to)/from assets held for sale		450	(450)
Net gain from fair value adjustment	12(c)	15,779	4,947
Disposals		(642)	(242)
Closing balance		**111,793**	**96,078**

Investment properties are recognised initially at cost. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Investment properties include land (including seabeds) and buildings. Professional expert external valuers are used for the valuation of investment properties. For the 2024 year, the fair value has been determined based on independent valuations by Aon Valuation Services as at 31 March 2024, in accordance with AASB 140 *Investment Properties*, which requires an annual review of fair value. The valuer has recent experience in the location and category of the investment property being valued. GPC is satisfied that these are materially correct as at 30 June 2024. In estimating the fair value of the properties, the highest and best use of the properties is their current use. There has been no change to the valuation technique during the year.

Gains or losses arising from changes in the fair values of investment properties are recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income in the year they arise.

The Group's investment properties classified as land (including seabeds) are level 2 on the fair value hierarchy. The fair value was determined based on the market approach that reflects recent transaction prices for similar properties.

The Group's investment properties classified as buildings are level 3 on the fair value hierarchy. The fair value was determined based on the current replacement cost approach that reflects the internal records of the original cost of the specialised fit out, adjusted for more contemporary design/construction approaches, and published construction rates for various standard components of buildings. Significant judgement is also used to assess the remaining service potential of the facility, given local climatic and environmental conditions and records of the current condition of the facility.

There were no transfers between the levels during the year.

Investment properties are derecognised either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income in the year of retirement or disposal.

14. Investment Properties (continued)

Transfers are made to/from investment property when, and only when:

- there is a change in use
- commencement of an operating lease to another party
- ending construction or development
- commencement of owner occupation
- commencement of development with a view to sale.

With the exception of seabeds which are leased from the State, the group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance, and enhancements.

	2024 $'000	2023 $'000
Rental income derived from investment properties	16,886	12,702
Direct operating expenses (including repairs and maintenance) generating rental income	(1,344)	(1,135)
Direct operating expenses (including repairs and maintenance) that did not generate rental income	(840)	(801)
Profits arising from investment properties carried at fair value	**14,702**	**10,766**

15. Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. Due to the short-term nature of trade and other payables, their carrying value is assumed to approximate their fair value. Information on the Group's liquidity risk management process is outlined in Note 22(c).

Retentions payable represent securities held by the Group as lodged by certain customers under the terms of their Port Service Agreements. An asset is recognised as restricted cash for the deposits lodged by these customers (Note 8) with a corresponding liability to recognise that these securities are refundable to the customer unless certain events occur which result in GPC obtaining a right to the restricted cash asset.

	2024	2023
Current	**$'000**	**$'000**
Trade creditors	36,094	33,861
Retention payable	13,494	3,556
GST payable	3,357	5,432
Other	3,570	3,125

16. Contract and other liabilities

Contract liabilities include amounts in relation to cargo handling and harbour dues where the performance obligations have not been satisfied. The revenue received in advance relates to long term advances received on contracts for which the deliverables and obligations have not yet been achieved and operating lease revenue on investment properties.

	2024	2023
	$'000	$'000
Current		
Revenue received in advance	22,841	24,452
Contract liabilities	2,993	220
	25,834	**24,672**
Non-current		
Revenue received in advance	**7,158**	**8,374**

17. Borrowings

	Note	2024	2023
		$'000	$'000
Non-current			
QTC loans	22(c)	775,409	775,219

Borrowings are initially recognised at fair value, plus any transaction costs directly attributable to the borrowings, then subsequently held at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of a financial instrument (or, when appropriate, a shorter period) to the net carrying amount of that instrument.

Any borrowing costs are added to the carrying amount of the borrowing to the extent they are not settled in the period in which they arise.

Terms and Conditions
The QTC loans comprise advances made under one client specific pool arrangement (CSP). The CSP comprises of a combination of bonds and floating rate debt so that the weighted average term of the underlying cash flows of these instruments matches the weighted average term of the underlying cash flows of the Group's loans. The CSP is used for the Group's normal operations. This is unsecured.

Interest rates
This loan is interest bearing with interest paid quarterly in arrears. The average interest rate for 2024 was 2.84% (2023: 2.74%).

Fair values

Unless disclosed below, the carrying amount (book value) of the Group's borrowings approximate to their fair value. The fair values have been calculated by discounting the expected future cash flows at prevailing market interest rates.

17. Borrowings (continued)

	2024		2023	
	Carrying amount	Fair value	Carrying amount	Fair value
	$'000	$'000	$'000	$'000
Queensland Treasury Corporation loans	775,409	710,876	775,219	709,041

The fair value represents the value of the debt if the Group repaid at that date. As it is the intention of the Group to hold the debt for its term, no provision is required to be made in these accounts.

18. Provisions

Provisions are recognised when there is a present legal, equitable or constructive obligation to make a future sacrifice of economic benefits to other entities as a result of past transactions or other past events and it is probable that a future sacrifice of economic benefits will be required and a reliable estimate can be made of the amount of the obligation.

	2024	2023
Current	$'000	$'000
Employee benefits	53,221	50,928
Dividends	127,691	117,617
Rehabilitation	893	3,193
Other	-	-
Total	**181,805**	**171,738**
Non-current		
Employee benefits	3,852	3,343
Rehabilitation	17,464	15,464
Total	**21,316**	**18,807**

Employee benefits
The provision for employee benefits comprises of long service leave, annual leave, personal leave and RDO provisions. These provisions are categorised as either current or non-current.

The current portion of this provision includes the total amount accrued for annual leave, personal leave and RDO entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Group does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within 12 months of the reporting date. However, these amounts must be classified as current liabilities since the Group does not have an unconditional right to defer the settlement of these amounts beyond 12 months from the reporting date, in the event employees wish to use their leave entitlements.

18. Provisions (continued)

The following amounts reflect leave that is not expected to be taken within the next twelve months:

	2024	2023
	$'000	$'000
Employee benefits obligation expected to be settled after twelve months	32,940	31,086

The non-current portion for this provision includes amounts accrued for long service leave entitlements and personal leave that have not yet vested in relation to those employees who have not yet completed the required period of service.

Liabilities for annual leave and long service leave are recognised and measured as the amount unpaid at the reporting date at pay rates anticipated on settlement in respect of employees' services, including related on-costs. The provisions have been calculated using anticipated wage and salary rates including related on-costs and expected settlement dates based on usage patterns and is discounted using rates attaching to corporate bond rates at balance date which most closely match the terms of the maturity of the related liabilities.

Dividend provision
A provision for dividends is recognised at the reporting date where the dividends have been declared, determined or recommended by the Directors prior to the reporting date. A corresponding amount is recognised directly in equity. The Directors have recommended the payment of a final dividend of 100% of profits, adjusted in line with shareholding Ministers' approval. The final dividend amounts to $127.69M (31.76 cents per share).

Rehabilitation
A provision for rehabilitation is recognised in relation to the obligations or undertakings for the Group associated with contractual agreements executed under the Western Basin Environmental Management Funding Agreement and LNG Commercial Offsets, and relate to extinguishing the obligations of the agreements. Works have continued on land and marine areas during 2024.

The rehabilitation provisions are undiscounted. The estimated cost and timing of future rehabilitation works can be impacted by potential deterioration of structures and factors that cannot be predicted until work commences, particularly in relation to water based structures. These uncertainties may result in future actual expenditure differing from the amounts currently provided.

18. Provisions (continued)

Provision movements	Rehabilitation		Dividend		Other	
	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000
Current provision	893	3,193	127,691	117,617	-	-
Non-current provision	17,464	15,464	-	-	-	-
Closing balance of provision at 30 June	**18,357**	**18,657**	**127,691**	**117,617**	**-**	**-**
Opening balance of provision at 1 July	18,657	22,284	117,617	-	-	4,082
Additional provisions	-	-	127,691	117,617	-	-
Amounts (used)/paid		(3)	(117,617)	-	-	(4,082)
Unused amounts reversed	(300)	(3,624)	-	-	-	-
Closing balance of provision at 30 June	**18,357**	**18,657**	**127,691**	**117,617**	**-**	**-**

19. Equity

Issued Capital

	2024	2023
	No.	No.
Authorised to issue – ordinary shares	1,000,000,000	1,000,000,000
Issued – ordinary shares fully paid	402,066,818	402,066,818

The shares have no par value. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholder meetings of the Group.

Asset Revaluation Reserve

	Note	2024	2023
		$'000	$'000
Opening balances at 1 July		363,486	391,472
Revaluation – gross	12 (c)	(11,014)	(38,674)
Deferred tax		3,304	11,602
Disposal of revalued assets		(401)	(914)
Balance as at 30 June		**355,375**	**363,486**

20. Dividends

Cash dividends on ordinary shares declared but not paid:

	2024	2023
	$'000	**$'000**
Final dividend declared but not paid	127,691	117,617

Dividend calculations are based on 100% of net profit after an adjustment for revaluation increments / decrements. All dividends are unfranked. Dividends are declared after reporting date but before financial statements are authorised for issue.

For the 2022-23 year, dividend calculations were based on 100% of net profit after an adjustment for revaluation increments / decrements and a special dividend of $25.0M.

21. Leases

Group as a lessee

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Land/ Seabeds – 15 to 100 years (some land/ seabed leases are perpetual)
Motor vehicles - 3 to 5 years
Building – 5 years

Where the right-of-use assets have been classified as 'Investment Property', the accounting policy for subsequent measurement of these assets is as described in Note 14.

The Group has lease contracts for land/ seabed, vehicle and office equipment used in its operations. GPC's land/ seabed lease portfolio contains a combination of perpetual and term-based leases. There are also certain 'reserves' and 'vested' properties granted in trust by the Government, for which GPC does not pay any lease rentals. Vehicles generally have lease terms between 3 and 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets.

The Group also has certain leases of vehicles with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

In the process of applying the Group's accounting policies, management has made the following judgements, and estimates in relation to leases:

21. Leases (continued)

Determining the nature of the rights for a perpetual lease (within scope of AASB 16)
The Group determined that the perpetual lease arrangement for seabed assets is within the scope of AASB 16 and the Group is the lessee under the arrangement. The underlying asset being the seabed is leased by the lessor, being the State Government, with a specific objective to consider the overall development of the geographical area and business infrastructure requirements. The Group concluded that it will not be practical or economically feasible for the lessor to make substitutions for the underlying asset. Therefore, the arrangement is considered to be non-cancellable. The Group has an unconditional obligation to pay for the asset, unless and until the lessor decides to terminate the lease. The Group cannot sell the asset nor use it for other activities and therefore, does not have complete ownership rights over the asset. The arrangement is within the scope of AASB 16.

Determining the lease term of contracts with renewal and termination options
The Group determines the lease term as the non-cancellable term of the lease.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether or not it is reasonably certain to exercise the option to renew or terminate the lease.

Estimation of Incremental Borrowing Rate

For new or modified leases, the Group uses the 'rate implicit in the lease' where it can be readily determined, otherwise, the 'incremental borrowing rate' is used as the discount rate, which is determined using the 'QTC Fixed Rate Loan' rates that correspond with the lease commencement month and lease term, adjusted for QTC margin and other factors specific to the Group and the asset under lease.

(a) Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Building	Land /Seabed	Vehicle	Total
	$'000	$'000	$'000	$'000
As at 1 July 2022	-	**1,027**	**1,889**	**2,916**
Additions (includes re-measurement)		49	2,150	2,199
Depreciation expense	-	(20)	(1,651)	(1,671)
As at 30 June 2023	-	**1,056**	**2,388**	**3,444**
Additions (includes re-measurement)	1,316	(5)	2,530	3,841
Depreciation expense	(49)	(20)	(1,836)	(1,905)
Terminations	-	(21)	-	(21)
As at 30 June 2024	**1,267**	**1,010**	**3,082**	**5,359**

21. Leases (continued)

(b) Set out below are the carrying amounts of lease liabilities and the movements during the period:

	Note	$'000
As at 1 July 2022		**10,426**
Additions		2,163
Accumulation of interest	6(c)	436
Payments		(2,226)
Terminations		-
As at 30 June 2023		**10,799**
Additions		3,969
Accumulation of interest	6(c)	514
Payments		(2,554)
Terminations		(155)
As at 30 June 2024		**12,573**

	2024	2023
Current	1,273	1,247
Non-current	11,300	9,552

(c) Set out below are amounts recognised in profit and loss:

	2024 $'000	2023 $'000
Depreciation expense of right-of-use assets	1,905	1,671
Interest expense on lease liabilities	514	436
Expense relating to short-term leases (included in operational expenses)	908	936
Expense relating to leases of low-value assets (included in operational expenses)	116	111
Gain on lease remeasurement	(1)	(2)
Total amount recognised in profit or loss	**3,442**	**3,152**

The Group had total cash outflows for leases of $3,577,000 in 2024 (2023: $3,271,000). The Group also had non-cash additions to right-of-use assets of $3,841,000 in 2024 (2023: $2,200,000) and lease liabilities of $3,969,000 in 2024 (2023: $2,163,000). As at the date of the financial statements, there are no expected future cash outflows relating to leases that have not yet commenced.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. The Group has entered into operating leases on its investment property portfolio consisting of certain land and buildings (Note 14). These leases have terms of between 1 and 40 years. Rental income arising is accounted for on a straight-line basis over the lease terms. Rental income recognised by the Group during the year is $16,886,000 (2023: $12,702,000).

21. Leases (continued)

Future minimum rentals receivable under non-cancellable operating leases as at 30 June are as follows:

	2024	2023
	$'000	$'000
Less than one year	13,702	12,336
One to two years	11,092	10,580
Two to three years	9,519	9,889
Three to four years	7,983	8,483
Four to five years	6,899	6,970
More than five years	78,227	72,903
Total	**127,422**	**121,161**

Maturity analysis of lease liabilities is included in Note 22(c).

22. Financial risk management

GPC has exposure to credit risk, liquidity risk, interest rate risk and capital management risk from its use of financial instruments. The Group's financial instruments comprise receivables, payables, borrowings, cash and cash equivalents and cash advance facility. To monitor existing financial assets and liabilities as well as to enable an effective controlling of future risks, the Group has established a comprehensive risk reporting framework that reflects expectations of management of settlement of financial assets and liabilities.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Group manages its exposure to key financial risks, in accordance with its financial policies. The objectives of the policies are to support the delivery of the Group's financial targets whilst protecting future financial security.

To monitor existing financial assets and liabilities as well as to enable an effective controlling of future risks, the Group has established comprehensive risk reporting that reflects expectations of management of settlement of financial assets and liabilities.

The Group monitors rolling forecasts of liquidity reserves on the basis of expected cash flow.

The Board reviews and agrees policies for managing each of the risks summarised below:

(a) Credit risk exposure

Credit risk arises from the financial assets of the Group, which comprise cash and cash equivalents, cash advance facility, and trade and other receivables. The Group is exposed to credit risk from the possibility of counterparties to cash and cash equivalents, cash advance facility, and trade and other receivables failing to perform their obligations. The balance of cash is disclosed in Note 8 and the balance of the Cash Advance Facility is disclosed in Note 9.

The Group does not hold any credit derivatives to offset its credit exposure. The level of exposure is disclosed in the Consolidated Statement of Financial Position and in Note 10 with the carrying amount stated net of any allowance for expected credit losses.

22. Financial risk management (continued)

(b) Market risk

(i) Foreign currency risk

The Group occasionally makes capital purchases in US dollars. To manage the currency risks arising from these transactions, the Group may enter into derivative transactions, namely forward currency contracts.

It is the Group's position not to enter into forward contracts until a firm commitment is in place. The terms of the hedge derivatives are required to exactly match the terms of the hedged item to maximise hedge effectiveness.

(ii) Price risk

As at 30 June 2024 and 30 June 2023 the Group did not have any significant exposure to price risk.

(iii) Interest rate risk exposure

As at 30 June 2024, the Group's financial assets and liabilities exposed to variable interest rate risk consisted of cash and cash equivalents (Note 8), cash advance facility (Note 9), interest bearing loans and liabilities (Note 17) only. The Group's policy is to manage its finance costs using a mix of fixed and variable rate debt. The Group constantly analyses its interest rate exposure where consideration is given to the mix of fixed and variable interest rates.

Sensitivity analysis based upon the interest risk exposures in existence at the Consolidated Statement of Financial Position date illustrates that a +/- 1% movement in interest rates with all other variables held constant, the post-tax profit and equity affect is as follows:

	Post-tax profit		Equity	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
+1% (100 basis points)	(419)	(402)	(419)	(402)
-1% (100 basis points)	476	487	476	487

(c) Liquidity risk

The Group is exposed to liquidity risk in respect of its payables, lease liabilities and borrowings from QTC. The Group manages liquidity risk through the use of a liquidity management strategy which aims to reduce the exposure to risk by ensuring the Group has sufficient funds available to meet employee and supplier obligations as they fall due. This is achieved by ensuring maximum levels of cash are at hand to match the expected duration of various employee and supplier liabilities. Funding arrangements are in place with QTC which will allow sufficient funding to cover planned requirements within the Group's corporate planning period. The Group has available a business card facility with a limit of $300,000 (2023: $300,000). New borrowings are subject to an approved loan program with the sanction of the Treasurer of Queensland. The Group has access to a $30,000,000 (2023: $30,000,000) working capital facility provided through QTC. This facility was not drawn upon during the financial year.

22. Financial Risk Management (continued)

Interest bearing loans and borrowings relate to QTC borrowings which are interest only with no fixed repayment date for the principal component. For the purposes of completing the maturity analysis, the principal component of these loans has been included in the more than five-year time band with no interest payment assumed in this time band.

Maturity analysis of financial liabilities based upon management's expectations

Year ended 30 June 2024	Note	< 1 year $'000	1 – 5 Years $'000	> 5 years $'000	Total $'000
Financial liabilities					
Trade and other payables	15	56,515	-	-	**56,515**
Interest bearing loans and borrowings	17	-	-	775,409	**775,409**
Lease liabilities	21	1,273	3,273	8,027	**12,573**
		57,788	**3,273**	**783,436**	**844,497**

Year ended 30 June 2023	Note	< 1 year $'000	1 – 5 Years $'000	> 5 years $'000	Total $'000
Financial liabilities					
Trade and other payables	15	45,974	-	-	**45,974**
Interest bearing loans and borrowings	17	-	-	775,219	**775,219**
Lease liabilities	21	1,247	1,357	8,195	**10,799**
		47,221	**1,357**	**783,414**	**831,992**

(d) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

		Cash flows		Non-cash	
Year ended 30 June 2024	1 July 2023 $'000	Payments $'000	Receipts $'000	Other $'000	30 June 2024 $'000
Financial liabilities					
Interest bearing loans and borrowings	**775,219**	190	-	-	**775,409**
Dividend payable	**117,617**	(117,617)	-	127,691	**127,691**
Lease liabilities	**10,799**	(2,554)	-	4,328	**12,573**
	903,635	**(119,981)**	-	**132,019**	**915,673**

22. Financial Risk Management (continued)

Year ended 30 June 2023	1 July 2022	Payments	Receipts	Other	30 June 2023
	$'000	$'000	$'000	$'000	$'000
Financial liabilities					
Interest bearing loans and borrowings	**775,295**	(76)	-	-	**775,219**
Dividend payable	**-**	-	-	117,617	**117,617**
Lease liabilities	**10,426**	(2,226)	-	2,599	**10,799**
	785,721	**(2,302)**	-	**120,216**	**903,635**

23. Capital management

Risk Management

The Group manages its capital to ensure that it will be able to continue as a going concern and maximise the return to shareholders whilst managing debt and equity balances.

The Group will manage its capital structure to maintain an investment grade credit rating, consistent with its loan documentation with QTC. The capital structure of the Group consists of borrowings disclosed in Note 17 and equity comprising issued capital, reserves and retained earnings.

In order to achieve this overall objective, the Group's capital management, among other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the financiers to immediately call on borrowings. There have been no breaches of the financial covenants of any borrowings in the current period.

No changes were made in the objectives, policies, or processes for managing capital during the years ended 30 June 2024 and 30 June 2023.

24. Commitments and contingencies

Capital expenditure commitments contracted but not provided for:

These commitments relate to expenditure on capital projects in progress

	2024	2023
	$'000	$'000
Due not later than one year	24,457	22,184

Contingent assets and liabilities

As at the date of these financial statements, the Board is not aware of any material contingent assets or liabilities.

25. Auditor's remuneration

These are amounts (excluding GST) paid to the Auditor-General of Queensland for audit of the financial statements. No other benefits were received by the auditors:

	2024	2023
	$'000	$'000
Remuneration	285,000	271,500

The estimated fee for 2024 is $285,000 (2023: $271,500).

26. Key management personnel disclosures

Directors (short-term and post-employment expenses)

Directors' emoluments are set by the State Government with other fees and allowances determined on the basis of meetings attended and expenditure incurred in performing their roles. Directors do not receive performance related remuneration.

Specified executives

The People Performance and Culture Committee oversee and recommend executive Total Fixed Remuneration (TFR) to the Board for the Chief Executive Officer (CEO) or senior executives (including temporary appointments). GOC boards can determine the TFR up to market median for the position's work value as advised by an independent remuneration consultant to ascertain an appropriate level of remuneration and attract appropriately skilled applicants. The Group's remuneration policy is subject to the Queensland Government's policy and any annual increases to CEO and senior executive remuneration are approved by the Board with written notification to shareholding Ministers.

The Group's remuneration policy is based on a TFR concept. TFR is the sum of salary, superannuation, salary sacrifice item and other benefits (e.g. motor vehicle). Items in the TFR specifies the total annual cost to the Group for providing the benefit. TFR excludes any performance incentives as well as any tools of trade, equipment or other items provided solely to perform in the position. Short-term benefits are disclosed as the gross salary package (excluding bonuses) and may be taken either as salary or salary sacrificed. Other benefits are listed as taxable fringe benefits amounts. These may include benefits that are available to all employees of the Group and are not specific to the listed roles. All disclosed items relate to amounts received by the CEO and each senior executive incurred in the financial year during the period of their appointment.

GOC boards have discretion to approve annual TFR increases (capped at 10% per annum) to senior executive's remuneration levels, subject to the TFR not exceeding the latest market median for the position's work value, in line with the Policy for Government Owned Corporation Chief and Senior Executive Employment Arrangements Version 27 October 2021.

26. Key management personnel disclosures (continued)

There are no performance payments available to the CEO and senior executives. Termination entitlements, in the event of termination by the Group, other than for misconduct, are allowed for in the contractual arrangements.

The CEO is entitled to three (3) months' notice, or payment in lieu of notice as well as a termination payment equal to six (6) month's salary. Senior executives are entitled to one month's notice, or payment in lieu of notice as well as a termination payment equal to three (3) month's salary. CEO and senior executives are not entitled to both termination and redundancy payments.

Short term employee expenses
This includes the following:

- Salaries, allowances and leave entitlements earned and expensed for the entire year, or for that part of the year during which the employee occupied a Key Management Personnel (KMP) position;
- Non-monetary benefits consisting of provision of vehicle, telecommunications, health fund reimbursement, travel and accommodation benefits at recruitment together with fringe benefits tax applicable to the benefit.

Long term employee expenses
This includes amounts expensed in respect of long service leave entitlements earned.

Post-employment expenses
This includes amounts expensed in respect of employer superannuation obligations.

Retirement/Resignation/Termination expenses
This includes lump sum payments for entitlements at separation (excluding annual and long service leave entitlements) or other amounts payable on termination of employment or acceptance of an offer of termination of employment.

26. Key management personnel disclosures (continued)

In accordance with Ministerial guidelines details of Directors and the senior executives of the entity with the greatest authority in office at 30 June 2024 are as follows:

Directors		Last Date of Appointment	Date of Resignation / End of Term	Short Term Expenses $'000 Directors' Fees	Post-Employment Expenses $'000 Superannuation	Total $'000
Noon, A		1 June 2024	31 May 2028			
(Chair)	2024			-	-	-
	2023			-	-	-
Cassidy, G		1 October 2023	30 September 2025			
	2024			53	8	61
	2023			49	5	54
Jamieson, P		1 October 2023	30 September 2025			
	2024			51	8	59
	2023			48	5	53
Gardner, R		1 June 2024	31 May 2028			
	2024			53	8	61
	2023			51	5	56
Ingra, M		13 October 2022	30 September 2025			
	2024			51	7	58
	2023			31	3	34
Woods, A		1 October 2023	30 September 2026			
	2024			34	4	38
	2023			-	-	-
		1 October 2023	30 September 2026			
Swan, D	2024			34	4	38
	2023			-	-	-
Lynham, A		26 August 2021	31 May 2024			
(Chair)	2024			96	14	110
	2023			79	8	87
Binsted, P		15 December 2022	19 December 2023			
	2024			28	4	32
	2023			22	2	24
Sobhanian, PJ		1 October 2020	30 September 2023			
	2024			16	2	18
	2023			49	5	54
Ralston, P		1 October 2020	30 September 2023			
	2024			16	2	18
	2023			49	5	54
Heagney, P		1 October 2020	30 September 2023			
	2024			16	2	18
	2023			49	5	54
	TOTAL 2024			**448**	**63**	**511**
	TOTAL 2023			**427**	**43**	**470**

26. Key management personnel disclosures (continued)

Specified Executives		Short Term Employee Expenses: Monetary Expenses	Short Term Employee Expenses: Non-Monetary Expenses	Long Term Employee Expenses	Post-Employment Expenses	Retirement/ Resignation/ Termination Expenses	Total
Haymes, C							
Chief Executive Officer	2024	745	42	18	34	-	839
	2023	669	53	17	33	-	772
Employment ceased 24 July 2024							
Riley, C							
Chief Financial Officer	2024	223	16	6	28	-	273
	2023	-	-	-	-	-	-
Acting from 3 November 2023							
Druce, J							
Chief Financial Officer	2024	416	45	10	33	-	504
	2023	377	25	9	40	-	451
Gebers, K							
Chief Operating Officer	2024	464	28	12	36	-	540
	2023	252	30	7	22	-	311
Appointed 5 December 2022							
Torrisi, R							
Chief Operating Officer	2024	147	9	4	11	-	171
	2023	-	-	-	-	-	-
Acting from 14 January 2024 to 1 June 2024							
Dinning, A							
Executive General Manager	2024	416	36	10	41	-	503
Trade and Development	2023	186	23	4	18	-	231
Appointed 6 January 2023							
Hayden, B							
Executive General Manager	2024	406	5	10	42	-	463
Asset Maintenance	2023	226	8	6	22	-	262
Appointed 1 November 2022							
Kohli, S							
Executive General Manager	2024	400	21	9	41	-	471
Marine Operations	2023	143	31	3	14	-	191
Appointed 1 February 2023							
Haward, R							
Executive General Manager	2024	387	30	10	28	-	455
Safety and ESG	2023	266	9	7	28	-	310
Acting from 11 October 2022 and appointed 1 November 2022							
Blackbourn, J							
Executive General Manager	2024	266	21	6	27	-	320
People	2023	150	20	4	14	-	188

Appointed 16 January 2023

Specified Executives		Short Term Employee Expenses: Monetary Expenses	Short Term Employee Expenses: Non-Monetary Expenses	Long Term Employee Expenses	Post-Employment Expenses	Retirement/ Resignation/ Termination Expenses	Total
Rose, K							
Executive General	2024	132	-	3	16	-	151
Manager People	2023	-	-	-	-	-	-
Acting from 22 January 2024 to 26 June 2024							
Melrose, G							
Executive General	2024	-	-	-	-	-	-
Manager People	2023	99	11	3	15	-	128
Executive General	2024	-	-	-	-	-	-
Manager Operations	2023	35	3	1	5	-	44
Acting EGM People from 11 August 2022 to 16 January 2023							
Acting Operations GM from 13 May 2019 to 10 August 2022							
Walker, C							
Chief Operating Officer	2024	-	-	-	-	-	-
	2023	132	28	3	17	173	353
Employment ceased 18 October 2022							
TOTAL 2024		**4,002**	**253**	**98**	**337**	**-**	**4,690**
TOTAL 2023		**2,535**	**241**	**64**	**228**	**173**	**3,241**

Other Payments

During 2024, a Senior Executive was granted advance leave due to extenuating circumstances, with the associated costs recorded as part of monetary expenses. As of June 30, 2024, the total amount of leave paid in advance, including on-costs, was $138,517. This amount was largely offset by work performed during this period. The remaining balance is expected to be settled through the usual accrual process in the next fiscal period.

A number of former key management personnel of the Group are appearing as lay witnesses in a legal action taken against GPC. They are being paid agreed rates as part of this legal action and are not acting in their role as KMPs of the organisation. No amounts are included in the table on this basis.

27. Related party transactions

(a) Parent entities

The parent entity within the Group is Gladstone Ports Corporation Limited. The ultimate Australian controlling entity is the State of Queensland which at 30 June 2024 owned 100% (2023: 100%) of the issued ordinary shares of Gladstone Ports Corporation Limited.

(b) Key management personnel

(i) Shareholding Ministers - GPC's shareholding Ministers are identified as part of GPC's key management personnel. For the 2023-24 reporting period, these Ministers are, or were:

- the Honourable Cameron Dick MP, Deputy Premier, Treasurer and Minister for Trade and Investment;
- the Honourable Bart Mellish MP, Minister for Transport and Main Roads and Minister for Digital Services (from 18 December 2023)
- the Honourable Mark Bailey MP, Minister for Transport and Main Roads and Minister for Digital Services (until 17 December 2023)

(ii) Compensation – shareholding Ministers

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. The Group does not bear any cost of remuneration of Ministers. The majority of Ministerial entitlements are paid by the Legislative Assembly, with the remaining entitlements being provided by Ministerial Services Branch within the Department of the Premier and Cabinet. As all Ministers are reported as KMP of the Queensland Government, aggregate remuneration expenses for all Ministers is disclosed in the Queensland General Government and Whole of Government Consolidated Financial Statements, which are published as part of Queensland Treasury's Report on State Finances.

(c) Transactions with key management personnel

From time to time Senior Executives, Directors and related entities may have commercial dealings with GPC. Other than the leave in advance arrangement disclosed in Note 26, all other transactions have been conducted on arm's length terms and conditions. Senior Executives and Directors declare their interest on commercial dealings at Board meetings.

(d) Intercompany transactions

Balances between GPC and its subsidiary, which are related parties of GPC, have been eliminated on consolidation and are not disclosed in this note. Details of GPC's interest is disclosed in Note 4 and the Consolidated entity disclosure statement.

(e) Government-related entities

The Group transacts with other State of Queensland controlled entities. All material transactions are negotiated on terms equivalent to those that prevail in arm's length transactions.

27. Related Party Transactions (continued)

	2024	2023
	$'000	$'000
Revenue		
Revenue from State of Queensland controlled entities	30,290	27,876
Property revenue from State of Queensland controlled entities	724	691
Interest received from QTC	13,419	5,747
Expenses		
Expenses incurred to State of Queensland controlled entities	31,523	31,693
Interest on QTC borrowings (includes administration fees)	22,617	22,117
Interest on lease liabilities with State of Queensland controlled entities	514	239
Electricity payments to State of Queensland controlled entities	290	249
NTER, Payroll Tax, Land Tax, Rates equivalent and competitive neutrality fee paid to Queensland Treasury	68,360	59,139
Assets		
Advance facility held with QTC	413,374	260,396
Trade and other receivables from State of Queensland controlled entities	34	2,290
Liabilities		
Accrued interest and fees payable to QTC	5,465	5,273
Trade payables to State of Queensland controlled entities	-	61
Electricity payable to State of Queensland controlled entities	37	16
Dividend and competitive neutrality fee payable to Queensland Treasury	126,309	119,015
Borrowings from QTC	775,409	775,219
Lease liabilities with State of Queensland controlled entities	8,445	8,470

No provision for impairment of receivables was raised for any outstanding balances and no expense was recognised for bad or impaired debts due from State owned entities.

During the period, the Group made repayments of $0.39M (2023: $0.22M) relating to lease liabilities with State of Queensland controlled entities in accordance with applicable lease agreements.

28. Number of employees

	2024	2023
	No.	No.
Number of employees at year end (Full Time Equivalent)	777	751

The number of employees represents the total number of people employed (Full Time Equivalent) by the Group as at 30 June.

29. Climate Risk Disclosure

The Group continues to validate and quantify the material climate related physical and transition risks relevant to the financial statements as identified through the development of the Climate Change Strategy, and supporting strategic roadmap, in the current year. No adjustments to the carrying value of recorded assets or other adjustments to the amounts recorded in the financial statements were recognised during the financial year.

30. Events occurring after reporting period

Craig Haymes ceased his employment on 24 July 2024. Under the terms of his contract he was paid his outstanding entitlements, three (3) months' payment in lieu of notice, and a termination payment equal to six (6) month's salary.

Kim Gebers has been appointed as Acting CEO effective from 25 July 2024.

There has not been any other matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future years.

Consolidated entity disclosure statement as at 30 June 2024

Entity Name	Entity type	Body corporate country of incorporation	Body corporate % of share capital held	Country of tax residence
Gladstone Ports Corporation	Body corporate	Australia	N/A	Australia
Gladstone Marine Pilot Services Pty Ltd	Body corporate	Australia	100	Australia

GLADSTONE PORTS CORPORATION LIMITED

DIRECTORS' DECLARATION

In the Directors' opinion:

(a) the financial statements and notes set out on pages 15 to 62 are in accordance with the *Corporations Act 2001,* including:
  - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
  - (ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the financial year ended on that date, and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

(c) the consolidated entity disclosure statement required by section 295(3A) of the Corporations Act is true and correct.

This declaration is made in accordance with a resolution of the Directors.

On behalf of the Directors

AKPNoon

A Noon

Chair

Dated: 23 August 2024

G Cassidy

Director

Dated: 23 August 2024

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INDEPENDENT AUDITOR'S REPORT

To the Members of Gladstone Ports Corporation Limited

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Gladstone Ports Corporation Limited and its controlled entities (the group).

The financial report comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes to the financial statements including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In my opinion, the accompanying financial report of the group is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the group's financial position as at 30 June 2024, and its financial performance for the year then ended; and

b) complying with the Australian Accounting Standards and the Corporations Regulations 2001.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of my report.

I am independent of the group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*. I am also independent of the group in accordance with the auditor independence requirements of the *Corporations Act 2001*, and confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. I addressed these matters in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Management override of controls—Notes 3 and 26

Key audit matter	How my audit addressed the key audit matter
Given the changes in the executive management team, governance structure and processes, there is a heightened risk that controls preventing management override have not operated effectively. The risk of management override of controls has the potential to lead to errors within the reported results and/or disclosures. This is a pervasive risk but is especially relevant to areas in which there are significant accounting and disclosure judgements, estimates and assumptions. Accounting and disclosure judgements taken by management must fall within a reasonable range and be applied consistently year on year, or where there has been a change in approach this has been adequately justified and disclosed. This includes assessing the completeness and accuracy of disclosures and representations from the corporation and other entities.	My procedures included, but were not limited to: • Evaluating whether the judgements and decisions made by management in making accounting estimates and disclosures even if they are individually reasonable, indicate a possible bias that may represent a risk of material misstatement due to fraud. • Reviewing minutes of board meetings and holding discussions with individuals involved in the financial reporting process, including unusual transactions which may have occurred. • Reviewing the disclosures in the financial statements and directors' report to ensure they completely and accurately reflect the transactions and contractual commitments. • Obtaining an understanding of the design and implementation of controls including the posting and approval of manual journals.

Valuation of property, plant, and equipment—Note 12(c)

Key audit matter	How my audit addressed the key audit matter
Property, plant, and equipment is reported at fair value and where applicable at cost. Approximately 97% of the property, plant and equipment was valued at fair value which was determined using the income-based valuation model. The fair value estimation used in the valuation model involved significant assumptions and judgements for: • forecasting operating revenue • estimating future capital and operating costs • determining of terminal values • the discount rate applied to future cashflows.	My procedures included, but were not limited to: • Obtaining an understanding of the discounted cash flow model, and assessing its design, integrity, and appropriateness with reference to common industry practices. • Evaluating the independent external expert's competency, capabilities and objectivity. • Checking, on a sample basis, the accuracy and relevance of the input data used, including reconciling input data to supporting evidence such as approved budgets. • Performing a sensitivity analysis to establish that management's assumptions for fair value including cash flows, terminal values, discount rates, expansionary capital expenditure and inflation adjustments are within a reasonable range of audit expectations for fair value. • Assessing the reasonableness of cash flow forecasts and terminal value estimates relative to board approved budgets, historical growth trends and other relevant internal and external evidence. The reasonableness of board approved budgets was assessed with reference to their historical accuracy and the budget preparation process. • Evaluating whether the discount rate applied was within a reasonable range, with reference to market data and industry research. • Challenging the reasonableness of key assumptions based on my knowledge of the entity and industry. • Verifying the mathematical accuracy of net present value calculations.

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Useful lives estimated for depreciation expense—Note 12(a)

Key audit matter	How my audit addressed the key audit matter
The straight-line depreciation method used requires significant judgements for: • identifying the significant parts of assets that have different useful lives • estimating the remaining useful lives of those significant parts.	My procedures included, but were not limited to: • Evaluating management's approach for identifying the parts of property, plant, and equipment with different useful lives for reasonableness, having regard to recent replacement projects and changes in estimates over time. • Evaluating remaining useful life estimates for reasonableness with reference to historical disposal rates, condition assessments for older assets, internal consistency.

Other information

Those charged with governance are responsible for the other information.

The other information comprises the information included in the entity's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Responsibilities of the Directors for the financial report

The directors of the company are responsible for the preparation of:

a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and

b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and,

for such internal controls as the directors determine is necessary to enable the preparation of:

i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial report

My 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/auditors_responsibilities/ar5.pdf

This description forms part of my auditor's report.

27 August 2024

Bhavik Deoji
as delegate of the Auditor-General

Queensland Audit Office
Brisbane