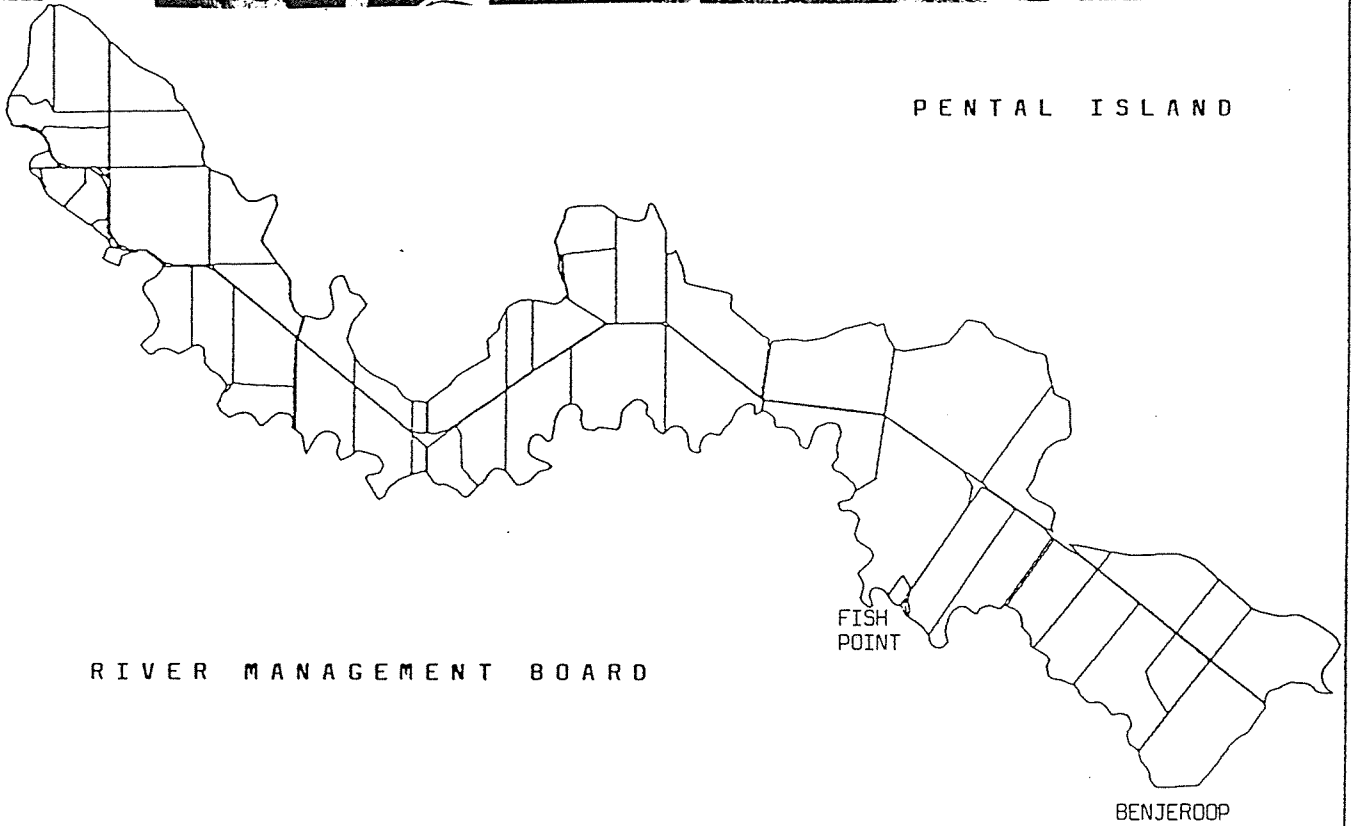


SWAN HILL







NORTH CENTRAL  
CATCHMENT  
MANAGEMENT AUTHORITY  
P O Box 18, Huntly, Vic, 3551

PENTAL ISLAND RIVER MANAGEMENT BOARD

Chairman  
Keith L James  
Memorial Drive  
SWAN HILL 3585  
Tel. 050 322 407

Secretary  
Robert Burns  
P.O. Box 102  
SWAN HILL 3585  
Tel. 050 322333  
10/10/96

The Hon. Pat McNamara MLA,  
Minister of Natural Resources,  
Parliament House,  
MELBOURNE. 3002

Dear Minister

I am pleased to submit the 6th Annual Report of the Pental Island River Management Board.

The Board's core business is the management of flood protection works authorised under the Interstate Murray River Levee Agreement for Pental Island a private diversion irrigation area adjacent to the Rural City of Swan Hill.

The Board's 39th year of operations has seen a renewal of activity with receipt of the second of three annual operating grants of \$30,000. The grant is being used primarily to enable the Board with the Goulburn Murray Water Authority to reconstruct the Little Murray Irrigation Diversion Weir pool retaining and flood protection levee bank system which is in urgent need of renewal.

Your attention is drawn to the increasing dependence of Swan Hill's regional economy on high quality Murray River water and the role of the Board's strategic flood protection works in ensuring the sustainability and viability of Goulburn Murray Water and Wimmera Mallee Water supply works located on Pental Island and the designated waterway the Little Murray River.

The Board has signed the necessary documents to enable the Authority to be merged into the new Loddon Campaspe Waterway Management Authority when constituted.

Yours faithfully,

Keith L. James  
Chairman



PENTAL ISLAND RIVER MANAGEMENT BOARD

[Extract from the *Victoria Government Gazette*, No. 1974, dated 3rd July, 1957.]

ANNUAL REPORT

RIVER IMPROVEMENT ACT 1948.

FOR THE YEAR ENDED 30 JUNE 1996

*At the Executive Council Chamber, Melbourne, the second day of July, 1957.*

- Table of Contents -

PRESENT:

His Excellency the Lieutenant-Governor of Victoria.  
Mr. Cameron | Mr. McArthur.  
Mr. Porter

Page 1 Constitution Document  
2 Establishment  
Organization  
3 Members of the Board  
General Information  
Services  
4 Administration  
Mission  
Functions  
Designation of Waterways and Land  
Publications  
Roles and Objectives  
Report of Performance  
5 Report of Operations  
7 Performance Indicators - Financial  
Activities Report - RMA Grant  
8 Annual Audit Report  
Financial Statements  
For The Year Ended 30th June 1996

PENTAL ISLAND RIVER IMPROVEMENT TRUST  
CONSTITUTED.

UNDER the powers conferred by the *River Improvement Act 1948*, and all other powers enabling him in that behalf, His Excellency the Lieutenant-Governor of the State of Victoria, by and with the advice of the Executive Council of the said State, doth hereby order and direct as follows:—

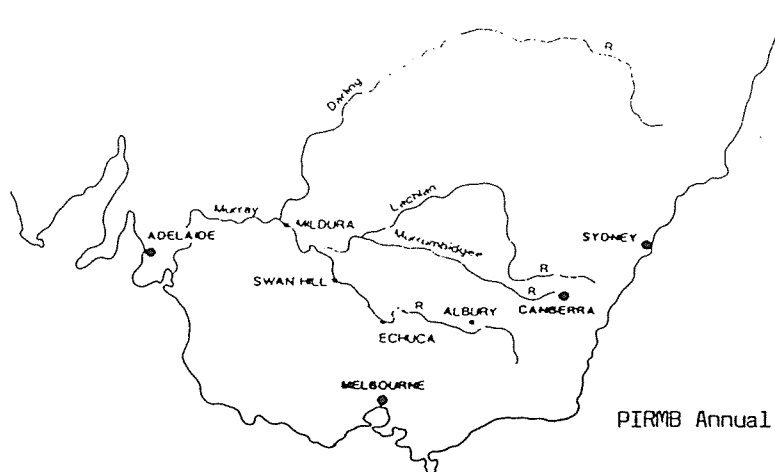
1. That the area included within the boundaries defined in the Schedule hereto shall be and the same is hereby constituted a river improvement district to be known as the Pental Island River Improvement District, under the jurisdiction and control of a river improvement trust to be known as the Pental Island River Improvement Trust, and as on and from the date of this Order such District and Trust shall be deemed to be so constituted.
2. That the proposed works of the said Trust shall comprise river improvement works within the said District.
3. That the said Trust shall be comprised of nine Commissioners, of whom one shall be appointed by the Governor in Council, one shall be elected by the Council of the Shire of Swan Hill, and seven shall be elected by the ratepayers of the said District.

SCHEDULE.

Commencing at a point on the left bank of the Little Murray River in line with the eastern boundary of allotment 24, Parish of Pental Island; thence generally westerly by the left bank of the Little Murray River to its western junction with the River Murray; thence generally easterly by the left bank of the River Murray to the eastern junction of the Little Murray River with the River Murray; and thence generally westerly by the left bank of the Little Murray River to the point of commencement.

All of the boundaries set forth in the foregoing Schedule are shown on a plan approved by the Governor in Council and deposited in the office of the State Rivers and Water Supply Commission, Melbourne.—(Corres. 57/8467.)

A. MAHLSTEDT,  
Clerk of the Executive Council.





#### HOW THE BOARD WAS ESTABLISHED

The Pental Island River Improvement Trust (the former Body) was constituted in 1957 by Order in Council dated 2/7/1957 under the provisions of the River Improvement Act 1948 to manage River Improvement works including flood protection for Pental Island.

The Shire of Swan Hill was the sponsoring local Government agency under the provisions of the River Improvement Act 1948.

The Trust under amending legislation changed its name in 1986 to the Pental Island River Management Board.

By Order in Council dated 25/2/1986 the Board's River Improvement District was amended to include the major part of the bed and banks of the Little Murray River.

On proclamation of the Water Act 1989 the Board became a Waterway Management Authority.

#### REASONS FOR ESTABLISHMENT

The then State Rivers and Water Supply Commission, in administering an agreement between the States of Victoria and New South Wales made under the Interstate Agreement on Murray River Levees required the constitution of the Trust to implement the Agreement and enable reservation by the then Department of Crown Lands and Survey of lands required for public purposes (including waterways and flood protection works) and the freeholding of leasehold land under the provisions of the Agricultural Colleges (Amendment) Act.

The State Rivers and Water Supply Commission as a matter of policy considered it essential that flood protection works be managed by an Authority rather than individual landholders.

The Interstate Agreement on Murray River Levees authorised the reclamation of Pental Island flood prone lands, subject to the maintenance of minimum waterway and floodway requirements.

Leaseholders, aware that the levee bank flood protection system, constructed by landholders at the direction of Trustees of the Agricultural Colleges Council under the Agricultural Colleges Act 1890, was unsatisfactory, with many weak links, unanimously supported the constitution of the Trust.

#### ORGANIZATION

Date of Establishment	25th July 1957
Address	48 McCallum Street, Swan Hill. 3585
Telephone Number	050 322333
Facsimile Number	050 331588
Office Hours	9 a.m. to 5 p.m. Monday to Friday
Principal Officer	Member K.L. James
Members of the Board	Member K.A. Greenham Member R. Hallam Member B.W. James Member D.G. Wilkie Vacancy Vacancy Vacancy Vacancy
Officer of the Board	Secretary - Robert Burns
The Board services the Pental Island River Management District.	
Consulting Engineers	Van Hoof & Byrne Consultants Pty. Ltd.
Bankers	Commonwealth Bank of Australia
Solicitors	Dwyer, Mahon & Robertson, Swan Hill
Currency of Statement	10th October 1996

#### ORGANIZATIONAL CHART

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Pental Island River
Management Board
    Secretary
    Consulting Engineer
    Clerk of Works
    Patrol Maintenance Worker
```

#### STAFFING

The Board has no full time staff. Secretarial and Accounting, and Engineering services are part time contract positions. Clerk of works and patrol maintenance worker are appointed on a casual or part time basis as needed.





## MEMBERS OF THE BOARD

### Chairman:

#### Member Keith James

Has been a Member since 1964. **His term expires 3/9/97.**

Member James is a Pental Island farmer & grazier.

#### Member Don Wilkie

Has been a Member since 1983. **His term expires 3/9/97.**

Member Wilkie is a Pental Island farmer & grazier.

### Deputy Chairman:

#### Member Keith Greenham

Has been a Member from 1957 to 1964 and since 1982. **His term expires 3/9/97.**

Member Greenham is a Pental Island landowner, retired dairyfarmer.

#### Member Barry James

Has been a Member since 1987. **His term expires 3/9/97.**

Member James is a Pental Island farmer & grazier.

#### Member Rob Hallam

Has been a member since 1987. **His term expires 3/9/97.**

Member Hallam is a retired farmer & and Grazier.

## VACANCIES ON THE BOARD

Lack of Regulations for the Holding of Elections and approval to restructure the Board has led to the Minister of Natural Resources re-appointing existing Members annually resulting in four (4) vacancies including two (2) Government Nominees.

## MEMBERS

### Payments

See Notes to the Financial Statements  
Note 10 Related Disclosure

### Pecuniary Interests

During the period of this return there were no disclosures by Members of the Board of a pecuniary nature in matters discussed by the Board.

## GENERAL INFORMATION

The Pental Island River Management District is situated between the left bank of the Murray River (NSW) and the left bank of the Little Murray River immediately upstream of the Rural City of Swan Hill and comprises the Parish of Pental Island in the County of Tatchera and the major part of the bed and banks of the designated waterway, the Little Murray River.

Pental Island is part of the Murray River Basin is flat and was flood prone. The Loddon River and Avoca River outfall to the Board's District.

The Island was closer settled as a private diversion irrigation area by the Trustees of the Agricultural Colleges Council under the Agricultural Colleges Act 1890 and has developed rapidly following the Constitution of the Board in 1957 to manage flood protection works and enable the issue of purchase leases in 1964 and Crown Grant (freehold title) in 1984.

Pental Island is 7,200 hectares in area with 5,800 hectares in private ownership and is fully serviced with modern bridges on the Little Murray River at Swan Hill and at Fish Point, roads, electricity, telephone, mail run, school bus to Swan Hill, big bin garbage disposal and bulk milk collection.

The Island provides Goulburn Murray Water and Wimmera Mallee Water with access to high quality Murray River water for distribution regionally.

## SERVICES

**Core service:** The Board provides strategic environmental infrastructure works management (levee bank flood protection and associated works) for Pental Island landholders and Swan Hill regional water and other service providers.

- **Stakeholders:** District landholders, Region, Rural City of Swan Hill, Goulburn Murray Water, Wimmera Mallee Water, Department of Conservation and Natural Resources, Powercor (electricity), Telstra and Optus (telephone). The City of Swan Hill is the areas service center.

- Average rainfall <350 mm P.A.

- **Major Farming Enterprises:** Irrigated and dry land grain, dairying, grazing, lucerne mill.

- **Non Farm Enterprises:** Rural residential, holiday farm complex, cottage industry.

- **Goulburn Murray Water Authority interests:**

The Little Murray River from the Winlaton (Fish Point) weir to the Little Murray Irrigation Diversion Weir, form the Little Murray Irrigation pool which is part of the Authorities, Torrumbarry irrigation water carrier system. The Irrigation Pool is in part supplied by the Pental Island pumping station and open channel located on the Island.



- Wimmera Mallee Water Authority interests:

The Authorities Mallee stræk and domestic water supply pumping station and pipeline are located on the Island.

- Natural Resources and Environment interests:  
River frontage and parkland reserves.

- Swan Hill Rural City Council interests:  
Swan Hill Pioneer Settlement, roads.

ADMINISTRATION

The Board's administration is provided by Swan Hill accountant Mr Robert Burns and is a part time contract position.

Engineering administrative services are provided under the Code of Consulting Engineers by Van Hoof and Byrne Consultants P/L.

Management coordination is provided by the Chairman Keith James on a voluntary basis.

Business Planning and Annual Reporting is provided by the Deputy Chairman Keith Greenham on a voluntary basis.

MISSION OF THE BOARD

The Pental Island River Management Board within its area shall provide a framework for the implementation of policy in the integrated management of land and waterways so as to best serve the present and future needs of the whole community in a manner that is consistent with minimising the economic, social and environmental costs.

FUNCTIONS OF THE BOARD

The Functions of the Pental Island River Management Board as designated in the Water Act 1989 Sec. 189-192 in relation to its designated waterways and designated lands are to:

- (a) To identify and plan for State and Local community needs relating to the use and to the economic, social and environmental values of land and waterways.
- (b) To develop and to implement effectively schemes for the use and protection and enhancement of land and waterways.
- (c) To investigate, promote and research any matter related to its functions, powers and duties in relation to waterway management.
- (d) To educate the public about any aspect of waterway management.

All these activities will be performed in an environmentally sound way with consultation with a Catchment Co-ordination Group and where appropriate, act on the advice of such Group.

DESIGNATION OF WATERWAY AND LAND

To enable functions to be performed the Board has in it's District designated under it's management and control the bed and banks of the Little Murray River and all the Public Land Water Frontage Reserves abutting the Murray and Little Murray Rivers as well as the Boga and Loddon floodway public land reserves and some private land required for waterway and levee bank works location.

PUBLICATIONS DEALING WITH FUNCTIONS AND ACTIVITIES

Publications can be inspected or obtained at the Board's office 48 McCallum Street, Swan Hill or the Swan Hill Community Library McRae Street Swan Hill. No fee is charged.

ROLES AND OBJECTIVES OF THE BOARD

In accordance with the new Business Planning requirements the roles and objectives of the Board have been redefined as:

Roles	Objectives
a) To manage the Authority	Efficiency Accountability Timeliness Community Awareness
b) To manage flood protection scheme	To protect all life and property on Pental Island as far as possible from flooding To balance the social economic and environmental impact of works
c) To advocate and provide input to the floodplain management process	To comment on any change in land use and development on Pental Island To advocate and provide input to regional development issues

REPORT OF PERFORMANCE

For the period of this return:

Role: To manage the Authority  
- The Board met formally four (4) times.  
- No complaints by landholders or the community were received by the Board.

Role: Flood protection works management  
- No flooding occurred.  
- No new works were constructed due to unsuitable weather and soil conditions.



- Works condition data base maintained.
- Risk management. No compensation claims were received.

Role: To advocate and provide input to the floodplain management process.

- No Building or planning permits were processed.
- Members involvement in networks - Swan Hill Rural City Council Community Development, Association of Victorian River Management Authorities, Loddon Campaspe Bendigo Creek Management Authority Implementation Steering Group, Swan Hill Regional Flood Study Working Group.
- State of the Rivers, See Para. 4 below.

#### REPORT OF OPERATIONS

##### 1. Activities

Role: To manage the Authority

- The Board has agreed to a merger with the Loddon Campaspe Waterway Management Authority when constituted and has executed the necessary documents.
- The Board has reviewed the Business Plan to bring into line with the new requirements.

Role: To manage the flood protection scheme

- No new works were constructed.
- Two failed drainage outlets were replaced.
- Under the Board's agreement with Goulburn Murray Water, rock beaching of eroding river bank below the Little Murray Weir has been completed and a contract was let in June 1996 for the reconstruction of 3,500m of levee bank works.
- Monitoring of flood events and works condition by Members continued.
- Forward planning.

The 1992 major review of the Business Plan led to development of an investment priority strategy for the completion of the relocation and upgrading of the flood protection system commenced in 1964. The estimated cost is \$700,000. (1992 values). The investment priority strategy has been amended to enable the Board's high priority Agreement with Goulburn Murray Water to be implemented.

Role: To advocate and provide input to the floodplain management process.

- Land use planning and building approval process: No activity.
- Murray Darling Basin Commission: Swan Hill Regional Flood Study.  
The Board has continued to support the spirit of the 1994 regional works moratorium retaining the right to construct urgent authorised works.
- Networking of other organisations by Members has continued.

##### 2. Review of Operations:

###### Principal operational objective:

To complete the implementation of the Interstate Levee Agreement by the relocation and upgrading of the levee bank flood protection system. On completion of the current works contract 68.9 Kms. will have been relocated and upgraded, leaving 11.5 Kms. of old State owned Agricultural College Council levees much in poor condition awaiting relocation. These works are generally maintained by landholders under DNRE Agricultural Licence Agreement. The Board's works priority program estimates capital requirements to complete the system of \$700,000. (1992 values)

###### Works Construction Design Standards:

The Board designs, constructs and maintains levee banks to the level of the highest known flood (1975) plus 600mm freeboard on specially reserved Crown Land adjacent to the Murray and Little Murray Rivers.

The Board designs constructs and maintains works (weirs, culverts drainage outlets) associated with levee bank construction.

The Board replaces licenced private irrigation and water supply works interfered with during levee bank relocation.

Construction site, design and standards are in accord with those authorized under the Interstate Levee Agreement and by the Rural Water Corporation prior to the implementation of the Water Act'89.

Where appropriate the Board uses the competitive tendering method for works construction.

###### Ongoing operational objectives:

- to complete the relocation and upgrading of the levee bank flood protection system.
- to renew/maintain Board works,
- to preserve as far as possible wild life habitat and archaeological sites.
- to control new tree generation on and adjacent to Board works.
- to protect works from motor vehicle damage.
- to carry out forward planning.
- to monitor the condition of Board works,
- to monitor the condition of old levees,
- to monitor flood levels.
- to work with the State Emergency Service in any flood crises.



3. Summary of Operations:

- No major initiatives were undertaken or operational achievements were recorded by the Board.
- The Board's major work, implementation of the Interstate Levee Agreement (flood protection levee bank relocation) is some years from completion due to changing State policies and funding constraints.
- The Board's assets are being maintained.
- No research or development activities were undertaken by the Board.

4. Summary of the State of the Rivers:

- The Board's operations centre around levee bank relocation increasing the pondage and concentrated flow capacity of the rivers in accordance with the Interstate Levee Agreements. Some 20% of the Pental Island flood plain is being permanently reserved to the river watercourses.
- Levee bank relocation inevitably leaves scars which are healed by time.
- Environmental damage has been kept to a minimum.
- The Board's District is not a source of pollution or turbidity.
- The Board's District is not a source of surface run off causing erosion or siltation.
- Erosion of river banks beyond the normal function of the river is not occurring.
- On balancing the economic, social and environmental values of land and waterways the Board believes that its works have had a positive effect on the land and state of the rivers.

5. Employee Occupational Health and Safety:

Number of employees - nil

6. Industrial Relations:

Number of employees - nil

7. Equal Employment Opportunity:

Number of employees - nil

8. Promotional, Public Relations, Marketing:

The Board has carried out no major activities in this area.

9. Overseas Visits:

No overseas visits were undertaken on behalf of or paid for by the Board.

10. Judicial Decisions:

The Board is not aware of any judicial decisions affecting its operations.

11. By Laws:

The Board has no by-laws.

12. Freedom of Information Act 1982:

No requests under the Act were received during the period of the return.

13. Major Committees:

No major Committees were abolished or established by the Board.

14. Statement of Tariffs and Charges:

For the Year Ended 30th June 1996

- Tariff  
Rate - 0.15 cents in the \$1 on the Capital Improved Value of serviced property.
- Charges.  
Interest on overdue tariff. 12%  
Information Statement. \$36.50

15. Contributions from the State:

The Board received a \$30,000 operating grant from the State.

16. Contributions from Municipalities:

The Board received no cash contributions from Municipalities.  
The Board received the benefit of resource sharing with the Swan Hill Rural City Council.





PENTAL ISLAND RIVER MANAGEMENT BOARD

Notes to the Financial Statements  
For the Year Ended 30th June 1996

<u>PERFORMANCE INDICATORS - FINANCIAL</u>	1996	1995
<u>LIQUIDITY</u>		
- <b>Working Capital Ratio</b>		
<u>Current Assets</u>	30.2 : 1	19.6 : 1
Current Liabilities		
- <b>Interest Cover ratio</b>		
Operating Surplus (before interest, <u>dividend and depreciation)</u>	9.3 : 1	3.9 : 1
Gross Interest expense		
 <u>FINANCIAL STABILITY</u>		
- <b>Debt to Equity Ratio</b>		
<u>Total Liabilities</u>	.065 : 1	.065 : 1
Total Equity		
- <b>Surplus on Total Revenue Ratio</b>		
<u>Operating Surplus before Depreciation</u>	.7 : 1	.17 : 1
<u>Total Operating Revenue</u>		

Comment: Indicators involving operating revenue have been distorted by deferment due to weather and soil conditions of the capital works planned. See Activities Report below.

ACTIVITIES REPORT

River Management Authorities Operating Grant

Summary of River Management Authority Expenditure for 1995/96

Activity	Estimate Expenditure 1995/96*	Actual Expenditure 1995/96	Comments
	\$	\$	
Administration	8,000	7,134	
Loan Repayment & interest	4,800	4,777	
Works renewal/maintenance	<u>2,000</u>	<u>3,356</u>	Renew two drainage outlets.
	14,800	15,267	
Board's share of jointly funded capital works with Goulburn Murray Water-levee banks	24,000	Nil	Works did not proceed due to unsuitable weather and and soil conditions.
 Total	 ----- 38,800	 ----- 15,267	

\* from 1995/96 Business Plan

The Board received an Operating Grant of \$30,000. A contract for works was let in June 1996. The grant will be used with the 1996/97 grant to meet this commitment.

We the undersigned, hereby certify, to the best of our knowledge and belief that the above expenditures are correct and accurate in all respects.

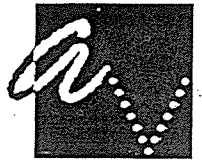
Chairperson

*R. L. James*

Secretary

*A. Burns*





VICTORIAN  
AUDITOR-  
GENERAL'S  
OFFICE

*Auditing in the  
Public Interest*

## Auditor-General's Report

### **Audit Scope**

The accompanying financial statements of the Pental Island River Management Board for the year ended 30 June 1996, comprising an operating statement, balance sheet, statement of cash flows and notes to the financial statements, have been audited. The members of the Board are responsible for the preparation and presentation of the financial statements and the information they contain. An independent audit of the financial statements has been carried out in order to express an opinion on them as required by the *Audit Act* 1994.

The audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. The audit procedures included an examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Australian Accounting Standards and other mandatory professional reporting requirements and comply with the requirements of the *Financial Management Act* 1994, so as to present a view which is consistent with my understanding of the financial position of the Pental Island River Management Board and the results of its operations and its cash flows.

The audit opinion expressed on the financial statements has been formed on the above basis.

### **Audit Opinion**

In my opinion, the financial statements present fairly the financial position of the Pental Island River Management Board as at 30 June 1996 and the results of its operations and its cash flows for the year ended on that date in accordance with Australian Accounting Standards and other mandatory professional reporting requirements and comply with the requirements of the *Financial Management Act* 1994.

C.A. BARAGWANATH  
*Auditor-General*

MELBOURNE  
11 / 10 / 1996



**THOMSONS**  
ACCOUNTANTS & ADVISERS

**AUDIT REPORT**

**PENTAL ISLAND RIVER MANAGEMENT BOARD**

The Auditor-General

As your appointed contractor, I submit hereunder my report on the audit of the Pental Island River Management Board for the year ended 30th June, 1996.

**1. INTRODUCTION**

The accompanying financial statements of the Pental Island River Management Board for the year ended 30th June, 1996 comprising an operating statement, Balance Sheet, statement of cash flows and notes to the financial statements, have been audited. The members of the Pental Island River Management Board are responsible for the preparation and presentation of the financial statements and the information contained therein.

**2. AUDIT OBJECTIVE**

The objective of the audit was to recommend to the Auditor-General an opinion as to whether, in all material respects, the financial report presented fairly the financial position and financial result of the Pental Island River Management Board for the year in accordance with Australian Accounting Standards and other mandatory professional reporting requirements and complied with the requirements of the Financial Management Act 1994.

**3. AUDIT SCOPE**

The audit was conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report was free of material misstatement. The audit procedures included an examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of accounting policies and significant accounting estimates.

**4. RECOMMENDED AUDIT OPINION**

In my opinion, the financial report presents fairly the financial position of the Pental Island River Management Board as at 30th June, 1996 and the results of its operations and its cash flows for the year ended on that date in accordance with Australian Accounting Standards and other mandatory professional reporting requirements and complies with the requirements of the Financial Management Act 1994.

It is recommended that the Auditor-General provide a confirming audit report on the Pental Island River Management Board financial statements:

5. AUDIT OBSERVATIONS AND RECOMMENDATIONS

5.1 Financial Result

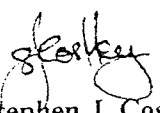
For the year ended 30th June, 1996 the Board earned an operating surplus of \$23,412. The result seems favourable when compared to the surplus of \$903 incurred during the 1994/95 financial year however, the Board is dependent upon government funding to meet operating costs. This funding is available for the 1996/97 year, and then subject to review by the government department involved.

It will be necessary for the Board to continually monitor its finances and budgets to ensure that sufficient revenue is available to meet future operating costs.

6. GENERAL

The assistance provided by the Management and staff of the Board during the course of the audit was appreciated.

A response to the matters referred to in paragraph 5 would be appreciated in due course.

  
Stephen J. Costley  
*Contractor of the Auditor-General*

22/9/96



# **PENTAL ISLAND RIVER MANAGEMENT BOARD**

## **FINANCIAL STATEMENTS** **FOR THE YEAR ENDED 30 JUNE, 1996**

**PENTAL ISLAND RIVER MANAGEMENT BOARD**

**OPERATING STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE, 1996**

	<u>Note</u>	<u>1996</u>	<u>1995</u>
		\$	\$
<b><u>REVENUE</u></b>			
Rates		18,984	17,211
Interest		253	370
Search Fees		-	65
Contribution - Govt. Operating Grant	2	30,000	30,000
Contributions to Levee Bank Maintenance	2 (b)	-	23,810
		-----	-----
<b><u>TOTAL REVENUE</u></b>		<b>49,237</b>	<b>71,456</b>
		-----	-----
<b><u>EXPENDITURE</u></b>			
Administration		2,943	2,943
Advertising		328	84
Audit Fee		750	700
Bank Charges		48	113
Chairman's Allowance		250	250
Compensation - Irrigation Works		-	12,902
Conference Expense		510	583
Consultants Fees - Reports		-	247
Depreciation		11,188	11,245
Insurance		1,776	1,664
Interest		4,147	4,167
Levee Bank Maintenance	3	3,356	35,336
Petty Cash		247	211
Printing & Stationery		82	108
Subscriptions		200	-
		-----	-----
<b><u>TOTAL EXPENDITURE</u></b>		<b>25,825</b>	<b>70,553</b>
		-----	-----
Operating Surplus/(Deficit) for the Year		23,412	903
Retrospective Adjustment - Transfer of Contributed Capital	1.8	-	1,201,838
Retained Earnings/(Accumulated Losses) at the beginning of the Year		1,190,202	(12,539)
		-----	-----
<b><u>RETAINED EARNINGS/(ACCUMULATED LOSSES)</u></b>			
<b><u>AT THE END OF THE YEAR</u></b>		<b>\$1,213,614</b>	<b>\$1,190,202</b>
		=====	=====

The above Operating Statement should be read in conjunction with the Notes To and Forming Part of the Accounts.

**PENTAL ISLAND RIVER MANAGEMENT BOARD**

**BALANCE SHEET**  
**AS AT 30 JUNE, 1996**

	<u>Note</u>	<u>1996</u>	<u>1995</u>
		\$	\$
<b><u>CURRENT ASSETS</u></b>			
Cash at Bank	3	60,642	25,774
Debtors - Ratepayers	4	6,509	6,194
		-----	-----
		67,151	31,968
		-----	-----
<b><u>FIXED ASSETS</u></b>			
	5	2,226,502	2,237,690
		-----	-----
<b><u>TOTAL ASSETS</u></b>			
		\$2,293,653	\$2,269,658
		=====	=====
 <b><u>CURRENT LIABILITIES</u></b>			
Rates in Advance		725	-
Créditors		1,500	1,011
Loan - Dept. of C. & E.		630	620
		-----	-----
		2,855	1,631
		-----	-----
 <b><u>NON-CURRENT LIABILITIES</u></b>			
Loan - Dept. of C. & E.		136,928	137,569
		-----	-----
 <b><u>EQUITY CAPITAL AND RESERVES</u></b>			
Asset Revaluation Reserve		940,256	940,256
Retained Earnings/(Accumulated Losses)		1,213,614	1,190,202
		-----	-----
		2,153,870	2,130,458
		-----	-----
<b><u>TOTAL LIABILITIES, EQUITY CAPITAL &amp; RESERVES</u></b>			
		\$2,293,653	\$2,269,658
		=====	=====
 Contingent Liabilities			
	6		
Capital Commitments	7		



**PENTAL ISLAND RIVER MANAGEMENT BOARD**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE, 1996**

	<u>Note</u>	<u>1996</u>	<u>1995</u>
		\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Rates Received		20,144	18,604
Interest Received		253	215
Other Revenue		-	65
Contribution by Government Operating Grant		30,000	30,000
Contribution to Levee Bank Maintenance		-	23,810
Payments to Suppliers		(10,751)	(55,079)
Interest Paid		(4,147)	(4,167)
		-----	-----
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	9	35,499	13,448
		-----	-----
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment for Levee Bank Construction		-	(9,961)
		-----	-----
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>		-	(9,961)
		-----	-----
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of Borrowings		(631)	(610)
		-----	-----
<b>NET CASH PROVIDED BY FINANCIAL ACTIVITIES</b>		(631)	(610)
		-----	-----
Net Increase (Decrease) In Cash Held		34,868	2,877
Cash At The Beginning Of Year	8	25,774	22,897
		-----	-----
<b><u>CASH AT THE END OF THE YEAR</u></b>	8	\$ 60,642	\$ 25,774
		=====	=====

# PENTAL ISLAND RIVER MANAGEMENT BOARD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 1996

### 1. STATEMENT OF ACCOUNTING POLICIES

The financial statements are a general purpose financial report that have been prepared in accordance with applicable Accounting Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) and the Financial Management Act, 1994.

The accounting policies have been consistently applied unless otherwise stated.

#### 1.1 Accrual Basis

The accrual basis of accounting has been used with revenues and expenses recognised as they are incurred, and brought to account in the period to which they relate.

#### 1.2 Historical Cost

The accounts have been prepared on the basis of historical costs and do not take into account changing values, or except where stated, valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange of assets.

#### 1.3 Rounding Off

All amounts shown in the financial statements are expressed to the nearest dollar.

#### 1.4 Depreciation

Non-Current Assets with the exception of land (non-depreciable) are depreciated over their estimated useful lives using the straight line method of depreciation.

The annual depreciation rates adopted are:

Levee Banks	0.5%
-------------	------

#### 1.5 Doubtful Debts

No provision has been made for doubtful debts as all amounts due to the Board are considered recoverable.

#### 1.6 Employee Benefits

The Board does not employ any labour whatsoever. Secretarial and administrative services are provided on a contractual basis.

#### 1.7 Statement of Cash Flows

Included with these Accounts is a Statement of Cash Flow which has been prepared in accordance with the Accounting Standard AAS28.

#### 1.8 Contributed Capital

In accordance with Ministerial guidelines the Board has transferred the balance previously shown as "Contributed Capital - Government" to "Retained Earnings" effective from 1st July, 1994.

# PENTAL ISLAND RIVER MANAGEMENT BOARD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 1996

### 2. (a) GOVERNMENT FUNDING

The Board received funds from the Government of Victoria to assist in meeting its annual operating expenditure, and identical funding will be provided during the 1996/97 year.

### (b) CONTRIBUTION TO LEVEE BANK MAINTENANCE

During the 1994/95 year the Board undertook levee bank maintenance on behalf of Goulburn Murray Water Authority which is responsible for the management of the Little Murray Weir. Maintenance required to the levees either side of the weir and costs incurred were reimbursed by this Authority.

The Board itself has an ongoing policy of meeting annual expenditure on levee bank maintenance in accordance with its works programme and annual budget.

	<u>1996</u>	<u>1995</u>
	\$	\$
<b>3. CASH AT BANK/(OVERDRAFT)</b>		
Commonwealth Bank - General Account	24,356	19,488
- Loan Account	36,286	6,286
	\$ 60,642	\$ 25,774
 <b>4. DEBTORS</b>		
Debtors comprise the following items and amounts:		
Debtors - General Rates	5,625	5,336
- Interest on Rates	884	858
	\$ 6,509	\$ 6,194
 <b>5. FIXED ASSETS</b>		
Fixed Assets comprise the following items and amounts:		
Levee Banks at Valuation (1995)	2,261,533	2,261,533
<u>Less</u> Accumulated Depreciation	44,892	33,754
	2,216,641	2,227,779
Levee Banks at Cost	9,961	9,961
<u>Less</u> Accumulated Depreciation	100	50
	9,861	9,911
 <u>Net Fixed Assets</u>	 \$2,226,502	 \$2,237,690

# PENTAL ISLAND RIVER MANAGEMENT BOARD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 1996

A revaluation of the board's Fixed Assets was undertaken on the 30th June 1992. This valuation was made in accordance with the recommended policy issued by the Rural Water Commission.

Name of Valuer - Van Hoof & Byrne, Consultants Pty Ltd., Engineers, Surveyors and Planners.

The Fixed Assets of the Board are all allocated on Crown Land.

### 6. CONTINGENT LIABILITIES

The Board is unaware of any contingent liabilities not recorded or disclosed elsewhere in these Accounts as at 30 June, 1996.

### 7. CAPITAL COMMITMENTS

There were no capital works undertaken during the financial year. The Board has arranged a \$50,000 overdraft with the Commonwealth Bank, Swan Hill branch, to assist with the funding of any new capital works which may be commenced in the future.

### 8. RECONCILIATION OF CASH

For the purposes of this Statement of Cash Flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of the year as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:

	<u>1996</u>	<u>1995</u>
	\$	\$
Operating Account	24,356	19,488
Capital Account	36,286	6,286
	-----	-----
	<u>\$ 60,642</u>	<u>\$ 25,774</u>

### 9. RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO OPERATING SURPLUS

	<u>1996</u>	<u>1995</u>
	\$	\$
Operating Surplus	23,412	903
Depreciation	11,188	11,245
	-----	-----
	34,600	12,148
Changes in Assets and Liabilities:		
Reduction (Increase) in Debtors - Rates	(315)	1,239
Increase (Reduction) in Trade Creditors	1,214	61
	-----	-----
<b><u>NET CASH</u></b>	<u>\$ 35,499</u>	<u>\$ 13,448</u>

# PENTAL ISLAND RIVER MANAGEMENT BOARD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 1996

### 10. RESPONSIBLE PERSONS DISCLOSURE

#### (a) Responsible Persons

Names of persons who were responsible persons at any time during the financial year ended 30 June, 1996:

The Hon. C.G. Coleman MLA  
K. James (Chairman)  
K. Greenham  
D. Wilkie

The Hon. P.J. McNamara MLA  
R. Hallam  
B. James  
R. Burns (Secretary)

#### (b) Remuneration of Responsible Persons

Total remuneration received or due by responsible persons for year ended 30 June, 1996 was \$3,193 (1995 - \$3,193).

The relevant remuneration received by Ministers is reported separately in the financial statements of the Departments of Premier and Cabinet.

The number of responsible persons whose remuneration fell within the following bands:

	<u>1996</u>	<u>1995</u>
	\$	\$
\$0 to \$10,000	2	2

#### (c) Retirement Benefits to Responsible Persons and Executive Officer

There were no retirement benefits or loans provided to Responsible Persons during the year.

#### (d) Other receivables from and payable to Responsible Persons, Chief Executive Officer and Related Parties

Nil

#### (e) Transactions with Responsible Persons, Chief Executive Officer and Related Parties

Water services were provided to Responsible Persons who resided within the boundaries of the Board under normal terms and conditions, no more favourably than those available to other parties. There were no other transactions relating to Responsible Persons and related entities.

#### (f) Salary to Administrative Officer

Mr Robert Burns receives remuneration from the Board for accounting and secretarial services provided which has been disclosed in note 10(b) above.

PENTAL ISLAND RIVER MANAGEMENT BOARD

CERTIFICATION

In accordance with a resolution of the Pental Island River Management Board, we the undersigned:

- a) certify that in our opinion the accompanying financial statements comprising Operating Statement, Balance Sheet, Statement of Cash Flows and Notes to and forming part of the Financial Statements of the Pental Island River Management Board present fairly the financial transactions during the year ended 30 June, 1996 and the financial position of the Board as at that date;
- b) are not aware of any circumstances which would render any particulars included in the statements to be misleading or inaccurate at the date of signing; and
- c) state that, in our opinion, the financial statements have been prepared in accordance with the Financial Management Act, 1994.

Signed at Swan Hill this 30th day of September, 1996, on behalf of the Board.

*B. L. James*  
.....  
Board Member  
Pental Island River Management Board

*R. Burns*  
.....  
Mr R. Burns  
Principal Accounting Officer  
Pental Island River Management Board

*Robert Lellan*  
.....  
Board Member  
Pental Island River Management Board