



Derwent Estuary
Program

**ANNUAL
REPORT**

17

18

The Derwent Estuary Program (DEP) is a regional partnership between the Tasmanian Government, local governments, industry, scientists and the community to restore and promote our estuary.

The DEP was established in 1999 and has been nationally recognised for excellence in reducing water pollution, conserving habitats and species, monitoring river health and promoting greater use and enjoyment of the foreshore.

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OUR MISSION

In partnership with councils, businesses and the Tasmanian state government the Derwent Estuary Program aims to restore and promote the Derwent estuary.

OUR VISION

To make the Derwent estuary a world class asset that has a healthy and diverse ecosystem to support recreational and commercial use and is a source of community pride and enjoyment.





OUR HISTORY

The Derwent estuary lies at the heart of the Hobart metropolitan area and is an integral part of Tasmania's natural, cultural and economic heritage. Approximately 40% of Tasmania's population – 210,000 people – live around the estuary's margins and the Derwent is widely used for recreation, boating, fishing and marine transportation. The estuary supports several large industries, including paper production, zinc smelting and boat building, and is Tasmania's fourth busiest port. The estuary is an important and productive ecosystem, supporting large areas of wetlands, seagrasses, tidal flats and rocky reefs. These areas support a diversity of species, including internationally protected wading birds, handfish and whales.

A number of environmental issues affect the Derwent estuary, in particular:

- Severe heavy metal contamination of sediments and biota by mercury, zinc, cadmium, lead, copper and arsenic;
- elevated nutrient concentrations, localised algal growth and, in the upper estuary, seasonally depressed oxygen levels;
- loss and degradation of estuarine habitat and species;

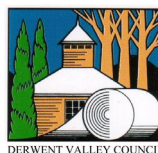
- severe infestation by invasive species, including harmful algal blooms;
- altered environmental flows and physical barriers to fish migration associated with dams;
- intermittent faecal contamination of recreational waters.

The Derwent Estuary Program (DEP) was established in 1999 as a partnership between state and local governments, industries, scientists and the community to restore and promote the Derwent estuary. A key role of the DEP is to coordinate and support monitoring activities and scientific investigations, and to compile and distribute the resulting information in regular reports, including five-yearly State of the Derwent Report and annual Report Cards.

ABOUT US

The Derwent Estuary Program (DEP) was established in 1999 as a partnership between state and local governments, industries, scientists and the community to restore and promote the Derwent estuary. A key role of the DEP is to coordinate and support monitoring activities and scientific investigations, and to compile and distribute the resulting information in regular reports, including five-yearly State of the Derwent Report and annual Report Cards.

The DEP currently manages monitoring activities, projects and communications valued at over \$1 million per year (cash and in-kind support). Our partners and supporters include:



Project support also provided by:

- Institute of Marine and Antarctic Studies (IMAS)
- CSIRO Marine Research
- NRM South
- BirdLife Tasmania

Since 1999 more than \$200 million has been invested in environmental improvements and the Derwent is now showing promising signs of recovery. During the past decade, there have been substantial reductions in discharges of organic matter (greater than 90 percent), heavy metals (greater than 60 percent), and sewage-derived nutrients (10 – 20 percent), as well as improvements in stormwater treatment.

As the condition of the estuary improves, there is growing interest in conserving and enjoying the Derwent's natural features. The DEP has led initiatives to increase the area of protected wetlands by 40 percent and to preserve iconic species such as the little penguin and the endangered spotted handfish.

More recently, the DEP has encouraged the enjoyment of the Derwent through the use of foreshore tracks by developing the Greater Hobart Trails website in cooperation with our six Council partners. Education about the Derwent's features has been a focus and the DEP has worked with the Parks and Wildlife Discovery rangers to engage with local primary schools. In 2016 the DEP sponsored the Bookend Trust's adventure program where approximately 3000 school students learned about the value of rivers via Derwent focussed online and hands on learning.

Education & arts related projects

(MONA, TMAG, GASP, Bookend Trust)



Capture and reprocessing of

over 140 tonnes per year of zinc

and other heavy metals from groundwater and stormwater reducing discharges to the Derwent by over 50% (Nyrstar Hobart smelter)

Improved treatment of sewage at several plants, and doubling of effluent reuse to

15 - 20%

of total (TasWater)

Wastewater treatment upgrades and process changes have reduced organic matter discharges

by over **95%**

(Norske Skog Boyer paper mill)

Long-term, collaborative monitoring of

**water quality
sediments &
biota**

Targeted research and system modelling to provide a scientific basis for decision-making (CSIRO, IMAS)

Monitoring & management of key

**habitats
& iconic
species,**

including wetlands, rocky reefs, little penguins and spotted handfish



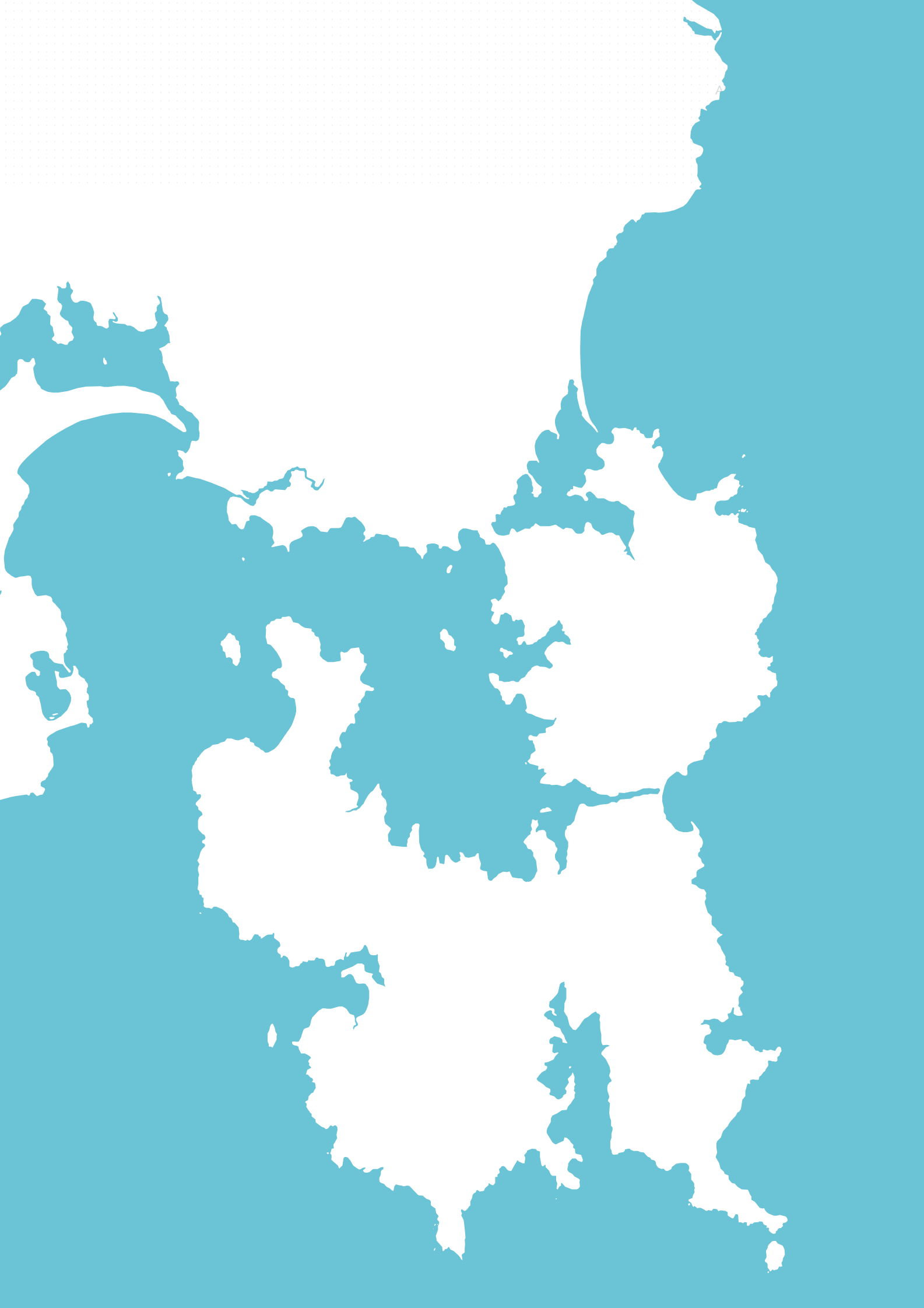
Promotion

(greaterhobarttrails.com.au) and

**construction of
walking tracks**

(councils)





BOARD MEMBERS/ TRUSTEES

| Name | Position | Dates acted (if not for whole year) |
|---------------|----------------------|--|
| Nick Heath | Chair | |
| Sophie Grace | Director | |
| Greg Davoren | Director | |
| Gary Arnold | Director | |
| Todd Milne | Director | |
| Ursula Taylor | Company Secretary | |

EMPLOYEES

| Name | Position | Dates acted (if not for whole year) |
|-------------------------|---|--|
| Ursula Taylor | Manager, Partnerships & Governance CEO | 1 July 2017 – 22 April 2018 Since 23 April 2018 |
| Christine Coughanowr | CEO | 1 July 2017 – 22 April 2018 |
| Sam Whitehead | Scientist | |
| Inger Visby | Biodiversity Officer | |
| Akira Weller-Wong | Technical Officer | Since 3 December 2017 |

VOLUNTEERS

| Name | Position | Dates acted (if not for whole year) |
|--------------------|-----------|--|
| Stine Christiansen | Volunteer | March 2018 – 29 May 2018 |



STRUCTURE & MANAGEMENT

Derwent Estuary Program Limited is registered with the Australian Charities and Not-for-profits Commission (ACNC), Australian Securities and Investment Commission (ASIC) and the Register for Environmental Organisations. DEP Limited was registered as Company Limited by Guarantee on 29 March 2017.

An independent Board has responsibility for managing the DEP's governance and is supported by the Members Committee which includes the CEOs and General Managers of the DEP's partners. Guiding the DEP is its constitution which outlines the following objects of the company:

- to advance the natural environment connected with the Derwent Estuary through its protection and enhancement.
- to maximise the health and diversity of the Derwent Estuary, such that it supports a wide range of recreational, tourism and commercial uses and initiatives and is a source of community pride and enjoyment.
- to coordinate initiatives to reduce water pollution, conserve habitats and species, monitor river health, and to promote greater use and enjoyment of the Derwent Estuary.
- to support monitoring activities and scientific investigations, and to compile and distribute relevant information in internal and public reports, in each case connected with the Derwent Estuary.
- to support the management and reduction pollution in the Derwent Estuary, including sewage, contaminated sediments, industrial discharges, marine waste and urban and catchment runoff.
- to support the conservation of estuarine habitats and species, and management of marine pests, coastal weeds and river flows.
- to support informed planning, policy and assessment by providing scientific information, guidelines and professional advice.
- to provide information and education about the

Derwent Estuary, so as to improve understanding, awareness of, and participation in, the Derwent Estuary, as well as celebrating achievements;

- to participate in and support other organisations and programs whose focus is the advancement of the natural environment connected with water systems other than the Derwent Estuary;
- to establish and maintain a public fund to be called the Derwent Estuary Fund (or with such other name as the Board determines) (Fund) for the specific purpose of supporting the environmental objects and purposes of the Company. The Fund is established to receive all gifts of money or property for this purpose and any money received because of such gifts must be credited to its bank account. The Fund must not receive any other money or property into its account and it must comply with subdivision 30-E of the Income Tax Assessment Act 1997 (Cth);
- to undertake fundraising activities for the purposes of implementing the objectives and strategies of the Company in furtherance, or in aid, of the objects above; and
- to take such other steps which are necessary or preferable to achieve or further the objects above.

To ensure the DEP manages and completes tasks at a project level we have the generous support of our partner organisations with their representatives on a Communications Advisory Group and topic specific task forces including the, Monitoring Task Force, Stormwater Task Force, Penguin Advisory Group and the Tracks and Paths Working Group. These groups typically meet two to four times per year. The commitment to cooperative arrangements to coordinate monitoring and communications activities of the DEP is formalized in a five-year voluntary partnership agreement.



CHAIRPERSON'S REPORT



Nick Heath

Chair, Derwent Estuary Program
General Manager,
Hobart City Council

I am pleased to present to you the 2017–18 Annual Report for the Derwent Estuary Program. It has been a year of change for the DEP. Our first year operating as a not-for-profit company limited guarantee. This year also saw a change of leadership. Both significant challenges for an organisation but I am pleased that both these transitions have been made professionally and in accordance with good governance practice.

These 'behind the scenes' changes have been smooth which has helped the DEP continue its work in monitoring and reporting on the state of the Derwent in in cooperation with our partners. I would like to thank and acknowledge our partners, particular the representatives of our Members Committee (formally the DEP Steering Committee) for their support and encouragement as the DEP established as an NFP. Specifically-Hobart, Kingborough, Glenorchy, Clarence, Derwent Valley and Brighton Councils, Nyrstar, Norske Skog, Hydro Tasmania, TasWater, TasPorts and the Tasmanian State Government—all members of the DEP for over 10 years.

Strategically the DEP works towards Understanding Science, Reducing Pollution, Protecting Nature and Engaging and Inspiring the community. A highlight this year has been the wrap up of a two-year monitoring program providing a snapshot of water quality in the River Derwent. The information provides a starting point for the DEP and stakeholders to consider management to improve water quality in the river, so important for Hobart's water supply, industry and the health of the river itself.

The actions of the DEP partners to reduce pollution are certainly worth celebrating. This year Nyrstar extracted 85 tonnes of zinc from their groundwater. There has also been an overall reduction of nutrients from wastewater treatment plants, however we will continue to work closely with our partners to monitor and manage the upper estuary as over the past five summers nutrient levels have incrementally increased.

The Derwent supports some amazing marine life and work continues managing the populations of little penguins and the endangered spotted handfish. The cooperative nature of the organisations in both these working groups must be commended. By continuing to work towards a common purpose great gains have been made in improving habitats for these species as well as the methods used to monitor them.

As we continue to see improvements in the environmental health of the Derwent the easier it is to inspire the community to enjoy this beautiful waterway. The Derwent has much to offer recreationally including swimming, walking, fishing, kayaking and boating. The DEP enhances community interaction with the Derwent by continuing to provide updates about water quality at beaches and the state of heavy metal levels in seafood again in partnership, this time the Department of Health and Human Services.

Finally, I would like to thank outgoing CEO Christine Coughanowr, who helped establish the DEP in 1999. Christine has made an outstanding contribution to the DEP in creating a unique and nationally valued partnership. I would also like to welcome Ursula Taylor to the CEO role this year. Ursula has worked with the DEP for 14 years and will continue DEP's well-established programs as well as embrace new challenges.

The Derwent estuary is in good hands because of the cooperation of so many and we look forward to another productive year.

CEO'S REPORT



Ursula Taylor

Chief Executive Officer,
Derwent Estuary Program

As the new CEO of the Derwent Estuary Program I am delighted to present the first annual report for DEP Limited. It has been a year of change for the DEP, our first full year as a not-for-profit company limited by guarantee. I would like to thank the DEP partners for their support and understanding as we moved away from our state government environment and established ourselves in this new, independent operational structure. The transition was made easier as the original DEP management structure was compatible with that of an NFP.

Significant governance achievements include our registration as a charity with the Australian Charities and Not-for-Profit Commission and receiving our Deductible Gift Recipient status through the Register of Environmental Organisations. Thank you to the Board for their calm, considered and expert guidance in navigating this territory. Their help ensured that the governance audit undertaken by Wise, Lord and Fergusson was an exercise in reassuring us that DEP Limited is compliant with these governing bodies.

All DEP staff were employees of DEP Limited by October 2017 with Akira Weller-Wong joining the group as Technical Officer in December 2017. I would like to thank them for their professionalism and their enthusiasm for the program which has meant that our core business of monitoring and reporting on the environmental health of the Derwent estuary continues to run smoothly.

Our strategic direction has been determined and for the next five years the DEP partnership will concentrate on: science to guide management; reducing pollution; protecting nature; and engaging, inspiring and growing the Derwent Estuary Program. I would like to build on Nick's summary of the DEP's activities for 2017-18 and note that in 2018-19 we will continue to concentrate on nutrients - monitoring, research and management of sources to the estuary.

Again, I would like to thank our partners for both their financial and in-kind support. Without the generous contributions of the staff of our partners the DEP would not be able to monitor or report on such variety of environmental parameters.



OUR OBJECTIVES & ACTIVITIES

The following summarises the activities undertaken by the Derwent Estuary Program (DEP) in cooperation with its partner organisations in 2017–18. These objectives and actions also align with our charitable purpose which can be found in the DEP Constitution.

Core management and governance:

The DEP provides executive support to the Members Committee and Board. In doing so the DEP prepares annual work plans, administers the finances, supports staff and sub-programs.

In 2017–18 we ensured that our new status as a Not-for-Profit Company Limited by Guarantee was well grounded and founded on good governance practice. We engaged Wise, Lord and Fergusson to audit our structure and governance arrangements. Their assessment and feedback has assisted DEP management improve our already good governance practices.

The DEP also put together a Strategic Snapshot to help guide the program and partnership for the next five years. Key areas of focus include:

- Science to guide management
- Protect nature
- Reduce pollution
- Engage, inspire and grow the DEP

Science to guide management:

Highlights for 2017–18 include coordination and reporting on the recreational water quality program in cooperation with our council partners, ambient monitoring program in cooperation with industry and

the Environment Protection Agency, and publication of the 2016 Annual Report Card. This was based on the Annual Technical Report summarising the monitoring conducted in 2015–16 and management actions undertaken by our partner organisations. Each year the DEP and its partners monitor:

- Summer recreational water quality each week from December until the end of March
- Whole of estuary ambient water quality each month including nutrients and heavy metals
- Heavy metal levels in recreationally -targeted seafood

Monitoring targeting seagrass health, dissolved oxygen levels in the upper estuary continued in 2017–18 as did the monitoring of water quality in the River Derwent at 14 sites above New Norfolk which were located along the Derwent and its tributaries.

The 2017 Annual Technical Report was prepared, and this will inform the next Annual Report Card which will be re-designed to be web based and publicly available later in 2018.

Recreational water quality

The DEP summer recreation water quality program commenced in early December 2017 and concluded on 31 March

2018. The program includes 18 'BeachWatch' swimming sites and 21 'BayWatch' environmental sites. Public reporting was provided on the DEP website and Facebook page.

On-going investigations at the western end of Nutgrove by TasWater and HCC - including a comprehensive CCTV survey of the sewerage infrastructure, repair of a major crack, and re-lining of a substantial section of the sewerage lines, and dye-testing and rectification of a direct sewage/stormwater connection. Follow-up monitoring showed that improvements had been made and the next season's monitoring will confirm whether or not the problem has been resolved.

Ambient water quality monitoring

Monthly monitoring is continuing, with support from our industry partners and the EPA. Our program is now one of the longest running (over 15 years) and most cost-effective waterway monitoring programs in Australia.

Seafood safety monitoring and review of guidelines

Nyrstar's most recent biennial flathead survey was completed in late 2016, with similar results as in previous years. The 2016/17 annual deployed oyster monitoring suggests that zinc levels may be declining at some sites. A review of the

national guidelines for mercury in seafood is currently underway that could potentially affect both the monitoring design and the health advice given. A repeat of the seafood survey to determine mercury levels in other fish species is planned for 2018-19.

Upper estuary monitoring & special studies

The upper estuary - between new Norfolk and Bridgewater - is a critical part of the Derwent system because it has very high ecological values (e.g. wetlands, seagrass, fish & waterfowl), provides important water quality services (removes nutrients and sediments), is increasingly stressed (low DO, increasing nutrients and algal blooms) and could give an early warning of potential impacts to the system as a whole ('canary in the coal mine'). Following severe algal blooms covering seagrass, and fish kills events in 2014/15, the DEP set up a more detailed monitoring program for the upper estuary that included dissolved oxygen surveys (in situ sensors plus spatial surveys) and seagrass/algae surveys. These surveys have continued through the 2016-17 autumn and recommenced for a third summer season. The 2016/17 survey confirmed an extensive zone of low oxygen between the New Norfolk Bridge and the motorboat club, as well as continued algal blooms and associated loss of seagrass

cover. This is a major concern and is probably related to increasing nutrient discharges over the past 3 to 5 years. Results in 2017-18 showed that seagrass health had improved, and it is possible that higher river flows have helped this partial recovery.

Reduce Pollution

Recent Derwent-related initiatives and projects carried out to reduce pollution by TasWater include:

- The \$51 million Blackmans Bay waste water treatment upgrade has been approved and construction has commenced, with completion planned in late 2018. This new plant will accommodate projected growth and will also treat sewage currently discharged to Northwest Bay from smaller plants in Margate, Snug and Electrona. The new treatment will significantly reduce nitrogen discharges (particularly ammonia by an estimated 40 tonnes per annum), and has been designed to achieve higher treatment standards in summer vs winter, when nutrient levels are naturally elevated in receiving waters.
- Several improvements have been completed to improve effluent reuse at Bridgewater/Brighton, including improved pumping and increased storage capacity.
- The ambient monitoring report for 7 Derwent waste water



treatment plants (Bridgewater, Cameron Bay, Prince of Wales Bay, Selfs Point, Macquarie Point, East Risdon, Rosny) has been finalised and approved by the EPA, and will provide the basis for Discharge Management Plans, in the coming year(s).

- Industry: Nyrstar Electrolysis basement sealing is complete and planning/design of additional groundwater remediation systems is underway.
- Stormwater and litter: the DEP coordinated a successful Clean Up Australia Day event at Prince of Wales Bay on 27 February that was well attended by volunteers from TasWater, Nyrstar, the DEP and Glenorchy City Council. Vast quantities of litter were collected in a 3-hour period. Good media turn-out, positive vibes all around. A follow-up event with local businesses to finish the job was scheduled and involved volunteers from Impact Fertilisers, Incat, PFG Group, Cleanlift, Southern Waste Solutions, Prince of Wales Bay Marina and Glenorchy City Council who removed an additional 800 kg of rubbish.
- New developments: the DEP has had several requests for data, advice or support for a number of new developments, including the MONA hotel, Kangaroo Bay development and Morris-Nunn floating hotel.

Protect Nature

- Little penguins: monitoring continues at main sites, and DEP is coordinating a penguin monitoring app to facilitate data collection; the DEP also received a small grant to improve penguin habitat at Lucas Heights (Kingborough)
- Spotted handfish: the DEP continues to coordinate the Spotted Handfish Advisory Committee. The recent captive breeding program at Melbourne Aquarium and Seahorse World has been partially successful.
- Weed control: the DEP continues to provide technical support and some funding to a regional project to manage karamu in the upper estuary.

Engage, Inspire

Media and events:

- Media releases, features and radio interviews on water quality at beaches (December, January, February) plus Clean Up Australia Day (27 February)
- DEP represented at Kingston BioBlitz, Tarroona Seaside Festival, Clarence Seafarers, World Wetlands Day
- DEP is also presented at the Coast-to-Coast conference in Hobart – presentations, field trip and workshop (April)

Website and eBulletins: our new website was launched in December, and eBulletins were circulated in August and December.

Roadshows and briefings: the following were held in 2017-18:

| | |
|------------------------------------|-------------|
| DHHS | 17 January |
| Hobart City Council | 22 January |
| Office of Minister for Environment | 24 January |
| Norske Skog | 1 February |
| EPA Board | 6 February |
| EPA Sr Managers | 8 February |
| Clarence City Council | 13 February |
| Craig Farrell | 16 February |
| Nyrstar | 21 February |
| Andrew Wilkie | 5 April |
| Norske Skog | 9 May |

Reports and publications

2017/18 Recreational Water Quality Report

derwentestuary.org.au/publications

River Derwent and Catchment Tributary Water Quality Report





Catchment and Channel

Derwent catchment monitoring and Derwent Water Quality Improvement Plan: consultation and scoping report

The second year of monthly sampling at 14 sites within the Derwent catchment (above New Norfolk) was completed in August 2017, with support from the DEP, NRM South, Hydro Tasmania and TasWater. A final report being prepared with assistance from UTas, and has been reviewed by the DEP Catchment Working Group is now complete and ready for public release. It was observed that nutrient levels have increased at most sites throughout the catchment, but particularly in the Tyenna, Florentine Styx and Clyde.

NRM-South and the DEP have also supported the initial stages of a Water Quality Improvement Plan for the Derwent River above New Norfolk, using a similar approach as undertaken by the Tamar Estuary and Esk Rivers Program (TEER). A consultant (Rebecca Kelly) was contracted to progress the first stage of this project, including workshops with catchment stakeholders and community, analysis of key issues and production of a scoping report. The scoping report has been completed, including estimated costs to complete the modelling, scenario-testing and

consultation. We are now seeking funding (\$210,000 over three years) to progress this project.

D'Entrecasteaux Channel – Lower Huon Estuary Collaboration

The DEP continues to support this partnership (with Kingborough and Huon Valley councils, NRM South, TasWater, Tassal and Huon Aquaculture), which seeks to compile and distribute scientific information about the Channel/Huon and implement collaborative projects. Recent/planned activities include compilation of an annual technical report, development of a Report Card and several marine debris clean-up initiatives.

Priorities for 2018-19

In addition to core monitoring programs the DEP will:

- Review/revise Annual Report Card
- Prepare Annual Report
- Marketing plan: develop and implement marketing plan to raise awareness and funding for high priority projects/issues
- Community survey: rerun 5-yearly community survey
- Carry out comprehensive seafood safety monitoring program (full range of fish and other seafood)
- Develop a nutrient management strategy for the upper estuary, and seek opportunities to progress this, including funding



AUDITORS REPORT



FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

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PROFIT & LOSS

DERWENT ESTUARY PROGRAM LIMITED
FOR THE 12 MONTHS ENDED 30 JUNE 2018

| INCOME | JUNE 18 | JUNE 17 |
|------------------------------------|----------------|----------------|
| Interest Income | 2,068 | - |
| Member Contribution | 537,125 | 299,876 |
| Other Revenue | 202,692 | 150,596 |
| Total Income | 741,886 | 450,471 |
| Gross Profit | 741,886 | 450,471 |
| Less Operating Expenses | | |
| Advertising | 36 | - |
| Consulting & Accounting | 41,499 | 1,100 |
| Contribution to Channel Project | 10,000 | - |
| Entertainment | 1,037 | - |
| Equipment Purchases under \$10,000 | 5,849 | - |
| Field Expenses | 665 | - |
| General Expenses | 1,666 | - |
| Insurance | - | 5,316 |
| Meeting Costs | 913 | - |
| Motor Vehicle Expenses | 346 | - |
| Office Expenses | 544 | - |
| Printing, Graphics and Website | 8,265 | - |
| Professional Development/Training | 1,618 | - |
| Rent | 51,621 | - |
| Superannuation | 31,871 | - |
| Telephone & Internet | 3,190 | - |
| Travel - National | 2,478 | - |
| Wages and Salaries | 318,708 | - |
| Total Operating Expenses | 480,305 | 6,416 |
| Net Profit | 261,581 | 444,056 |

BALANCE SHEET

DERWENT ESTUARY PROGRAM LIMITED
AS AT 30 JUNE 2018

| ASSETS | JUNE 18 | JUNE 17 |
|----------------------------------|----------------|----------------|
| Bank | | |
| DEP Ltd Operations | 33,840 | - |
| Derwent Estuary Program Limite | 380,199 | 412,643 |
| Total Bank | 414,039 | 412,643 |
| Current Assets | | |
| Accounts Receivable | 148,619 | 60,853 |
| Term Deposit | 201,097 | - |
| TFN Withholding Tax | 971 | - |
| Total Current Assets | 350,687 | 60,853 |
| Total Assets | 764,726 | 473,497 |
| LIABILITIES | | |
| Current Liabilities | | |
| GST | 30,891 | 29,441 |
| PAYG Withholdings Payable | 23,388 | - |
| Superannuation Payable | 4,811 | - |
| Total Current Liabilities | 59,090 | 29,441 |
| Total Liabilities | 59,090 | 29,441 |
| Net Assets | 705,636 | 444,056 |
| EQUITY | | |
| Current Year Earnings | 261,581 | 444,056 |
| Retained Earnings | 444,056 | - |
| Total Equity | 705,636 | 444,056 |

MOVEMENTS IN EQUITY

DERWENT ESTUARY PROGRAM LIMITED
FOR THE YEAR ENDED 30 JUNE 2018

| EQUITY | 2018 | 2017 |
|-----------------------|-------------------|-------------------|
| Opening Balance | 444,055.57 | - |
| Current Year Earnings | 261,580.50 | 444,055.57 |
| Total Equity | 705,636.07 | 444,055.57 |

STATEMENT OF CASH FLOWS

DERWENT ESTUARY PROGRAM LIMITED
FOR THE YEAR ENDED 30 JUNE 2018

| | JUNE 18 | JUNE 17 |
|--|---------------------|-------------------|
| OPERATING ACTIVITIES | | |
| Receipts from customers | 709,666.06 | 419,700.73 |
| Payments to suppliers and employees | (462,475.29) | (7,057.28) |
| Cash receipts from other operating activities | (43,727.00) | - |
| Net Cash Flows from Operating Activities | 203,463.77 | 412,643.45 |
| INVESTING ACTIVITIES | | |
| Other cash items from investing activities | (202,068.49) | - |
| Net Cash Flows from Investing Activities | (202,068.49) | - |
| Net Cash Flows | 1,395.28 | 412,643.45 |
| CASH AND CASH EQUIVALENTS | | |
| Cash and cash equivalents at beginning of period | 412,643.45 | - |
| Cash and cash equivalents at end of period | 414,038.73 | 412,643.45 |
| Net change in cash for period | 1,395.28 | 412,643.45 |

DERWENT ESTUARY PROGRAM LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

Note 1: Statement of Significant Accounting Policies

The financial statements have been prepared on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under *the Australian Charities and Not-forprofits Commission Act 2012* and the significant accounting policies disclosed below, which the board has determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of previous periods unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

Significant Accounting Policies:

a. Income Tax

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

DERWENT ESTUARY PROGRAM LTD

BOARD STATEMENT

FOR THE YEAR ENDED 30 JUNE 2018

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

In the opinion of the Board, the attached financial report:

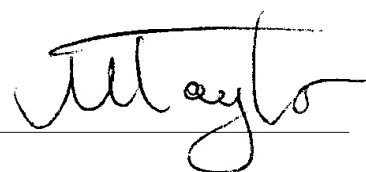
1. Presents a true and fair view of the financial position of the Derwent Estuary Program Ltd, as at 30 June 2018 and its performance for the period 1 July 2017 to 30 June 2018;
2. At the date of this statement, there are reasonable grounds to believe that the Derwent Estuary Program Ltd, will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board and is signed for and on behalf of the Board by:

Director



Company Secretary



Ursula Taylor

Date at Hobart this

19

day of

9

2018



Independent Auditor's Report

To the members of Derwent Estuary Program Ltd

Opinion

We have audited the financial report of Derwent Estuary Program Ltd (the Entity), which comprises the balance sheet as at 30 June 2018, the profit and loss statement, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the declaration by those charged with governance.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Entity as at 30 June 2018 and of its financial performance and its cash flows for the year then ended in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act).

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standard Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Derwent Estuary Program Ltd to meet the requirements of the ACNC Act. As a result, the financial report may not be suitable for another purpose.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation of the financial report in accordance with the ACNC Act, and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.



Auditor's Responsibility for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

A handwritten signature in black ink, appearing to read 'Burnett', is written over a horizontal dotted line.

Michael J Burnett B.Com. FCA
Registered Company Auditor
Partner, Accru+ Hobart
Lvl 1, 18 Ross Avenue
ROSNY PARK TAS 7018

6/9/18

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Date

NOTES





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