



# Healthy Waterways Ltd

ABN 77 137 943 554

**Financial Statements**

For the year ended 31 December 2011

# Healthy Waterways Ltd

ABN 77 137 943 554

For the year ended 31 December 2011

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# Healthy Waterways Ltd

ABN 77 137 943 554

For the year ended 31 December 2011

## INDEPENDENT AUDITOR'S REPORT

To the Members of Healthy Waterways Ltd

### Report on the Financial Report

I have audited the accompanying financial report of Healthy Waterways Ltd, which comprises the statement of financial position as at 31 December 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

#### *Directors' Responsibility for the Financial Report*

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

#### *Independence*

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can only be removed by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised.

# Healthy Waterways Ltd

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## For the year ended 31 December 2011

The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

In conducting the audit the independence requirements of the *Corporations Act 2001* have been complied with. I confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Healthy Waterways Ltd would be in the same terms if given to the directors as at the time of the auditor's report.

### *Opinion*

In my opinion, the financial report of Healthy Waterways Ltd is in accordance with the *Corporations Act 2001*, including –

- (a) giving a true and fair view of the company's financial position as at 31 December 2011 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

### **Other Matters - Electronic Presentation of the Audited Financial Report**

This auditor's report relates to the financial report of Healthy Waterways Ltd for the year ended 31 December 2011. Where the financial report is included on Healthy Waterways Ltd's website the company's directors are responsible for the integrity of Healthy Waterways Ltd's website and I have not been engaged to report on the integrity of Healthy Waterways Ltd's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements or otherwise included with the financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.

These matters also relate to the presentation of the audited financial report in other electronic media including CD Rom.

Dated at Lismore this 29th day of March 2012.

.....  
K R FRANEY CA  
(As Delegate of the Auditor-General of Queensland )

# Healthy Waterways Ltd

ABN 77 137 943 554

For the year ended 31 December 2011

## Directors' Report

Your directors present their report on the company for the year ended 31 December 2011.

### 1. General Information

#### Directors

The names of the directors in office at any time during, or since the end of, the year are:

Names	Position
Ms Leith Bouly	Director (Chair)
Mr Rod Lehmann	Director (Deputy Chair)
Professor Paul F Greenfield	Director
Cr Peter Matic	Director
Ms Anne Jones	Director

Directors have been in office since the start of the period to the date of this report unless otherwise stated.

#### Company Secretary

The following person has held the position of company secretary at the end of the year:

Ms Tania N Kearsley

#### Objectives and Strategies

##### (a) Short term Objectives

The organisation's short term objectives are identified in a range of business improvement initiatives, namely:

- Deliver continued innovation and leadership through Healthy Waterways existing science, monitoring, education and capacity building programs
- Provide value to our members and ensure programs align with members needs
- Deliver leading advice and capacity building to support our members in prioritising, implementing and evaluating on-ground actions
- Engender strong community education, awareness and support
- Develop additional income streams such as sponsorships and charity donations to support above activities
- Providing safe, secure and meaningful employment for our staff.

##### (b) Long Term Objectives

Healthy Waterways long term objectives include:

- To achieve healthy waterways in South East Queensland
- Ensure a diversified membership base across government, industry and the community
- Explore opportunities for expansion of Healthy Waterways programs into new areas
- Lead the development of innovative science technologies and initiatives
- Retain a South East Queensland focus but take advantage of national and international opportunities
- Build the Healthy Waterways brand as a leader in waterway health
- Achieve financial resilience and independence through diversifying our funding base
- Provide a safe and satisfying working environment for our staff.

# Healthy Waterways Ltd

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For the year ended 31 December 2011

## Directors' Report

### Principal Activities and Achievement of Objectives

The principal activity of the company during the financial year was facilitating the delivery of four key program areas.

- The Science and Innovation Program provides independent scientific advice, develops innovative decision support tools and ensures that rigorous science underpins Healthy Waterways' work.
- The Ecosystem Health Monitoring Program delivers one of the most comprehensive marine, estuarine and freshwater monitoring programs in Australia. The program highlights whether the health of SEQ's waterways and Moreton Bay is improving or declining, and provides insight into the issues impacting on waterway health.
- The Water by Design Program aims to build capacity in the South East Queensland water and urban development sectors to utilise Water Sensitive Urban Design in protecting the region's waterways and water resources.
- The Communication, Education and Motivation Program develop initiatives to educate and engage the community in the issue of waterway health.

### Director Information

#### **Ms Leith Bouilly**

Qualifications

Experience

Special responsibilities

Director

Chairman Wide Bay Water Corporation, Board Member, Seqwater, Adjunct Professor, School of Integrative Systems, UQ

Extensive experience in community engagement (rural) governance, research and development, water resource management.

Chair of the Board

#### **Mr Rod Lehmann**

Qualifications

Experience

Special responsibilities

Director

Director Water Strategies Pty Ltd

Extensive experience in water and wastewater planning and water recycling, sewerage and irrigations system infrastructure and hydraulic structures and working for water authorities in Australia and overseas.

Deputy Chair of the Board

#### **Professor Paul F Greenfield**

Qualifications

Experience

Director

Chair – Scientific Advisory Committee

Professor Greenfield has recently retired from the position of Vice-Chancellor of the University of Queensland. He currently chairs the Scientific Advisory Committee and is a Director of several University companies and has consulted for national and international companies and government agencies in the fields of biotechnology, wastewater management, environmental management and project evaluation.

#### **Cr Peter Matic**

Qualifications

Experience

Director

Councillor for Toowong Ward

Extensive experience in matters relating to the environment and our waterways, along with his experience working within our communities and as a practicing solicitor.

#### **Ms Anne Jones**

Qualifications

Experience

Director

Chair – Toadshow Pty Ltd

Extensive experience in all areas of media and arts.

# Healthy Waterways Ltd

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For the year ended 31 December 2011

## Directors' Report

### Director's Attendances

During the year ended 31 December 2011 there were 8 ordinary meetings of the Board of Directors held.

Director's attendances of meetings during directorship were as follows:

Ms Leith Bouly	7/8
Mr Rod Lehmann	8/8
Prof Paul Greenfield	5/8
Cr Peter Matic	6/8
Ms Anne Jones	8/8

### Membership

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the company.

At 31 December 2011 the number of members was 1.

## 2. Business Review

### (a) Operating Results

The net surplus of the company for the period 1 January 2011 to 31 December 2011 amounted to \$509,512 comparing to a deficit of \$377,887 in the previous year. The company has \$2,176,362 in unearned revenue. The income will be recognised either when the service is fully rendered or revenue for membership fees are deemed pro-rated in the appropriate financial period. It should be noted that a large sum of the profit recorded this financial year was due to recognition of non-reciprocal grants funding. The corresponding expenditure will flow through next year.

### (b) Funds for future years

It is required by the Australian Accounting Standards applicable to not-for-profit entities that contributions received for company activities (other than relating to fee-for-service engagements) must be recognised as revenue on the receipt of funds. In some cases, contributions have been received during the 2011 financial year which relate to committed projects / programs which extend into future years. We provide below an understanding of program commitments in the 2012 financial year where funding has been received in the 2011 financial year and has been recognised as revenue.

#### Designated funds: Program commitments for the next fiscal year

	<u>2011</u>	<u>2010</u>
	\$	\$
Ecosystem Health Monitoring Program (EHMP)	474,662	491,578
Science Program	381,097	561,278
Communications, Education and Motivation Program (CEM)	57,303	4,211
Water by Design Program (WBD)	43,151	22,118
<b>Total program commitments</b>	<u>956,213</u>	<u>1,079,185</u>
Program management and support for future year	1,099,201	466,717
<b>Total fund commitments for future year</b>	<u><b>2,055,414</b></u>	<u><b>1,545,902</b></u>

# Healthy Waterways Ltd

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For the year ended 31 December 2011

## Directors' Report

### 3. Other Items

#### Significant Changes in State of Affairs

The company was formally incorporated on 26 June 2009 to facilitate the running of its programs after being hosted by Brisbane City Council for over 10 years. On the 8 December 2010, the Healthy Waterways Network was formally established with 18 members in the 'investor' category.

#### Indemnifying Directors or Officers

No indemnities have been given or insurance premiums paid, during or since the end of the period, for any person who is or has been a director or an officer of the company.

#### Auditors Independence Declaration

The auditor's independence declaration for the year ended 31 December 2011 has been received and follows this Director's Report.

Signed in accordance with a resolution of the Board of Directors:

Director:.....

Director: .....

Dated at Brisbane this 29th day of March 2012

# Healthy Waterways Ltd

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For the year ended 31 December 2011

## DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Healthy Waterways Ltd, the directors declare that:

1. The accompanying financial statements and notes are in accordance with the Corporations Act 2001 and;
  - (i) Comply with Australian Accounting Standards, and
  - (ii) Give a true and fair view of the financial position as at 31 December 2011 and of the performance for the year ended on that date of the company.
2. At the date of this declaration, there are reasonable grounds to believe that the company can pay its debts as and when they become due and payable.

For and on behalf of the Board

Director:.....

Director: .....

Dated at Brisbane this 29th day of March 2012

# Healthy Waterways Ltd

ABN 77 137 943 554

For the year ended 31 December 2011

The Board of Directors  
Healthy Waterways Limited  
Level 16  
333 Ann Street  
BRISBANE QLD 4000

## AUDITOR'S INDEPENDENCE DECLARATION

This declaration is made in connection with my audit of the financial statements of Healthy Waterways Ltd for the year ended 31 December 2011 and in accordance with the provisions of the Corporations Act 2001.

I declare that, to the best of our knowledge and belief, there have been:

- No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to this audit;
- No contraventions of the Code of Professional Conduct of the Institute of Chartered Accountants in Australia in relation to this audit.

.....

K R FRANEY CA

(As delegate of the Queensland Auditor-General)

Dated at Brisbane this 29th day of March 2012

# Healthy Waterways Ltd

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For the year ended 31 December 2011

## Statement of Comprehensive Income

	Note	<u>2011</u> \$	<u>2010</u> \$
Revenue	2	7,583,861	9,946,756
<b>Total Revenue</b>		<b>7,583,861</b>	<b>9,946,756</b>
<b>Expenses</b>			
Marketing expenses		222,661	413,054
Occupancy expenses		205,198	174,454
Operational expenses	3	4,898,515	8,008,830
Administrative expenses	4	1,743,495	1,698,138
Other expenses		4,480	30,167
<b>Total Expenses</b>		<b>7,074,349</b>	<b>10,324,643</b>
<b>Net surplus/ (deficit) for the year</b>		<b>509,512</b>	<b>(377,887)</b>
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive income attributable to members of the entity</b>		<b>509,512</b>	<b>(377,887)</b>

This Statement of Comprehensive Income should be read in conjunction with accompanying notes.

# Healthy Waterways Ltd

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For the year ended 31 December 2011

## Statement of Financial Position As At 31 December 2011

	Note	<u>2011</u> \$	<u>2010</u> \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	4,770,474	3,306,964
Trade and other receivables	6	894,498	681,588
Other assets	7	17,343	-
<b>TOTAL CURRENT ASSETS</b>		<b>5,682,315</b>	<b>3,988,552</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8	6,500	9,100
<b>TOTAL ASSETS</b>		<b>5,688,815</b>	<b>3,997,652</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	1,443,370	1,933,945
Other liabilities	11	2,176,362	512,607
<b>TOTAL CURRENT LIABILITIES</b>		<b>3,619,732</b>	<b>2,446,552</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	10	13,669	5,198
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>13,669</b>	<b>5,198</b>
<b>TOTAL LIABILITIES</b>		<b>3,633,401</b>	<b>2,451,750</b>
<b>NET ASSETS</b>		<b>2,055,414</b>	<b>1,545,902</b>
<b>EQUITY</b>			
Retained earnings		2,055,414	1,545,902
<b>TOTAL EQUITY</b>		<b>2,055,414</b>	<b>1,545,902</b>

This Statement of Financial Position should be read in conjunction with the accompanying notes.

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## Statement of Changes in Equity

<b>31 December 2011</b>	<b>Retained Earnings \$</b>	<b>Total Equity \$</b>
Opening balance at 1 January 2011	1,545,902	1,545,902
Total comprehensive income for the year	509,512	509,512
<b>Balance at 31 December 2011</b>	<b>2,055,414</b>	<b>2,055,414</b>
<b>31 December 2010</b>		
Opening balance at 1 January 2010	1,923,789	1,923,789
Total comprehensive income for the year	(377,887)	(377,887)
<b>Balance at 31 December 2010</b>	<b>1,545,902</b>	<b>1,545,902</b>

This Statement of Changes in Equity should be read in conjunction with the accompanying notes.

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## Statement of Cash Flows

	Note	<u>2011</u> \$	<u>2010</u> \$
<b>Cash flows from operating activities</b>			
Receipts from funding		4,496,092	6,938,145
Receipts from customers		162,209	197,870
Interest received		122,989	90,091
Payments to suppliers and employees		<u>(3,317,779)</u>	<u>(6,276,848)</u>
<b>Net cash provided by operating activities</b>		<b><u>1,463,510</u></b>	<b><u>949,258</u></b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		-	(13,000)
<b>Net cash used in investing activities</b>		<b><u>-</u></b>	<b><u>(13,000)</u></b>
<b>Net increase in cash and cash equivalents held</b>		<b><u>1,463,510</u></b>	<b><u>936,258</u></b>
Cash and cash equivalent at the beginning of financial year		3,306,964	2,370,706
<b>Cash and cash equivalents at the end of financial year</b>	15	<b><u>4,770,474</u></b>	<b><u>3,306,964</u></b>

This Statement of Cash Flows should be read in conjunction with the accompanying notes.

# Healthy Waterways Ltd

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For the year ended 31 December 2011

## Notes to the Financial Statements

### 1. Summary of Significant Accounting Policies

#### (a) General Information

The financial statement is for Healthy Waterways Ltd as an individual non-for-profit entity, incorporated and domiciled in Australia. Healthy Waterways Ltd is a company limited by guarantee incorporated under the Corporations Act 2001.

#### (b) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure requirements of the Australian Accounting Standards Board and the Corporations Act 2001.

Healthy Waterways Ltd has elected to early adopt pronouncements AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.

The financial statements and notes of the company comply with Australian Accounting Standards, some of which contain requirements specific to not-for-profit entities that are inconsistent with International Financial Reporting Standard requirements.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

#### (c) 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, net of bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

#### (d) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits. These cash flows are discounted using market yield on national government bonds with terms to maturity that match the expected timing of cash flows.

# Healthy Waterways Ltd

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For the year ended 31 December 2011

## Notes to the Financial Statements Continued

### (e) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of amounts required to settle the obligation at reporting date.

### (f) Revenue and Other Income

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

Grant revenue received where the entity incurs an obligation to deliver economic value directly back to the contributor is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor. Otherwise the grant is recognised as income on receipt.

Membership fees are recognised on a straight-line basis over the specified period negotiated or stated on a contractual arrangement.

Healthy Waterways Ltd receives non-reciprocal contributions from the government and other parties for zero or a nominal value. These contributions are recognised at fair value on the date of acquisition as revenue, with a corresponding amount of expense recognised in the statement of comprehensive income.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established. Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

### (g) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax 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 the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

# Healthy Waterways Ltd

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## Notes to the Financial Statements Continued

### (h) Economic Dependence

Healthy Waterways Ltd is dependent on the Queensland Department of Environment and Resource Management for the majority of its revenue used to operate the business. At the date of this report the directors have no reason to believe the Queensland Department of Environment and Resource Management will not continue to support Healthy Waterways Ltd.

### (i) Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in the presentation for the current year.

### (j) Income Tax

No provision for income tax has been raised as the company is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

### (k) Unearned Revenue

Grant revenue of fee for service revenue is recognised to the extent that the services required to be performed by the company have been performed or the grant eligibility criteria have been satisfied. Where grant monies are paid in advance of performance or eligibility, unearned revenue is recognised.

### (l) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation.

Healthy Waterways Ltd recognises property, plant and equipment as fixed assets where expenditure on such plant is \$5,000 or greater. Property, plant and equipment acquired for less than \$5,000 is expensed as incurred.

### Depreciation

The depreciable amount of all fixed assets excluding freehold land, is depreciated on a straight line basis over the useful life of the assets to the company commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable asset are:

<b><i>Class of fixed asset</i></b>	<b><i>Useful life</i></b>
Computer equipment	5 years

### (m) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term. Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

### (n) Currency

These financial statements are presented in Australian dollars rounded to the nearest one dollar.

# Healthy Waterways Ltd

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For the year ended 31 December 2011

## Notes to the Financial Statements Continued

	<u>2011</u>	<u>2010</u>
	\$	\$
<b>2. Revenue and Other Income</b>		
Government funding	4,382,891	6,105,188
Industry funding	383,029	1,001,937
Interest income	122,989	90,091
Other income	162,209	197,870
In-kind funding	2,532,743	2,551,670
<b>TOTAL REVENUE</b>	<b><u>7,583,861</u></b>	<b><u>9,946,756</u></b>
<b>3. Operation Expenses</b>		
Communication costs	9,435	3,110
Consultancy fees	2,001,895	5,188,048
Meeting costs	78,585	80,674
Professional fees	113,733	125,313
Travel costs	65,365	49,802
Equipment < \$5k	58,145	3,160
Other expenses	38,615	7,053
In-kind expenditure	2,532,743	2,551,670
	<b><u>4,898,515</u></b>	<b><u>8,008,830</u></b>
<b>4. Administration Expenses</b>		
Accounting fees	29,394	24,431
Audit fees	16,100	19,026
Bank charges	3,010	2,412
Fees, permit and subscriptions	14,212	14,687
Freight and postage	6,129	10,120
Insurance	17,790	30,100
Printing and stationery	29,050	26,814
Professional fees	39,504	95,626
Staff costs	1,532,960	1,441,791
Telephone, fax and internet	24,426	10,861
Training and development	30,920	22,270
	<b><u>1,743,495</u></b>	<b><u>1,698,138</u></b>
<b>5. Cash and Cash Equivalents</b>		
Cash on hand	500	500
Cash at bank	3,235,324	2,786,464
Short-term bank deposits	1,534,650	520,000
	<b><u>4,770,474</u></b>	<b><u>3,306,964</u></b>

# Healthy Waterways Ltd

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For the year ended 31 December 2011

## Notes to the Financial Statements Continued

	<u>2011</u>	<u>2010</u>
	\$	\$
<b>6. Trade and Other Receivables</b>		
<b>CURRENT</b>		
Trade receivables	900,288	681,588
Provision for Doubtful Debts	(5,790)	-
	<u>894,498</u>	<u>681,588</u>
<b>7. Other Assets</b>		
<b>CURRENT</b>		
Prepayments	17,343	-
	<u>17,343</u>	<u>-</u>
<b>8. Property, Plant and Equipment</b>		
Computer equipment - At cost	13,000	13,000
Accumulated depreciation	(6,500)	(3,900)
	<u>6,500</u>	<u>9,100</u>
	<b>Computer</b>	<b>Total</b>
	<b>Equipment</b>	
<b>Movements in carrying amounts</b>		
<b>Carrying amount at 1 January 2011</b>	9,100	9,100
Additions	-	-
Disposals - written-down value	-	-
Depreciation expense	(2,600)	(2,600)
<b>Carrying amount at 31 December 2011</b>	<u>6,500</u>	<u>6,500</u>
<b>9. Trade and other payables</b>		
<b>CURRENT</b>		
Unsecured liabilities		
Trade payables	104,311	164,604
Accrued project expenses	1,043,946	1,501,734
Goods and Services Tax	132,291	189,939
Other payables	55,787	52,078
Accrued employee benefits - annual leave	107,035	25,590
	<u>1,443,370</u>	<u>1,933,945</u>

# Healthy Waterways Ltd

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For the year ended 31 December 2011

## Notes to the Financial Statements Continued

	<u>2011</u>	<u>2010</u>
	\$	\$
<b>10. Provisions</b>		
<b>NON - CURRENT</b>		
Employee benefits - long service leave	13,669	5,198
	<u>13,669</u>	<u>5,198</u>

### Provision for long-term employee benefits

A provision has been recognised for employee benefits relating to long service leave for employees. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been included in Note 1 (e).

## 11. Other Financial Liabilities

### CURRENT

Unearned revenue	2,176,362	512,607
	<u>2,176,362</u>	<u>512,607</u>

## 12. Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements.

(a) Payable - minimum lease payments:		
- not later than 12 months	213,339	13,958
- between 12 months and 5 years	708,172	-
	<u>921,511</u>	<u>13,958</u>

# Healthy Waterways Ltd

ABN 77 137 943 554

For the year ended 31 December 2011

## Notes to the Financial Statements Continued

### 13. Related Party Information

#### Related Party Transactions

##### Parent Entity

The parent entity is International WaterCentre Pty Ltd.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The related parties Healthy Waterways Ltd had transactions with during the period are:-

University of Queensland (shareholder of parent entity) – Costs paid are in respect of research funding.

Griffith University (shareholder of parent entity) – Costs paid are in respect of research funding.

International Water Centre Joint Venture (International Water Centre is agent for both entities) – Costs paid to this entity are reimbursement of costs incurred in relation to the transition of the entity from the South East Queensland Healthy Waterways Partnership, payment of management fees and reimbursement of administration expenses.

	<u>2011</u>	<u>2010</u>
	\$	\$
<b>Revenue/ (Expenses)</b>		
The University of Queensland	-	4,969
International Water Centre	-	13,547
International Water Forum	11,926	6,298
The University of Queensland	(502,717)	(1,005,070)
International Water Centre	(11,656)	(241,507)
International Water Forum	(19,581)	-
Griffith University	(196,120)	(144,278)

The following amounts were owed to related party entities at balance date:

##### Receivables/ (Payables)

The University of Queensland	-	-
International Water Centre	-	-
The University of Queensland	(2,200)	-
International Water Centre	(895)	(5,015)

# Healthy Waterways Ltd

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## Notes to the Financial Statements Continued

### 14. Remuneration of Key Management Personnel

The totals of remuneration paid to key management personnel of the company during the period are as follows:

	<u>2011</u>	<u>2010</u>
	\$	\$
Short-term employee benefits	204,800	92,096
	<u>204,800</u>	<u>92,096</u>

### 15. Cash Flow Information

#### Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	<u>4,770,474</u>	<u>3,306,964</u>
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### 16. Contingent Liabilities

The company has received funding in the current financial year for various projects where deliverables may span over a number of years. The income from this funding has been recognised as income in the current financial statements.

The company estimates the future costs directly relating to delivering these project amounts to \$956,213.

### 17. Prior Year Adjustment

An agreement between Healthy Waterways Ltd and the Department of Environment and Resource Management (DERM) identifies non cash contributions of \$2,551,670 and \$2,532,743 in relation to the 2010 and 2011 years, respectively. In accordance with *AASB 1004 Contributions*, these non cash contributions should be recognised as revenue, with a corresponding expense, in the financial year received.

Subsequent to the issue of the 2010 financial report, it has been identified that the non cash contribution, of \$2,551,670 for the 2010 year had not been correctly accounted for. As such, the prior year (2010) comparatives have been adjusted to correctly account for these non cash contributions.

The line items affected are In-kind funding within Revenue and In-kind expenditure within Operational Expenses, with no net effect on Retained earnings.

### 18. Company Details

#### Registered Office

The registered office of the company is:  
Healthy Waterways Ltd  
Level 16  
333 Ann Street  
Brisbane, QLD

#### Principal place of business:

The principal place of business is:  
Healthy Waterways Ltd  
Level 25  
239 George Street  
Brisbane QLD