



# Wambo Shire River Improvement Trust

Financial Statements  
For The Year Ended  
30 June 2017

**Wambo Shire River Improvement Trust**  
**Financial Statements**  
**For the year ended 30 June 2017**

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**Wambo Shire River Improvement Trust**  
**Statement of Comprehensive Income**  
**For the year ended 30 June 2017**

	Notes	2017 \$	2016 (Restated) \$
<b>Income from Continuing Operations</b>			
Grants & Other Contributions	2	36,916	416
Other Income	3	824	1,725
<b>Total Income from Continuing Operations</b>		<u>37,740</u>	<u>2,141</u>
<b>Expenses from Continuing Operations</b>			
Supplies & Services	4	50,981	3,599
Administration Expenses	5	824	1,079
Depreciation Expense		8,403	8,403
<b>Total Expenses from Continuing Operations</b>		<u>60,208</u>	<u>13,081</u>
<b>Operating Surplus (Deficit) for the Year</b>		<u>(22,468)</u>	<u>(10,940)</u>
<b>Other Comprehensive Income</b>			
Capital Grants		-	-
<b>Total Other Comprehensive Income</b>		-	-
<b>Total Comprehensive Income</b>		<u><u>(22,468)</u></u>	<u><u>(10,940)</u></u>

**Wambo Shire River Improvement Trust**  
**Statement of Financial Position**  
**As at 30 June 2017**

	Notes	2017 \$	2016 (Restated) \$
<b>Current Assets</b>			
Cash and Cash Equivalents	6	46,170	58,630
Trade and Other Receivables	7	929	926
<b>Total Current Assets</b>		<b>47,099</b>	<b>59,556</b>
<b>Non-Current Assets</b>			
Property, Plant & Equipment	8	243,768	252,171
<b>Total Non-Current Assets</b>		<b>243,768</b>	<b>252,171</b>
<b>Total Assets</b>		<b>290,867</b>	<b>311,727</b>
<b>Current Liabilities</b>			
Trade and Other Payables	10	3,761	2,153
<b>Total Current Liabilities</b>		<b>3,761</b>	<b>2,153</b>
<b>Total Liabilities</b>		<b>3,761</b>	<b>2,153</b>
<b>Net Assets</b>		<b>287,106</b>	<b>309,574</b>
<b>Equity</b>			
Accumulated Surplus		287,106	309,574
<b>Total Equity</b>		<b>287,106</b>	<b>309,574</b>

**Wambo Shire River Improvement Trust**  
**Statement of Changes of Equity**  
**For the year ended 30 June 2017**

	<b>2017</b>	
	<b>Accumulated Surplus</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Balance as at 1 July 2016</b>	<b>309,574</b>	<b>309,574</b>
Net Result for the Year	(22,468)	(22,468)
<b>Balance as at 30 June 2017</b>	<b><u>287,106</u></b>	<b><u>287,106</u></b>

	<b>2016 (Restated)</b>	
	<b>Accumulated Surplus</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Balance as at 1 July 2015</b>	<b>59,940</b>	<b>59,940</b>
Net Result for the Year	(10,940)	(10,940)
Adjustment to Accumulated Surplus	260,574	260,574
<b>Balance as at 30 June 2016</b>	<b><u>309,574</u></b>	<b><u>309,574</u></b>

**Wambo Shire River Improvement Trust**  
**Statement of Cash Flows**  
**For the year ended 30 June 2017**

	Notes	2017 \$	2016 \$
<b>Cash flows from operating activities</b>			
<i>Inflows:</i>			
Operating Grants		36,500	-
Interest Received		824	1,725
<i>Outflows:</i>			
Supplies and services		(49,784)	(3,685)
<b>Net cash provided by (used in) operating activities</b>		<u>(12,460)</u>	<u>(1,960)</u>
<b>Cash flows from investing activities</b>			
<i>Inflows:</i>			
Grants, subsidies, contributions and donations		-	-
<i>Outflows:</i>			
Payments for property, plant and equipment		-	-
<b>Net cash provided by (used in) investing activities</b>		<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents		(12,460)	(1,960)
Cash and cash equivalents at beginning of financial year		58,630	63,465
<b>Cash and cash equivalents at end of financial year</b>	6	<u><u>46,170</u></u>	<u><u>58,630</u></u>



**Wambo Shire River Improvement Trust**  
**Notes To and Forming Part of the Financial Statements**  
**For the period ended 30 June 2017**

## **1. Summary of Significant Accounting Policies**

### **(a) Statement of Compliance**

The financial statements have been prepared in compliance with the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*.

These general purpose financial statements are for the period 1 July 2016 to 30 June 2017 and are prepared in compliance with the requirements of Australian Accounting Standards – Reduced Disclosure Requirements and Interpretations applicable to not-for-profit entities.

The financial statements are prepared on an accrual basis.

With respect to compliance with Australian Accounting Standards and Interpretations, the Trust has applied those requirements applicable to not-for-profit entities.

### **(b) The Reporting Entity**

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

### **(c) Underlying Measurement Basis**

Except where stated, the historical cost convention is used. All amounts throughout the financial statements are in Australian dollars.

### **(d) Trustee and Key Management Personnel Remuneration**

The trustees and key management personnel were paid meeting fees only. The rate for each personnel and the number of meetings attended can be found in Note 12.

The Trust did not engage any employees, paid or voluntary, during the year ended 30 June 2017.

### **(e) Taxation**

The Trust is exempt from income tax under the Income Tax Assessment Act 1936 and is exempt from other forms of Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST).

The Trust is not registered for Goods & Services Tax (GST).

### **(f) Insurance**

The Trust is insured for public liability, products liability, professional indemnity, Councillors & Officers liability and employment practices liability. This insurance cover is held with the Queensland Local Government Mutual Liability Pool.

**Wambo Shire River Improvement Trust**  
**Notes To and Forming Part of the Financial Statements**  
**For the period ended 30 June 2017**

**(g) Key Accounting Estimates and Judgements**

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

AASB 116 Property, Plant & Equipment has been applied for the first time in 2016/17 financial year. This standard relates to the accounting treatment and disclosures of the entity's Property, Plant and Equipment, which is further outlined in Note 8.

As a result of this application, a prior year correction has been applied to the financial statements for the previous year and to Note 8 and 13 in accordance with AASB 108. A table illustrating the effects has been included in Note 13.

**(h) New and Revised Accounting Standards**

This financial year, the Trust applied AASB 124 Related Party Disclosure for the first time. As a result the Trust has disclosed more information about related parties & transactions with those related parties.

Material related party transactions for 2016-17 are disclosed in Note 12. No comparative information about related party transactions is required in respect of 2015-16.

No other accounting standards and interpretations that have been issued, but are not yet effective, have been adopted early by the Trust.

**(i) Authorisation of Financial Statements for Issue**

The financial statements are authorised for issue by the Chairman and Secretary at the date of the signing of the Management Certificate.



**Wambo Shire River Improvement Trust**  
**Notes To and Forming Part of the Financial Statements**  
**For the period ended 30 June 2017**

	2017 \$	2016 \$
<b>2. Grants and Other Contributions</b>		
Government Subsidies and Grants	36,500	-
In Kind Assistance Received	416	416
<b>Total</b>	<u><u>36,916</u></u>	<u><u>416</u></u>

Grants, contributions, donations and gifts that are non-reciprocal in nature (i.e. do not require any goods or services to be provided in return) are recognised as revenue in the year in which the Trust obtains control over them at the time of receipt.

The In Kind Assistance Received came in the form of allowances of \$208 each permitted to be received by the Trust's Secretary and Engineer, but were forgone.

**3. Other Income**

Bank Interest	824	1,725
<b>Total</b>	<u><u>824</u></u>	<u><u>1,725</u></u>

**4. Supplies and Services**

Audit Expenses	1,400	1,400
Insurance	926	1,199
Subscriptions	1,200	1,000
Maintenance & Repairs	47,455	-
<b>Total</b>	<u><u>50,981</u></u>	<u><u>3,599</u></u>

**5. Administration Expenses**

Allowances - Trust Officers	416	416
Meeting Fees	408	204
Accounting Fee	-	459
<b>Total</b>	<u><u>824</u></u>	<u><u>1,079</u></u>

**6. Cash and Cash Equivalents**

Deposits held in trust by Western Downs Regional Council (the Council)	46,170	58,630
<b>Total</b>	<u><u>46,170</u></u>	<u><u>58,630</u></u>

Cash and cash equivalents include all cash and cheques receipted at 30 June 2017 as well as deposits held at call with financial institutions.

**7. Trade and Other Receivables**

Prepayments	929	926
<b>Total</b>	<u><u>929</u></u>	<u><u>926</u></u>

**Wambo Shire River Improvement Trust**  
**Notes To and Forming Part of the Financial Statements**  
**For the period ended 30 June 2017**

**8. Property, Plant & Equipment**

30 June 2017		Site Improvements	Works In Progress	Total
Measurement Basis	Note	Fair Value	Cost	
Opening Gross Balance		-	-	-
Corrections to Opening Balances		606,513	-	606,513
Additions		-	-	-
Disposals		-	-	-
Revaluation Decrements to Profit & Loss		-	-	-
Works in Progress Transfers		-	-	-
<b>Total Gross Value of Property, Plant &amp; Equipment</b>		606,513	-	606,513
Opening Accumulated Depreciation		-	-	-
Corrections to Opening Balances		(354,342)	-	(354,342)
Depreciation Expense		(8,403)	-	(8,403)
Disposals		-	-	-
Revaluation Decrements to Profit & Loss		-	-	-
<b>Total Accumulated Depreciation of Property, Plant &amp; Equipment</b>		(362,744)	-	(362,744)
<b>Total Net Book Value of Property, Plant &amp; Equipment</b>		<b>243,769</b>	<b>-</b>	<b>243,769</b>

Asset Acquisition

Actual cost is used for the initial recording of all non-current physical asset acquisitions. Cost is determined as the value given as consideration plus costs incidental to the acquisition, including freight in, architects' fees, establishment costs and engineering design fees.

As the Trust is not registered for GST and subsequently GST is not recoverable from the Australian Taxation Office, assets are recognised inclusive of GST.

Each class of property, plant & equipment is stated at cost or fair value less, where applicable, any accumulated depreciation.

**Wambo Shire River Improvement Trust**  
**Notes To and Forming Part of the Financial Statements**  
**For the period ended 30 June 2017**

Recognition of Property, Plant and Equipment

Assets are initially recognised at cost. Land and Buildings are measured at fair value through revaluations after initial recognition, whilst works in progress is measured at cost. Assets measured at fair value are revalued so that the carrying amount of the asset does not differ materially from its fair value.

Items of property, plant and equipment with a cost or other value equal to or in excess of the following thresholds are recognised for financial reporting purposes in the year of acquisition:

Land	\$1
Building	\$10,000
Infrastructure	\$10,000
Plant and Equipment	\$5,000

Items with a lesser value are expensed in the year of acquisition. Expenditure is only capitalised if it increases the service potential or useful life of the existing asset. Maintenance expenditure that merely restores original service potential (arising from ordinary wear and tear etc.) is expensed.

Revaluation of Non-Current Physical Assets

Land, Buildings and Infrastructure assets are measured at fair value in accordance with AASB 116 Property, Plant and Equipment, AASB 13 Fair Value Measurement and Queensland Treasury and Trade's Non-Current Asset Policies for the Queensland Public Sector. These assets are reported at their revalued amounts, being fair value at the date of valuation, less any subsequent accumulated depreciation and impairment losses where applicable.

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

The cost of assets acquired during the financial year have been judged by management to materially represent their fair value at the end of the reporting period.

Impairment

All non-current physical assets (including intangible assets) are assessed for indicators of impairment annually. If an indicator of possible impairment exists, the Trust determines the asset's recoverable amount. The asset's recoverable amount is determined as the higher of the asset's fair value less costs to sell and depreciated replacement cost. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.



**Wambo Shire River Improvement Trust**  
**Notes To and Forming Part of the Financial Statements**  
**For the period ended 30 June 2017**

Depreciation

Land is not depreciated as it has an unlimited useful life.

Depreciation on other property, plant and equipment assets is calculated on a straight-line basis so as to write-off the net cost or revalued amount of each depreciable asset, less its estimated non-depreciable value, progressively over its estimated useful life to the Trust.

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

**9. Fair Value**

The Trust recognises the following asset class at fair value:

- Site Improvements

The Trust does not measure any liabilities at fair value on a recurring basis.

The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature.

Site Improvements (Level 3)

Site improvements have been valued using the cost approach.

The Trust used unit rates sourced from Western Downs Regional Council's engineering department to determine the assets current value. Western Downs Regional Council's engineering department has extensive day-labour construction knowledge and experience which enables them to provide accurate unit

*Accumulated Depreciation*

In determining the level of accumulated depreciation, a review of the useful lives, remaining useful lives, condition and non-depreciable value was undertaken by Western Downs Regional Council's engineering department.

**Wambo Shire River Improvement Trust**  
**Notes To and Forming Part of the Financial Statements**  
**For the period ended 30 June 2017**

	2017 \$	2016 \$
<b>10. Trade and Other Payables</b>		
Expenses Payable	1,161	753
Accrued Expenses	2,600	1,400
<b>Total</b>	<u><u>3,761</u></u>	<u><u>2,153</u></u>

**11. Financial Instruments**

*Recognition*

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Trust becomes party to the contractual provisions of the financial instrument.

*Classification*

Financial instruments are classified and measured as follows:

- Cash and Cash equivalents - held at fair value through profit and loss
- Receivables - held at carrying amount
- Payables - held at carrying amount

The carrying amounts of trade receivables and payables are assumed to approximate their fair value due to their short-term nature.

No financial assets and financial liabilities have been offset and presented on a net basis in the Statement of Financial Position.

The Trust does not enter into, or trade with, such instruments for speculative purposes, nor for hedging. Apart from cash and cash equivalents, the Trust holds no financial assets classified at fair value through profit and loss.

**12. Transactions With Related Parties**

**(a) Key Management Personnel**

The following details for non-Ministerial key management personnel include those Trust positions, and the personnel occupying them, that had authority and responsibility for planning, directing and controlling the activities of the Trust during 2016-17 and 2015-16.

<i>Position</i>	<i>Position Responsibility</i>
<i>Chairperson</i>	The strategic leadership, guidance and effective oversight of the management of the Trust, including its operational and financial performance.
<i>Board Members</i>	The strategic leadership, guidance and effective oversight of the management of the Trust, including its operational and financial performance.

*Remuneration Policy*

The remuneration for the Chairperson and Members is a per meeting stipend. There is no other remuneration paid to the key management personnel of the Trust

Meetings of less than 4 hours duration pay the Chairperson \$108 and Members \$96. Meetings of more than 4 hours duration pay the Chairperson \$215 and Members \$191.

During the 2016-17 financial year, two (2) meetings were held, on the 8 March 2017 and the 14 June 2017 for a duration of approximately one hour each. Resulting in amounts owing of \$408.



**Wambo Shire River Improvement Trust**  
**Notes To and Forming Part of the Financial Statements**  
**For the period ended 30 June 2017**

*Related Party Transactions*

During the 2016-17 financial year there were no related part transactions between the Trust and its key management personnel or related parties.

**(b) Relationship Between the Wambo Shire River Improvement Trust and the Western Downs Regional Council.**

The Trust receives operational and administrative support from the Western Downs Regional Council, at no cost to the Trust, in undertaking its functions.

**13. Correction of Error**

In the process of valuing the Council's assets at 30 June 2017, it was discovered that certain assets had been omitted from previous financial reports. This error has been corrected by adjusting the comparative amounts for the 2015-16 financial statements. The adjustments are as follows:

	Actual 2016	Correction of Error	Restated 2016 Actual
<b>Statement of Comprehensive Income (Extract)</b>			
<b>Expenses</b>			
Depreciation Expense	-	8,402.73	8,402.73
<b>Total Expenses</b>	-	<b>8,402.73</b>	<b>8,402.73</b>
<b>Statement of Financial Position (Extract)</b>			
<b>Non-current Assets</b>			
Property Plant, and Equipment	-	252,171.13	252,171.13
<b>Total Assets</b>	-	<b>252,171.13</b>	<b>252,171.13</b>
<b>Equity</b>			
Accumulated Surplus	57,402.00	252,171.13	309,573.13
<b>Total Equity</b>	<b>57,402.00</b>	<b>252,171.13</b>	<b>309,573.13</b>
<b>Statement of Changes of Equity (Extract)</b>			
Opening Balance	59,939.00	-	59,939.00
Net Result	(2,537.00)	(8,402.73)	(10,939.73)
Adjustment to Retained Earnings	-	260,573.86	260,573.86
<b>Total</b>	<b>57,402.00</b>	<b>252,171.13</b>	<b>309,573.13</b>

**Wambo Shire River Improvement Trust**  
**Notes To and Forming Part of the Financial Statements**  
**For the period ended 30 June 2017**

**CERTIFICATE OF WAMBO SHIRE RIVER IMPROVEMENT TRUST**


These general purpose financial statements have been prepared pursuant to s. 62 (1)(a) of the *Financial Accountability Act 2009 (the Act)*, s. 43 of the *Financial and Performance Standard 2009* and other prescribed requirements. In accordance with s. 62(1)(b) of the Act we certify that in our opinion:

a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and

b) the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Wambo Shire River Improvement Trust (the Trust) for the financial year ended 30 June 2017 and of the financial position of the Trust as at the end of that year.

  
\_\_\_\_\_  
Greg Olm  
Acting Chairperson

27.07.2017  
Date

  
\_\_\_\_\_  
Graham Parsons  
Secretary

27. 7. 2017  
Date