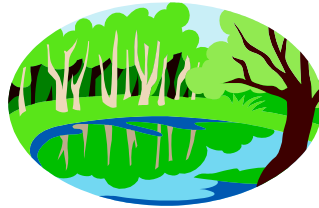

HERBERT RIVER IMPROVEMENT TRUST



Letter of Compliance

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

20th April 2021

Dear Minister

I am pleased to submit for presentation to the Parliament the Annual Report 2019-20 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 2019*, 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 'R Bosworth', written in a cursive style.

Robert A Bosworth
Chairperson
Herbert River Improvement Trust

HERBERT RIVER IMPROVEMENT TRUST

ANNUAL REPORT 2019–20

1. General Information

1.1. Introductory Information

The work of the Trust delivers outcomes with benefits for the Commonwealth, State and Local Governments. These outcomes include flood mitigation, restoration of flood damage and timely preventative removal of debris from water courses and drainage lines after cyclones and extreme rainfall events and associated flooding. The work of the Trust includes river bank restoration, stream re-alignment and revegetation of river banks, all of which contribute to water quality improvement for the downstream environment.

These outcomes help address current government flood mitigation and natural resource management objectives for the Hinchinbrook community.

1.2. Agency role and main functions

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

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 sugar industry infrastructure.

The Herbert River rises in the Atherton Tablelands before entering the Hinchinbrook Shire above Abergowrie, 100 kilometres from the coast. Major tributaries, Gowrie Creek and the Stone River, join the river upstream of Ingham before the Herbert River delta discharges into the Hinchinbrook Passage. The delta consists of the Herbert River, Anabranche, Gairloch and the Halifax Washaway with overflows into the Seymour River, Trebonne Creek, Palm Creek and others in the delta. The Trust's area also extends 40 kilometres south of Ingham with Cattle and Frances Creeks, Waterview and Waterfall Creeks and others discharging directly to the coast.

Ingham is the main business centre in the Herbert catchment and is located in the central area of the extensive flood plain that is devoted to sugar cane production. Since its inception, the Trust has constructed river improvement works at over 500 sites in the Hinchinbrook Shire Council Local Government Area. Major flood mitigation works including the Ripple and Catherina Creeks' flood gates and the Halifax Town Levee have been constructed over the last 40 years.

The Trust has undergone no machinery of government changes during the reporting period.

Address of principal place of business: Hinchinbrook Shire Council, 25 Lannercost Street, Ingham, Qld 4850

Postal address: PO Box 162, Ingham, Qld 4850

Contact number and email: 0408 771 678, herbertvalleyaccountingandtax@bigpond.com

Contact officer: Leigh Carr, Secretary

Copies of this report will be available upon request from the Hinchinbrook Shire Council and/or the Herbert River Improvement Trust.

1.3. Operating environment

1.3.1. Administration

During the year, the Trust held 12 ordinary meetings and 4 special meetings.

Ordinary Meeting dates:

- | | | | |
|--------------|--------------|--------------|--------------|
| • 04/07/2019 | • 01/08/2019 | • 05/09/2019 | • 03/10/2019 |
| • 07/11/2019 | • 05/12/2019 | • 06/02/2020 | • 05/03/2020 |
| • 26/03/2020 | • 16/04/2020 | • 07/05/2020 | • 11/06/2020 |

Special Meeting dates:

- | | | | |
|--------------|--------------|--------------|--------------|
| • 05/03/2020 | • 06/03/2020 | • 23/04/2020 | • 20/05/2020 |
|--------------|--------------|--------------|--------------|

The annual conference and annual general meeting (AGM) of the State Council of River Trusts, Queensland was held in Brisbane and hosted by the southern River Improvement Trusts over the week end of 23-25 October, 2019. The Trust was represented at the conference and AGM by Chair Mr Robert A Bosworth and Member, Mr Gary B Accornero.

1.3.2. General

The Trust did not require the services of any Barristers and/or Solicitors during the reporting period.

There were no personal contributions made to the Trust by members and/or staff during the reporting period.

1.3.3. Review of operations

The 2019-20 wet season resulted in only moderate rainfall and little flooding in the Hinchinbrook Local Government Area (the Trust area). The Trust had prepared a works program to repair river bank damage, re-line the Ripple Creek flood gates and commence design and construction of works approved by the Department of Environment and Science (DES) under the 2019 Disaster Recovery Funding Arrangements (DRFA) program.

The Trust was involved in an extended period of reconnaissance by DES to allow the State Government to select the sites for the DRFA riparian recovery works. The Trust worked with DES consultants, Neilly Group Engineering, to investigate many flood damaged sites across the Hinchinbrook Shire after the 2019 Monsoon Trough flooding event.

The Trust assisted a large number of land owners (approximately 70) restore farming operations following the 2019 Monsoon Trough flooding event, by providing oversight of river bank repairs where "Category C" disaster funding was approved for land owners by the Queensland Rural and Industry Development Authority (QRIDA).

Funding by way of a \$243,000 precept served on the Hinchinbrook Shire Council again underpinned the operations of the Trust for the reporting period. This funding provided the basis for the Trust's operations and supported the successful opportunities the Trust undertook during the year in seeking additional funding for capital works from Commonwealth and State Government programs, disaster assistance and land holder contributions.

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 its legislative powers under the *River Improvement Trust Act 1940*.

1.3.4. Capital works

Capital works undertaken during the reporting period is summarised as follows:

Location	Type of works	Cause and effect
Halifax Levee Project	Earthworks and concrete block work to raise the levee and widen the crest of the earth sections to strengthen it	Severe Tropical Cyclone Debbie
Castorina Island Project	Bed profiling	Flooding
DES Grant Project	Bank restoration and stabilisation	Monsoon Trough 2019 flooding
Stream bank erosion <ul style="list-style-type: none">• Long Pocket• Ripple Creek• Black Gin Creek	Repair and stabilise bank erosion	Saturation from flooding with slumping
DRFA Herbert River North Banks Project <ul style="list-style-type: none">• Hawkins Creek	Repair breaches in natural levee with subsurface drainage	Monsoon Trough 2019 flooding

1.3.5. Review of proposed forward operations

The major tasks for the Trust in 2020-21 will be to complete the State Queensland Reconstruction Authority (QRA)/Trust and Commonwealth/State DRFA Projects for which grant funding has been approved. The Trust also intends to complete the lining of the Ripple Creek flood gates with the liners fabricated and now on site.

QRA Modification of Halifax Levee: Estimated project cost - \$488,475.

This project 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.

DRFA Projects: With the Herbert River North Banks Project completed in December 2019 (Hawkins Creek) at a cost of \$46,000, the task will be to complete the other 4 approved projects with the total estimated project cost being \$2,411,017:

- HR-2 Herbert River (Abergowrie)
- SR-1 Stone River (Upper Stone)
- SR-2 Stone River (Trebonne)
- WVC-2 Waterview and Gap Creeks (Bambaroo)

Survey and design work commenced in March 2020 with construction to commence once the State's funding deeds are endorsed.

Lining the Ripple Creek flood gates: Estimated cost - \$300,000.

This project will involve inserting the 3m diameter liners inside the 3 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 other pipes.

The Trust continues to work under its river management strategies and action plans to mitigate flooding and prepare the river valley 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 therefore with the Commonwealth and State initiatives of water quality improvement.

2. Non-financial performance

2.1. Government's 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 for North Queensland.

2.3. Objectives and performance indicators

The Herbert River Improvement Trust's objectives, as listed in its strategic plan, are to:

- help mitigate flooding and reduce flood damage in urban and rural areas
- help the community recover from flooding associated with extreme weather events or cyclones
- 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
- maintain the extensive river management works constructed by the Trust, and
- undertake stream improvement works to help prevent changes in the course of the rivers and creeks, and to address erosion and associated riverine problems that cause economic, social and environmental issues for the State and the Hinchinbrook Shire community.

The Trust achieved its objectives, consistent with its strategic plan with a value for money approach and reports on its annual works program performance through the online Enquire program with assistance (as required) from the State Council of River Trusts Queensland (SCRT).

2.4. Service areas and service standards

The Trust is self-funding and therefore funding 'service areas' and 'service standards' measures are not applicable.

3. Financial performance

3.1. Summary of financial performance

The Trust's major funding sources for the 2019-20 year were:

• Hinchinbrook Shire Council	\$ 243,000.00
• State Council of River Trusts Queensland	\$ 31,402.80
• Department of Environment and Science	\$ 1,205,510.00
• FNQ NRM Ltd	\$ 20,635.40

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 \$
1,500,548.20	631,368.38	45,528.20	Nil	16,805.38

4. Governance – management and structure

4.1. Organisational structure

Composition of the Herbert River Improvement Trust:

- As per the Herbert River Improvement Trust's constitution, a total of 5 members may be appointed to the Trust.
- Of the above members, 3 are to be appointed by the Minister following advertisement and a merit selection process, and 2 local government members are to be appointed by the constituent local government, Hinchinbrook Shire Council (HSC). The trust members nominate one of the existing members to be elected as chairperson.

Members appointed at 30 June 2020:

Name	Position	Current term	First appointed
Mr RA Bosworth	Chair & Minister appointed member	1 July 2019 to 30 June 2020	11 April 2013
Cr WG Skinner	Deputy Chair & HSC appointed member	1 July 2019 to 30 June 2020	17 May 2012
Cr AJ Lancini	HSC appointed member	1 July 2019 to 30 June 2020	26 April 2016
Ms CA Coppo	Minister appointed member	7 November 2019 to 30 June 2020	7 November 2019
Ms ML Wise	Minister appointed member	7 November 2019 to 30 June 2020	7 November 2019

During the 2019-20 reporting period, the following members were re-appointed/newly appointed to the Trust:

- Mr RA Bosworth (re-appointed 7 November 2019)
- Cr WG Skinner (re-appointed 28 April 2020)
- Cr AJ Lancini (re-appointed 28 April 2020)
- Ms CA Coppo (newly appointed)
- Ms ML Wise (newly appointed)

During the 2019–20 reporting period, the following members left their position on the Trust:

- Mr GB Accornero

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 2019–20 reporting period. DNRME will make this information available on its website alongside the 2019–20 summary annual report of Queensland's river improvement trusts.

4.4. Public Sector Ethics

The *Public Sector Ethics Act 1994* (PSEA) applies to public service agencies and public sector entities as defined under the PSEA.

When appointed, members to the board are reminded of their obligations to the water authority and are given access to the publication, *Welcome Aboard: A Guide for Members of Queensland Government Boards, Committees and Statutory Authorities*.

The Herbert River Improvement 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 HSC.

4.5. Human Rights

The Trust has nothing to disclose regarding the reporting obligations on public entities under the *Human Rights Act 2019* (HR Act).

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 HSC.

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 2019-20.

5.4. External scrutiny

The Trust has not been reviewed by any external entities (apart from the Auditor-General's report on the financial statements) 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 2019–20.

6. Governance – human resources

6.1. Strategic workforce planning and performance

The Trust employed 2 staff during the 2019-20 financial year, both of which worked casual hours as required by the Trust.

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 Venant Solutions Pty Ltd (flood modelling) and Hinchinbrook Surveying Solutions (topographical surveys) for investigations for the Modification of the Halifax Levee Project funded by QRA and the Trust.

The Trust also required consultants to commence the fluvial geomorphologist investigations, engineering design and drawings for 5 projects approved and to be jointly funded by the Commonwealth and Queensland Governments under the DRFA: North and Far North Queensland Monsoon Trough 2019, Stage 2: Riparian Recovery Program.

The Trust's business was also conducted by the Secretary and Engineer throughout the year with assistance from HSC.

Consultancies' expenditure:

Consultancy category	Expenditure (\$)
Consultants - Professional/technical	43,690.29
Total cost of consultancies	43,690.29

7.2. Overseas travel

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

7.3. Queensland Language Services Policy (QLSP)

No interpreter services were undertaken by directors of the Trust.

8. Financial statements

In accordance with the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019*, 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 - \$ 3,900.00
- Remuneration paid to members - \$ 8,340.00

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

Signed: 

Robert A Bosworth
Chairperson
Herbert River Improvement Trust

Date: 20th April 2021

Annual Reporting 2019–20

GOVERNMENT BODIES (STATUTORY BODIES AND OTHER ENTITIES)

Herbert River Improvement Trust							
Act or instrument		River Improvement Trust Act 1940					
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 and the community and rural industry within its river improvement area.					
Achievements		To complete the major QRA/Trust and DRFA Projects for which grant funding has been approved. These projects follow major flooding at Halifax in 2018 and flood damage caused by the 2019 Monsoon Trough event in North Queensland.					
Financial reporting		Not exempted from audit by the Auditor-General. Transactions of the entity are accounted for in the financial statements, which are audited by distance audit procedures.					
Remuneration							
Position		Name	Meetings attended <i>(insert number)</i>		Approved annual or daily fee <i>(half daily fee paid if under 4 hrs)</i>	Approved sub-committee fees if applicable	Actual fees received
Member (Chair)		Robert A Bosworth	over 4 hrs	5	\$390 daily \$195 half day	N/A	\$3,900
			under 4 hrs	10			
Member (Deputy Chair)		Wallis G Skinner	over 4 hrs	1	\$390 daily \$195 half day	N/A	\$390
			under 4 hrs	-			
Member		Wallis G Skinner	over 4 hrs	4	\$300 daily \$150 half day	N/A	\$2,400
			under 4 hrs	8			
Member		Marissa L Wise	over 4 hrs	2	\$300 daily \$150 half day	N/A	\$1,350
			under 4 hrs	5			
Member		Andrew J Lancini	over 4 hrs	5	\$300 daily \$150 half day	N/A	\$3,000
			under 4 hrs	10			
Member		Gary B Accornero	over 4 hrs	2	\$300 daily \$150 half day	N/A	\$1,200
			under 4 hrs	4			
No. scheduled meetings		12					
Total out of pocket expenses		\$936.70 <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.</i>					

Annual Reporting 2019–20

FEES PAID TO BARRISTERS AND SOLICITORS

Name of entity: Herbert River Improvement Trust

Name of portfolio: Natural Resources, Mines and Energy

Name of legal firm(s) and Full name(s) & title(s) of <u>each</u> practitioner consulted – please also note if practitioner is a barrister or solicitor (details required for departmental reporting)	No. of briefs paid for and Date(s) briefs were provided	Legal category of service* (please select from list below)	Location of legal service	Amount paid (inc. GST) \$
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 2019–20

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>Has the entity developed <i>and attached</i> its budget for the next financial year?</p> <ul style="list-style-type: none"> • 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 August¹. • 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? 	Yes
2	<p>Did the entity prepare monthly bank reconciliation statements during the financial year?</p> <ul style="list-style-type: none"> • If not monthly, how frequently were they prepared and why? • If not at all, why not? 	Yes
3	<p>At any stage during the financial year was the entity overdrawn at the bank?</p> <ul style="list-style-type: none"> • If yes, state reasons why. • Is the entity aware that it requires the Treasurer's approval to operate an account with an overdraft facility²? • Does the entity need to seek the Treasurer's approval³? 	No

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

² 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.

³ The entity should contact the Manager, Natural Resources Programs, 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"> • 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? • Did the entity draw down any further debt during the year? • Was the further draw down approved by DNRME? • If so, how much (\$ and note the terms) and when approved. 	No
5	<p>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?</p> <ul style="list-style-type: none"> • 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? • If yes, please outline the actions taken and/or the key elements of these plans in an attachment to this questionnaire. 	Low risk identified – no requirement for formal plans
6	<p>Does the entity have current cover for public liability and professional indemnity insurance?</p> <ul style="list-style-type: none"> • Are the entity's insurance premiums paid up to date? • Is the current level of insurance cover appropriate? • Has the entity recently reviewed the adequacy of its insurance cover? (A copy of current policy may be requested) 	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	For how many years in succession has your entity's gross revenue exceeded \$1 000 000?	It has in times of natural disaster, major flooding events or special funding opportunities e.g. DRFA funding 2019-20
8	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">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.	Yes (see No 7). DRFA: North and Far North Queensland Monsoon Trough 2019, Stage 2: Riparian Recovery Program
9	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?	No, as gross revenue depends on weather events/funding
10	If not already transitioned from cash accounting, is the entity preparing for the introduction of accrual accounting into its operations? <ul style="list-style-type: none">If yes, by which date does the entity anticipate to have fully implemented accrual accounting methods?If not, why not? (noting that this is a requirement under the <i>Financial reporting requirements for Queensland Government agencies</i> published by the Treasury department)	No, as gross revenue depends on weather events/funding and no debtors/creditors exist

Note:

If the entity is required to provide reasons in response to questions 8 and 10 above, please **attach a written statement**.

When responding to question 10 above, the entity must **state reasons for its inaction**, if any.

Signed:



Robert A Bosworth
Chairperson
Herbert River Improvement Trust

Date:

20th April 2021

Annual Reporting 2019–20

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:

20th April 2021

Herbert River Improvement Trust

ABN 64 454 924 781

Financial Statements
For the year ended 30 June 2020

Herbert River Improvement Trust
ABN 64 454 924 781
Detailed Profit and Loss Statement
For the year ended 30 June 2020

	2020 \$	2019 \$
Income		
Government Grants	1,479,913	490,882
Land Owner Contributions	16,360	44,758
Interest Received	3,287	3,666
Sundry Income	79,518	
	<u>1,579,077</u>	<u>539,306</u>
Expenses		
Administration Expenses	71,541	99,930
Bank Fees and Charges	74	76
Depreciation	842,436	830,255
Capital Works		45,081
Maintenance (Trust Funded)	17,645	44,730
Maintenance (Grant Funded)	104,093	2,496
Sundry Expenses	37,118	
	<u>1,072,906</u>	<u>1,022,568</u>
Net Profit (Loss) from Ordinary Activities	<u>506,172</u>	<u>(483,261)</u>

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 2020

	Note	2020 \$	2019 \$
Current Assets			
Cash Assets			
Commonwealth Bank - Cheque Account		5,082	30,408
Commonwealth Bank - Online Saver		75,881	257,330
Commonwealth Bank - Grant Account		939,953	
Commonwealth Bank - Term Deposit		110,679	107,779
		1,131,595	395,517
Receivables			
Taxation Refund		65,823	122,848
Receivables		91,166	
		156,989	122,848
Other			
Queensland Utility Bill Relief		738	
		738	
		738	
Total Current Assets		1,289,322	518,366
Non-Current Assets			
Property, Plant and Equipment			
Natural Assets - at Fair Value		38,668,408	38,059,341
Less: Accumulated Depreciation		(9,696,791)	(8,923,423)
Structures - at Fair Value		1,973,362	1,973,362
Less: Accumulated Depreciation		(700,149)	(631,081)
		30,244,830	30,478,199
Total Non-Current Assets		30,244,830	30,478,199
Total Assets		31,534,152	30,996,565

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 2020

	Note	2020 \$	2019 \$
<hr/>			
Current Liabilities			
Payables			
Unsecured:			
Payables		59,037	27,621
		<u>59,037</u>	<u>27,621</u>
Total Current Liabilities		<u>59,037</u>	<u>27,621</u>
Total Liabilities		<u>59,037</u>	<u>27,621</u>
Net Assets		<u>31,475,116</u>	<u>30,968,944</u>
Equity			
Asset Revaluation Reserve		14,766,558	14,766,558
Accumulated Surplus		<u>16,708,558</u>	<u>16,202,386</u>
Total Equity		<u>31,475,116</u>	<u>30,968,944</u>

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 2020

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.

Herbert River Improvement Trust

ABN 64 454 924 781

Notes to the Financial Statements

For the year ended 30 June 2020

(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.

Herbert River Improvement Trust

ABN 64 454 924 781

Members' Declaration

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 2020 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.



R A Bosworth
Chairperson



L F Carr
Secretary

Date: 20/4/21

Herbert River Improvement Trust

ABN 64 454 924 781

Compilation Report to Herbert River Improvement Trust

We have compiled the accompanying special purpose financial statements of Herbert River Improvement Trust, which comprise the balance sheet as at 30 June 2020, 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

20 April, 2021