

# Annual Report

2022





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# CentrePort Network

  
**NEW PLYMOUTH**  
 DIRECT CONNECT JV

  
**WHANGANUI**  
 DIRECT CONNECT JV

  
**COOK STRAIT FERRY SERVICES**  
**3200+**  
 JOURNEYS PER YEAR  
**\$20bn**  
 FREIGHT MOVED PER ANNUM

  
**BURNHAM WHARF**  
 SUPPLIES AVIATION FUEL TO WELLINGTON AIRPORT

  
**WAINGAWA**  
 CAPACITY OF  
**16000** JAS  
 UP TO **345**  
 RAIL WAGONS OF LOGS PER WEEK TO CENTREPORT

  
**RIVERLANDS**  
 PARTNERSHIP WITH  
  
 NEW CONTAINER HUB  
**2023/2024**  
 INITIAL CAPACITY  
**8000** TEUS

  
**PICTON**

  
**SEAVIEW WHARF**  
 SUPPLIES LAND AND AVIATION FUEL FOR LOWER NORTH ISLAND

**CentrePort Wellington**

To Hamilton and Auckland

**HASTINGS**

**PALMERSTON NORTH**

-  CentrePort rail network - in partnership with 
-  Ferry
-  International shipping lines
-  Container hub
-  Log hub



# 1

## Chair and CE reports Heamana me nga ripoata CE





# Chair's report

This year CentrePort continued to position itself as a full-service port. Investment and new partnerships have strengthened resilience and added new capacity to the New Zealand logistics supply chain.

The COVID-19-related challenges that emerged in 2020 continued for a second financial year – disrupting local supply chains, impacting staff and supplies, and contributing to flat trade volumes overall.

Despite these challenges, CentrePort recorded an underlying net profit after tax (NPAT) – before Kaikōura earthquake-related items, changes in fair value, abnormal items and the tax impacts of these items – of \$8.0m, compared to \$7.2m in FY21.

Revenue of \$84.2m compared to \$80.2m the previous year, reflects a solid year in the face of the various challenges.

Higher revenue and good cost management resulted in a 20.7 percent increase in net cash flows from operating activities.

## Health and safety

The port industry was given a stark reminder there is no room for complacency in health and safety – with two tragic deaths at other ports within the same week in April.

CentrePort's continued strategy is for continuous improvement in safety, and to make safety the primary focus of all activities.

Staff are advised that if something doesn't look or feel safe, they should stop work. The Board is fully supportive of this approach, and I have personally relayed this message to our people.

CentrePort welcomed the joint Health and Safety at Work Act (HSWA) assessment of its operations and systems by Maritime New Zealand and WorkSafe, which was initiated by the Workplace Relations and Safety Minister.

CentrePort also supports the health and safety work being done by the tripartite Port Leadership Group, including the development of a code of practice.

CentrePort recommends regulators include a focus on the interface and impact of shipping vessel conditions and company practices in future health and safety reviews. This is important to address if port health and safety is to improve.

## Strengthening the supply chain

CentrePort entered into two strategic partnerships complementing existing partnerships. A joint venture with Dixon & Dunlop has increased CentrePort's ability to complete capital works. The joint venture with Port Marlborough creates a new freight link between Marlborough exporters and international markets and provides more resilient options to the shippers of Marlborough.

## Carbon reduction

The port's emission reduction strategy launched in FY20, which aims to achieve net zero carbon emissions by 2040, and a 30 percent reduction by 2030 (excluding third parties and growth), saw a series of initiatives completed and others get underway.

These were in partnership with New Zealand Green Investment Finance and included: the deployment of seven fully electric internal movement vehicles (IMVs) for shifting containers, the continued rollout of the LED lighting programme, and the addition of an electric forklift and other electric vehicles into CentrePort's motor vehicle fleet.

## Dividend

A dividend of \$6m (FY21: \$5m excluding a special dividend of \$15m) was paid to shareholders Greater Wellington Regional Council and Horizons Regional Council.

## Income tax adjustment

During the year, CentrePort confirmed to Inland Revenue the key assumptions underpinning the tax treatment of the port's insurance proceeds from the 2016 Kaikōura earthquake.

Last year, Inland Revenue disagreed with the port's classification of specific assets deemed to be disposed, which resulted in an additional income tax expense of \$23.5m. This was recognised in the 30 June 2021 result. An alternative tax treatment was subsequently agreed with Inland Revenue and included in the final binding ruling. This resulted in a reversal of this income tax expense adjustment.

## Thank you

The year saw the departure of Derek Nind as CEO. Derek left at the end of March after ten years of outstanding service to the company. He assumed the role of Chief Executive less than 12 months before the Kaikōura earthquake struck and fulfilled the role with distinction in the ensuing years.

This included guiding the port's post-quake recovery, managing the insurance finalisation, overseeing the development of the Medium-Term Operating Plan, establishing a clear vision for the future in the Regeneration, and getting several other initiatives underway.

We thank Derek for his great service to CentrePort and for helping position the business for a bright future. We were delighted to welcome Anthony

Delaney as the new CEO with effect from June. Following a robust external appointment process, it was particularly pleasing to be able to make an internal appointment reflecting the development of capability from within the Port.

Anthony is an experienced business leader and in his five-and-a-half years as a General Manager at CentrePort, he has been a driving force helping lead the port's regeneration programme following the Kaikōura earthquakes.

A thank you also to my fellow directors for their valuable contributions, support and commitment to CentrePort.

We farewelled two directors – Kerrie-Lee Magill and John Monaghan – and I'd like to thank them both for their service to the Board.

Kerrie-Lee departed after nearly two-and-a-half years and her wide range of commercial experience was a real asset to the Board.

And John Monaghan departed having served 11 years. We thank John for his wise counsel and contribution to the Board over a period that was marked by major changes and challenges for the business. These have included the 2016 Kaikōura earthquake and latterly of course, the global pandemic.

The Board also thanks CentrePort's people, and Chief Executive Anthony Delaney. Their hard work and commitment to delivering for the customer saw consistent, quality performance despite another challenging year.

I also thank CentrePort's people across the board for their commitment to health and safety, and for always striving for continuous improvement. The Board is fully supportive of taking all practicable steps to ensure everyone gets home healthy and safe each day.



Lachie Johnstone  
CHAIR



# CE's report

CentrePort's regeneration continued to make good progress with enhanced asset and supply chain resilience, increased cargo capacity and capability, and continuous gains in health and safety.

CentrePort's strategy to expand the inland hub network, invest in infrastructure, and improve labour efficiency means it can accommodate growth in demand from shipping lines and shippers. The strategy provides solutions to the challenges faced by the New Zealand supply chain.

## Growing the inland hub network

CentrePort entered into a partnership with Port Marlborough in June to provide a supply chain solution for customers in the Marlborough region.

The partnership includes the creation of a cargo hub at the Riverlands site near Blenheim, and freight movement services by road, rail and sea.

This builds on the existing CentrePort inland logistics network, which includes:

- Cargo aggregation hubs in Whanganui and New Plymouth in partnership with Direct Connect. Paving works of the container depot in Whanganui are planned for FY23.
- The CentreRail service in partnership with KiwiRail.
- The Waingawa log hub. Development works on an additional 7,800 sqm purchased in FY21 continued this year.

## Improving resilience

- The reinstatement of the Thorndon Container Wharf was completed in March. This more than doubled the container crane operational length from what was in place post emergency temporary works in 2017.
- Nearly 4,500 of 10,000 planned stone columns around the port perimeter had been installed as of the end of June 2022. This process is strengthening our land to improve resilience in case of future seismic events.
- The Seaview energy resilience project continued, with the construction of a temporary wharf and staging area and piling works commencing.
- CentrePort entered into a joint venture with Dixon & Dunlop Limited. The partnership has ensured the port has the capability and capacity to deliver the ongoing programme of regeneration work.



## Trades

Trades continued to be impacted by COVID-19 during the year:

- No log harvesting was allowed under Alert Level 4, which reduced log export volumes
- Inconsistent weekly container volumes due to disrupted supply chains
- No cruise ship visits during the year
- Low aviation fuel volumes due to significantly reduced demand.

However, CentrePort achieved record vehicle import numbers of 29,000, which represents a 19 percent increase from the previous year.

Container volumes for the year were 89,892 TEUs, which is 2 percent down on last year. Global and local supply chains continue to be significantly disrupted.

Log export volumes of 1.74 million JAS (Japanese Agricultural Standard) were 6 percent down on last year's record export volume of 1.84 million JAS. Log exports were impacted by decreased demand and high inventory levels in the Chinese market during the year.

Fuel import volumes of 884,905 tonnes this year were 5 percent down on the previous year. Fuel trade has been impacted by the pandemic.

The outlook for the next financial year is uncertain due to inflationary pressures, continuing supply chain disruptions and growing geopolitical tensions. The shipping disruptions experienced in FY22 are expected to continue into 2023.



Anthony Delaney  
CHIEF EXECUTIVE



# 2

Health & safety  
Te hauora me  
te haumaru



# Health and safety

CentrePort's primary focus is the health and safety of our people, and the people who work with us and use our facilities. The Lost Time Injury Frequency Rate<sup>1</sup> over the past year was 3.03 against the FY22 target of  $\leq 2.60$ .

CentrePort's is continuously improving health and safety through education and guidance for our people and other workers, safety in design, and appropriate controls and personal protection equipment.

Our greatest safety asset is our people. 'Be safe' is one of CentrePort's core values and this is supported by a framework including CentrePort's 'Golden Rules' and 'Lifesavers'. Ultimately, we are focused on a culture where people have the power to say "no" when something doesn't feel or look safe. This is supported by CentrePort's health and safety systems and processes.

Safety is everyone's responsibility. At CentrePort our people's safety is supported by a network of 20 trained health and safety representatives. These representatives also provide valuable feedback on improving business systems and processes.

Health and safety reporting and monitoring is a high priority for senior management. The executive leadership team takes regular scheduled 'safety walks' – where as a group, they inspect and observe operations across all business units.

Health and Safety is also a major focus for the Board. The Health and Safety and Environment Committee, chaired by the Board Chair, met four times this year. Following a series of tragic incidents at other ports in April, Chair Lachie Johnstone shared a video message to staff reinforcing that everybody has the right to stop work if they don't feel safe.

In May, CentrePort welcomed the joint Health and Safety at Work Act (HSWA) assessment by Maritime New Zealand and WorkSafe and supports the tripartite Port Leadership Group health and safety initiatives, including the development of a code of practice.

Overall, CentrePort performed well in the assessment, which showed our documented procedures were consistent with our practices and vice versa. This reflects our philosophy of engaging our workers in decisions around health and safety, including the development and review of procedures around critical risk, and giving them the ability to say 'no' when they feel unsafe.

CentrePort's engagement with its employees was recognised this year, when named as a finalist in the Wellington Gold Awards in the ACC Workplace Injury Prevention category for our injury recovery back-to-work programme.

CentrePort recommends future HSWA reviews focus on shipping vessel conditions and shipping company practices, to ensure a wholistic view of port health and safety.

# COVID-19

The range of measures helped keep infection rates low, and the business did not experience any business continuity disruption because of COVID-19.

CentrePort complied with the Government COVID-19 requirements including all frontline operational staff being vaccinated by 30 September 2021.

In addition, a 'bubble' system was put in place where operational staff were separated from office-based staff to lower the risk of infection and ensure business continuity. The bubble system operated from July 2021 until May 2022. As an additional measure, non-operational staff worked remotely during much of this period.

In February, CentrePort made it a requirement for all staff working on port to be vaccinated, which exceeded the government-mandated requirements

for port operational staff. From this time, all staff were also required to provide a negative Rapid Antigen Test (RAT) result prior to coming onto port.

An in-house technology solution was designed and implemented providing a daily prompt for staff to test and submit their result online. The system created an alert if there was a positive result.

All staff were provided with RAT kits and replacement packs were provided when required. The proactive testing regime and technology system supported real time monitoring of staff COVID-19 status, enabling proactive management, and assisting with business continuity and risk assessment.

A COVID-19 leave policy, which has been in place since 2020, ensures staff do not have to use up regular sick leave when having isolate or recuperate.

1 Number of lost time injuries sustained per 200,000 hours





# 3

Our business  
Tā tātou pākihi



# Container services

## Positioned for growth during another challenging year

Significant progress was made positioning CentrePort for future growth in its container services operation with enhanced capacity and capability available for shippers and shipping lines.

These enhancements are improving resilience of the New Zealand logistics supply chain and providing more choice and surety for our customers. The year saw continued investment and improvement in the hub network, the reinstatement of Thorndon Container Wharf (TCW) was completed, TCW draft and shipping channel (depth) maintenance was conducted, and labour management systems were refined to ensure services can accommodate future growth. CentrePort's carbon reduction strategy continued to be implemented.

The impacts of global supply chain disruption seen since 2020 continued. Significant local congestion issues had flow-on effects throughout the New Zealand supply chain. These factors contributed to vessels rarely arriving on window. CentrePort's commercial team worked diligently with customers to minimise disruption and provide as much certainty as possible.

Despite the disrupted environment, volumes remained steady at 89,892 TEU – a drop of 2 percent on the previous year, and correspondingly, net container revenue was slightly down.

A total of four shipping services serviced the port:

- Kiwi Express (Mediterranean Shipping Company)
- Trans-Tasman Kiwi Service (CMA CGM Group)
- ANZEX/North East Asia (CMA CGM, COSCO, OOCL, PIL)
- KIX/South East Asia (CMA CGM, COSCO, OOCL, PIL)

The outlook for continued supply chain disruption varies from six to eighteen months and a challenging FY23 looms. However, CentrePort is well-placed to accommodate increased cargo volumes and to provide shipping lines with spare berth and labour capacity.

## Thorndon Container Wharf Reinstatement

A major milestone in CentrePort's regeneration was achieved with the finalisation of the TCW Reinstatement project in March.

The project has expanded the operational length of the ship-to-shore cranes from 125 metres to 262 metres. This significantly improves productivity as the cranes can now work the entire length of the ship without having to move the vessel as previously required. [See Regeneration section for more details]

## Berth pocket and shipping channel maintenance

Deep water is the life blood of a competitive port. CentrePort's berth and channel maintenance strategy will ensure ongoing access for shipping lines and shippers.

In April, berth pocket maintenance work was carried out on the Thorndon Container Wharf, Aotea Quay, Seaview Wharf and Burnham Wharf. The work was completed by the Dutch Dredging vessel Albatros.

The TCW draft was improved from 10.5m to 12.0m. This achieves a minimum Under Keel Clearance of 0.6m, which enables container vessels to maintain a berth draft of 12m at all tides and improves the port's operational resilience.

In addition, the Albatros carried out channel maintenance work on behalf of the Harbour Master/ Greater Wellington Regional Council (GWRC). This removed sand mounds at Falcon Shoals – an area of water between Seatoun and Eastbourne.

This work created greater separation between the inwards and outwards shipping channels, enhancing safety. The channel maintenance work was completed on the recommendation of a 2021 joint review by GWRC and CentrePort into the navigation safety of the Wellington Harbour entrance.

## Labour boosted

This year CentrePort continued to refine and develop labour systems to position the port to accommodate future growth.

A new system moving from two 12-hour gangs in a 24-hour period, to two 12-hour gangs plus one 12-hour gang in the same period, achieved a productivity increase from 600 moves to 865-875 moves, based on 25 gantry moves per hour (GMPH) per crane. This represents a 45 percent lift in capacity over a 24-hour period.





## Emissions reduction – our energy journey

CentrePort's energy journey has the goal of reducing emissions by 30% by 2030 and for net zero emissions by 2040.

The first of a range of initiatives have been put in place were getting underway, while planning for future possible emissions reduction actions are being explored.

The seven 100 percent electric internal movement vehicles (IMV) and trailers purchased the previous year completed their first year of operation.

The vehicles were purchased using a green credit facility provided by New Zealand Green Investment Finance (NZGIF).

The French-designed and manufactured Gaussin transfer vehicles and trailers are each capable of moving two 20-foot containers and have a towing capacity of 75 tonnes.

The LED lighting programme, replacing halogen technology continued and is 60% complete.

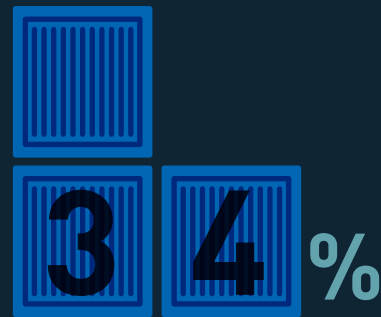
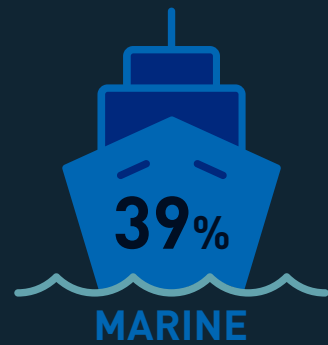
Other initiatives in place contributing to emissions reduction are electrification of the light vehicle fleet, the introduction of an electric forklift, sub-generator electrification, 100% certified renewable electricity supply and the reintroduction of rail onto port (since 2020).



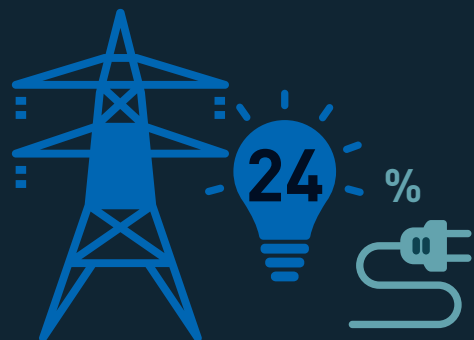


# CentrePort Energy Journey

## OUR CURRENT EMISSIONS

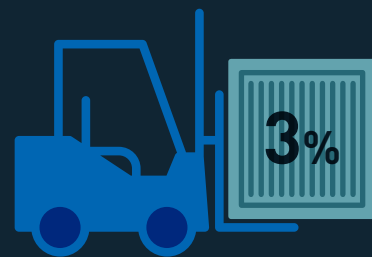


## CONTAINER MOBILE PLANTS



## INFRASTRUCTURE & ENERGY

ELECTRICITY, GENERATORS & LIGHT TOWERS

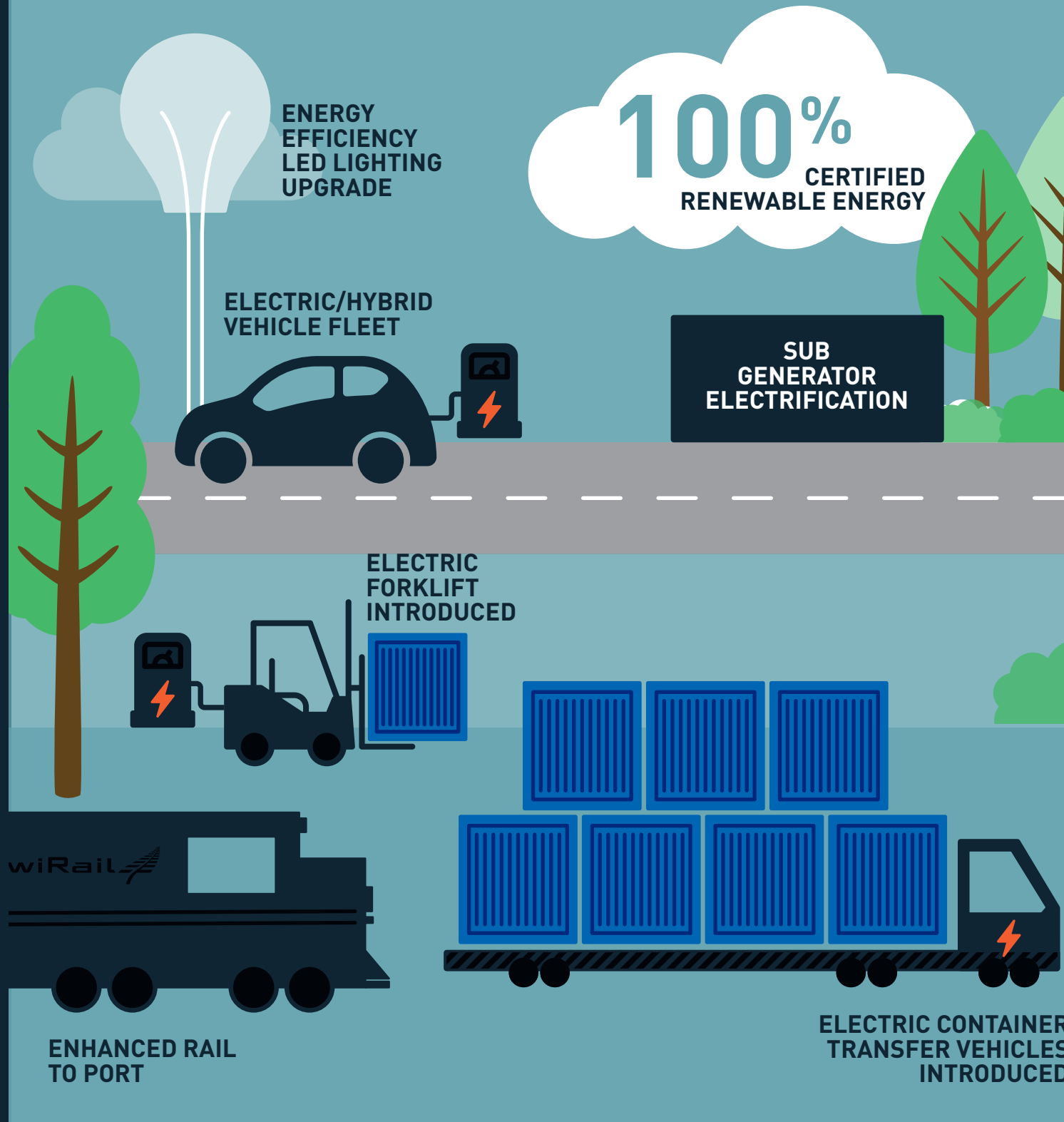


## LIGHT VEHICLES & HEAVY PLANT EQUIPMENT

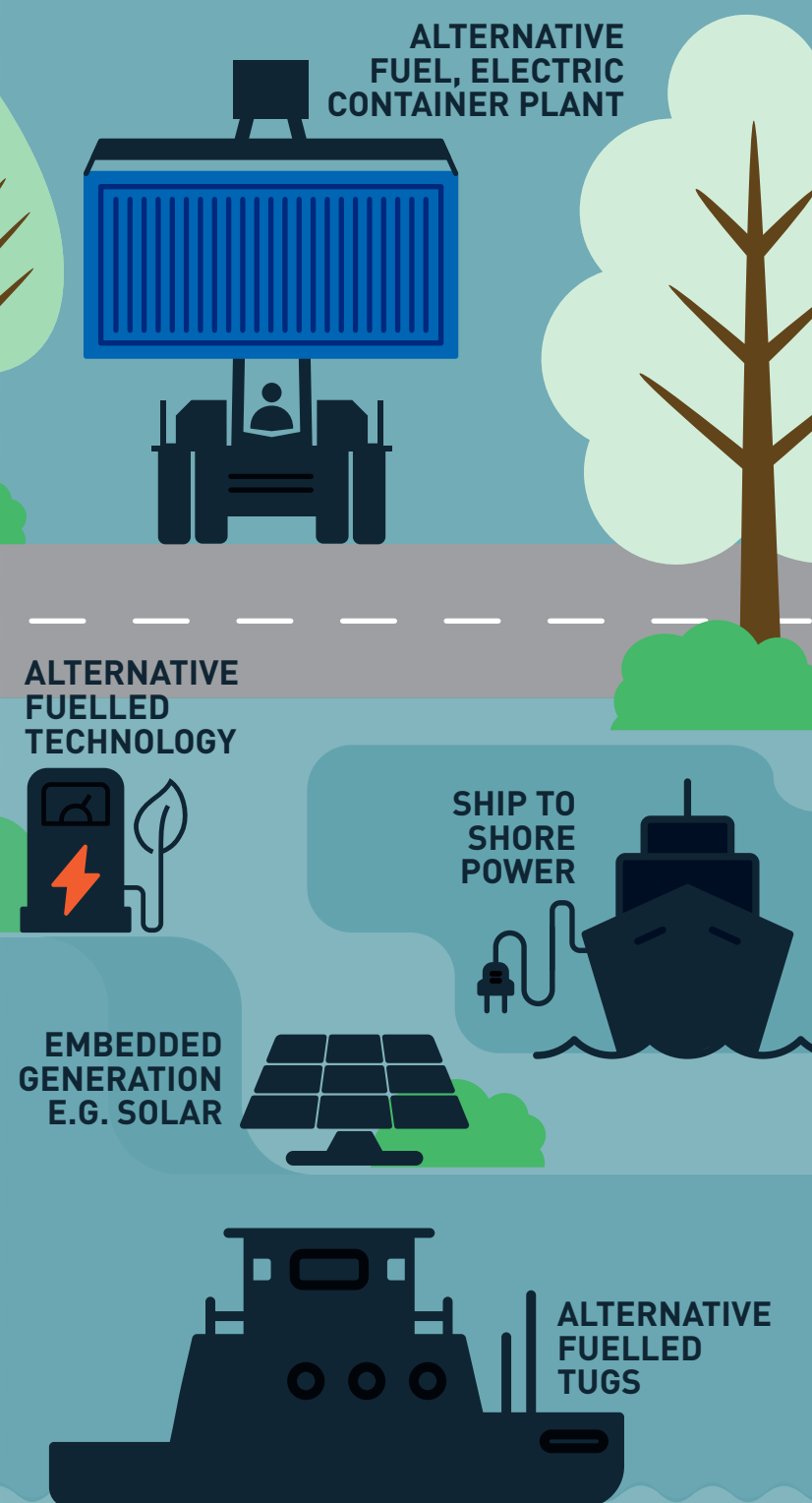
FORKLIFTS, LIGHT WORK VEHICLES & WORK PLATFORMS

## EMISSIONS REDUCTION INITIATIVES

CURRENT



FUTURE



2030 REDUCE EMISSIONS BY 30% → 2040 NET ZERO EMISSIONS





## Logs

Export volumes held up reasonably well in the face of major disruptions in the international market.

CentrePort exported 1,737,522 JAS compared to 1,841,877 in FY21 (a record high for CentrePort). COVID-19 and market conditions had a major impact on volumes, with the pandemic significantly affecting the largest export market, China.

China's continued COVID-19 elimination strategy including widespread lockdowns, severely curbed demand and dampened log prices. Increasing log inventories in China put downward pressure on prices, and local harvesting was subdued during various periods of the year.

Despite these challenges, volumes were down by just 6 percent and net revenue slightly up on the previous year. There were 103 log ship calls at port compared to 119 in FY21.

### Record vehicle imports

A record 29,098 vehicle units were imported through CentrePort this year. This was a 19 percent increase on the previous year, and a 43 percent increase compared to FY20 volumes.

The port benefited from its investment in previous years developing additional vehicle storage space and freeing up operational space for other bulk cargo activity through the removal of redundant buildings.

### Other bulk cargoes

March saw the return of fruit imports by ship to CentrePort after a seven year hiatus. The service arriving every 2-3 weeks delivers cargoes of bananas, pawpaws and pineapples.

Scrap volumes were up 37 percent on the previous year with 54,841 tonnes move through the port.

The Break Bulk team managed various challenging cargoes including a major steel discharge for KiwiRail. A total of 4107 25 metre steel rails with a combined weight over 5000 tonnes was discharged over four-and-a-half days in May.

### Cruise

There were no foreign-origin cruise vessel visits during the year due to the Government ban under COVID-19 regulations. One New Zealand-based vessel visited.

After two years of closed maritime borders the Government announced that foreign-origin cruise vessels could return without restrictions from 31 July 2022.

Prior to the COVID-19-related shutdown, CentrePort's cruise numbers had been growing year-on-year over the past decade with a record 112 visits in FY20.

# Environment and safety enhancements

A water truck was purchased and introduced in September to enhance log yard environmental maintenance. The truck was the latest step in the debris management plan following the acquisition of a sweeper truck in FY21.

The vehicle was custom designed to CentrePort requirements. The purchase gives the port enhanced flexibility and capacity for debris management as opposed to contracting the service. The vehicle also gave CentrePort staff added ownership and pride in maintaining the yard environment.

Innovative new technology was introduced by log marshalling and stevedoring company C3, with the deployment of four grapple units. The units, designed and built exclusively in New Zealand, enhance safety by eliminating worker/machine interface on the ground when loading logs.

The grapples are housed on a custom-built trailer for storage and transportation between use. The four grapples enable three-gang vessel operations, increasing capacity in addition to safety gains.





# Fuel and ferries

## Fuel

Fuel volumes were down five percent on the previous year, with 884,904 tonnes received. Volumes continued to be depressed by the impacts of COVID-19 on local demand, particularly for aviation fuel.

There was good progress on the Seaview Energy Resilience Project with the completion by fuel company partners of phase one land-based pipeline, and commencement of the wharf renewal works. (See more in the regeneration projects section.)

## Ferries

CentrePort provides the land infrastructure that supports the two interisland ferry operators – Interislander and StraitNZ Bluebridge.

The interisland ferry link is a vital component of the national logistics supply chain, and a critical lifeline, supporting the movement of \$20 billion of freight and carrying over a million passengers.

The final phase of works to enable land-side operations for StraitNZ Bluebridge following the 2016 Kaikōura earthquakes was completed with the redevelopment of the former BNZ building land. The new paved area was developed for the marshalling of heavy vehicles – freight trucks, B-trains, and oversized vehicles and provides enhanced efficiency and capacity.

The new yard allowed for the relocation of StraitNZ's activity from Interislander Wharf. This means heavy vehicles no longer must traverse the Bunny Street intersection across from the Wellington train station to enter the marshalling area, which improves public commuter safety and traffic efficiency.

CentrePort also continued renewal works on the existing Interislander assets.





# Multi-user ferry precinct and KiwiRail single user terminal development

## Multi-user ferry precinct and KiwiRail terminal

The Future Port Forum partners – Greater Wellington Regional Council, Waka Kotahi, Wellington City Council, KiwiRail, StraitNZ, and CentrePort – continued to work together with iwi partners Taranaki Whānui and Ngāti Toa to ensure a coordinated approach to the future development of Cook Strait ferry facilities in Wellington.

The Forum partners agreed on a vision that will consolidate both Cook Strait ferry services (Interislander and Bluebridge) into a single precinct at Kaiwharawhara, with direct access to State Highway One.

Through a master planning process conducted over 2021/22, the partners are developing future-proof design options for a multi-user ferry precinct at Kaiwharawhara.

In progressing this work, the forum partners were mindful of the immediate priority to ensure the timely completion of terminal facilities to service the new KiwiRail Interislander ferries from 2025 (project iReX). The preferred option will enable the delivery of KiwiRail's terminal without additional cost or delay, while maintaining flexibility so that potential future needs can be accommodated.

While the preferred precinct option will require design refinement, further work will likely be undertaken once the design process for the KiwiRail terminal is substantially completed, allowing KiwiRail to focus its attention on that project.

CentrePort is developing a business case and commercial terms for future investment to fund the development of specified assets – primarily the wharf, the gangway structure on the wharf, and new reclamations for use by KiwiRail – associated with iReX.



## Seaview Wharf renewal

CentrePort is renewing Seaview Wharf as part of the overall Seaview Energy Resilience Project being completed in partnership with fuel companies.

The Seaview Wharf and pipeline are integral to the supply of fuel to the lower North Island – stretching from Wellington up to Taranaki and Hawkes Bay. It is a designated critical lifeline asset.

The first phase of the overall project which is being led by the fuel companies is the replacement of a portion of the landside pipeline along the Seaview Marina foreshore infrastructure. This was completed in 2021.

This second phase will see the upgrade of Seaview Wharf and the pipeline from the ship berth to Point Howard. The wharf is 50 years old and a combination of age and damage from the 2016 Kaikōura earthquakes has necessitated the renewal.

The works will include repairs and strengthening of the wharf structure (wharf head and approach wharf), dolphins and walkways. This phase is expected to be completed in 2024.

Contracting partner Brian Perry Civil established the work site in February and a temporary wharf and staging area was in place by June. This will support the piling and construction work. The works are scheduled to allow for fuel tankers to continue berthing at the wharf.

Protection of the environment is a major focus. This includes a marine mammal protection programme working with the Department of Conservation. Nesting penguins were relocated away from the work site, and CentrePort partnered with local community groups, to deploy observers to monitor marine mammal activity.





## Port ground resilience

The third phase of the project, led by the fuel companies, will see the replacement of sections of pipeline between Port Road and the fuel storage terminals.

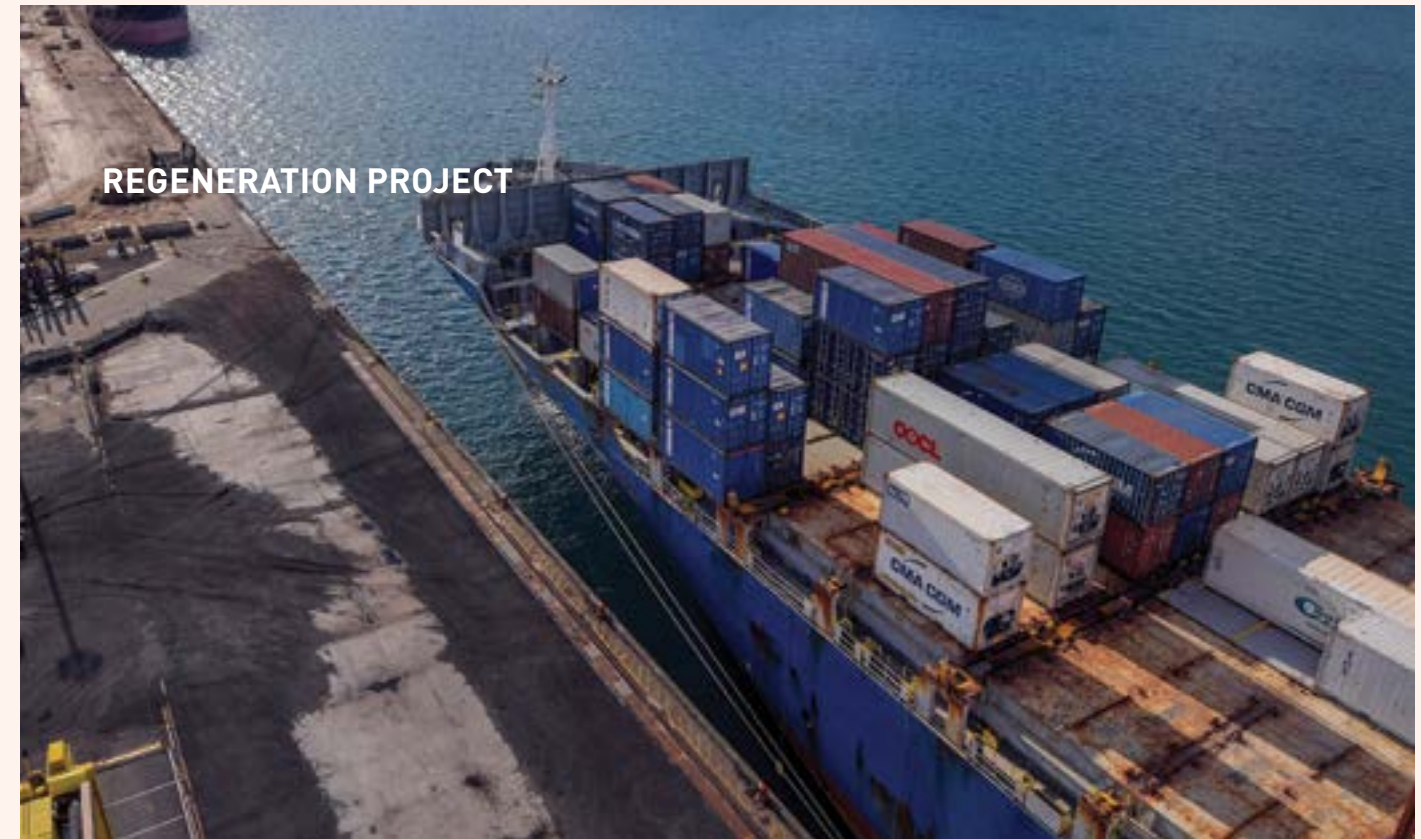
The port's ground improvement programme involves the insertion of stone column piles into port land to enhance its resilience. The programme, which began following the 2016 Kaikōura earthquakes, is key to the future resilience of the port.

The columns are being installed around the port perimeter – stretching from Aotea Quay, through Thorndon Container Wharf, along the South Road

and around to Kings Wharf. As of June 30, a total of 4,456 (44 percent) out of a planned 10,132 piles had been installed. The full programme is expected to be completed in 2024.

Completed areas to date are Kings Wharf, the former Cold Store area, areas behind Thorndon Container Wharf, and sections of South Road.

Since the work began in 2017, the aggregate used for the columns has been supplemented by recycled concrete, which was salvaged and recycled from the demolition of damaged or redundant port buildings.



## Thorndon Container Wharf Reinstatement

The reinstatement of the Thorndon Container Wharf (TCW) berth was completed and is now operational, achieving a major milestone in CentrePort's regeneration.

At 0700 on 10 March, the 262-metre berth went live, with the Tianjin Bridge the first ship to benefit from the reinstated operational length.

Representatives of the project team gathered at dawn for a blessing ceremony led by kaumātua Peter Jackson, representing the local mana whenua Taranaki Whanui.

The project has reinstated the operational length of the ship-to-shore cranes from 125 metres to 262 metres. This significantly improves capacity as the cranes can now work the entire length of the ship without having to move the vessel as previously required. The project provides additional valuable capacity to the New Zealand supply chain.

Major ground resilience works at TCW have been completed as well, enhancing this significant asset that benefits the central New Zealand economy.

The project is the culmination of several years of work after the Thorndon Container Wharf was badly damaged in the November 2016 Kaikōura earthquake. Emergency repairs completed in just 10 months restored 125 metres of berth in 2017. Following the finalisation of insurance in late 2019, the reinstatement and resilience works got underway in 2020.

The successful completion of this major project would not have been possible without the great work of CentrePort's people and partners including Holmes Construction, HEB Construction, Dixon & Dunlop, WSP and Downer.



## REGENERATION PROJECT

# Increased operational capacity

The Inner Port project will repurpose 11,000 square metres of land previously occupied by CentrePort House and Shed 35 for port operational use.

Good progress was made with over 5,000 square metres of land repurposed during the financial year. The works included removing redundant or damaged underground structures and facilities, installing stormwater services and drainage, and then paving.

The Inner Port enables growth in CentrePort's freight capacity.

## REGENERATION PROJECT

# Marlborough Logistics Supply Solution

In June CentrePort and Port Marlborough announced a partnership to provide an end-to-end supply chain solution for Marlborough shippers.

The partnership will see the establishment of a cargo hub at Riverlands near Blenheim, with road and rail links to Port Marlborough. The service will provide exporters and importers with interisland shipping links to CentrePort, connecting them to international services.

The hub will be developed over 18-24 months and is scheduled to be operational by 2024. Initial interisland shipping capacity will be 8,000 TEU per annum, with projections of 20,000 TEU in the future.



A total of seven hectares of the 32-hectare site will be used for the hub with the remainder made available to prospective parties.

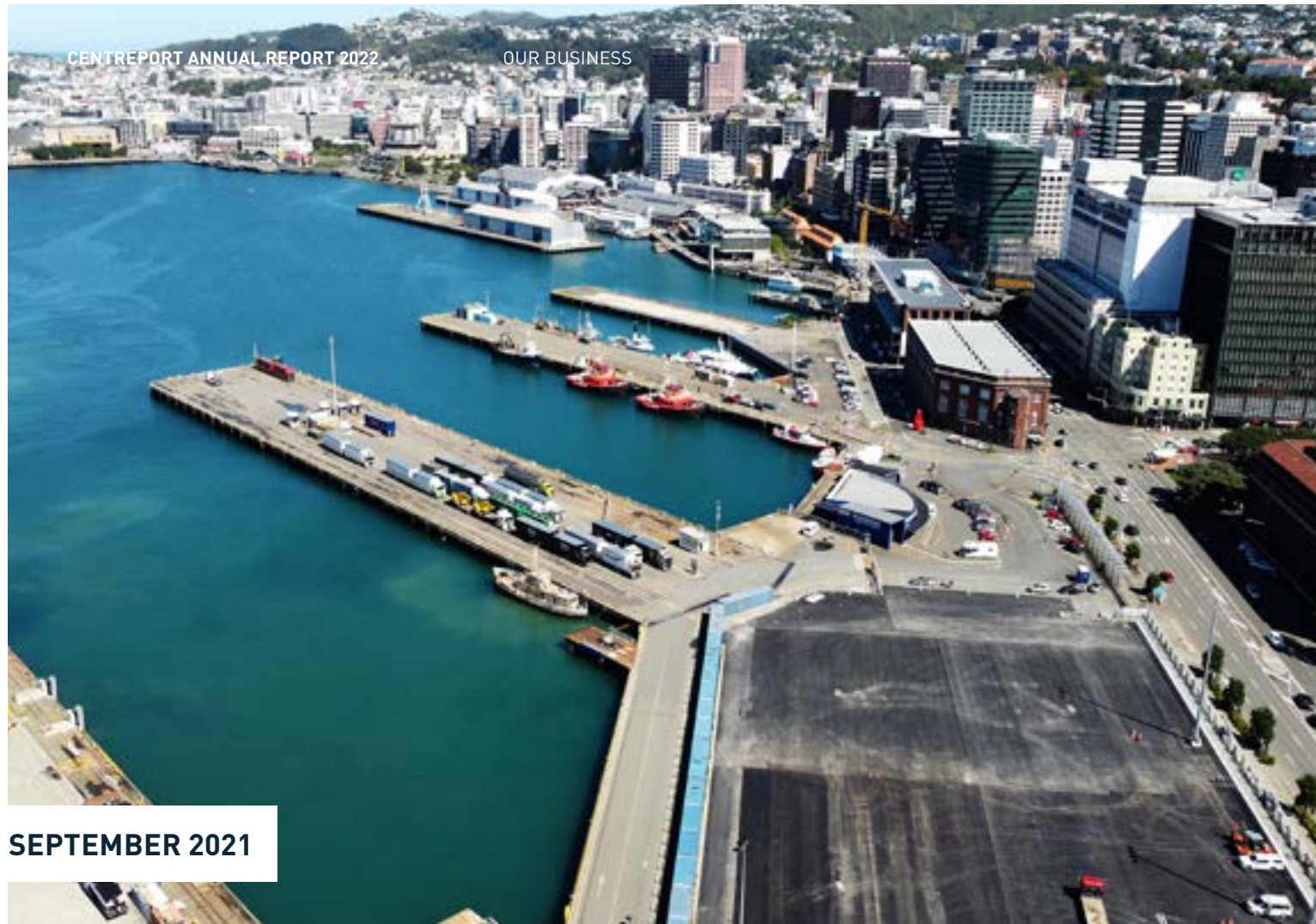
The new service will enhance resilience in the supply chain and provide increased capacity and options for customers. The extreme weather events in 2022, which cut off SH6 and access to Port Nelson for several days, was a stark example of the fragility of the current supply chain.

The new venture was welcomed by the Marlborough District Council, Wine Marlborough and Greater Wellington Regional Council.

*"This new partnership between Port Marlborough and CentrePort will build on logistics infrastructure in place at Riverlands and will be welcomed and utilised by the regions wine producers. Alongside this, the commercial and environmental benefits from increased two-way freight services are very important to our industry."*

**WINE MARLBOROUGH**  
GENERAL MANAGER, MARCUS PICKENS





SEPTEMBER 2021



NOVEMBER 2021

## REGENERATION PROJECT

# StraitNZ Bluebridge landside operations development

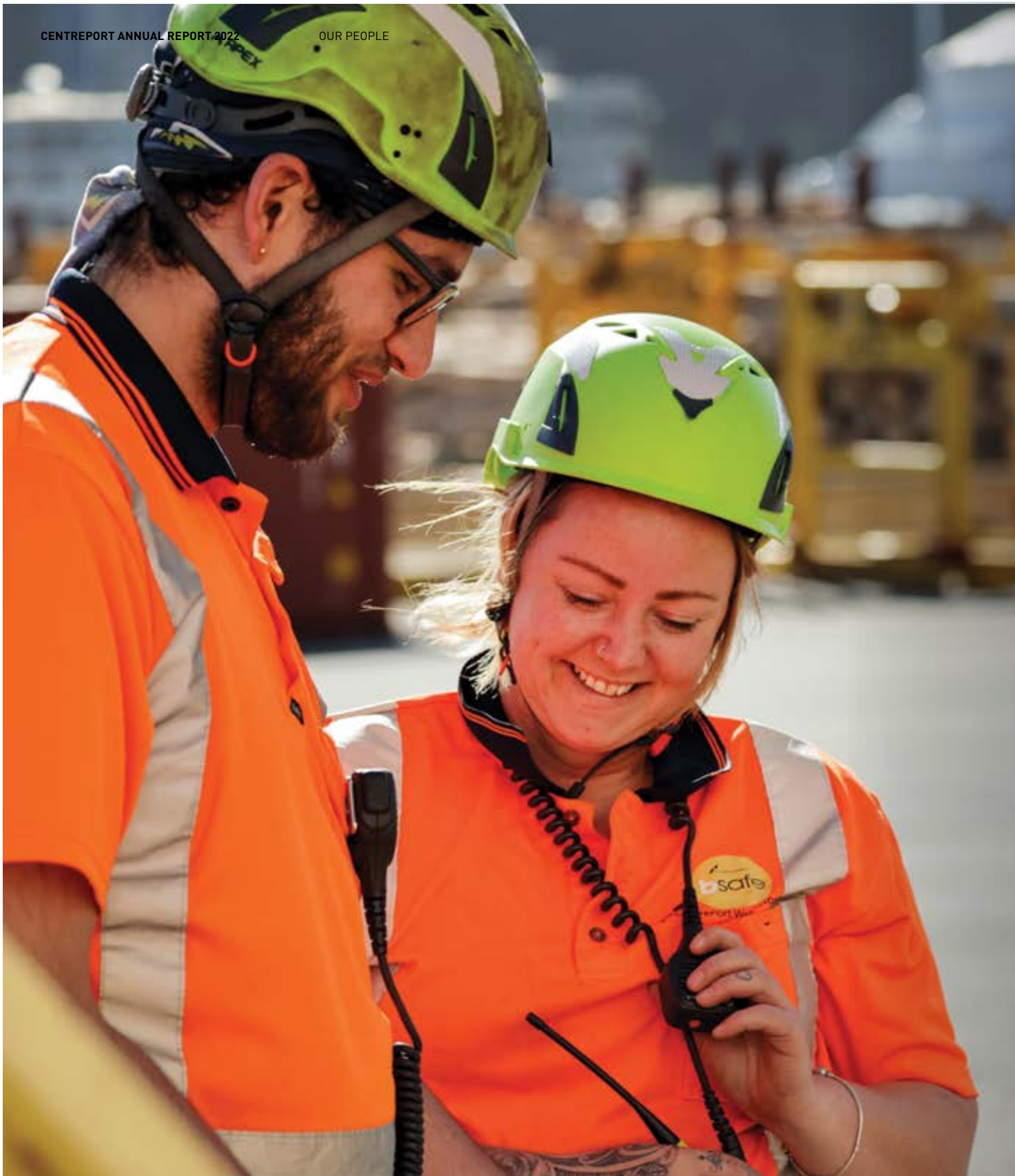
The redevelopment of the land previously occupied by the former BNZ building was completed and handed over to StraitNZ Bluebridge operations in November.

The redevelopment marked the end of works spanning five years to provide a landside operations solution for StraitNZ Bluebridge following the disruptions caused by the 2016 Kaikōura earthquakes. Deconstruction of the former BNZ building began in 2019, with hard demolition underway in 2020. The site was then levelled and paved.

The site is now used as a marshalling area for freight trucks, B-trains, and oversized vehicles waiting to board the StraitNZ Bluebridge ferry service.

The new facility has relocated marshalling activity from Interislander Wharf, removing truck movements from the Bunny Street intersection, which has benefitted traffic flows and improved safety.

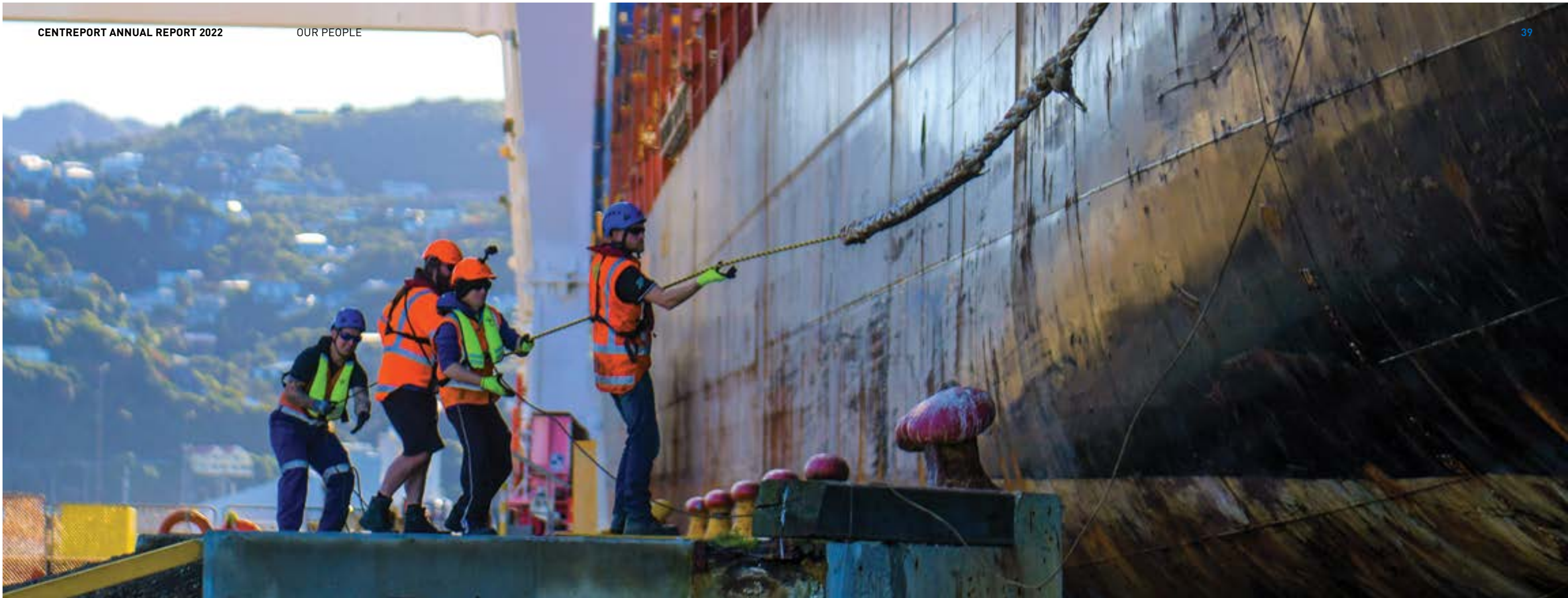




# 4

Our people  
Tā tātou iwi





## Wellness

The physical and mental wellbeing of our people is important to CentrePort. Being fit to work not only benefits the individual but enhances safety and cohesion across teams.

CentrePort ran a range of initiatives to support wellness.

CentrePort uses the Employee Assistance Programme (EAP), Benestar, which provides staff counselling and health and wellbeing information.

A fully equipped permanent gym situated in Shed 39 was opened in October. The facility replaced a temporary gym. The gym is available 24 hours a day and all users are provided with induction/guidance sessions.

## Training

CentrePort has a comprehensive training programme covering health and safety and job skills. The training includes task-related instruction, required licence and operating certificates, and professional development.

CentrePort continued to invest in new ways of learning for our people. These included:

- Virtual Reality technology. The equipment was used for a working-at-heights refresher course. Other topics such as 'Working in confined spaces' are planned.
- Online Learning Management System (LMS): Following a six-month trial, an online training tool accessed through the CentrePort intranet 'OurPort', was rolled out across the business. The system provides users with access to training materials, course information and training calendars. The LMS helps ensure our people are up to date with compliance requirements, and encourages them to explore new roles and skills.



# 5

## Community partnerships Nga hononga hapori







## Community partnerships

The community is one of the pillars of CentrePort's regeneration. This year CentrePort was proud to partner with and support the following organisations and initiatives:

- **The Zealandia Sanctuary to Sea Project:** CentrePort became a formal partner with Zealandia in its Sanctuary to Sea project in April 2021, entering into a Memorandum of Understanding across a range of initiatives. The project is focused on the ecological restoration of the Kaiwharawhara Stream catchment, which extends from Zealandia to the Kaiwharawhara estuary at the port.
- **Royal Port Nicholson Yacht Club's CentrePort International Youth Match Racing Championship:** As a foundation sponsor of the event, CentrePort has partnered with the Youth Sailing Trust for 19 years. Some of New Zealand's best up-and-coming sailors – and a few Aussies – compete in the regatta, battling it out on Wellington Harbour thanks to CentrePort. The 2022 CentrePort Youth International Racing Championships were held from May 25-29, with the Cruising Yacht Club of Australia taking the honours.
- **ExportNZ Wellington Export Awards.** While the 2021 event was cancelled due to COVID-19, our support has been renewed for FY23.
- **Hikitea floating crane restoration project**
- **Wellington City Council Matariki ki Pōneke fireworks display**
- **Wellington City Mission**
- **Southern Cochlear Implant Programme.**



# 6

## Financials and governance Te pūtea me te kawanatanga





# Governance

## Approach to corporate governance

The CentrePort Limited Board of Directors is committed to following best practice in governance policy and behaviour.

Our policies are tested against applicable standards in the NZX Corporate Governance Code. While the code is for listed public companies, our Board's governance practices adhere to the standards where relevant.

In addition, CentrePort's directors support the principles set out in the Code of Practice for Directors, issued by the Institute of Directors in New Zealand. While the code expresses principles rather than detailed behaviours, our directors undertake to follow the high standards of behaviour and accountability supported by the code.

## Board of Directors

The Board is elected by shareholders. The Port Companies Act 1988 and the Companies Act 1993 govern the relationship between CentrePort Limited and its shareholders.

## Role and responsibilities of the Board

The Board has a statutory responsibility for the affairs and activities of CentrePort Limited and its subsidiary companies. To support the board in its responsibilities, the CE and management team at CentrePort carry out the day-to-day leadership and management of the company.

Key areas of responsibility that remain with the Board are:

- setting the direction, strategies and performance benchmarks of the company
- monitoring progress and delivering results
- approving strategies, business plans and budgets
- monitoring compliance with statutory requirements
- safeguarding and growing the value of CentrePort Limited's assets.

## Board composition

The Board continually reviews its size, composition and breadth of experience and expertise.

Procedures for the operation of the Group are governed by the company's constitution. Under this constitution, the Board must consist of between six and nine directors.

Shareholders appoint directors by ordinary resolution or by written notice to the company, which must be signed by both shareholders in the company. Not more than two members or employees of the shareholders may hold office as directors.

Each year one-third of the Board membership is required to retire by rotation at the annual general meeting. The directors to retire are determined by their length of service in office since their last election or appointment. In addition, anyone who has been a director for more than three years is required to retire. Retired directors are eligible for re-election.

## Conflicts of interest

Directors must declare any conflicts of interest that exist between their duty to CentrePort Limited and their personal interests. The company maintains an interests register detailing disclosures of any conflicts of interest.

This year directors disclosed where they had a conflict of interest with companies the Group carried out business with. Transactions with these companies took place under usual commercial terms and at arm's length from the conflicted directors. Details of the specific interests that individual directors had in transactions were entered in the interests register.

## Board meetings

The Board met ten times during the year.

Directors receive papers and regular management reports for consideration in advance of meetings. They also have unrestricted access to company records and information.

Company executives are regularly involved in Board deliberations and directors have opportunities for contact with a wider group of employees, including visiting the Group's operations.

## Board committees

Three Board committees assist in the execution of the Board's responsibilities, and each is subject to a defined charter:

1. Audit and Risk Committee
2. Remuneration Committee
3. Health, Safety and Environmental Committee.

Other ad hoc committees are established as required. The committees have a number of scheduled meetings to achieve their charter objectives. The committees make recommendations to the Board and only exercise the Board's decision-making powers when they have specific delegated powers to do so.



## Audit and Risk Committee

### Members as at 30 June 2022

S Haslem (Chair), L Johnstone, M Lewington, C Day.

### Number of meetings held

This committee met four times during the year.  
The external auditors attended four meetings.

### Principal function

The Audit and Risk Committee assists the Board in fulfilling its duties and responsibilities relating to:

- Financial reporting and regulatory compliance
- Taking reasonable steps necessary to safeguard the Group's assets, and to prevent and detect fraud and other irregularities
- Reviewing treasury risk management controls.

The Audit and Risk Committee assists the Board to fulfil the above responsibilities by:

- Considering the adequacy of the form and content of published financial statements
- Determining whether accounting policies adopted by the Group are appropriate, consistently applied and adequately disclosed
- Ensuring that significant estimates and judgements made are reasonable and prudent, and that all applicable financial reporting standards have been followed
- Ensuring that the Group keeps proper accounting records that disclose, with reasonable accuracy, the financial position, results of operations and cash flows of the company and the Group.
- Continually reviewing the effectiveness of the Group's policies, practices, procedures and systems of internal control and risk management.
- Meeting with the external auditors to:
  - discuss the adequacy of internal controls and any areas of concern
  - examine any recommendations made by the auditors for improvement.

## Remuneration Committee

### Members as at 30 June 2022

N Crauford (Chair), L Johnstone, Chris Day.

### Number of meetings held

This committee met three times during the year.

### Principal function

The Board is responsible for:

- Establishing and maintaining the integrity of remuneration practices in a way that supports the achievement of the company's business goals
- Ensuring that remuneration practices at all times seek to improve the performance of individual employees, the organisation and the teams that comprise it

The Remuneration Committee assists the Board to fulfil the above responsibilities by:

- Reviewing the company's remuneration policies and practices to ensure they develop, motivate and reinforce high levels of performance in a way that promotes the trust and understanding of the company's employees
- Monitoring compliance with remuneration legislation and case law
- Reviewing with management the company's performance review and incentive system
- Considering detailed recommendations for the remuneration of executive management to ensure they are appropriate
- Reviewing succession planning and talent management plans and staff engagement surveys.

## Health, Safety and Environmental Committee

### Members as at 30 June 2022

L Johnstone (Chair), S Haslem, W Tauwhare-George

### Number of meetings held

This committee met four times during the year.

### Principal function

The Board has ultimate accountability for ensuring, so far as is reasonably practicable, the health and safety of workers and others affected by CentrePort's business and undertakings, and ensuring the company's compliance with health, safety and environmental laws, regulations and ethics.

The Health, Safety and Environmental Committee assists the Board to fulfil these responsibilities by:

- Monitoring compliance with the Board's safety and environmental policies, health, safety and environmental legislation, and case law.
- Reviewing with management:
  - the company's hazard analysis and accident prevention systems
  - work practices, by visiting the Group's operations to determine that work is conducted in a safe and hazard-free manner
  - the implementation of new systems and procedures to enable all activities to be carried out in a safe and environmentally responsible way
  - the implementation of the Group's strategic objectives for quality as identified in the strategic plan.
- Coordinating with other agencies, customers and stakeholders to monitor environmental and disaster risks, including ensuring appropriate emergency response plans.



# Board of Directors

\*Nicki Crauford resigned as a director on 30 August 2022.



**Lachie Johnstone**

CHAIR



**Sophie Haslem**

DEPUTY CHAIR



**Warwick Tauwhare George**

DIRECTOR



**Chris Day**

DIRECTOR



**Martin Lewington**

DIRECTOR

# Executive Team



**Anthony Delaney**

CHIEF EXECUTIVE



**Andrew Locke**

GENERAL MANAGER  
COMMERCIAL,  
BREAK BULK



**Andrew Steele**

GENERAL MANAGER  
FERRIES AND BULK



**Jason Sadler**

CHIEF FINANCIAL OFFICER



**Paul Terry**

GENERAL MANAGER  
INFRASTRUCTURE



**Megan Elmiger**

GENERAL MANAGER PEOPLE,  
SAFETY AND CULTURE



**Stefan Reynolds**

GENERAL MANAGER  
CONTAINER SERVICES



## 2022 Results Overview

### Statement of Comprehensive Income for the year ended 30 June 2022

	2022 \$'000	2021 \$'000
<b>CONTINUING OPERATIONS</b>		
Revenue from Contracts with Customers	65,199	61,871
Other Revenue	18,987	18,317
Operating Revenue	84,186	80,188
Operating Expenses	(77,352)	(73,935)
<b>Results from Operating Activities</b>	<b>6,834</b>	6,253
Finance Expenses	(410)	(238)
Finance Income	2,992	4,041
Net Interest Income / (Expense)	2,582	3,803
Share of Profit / (Loss) of Investments Using the Equity Method	1,260	-
Net Gain / (Loss) on Disposal of Assets	88	1,119
Demolition Costs	(468)	(1,181)
Earnings Before Interest, Tax and Fair Value Adjustments	10,296	9,994
<b>Changes in Fair Values</b>		
Impairment of Property, Plant and Equipment, Goodwill, and Software	(21,000)	-
Increase / (Decrease) in Fair Value of Investment Property	4,842	(1,998)
Increase / (Decrease) in Fair Value of Property, Plant and Equipment	(107)	(263)
	(16,265)	(2,261)
<b>Profit / (Loss) before Income Tax</b>	<b>(5,969)</b>	7,733
Income Tax (Expense) / Benefit	27,636	(25,514)
<b>Net Profit/(Loss) After Tax from Continuing Operations</b>	<b>21,667</b>	(17,781)
<b>Other Comprehensive Income</b>		
Increase in the Value of Port Land after Tax	10,167	7,010
Adjustment to Fair Value for Land Resilience Impact	2,487	7,899
Share of Net Change in Revaluation Reserve of Joint Ventures	813	-
Other Comprehensive Income / (Loss) for the year	13,467	14,909
<b>Total Comprehensive Income, Net of Tax</b>	<b>35,134</b>	(2,872)

### Reconciliation to Underlying Net Profit After Tax (Non GAAP measure)

The table below presents a reconciliation of the Total Comprehensive Income for the year, net of Tax of \$35.1m as disclosed in the audited Statement of Comprehensive Income to the Underlying Net Profit After Tax (Underlying NPAT) of \$8.0m. The Underlying NPAT is Management's view of the underlying performance of the Group. The Underlying NPAT removes Changes in Fair Value, Abnormal Items and the tax impact of these items from the Total Comprehensive Income for the year net of Tax.

	2022 \$'000	2021 \$'000
<b>Total Comprehensive Loss/Income for the year, net of Tax</b>	<b>35,134</b>	(2,872)
<i>Earthquake related items</i>		
Less/Add Adjustments to Fair Value for Land Resilience Impact	(2,487)	(7,899)
<i>Abnormal Items</i>		
Add Demolition Costs	468	1,181
Less Gain on Sale of Land	-	(1,398)
Less Abnormal Employee Costs	-	(389)
Add Impairment of Property, Plant and Equipment, Goodwill and Software	21,000	-
Adjustment for Income Tax on Earthquake and Abnormal Items	(30,354)	23,313
<i>Changes in Fair Value</i>		
Add Decrease/Less Increase in Fair Value of Investment Property (Profit or Loss)	(4,842)	1,998
Add Decrease in Fair Value of Property, Plant and Equipment (Profit or Loss)	107	263
Less Increase in Fair Value of Port Land (OCI)	(10,167)	(7,010)
Less Increase in Fair Value of Joint Venture (OCI)	(813)	-
<b>Underlying Net Profit After Tax</b>	<b>8,046</b>	7,185



## 2022 Results Overview

### Performance against Statement of Corporate Intent

	Unit	FY22	Target	FY21
Earnings Before Interest and Tax (1)	\$m	\$8.2	\$11.6	\$5.6
Underlying Net Profit After Tax (2)	\$m	\$8.0	\$9.8	\$7.2
Dividend	\$m	\$6.0	\$6.0	\$20.0
Return on Assets (3)	%	1.6%	2.4%	1.1%
Return on Equity (4)	%	1.8%	2.2%	1.6%
Dividend Distribution as a % of Underlying Net Profit After Tax (2)	%	74.6%	61.1%	278.4%
Underlying Net Profit After Tax per share (2)	\$	\$0.34	\$0.42	\$0.31
Dividend per share	\$	\$0.26	\$0.26	\$0.85
Net Assets per share	\$	\$19.71	\$18.98	\$18.47

1. Earnings Before Interest and Tax is expressed as Total Comprehensive Income for the year, net of Tax before Changes in Fair Value, Abnormal Items (refer page 53), Interest, and Tax.
2. Underlying Net Profit After Tax is reconciled to Total Comprehensive Income for the year, net of Tax on page 53.
3. Return on Assets equals Earnings Before Interest and Tax / Average Opening and Closing Non current Assets plus Cash and Cash Equivalents and Short Term Investments.
4. Return on Equity equals Underlying Net Profit After Tax / Average Opening and Closing Total Equity.

The Statement of Corporate Intent (SCI) Targets are from the SCI for the financial years ended 30 June 2022 to 2024 which was approved for issue in May 2021. These targets are non GAAP measures.

### Five Year Trends

	2022 \$'000	2021 \$'000	2020 \$'000	2019 \$'000	2018 \$'000
Operating Revenue	84,186	80,188	84,896	84,639	73,800
Underlying Net Profit After Tax	8,046	7,185	14,653	17,566	11,828
Total Comprehensive Income for the year, net of Tax	35,134	(2,872)	157,093	72,933	38,094
Total Non-current Assets	340,107	286,981	217,466	192,237	222,154
Total Term Borrowings	11,000	7,500	-	-	-
Total Equity	461,808	432,674	455,464	303,371	234,438
	2022	2021	2020	2019	2018
Dividends Declared per Share	\$0.26	\$0.85	\$0.21	\$0.17	\$0.09
Net Assets Backing per Share	\$19.71	\$18.47	\$19.44	\$12.95	\$10.00
Gearing Ratio (Debt to Debt plus Equity)	2%	2%	-	-	9%



## Summarised Financial Statements

For the year ended 30 June 2022

### CentrePort Limited Group Summary Financial Statements

The summary financial statements of CentrePort Ltd Group for the year ended 30 June 2022 on pages 56 to 65 have been extracted from the full financial statements. The summary financial statements have been prepared in accordance with FRS 43: Summary Financial Statements. The full financial statements of the Group have been prepared in accordance with Generally Accepted Accounting Practice and they comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS). The Group has made an explicit and unreserved statement of compliance with International Financial Reporting Standards in note 1 of its full financial statements.

The summary financial statements are represented in New Zealand dollars and all values are rounded to the nearest one thousand dollars (\$000).

The full financial statements for the year ended 30 June 2022 were authorised for issue by the Board of Directors on 31 August 2022 and have been audited with an unmodified audit opinion issued. The full financial statements are available from the CentrePort website [www.centreport.co.nz](http://www.centreport.co.nz) or CentrePort offices at Shed 39, 2 Fryatt Quay, Wellington.

The summary financial statements were authorised for issue on 31 August 2022.

The summary financial statements cannot be expected to provide as complete an understanding as provided by the full financial statements of the Group.

#### Income Tax Adjustment

During the year, CentrePort finalised its binding ruling with Inland Revenue to confirm the key assumptions underpinning the tax treatment of the insurance proceeds from the 2016 Kaikōura earthquake.

Last year Inland Revenue disagreed with the classification of specific assets deemed to be disposed, which resulted in an additional income tax expense of \$23.5m which was recognised in the 30 June 2021 result. An alternative tax treatment was subsequently agreed with Inland Revenue and included in the finalised binding ruling, resulting in a reversal of this income tax expense adjustment.

#### Land Resilience

An adjustment of \$27.8m (2021: \$43.6m) has been made to the fair value of land to recognise the resilience work that needs to be undertaken to support the land valuation. There is a level of uncertainty attached to the amount of adjustment to be recognised for port land resilience.

This uncertainty includes the appropriate level of resilience required for each area of land, the range of potential technical solutions available to provide the desired level of resilience, and the cost of each potential solution.

#### Impairment

Significant capital expenditure was incurred in the current year in relation to the regeneration programme which is expected to continue for several years in the future. The increase in the fixed assets of the port operations cash generating unit (CGU) increases the risk that the net assets of the CGU (including the balance of goodwill) may be higher than its recoverable amount. CentrePort has assessed that its assets which are subject to impairment testing are within one CGU with the exception of Direct Connect Container Services Limited, Dixon & Dunlop Limited and Marlborough Inland Hub Limited. This means that all assets work together to generate cash flows. The key premise of this assumption is that the harbour enables the port to exist.

To assess the port operations cash generating unit including goodwill for impairment, the recoverable amount was determined through applying the fair value less cost of disposal method. The fair value is determined through the income approach as allowed by NZ IFRS 13 Fair Value Measurements, in which the estimated future cash flows over the next 30 years are discounted to a present value. Estimated future cash flows are based on past experiences and factor in the current disruption to the global and local supply chains.

An impairment assessment was calculated for the port operations cash generating unit and it was concluded that there was an impairment of \$21.0m to recognise, and therefore, the impairment was first allocated to goodwill (\$2,675k) and the remainder to non current assets valued at cost Property, Plant and Equipment (\$18,288k) and Software (\$37k). The recoverable amount was calculated based on three scenarios. The lower cargo volume scenario was selected as managements best estimate due to the current uncertainty surrounding the economic outlook and supply chains.

The discount rate applied by CentrePort to calculate the recoverable amount has increased to 7.4% from 6.4% a year ago largely due to an increase in the risk free rate based on long term New Zealand Government bond yields. The increase in the discount rate has resulted in a decrease to the estimated recoverable amount to an extent that it is appropriate that a \$21m write down should be recognised in the current year.





## Summarised Financial Statements

For the year ended 30 June 2022

The key assumptions in the impairment model and related sensitivity are as follow:

Assumption	Value of assumption	% Change in assumption	\$ value impact of change in assumption on the valuation model
Weighted average cost of capital (discount rate)	7.4%	+0.4%	-\$39m
		-0.4%	+\$40m
Terminal growth rate	2.0%	+0.2%	+\$7m
		-0.2%	-\$6m
Indexation	2.0%	+0.2%	+\$23m
		-0.2%	-\$22m
Revenue throughout forecast period		+5.0%	+\$76m
		-5.0%	-\$76m
Forecasted Capital Expenditure throughout forecast period		+5.0%	-\$26m
		-5.0%	+\$26m

Whilst not included in the key assumptions table the following other key assumptions are also included in the model:

- Forecasted sales volumes and prices for containers, logs, fuel, and cruise ships
- Cost of disposal of the CGU
- Operating costs of the CGU

All inputs contained in the model are classified as Level 3 fair value measurements.

### Dividend

An interim dividend of \$3.0m was paid on 25 February 2022 (2021: \$2.5m), second interim dividend of \$3.0m was paid on 29 June 2022 (2021: \$2.5m) and no special dividend was paid (2021: \$15.0m).

### Subsequent Events

There were no other subsequent events up to the date of these financial statements which would affect the amounts or disclosures in the financial statements.



## Summarised Statement of Comprehensive Income

For the year ended 30 June 2022

	2022 \$'000	2021 \$'000
<b>CONTINUING OPERATIONS</b>		
Revenue from Contracts with Customers	65,199	61,871
Other Revenue	18,987	18,317
Operating Revenue	84,186	80,188
Operating Expenses	(77,352)	(73,935)
<b>Results from Operating Activities</b>	<b>6,834</b>	6,253
Finance Expenses	(410)	(238)
Finance Income	2,992	4,041
Net Interest Income / (Expense)	2,582	3,803
Share of Profit of Investments Using the Equity Method	1,260	–
Net Gain / (Loss) on Disposal of Assets	88	1,119
Demolition Costs	(468)	(1,181)
	10,296	9,994
<b>Changes in Fair Values and Impairments</b>		
Impairment of Property, Plant and Equipment, Goodwill and Software	(21,000)	–
Increase / (Decrease) in Fair Value of Investment Property	4,842	(1,998)
Increase / (Decrease) in Fair Value of Property, Plant and Equipment	(107)	(263)
	(16,265)	(2,261)
<b>Profit / (Loss) before Income Tax</b>	<b>(5,969)</b>	7,733
Income Tax Benefit / (Expense)	27,636	(25,514)
<b>Profit / (Loss) for the Year from Continuing Operations</b>	<b>21,667</b>	(17,781)
<b>Other Comprehensive Income (OCI)</b>		
Increase in the Value of Port Land after Tax	10,167	7,010
Adjustment to Fair Value for Land Resilience Impact after Tax	2,487	7,899
Share of Net Change in Revaluation Reserve of Joint Ventures	813	–
Other Comprehensive Income / (Loss) for the year	13,467	14,909
<b>Total Comprehensive Income / (Loss) for the Year, net of Tax</b>	<b>35,134</b>	(2,872)

## Summarised Statement of Changes in Equity

For the year ended 30 June 2022

### Attributable to equity holders of the Company

	Share Capital \$'000	Revaluation Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
<b>Balance as at 1 July 2020</b>	30,000	9,402	416,062	455,464
Loss for the Year from Continuing Operations	–	–	(17,781)	(17,781)
Increase / (Decrease) in Value of Port Land after Tax	–	7,010	–	7,010
Adjustment to Fair Value for Land Resilience Impact	–	7,899	–	7,899
Other Adjustments	–	83	–	83
Dividends	–	–	(20,000)	(20,000)
<b>Balance as at 30 June 2021</b>	30,000	24,393	378,281	432,674

	Share Capital \$'000	Revaluation Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
<b>Balance as at 1 July 2021</b>	30,000	24,393	378,281	432,674
Profit for the Year from Continuing Operations	–	–	21,667	21,667
Increase / (Decrease) in Value of Port Land after Tax	–	10,167	–	10,167
Adjustment to Fair Value for Land Resilience Impact	–	2,487	–	2,487
Share of Other Comprehensive Income / (Loss) of Associates	–	813	–	813
Dividends	–	–	(6,000)	(6,000)
<b>Balance as at 30 June 2022</b>	30,000	37,860	393,948	461,808



## Summarised Balance Sheet

For the year ended 30 June 2022

	2022 \$'000	2021 \$'000
<b>EQUITY</b>	<b>461,808</b>	432,674
Represented by:		
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	141,620	192,113
Trade and Other Receivables	12,200	10,275
Inventories	3,318	2,913
Current Tax Receivables	475	-
Investment in Commercial Paper	19,461	19,902
<b>Total Current Assets</b>	<b>177,074</b>	225,203
<b>Non-current Assets</b>		
Property, Plant and Equipment	254,138	218,409
Investment Properties	62,617	55,493
Investments in Joint Ventures	12,818	-
Goodwill	-	2,675
Loans and Advances to Joint Ventures	7,670	7,753
Software	350	506
Right of use Assets	2,514	2,145
<b>Total Non-current Assets</b>	<b>340,107</b>	286,981
<b>Total Assets</b>	<b>517,181</b>	512,184

## LIABILITIES

### Current Liabilities

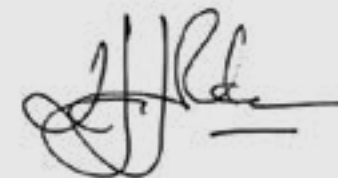
Trade and Other Payables	12,289	11,216
Borrowings	11,000	7,500
Provision for Employee Entitlements	3,659	3,176
Current Tax Liabilities	-	2,198
Lease Liabilities	160	104
<b>Total Current Liabilities</b>	<b>27,108</b>	24,194

### Non-current Liabilities

Provision for Employee Entitlements	163	167
Deferred Tax Liabilities	25,616	53,029
Lease Liabilities	2,486	2,120
<b>Total Non-current Liabilities</b>	<b>28,265</b>	55,316
<b>Total Liabilities</b>	<b>55,373</b>	79,510

<b>NET ASSETS</b>	<b>461,808</b>	432,674
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For and on behalf of the Board of Directors



L Johnstone  
Chairman

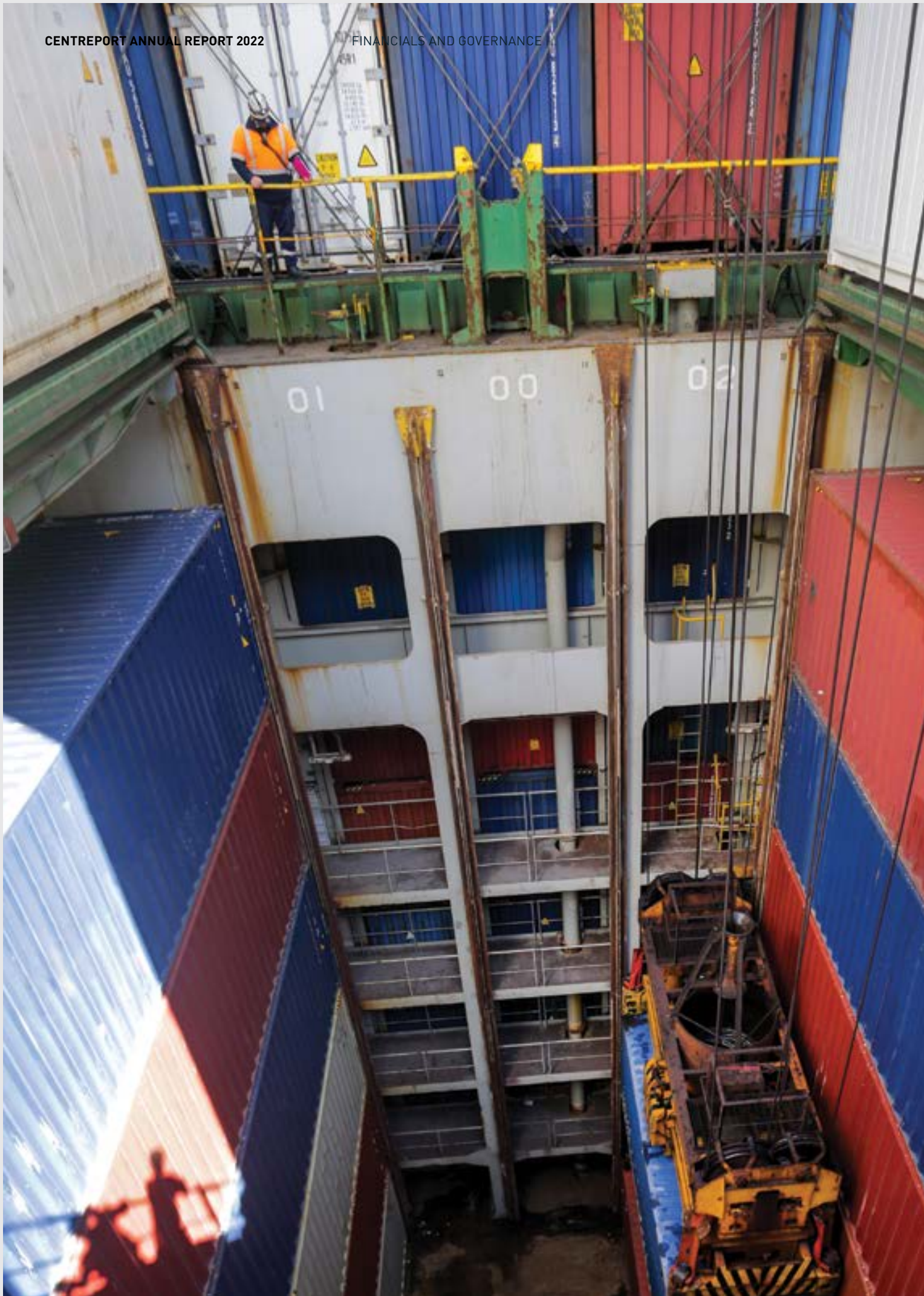
31 August 2022



S Haslem  
Director

31 August 2022





## Summarised Statement of Cash Flows

For the year ended 30 June 2022

	2022 \$'000	2021 \$'000
<b>Cash Flows from / (used in) Operating Activities</b>		
Receipts from Customers	83,648	81,371
Payments to Suppliers and Employees	(67,220)	(70,729)
Interest Income Received	2,538	5,526
Interest Expense Paid	(327)	(158)
Income Taxation Paid	(2,450)	(2,509)
<b>Net Cash Flows from / (used in) Operating Activities</b>	<b>16,189</b>	<b>13,501</b>
<b>Cash Flows from / (used in) Investing Activities</b>		
Proceeds from Sale of Property, Plant and Equipment	113	4,899
Purchase of Property, Plant and Equipment	(51,496)	(53,011)
Development of Investment Properties	(2,340)	(2,797)
Investment in Joint Ventures	(10,845)	-
Dividend Received	100	-
Purchase of Investment in Commercial Paper	(19,461)	(19,902)
Realisation of Investment in Commercial Paper	19,902	19,726
Loans and Advances to Joint Ventures	-	(7,680)
<b>Net Cash Flows from / (used in) Investing Activities</b>	<b>(64,027)</b>	<b>(58,766)</b>
<b>Cash Flows from / (used in) Financing Activities</b>		
Drawdown of Borrowings	3,500	7,500
Repayment of Lease Liabilities	(155)	(172)
Dividends Paid to Shareholders of the Parent	(6,000)	(20,000)
<b>Net Cash Flows from / (used in) Financing Activities</b>	<b>(2,655)</b>	<b>(12,672)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>(50,493)</b>	<b>(57,937)</b>
Cash and Cash Equivalents at the Beginning of the Year	192,113	250,050
<b>Cash and Cash Equivalents at End of Year</b>	<b>141,620</b>	<b>192,113</b>





**INDEPENDENT AUDITOR'S REPORT  
TO THE READERS OF CENTREPORT LIMITED'S GROUP  
SUMMARY FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2022**

The Auditor-General is the auditor of CentrePort Limited Group (the "Group"). The Auditor-General has appointed me, James Shepherd, using the staff and resources of Deloitte Limited, to carry out the audit of the consolidated summary financial statements ("the summary financial statements") of the CentrePort Limited Group on his behalf.

**Opinion**

The summary financial statements of the Group, which comprise the summarised balance sheet as at 30 June 2022, the summarised statement of comprehensive income, summarised statement of changes in equity and summarised statement of cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of the Group for the year ended 30 June 2022.

In our opinion, the summary financial statements, on pages 56 to 65, are consistent, in all material respects, with the audited consolidated financial statements for the year ended 30 June 2022, in accordance with FRS-43: *Summary Financial Statements* issued by the New Zealand Accounting Standards Board.

**Summary financial statements**

The summary financial statements do not contain all the disclosures required by New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report.

The summary financial statements and the audited consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our auditor's report on the audited consolidated financial statements.

**The audited consolidated financial statements and our audit report thereon**

We expressed an unmodified audit opinion on the audited consolidated financial statements for the year ended 30 June 2022 in our auditor's report dated 31 August 2022.

**Responsibility of the Board for the summary financial statements**

The Board is responsible on behalf of the Group for the preparation of the summary financial statements in accordance with FRS-43: *Summary Financial Statements*.

**Auditor's responsibility**

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were carried out in accordance with AG ISA (NZ) 810 (Revised): *Engagements to Report on Summary Financial and Performance Information*.

We did not evaluate the security and controls over the electronic publication of the summary financial statements.

In addition to the audit we have carried out an agreed-upon procedure engagement in respect of CentrePort Captive Insurance Limited's insurance licensing application and a limited assurance engagement over the Group's Greenhouse Gas Emissions Inventory Report which are compatible with those independence requirements. Other than the audit and these engagements, we have no relationship with or interests in the Group.



**Other information**

The Board of Directors is responsible for the other information. The other information comprises the Results Overview on pages 52 to 55, but does not include the summary financial statements, and our auditor's report thereon.

Our opinion on the summary financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the summary financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

James Shepherd, Partner  
for Deloitte Limited  
On behalf of the Auditor-General  
Wellington, New Zealand  
31 August 2022



