

HEALTHY WATERWAYS



Healthy Waterways Ltd

ABN 77 137 943 554

Financial Report

For the year ended 31 December 2012

Healthy Waterways Ltd

ABN 77 137 943 554

For the year ended 31 December 2012

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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 2012, 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.

The 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 – Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determines is necessary to enable the preparation of the financial report that gives a true and fair view and 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 company'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 company'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 be removed only 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. 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 this 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 2012 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements 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 2012. 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.



B R STEEL CPA
(as Delegate of the Auditor-General of Queensland)



Queensland Audit Office
Brisbane

Healthy Waterways Ltd

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Directors' Report

Your directors present their report on the company for the year ended 31 December 2012.

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 and exploring commercial opportunities
- Provide a safe and satisfying working environment for our staff.

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Directors' Report

Principal Activities and Achievement of Objectives

The principal activity of the company during the financial year was facilitating the delivery of the following 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 Monitoring and Evaluation Program assesses how well our waterways are being managed. This program is in development and will be further progressed in 2013.
- Healthy Waterplay Program assesses and manages the microbial risks in South East Queensland's recreational waterways. This program is in development and will be further progressed in 2013.
- The Ecosystem Health Monitoring Program assesses the health of South East Queensland's waterways and identifies waterway health issues that require intervention. This program is now a component of the broader Monitoring and Evaluation Program.
- 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 develops initiatives to educate and engage the community in the issue of waterway health, and inspires collective action.

Director Information

Ms Leith Bouly

Qualifications

Director

National Water Commissioner, Chairman Wide Bay Water Corporation, Board Member Seqwater (Member, Audit and Risk Committee), Board Member Murrumbidgee Irrigation Ltd (Chairman, Audit Committee) Chairman Recycling Centre of Excellence, Chairman Great Barrier Reef Marine Park Authority's Catchments and Coastal Development Reef Advisory Committee, Adjunct Professor, School of Integrative Systems and Food Science, The University of Queensland, Chairman Brisbane Riverprize National Panel

Experience

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

Special responsibilities

Chair of the Board

Mr Rod Lehmann

Qualifications

Experience

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.

Special responsibilities

Deputy Chair of the Board

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Directors' Report

Professor Paul F Greenfield

Qualifications

Director
Chairman, ANSTO Board
Chairman, International WaterCentre
Director, International Riverfoundation
Director, Great Barrier Reef Foundation
Director, International Energy Centre Ltd
Director, The Group of Eight Limited
Director, Altman Pty Ltd

Experience

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

Director
Councillor for Toowong Ward
Councillor, Brisbane City Council, Chairman, Public and Active Transport Committee, Brisbane City Council

Experience

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

Director
Chairman, Toadshow Pty Ltd
Secretary, Save Our Waterways Now Inc

Experience

Extensive experience in all areas of media and arts.

Director's Attendances

During the year ended 31 December 2012 there were 8 ordinary meetings of the Board of Directors held. Director's attendances at meetings during directorship were as follows:

Ms Leith Bouly	6/6
Mr Rod Lehmann	6/6
Prof Paul Greenfield	4/6
Cr Peter Matic	5/6
Ms Anne Jones	5/6

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 2012 the number of members was 3.

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Directors' Report

2. Business Review

(a) Operating Results

The net surplus of the company for the period 1 January 2012 to 31 December 2012 amounted to \$891,867 comparing to a profit of \$509,512 in the prior year. The company has \$2,074,238 in unearned revenue.

This 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 2012 financial year which relate to committed projects / programs which extend into future years. We provide below an understanding of program commitments in the 2013 financial year where funding has been received in the 2012 financial year and has been recognised as revenue.

Designated Funds Program commitments for the next fiscal year

	<u>2012</u>	<u>2011</u>
	\$	\$
Ecosystem Health Monitoring Program (EHMP)	481,439	474,662
Science Program	607,039	381,097
Communications, Education and Motivation Program (CEM)	73,238	57,303
Water by Design Program (WBD)	-	43,151
Total program commitments	1,161,716	956,213
Program management and support for future year	1,785,565	1,099,201
Total fund commitments for future year	2,947,281	2,055,414

3. Other Items

Significant Changes in State of Affairs

The company was 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. There is no other significant change in the state of affairs during the reporting year.

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.

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Directors' Report

Members' guarantee

In accordance with the company's constitution, each member is liable to contribute \$10 in the event that the company is wound up. The total members would contribute is \$30.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 31 December 2012 has been received and follows this Directors' Report.

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

Director:



Director:



Dated at Brisbane this 27th day of March 2013

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DIRECTORS' DECLARATION

In accordance with a resolution of the Board 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 2012 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.

Director.....



Director:



Dated at Brisbane this 27th day of March 2013

AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of Healthy Waterways Ltd

This auditor's independence declaration has been provided pursuant to s.307C of the *Corporations Act 2001*.

Independence Declaration

As lead auditor for the audit of Healthy Waterways Ltd for the year ended 31 December 2012, I declare that, to the best of my knowledge and belief, there have been –

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.



B R STEEL CPA
(as Delegate of the Auditor-General of Queensland)



Queensland Audit Office
Brisbane

Healthy Waterways Ltd

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For the year ended 31 December 2012

Statement of Comprehensive Income

	Note	<u>2012</u> \$	<u>2011</u> \$
Revenue	2	8,130,302	7,583,861
Total Revenue		8,130,302	7,583,861
Expenses			
Marketing expenses		160,403	236,510
Occupancy expenses		224,154	205,198
Operational expenses	3	4,902,237	4,774,784
Administrative expenses	4	1,943,250	1,848,540
Other expenses		8,391	9,317
Total Expenses		7,238,435	7,074,349
Net surplus / (deficit) for the year		891,867	509,512
Other comprehensive income		-	-
Total comprehensive income attributable to members of the entity		891,867	509,512

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



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For the year ended 31 December 2012

Statement of Financial Position

As At 31 December 2012

	Note	2012 \$	2011 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	2,810,461	4,770,474
Trade and other receivables	6	1,363,015	894,498
Financial assets	7	2,500,000	-
Other assets	8	49,318	17,343
TOTAL CURRENT ASSETS		6,722,794	5,682,315
NON-CURRENT ASSETS			
Property, plant and equipment	9	3,900	6,500
TOTAL NON-CURRENT ASSETS		3,900	6,500
TOTAL ASSETS		6,726,694	5,688,815
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	1,685,362	1,443,370
Other liabilities	11	2,074,238	2,176,362
TOTAL CURRENT LIABILITIES		3,759,600	3,619,732
NON-CURRENT LIABILITIES			
Provisions	12	19,813	13,669
TOTAL NON-CURRENT LIABILITIES		19,813	13,669
TOTAL LIABILITIES		3,779,413	3,633,401
NET ASSETS		2,947,281	2,055,414
EQUITY			
Retained earnings		2,947,281	2,055,414
TOTAL EQUITY		2,947,281	2,055,414

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



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Statement of Changes in Equity

For the financial year ended 31 December 2012

31 December 2012

	Retained Earnings \$	Total Equity \$
Opening balance at 1 January 2012	2,055,414	2,055,414
Total comprehensive income for the year	891,867	891,867
Balance at 31 December 2012	2,947,281	2,947,281

31 December 2011

Opening balance at 1 January 2011	1,545,902	1,545,902
Total comprehensive income for the year	509,512	509,512
Balance at 31 December 2011	2,055,414	2,055,414

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>2012</u> \$	<u>2011</u> \$
Cash flows from operating activities			
Receipts from members and customers		4,815,559	4,658,301
Interest received		178,471	122,989
Payments to suppliers and employees		<u>(4,454,043)</u>	<u>(3,317,780)</u>
Net cash provided by operating activities		<u>539,987</u>	<u>1,463,510</u>
Cash flows from investing activities			
Payments for held-to-maturity investments		<u>(2,500,000)</u>	-
Net cash used in investing activities		<u>(2,500,000)</u>	-
Net (decrease)/increase in cash and cash equivalents held		<u>(1,960,013)</u>	<u>1,463,510</u>
Cash and cash equivalents at beginning of financial year		4,770,474	3,306,964
Cash and cash equivalents at end of financial year		<u>2,810,461</u>	<u>4,770,474</u>

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



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Notes to the Financial Statements

1. Summary of Significant Accounting Policies

(a) General Information

This financial report 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. As a consequence, the entity has also adopted AASB 2011-2: Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements and AASB 2011-6: Amendments to Australian Accounting Standards - Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation – Reduced Disclosure Requirements. This is because the reduced disclosure requirements in AASB 2011-2 and AASB 2011-6 relate to Australian Accounting Standards that mandatorily comply to annual reporting periods on or after 1 July 2011.

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 statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements were authorised for issue on the 27 March 2013 by the directors of the company.

(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.



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Notes to the Financial Statements Continued

(d) 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.

(e) 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.

(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, 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.

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).

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Notes to the Financial Statements Continued

(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.

(h) Economic Dependence

Healthy Waterways Ltd is dependent on the Queensland Department of Environment and Heritage Protection and Local Governments 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 Departments 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:

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



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Notes to the Financial Statements Continued

(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.

(o) Financial Instruments

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(p) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the company during the reporting period that remain unpaid at the end of the reporting period.

(q) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.



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Notes to the Financial Statements Continued

	<u>2012</u>	<u>2011</u>
	\$	\$
2. Revenue and Other Income		
Membership fees	3,110,615	2,991,954
Programs, projects and grants	2,126,369	1,595,327
General Sales	30,800	46,709
Interest Income	210,487	122,989
Other income	119,288	294,139
In-kind funding	2,532,743	2,532,743
TOTAL REVENUE	<u>8,130,302</u>	<u>7,583,861</u>
3. Operation Expenses		
Communication costs	69,058	9,435
Consultancy fees	1,858,131	2,001,895
Meeting costs	73,648	78,542
Professional fees	271,330	17,995
Travel costs	53,699	65,365
Equipment < \$5k	31,526	58,145
Other expenses	12,102	10,664
In-kind expenditure	2,532,743	2,532,743
	<u>4,902,237</u>	<u>4,774,784</u>
4. Administration Expenses		
Accounting fees	7,560	29,394
Audit fees	22,000	16,100
Bank charges	2,304	3,010
Fees, permit and subscriptions	7,582	14,212
Freight and postage	5,858	6,129
Insurance	32,695	17,790
Printing and stationery	25,711	29,050
Professional fees	201,191	135,242
Staff costs	1,604,003	1,542,267
Telephone, fax and internet	17,487	24,426
Training and development	16,859	30,920
	<u>1,943,250</u>	<u>1,848,540</u>
5. Cash and Cash Equivalents		
Cash on hand	500	500
Cash at bank	1,732,422	3,235,324
Short-term bank deposits	1,077,539	1,534,650
	<u>2,810,461</u>	<u>4,770,474</u>



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Notes to the Financial Statements Continued

	<u>2012</u>	<u>2011</u>
	\$	\$
6. Trade and Other Receivables		
CURRENT		
Trade receivables	1,369,677	900,288
Provision for Doubtful Debts	(6,662)	(5,790)
	<u>1,363,015</u>	<u>894,498</u>
7. Financial Assets		
CURRENT		
Held-to-maturity investments	2,500,000	-
	<u>2,500,000</u>	<u>-</u>
8. Other Assets		
CURRENT		
Accrued Income	32,016	-
Prepayments	17,302	17,343
	<u>49,318</u>	<u>17,343</u>
9. Property, Plant and Equipment		
Property, plant and equipment - At cost	13,000	13,000
Accumulated depreciation	(9,100)	(6,500)
	<u>3,900</u>	<u>6,500</u>
	Plant and	Total
	Equipment	
Movements in carrying amounts		
Carrying amount at 1 January 2012	6,500	6,500
Depreciation expense	(2,600)	(2,600)
Carrying amount at 31 December 2012	<u>3,900</u>	<u>3,900</u>



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Notes to the Financial Statements Continued

	<u>2012</u>	<u>2011</u>
	\$	\$
10. Trade and Other Payables		
CURRENT		
Unsecured liabilities		
Trade payables	161,393	104,311
Accrued project expenses	1,193,448	1,043,946
Goods and Services Tax	78,080	132,291
Other payables	90,193	55,787
Accrued employee benefits - annual leave	162,248	107,035
	<u>1,685,362</u>	<u>1,443,370</u>
a. Financial liabilities at amortised cost classified as trade and other payables:		
Trade and other payables	1,685,362	1,443,370
Less: Accrued employee benefits - annual leave	(162,248)	(107,035)
	<u>1,523,114</u>	<u>1,336,335</u>
11. Other Liabilities		
CURRENT		
Unearned revenue	2,074,238	2,176,362
	<u>2,074,238</u>	<u>2,176,362</u>
12. Provisions		
NON - CURRENT		
Employee benefits - long service leave	19,813	13,669
	<u>19,813</u>	<u>13,669</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 serve 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).		
13. 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	215,842	213,339
- between 12 months and 5 years	492,330	708,172
	<u>708,172</u>	<u>921,511</u>



Healthy Waterways Ltd

ABN 77 137 943 554

For the year ended 31 December 2012

Notes to the Financial Statements Continued

14. Related Party Information

Related Party Transactions

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 company member) – Costs paid are in respect of research funding.

Griffith University (shareholder company member) – 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 Healthy Waterways Limited, payment of management fees and reimbursement of administration expenses.

Brisbane City Council (company member) – Costs paid are in respect of awards winnings and venue hire.

Unitywater (company member) – Revenue received are in respect of membership funding.

	<u>2012</u>	<u>2011</u>
	\$	\$
Revenue/ (Expenses)		
International Water Centre	227	11,926
Brisbane City Council	351,013	-
Unitywater	527,305	-
The University of Queensland	(317,215)	(502,717)
International Water Centre	(2,111)	(11,656)
Brisbane City Council	(2,782)	-
Griffith University	(8,543)	(196,120)

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

Receivables/ (Payables)		
International Water Centre	250	-
Brisbane City Council	157,107	-
The University of Queensland	(65,000)	(2,200)
International Water Centre	-	(895)



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For the year ended 31 December 2012

Notes to the Financial Statements Continued

15. Remuneration of Key Management Personnel

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

	<u>2012</u>	<u>2011</u>
	\$	\$
Short-term employee benefits	231,142	204,800
	<u>231,142</u>	<u>204,800</u>

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 \$1,785,565.

17. Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivables and payables. The carrying amounts for each category of financial instruments, measured in accordance with AASB139 as detailed in the accounting policies to these financial statements, are as follows:

Financial assets

Cash and cash equivalents	5	2,810,461	4,770,474
Loans and receivables	6	1,363,015	894,498
Held-to-maturity investments	7	2,500,000	-
Total financial assets		<u>6,673,476</u>	<u>5,664,972</u>

Financial liabilities

Financial liabilities at amortised cost:			
- trade and other payables	10a	1,523,114	1,336,335
Total financial liabilities		<u>1,523,114</u>	<u>1,336,335</u>

18. Company Details

Registered Office

The registered office of the company is:
Healthy Waterways Ltd
Level 25
239 George Street
Brisbane, QLD

Principal place of business:

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

