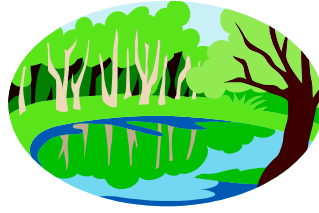


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# HERBERT RIVER IMPROVEMENT TRUST

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## Letter of Compliance

The Honourable Dr Anthony Lynham MP  
Member for Stafford  
Minister for Natural Resources, Mines and Energy  
PO Box 15216  
CITY EAST QLD 4002

26<sup>th</sup> July 2019

Dear Minister

I am pleased to present the 2018 -19 annual report and financial statements for the Herbert River Improvement Trust.

I certify that this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*; and
- the detailed requirements set out in the *Annual report requirements for Queensland Government agencies*.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Bob Bosworth', written in a cursive style.

Robert A Bosworth  
Chairperson  
Herbert River Improvement Trust

# HERBERT RIVER IMPROVEMENT TRUST

## ANNUAL REPORT 2018–19

### 1. Introduction

#### 1.1. Agency role and main functions

The Herbert River Improvement Trust was constituted in 1943 under the *River Improvement Trust Act 1940*.

The main function of the Trust continues to be to deliver river management, flood mitigation and environmental benefits that align with the State's own Queensland Strategy for Disaster Resilience and water quality improvement programs in the lower Herbert River and tributaries between Abergowrie and the coast at Lucinda.

The Trust's main objectives have been to mitigate flooding for the wellbeing of both urban and rural communities, protect and improve the condition of the rivers, repair flood damage, prevent future flood damage, and to protect public and sugar industry infrastructure. Since its inception, the Trust has constructed river improvement works at over five hundred sites in the Hinchinbrook Shire Council Local Government Area. Major flood mitigation works including the Ripple Creek and Catherina Creek floodgates, the Foresthorne flood channel and the Halifax Town Levee have been constructed over the last 40 years.

The works of the Trust deliver substantial environmental benefits with the reduction in sediment loads from bank erosion and resultant water quality improvement of flood waters moving out to the inner Great Barrier Reef.

Ingham is the major business centre in the Herbert catchment and is in the central area of the extensive flood plain that is devoted to sugar cane production. The Herbert River rises in the Atherton Tablelands before entering the Hinchinbrook Shire above Abergowrie 100km from the coast. Major tributaries Gowrie Creek and the Stone River join the river upstream of Ingham before the Herbert River delta discharges into Hinchinbrook Passage. The delta consists of the Herbert River, Anabranche, Gairloch and Halifax Washaways with overflows into the Seymour River, Trebonne Creek, Palm Creek and others in the delta. The Trust's area also extends 40km south of Ingham with Cattle and Frances Creeks, Waterview and Waterfall Creeks and others discharging directly to the coast.

- Address: Hinchinbrook Shire Council, 25 Lannercost Street, Ingham, Qld 4850
- Postal address: PO Box 162, Ingham, Qld 4850
- Contact number: 0408 771 678
- Contact officer: Leigh Carr, Secretary

This report will be available on request from the Hinchinbrook Shire Council and the Herbert River Improvement Trust.

#### 1.2. Operating environment

##### 1.2.1. Administration

During the year, the Trust had eleven ordinary meetings and two special meetings.

##### Ordinary Meeting dates:

05/07/2018	02/08/2018	06/09/2018	11/10/2018
01/11/2018	06/12/2018	15/02/2019	07/03/2019
04/04/2019	02/05/2019	13/06/2019	

##### Special Meeting dates:

28/11/2018	29/11/2018
------------	------------

The annual conference and annual general meeting of the State Council of River Trusts, Queensland, was held at the Cassowary Coast and hosted by the Cassowary Coast River Improvement Trust from 18 to 19 October 2018. The Trust was represented at the conference and AGM by Chair Mr Arthur Bosworth and Members Cr Wallis Skinner and Mr Keith Phillips.

#### 1.2.2. General

The Trust did not require the services of Barristers and/or Solicitors (Attachment 4) and no personal contributions were made to the Trust by members and/or staff during the reporting period.

#### 1.2.3. Review of operations

Very heavy rainfall that resulted from the 2019 Monsoon Trough impacted on extensive areas of North and Far North Queensland including the Hinchinbrook Shire. Disaster recovery funding arrangements (DRFA) were put in place by the Commonwealth and Queensland Governments and the Herbert River Improvement Trust was engaged to implement projects under the associated DRFA Riparian Recovery Program.

The Department of Environment and Science (DES) commenced a reconnaissance task to identify priority bank erosion sites for restoration and stabilisation under the program. The Trust assisted by providing a list of priority sites for DES consideration. The DES reconnaissance was in progress at the end of 2018/19 with a main consideration being the potential for further sediment loss from the eroded banks in future floods. Indications were that this would lead to \$2M to \$3M in river works by the Trust for the program.

The Trust had made an application for funding under the 2018/19 Queensland State Grants and Subsidies Program, funding made available by the Queensland and Australian Governments and managed by the Queensland Reconstruction Authority (QRA). Funding of 80% of the estimated project cost of \$488,475 was approved in January 2019.

The Trust had prepared a works program to repair riverbank damage and to reline the Ripple Creek floodgates. Work under that program continued in 2018/19 and an order was placed for the 3m diameter PVC liners needed to reline the floodgates.

Funding by way of a precept served on the Hinchinbrook Shire Council again underpinned the operations of the Trust (\$243,000). This funding provided the basis for the Trust's operations in 2018/19.

The State government is a major benefactor from the works the Trust does in the community. Much of the work protects State infrastructure and helps deliver the water quality improvement the State seeks to achieve with their Great Barrier Reef water quality improvement strategies. The Trust is ideally placed to deliver on-ground works with the legislative powers it has under the *River Trust Improvement Act 1940*.

#### 1.2.4. Capital works

Capital works completed are summarised as follows:

Location	Type of works	Cause and effect
Herbert River (Poggio property, Long Pocket)	bank restoration	bank erosion/flood damage
Herbert River (Di Bartolo property, Long Pocket)	bank restoration	bank erosion/flood damage
Herbert River (Bosworth property, Abergowrie)	outfall protection	bank erosion/flood damage
Herbert River (Spina property, Long Pocket)	bank restoration	bank erosion/flood damage
Herbert River (Genrich property, Halifax)	bank stabilisation	bank slumping adjacent to Halifax town levee
Herbert River (sand islands below Halifax)	re-profiling riverbed for flood mitigation	sediment build-up and vegetation management
Herbert River (Castorina sand island opposite Cordelia and Macknade)	re-profiling riverbed for flood mitigation	sediment build-up and vegetation management
Ripple Creek Floodgates (Ingham)	purchase of 3m diameter PVC liners	repair corrosion in existing steel plate flood gate pipes
Lagoon Creek (Venturato property, Braemeadows)	bank protection	rock banks and controls

### *1.2.5. Review of proposed forward operations*

A major task for the Trust in 2019/20 will be to complete the Commonwealth/State DRFA projects that are approved for funding. That may involve a \$2M to \$3M program of works on the Herbert River, Stone River and other watercourses.

QRA: Modification of the Halifax Levee (estimated project cost \$488,475). This will involve raising the crest of the levee 200mm to substantially reduce the threat of overtopping and failure by breaching. The levee constructed in 2006 consists of 2,200m of earth levee and 700m of masonry block levee. Changes in the Herbert River delta have caused the need to raise the levee.

The Trust also needs to progress the lining of the Ripple Creek floodgates with the PVC liners when they are fabricated and delivered (estimated cost \$300,000). This will involve inserting the 3m diameter liners inside the three deteriorating steel plate Armco pipes, one at a time, and pressure grouting them in place. The work will need to be done when the flow in the creek can be diverted through one of the pipes.

The Trust continues to work under its river management strategies and action plans to mitigate flooding and prepare the river valleys and particularly the lower Herbert delta for extreme events like those that have occurred in the past. The work lessens the threat of breaches of the natural river levees and bank erosion and reduces the movement of suspended sediment downstream and out into the inner Great Barrier Reef lagoon. It is becoming more widely realised now that bank erosion is making the most significant contribution to suspended sediment in the Wet Tropics. The work of the Trust fits in very well with the Commonwealth and State initiatives of water quality improvement.

## **2. Non-financial performance**

### **2.1. Government objectives for the community**

The Trust provides services that meet the government's objective of protecting the environment, such as ensuring sustainable management of natural resources and water quality improvement.

### **2.2. Other whole-of-government plans / specific initiatives**

Where applicable, the Trust provides services that are consistent with whole-of-government plans and specific initiatives addressing issues in North Queensland.

### **2.3. Objectives and performance indicators**

The Trust's objectives, as listed in its strategic plan, are:

- To mitigate flooding and reduce flood damage in urban and rural areas
- To help the community recover from flooding associated with extreme weather events or cyclones
- To restore and stabilize the banks of the major rivers and tributaries and other streams to help protect the community and industries in the whole Hinchinbrook Shire from flood damage, and to protect State and Local government transport and other infrastructure
- To maintain the extensive river management works constructed by the Trust, and
- To undertake works of stream improvement to help prevent changes in course of the rivers and creeks, and to address erosion and associated riverine problems that cause economic, social and environmental problems for the State and the Hinchinbrook Shire community.

The Trust measures its achievement of these objectives by community feedback and the continued investment by stakeholders in river management.

### **2.4. Outputs and output performance measures**

The Trust reports on its annual works program performance through the online enQUIRE program with the assistance, as required, of the State Council of River Trusts Queensland Inc. and DNRME.

### 3. Financial performance

#### 3.1. Summary of financial performance

The Trust's major funding sources for the 2018-19 year were:

- Hinchinbrook Shire Council \$243,000.00
- State Council of River Trusts Queensland \$130,648.34
- Queensland Reconstruction Authority \$117,234.00

The Trust had no borrowings or state loan indebtedness and had the financial ability to fund its works program and service its debts during the reporting period.

#### 3.2 Breakdown of funds spent on trust assets

Capital works grants \$	Capital works completed \$	Repairs due to flood \$	Restoration of assets (excl. flood) \$	Maintenance work on assets \$
Nil	409,218	43,871	Nil	43,352

### 4. Governance – management and structure

#### 4.1. Organisational structure

Composition of the Herbert River Improvement Trust:

- As per the Trust's constitution, a total of five members may be appointed to the Trust.
- Of the above members, three are to be appointed by the minister following advertisement and a merit selection process, and two local government members are to be appointed by the constituent local government (Hinchinbrook Shire Council). The Trust members nominate one of the existing members to be elected as chairperson.

Members appointed at 30 June 2019:

Name	Position	Current term	First appointed
Mr Robert A Bosworth	Chair	Full year	11 April 2013
Cr Wallis G Skinner	Member	Full year	17 May 2012
Cr Andrew J Lancini	Member	Full year	26 April 2016
Mr Gary B Accornero	Member	Full year	11 April 2013
Mr Keith T Phillips	Member	Full year	11 April 2013

#### 4.2. Executive management

The Trust is self-managed.

#### 4.3. Government bodies (statutory bodies and other entities)

Attachment 3 outlines meeting and remuneration information for the Trust for the 2018–19 reporting period. DNRME will make this information available on its website alongside the 2018–19 summary annual report of Queensland's river improvement trusts.

#### 4.4. Public Sector Ethics Act 1994

The Trust has in place a Code of Conduct and has complied with the *Public Sector Ethics Act 1994*. The code is aligned with that adopted by Hinchinbrook Shire Council. The code is updated and adopted on an annual basis.

#### 4.5. Public Interest Disclosures Act 2010

The Trust has adopted by resolution the procedures accessible at the following website of the Department of Natural Resources, Mines and Energy: <https://www.qld.gov.au/environment/water/catchments/trusts>

## **5. Governance – risk management and accountability**

### **5.1. Risk management**

The Prudential Assessment Questionnaire is provided at Attachment 5.

The Trust operates with the benefit of the risk management and accountability procedures of the Hinchinbrook Shire Council.

### **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 in this regard to report for 2018–19.

### **5.4. External scrutiny**

The Trust has not been reviewed by any external entities (apart from the Auditor General - annual audit) during the reporting period.

### **5.5. Information systems and recordkeeping**

The Trust has complied with all of its obligations under the *Public Records Act 2002*, including making, managing, keeping and preserving public records.

The trust did not lose any records during 2018–19.

## **6. Governance – human resources**

### **6.1. Workforce planning and performance (staffing)**

The Trust did not employ any fulltime staff during the 2018–19 financial year.

### **6.2. Early retirement, redundancy and retrenchment**

No packages were paid during the period.

## **7. Open Data**

### **7.1. Consultancies**

The Trust required the services of consultants Hansen Surveys for the re-survey of Gentle Annie Creek / Mona Road.

The Trust's business was conducted by the Trust Engineer throughout the year with assistance from Hinchinbrook Shire Council.

### **7.2. Overseas travel**

No overseas travel on Trust business was undertaken by members of Trust.

### **7.3. Queensland Language Services Policy (QLSP)**

No interpreter services were undertaken by members of the Trust.

## 8. Financial statements

In accordance with the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, general purpose financial statements have been prepared by the Trust, certified by the Chairperson and Secretary and submitted to the Queensland Audit Office for audit. A copy of the auditor's report will be submitted to the Department of Natural Resources, Mines and Energy as soon as it is available.

### 8.1. Remuneration Disclosures

- Remuneration paid to chairperson - \$1,631.40
- Remuneration paid to members - \$10,298.04

Further information on remuneration and meetings is provided in Attachment 3.



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**Signature of chairperson**

Dated 26<sup>th</sup> July 2019

## Annual Reporting 2018–19

## GOVERNMENT BODIES (STATUTORY BODIES AND OTHER ENTITIES)

Herbert River Improvement Trust						
Act or instrument	<i>River Improvement Trust Act 1940</i>					
Function	To protect and improve rivers, repair and prevent damage to rivers and prevent or mitigate flooding of land by floods. The primary role of a trust is to plan, design, finance, construct and maintain stream improvement works for the benefit of Commonwealth and State Government assets, the community and the rural industry within its river improvement area.					
Achievements	The major tasks for the Trust in 2018-19 were to complete projects on its annual works program. These projects follow major flooding at Halifax in 2018 and flood damage caused by the 2019 Monsoon Trough event in North Queensland.					
Financial reporting	The Trust acts as the audit committee and the annual audit is conducted by the Auditor-General.					
Remuneration						
Position	Name	Meetings attended (insert number)		Approved annual or daily fee (half daily fee paid if under 4 hrs)	Approved sub-committee fees if applicable	Actual fees received
Chair	Robert A Bosworth	over 4 hrs	1	\$390 daily \$195 half day	N/A	\$1,365.00
		under 4 hrs	4			
Member (Deputy Chair)	Wallis G Skinner	over 4 hrs	4	\$390 daily \$195 half day	N/A	\$1,755.00
		under 4 hrs	3			
Member	Wallis G Skinner	over 4 hrs	3	\$300 daily \$150 half day	N/A	\$1,800.00
		under 4 hrs	5			
Member	Keith T Phillips	over 4 hrs	3	\$300 daily \$150 half day	N/A	\$1,950.00
		under 4 hrs	6			
Member	Andrew J Lancini	over 4 hrs	4	\$300 daily \$150 half day	N/A	\$2,100.00
		under 4 hrs	7			
Member	Gary B Accornero	over 4 hrs	4	\$300 daily \$150 half day	N/A	\$2,400.00
		under 4 hrs	9			
Total remuneration paid (add actual fees received column)						\$11,370.00
No. scheduled meetings	11 <i>Include total no. meetings scheduled e.g. 12. List sub-committee meetings separately.</i>					
Average duration (please tick one) ✓	Daily meetings		Sub-committees (if applicable)			
	< 2 hours		< 2 hours			
	> 2 to < 4 hours	✓	> 2 to < 4 hours			
	> 4 hours		> 4 hours			
Total out of pocket expenses	\$4,177.21 <i>Include total \$ cost for Chair and all members. 'Out of pocket' expenses are outlined in the Remuneration Procedures for part-time Chairs and members of Queensland Government bodies, and includes motor vehicle expenses, travel expenses. Do not include consultancies.</i>					



Herbert River Improvement Trust - Additional information				
Appointing river improvement trust	Minister for Natural Resources, Mines and Energy – community members Hinchinbrook Shire Council – local government representatives			
Remuneration category	Regulation, Administration and Advice – Level 3			
Funding <i>(please tick all applicable)</i> ✓	✓	Qld State Government	State Council and Queensland Reconstruction Authority	
	✓	Non-government	Landowner contributions	
	✓	Other	Hinchinbrook Shire Council	
Equal employment opportunity census <i>(please indicate numbers, e.g. 3)</i>	Target group		Male	Female
	Aboriginal and Torres Strait Islander People			
	People with a disability		1	
	People with non-English speaking background			
	Women		—	1
Contact officer & position	Leigh Carr Secretary			
Telephone	0408 771 678			
Email	herbertvalleyaccountingandtax@bigpond.com			
Additional information if required	Hinchinbrook Shire Council			

## Annual Reporting 2018–19

## FEES PAID TO BARRISTERS AND SOLICITORS

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

Name of portfolio: **Natural Resources, Mines and Energy**

<b>Name of legal firm(s) and</b> <b>Full name(s) &amp; title(s) of <u>each</u> practitioner consulted –</b> <b>please also note if practitioner is a <b>barrister</b> or <b>solicitor</b></b> <i>(details required for departmental reporting)</i>	<b>No. of briefs paid for and</b> <b>Date(s) briefs were provided</b>	<b>Legal category of service*</b> <i>(please select from list below)</i>	<b>Location of legal service</b>	<b>Amount paid (inc. GST)</b> <b>\$</b>
N/A	N/A	N/A	N/A	N/A

**\*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).

## Annual Reporting 2018–19

## 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 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><b>Has the entity developed <i>and attached</i> its budget for the next financial year?</b></p> <ul style="list-style-type: none"> <li>If not, please provide reasons and forward a copy of the budget documentation as soon as possible, noting that this must be provided to DNRME by 31 August<sup>1</sup>.</li> <li>If yes, 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>	N/A
2	<p><b>Did the entity prepare monthly bank reconciliation statements during the financial year?</b></p> <ul style="list-style-type: none"> <li>If not monthly, how frequently were they prepared and why?</li> <li>If not at all, why not?</li> </ul>	Yes
3	<p><b>At any stage during the financial year was the entity overdrawn at the bank?</b></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>2</sup>?</li> <li>Does the entity need to seek the Treasurer's approval<sup>3</sup>?</li> </ul>	No

<sup>1</sup> This is a requirement under section 13 of the *River Improvement Trust Act 1940*.

<sup>2</sup> Also, note section 31 of the *Statutory Bodies Financial Arrangements Act 1982*.  
<http://www.legislation.qld.gov.au/LEGISLTN/CURRENT/S/StatutryBodA82.pdf> and "Overdraft Facilities—Operational Guidelines for the Public Sector": <https://www.treasury.qld.gov.au/publications-resources/overdraft/index.php>

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>3</sup> The entity should contact the Manager, Catchment Programs, for advice on procedure.

No	Question	Yes/No/Other
4	<p><b>Did the entity draw down any loan borrowings during the financial year?</b></p> <ul style="list-style-type: none"> <li>• If DNRME 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 DNRME?</li> <li>• If so, how much (\$ and note the terms) and when approved.</li> </ul>	No
5	<p><b>Taking into account the nature and scope of its operations and its size, has the entity undertaken a risk management assessment to ensure the entity is protected from unacceptable costs or losses?</b></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>	Low risk identified – no requirement for formal plans
6	<p><b>Does the entity have current cover for public liability and professional indemnity insurance?</b></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? (A copy of current policy may be requested)</li> </ul>	Yes

**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.

*(Prudential assessment questionnaire continues over page)*

## Accrual Accounting

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

No	Question	Yes/No/Other
7	<b>For how many years in succession has your entity's gross revenue exceeded \$1 000 000?</b>	N/A (income less than \$1m)
8	<b>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)?</b> <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>	N/A (income less than \$1m)
9	<b>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?</b>	N/A (income less than \$1m)
10	<b>If not already transitioned from cash accounting, is the entity preparing for the introduction of accrual accounting into its operations?</b> <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>• <b>If not, why not?</b> (noting that this is a requirement under the <i>Financial reporting requirements for Queensland Government agencies</i> published by the Treasury department)</li></ul>	N/A (income less than \$1m)

Signed:



Robert A Bosworth  
Chairperson  
Herbert River Improvement Trust

Date:

26<sup>th</sup> July 2019

## Annual Reporting 2018–19

## ENTITY INDEBTEDNESS STATEMENT

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

An entity that 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

☒

*This statement must be dated and signed by the entity's Chairperson.*

**If YES above is ticked, please address the following:**

1	The term of the loan, when it was taken out and when final payment is due:
2	The level of debt at the beginning of the current financial year (1 July):
3	The level of debt at the close of the current financial year (30 June):
4	State how the debt will be serviced in the coming financial year:
5	How the payments will be split between interest and principal:
6	Other commitments the entity may have for the current and coming financial years (e.g. financial commitments the entity might have under existing or proposed contractual arrangements):
7	Additional information if required:

Signed:



Robert A Bosworth  
Chairperson  
Herbert River Improvement Trust

Date: 26<sup>th</sup> July 2019

# **Herbert River Improvement Trust**

ABN 64 454 924 781

Financial Statements  
For the year ended 30 June 2019

**Herbert River Improvement Trust**  
**ABN 64 454 924 781**  
**Detailed Profit and Loss Statement**  
**For the year ended 30 June 2019**

	2019 \$	2018 \$
<b>Income</b>		
Government Grants	490,882	460,074
Land Owner Contributions	44,758	4,500
Interest Received	3,666	4,698
	<u>539,306</u>	<u>469,272</u>
<b>Expenses</b>		
Administration Expenses	99,930	58,827
Bank Fees and Charges	76	83
Depreciation	830,255	820,261
Capital Works	45,081	47,665
Maintenance (Trust Funded)	44,730	27,056
Maintenance (Grant Funded)	2,496	750
	<u>1,022,568</u>	<u>954,642</u>
<b>Net Profit (Loss) from Ordinary Activities</b>	<u><b>(483,261)</b></u>	<u><b>(485,371)</b></u>

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The accompanying notes and compilation report form part of these financial statements.



**Herbert River Improvement Trust**  
**ABN 64 454 924 781**  
**Detailed Balance Sheet as at 30 June 2019**

	Note	2019 \$	2018 \$
<b>Current Assets</b>			
<b>Cash Assets</b>			
Commonwealth Bank - Cheque Account		30,408	1,587
Commonwealth Bank - Online Saver		257,330	381,836
Commonwealth Bank - Term Deposit		107,779	105,260
		395,517	488,683
<b>Receivables</b>			
Taxation Refund		122,848	95,008
Receivables			4,950
		122,848	99,958
<b>Total Current Assets</b>		<b>518,366</b>	<b>588,641</b>
<b>Non-Current Assets</b>			
<b>Property, Plant and Equipment</b>			
Natural Assets - at Fair Value		38,059,341	37,765,528
Less: Accumulated Depreciation		(8,923,423)	(8,162,236)
Structures - at Fair Value		1,973,362	1,855,738
Less: Accumulated Depreciation		(631,081)	(562,014)
		30,478,199	30,897,016
<b>Total Non-Current Assets</b>		<b>30,478,199</b>	<b>30,897,016</b>
<b>Total Assets</b>		<b>30,996,565</b>	<b>31,485,657</b>

The accompanying notes and compilation report form part of these financial statements.

**Herbert River Improvement Trust**  
**ABN 64 454 924 781**  
**Detailed Balance Sheet as at 30 June 2019**

	Note	2019 \$	2018 \$
<hr/>			
<b>Current Liabilities</b>			
<b>Payables</b>			
Unsecured:			
Payables		27,621	33,452
		<u>27,621</u>	<u>33,452</u>
<b>Total Current Liabilities</b>		<u><b>27,621</b></u>	<u><b>33,452</b></u>
<b>Total Liabilities</b>		<u><b>27,621</b></u>	<u><b>33,452</b></u>
<b>Net Assets</b>		<u><b>30,968,944</b></u>	<u><b>31,452,205</b></u>
<b>Equity</b>			
Asset Revaluation Reserve		14,766,558	14,766,558
Accumulated Surplus		16,202,386	16,685,647
<b>Total Equity</b>		<u><b>30,968,944</b></u>	<u><b>31,452,205</b></u>

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The accompanying notes and compilation report form part of these financial statements.

# **Herbert River Improvement Trust**

**ABN 64 454 924 781**

## **Notes to the Financial Statements**

**For the year ended 30 June 2019**

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### **Note 1: Summary of Significant Accounting Policies**

The members have prepared the financial statements of the trust on the basis that the trust is a non-reporting entity because there are no users dependant on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the information needs of the stakeholders.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below, which the members have determined are appropriate to meet the purposes of preparation. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of the statements are as follows:

#### **(a) Property, Plant and Equipment (PPE)**

Property, Plant and Equipment are carried at cost or at independent or trustees' valuation. All assets, excluding freehold land and buildings are depreciated over the useful lives of the assets to the trust. Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in members' equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the assets charged to the income statement and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

#### **(b) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

#### **(c) Revenue and Other Income**

Revenue is measured at the fair value of the consideration received or receivable.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

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 (usually 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.

#### **(d) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST. Receivables and payables in the balance sheet are shown inclusive of GST.

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# **Herbert River Improvement Trust**

**ABN 64 454 924 781**

## **Notes to the Financial Statements**

**For the year ended 30 June 2019**

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### **(e) Trade and Other Payables**

Trade and other payables, including bank borrowings and distributions payable, are recognised at the nominal transaction value without taking into account the time value of money.

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# Herbert River Improvement Trust

ABN 64 454 924 781

## Compilation Report to Herbert River Improvement Trust

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We have compiled the accompanying special purpose financial statements of Herbert River Improvement Trust, which comprise the balance sheet as at 30 June 2019, the profit and loss statement for the year then ended, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is to provide information relating to the performance and financial position of the Trust that satisfies the information needs of relevant stakeholders.

### *The Responsibility of the Trustees*

The members are solely responsible for the information contained in the special purpose financial statements, the reliability, accuracy and completeness of the information and for the determination that the basis of accounting adopted is appropriate to meet their needs and for the purpose that the financial statements were prepared.

### *Our Responsibility*

On the basis of information provided by the members, we have compiled the accompanying special purpose financial statements in accordance with the financial reporting framework described in Note 1 to the financial statements and APES 315 Compilation of Financial Information.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with the financial reporting framework described in Note 1 to the financial statements. We have complied with the relevant ethical requirements of APES 110 Code of Ethics for Professional Accountants.

### *Assurance Disclaimer*

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The special purpose financial statements were compiled exclusively for the benefit of the members who are responsible for the reliability, accuracy and completeness of the information used to compile them. Accordingly, these special purpose financial statements may not be suitable for other purposes. We do not accept responsibility for the contents of the special purpose financial statements.



Herbert Valley Accounting and Tax

26 July, 2019

# Herbert River Improvement Trust

ABN 64 454 924 781

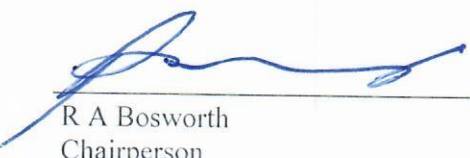
## Members' Declaration

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The members declare that the Trust is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The members declare that:

- (i) the financial statements and notes, present fairly the Trust's financial position as at 30 June 2019 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and
- (ii) financial assistance received has been expended in accord with the purposes for which it was given in the financial year.



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R A Bosworth  
Chairperson



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L F Carr  
Secretary

Date: 26/7/19