



**HERBERT RIVER  
IMPROVEMENT TRUST**

**ANNUAL REPORT**

**FINANCIAL STATEMENTS  
2013 / 2014**

**AND**

**BUDGET 2014 / 2015**

**INGHAM  
July 2014**

## HERBERT RIVER IMPROVEMENT TRUST

### TABLE OF CONTENTS

Page Number

#### SECTION A

##### Annual Report

- |                   |               |
|-------------------|---------------|
| (1) Annual Report | 3-10          |
| (2) Attachments   | See Section D |

#### SECTION B

##### Financial Statements: 1 July 2013 - 30 June 2014

#### SECTION C

Budget: 1 July 2014 - 30 June 2015	See Section D – (3) Attachment 5
------------------------------------	----------------------------------

#### SECTION D

##### Attachments to Annual Report

- |                                                         |     |
|---------------------------------------------------------|-----|
| (1) Attachment 3 – Remuneration Reporting               | 1-5 |
| (2) Attachment 4 – Fees Paid to Barristers & Solicitors | 6   |
| (3) Attachment 5 – Prudential Assessment Questionnaire  | 7-9 |
| (4) Attachment 6 – Entity Indebtedness Statement        | 10  |

# HERBERT RIVER IMPROVEMENT TRUST

## ANNUAL REPORT

### YEAR ENDING 30 JUNE 2014

In accordance with the provisions of the *Financial Administration and Audit Act Amendment Act 1985*, I furnish herewith the Annual Report of the operations and activities of the Herbert River Improvement Trust for the year ending 30 June 2014.

#### 1. INTRODUCTION

##### 1.1 Agency Role and Main Functions

The Herbert River Improvement Trust is constituted under the *River Improvement Trust Act 1940-1985* and was constituted by Order-in-Council dated 8-May-1942.

The function of the Trust is to provide for the protection and improvement of the bed and banks of rivers, the repair and prevention of damage to the bed and banks of rivers, the prevention of flooding and the prevention or mitigation of inundation of certain land by flood waters from rivers. The benefited area is the whole of the Shire of Hinchinbrook with the main focus of Trust activities being in the floodplain of the Herbert River which includes the main town of Ingham and the smaller communities of Halifax, Trebonne and several coastal centres as well as rural property.

The Trust is mindful of its obligations to maximise the safety of communities in the catchment, which has been demonstrated by the completion of works to regularise the Halifax Levee works. The Trust is finalising further flood modelling of the lower reaches of the Herbert River to identify possible causes of increased flood heights in the lower Herbert in the past few years. The study includes public consultation and identification of measures to assist in alleviating the problem.

The Trust's principal place of business within the Herbert River Benefited Area is at the office of the Hinchinbrook Shire Council, Council Chambers in Lannercost Street, Ingham, North Queensland.

The Trust's postal address as at June 30 2014 is:

*PO Box 366 Ingham 4850*

*Telephone - (07) 4776 4600*

Enquiries about this Annual Report can be made to the Trust Chairman, Mr Arthur Bosworth by phone 0419 703 591. Copies of this Report can be viewed at the Hinchinbrook Shire Council, 25 Lannercost Street, Ingham.

## 1.2. Operating Environment

### 1.2.1 *Administration*

The Trust held 12 Ordinary Meetings during the year, some of which also incorporated site inspections with landholders. The Trust participated in 7 Special Meetings which included attendance at the annual conference of the State Council of River Trusts' at Arlie Beach in October 2013.

The Trust Chair remains unchanged from the previous year and is Mr Arthur Bosworth. Trust Members are also unchanged and Mr Gary Accornero and Mr Keith Phillips remain as community representatives. Councillors Wally Skinner and David Carr have continued in their role as Council appointed representatives.

### 1.2.2 *General*

There were no personal contributions made to the Trust this year.

*See Attachment 4 – Fees Paid to Barrister & Solicitors*

The Trust received a contribution of \$354,550 from Terrain Natural Resource Management to carry out critical riparian works. The Trust also received \$20,407 from Hinchinbrook Shire Council for work on Macknade Creek.

### 1.2.3 *Review of Operations*

This Trust has been in existence since 1942, and over the past years has undertaken a great deal of work in the area including significant flood mitigation schemes in the Lower Herbert area of the Hinchinbrook Shire. The Trust operates in a flood plain and there has been major flooding from time to time, the most recent being in April 2014, when the Lower Herbert experienced torrential rain from monsoonal activity associated with Cyclone Ita.

The floods have caused new riverbank damage adding to the damage from 2009, 2011, 2012 and 2013, much of which remains un-repaired

### 1.2.4 Capital Works

Project Description	Actual	Budget	Status	Comments
Hydrological Modelling - Alligator Ponds Drain 08/09-5	Nil	12,000	Not commenced	Delays in the study due to priorities imposed by NDRRA restoration.
Anabranh Critical Riparian Works 12/13-06	Nil	10,000	Not commenced	Design and investigation work was delayed due to priorities imposed in restoration works associated with the various flooding events.
Detail Design - Herbert River/ Stony Creek Bank 12/13-05	Nil	15,000	Not commenced	Design and investigation work was delayed due to priorities imposed in restoration works associated with the various flooding events.
Clark/Sheahan Project 12/13-02	6,539.91	30,000	Completed	Completed
Halifax Washaway Project 12/13-03	7,863.02	10,000	Completed	Reduced Scope of Work to clear natural Channels only
Ripple Creek - Critical Riparian 12/13-07	4,838.73	510,711	Completed	Works funded by Terrain Natural Resource Management -
Stone River - Critical Riparian 12/13-08	21,733.89		Completed	Works funded by Terrain Natural Resource Management-
Insulator Creek - Critical Riparian 12/13-09	38,821.38		Completed	Works funded by Terrain Natural Resource Management-
Lamari - Critical Riparian Works 12/13-12	11,537.77		Completed	Works funded by Terrain Natural Resource Management -
Cuzzubbo - Critical Riparian Works 12/13-13	7,547.09		Completed	Works funded by Terrain Natural Resource Management
Balanategui - Critical Riparian Works 12/13-14	11,220.89		Completed	Works funded by Terrain Natural Resource Management
Subtotal	95,699.75	587,711		
Ripple Creek Stream Restoration - (HRFSTW)	96,299.20		Complete	Works funded by Terrain Natural Resource Management
Lannercost Creek Stream Restoration - (HRFSTW)	26,768.77		Complete	Works funded by Terrain Natural Resource Management
Herbert River Bank Restoration - Brown - (HRFSTW)	6,299.00		Works in Progress	Works funded by Terrain Natural Resource Management
Herbert River Bank Restoration - Masters - (HRFSTW)	4,716.73		Works in Progress	Works funded by Terrain Natural Resource Management
Elphinstone Creek - Copley's Road - (HRFEW)	92.15			No Budget
HRIT FLOOD DAMAGE BUDGET - Subtotal	134,175.85	675,645		Subtotal Flood Restoration Works- 2012/2013 Events
Halifax Levee - Cyclone ITA Event (HRFEW)	1,926.85	Nil	Temporary Repair	No Budget - Claim not Complete
<b>Totals</b>	<b>231,802.45</b>	<b>1,263,356</b>		

- During the 2013/2014 year, the Trust carried out flood restoration work to the value of \$134, 175.85 and Critical Riparian works to the value of \$95,699.75. The expenditure on Critical Riparian Works was related to the completion of a number of projects commenced in the previous financial year but not completed until September 2013. The Works commenced in the current financial year related to funding provided through Terrain NRM to clear streams choked with debris arising from the Cyclone Yasi Event.

The area of clearing that received priority was the lower reaches of Lannercost Creek and the first four kilometres of Ripple Creek upstream from the confluence of the Herbert River. There is an additional amount of funding of approximately \$137,000 to complete bank restoration works at two properties along Sheahan's Road. These works were only approved in February and were not commenced until late May due to an extended wet season. Further wet weather forced a suspension of works and no further work was carried out pending approval for funding to carry over to a new financial year.

The Trust remains concerned at what is seen as a narrowing in interpretation of the NDRRA (Queensland) Restoration guidelines. The focused definition of eligible assets, being those that protect significant public infrastructure has only served to further limit the Trust's ability to maintain our established asset base.

#### 1.2.5 *Review of Proposed Forward Operations*

The Trust operations in 2014/2015 will focus on the following:

1. Carrying out flood damage restoration of Trust assets approved from previous natural disaster events
2. Refurbishment of the Ripple Creek and Catherina Creek Flood Gates to maintain the operational effectiveness of the asset
3. Continued stream and debris clearing as available funding permits
4. Investigations into the removal of sand build up in the Herbert River

The Trust has current revenue sufficient to cover all anticipated expenses and the Trust will not borrow any funds for capital works in 2014/2015.

#### 1.2.6 *External Scrutiny*

No external scrutiny except for annual audit from Queensland Audit Office.

#### 1.2.7 *Machinery of Government Changes*

The Trust has undergone no machinery of government changes.

### 2. NON-FINANCIAL PERFORMANCE

#### 2.1 Government Objectives for the Community

This Trust provides services to meet government objectives for the community.

#### 2.2 Other Whole-of-Government Plans / Specific Initiatives

This Trust provides services that are consistent with whole-of-government plans and specific initiatives addressing particular issues for Queensland.

#### 2.3 Objectives and Performance Indicators

The Trust will continue to carry out the annual works program as documented.

## 2.4 Outputs and Output Performance Measures

This entity is self funding and therefore funding "outputs" and "output performance" measures are not applicable.

## 3. FINANCIAL PERFORMANCE

### 3.1 Summary of Financial Performance

The main sources of Trust funding for 2013/2014 were:-

- Hinchinbrook Shire Council Annual Precept \$220,000
- Natural Disaster Mitigation Program \$229,476
- Terrain Natural Resource Management Funding Critical Riparian works \$354,550

The Trust has no borrowings and has sufficient cash funds to meet commitments for 2014/2015.

See Attachment 6 – Certified Entity Indebtedness Statement

### 3.2 Disclosure of Budget vs Actual Results

General Fund					
Receipts	Actual	Budget	Discrepancy	% Discrepancy	Reason
NDRRA	\$229,476	\$2,900,000	(\$2.67m)	(92%)	NDRRA activity was expected to be significantly higher when the Budgets were set
HSC	\$220,000	\$220,000	0	0	
Private Works	\$374,956	\$159,657	\$215k	135%	Would appear that so DNRM receipts (recorded as Private Works) were budgeted under the heading of "Government Grants".
Government Grants	\$46,190	\$163,800	(\$117k)	(72%)	
Payments					
River Improvement Capital Works	\$191,516	\$587,711	\$396k	67%	See Comments above re NDRRA budget
Restoration of Works	\$136,138	\$2,238,691	\$2.1m	94%	See Comments above re NDRRA budget
Maintenance of Works	\$168,062	\$130,000	(\$38k)	(29%)	Work on Catherina Creek (\$38k) was not budgeted for
Administration Expenses	\$74,269	\$87,991	\$14k	16%	Small variance
Other	\$13,140	\$30,000	\$17k	56%	Consultancy fee budget of \$30k not used

#### 4. GOVERNANCE – MANAGEMENT AND STRUCTURE

##### 4.1 Organisational Structure

Listed hereunder are the membership details of the Trust for the period under review:-

Chairperson - Mr Arthur Bosworth – full year

Mr Bosworth held the following positions:

- Deputy Chair Lower Herbert Water Management Authority
- Member Integrated Catchment Group
- Chair Ingham Local Ambulance Committee

Members - Councillor David Carr - full year

Councillor Wallace Skinner – full year

The above are Hinchinbrook Shire Council appointed elected representatives.

Mr Gary Accornero – full year

Mr Keith Phillips – full year

Both these members were appointed by the Minister as community representatives.

##### 4.2 Executive Management

Officers of the Trust for the year were:-

Secretary - Ms Leanne E Mash – full year

Engineer - Mr Bruce E Leach – from July 2013 to November 2013  
Mr Colin Gray – from November 2013 to 30 June 2014

##### 4.3 Related Entities

The Trust has no related entities.

##### 4.4 Public Sector Ethics Act 1994

The Trust has complied with the Public Sector Ethics Act 1994. When appointed, Directors to the Trust are reminded of their obligations to the Trust and are given access to the publication, Welcome Aboard: A Guide for Members of Queensland Government Boards, Committees and Statutory Authorities.

##### 4.5 Public Interest Disclosure Act 2010

The Trust has adopted by resolution the procedures accessible at the following website of the Department of Natural Resources and Mines.

✓

no code  
of conduct



## 5. GOVERNANCE – RISK MANAGEMENT AND ACCOUNTABILITY

### 5.1 Risk Management

*Sée Attachment 5 - Prudential Assessment Questionnaire*

### 5.2 Audit Committee

The Trust undertakes the role of the Audit Committee ensuring the appropriate accounting standards are used and that there is proper examination of the Trust's financial arrangements.

### 5.3 Internal Audit

When required, the Trust undertakes internal audit functions. There is nothing to report for 2013/2014.

## 6. GOVERNANCE – HUMAN RESOURCES

The Trust employs no other officers; however it uses the services of Hinchinbrook Shire Council employees and private contractors where appropriate to undertake both capital and maintenance works and administrative roles. This is a satisfactory and cost effective arrangement. Consultants are engaged from time to time to provide specialised services in technical design and studies for major projects. It is not an option for this Trust to retain full time specialist staff given the infrequency of major projects and the funds available for such services.

## 7. GOVERNANCE – OPERATIONS

### 7.1 Consultancies

In 2013/2014 the Trust engaged the following consultancies:-

<u>Consultant</u>	<u>Purpose</u>	<u>Costs</u>
BMT WBM Pty Ltd	Lower Herbert Flood Modelling Halifax Levee/Washaway	\$ 13,240 excl GST
		+ 1324
		\$ 14,564 incl. GST

### 7.2 Overseas Travel

No overseas travel was undertaken by members of the Trust.

### 7.3 Information Systems and Recordkeeping

For the reporting period the Trusts information system and recordkeeping was conducted by the Hinchinbrook Shire Council.

## 8. FINANCIAL STATEMENTS

In accordance with the exemption granted by the Treasurer, special purpose financial statements have been prepared, certified by the Chairperson and Secretary, and submitted to the Queensland Audit Office for Audit. A copy of the Auditors Report will be submitted to the Department of Environment and Resource Management as soon as it is available.

### 8.1 Remuneration Disclosures

Remuneration paid to the Trust Members for the year is as follows:

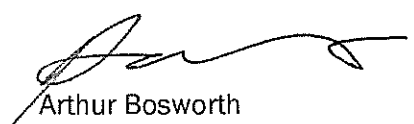
#### *Meeting Fees*

- Chairperson, Mr Arthur Bosworth.....\$2,834
- Trust Member, Cr David G Carr .....\$2,359
- Trust Member, Cr Wally G Skinner .....\$2,343
- Trust Member, Mr Gary Accornero.....\$1,641
- Trust Member, Mr Keith Phillips.....\$1,802

#### *Mileage*

- Chairperson, Mr Arthur Bosworth.....\$799.20
- Trust Member, Cr David G Carr .....\$251.60
- Trust Member, Cr Wally G Skinner .....\$201.28
- Trust Member, Mr Gary Accornero.....\$ 97.68
- Trust Member, Mr Keith Phillips.....\$310.80

*See Attachment 3 - Remuneration Reporting Form.*

  
Arthur Bosworth  
CHAIRPERSON

Ingham,  
// August 2014

# **HERBERT RIVER IMPROVEMENT TRUST**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDING 30 JUNE 2014**

# HERBERT RIVER IMPROVEMENT TRUST

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDING 30 JUNE 2014

	Notes	2014 \$	2013 \$
<b>Income from Continuing Operations</b>			
Precept Hinchinbrook Shire Council		220,000	200,000
NDRRA		229,476	-
Capital Works Grant		-	21,750
Government Grants		46,190	163,800
Private works		374,957	417,750
Interest on Investments		12,958	1,709
Other		-	49,983
<b>Total Income from Continuing Operations</b>		<b>883,581</b>	<b>854,992</b>
<b>Expenses from Continuing Operations</b>			
Supplies and Services:			
River Improvement Capital Works		191,516	240,526
Restoration of Works		136,138	244,409
Maintenance of Works		168,062	131,464
Depreciation	3	46,964	46,964
Administration Expenses	4	73,520	65,998
Other		13,990	28,017
<b>Total Expenses from Continuing Operations</b>		<b>630,190</b>	<b>757,378</b>
<b>Operating Result from Continuing Operations and Operating Result for the Year</b>		<b>253,391</b>	<b>97,614</b>
<b>Total Comprehensive Income</b>		<b>253,391</b>	<b>97,614</b>

# HERBERT RIVER IMPROVEMENT TRUST

## STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2014

	<i>Notes</i>	2014 \$	2013 \$
<b>Current Assets-</b>			
Cash and cash equivalents		5,767	22
Bank Saver Accounts		727,078	328,970
Receivables		11,035	435,826
GST receivable		2,619	-
<b>Total Current Assets</b>		<u>746,499</u>	<u>764,818</u>
<b>Non-Current Assets-</b>			
Property Plant and Equipment	5	<u>37,898,418</u>	<u>37,945,472</u>
<b>Total Non-Current Assets</b>		<u>37,898,418</u>	<u>37,945,472</u>
<b>Total Assets</b>		<u>38,644,917</u>	<u>38,710,290</u>
<b>Current Liabilities</b>			
Council reimbursements		29,214	25,032
Owed to BMT WBM P/L		4,219	2,010
Accruals		4,000	-
GST payable		-	18,234
Payments received on account		-	2,478
<b>Total Current Liabilities</b>		<u>37,433</u>	<u>47,754</u>
<b>Total Liabilities</b>		<u>37,433</u>	<u>47,754</u>
<b>Net Assets</b>		<u>38,607,484</u>	<u>38,662,536</u>
<b>Equity</b>			
Accumulated surplus		18,626,205	18,372,814
Asset Revaluation Reserve	6	19,981,279	19,981,279
<b>Total Equity</b>		<u>38,607,484</u>	<u>38,354,093</u>
Maintenance Fund surplus		-	308,443
		<u>38,607,484</u>	<u>38,662,536</u>

# HERBERT RIVER IMPROVEMENT TRUST

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDING 30 JUNE 2014

	Accumulated Surplus	Asset Revaluation Surplus	Total
Balance at 1 July 2012	18,275,200	19,981,279	38,256,479
Operating result from continuing operations	97,614	-	97,614
<i>Other Comprehensive Income</i>			-
Increase in asset revaluation reserve	-	-	-
Balance as at 30 June 2013	<u>18,372,814</u>	<u>19,981,279</u>	<u>38,354,093</u>
Balance at 1 July 2013	18,372,814	19,981,279	38,354,093
Operating result from continuing operations	253,391	-	253,391
<i>Other Comprehensive Income</i>			-
Increase in asset revaluation reserve	-	-	-
Balance as at 30 June 2014	<u><u>18,626,205</u></u>	<u><u>19,981,279</u></u>	<u><u>38,607,484</u></u>

# HERBERT RIVER IMPROVEMENT TRUST

## STATEMENT OF CASH FLOWS

AS AT 30 JUNE 2014

	2014
	\$
<b>Cash flows from operating activities</b>	
<i>Inflows:</i>	
Precept Hinchinbrook Shire Council	220,000
Grants, works and other contributions	1,075,414
Maintenance Fund adjustment	(310,972)
Interest on Investments, etc.	12,958
<i>Outflows:</i>	
Supplies and Services	(593,547)
<b>Net cash provided by operating activities</b>	<b>403,853</b>
 Net increase in cash and cash equivalents	 403,853
Cash and cash equivalents at beginning of financial year	328,992
<b>Cash and cash equivalents at end of financial year</b>	<b>732,845</b>
 <b>Represented by:</b>	
Bank	5,767
General fund investment	727,078
	<b>732,845</b>

No comparative Statement of Cash Flows have been provided as explained in Note 2(k)

# HERBERT RIVER IMPROVEMENT TRUST

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### Note 1 Statement of Objectives and Principal Activities

The Herbert River Improvement Trust is a statutory authority constituted under the *River Improvement Trust Act 1940* to protect and improve rivers, repair and prevent damage to rivers and prevent or mitigate flooding of land by riverine floods.

### Note 2 Statement of Accounting Policies

#### (a) Statement of Compliance

These financial statements are general purpose financial statements and have been prepared on an accrual basis in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations.

With respect to compliance with Australian Accounting Standards and Interpretations, the Trust has applied those requirements applicable to not-for-profit entities, as the Trust is a not-for-profit public sector entity. Except where stated, the historical cost convention is used.

#### (b) The Reporting Entity

The Trust does not control other entities. The financial statements include the value of all income, expenses, assets, liabilities and equity for the Trust as an individual entity.

#### (c) Income

Grants, contributions, donations and gifts that are non-reciprocal in nature are recognised as revenue in the year in which the Trust obtains control over them (control is generally obtained at the time of receipt). Where grants are received that are reciprocal in nature, revenue is progressively recognised as it is earned, according to the terms of the funding agreements. Other revenue is recognised when the right to receive the revenue has been established.

#### (d) Cash and Cash Equivalents

Cash and cash equivalents include all cash and cheques receipted at 30 June as well as deposits held at call with financial institutions.

#### (e) Non-Current Assets

Previously, Non Current Assets have been included in the Trust's financial statements at cost and no depreciation was charged. This resulted in Completed Works being recorded at \$19.5m in the 30 June 2013 financial statements.

The 30 June 2014 financial statements incorporate a change in accounting policy and Non Current Assets are now recorded at fair value.

As there is, generally, no market for the Trust's Non Current Assets, and as no Acquisition Date can reliably be identified for the majority of the Trust's Non Current Assets, it has been determined that the most appropriate method of determining fair value of the Trust's Non Current Assets is by using the Replacement Cost method.



# HERBERT RIVER IMPROVEMENT TRUST

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Accordingly, in July 2014, the Infrastructure Engineer of Hinchinbrook Shire Council conducted a review of the Non Current Assets of the Trust and determined a replacement cost for each of the Non Current Assets of the Trust.

The Valuation Review identified two types of Non Current Asset - Natural (eg rocks, embankments etc) and Structures (eg floodgates). The Review determined a total Replacement Cost of the Trust's assets as at 30 June 2014 of around \$38.9m.

The Review noted that only the 'Structure' class of Non Current Asset would be subject to an annual depreciation charge.

The Valuation Review also noted that the replacement cost of these assets would not have changed materially from 1 July 2012 and the date of the valuation. Accordingly the Replacement Cost of these assets has been applied as at 1 July 2012 and the 2012/13 financial statements have been amended to include a year's depreciation charge on the Structural assets.

The difference between the book value of these assets and their replacement cost, after applying notional accumulated depreciation charge where appropriate, resulted in an Asset Revaluation Reserve being created as at 1 July 2012 within the Equity section of the Balance Sheet.

Future revaluations using independent professional valuers or internal expert appraisals are expected to be undertaken at least once every five years. However, if a particular asset class experiences significant and volatile changes in fair value, that class is subject to specific appraisal in the reporting period, where practicable, regardless of the timing of the last specific appraisal

Individual assets with a value of less than \$10,000 are not capitalised.

Future revaluation increments arising on the revaluation of an asset will be credited to the asset revaluation surplus of the appropriate class, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation will be charged as an expense, to the extent it exceeds the balance, if any, in the revaluation surplus relating to that asset class.

With future revaluations, accumulated depreciation will be restated proportionately with the change in the carrying amount of the asset and any change in the estimate of remaining useful life.

Materiality concepts under *AASB 1031 Materiality* are considered in determining whether the difference between the carrying amount and the fair value of an asset is material.

Separately identified components of assets are measured on the same basis as the assets to which they relate.

### (f) Depreciation

Natural assets (eg rocks and embankments) are not depreciated as they have an unlimited useful life. Other non current assets are depreciated on a straight-line basis so as to allocate the revalued amount or net cost of each asset (respectively), less its estimated residual value, progressively over its estimated useful life to the Trust.

The estimation of the useful lives of assets is based on historical experience with similar assets. Reassessments of useful lives are undertaken annually by the Trust. Any consequential adjustments to remaining useful life estimates are implemented prospectively.

# HERBERT RIVER IMPROVEMENT TRUST

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset to the Trust.

Depreciation rates of between 2% and 4% are used for Structure Assets.

### (g) **Impairment of Non Current Assets**

All non-current physical are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the Trust determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

The asset's recoverable amount is determined as the higher of the asset's fair value less costs to sell and depreciated replacement cost.

An impairment loss is recognised immediately in the Statement of Comprehensive Income, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus of the relevant class to the extent available.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase. Refer also Note 2(e).

### (h) **Provisions**

The Trust currently has no provision liabilities.

### (h) **Taxation**

The Trust is exempted from income tax under the Income Tax Assessment Act 1936 and is exempted from other forms of Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). GST credits receivable from, and GST payable to, the ATO are recognised.

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

### (i) **Issuance of Financial Statements**

The financial statements are authorised for issue by the Chief Executive Officer and Chief Finance Officer at the date of signing the Management Certificate.

# HERBERT RIVER IMPROVEMENT TRUST

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### (j) Accounting Estimates and Judgements

The preparation of financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions, and management judgements that have the potential to cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Such estimates, judgements and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

Estimates and assumptions with the most significant effect on the financial statements are outlined in the following notes:

Valuation of Property, Plant and Equipment - Note 1(e) and Depreciation - Note 1(e), Note 1(f) and Note 3

### (k) Comparatives

The comparatives have been amended to incorporate the valuation of non current assets. This has resulted in the comparatives including a higher value for its non current assets and the creation of an Asset Revaluation Reserve at an amount equivalent to the increase in the carrying amount of the non current assets. Also, the comparatives have been amended to incorporate a depreciation charge which has had the effect of reducing the Accumulated Surplus figure as at 30 June 2013.

The reporting format used in this report is significantly different to that adopted in prior years and certain comparative amounts cannot be reliably determined. Where this is the case, either adjustments have been made to the comparative amounts or the comparative figures have not been provided (eg Statement of Cash Flows) as the cost of determining these amounts would significantly outweigh the benefits of providing the historic information.

### (l) New and Revised Accounting Policies

AASB 1053 Application of Tiers of Australian Accounting Standards applies as from reporting periods beginning on or after 1 July 2013. AASB 1053 establishes a differential reporting framework for those entities that prepare general purpose financial statements, consisting of two Tiers of reporting requirements - Australian Accounting Standards (commonly referred to as 'Tier 1'), and Australian Accounting Standards - Reduced Disclosure Requirements (commonly referred to as 'Tier 2'). Tier 1 requirements comprise the full range of AASB recognition, measurement, presentation and disclosure requirements that are currently applicable to reporting entities in Australia. The only difference between the Tier 1 and Tier 2 requirements is that Tier 2 requires fewer disclosures than Tier 1.

Pursuant to AASB 1053, and in accordance with Queensland Treasury and Trade's policy, the Trust has chosen to adopt Tier 2 requirements for their general purpose financial statements

Previously, the Trust has produced 'special purpose financial statements' that were less formal than these financial statements.

# HERBERT RIVER IMPROVEMENT TRUST

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

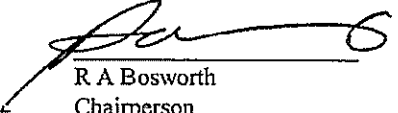
		2014 \$	2013 \$
<b>Note 3</b>	<b>Depreciation</b>		
	Structures (flood gates, drainage structures)	46,964	46,964
<b>Note 4</b>	<b>Administration Expenses</b>		
	Members' Fees and Expenses	12,640	12,314
	Conference Attendance	1,173	1,171
	Insurances	13,192	16,326
	Professional Fees	3,835	4,075
	Audit Fees	6,814	939
	Council Charges (Engineering, Secretarial, Finance, Administration)	31,467	29,867
	Miscellaneous	4,399	1,306
		<u>73,520</u>	<u>65,998</u>
<b>Note 5</b>	<b>Property Plant and Equipment</b>		
	Natural Assets: at fair value		
	Gross	36,878,565	36,878,655
	Structures: at fair value		
	Gross	2,650,686	2,650,686
	Less: Accumulated depreciation	(1,630,833)	(1,583,869)
		<u>1,019,853</u>	<u>1,066,817</u>
	<b>Total</b>	<u><b>37,898,418</b></u>	<u><b>37,945,472</b></u>
<b>Note 6</b>	<b>Asset Revaluation Surplus by Class</b>		
		<b>Natural Assets</b>	
	Balance at 1 July 2012	19,981,279	
	Balance at 30 June 2013	19,981,279	
	Balance at 30 June 2014	19,981,279	

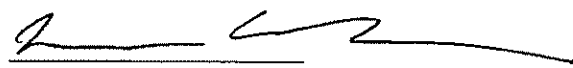
## CERTIFICATE OF HERBERT RIVER IMPROVEMENT TRUST

We have prepared the foregoing annual financial statements pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), relevant sections of the *Financial and Performance Management Standard 2009*, and other prescribed requirements. In accordance with section 62(1)(b) of the Act, we certify that in our opinion:

- (i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects;
- (ii) the special purpose financial statements have been drawn up so as to present a true and fair view of the transactions of the Trust for the period 1 July 2013 to 30 June 2014, and of the financial position as at 30 June 2014 in accordance with the basis of accounting as detailed in Note 2 to the financial statements; and
- (iii) financial assistance received has been expended in accord with the purposes for which it was given in the financial year.

Date

  
R A Bosworth  
Chairperson

  
L E Mash  
Secretary

**HERBERT RIVER IMPROVEMENT TRUST**  
**BUDGET FOR THE YEAR COMMENCING 01 JULY 2014**  
**ESTIMATE OF RECEIPTS AND EXPENDITURE**

		2014/15 Budget \$	2013/14 Actual-Draft \$
<b>Revenue</b>	<b>Notes</b>		
Precept Hinchinbrook Shire Council		231,000	220,000
Government Grants and Subsidies	2(a)	335,000	46,190
Private Works Revenue		50,000	374,957
Interest Received		12,000	7,689
Ndrro		30,000	229,476
<b>Total Revenue</b>		<b>658,000</b>	<b>878,313</b>
<b>Expenditure</b>			
General administration costs	1	88,738	63,737
Maintenance works	2	630,000	153,050
Annual works program	3	20,000	120,116
Flood Damage Repair	4	30,000	130,516
<b>Total Expenditure</b>		<b>768,738</b>	<b>467,419</b>
<b>Net surplus/(deficit)</b>		<b><u>(110,738)</u></b>	<b><u>410,894</u></b>

**HERBERT RIVER IMPROVEMENT TRUST**  
**NOTES TO THE BUDGET**  
**FINANCIAL YEAR 2014\_2015**

	Budget 14/15	Draft actual 13/14
<b>Note 1</b>		
General Administration		
Work Cover	1,008	822
Board Members Meeting Fee	17,764	10,979
Board Members Mileage	2,673	1,661
Legal Expenses	2,500	-
Consultancy Fees	-	322
Audit Fees	4,000	2,814
Computer equipment purchases	2,500	1,988
Subscriptions & Memberships	750	750
Administrative Support	30,758	29,120
Other Materials & Services	2,000	-
Insurance	16,951	13,192
Food & Drink Non Employees	2,299	885
Travel Expenses Oth	1,500	-
Councillors Accomodation Expenses	2,000	791
Councillors Registrations for Courses or Workshops etc	2,000	382
Bank fees	35	33
	<u>88,738</u>	<u>63,737</u>
<b>Note 2</b>		
(a) Grant Funded Maintenance Works		
Gowrie Creek stream clearing	80,000	
Log creek stream clearing	15,000	
Ripple creek stream clearing	100,000	
Lannercost creek stream clearing	10,000	
Palm creek stream clearing	20,000	
Cattle creek stream clearing	15,000	
Trebonne creek stream clearing	80,000	
Boundary creek stream clearing	15,000	
	<u>335,000</u>	
Maintenance		
(b) Permits vegetation removal	10,000	
Herbert river stream clearing	100,000	
Private works Anabranck bank repair and reveg	50,000	
Sand Island removals Herbert River, including expressions of interest	140,000	
Removal of pest weeds from Lagoon Creek (In conjunction with LHWMA)	5,000	
Various maintenance works	-	153,050
	<u>295,000</u>	<u>153,050</u>
<b>Total Maintenance Costs</b>	<u>630,000</u>	<u>153,050</u>
<b>Note 3</b>		
Annual Works Program		
Various annual works program		106,876
Lower Herbert Flood Modelling		13,240
Alligator ponds overflow	20,000	
Annual Works Program	<u>20,000</u>	<u>120,116</u>
<b>Note 4</b>		
Flood Damage Repairs		
Various flood damage repairs		130,516
Levee Repair Herbert River - proposed NDRRA	30,000	
<b>Total Flood Repairs</b>	<u>30,000</u>	<u>130,516</u>
<b>Total Expenditure</b>	<u>\$ 768,738</u>	<u>\$ 467,419</u>

## Department of Natural Resources &amp; Mines

**REMUNERATION REPORTING FORM 2013-14**

INFORMATION FOR THE MINISTER ON THE REMUNERATION ARRANGEMENTS FOR CHAIRS AND MEMBERS OF STATUTORY AUTHORITIES AND OTHER BODIES WITHIN THE NATURAL RESOURCES & MINES PORTFOLIO

REPORTING PERIOD: 1 JULY 2013 TO 30 JUNE 2014

- NOTES:**
- Complete one form for each Body within the Minister's Portfolio.
  - EVERY section MUST be completed with the exception of section 20, which is optional.
  - If the Body has been abolished in this financial year, please ensure that you record the termination date by amending the Reporting Period above, and provide the reason for its abolition or replacement in Section 20.

PLEASE RETURN REMUNERATION REPORTING FORM BY: **THURSDAY, 31 JULY 2014**

TO: Manager, Water Governance & Projects, Department of Natural Resources & Mines at:

EMAIL	FACSIMILE	POST
cassandra.baker@dnrm.qld.gov.au	3199 7843	<b>Postal Address:</b> Level 14 61 Mary Street GPO Box 2454 BRISBANE QLD 4001

ENQUIRIES MAY BE DIRECTED TO: Senior Project Officer, Water Governance & Projects on telephone 3199 7784 or email [cassandra.baker@dnrm.qld.gov.au](mailto:cassandra.baker@dnrm.qld.gov.au).

1.	NAME OF BODY:	Herbert River Improvement Trust
----	---------------	---------------------------------

2.	<b>FUNDING:</b> (please tick one) <input checked="" type="checkbox"/> (* where the funding originates e.g. levies/water charges)	3.	<b>APPOINTING AUTHORITY:</b> (please tick one) <input checked="" type="checkbox"/> (i.e. as stated in the Act, Terms of Reference etc.)
	Qld State Government		Governor in Council
	Non-Government	<input checked="" type="checkbox"/>	Minister
<input checked="" type="checkbox"/>	Other (*please specify)		Other (please specify)

4.	<b>REMUNERATION CATEGORY OF BODY:</b> (The range under the Department of Justice & Attorney-General is from A1 to G)	F1
----	-------------------------------------------------------------------------------------------------------------------------	----

5.	<b>NUMBER OF PART TIME (P/T) AND FULL TIME (F/T) MEMBERS ON THE BODY:</b> (Include Chair as one of the Members. <u>Do not</u> include the Secretary unless he/she is a member as well. <u>Do not</u> include members on Sub-committees who are not Members of the trust)					
Male:	P/T: 5	F/T: 0	Female:	P/T: 0	F/T: 0	TOTAL: 5

6.	EQUAL EMPLOYMENT OPPORTUNITY CENSUS	TARGET GROUP	Male	Female
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<b>NUMBER OF MEMBERS BELONGING TO THE TARGET GROUPS IDENTIFIED IN THE PUBLIC SERVICE ACT 2008.</b>  (Please Indicate Numbers, e.g., 3)	Aboriginal and Torres Strait Islander People	0	0
	People with a Disability	0	0
	People with Non-English Speaking Backgrounds	0	0
	Women	—	0

7.	<b>NUMBER OF MEMBERS ACTUALLY REMUNERATED FEES IN 2013-14:</b>  (This does NOT include reimbursement of expenses)	Male:	Part/Time	5	Full Time	0
		Female:	Part Time	0	Full Time	0

8.	<b>TOTAL NUMBER OF SUB-COMMITTEES:</b>				
9.	Total number of Members (includes the Chair) sitting on Sub-committees (e.g., if 1 Member is on 3 Sub-committees, this is counted as 1).	0	10.	Total number of other persons on all the Sub-committees	0

**RECORD ALL MEETINGS FOR THE REPORTING PERIOD:**

11.	<b>TOTAL NUMBER OF MEETINGS FOR THE REPORTING PERIOD</b>	Daily Meetings	12	Special Assignments	7	Sub-Committees	0	<b>TOTAL:</b>	19
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12.	<b>AVERAGE FREQUENCY OF MEETINGS HELD:</b>	13. <b>AVERAGE DURATION OF MEETINGS HELD:</b>		
Please tick one ✓		Please tick one ✓		
	Daily Meeting	Special Assignments	Daily Meetings	Special Assignments
Semi-monthly (or >12 per year)			< 2 hours	
Monthly (or 12 per year)	✓		2 – 4 hours	
Bi-monthly (or 6 per year)			> 4 hours	✓
Quarterly (or 4 per year)				
Bi-annually (or 2 per year)				
Annually				
As needed		✓		

(Only the average frequency of meetings held is required, e.g.: if a total of 6 meetings were held during the financial year, the average frequency of meetings would be 1 meeting every 2 months (i.e., bi-monthly)).

**RECORD ALL REMUNERATION AND EXPENSES PAID FOR THE REPORTING PERIOD:**

14.	<b>TOTAL AMOUNT PAID IN FEES AND ANNUAL ALLOWANCES (WITH DAILY APPROVED RATE INDICATED):</b>
-----	----------------------------------------------------------------------------------------------

(Total fees and annual allowances for both the Body and any Sub-Committees, which include daily meeting fees, special assignment fees, and annual allowances [This does NOT include Motor Vehicle or Travel Expenses]).

**Note:** Please enter total amounts paid into the relevant cell (i.e., Full time or Part time Chair/Deputy Chair/Members) and record the daily rate entitlement in brackets following each 'total' entered e.g. \$860 (\$215) – this would indicate that the member is entitled to a daily meeting fee of \$215 for meetings >4 hours duration and attended 4 of those meetings in the financial year.

Fees approved by the then Minister for Finance, Natural Resources & The Arts on 1 December 2011 are:

	Chairperson	Directors
Meeting of 4 hours or less duration	\$108	\$ 96
Meeting of more than 4 hours duration	\$215	\$191
Special Assignment of 4 hours or less duration	\$ 90	\$ 80
Special assignment of more than 4 hours duration	\$179	\$159

		Annual Allowance	Daily Meeting Fees	Special Assignment Fees	SUB-TOTAL
Chair	Full time	\$	\$0	\$0	\$0
	Part time	\$	\$1,938 (\$215 x 6) (\$108 x 6)	\$896 (\$179 x 4) (\$90 x 2)	\$2,834
Deputy Chair(s)	Full time	\$	\$	\$	\$
	Part time	\$	\$	\$	\$
Member(s)	Full time	\$	\$	\$	\$

Part time	\$	<b>D Carr</b> <b>\$1,722</b> (\$191 x 6) (\$96 x 6)	<b>D Carr</b> <b>\$637</b> (\$159 x 3) (\$80 x 2)	
		<b>W Skinner</b> <b>\$1,626</b> (\$191 x 6) (\$96 x 5)	<b>W Skinner</b> <b>\$717</b> (\$159 x 3) (\$80 x 3)	<b>\$2,359</b>
		<b>G Accornero</b> <b>\$1,243</b> (\$191 x 5) (\$96 x 3)	<b>G Accornero</b> <b>\$398</b> (\$159 x 2) (\$80 x 1)	<b>\$2,343</b>
		<b>K Phillips</b> <b>\$1,244</b> (\$191 x 4) (\$96 x 5)	<b>K Phillips</b> <b>\$558</b> (\$159 x 2) (\$80 x 3)	<b>\$1,641</b>
				<b>\$1,802</b>
				<b>TOTAL</b>
Total fees & annual allowances: A =				<b>\$10,979</b>

<b>15.</b>	<b>TOTAL OF ALL OTHER EXPENSES:</b> (Including Sub-Committees)	<b>TOTAL</b>
Other expenses for both the Body and any Sub-Committees, which includes <u>Motor Vehicle Expenses</u> and <u>Domestic Travelling and Relieving Expenses</u> as approved by the Minister for Finance, Natural Resources and The Arts on 1 December 2011.		<b>B = \$1,660.56</b>

<b>16.</b>	<b>GRAND TOTAL OF THE FEES, ALLOWANCES AND ALL OTHER EXPENSES PAID TO THE BODY</b> (Including Sub-Committee members)	<b>GRAND TOTAL</b>
		<b>A+B = \$12,639.56</b>

<b>17.</b>	<b>TOTAL OF FINANCIAL SUPPORT PROVIDED BY THE DEPARTMENT OF NATURAL RESOURCES &amp; MINES TO THE BODY FOR FEES AND EXPENSES</b> (Including Sub-Committee members)	<b>TOTAL</b>
		<b>\$0</b>

<b>18.</b>	<b>TOTAL OF FINANCIAL SUPPORT PROVIDED BY THE DEPARTMENT OF NATURAL RESOURCES &amp; MINES TO THE BODY FOR GRANTS OR OTHER</b> (Including Sub-Committee members)	<b>TOTAL</b>
		<b>\$3,600.72</b>

<b>19. CONTACT OFFICER:</b>	Leanne E Mash	<b>POSITION:</b>	TRUST SECRETARY
<b>TELEPHONE:</b>	07 4776 4602	<b>FACSIMILE:</b>	07 4776 3233
<b>E-MAIL:</b>	council@hinchinbrook.qld.gov.au		
<b>POSTAL ADDRESS:</b>	PO Box 366 INGHAM QLD 4850		

20.

**ADDITIONAL INFORMATION:**

(To be completed only if additional information is required)

21.

**CERTIFICATION:**

I hereby certify that I have checked that all the relevant sections have been completed and that the information contained within this reporting form is correct and complies with the relevant Legislation and Government policy.



(LEANNE ELIZABETH MASH)

(TRUST SECRETARY)

31/7/2014

(Date)

Provided correctly for the purpose of gaining Ministerial approval

**FEES PAID TO BARRISTERS AND SOLICITORS**  
**by the trust for financial year**  
**1 July 2013 to 30 June 2014**

**NAME OF ENTITY:** Herbert River Improvement Trust

**NAME OF PORTFOLIO:** Natural Resources & Mines

Name of Legal Firm(s) and Full name(s), Title(s) & Gender of each practitioner consulted – please also note if practitioner is a <b>Barrister</b> or <b>Solicitor</b> (details required for departmental reporting)	Number of briefs paid for and Date(s) when briefs were provided	Legal category of service* (please select from list below)	Location of legal service	Amount Paid (Inc GST) \$
<u>Nil</u>	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>Nil</u>

\*Legal categories: Litigation, Prosecutions and Advocacy, Commercial Law, Project and Construction, Property, Intellectual Property, Public Law, Administrative Law, Workplace Law, Native Title, Child Welfare, Legal Advice on agency, Management/Corporate, Other legal services (please specify).

<b>Please complete and return this form by <u>Thursday, 31 July 2014</u></b>	
<b>TO:</b>	Manager, Water Governance & Projects, NRM Programs, Department of Natural Resources & Mines, both by post and by email, as per the following contact information: ✓
<b>POST:</b>	Level 14, 61 Mary Street GPO Box 2454 BRISBANE QLD 4001
<b>EMAIL:</b>	<u>cassandra.baker@dnrm.qld.gov.au</u>
<b>FACSIMILE:</b>	3199 7843
<b>ENQUIRIES MAY BE DIRECTED TO:</b> Senior Project Officer, WEGP, on telephone 3199 7784 or email <u>cassandra.baker@dnrm.qld.gov.au</u> .	

## Annual Reporting 2013–14

## PRUDENTIAL ASSESSMENT QUESTIONNAIRE

**Name of Entity:** Herbert River Improvement Trust

In order to assess the entity's financial position, the entity is required to complete **ALL SECTIONS** in the following statement which is to be signed and dated by the Chairperson of the entity at the relevant time.

The Statement must accompany the annual financial statements of the entity, prepared and submitted to the QAO, as soon as possible after 30 June in each financial year.

If the entity is required to state reasons why or provide written commentary, the entity is asked to please attach all written responses and return with completed statement.

No.	Question	Yes/No/Other
1	<p>Has the entity developed <i>and attached</i> its budget for the next financial year<sup>1</sup>?</p> <ul style="list-style-type: none"> <li>If not, please provide reasons why and forward a copy of the budget documentation as soon as possible.</li> <li>If yes<sup>2</sup>, was there a material variation of actual results recorded in the financial statements compared with the budget forecasts made at the beginning of the financial year?</li> </ul>	<u>Yes</u>
2	<p>Did the entity prepare monthly bank reconciliation statements during the financial year?</p> <ul style="list-style-type: none"> <li>If not monthly, how frequently were they prepared and why<sup>3</sup>?</li> <li>If not at all, why not<sup>4</sup>?</li> </ul>	<u>Yes</u>
3	<p>At any stage during the financial year was the entity overdrawn at the bank<sup>5</sup>?</p> <ul style="list-style-type: none"> <li>If yes, state reasons why.</li> <li>Is the entity aware that it requires the Treasurer's approval to operate an account with an overdraft facility<sup>6</sup>?</li> <li>Does the entity need to seek the Treasurer's approval<sup>7</sup>?</li> </ul>	<u>No</u>

<sup>1</sup> A copy of the entity's budget should be returned to the department with the completed Prudential Statement.

<sup>2</sup> Please provide written commentary.

<sup>3</sup> Please provide written commentary.

<sup>4</sup> Please provide written commentary.

<sup>5</sup> Note a director's duty concerning insolvent trading S.615 *Water Act 2000*.

<sup>6</sup> Also, note s.31 of the *Statutory Bodies Financial Arrangements Act 1982*.

<http://www.legislation.qld.gov.au/LEGISLTN/CURRENT/S/StatutoryBodA82.pdf> and "Overdraft Facilities—Operational Guidelines for the Public Sector": <http://www.treasury.qld.gov.au/office/knowledge/docs/overdraft/index.shtml>

A statutory body may operate a deposit and withdrawal account to the extent necessary or convenient for its day to day operations. However, the account may only be operated with an overdraft facility with the prior approval of the Treasurer.

<sup>7</sup> The entity should contact the Principal Policy Officer, Water Entity Governance & Transition, for advice on procedure.

No	Question	Yes/No/Other
4	<p>Did the entity draw down any loan borrowings during the financial year?</p> <ul style="list-style-type: none"> <li>• If DNRM authorised loan borrowings and the entity has subsequently drawn down funds from the QTC, did the entity meet all its loan repayments on time?</li> <li>• Did the entity draw down any further debt during the year?</li> <li>• Was the further draw down approved by DNRM?</li> <li>• If so, how much (\$) and note the terms) and when approved.</li> </ul>	<u>No</u>
5	<p>Taking into account the nature and scope of its operations<sup>8</sup> and its size, has the entity undertaken a risk management assessment to ensure the entity is protected from unacceptable costs or losses?</p> <ul style="list-style-type: none"> <li>• If the entity has discovered it is exposed to risk, has the entity taken action or put plans in place to avoid, minimise, control and manage the risk?</li> <li>• If yes, please outline the actions taken and/or the key elements of these plans in an attachment to this questionnaire.</li> </ul>	<p>Low Risk identified – no requirement for formal plans</p>
6	<p>Does the entity have current cover for public liability and professional indemnity insurance?</p> <ul style="list-style-type: none"> <li>• Are the entity's insurance premiums paid up to date?</li> <li>• Is the current level of insurance cover appropriate?</li> <li>• Has the entity recently reviewed the adequacy of its insurance cover?</li> </ul> <p>(A copy of current policy may be requested)</p>	<u>Yes</u>

**Note**

If the entity is to respond with a written statement to any of the matters mentioned above, the entity must also include in the written statement the action taken by it to remedy the situation.

If the entity has not taken any action to remedy the situation, the entity must state the reasons for its inaction.

<sup>8</sup> Consider all aspects of the entity's business.

## Accrual Accounting

Prior exemptions from the requirement to use accrual accounting methods are no longer granted to trusts remaining a statutory body.

If your entity has a total gross revenue of \$1,000,000 or more—

No	Question	Yes/No/Other
1	For how many years in succession has your entity's gross revenue exceeded \$1,000,000?	<u>0</u>
2	Are there any specific and exceptional factors that account for gross revenue exceeding \$1,000,000 that are unlikely to occur on an ongoing basis in future years (e.g. a special two-year subsidy program that is not expected to be ongoing)? <ul style="list-style-type: none"><li>• If so, please outline the nature of these exceptional revenue factors and state when these factors will no longer have an observable effect on gross revenue in your balance sheets.</li></ul>	<u>NA (income less than \$1m)</u>
3	Has the entity, as part of its annual financial planning, assessed the growth in its operations and evaluated the impacts of cash accounting versus the accrual accounting framework?	<u>NA (income less than \$1m)</u>
4	If applicable, is the entity preparing for the introduction of accrual accounting into its operations? <ul style="list-style-type: none"><li>• If yes, by which date does the entity anticipate to have fully implemented accrual accounting methods?</li><li>• If not, why not?</li></ul>	<u>NA (income less than \$1m)</u>

### Note:

If the entity is required to provide reasons in response to questions 2 and 4 above, please attach a written statement.

When responding to question 4 immediately above, the entity must state reasons for its inaction, if any.

Signed: \_\_\_\_\_

Chairperson

Herbert River Improvement Trust

Date: \_\_\_\_\_

31/7/14



**Annual Reporting 2013–14**  
**ENTITY INDEBTEDNESS STATEMENT**

**Name of Entity:** Herbert River Improvement Trust

An entity which has outstanding loans is required to prepare an Entity Indebtedness Statement to accompany its end of year financial statements presented for audit.

Does the entity have outstanding loans?

(Indicate with a tick - ✓)

Yes

☐

No

☒

The Indebtedness Statement must be dated and signed by the entity's Chairperson.

The Indebtedness Statement must include: -

- The term of the loan, when it was taken out and when final payment is due;
- The level of debt at the beginning of the current financial year (1 July);
- The level of debt at the close of the current financial year (30 June);
- State how the debt will be serviced in the coming financial year;
- Include how payments will be split between interest and principal;
- Include other commitments the entity may have for the current and coming financial years (include, for example, financial commitments the entity might have under existing or proposed contractual arrangements).

Signed: \_\_\_\_\_

Chairperson

Herbert River Improvement Trust

Date: \_\_\_\_\_

31/7/14

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# HERBERT RIVER IMPROVEMENT TRUST

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25 Lannercost Street INGHAM  
PO Box 366 INGHAM QLD 4850

TELEPHONE: (07) 4776 4600  
FACSIMILE: (07) 4776 3233

ABN 64 454 924 781

All Correspondence to be addressed to the Trust Secretary

10 July 2014

The Treasurer  
Office of State Revenue  
GPO Box 611  
BRISBANE QLD 4001

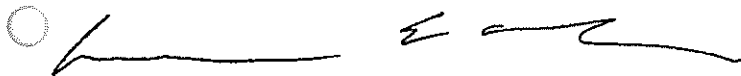
Dear Sir

## ***ANNUAL GOODS AND SERVICES TAX (GST) COMPLIANCE CERTIFICATE***

During the 2013/2014 financial year, the Herbert River Improvement Trust financial administration was performed by the Hinchinbrook Shire Council. The same systems and processes were in place for both entities regarding GST issues.

There have been no GST issues or changes made during the 2013/2014 financial year.

Effective from 1 July 2014 financial administration for the Herbert River Improvement Trust transferred to Herbert Valley Accounting and Tax ([herbertvalleyaccountingandtax@bigpond.com](mailto:herbertvalleyaccountingandtax@bigpond.com)).



LE Mash  
Trust Secretary  
Herbert River Improvement Trust