



Derwent  
Estuary  
Program

**Annual Report**  
2020/21





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## Our mission

To enable informed decisions.

## Our vision

The Derwent Estuary Program is the voice of the Derwent.

## 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 – 228,000 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;
- climate change.

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. In 2017 we became a registered not-for-profit, company limited by guarantee. 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 Derwent Estuary





## SECTION ONE

# Program overview



## About us

The Derwent Estuary Program (DEP) was established in 1999 as a voluntary partnership between state and local governments, industries, scientists and the community to share science to guide environmental management of 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. Our partners and supporters include:

- Tasmanian Government
- Brighton Council
- Clarence City Council
- Derwent Valley Council
- Glenorchy City Council
- Hobart City Council
- Kingborough Council
- TasWater
- Norske Skog Boyer
- Nyrstar Hobart
- Hydro Tasmania
- Tasmanian Ports Corporation

Project support also provided by:

- Institute of Marine and Antarctic Studies (IMAS)
- CSIRO Marine Research
- NRM South
- Derwent Catchment Project

Since 1999 more than \$200 million has been invested in environmental improvements by the DEP partners 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. The DEP encourages the enjoyment of the Derwent through the use of foreshore tracks through our [Greater Hobart Trails](#) website, developed in cooperation with our six Council partners, Wellington Park Management Trust and the Parks and Wildlife Service.

The DEP is guided by a Business Plan 2019 – 2024 which informs annual work plans and staff action plans. In August 2019, the DEP partners renewed their commitment to the Derwent Estuary Program for another five years by signing the voluntary Partnership Agreement 2020 – 2025.

## Highlights: 2020–21

### BEACH WATCH

#### 21/22 beaches

21 out of 22 beach sampling sites in Hobart are suitable for swimming and have a Good or Fair long-term water quality rating

#### Grants received from the State

**Government** to develop a Strategic Weed Assessment and Prioritisation Plan, an upgrade to the Greater Hobart Trails website and a project to identify and monitor sites vulnerable to shoreline erosion

State of the Derwent Report 2020 update released **highlighting environmental trends over 20 years**

Saltmarsh restoration at Windermere Bay is showing **early signs of success**

Kingston Beach Surf Life Savers were **'ambassadors'** for the Derwent over summer, sharing DEP beach water quality results

## Our supporters



# Our people

## BOARD MEMBERS



**Nick Heath**  
Chair



**Sophie Grace**  
Director



**Greg Davoren**  
Director



**Gary Arnold**  
Director



**Todd Milne**  
Director



**Prof. Catriona MacLeod**  
Director



**Ursula Taylor**  
Company Secretary

## EMPLOYEES

Name	Position	Dates acted (if not for whole year)
Ursula Taylor	CEO	
Sam Whitehead	Estuary Scientist	Until December 2020
Inger Visby	Biodiversity Officer	
Akira Weller-Wong	Stormwater/Technical Officer	Started as Estuary Scientist in February 2021
Bernadette Proemse	Catchment Scientist	
Alice Doyle	Office Support	

## STUDENT/VOLUNTEER SUPPORT

Name	Position	Dates acted (if not for whole year)
Harrison Stevens	PhD candidate, University of Tasmania	
Ellie Green	Volunteer, Seagrass project	April 2021
Caitlan Geale	Volunteer, Little Penguin monitoring	July – Dec 2020
Alyce Hennessy	Volunteer, Little Penguin monitoring	July – Dec 2020
Peter Vertigan	Volunteer, Little Penguin monitoring	Nov 2020 – Mar 2021
Jordy Monash	Volunteer, Little Penguin monitoring	From December 2020
Zoe Bucher Edwards	Volunteer, Little Penguin monitoring	From December 2020
Rachel Meadowcroft	Volunteer, Little Penguin monitoring	February 2021
Meriem Daoui	Volunteer, Little Penguin monitoring	April 2021
Anthea Mesmmer	Volunteer, Little Penguin monitoring	April 2021



## SECTION TWO

# Governance

## Structure and management

Derwent Estuary Program Limited (DEP) 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 a 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 of 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 Review and Planning Committee, a Communications Advisory Group and topic specific working groups including the Monitoring Task Force, Stormwater Task Force, Catchment Working Group, Penguin Advisory Group and 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 formalised in a five-year voluntary partnership agreement.

## Chairperson's report



2020–21 saw the Derwent Estuary Program (DEP) staff complete the comprehensive State of the Derwent 2020 update, a five yearly exercise analysing and summarising five plus years of monitoring data and research on the

environmental condition of the Derwent estuary. This foundation report delivers on our commitment to making our science publicly available and provides the basis for determining management priorities and I would like to thank the DEP staff for their hard work in producing it.

The State of the Derwent 2020 update concentrates on how the Derwent estuary and river is faring, and what has been achieved to benefit the water quality of this system. It also highlights where there is still work to do. I would like to acknowledge the investment of our partners in improving their environmental management of the estuary, which the DEP science has informed. Specifically, I would like to thank councils for addressing stormwater pollution at beaches, Nyrstar zinc smelter for their new grout 'curtain' to capture even more zinc contaminated groundwater and TasWater for their efforts in wastewater treatment plant process optimisation. All these activities have measurably reduced pollution as highlighted in the [State of the Derwent Report 2020 Update](#).

The DEP was a finalist in the Australian Water Association's Infrastructure Project Innovation Award which celebrated the work undertaken by Kingborough Council, TasWater and the DEP to improve water quality at Blackmans Bay beach, one of Hobart's most popular swimming beaches and I congratulate everyone involved in this project. The collaborative approach in understanding the source of pollution at this beach and the innovative solutions implemented to address it has achieved a great outcome for the community. The approach has broad application and will be applied by Clarence City Council at Howrah beach which is presently grappling with poor water quality.

The governance of the Derwent Estuary Program is important to me and all the DEP Board Directors. This year we reviewed the Business Risk profile to consider contemporary risks around cyber security and our response to the COVID-19 pandemic. Measures to address these risks include adequate IT to back up our data and files, digital security systems, investing in cyber insurance, and the development of a business continuity plan.

In meeting Business Plan objectives to support best practice environmental management, the DEP changed banks to join a local institution that has a positive focus on ethical investments. Also, the preparation of a project proposal document has been a helpful approach to identifying practical projects, new partnerships and informing funding applications.

Pleasing developments this year include the DEP being awarded several grants. I'd like to thank the Tasmanian state government for funding the development of a Derwent foreshore weed strategy, the upgrade of our Greater Hobart Trails website and the establishment of monitoring methods to measure the foreshore erosion at vulnerable sites. These projects will be completed in 2021–22 and I look forward to sharing the outcome of these projects next year.

Financially the DEP remains stable which means we can continue to provide our core monitoring and reporting services. Partnerships continue to provide excellent opportunities for collaborative work and the DEP Working Groups involving Members and other stakeholders are producing valuable products. The DEP could not exist without the generous support of our partners. Thank you again for being part of this unique partnership that is measurably improving the condition of the Derwent estuary.

A handwritten signature in dark ink, appearing to read 'N. Heath'.

**Nick Heath**

*Chair, Derwent Estuary Program*





## CEO's report



In 2020–21 we have been working on how we might do things more efficiently to achieve our goals in the Derwent Estuary Program (DEP) Business Plan 2019–2024. Changes in technology provide numerous

opportunities for us to think about how we monitor water quality and why. We checked in with our partners through our monitoring group who emphasised that data sharing, and data visualisation methods are changing and were keen to see the DEP assess these. A first step will be to understand what additional environmental data is being collected by partners and how it can be used to further our understanding of the estuary. I am excited by the work many of our partner organisations are starting to develop in digital data visualisation and I am keen to explore options to collaborate and share our data in various formats including digital maps and dashboards in the future.

Water quality and its management is increasingly recognised as important for maintaining natural systems, the economy and community well-being which is reflected in many new State led initiatives such as the Rural Water Use Strategy and the Premier's Economic and Social Recovery Advisory Council's report. To contribute valuable information about the state of our rivers the DEP applied to the Ian Potter Foundation for a grant in 2021 to trial real-time in-situ water quality analysers to revolutionise catchment water quality monitoring in Tasmania.

Current catchment water quality monitoring programs are limited, costly and conducted at a low frequency that typically do not capture incidents, variable pollutant sources or rainfall-runoff events. Real-time water quality data will help water users evaluate their nutrient discharges quickly and easily through mobile devices to aid improved decision making. Support from industry, researchers and government for this project has been excellent, demonstrating how important water quality is to Tasmanians and we look forward to sharing the results of this application in 2021–22.

To further our work in improving stormwater quality the DEP has been working closely with local governments and the Local Government Association of Tasmania to develop a voluntary framework to support councils set conditions for stormwater on new developments. In Tasmania, all councils are required to manage stormwater quality and quantity as informed by several legislative instruments. Under interim planning schemes, southern councils manage stormwater using the stormwater code but the omission of a stormwater code from the new Tasmanian Planning Scheme (TPS) has left a gap. To address this, the DEP established a working group to develop a framework that can be applied by councils. To ensure the framework is suitable from a statutory perspective we will consult widely with legal experts, planners, policy makers and developers in the coming year.

A community highlight for 2020–21 was having Kingston Beach Surf Life Savers as ambassadors for the Derwent over summer. While on duty life savers shared messages about water quality at beaches. The response from the public was positive and we were delighted that so many people were keen to know what they can do to care for the Derwent. It's the everyday actions we take that when done by many, make a big difference to the quality of our environment.

Finally, I would like to thank the DEP staff, Board and Partners for their continued support and commitment in building on our successes and embarking on new projects that will benefit the estuary for years to come.

**Ursula Taylor**

*Chief Executive Officer*

## Our objectives and activities

The following summarises the activities undertaken by the Derwent Estuary Program (DEP) in cooperation with its partner organisations in 2020–21. 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 2020–21 we continued implementing the five-year Business Plan and have embarked on new projects that have been generously funded by grants from the State Government of Tasmania.

A review of the Business Risk Register was undertaken by the Board in September 2020. The pandemic was factored into the register as it can affect funding, work health and safety, particularly public safety, and stakeholder engagement.

Addressing these risks is a priority for the DEP and the Board agreed to the establishment of an assurance report to address risks at each board meeting in detail, including treatment plans.

### GOALS

- 1 Science to guide management
- 2 Facilitate pollution reduction
- 3 Facilitate nature protection
- 4 Engage, inspire and grow the DEP







## 1 SCIENCE TO GUIDE MANAGEMENT

Highlights for 2020–21 include coordination and reporting on the recreational water quality program in cooperation with our council partners and the Environment Protection Authority (EPA), ambient monitoring program in cooperation with industry and the EPA, and publication of the five yearly State of the Derwent 2020 update.

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.
- Seagrass health and dissolved oxygen levels in the upper estuary.

### 1.1 Recreational water quality (RWQ)

The DEP summer recreation water quality program commenced 1 December 2020 and concluded on 31 March 2021. The program included 22 ‘BeachWatch’ swimming sites and 21 ‘BayWatch’ environmental sites. Public reporting was provided on the DEP website and Facebook page.

Whilst there were many good water quality swimming days this summer, overall, the quality of the water at the swimming sites was poorer this season, with 28 exceedances of the enterococci trigger level of 140 MPN 100 mL<sup>-1</sup>, compared to five during the last season. This was still substantially better than the 2018–19 season, which saw a record number of 52 exceedances and significant media and community interest due to the poor water quality. At the end of this summer, when the long-term classification was updated, there were eight swimming sites graded as Good, seven sites graded as Fair, one as Poor, and four sites not yet rated (all sites require five years of sampling data to calculate a long-term rating). The swimming sites that dropped in rating were the three Howrah Beach sites and Taroona. Windermere Beach was the only site to improve its rating, to Good.

The water quality at the 22 environmental sites was also mostly poorer compared to the previous season. On 40 occasions enterococci results over 140 MPN 100 mL<sup>-1</sup> were recorded, compared to 18 times last season. These results led to three sites downgrading to Fair (Watermans Dock, Elwick Bay and Geilston Bay) and Regatta Pavilion dropping to Poor. No environment sites improved their grading. The 2020–21 Recreational Water Quality Monitoring report prepared by the DEP is publicly available at [www.derwentestuary.org.au/assets/Derwent\\_Estuary\\_Recreational\\_Water\\_Quality\\_Report\\_2020-21.pdf](http://www.derwentestuary.org.au/assets/Derwent_Estuary_Recreational_Water_Quality_Report_2020-21.pdf)

Outcome of recommendations from the 2020–21 Recreational Water Quality season:

- Source tracking tool kit prepared for Council use. Already the ammonia test kit has been used effectively to trace damaged infrastructure in the stormwater system.
- A communications protocol for Environmental Health Officers to assist them with the process of managing water samples returning high enterococci readings.
- Communication about stormwater and pollution at beaches is a focus of the Communications Advisory Group. Animations highlighting every day action we can all take to prevent pollution reaching beaches have been circulated on social media and will continue to be during the coming Beach Watch season.

### 1.2 Ambient water quality monitoring

Monthly monitoring continues with support from our industry partners and the EPA. Our program is now one of the longest running (21 years) and most cost-effective waterway monitoring programs in Australia. There were reductions in both metal levels and nutrients in the estuary. Nutrients from wastewater treatment plants including Prince of Wales Bay, Blackmans Bay and Cameron Bay decreased due to process optimisation.

### 1.3 Seafood safety monitoring

A seafood survey to determine heavy metal levels in a range of fish species was completed in 2020–21. This is a repeat of a survey from 2007 – 2012. The suite of metals measured included total mercury, cadmium, copper, lead, zinc, arsenic, chromium, iron, manganese, nickel, selenium. Results indicate that most recreationally caught species in the Derwent exceed accepted health guidelines in at least one metal or metalloid. All recreationally targeted fish species sampled from the Derwent in the general wild fish survey of 2019 exceeded the relevant maximum level or generally expected level for at least one metal. Arsenic and zinc were the two metals detected in particularly high concentrations in most fish species, however thresholds for copper and mercury were also exceeded in some species.

Different finfish species accumulate different metals. Australian salmon are amongst the species with the highest concentrations of selenium, lead, cadmium and chromium, while mercury is highest in trout, bream and eel. Lead is high in whiting and urchins, crayfish are highest in arsenic and copper and abalone are highest in copper as well as zinc and chromium.

Generally, there does not appear to be a difference in metal accumulated by fish collected from mid versus lower-Derwent sites, so health advice applies throughout the Derwent estuary as far as Tinderbox and the Iron Pot, including Ralphs Bay. Consumption advice for Derwent estuary seafood provided by the Department of Health will not change so that the consumption of shellfish and bream from the Derwent is not recommended but all other species can be consumed with limits. [www.derwentestuary.org.au/seafood-safety](http://www.derwentestuary.org.au/seafood-safety)

### 1.4 Sediment study

With support from our Catchment Scientist, University of Tasmania PhD student Harrison Stevens is investigating nutrients in sediment core samples across the Derwent catchment and Central Highlands to establish a more rigorous history of recent anthropogenic changes to Tasmanian freshwater habitats.

Chosen lake and reservoir systems have a suitable sediment accumulation rate to reconstruct the past 150–200 years. Harrison will apply traditional and novel isotope and isomer markers in order to discriminate between different sources of pollutants (e.g. nutrients), which should provide a firm, historically-informed basis for management interventions in the future. The outcome of these analyses will provide a finely resolved timeline of changes to nutrient inputs and sources of these pollutants across the different catchments that make up the headwaters of the River Derwent catchment. Harrison will also investigate metal levels and impacts of bushfires on freshwater systems as part of this study.

### 1.5 Upper estuary monitoring and special studies

#### Seagrass

Seagrass health is vulnerable to low river discharge and excessive nutrient enrichment. Its condition in the last five years has fluctuated, but it has generally improved since 2015–2016 when large algal blooms smothered this habitat. Conditions for optimal seagrass health continue to be investigated.

#### Hypoxia project

The Derwent estuary is a saltwedge estuary that naturally causes a hypoxic (oxygen deficiency) zone near New Norfolk. A current project to assess the relative impact of various organic matter sources is underway and includes analysing outputs from the paper mill, sewage treatment plant and the river itself. The project is a collaborative effort between the DEP and scientists from La Trobe University. This project aims to determine riverine organic matter loads and riverine inputs as a source of BOD (biological oxygen demand) in the hypoxic zone, by:

- Identifying a distinct indicator for organic matter derived from each source
- Investigating the fate of organic matter from each source (e.g. bottom or surface waters)
- Use the indicator identified in aim 1 to determine the relative contribution each organic matter source has on hypoxia dynamics



## 2 FACILITATE POLLUTION REDUCTION

### 2.1 Sewage

- DEP continues to provide monitoring data to TasWater and EPA.
- Process changes at wastewater treatment plants (WWTPs) in the Derwent show reduced nutrient output.
- Sediment assessment by UTAS Honours student (Harrison Stevens) also shows a decline in nutrients from wastewater treatment plants.

### 2.2 Industry

- Nyrstar has completed installing an underground grout curtain along the foreshore to prevent contaminated groundwater reaching the Derwent estuary. This groundwater will be extracted and reprocessed to extract the zinc. It is expected they will extract an additional 100 tonnes of zinc from this process.
- DEP provided feedback on eight development applications relevant to the Derwent in consultation with council planners particularly on topics relating to stormwater, saltmarshes and wetlands.
- DEP provided scientific assistance to the Bridgewater Bridge project and associated consultants.

### 2.3 Stormwater and litter

- DEP worked with Local Government Association of Tasmania (LGAT) and stormwater taskforce to develop a draft voluntary framework to assist local government with setting conditions to manage stormwater on new developments. Legal advice and further stakeholder engagement will be determined in 2021–22.
- Sediment and erosion control training to be arranged for council operations staff and planners early in 2021–22.

### 2.4 Catchment

An in-situ analyser developed by Professor Michael Breadmore at the University of Tasmania was trialled at sites at Norske Skog Boyer and Nyrstar to assess its efficacy in measuring nutrients and metals in water.

The trial has helped the developers of the analysers refine their ability to collect real-time data.

The DEP applied to the Ian Potter Foundation for a grant in 2020–21 to trial six nutrient real-time analysers in the River Derwent. This technology has the potential to transform water monitoring in Tasmania. The results of this application will be known early in 2021–22.

The DEP is preparing a Healthy River Action Plan in cooperation with the Catchment Working Group to provide recommendations for water quality management in the River Derwent.

### 2.5 D'Entrecasteaux Channel – Lower Huon Estuary Collaboration

This partnership was discontinued in 2020–21 by agreement of the partners including Kingborough and Huon Valley councils, NRM South, TasWater, Tassal, Huon Aquaculture and the DEP due to changing priorities. The remaining funds will be used to support a CSIRO eco-friendly mooring trial in North-West Bay.

### 2.6 Storm Bay

There are several research projects underway in Storm Bay to better understand and characterise water quality in this area. The research is centred around three core projects that aim to: strengthen understanding of the spatial extent of aquaculture inputs to Storm Bay and the capacity of the environment to assimilate nutrient loads associated with aquaculture operations; develop a biogeochemical model for Storm Bay; and develop decision support tools for use by regulators and industry to monitor and manage nutrient loads and environmental management.

The broad-scale environmental monitoring program is a collaboration between scientists at CSIRO (Australia's national science agency), the Institute for Marine and Antarctic Studies (IMAS), the Department of Primary Industries, Parks, Water and the Environment (DPIPWE) and the Environment Protection Authority (EPA). It is funded by the Fisheries Research and Development Corporation (FRDC) with co-investment from CSIRO and IMAS. The DEP is a member of the Steering Committee and Technical Advisory Group.

## 2.7 Rocky reef surveys

The rapid visualisation rocky reef surveys at six sites in the estuary was completed by the Institute for Marine and Antarctic Studies (IMAS). This will provide baseline information about these ecosystems which may reflect changes in ambient water condition from nutrients from urban and/or aquaculture sources. The survey method is comparable to the monitoring of rocky reefs in Storm Bay and the option to include the DEP rocky reef sites in on-going monitoring of the Storm Bay will be explored.

## 3 FACILITATE NATURE PROTECTION

- Little Penguins: Monthly monitoring continues and data supports land managers in their efforts to protect the Derwent's urban population of Little Penguins.
- Spotted handfish: DEP continues to support the National Handfish Recovery Team in their efforts to increase the populations of the endangered handfish.
- Restoration of saltmarsh trial at Windermere Bay is proving successful with saltmarsh returning to areas that are no longer mowed.
- Weed control:
  - The DEP continues to provide technical support and some funding to a regional project to manage karamu in the upper estuary.
  - A Derwent Foreshore Weed Strategy was developed in cooperation with relevant stakeholders. This document will inform priority weed management and provide a good basis for funding applications.
  - No rice grass was found in the most recent survey conducted in October 2020.

## 4 COMMUNICATIONS AND ENGAGEMENT

### Awards

- Australian Water Awards, Tasmanian Branch — DEP were finalists in the infrastructure innovation award for water quality restoration at Blackmans Bay beach (November 2020).

### Media and events

- Start of Beach Watch sampling season (December 2020)
- State of the Derwent 2020 update report release (December 2020)
- Clean Up Australia Day (February 2021)
- End of season Beach Watch report release at Howrah Beach (June 2021)
- DEP Newsletter (June and December 2020)

### Websites

- Funding to upgrade the Greater Hobart Trails has been provided by the Healthy Tasmania Fund through the Tasmanian Government

### Publications

- State of the Derwent Report — 2020 update
- 2020–21 Recreational Water Quality Report
- Planning for the Future: Derwent Estuary Saltmarsh Baseline Monitoring and Management
- Rapid visual assessment surveys on rocky reefs in the Derwent Estuary — IMAS
- Metal contamination in fish and shellfish of the Derwent estuary — A summary of results to December 2020

### Conferences/ events – including DEP presentations

- Environment Health Australia Tasmania Conference, Launceston — source tracking presentation (November 2020)
- OzWater – Australian Water Association National conference, Adelaide *How governance has improved the health of the Derwent estuary* (May 2021)
- Australasian Young Coastal Scientists and Engineers Conference (23–25 June 2021)

### Briefings about the Derwent Estuary Program were provided to managers of the following organisations in 2020–21

- |                         |                                      |
|-------------------------|--------------------------------------|
| • Brighton Council      | • EPA Tasmania                       |
| • Hydro Tas             | • Glenorchy City Council             |
| • Clarence City Council | • Derwent Valley Council             |
| • Norske Skog Boyer     | • New City of Hobart Chief Executive |
| • Nyrstar Hobart        |                                      |
| • TasWater              |                                      |



# How you can help

## VOLUNTEERING

There are big and small things we can all do to make a difference to the Derwent and the places we live. It could be as simple as cleaning up after your dog or collecting litter from your local beach. For those looking for something more there are many opportunities to connect with the community through Coastcare or Landcare. Every little bit counts and lots of little actions add up to a healthier river.

Here are a few volunteering suggestions:

- [Wildcare Friends of the Derwent and Channel Penguins](#)
- [Coastcare](#) — Southern Tasmania
- [Clean Up Australia Day](#)

## MAKE A DONATION

**Tax deductible financial contributions can now be made via our Donate Now facility on the DEP Home Page.**

Donations received will help us with our science and restoration including rocky reef and marine pest surveys, monitoring of heavy metals in water and seafood, monitoring of bacteria levels at beaches, restoration of saltmarsh and weed control in wetlands, to name a few of our initiatives to improve this wonderful waterway.

## SUBSCRIBE TO OUR NEWSLETTER

[www.derwentestuary.org.au/get-involved](http://www.derwentestuary.org.au/get-involved)



Photo: Kingborough Council

## Looking to the future

**Themes for 2021–22: Implement the Business Plan 2019–2024, monitor the estuary, identify gaps, seek project funding and communicate with partners and public.**

### GOVERNANCE

- Board and Members meetings
- Financial audit
- Compliance with ASIC, ACNC, REO
- Participate in and build on relevant state, regional, national and international initiatives

### SCIENCE TO GUIDE MANAGEMENT

- Review Beach Watch season and implement recommendations
- Work with councils on voluntary stormwater policy
- Devise a monitoring program using real-time in-situ nutrient analysers for the catchment
- Support University of Tasmania students researching the Derwent (sediments, mapping)

### FACILITATE POLLUTION REDUCTION

- Devise stormwater monitoring program in cooperation with councils
- Implement stormwater communications campaign
- Litter awareness and clean-ups

### FACILITATE NATURE PROTECTION

- Maintain species working groups — Little Penguins and spotted handfish
- Little Penguin monitoring
- Expand the rice grass survey to include other foreshore values
- Complete Strategic Weed Assessment and Prioritisation Plan
- Saltmarsh condition management
- Seagrass restoration projects
- Determine sites and monitoring methods to measure foreshore erosion in the estuary

### ENGAGE, INSPIRE, GROW THE DEP

- Host science symposium in 2022
- Develop partnership with the Institute for Marine and Antarctic Studies, University of Tasmania
- Regular Roadshows — partners, politicians
- Prepare internal Annual Technical Report and external Annual State of the Derwent Report Card
- Pursue opportunities to add DEP data to digital visualisation platforms
- Share our science with the public via a variety of media channels — host University of Tasmania intern to assist
- Upgrade the Greater Hobart Trails and Derwent Estuary Program websites



## SECTION THREE

# Finances

# Audit closing letter



**Bentleys Tasmania Audit  
Pty Ltd**

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1 September 2021

Derwent Estuary Program Limited  
Level 4, 24 Davey Street  
Hobart  
TAS 7000

Dear Directors

## Audit Closing Letter

We have completed our audit of the financial statements of Derwent Estuary Program Ltd for the year ended 30 June 2021 and bring the attached matters to your attention.

You will appreciate the matters dealt with in this letter were noted during the conduct of audit procedures designed to enable us to express an opinion on the financial statements. Consequently, our work does not encompass a detailed review of all aspects of accounting systems and procedures and cannot necessarily be relied upon to disclose defalcations or other irregularities or to include all possible improvements to internal control, which a more extensive, special examination might develop. It includes a discussion of matters which we consider appropriate for consideration by the Directors and is intended solely for the use of the Directors.

This report is aimed at communicating to the Board significant matters identified during the course of our audit. The report aims to provide:

- An understanding of the audit process; and
- Information to assist the Directors in discharging their duties.

We would like to thank your management team for their courtesy, professionalism and co-operation in completing our audit procedures.

Please do not hesitate to contact me should you have any queries in respect of the above report.

Yours sincerely

**Mike Derbyshire**  
Director



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Liability limited by a scheme approved under Professional Standards Legislation.

- Advisors
- Accountants
- Auditors





**DERWENT ESTUARY PROGRAM  
LTD**

**REPORT OF AUDIT FINDINGS**

**30 JUNE 2021**





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## EXECUTIVE SUMMARY

We have conducted our audit of Derwent Estuary Program Ltd in accordance with Australian Auditing Standards in order to provide reasonable assurance that the financial statements are free of material misstatement.

To assist the Directors in understanding our role as external auditor, our audit responsibilities and the scope of the work to be performed to meet those responsibilities was detailed in our engagement letter.

As part of our audit process, we aim to advise our clients of any areas in which we believe further improvements could be made, where such possible improvements come to our attention in the ordinary course of our audit testing.

Our audit methodology is determined with a view to achieving the most efficient and cost-effective outcome to reduce audit risk and formulate an opinion on the financial statements. For Ditech Holdings this comprises a substantive approach involving sample testing and extensive analytical review.

We do not express an opinion on the adequacy of the internal control structure, as this is beyond the scope of an audit of the financial report. We mention this to make you aware that weakness in internal controls may exist, which were not uncovered by our audit of the financial report. Should you wish us to extend our testing to enable us to report on the adequacy of, and provide recommendations for the improvement of, internal controls, please feel free to contact us.

## INDEPENDENCE

The independence of the auditor is considered by the audit profession and the regulators as one of the most important professional standards that auditors must comply with. Our audit services are subject to independence requirements of the following legislation and professional standards:

- Corporations Act 2001
- APES 110 Code of Ethics for Professional Accountants
- APES 320 Quality Control for Firms
- Bentleys National Policy on Independence

We enforce these rules and policies in order to maintain objectivity and to be free of conflicts of interest when conducting our audit each year.

For the benefit of the Board we confirm that other services that we have provided during the year do not compromise our independence.





#### *How we have maintained independence?*

Bentleys Tasmania Audit ensures its independence by:

- Conducting regular training on threats to audit independence;
- Annual reviews of our audit client base to identify any potential conflicts of independence;
- Obtain confirmation from all of our audit staff as to their independence from our audit clients;
- Obtain confirmation from all of the partners as to their independence from our audit clients.

#### *Our independence*

We confirm that, to the best of our knowledge and belief, we are independent having regard to Bentleys policies, professional rules and relevant statutory requirements regarding our independence.

### **OVERVIEW OF PERFORMANCE**

#### *Accounting Administration*

We would like to acknowledge the co-operation and competence of the management staff of Derwent Estuary Program Ltd. Our experience as auditors over the last two years is that minimal accounting adjustments are required each year and any audit issues can be dealt with and resolved without having to raise any audit differences.

On this basis, while we have not performed any detailed testing of internal controls, our general assessment is that the internal control environment is efficient and effective. Board oversight compensates for any unavoidable weaknesses resulting from inadequate segregation of duties and we have not encountered any area where there is a material risk.

### **MATERIALITY**

It is normal practice for auditors to determine a materiality threshold for the audit of a Company. This threshold is determined based on a number of quantitative and qualitative factors.

By their very definition, any items identified during our audit under this materiality threshold are not normally considered and accordingly not communicated to the Directors.

However, it is our policy to discuss any such items with management and resolve differences before completing our audit. Consequently there are no material unadjusted differences resulting from our audit for 2021.





### ADJUSTED AMOUNTS

No material adjustments were required to be recorded and processed by management, when finalising the financial statements, as a result of our audit findings.

### UNADJUSTED AMOUNTS

Our auditing standards require us to bring to the attention of the Directors, omissions in the reported accounts determined during the audit, even though they had been assessed as immaterial to the Company or later adjusted by the Company.

There were no unadjusted differences in respect of the year ended 30 June 2021.

### EVENTS AFTER THE REPORTING DATE

As part of our audit, we did not note any events after the reporting date that would appear to impact on the 2021 financial statements.

### AUDIT OPINION

Following the adoption of the financial statements by the Directors we will issue an unqualified audit opinion.

### MATTERS FOR THOSE CHARGED WITH GOVERNANCE

#### *Fraud*

Whilst fraud is not the primary consideration when conducting an external audit, we always consider potential areas where the company is susceptible to fraud during our audit. We do not have any reason to believe that there is currently a material risk of company and financial reporting fraud, or individual employee fraud.

We believe it is important for the Board to continually consider and assess the control environment of the entity to identify areas where fraud can occur and ensure that those opportunities are removed and or monitored to reduce the risk and impact of fraud. If you should require our assistance in this regard, please contact us.

#### *Legal compliance*

Through our audit procedures have not become aware of any non-compliance with applicable laws and regulations.



*Financial reporting and accounting policies*

We believe the accounting policies elected for Derwent Estuary Program Ltd are reasonable and their application provides sufficient information for use of the decision makers, and have been consistently applied throughout the reporting period.

*Going Concern*

As part of our assessment we considered the appropriateness of the going concern assumption concluded by the directors and management. Our procedures indicate that this assumption is fair and that the going concern convention is appropriate.

**FINDINGS AND RECOMMENDATIONS****Current Year:**

There are no matters arising from the 2021 audit that we wish to bring to the attention of the Board.

1 September 2021

# Representation letter

30 August 2021

Mr M.I.Derbyshire  
Bentleys Tasmania Audit Pty Ltd  
39 Sandy Bay Road  
Hobart TAS 7000

Dear Mike

This representation letter is provided in connection with your audit of the financial report of Derwent Estuary Program Ltd for the year ended 30 June 2021 for the purpose of expressing an opinion as to whether the financial report is presented fairly, in all material respects, in accordance with the Australian Charities and Not-for-Profits Commission Act 2012.

We acknowledge our responsibility for ensuring that the financial report is in accordance with Accounting Standards and relevant statutory and other requirements and confirm that the financial report is free of material misstatements, including omissions.

We confirm that, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

## Financial Report

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated 11 January 2021 for the preparation of the financial report in accordance with Australian Accounting Standards and the Australian Charities and Not-for-Profits Commission Act 2012.
2. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
3. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Australian Accounting Standards.
4. All events subsequent to the date of the financial report and for which Australian Accounting Standards require adjustment or disclosure have been adjusted or disclosed.
5. The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial report as a whole.

## Information Provided

1. We have provided you with:
  - Access to all information of which we are aware that is relevant to the preparation of the financial report such as records, documentation and other matters;
  - Additional information that you have requested from us for the purpose of the audit; and

- Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- 2. All transactions have been recorded in the accounting records and are reflected in the financial report.
- 3. We have disclosed to you the results of our assessment of the risk that the financial report may be materially misstated as a result of fraud.
- 4. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
  - Management;
  - Employees who have significant roles in internal control; or
  - Others where the fraud could have a material effect on the financial report.
- 5. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial report communicated by employees, former employees, analysts, regulators or others.
- 6. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial report.
- 7. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
- 8. We have provided you with all requested information, explanations and assistance for the purposes of the audit.

Yours faithfully,



Director

30 August 2021



## Profit and loss for the year ended 30 June 2021

	2021	2020	2019
	\$	\$	\$
<b>REVENUE</b>			
Grants	191,409.00	151,449.00	188,481.00
Interest Income	1,358.24	4,088.97	4,397.98
Member Contribution	339,085.00	455,188.00	148,750.00
Other Revenue	22.73	433.81	-
Training Income	-	-	20,732.04
<b>Total Revenue</b>	<b>531,874.97</b>	<b>611,159.78</b>	<b>362,361.02</b>
<b>OTHER INCOME</b>			
Cash Flow Boost (ATO)	57,216.00	42,020.00	-
Donations - Public Fund	4.00	-	-
<b>Total Other Income</b>	<b>57,220.00</b>	<b>42,020.00</b>	<b>-</b>
<b>OPERATING EXPENSES</b>			
Advertising	-	136.36	-
Annual Leave Provision	(1,570.69)	26,372.36	-
Bank Fees	0.43	74.62	193.03
Computer Support	2,225.00	1,570.00	2,319.98
Consulting & Accounting	24,189.42	81,271.88	26,811.53
Contribution to Channel Project	-	10,000.00	10,000.00
Equipment Purchases under \$10,000	2,933.27	4,768.38	27,480.13
Field Expenses	232.70	894.60	3,613.66
Freight & Courier	60.00	83.00	165.56
Insurance	5,946.99	5,513.59	4,459.16
Legal expenses	518.00	1,981.00	4,500.00
Long Service Leave Provision	20,181.48	8,509.64	-
Meeting Costs	509.61	851.18	3,577.17
Motor Vehicle Expenses	1,143.50	2,054.83	3,002.22
Office Expenses	2,464.71	1,279.55	631.43
Printing, Graphics and Website	16,615.05	20,464.67	20,029.23
Prior year adjustment	-	-	(1.00)
Professional Development/Training	1,505.00	2,912.99	3,741.67
Protective workwear	-	657.36	90.90
Rent	20,600.04	20,600.04	18,633.37
Repairs and Maintenance	10.00	50.00	-
Subscriptions/Registrations	11,836.08	11,071.73	9,858.50
Superannuation	37,187.57	40,172.48	34,257.38
Telephone & Internet	4,376.90	6,300.21	4,201.65
Travel - National	1,391.44	813.12	615.05
Wages and Salaries	373,485.12	401,724.59	357,167.55
<b>Total Operating Expenses</b>	<b>525,841.62</b>	<b>650,128.18</b>	<b>535,348.17</b>
<b>NET SURPLUS</b>	<b>63,253.35</b>	<b>3,051.60</b>	<b>(172,987.15)</b>

## Balance sheet as at 30 June 2021

	2021	2020	2019
	\$	\$	\$
<b>ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
DEP – Public Management Fund CBA	4.57	1.00	1.00
DEP Ltd Operations – CBA	241,080.28	103,211.24	71,648.25
Derwent Estuary Program Ltd CBA	220,990.78	226,207.12	272,243.82
	<b>462,075.63</b>	<b>329,419.36</b>	<b>343,893.07</b>
<b>Current Assets</b>			
Accounts Receivable	–	59,163.50	22,000.00
Term Deposit	210,942.60	209,584.36	205,494.59
TFN Withholding Tax	–	–	971.00
	<b>210,942.60</b>	<b>268,747.86</b>	<b>228,465.59</b>
<b>Total Assets</b>	<b>673,018.23</b>	<b>598,167.22</b>	<b>572,358.66</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Annual Leave liability	24,801.67	26,372.36	–
Long Service Leave liability	21,918.60	–	–
GST	3,763.36	6,388.50	3,934.22
PAYG Withholdings Payable	6,468.00	7,598.00	25,716.00
Rounding	(0.30)	–	–
Superannuation Payable	10,340.51	13,598.20	10,059.52
	<b>67,291.84</b>	<b>53,957.06</b>	<b>39,709.74</b>
<b>Non-Current Liabilities</b>			
Long Service Leave liability	6,772.52	8,509.64	–
	<b>6,772.52</b>	<b>8,509.64</b>	<b>–</b>
<b>Total Liabilities</b>	<b>74,064.36</b>	<b>62,466.70</b>	<b>39,709.74</b>
<b>NET ASSETS</b>	<b>598,953.87</b>	<b>535,700.52</b>	<b>532,648.92</b>
<b>EQUITY</b>			
Current Year Earnings	63,253.35	3,051.60	(172,987.15)
Retained Earnings	535,700.52	532,648.92	705,636.07
<b>Total Equity</b>	<b>598,953.87</b>	<b>535,700.52</b>	<b>532,648.92</b>

## Movements in equity for the year ended June 2021

	2021	2020	2019
	\$	\$	\$
<b>EQUITY</b>			
Opening Balance	535,700.52	532,648.92	705,636.07
Current Year Earnings	63,253.35	3,051.60	(172,987.15)
<b>Total Equity</b>	<b>598,953.87</b>	<b>535,700.52</b>	<b>532,648.92</b>

## Statement of cash flows for the year ended June 2021

	2021	2020	2019
	\$	\$	\$
<b>OPERATING ACTIVITIES</b>			
Receipts from customers	628,945.24	619,515.08	509,928.03
Payments to suppliers and employees	(513,962.35)	(666,417.91)	(548,917.60)
Cash receipts from other operating activities	24,990.30	15,245.21	(34,335.37)
<b>Net Cash Flows from Operating Activities</b>	<b>139,973.19</b>	<b>(31,657.62)</b>	<b>(73,324.94)</b>
<b>INVESTING ACTIVITIES</b>			
Other cash items from investing activities	(1,358.24)	(3,118.77)	(4,397.10)
<b>Net Cash Flows from Investing Activities</b>	<b>(1,358.24)</b>	<b>(3,118.77)</b>	<b>(4,397.10)</b>
<b>FINANCING ACTIVITIES</b>			
Other cash items from financing activities	(5,958.68)	20,302.68	7,576.38
<b>Net Cash Flows from Financing Activities</b>	<b>(5,958.68)</b>	<b>20,302.68</b>	<b>7,576.38</b>
<b>NET CASH FLOWS</b>	<b>132,656.27</b>	<b>(14,473.71)</b>	<b>(70,145.66)</b>
<b>CASH AND CASH EQUIVALENTS</b>			
Cash and cash equivalents at beginning of period	329,419.36	343,893.07	414,038.73
Net change in cash for period	132,656.27	(14,473.71)	(70,145.66)
<b>Cash and cash equivalents at end of period</b>	<b>462,075.63</b>	<b>329,419.36</b>	<b>343,893.07</b>

## Notes to the financial statements for the year ended June 2021

### **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-for-profits 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.





## Board statement for the year ended June 2021

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 2021 and its performance for the period 1 July 2020 to 30 June 2021;
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**

Dated at Hobart this **31st day of August 2021**



# Auditor's Independence Declaration



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## AUDITOR'S INDEPENDENCE DECLARATION TO DERWENT ESTUARY PROGRAM LTD

**A.B.N. 14 618 265 571**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021 there have been no contraventions of:

- (i) the auditor independence requirements as set out in the Australian Charities And Not-for-profits Commission Act 2012 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

**Bentleys Tasmania Audit Pty Ltd**  
 Authorised Audit Company

Hobart

Date: 1 September 2021

**Michael Ian Derbyshire**  
 Director



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**INDEPENDENT AUDIT REPORT TO THE MEMBERS  
OF DERWENT ESTUARY PROGRAM LTD  
ABN: 14 618 265 571**

**Opinion**

We have audited the special purpose financial report of Derwent Estuary Program Ltd (the Company), which comprises the balance sheet as at 30 June 2021, the profit and loss statement, statement of changes in equity, statement of cash flows, notes to the financial statements, including a summary of significant accounting policies, and the statement by the members of the Board.

In our opinion, the accompanying financial report of Derwent Estuary Program Ltd has been prepared in accordance with Division 60 of the Australian Charities and Not-for-Profits Commission Act 2012, including:

- a) giving a true and fair view of the registered Company's financial position as at 30 June 2021, and of its financial performance for the year ended on that date; and
- b) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 the Australian Charities and Not-for-profits Commission Regulation 2013.

**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 Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards 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 special purpose financial report has been prepared for the purpose of fulfilling the responsible entities' financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.



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Pty Ltd

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***Responsibility of the Board for the Financial Report***

The Board of the Company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the members. The Board's responsibility also includes such internal control as the Board determines is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

***Auditor's Responsibilities 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 the 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 this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.





- Conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads "Bentley Tasmania Audit".

**Bentleys Tasmania Audit Pty Ltd**  
Authorised Audit Company

Hobart

7 September 2021

A handwritten signature in black ink that appears to read "Michael Ian Derbyshire".

**Michael Ian Derbyshire**  
Director









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