

Swan River Trust Annual Report 2008-09



Caring for the Swan Canning Riverpark

Acronyms and abbreviations

Act	<i>Swan and Canning Rivers Management Act 2006</i>
DCA	Development Control Area
DoF	Department of Fisheries
DoP	Department of Planning
DoT	Department of Transport
DoW	Department of Water
HRAP	Healthy Rivers Action Plan
MRS	Metropolitan Region Scheme
NRM	Natural Resource Management
PAG	Phosphorus Action Group
SCRIP	Swan Canning Research and Innovation Program
SCWQIP	Swan Canning Water Quality Improvement Plan
SERCUL	South East Regional Centre for Urban Landcare
TAP	Technical Advisory Panel
Trust	Swan River Trust
WAPC	Western Australian Planning Commission
WQIP	Water Quality Improvement Plan

COVER: This image, taken by Perth photographer John Goldsmith, shows resident bottlenose dolphins in the Swan River near Ron Courtney Island.

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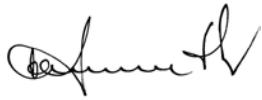
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Letter to the Minister for Environment

**To the Hon. Donna Faragher
Minister for Environment; Youth**

I have pleasure in submitting the 21st Annual Report on the operations of the Swan River Trust for the period 1 July 2008 to 30 June 2009, in accordance with the *Swan and Canning Rivers Management Act 2006* and *Financial Management Act 2006*.



**Jim Freemantle
Chairman
9 September 2009**



Chairman's report



This year the Swan River Trust marked its twentieth anniversary – two decades of overseeing the management of Perth's iconic rivers, two decades on which all involved can look back with pride.

Many of the issues and challenges faced by the formative Trust in 1989 are still with us today – nutrient and non-nutrient pollutants, shoreline erosion, and managing the many competing uses the community has for the rivers.

We also have some new problems – climate change, feral fish and acid sulphate soils, for example. In some areas there has been measurable improvement, which is an achievement in the face of an increase of almost 50 per cent in the city's population during that period.

For example, since 1989 we have had a system in place to ensure development in and around the rivers does not compromise the river values we hold. We are delivering millions of dollars to shoreline restoration and onground works in the catchment. We now have governments, industry and community actively engaged in caring for the rivers and foreshores.

The Trust's ability to facilitate onground actions, research, partnership building, statutory actions, plans and policy development are leveraged across the wider catchment – bringing others in and ensuring a more holistic, system approach to river management.

The amount of scientific data gathered by the Trust since its inception gives us a sound knowledge of the river system and we have a good appreciation of the issues the rivers will face in the future. Although climate change is a major issue and we can not claim to know exactly how it will manifest, we do know that its impact on the rivers will be to exacerbate changes to temperature, salinity, nutrients, biodiversity and shoreline management.

We know we are dealing with a changing river system – a system highly modified by development, but with very high environmental and social values. We know a lot about the river system but we recognise there are many things we still need to understand better.

We also understand that we are not alone in the task of caring for the Swan Canning river system. The Trust enjoys good relationships with the 21 local government authorities that border the river foreshores and we rely heavily on their cooperation to get anything done. We appreciate the fact that we share the common goal of working for the rivers and the spirit in which that partnership is undertaken.

We share a similar, cooperative partnership with community groups who put in countless hours working for the rivers. Their contribution makes a significant difference and we are very grateful for their efforts. We have been thrilled with the level of response to River Guardians, the community involvement program launched last year. River Guardians is enabling us to broaden our base

of people involved with and concerned for the rivers. It is providing individuals with new opportunities to have a stake in the rivers.

The Trust is in the fortunate position of having superb staff – a group of professionals committed to the rivers' future. It is particularly gratifying to see senior management positions filled by people who are there for the long haul and who understand the rivers, issues and work that needs to be done.

This year, as well as being the twentieth year of the Trust, was the first full reporting year under the *Swan and Canning Rivers Management Act 2006*. This legislation established the Swan Canning Riverpark with the Trust as its manager, giving the Trust responsibility for day to day operational activities.

The new Board, appointed under this legislation, continues to display expertise and commitment in its work. Noel Nannup, as a Nyoongar Elder, provided a different and welcome perspective to the Trust and we were extremely sad that he found it necessary to step down.

With the new legislation came the requirement to develop the River Protection Strategy, which is well underway. The strategy will pull together the many threads to provide a coordinated approach to protecting the rivers, ensuring that what we are doing in one area is reinforcing what we are doing in another, and making sure we are all working to a common vision.

In the face of the many challenges we know lie ahead, we acknowledge the many achievements the Perth community has made in river management in the past 20 years. In our favour, for the next 20 years, we understand the task before us and we know we have the capabilities and partnerships the rivers need.

A handwritten signature in black ink, which appears to read 'Jim Freemantle'. The signature is fluid and cursive.

Jim Freemantle

Chairman

9 September 2009

Significant issues affecting the agency

The Swan Canning river system provides a magnificent backdrop to Perth, an aquatic playground for Perth's residents and visitors, and habitat for a variety of unique wildlife. But it is a system under environmental stress, hard though it is to believe when faced with the outward beauty of the rivers. Nutrient enrichment, low oxygen levels, contamination, sedimentation, shoreline erosion, vegetation loss, aquatic species loss, and conflicting land uses are all issues requiring careful management to ensure the rivers' future health.

Water quality and ecological health

The Swan Canning river system faces a range of water quality problems which can adversely affect the ecological health and community enjoyment of the rivers. Seasonal changes in river flow and the complex interaction of temperature, light, oxygen levels, and exchange with the ocean alter the way the rivers process high levels of nutrients from the catchments. Reduced rainfall and streamflow, and increased marine water intrusion, increase the rivers' vulnerability to oxygen depletion, nutrient enrichment and other pressures. Climate change exacerbates these issues. Non-nutrient contaminants, a feral fish species, invasive weeds and sedimentation are further ecological threats to the rivers.

Response

The Swan River Trust (Trust) adopts a multi-faceted, catchment to coast approach in response to water quality problems. Informed by comprehensive science scrutinised by local, national and international experts, management responses include: supporting programs to improve land management in the urban and rural sectors; trialling intervention techniques in drains; restoring streamlines and river shorelines; and using technologies such as oxygenation in the rivers. The Swan Canning Water Quality Improvement Plan (SCWQIP) developed during 2008-09 complements the Healthy Rivers Program to guide management actions. Excess nutrients entering the river system need to be reduced. Continuous community education and engagement is vital, especially as most of these problems are generally not visible to the public.

Shoreline management

Shoreline erosion, vegetation loss and collapsing river walls continue to demand effort and resources. Foreshore vegetation stabilises riverbanks, provides habitat, and prevents nutrient and sediment entering the waterway. River walls protect riverside infrastructure and ongoing repairs and replacement are needed.

Response

The *Swan and Canning Rivers Management Act 2006* (Act) makes the Trust jointly responsible with adjoining land managers for the Riverpark shoreline and Crown lands abutting the rivers. This obliges the Trust to match funding from local governments and state agencies to deliver foreshore restoration works in priority sites. To ensure funds are well directed, the Trust is complementing the works program with guidelines for best practice, demonstration sites, and

guides for developing foreshore management plans. Working with local governments, the Trust is developing a strategic asset management system to further support priority setting and long-term budgeting.

Riverside development and use pressure

Major riverfront developments provide the opportunity to bring modern management standards to projects while allowing the community to enjoy the highly regarded amenity of the rivers. Such development should contribute to improving the ecological health of the rivers (for example, by addressing the water quality in drains) and should be built on the principle of enhancing public spaces along the waterfront. Recreational pressure on the rivers by activities such as fishing and boating and on-river tourist-based development is increasing. Proposals for marina expansions or other boating storage and launching facilities need to be balanced with other community values for the rivers.

Response

The Trust is developing a River Protection Strategy as required by the Act. The strategy is designed to recognise the multiple and often conflicting values held by the community in relation to the rivers. It will include a blueprint for how the rivers and surrounds should be developed so demands for passive and active recreation, cultural practice, tourism, conservation and development can be balanced and addressed holistically. On a case by case basis, the Trust prepares advice on development proposals for the Minister, Western Australian Planning Commission (WAPC) and local governments, guided by Trust policy and the State Planning Policy 2.10 for the Swan and Canning rivers. In 2008-09 the Trust released a Boating Management Strategy which is now being implemented to provide for the needs of the boating community while protecting the needs of other users and the river environment.

River Protection Strategy stakeholder engagement

To deliver the Act the Trust is required to develop better ways for State Government, industry and the community to work together to sustain the health and uses of the rivers, increasing opportunities for public involvement in planning and decision-making.

Response

The Trust is developing the River Protection Strategy in consultation with and involving all river stakeholders and the community to enable an overarching blueprint that defines clearly what must be done to meet Riverpark targets and who needs to do it. The intent of the strategy is to gain genuine collaboration in river management making all river stakeholders and public authorities accountable across the objectives and principles of the Act. While it is acknowledged each organisation has its own core business priorities and resource constraints, the River Protection Strategy will deliver more effective ways to work together to manage the needs of the rivers for the people of Perth.

Operational structure

Trust members

The Trust has eight members who meet monthly. The Board is appointed by the Environment Minister as defined by the Act and brings together expertise in conservation, natural resource management, recreation, tourism, planning, development and matters of interest to rural and Nyoongar communities.

Mr Jim Freemantle

Chairman, Mr Freemantle holds a Bachelor of Economics and a Master of Administration from Monash University. He is a Fellow of the Australian Institute of Company Directors and Australian Institute of Banking and Finance. Mr Freemantle was re-appointed to the Trust Board in September 2007 and appointed Chairman in March 2009.

Dr Jane Chambers

Deputy Chair, Dr Chambers is a senior lecturer in Aquatic Ecology in Environmental Science, Murdoch University. She has more than 25 years' experience in research relating to algae and aquatic plants, nutrient dynamics and eutrophication of freshwater and estuarine systems. Dr Chambers was re-appointed to the Trust Board in September 2007 and appointed Deputy Chair in March 2009.

Ms Dorte Ekelund

Ms Ekelund was the deputy director of the WA Department for Planning and Infrastructure responsible for land, transport and infrastructure planning and regulation across Western Australia. She has extensive experience in urban and regional planning across Australia. Ms Ekelund was appointed to the Trust Board in September 2007 and resigned in November 2008.

Mr Noel Nannup

Mr Nannup is a Nyoongar Elder with extensive experience in teaching and sharing Aboriginal culture. He was appointed to the Trust Board in September 2007 and resigned in October 2008.

Cr Dudley Maier

Cr Maier holds a Bachelor of Science degree from the Australian National University and is a Councillor with the Town of Vincent. He was appointed to the Trust Board in September 2007.

Ms Carolyn Jacobsen

Ms Jacobsen is completing her postgraduate (PhD) studies at Murdoch University. She has been a community and consumer activist in the Perth metropolitan area for more than 30 years. Ms Jacobsen was appointed to the Trust Board in September 2007.

Mr Michael Poole

Mr Poole holds a Bachelor of Science degree in agriculture from the University of Western Australia and is a Fellow of the Academy of Technology Sciences and Engineering, and Australian Institute of Agricultural Science and Technology. He has had a distinguished career in agriculture and was appointed to the Trust Board in May 2008.

Ms Jan Star AM

Ms Star was a Councillor with the Serpentine Jarrahdale Shire for 23 years, with four years as President. She has worked in areas of sustainability, water (drainage, law reform), climate change, biodiversity, land use planning, environment, sustainable agriculture and regional development at state, regional and national level. Ms Star was appointed to the Trust Board in June 2008.

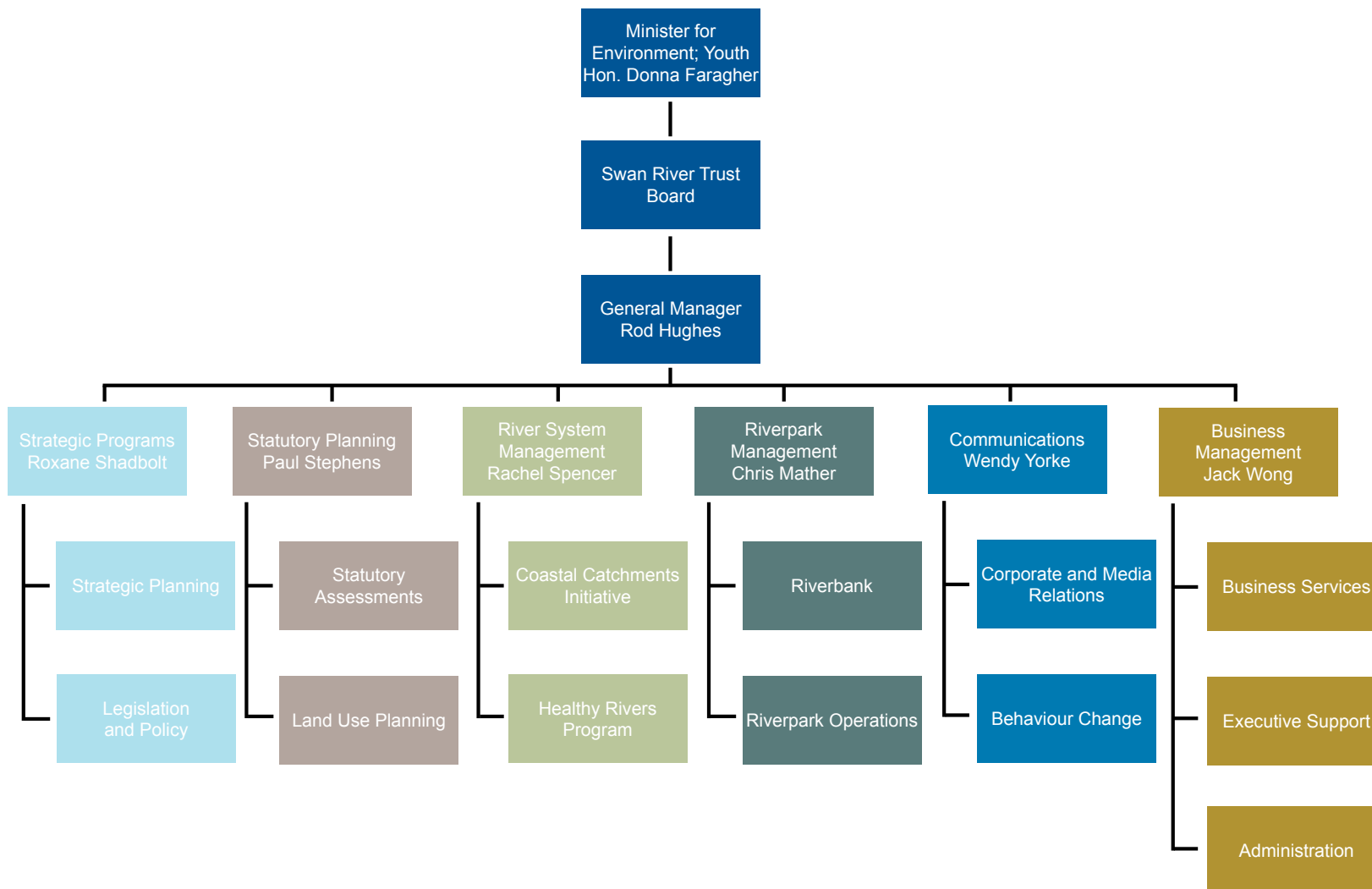
Mr Peter Randolph

Mr Randolph was temporarily appointed in March 2009 to fill the position vacated by Mr Nannup. He has extensive experience in Aboriginal heritage and cultural affairs, working for the WA Department of Indigenous Affairs.

Mr Mike Allen

Mr Allen was the executive director, Statutory Planning for the WA Department for Planning and Infrastructure and was recommended by the Minister for Planning and Infrastructure to occupy the position previously occupied by Ms Ekelund. He was appointed to the Trust Board in March 2009 and resigned to take effect in July 2009.

Figure 1 Swan River Trust operational structure



Performance Management Framework

Linked to State Government goals and strategic outcomes

The Trust operates in accordance with the State Government's goals. Until September 2008, the Trust's work contributed to Government Goal 3 – Lifestyle and Environment, protecting and enhancing the unique Western Australian lifestyle and ensuring sustainable management of the environment.

Following the September 2008 state election, a revised set of State Government goals was endorsed for the 2009-10 Budget. The Trust's work delivers on the Social and Environmental Responsibility goal - ensuring that economic activity is managed in a socially and environmentally responsible manner for the long-term benefit of the state.

The Trust was established in 1989 to protect, manage and provide appropriate planning for the Swan and Canning rivers and associated land.

Under the Act the Trust's functions are to:

- protect and enhance the ecological and community benefits and amenity of the Development Control Area (DCA) and to control activities and development in that area;
- protect and enhance the ecological and community benefits and amenity of the Riverpark;
- carry out works and provide facilities for the purposes of protecting and enhancing the ecological and community benefits and amenity of the Riverpark, establish targets for ecological and community benefits and amenity of the Riverpark, and mechanisms for evaluating achievement of those targets;
- coordinate and promote the development and implementation of strategic documents under the Act;
- coordinate and promote the activities of other bodies that have functions in relation to the catchment area, insofar as those functions may affect the Riverpark, including the implementation of any strategic documents applicable to the catchment area;
- monitor and report to the Minister on the state of the DCA, and development on and adjoining the DCA;
- provide advice and assistance to planning authorities so that, in relation to the Riverpark, proper provision is made in planning schemes for – the reservation of land for protection, and future acquisition, of river foreshores; protection and public use of land and waters; and protection of wildlife habitat;
- provide advice to the WAPC on state planning policies and planning scheme provisions relating to any matter within its functions, and to publish other statements of policy relating to any matter within its functions;

- provide advice and promote public education on any matter within its functions;
- perform such functions as are delegated to it under any other written law;
- otherwise undertake the administration and enforcement of the Act; and,
- perform any other functions vested in it by the Act or any other written law.

Swan River Trust vision

The Swan and Canning rivers are a valued part of our environment and a source of enjoyment for the community forever.

Swan River Trust mission

To work with local, state and Commonwealth governments and the community to protect the Swan and Canning rivers and associated land to ensure ecological health and community benefits are enhanced.

Swan River Trust desired outcomes

- The ecological health of the Swan Canning river system is protected and enhanced.
- The long-term community benefit of the Swan Canning river system is protected and enhanced.

Strategic Programs

River Protection Strategy

Under the Act the Trust is required to prepare a River Protection Strategy for the Riverpark and DCA. The strategy must establish management arrangements to achieve the best balance of environmental protection and community use for the river system.

The Trust is preparing the River Protection Strategy by establishing:

- clear understanding of roles and responsibilities of all parties;
- agreement on key values, management objectives, indicators and targets;
- pathways to achieve better coordination and collaboration in Riverpark management; and
- agreement and commitment to key strategies to achieve management objectives and targets.

The River Protection Strategy Advisory Committee first met in December 2008, when it was agreed that the committee's work would be largely conducted between meetings and this has been achieved. Good progress has been made beginning with a series of workshops and ongoing communications consulting with more than 250 participants. Consultation focused on the management aspects of: water quality; recreation and community benefit; infrastructure and amenity; foreshore conditions and biodiversity; local government areas of joint responsibilities; and indigenous values. Outcomes included agreement on values, organisational roles and responsibilities, key management objectives and strategies.

Information gathered indicates a surprising amount of work already being carried out by different organisations but also the potential for improved efficiencies through improving inter-organisational coordination and collaboration. A consultant was engaged to prepare the Land and Waterway Use component of the River Protection Strategy, with the final report and plan due by late 2009.

Operational legislative review

In May 2009, the Trust began an operational review of the Act. The review will focus on improving the Act's day-to-day implementation by addressing operational issues that have arisen since it came into effect in September 2007. The project will:

- identify any deficiencies in operational procedures, regulations and the Act;
- identify and seek legal advice;

- determine if and when changes should be made to the Act and regulations; and
- obtain Trust and Ministerial decisions to make required changes.

The review is not a wholesale review of the Act itself although it may lay the foundations or identify ways to collect data for the legislative review required after five years of operation.

Strategic plan

The Strategic Plan 2006-09 is drawing to a close with the majority of planned achievements completed.

Figure 2 Swan Avon Catchment

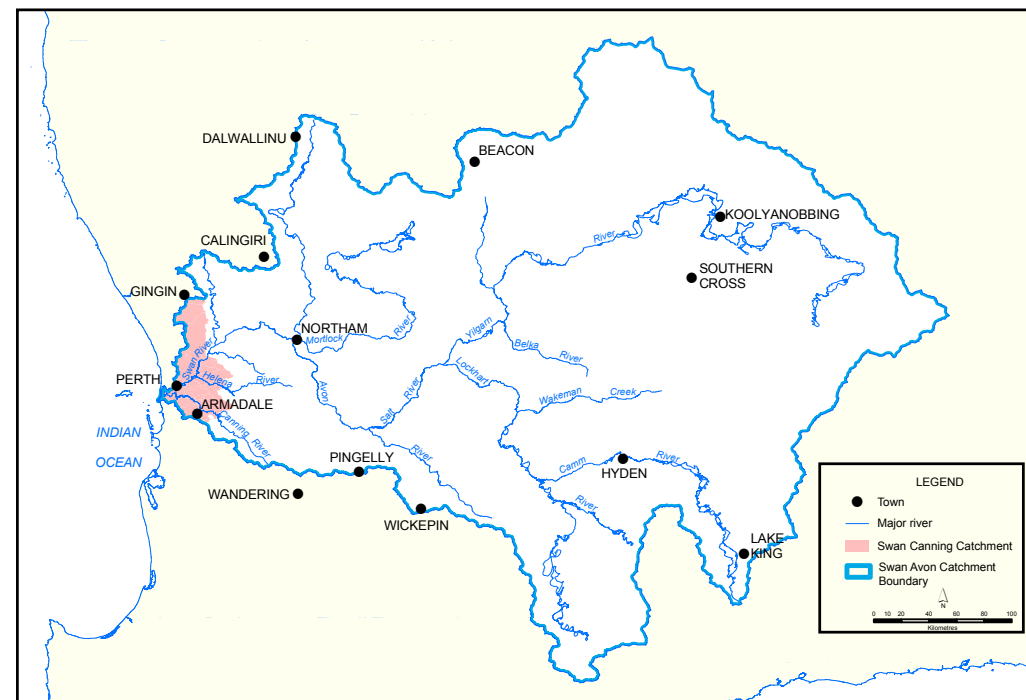


Table 1 Strategic Plan priority outcomes and key achievements

Outcome	Key achievements
Define and protect the community's river values	Extensive community consultation undertaken and reports published on community values
Establish a strategic and policy framework to guide development and enhance community benefit	Development of the River Protection Strategy is well under way following extensive consultation processes
Provide good information and opportunities for community involvement in river planning and management	Significantly increased level of community engagement due to River Guardians Pilot Program and new processes for seeking community views on development
Secure resources to restore important river values	Funding of approximately \$3 million per year made available through the Burswood Casino Levy
Develop and implement a long-term nutrient reduction plan, focused on key sub-catchments	Released five-year Healthy Rivers Action Plan (HRAP). SCWQIP developed, along with five local water quality improvement plans (WQIPs)
Develop conceptual and physical models to support river system management	Conceptual model developed and to be further refined once results from Swan Canning Research and Innovation Program (SCRIP) are known
Establish ecological health indicators and water quality targets	Indicators and targets being developed in collaboration with the Department of Water (DoW) in the context of the River Protection Strategy
Assess, develop and demonstrate drainage and river intervention techniques	Four drainage nutrient interventions built and ongoing monitoring of established constructed wetland (Liege Street on the Canning River)
Assess and implement measures to protect and enhance foreshore condition and values	Foreshore and Tributaries Assessment and Management Strategies completed; Best Management Practice for shore stabilisation guidelines produced; and Management Plan and Landscape Design guideline produced From 2006-09 \$3,175,505 provided to 50 river shoreline projects
Implement a research and development program	Established SCRIP and funded 17 research grants; established Technical Advisory Panel (TAP) to the Trust
Develop and implement a fertiliser reduction strategy	Significant contribution made to the Fertiliser Action Plan, including delivering the Great Gardens environmental education program in the urban catchment
Report to the community on the health of the river system	Enhanced community reports through upgrading the Trust website and Trust articles in external publications Presentations to state and international conferences, multiple community events attended and public presentations given

Statutory Planning

Legislation

Statutory planning officers have consolidated processes associated with the Act. A significant amount of staff time was taken up in procedural matters relating to the new legislation and in guiding other agencies' staff in the new procedures. It is expected that this will reduce in the coming year and more effort will be directed towards streamlining the processes. The branch examined the regulations and identified changes that will increase efficiency. These changes have been included in the scope of the more general review of the regulations to be carried out by Strategic Programs.

Statutory assessments

The Trust deals with assessment matters in several statutory streams under the Act, the Swan and Canning Rivers Management Regulations 2007, and the Metropolitan Region Scheme (MRS). The Trust also provides advice in relation to subdivision applications made under the *Planning and Development Act 2005* when requested to do so by the Department of Planning (DoP).

This year 314 applications were assessed relating to subdivision and to development in, or next to, the Trust DCA. The applications comprised the following categories:

- 26 applications for Ministerial Determination, under Part 5 of the Act;
- 47 applications made under Clause 30A(2)a of the MRS;
- 94 applications made under clause 30A(2)b of the MRS;
- 11 applications for licences under section 32 of the Act;
- 116 applications for permits under the Swan and Canning Rivers Management Regulations 2007; and
- 20 statutory referrals to the Trust for advice in relation to applications for subdivision.

The new Act and regulations were expected to reduce the number of Part 5 applications which needed to be considered by the Trust Board and subsequently the Minister. This is apparent in the reduction of these approvals from 54 last year, which included a significant number of applications lodged before the proclamation of the Act, to 26 in 2008-09. The shift is reflected in the increased number of permits issued, up from 99 to 115.

Major proposals considered

During the year the Trust dealt with a number of significant proposals under Part 5 of the Act and by way of advice to the WAPC under the MRS. Alterations and additions to the East Fremantle Yacht Club were approved in December 2008. On the Trust's recommendations the Minister also granted approval for the jetty at Woodbridge House to be replaced. The Trust also supported alterations and refurbishment of the Lucky Shag Bar at Barrack Square and the extension of opening hours for the Tranby House Tearooms in Maylands. The City of Swan applied for approval to develop the Yagan Memorial Park on West Swan Road in Belhus. This has been approved by the Minister on advice from the Trust.

Planning policy and strategies

The strategic focus during the past year was on the development proposals for the Perth Waterfront; revised master plan prepared by the East Perth Redevelopment Authority for the reserve next to the Causeway; masterplan for the Burswood Peninsula; and the MRS rezoning proposal for the Belmont Race Course.

The Trust's policy on dewatering was redrafted. A first draft of a policy concerning land use in the DCA for managing stormwater from private land was prepared. Procedures for advertising major development proposals for public comment were prepared. The procedures will help staff to run the process more efficiently and consistently in future.

Compliance and audit

Since the Act was proclaimed, the Statutory Planning branch has taken responsibility for auditing compliance with conditions placed on Ministerial approvals issued under Part 5 of the Act, permits and licences. This arrangement has the advantage of the same group of officers being involved in the process from initial assessment to final audit.

This year a database and associated procedures and guidelines were developed to administer the compliance process. The new approach to compliance monitoring takes a risk-based approach that allows limited resources to be directed to those matters with the biggest potential impact on the rivers and public interest.

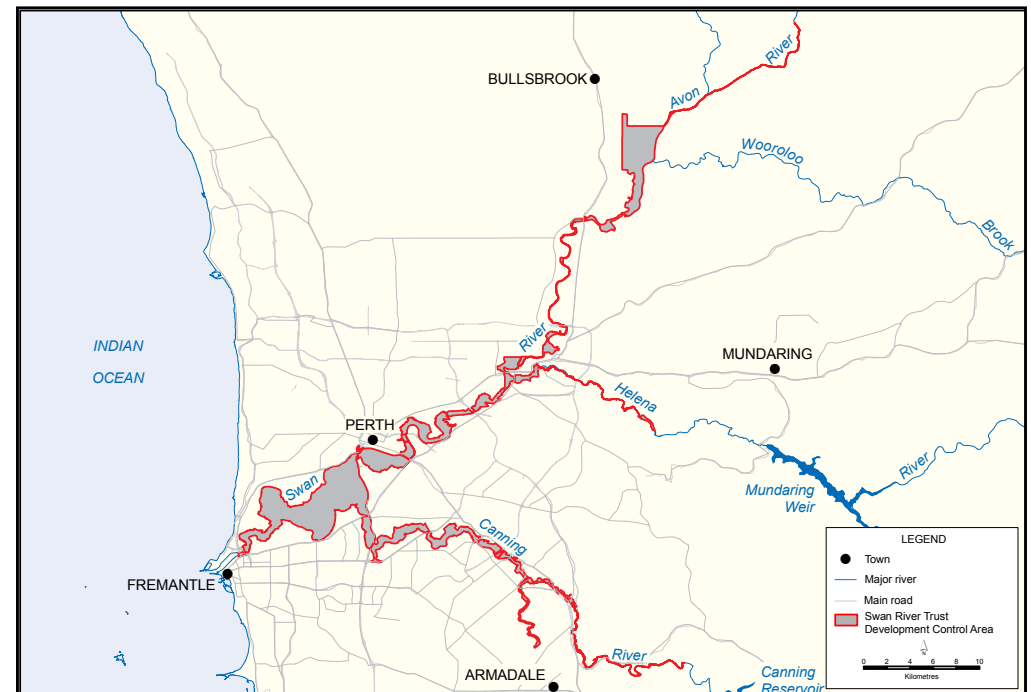
Strategic land use planning

The land use planning program of the HRAP is carried out by the Statutory Planning branch. This year the land use planning program:

- provided advice on 18 major strategic planning proposals likely to impact on water quality in the Swan Canning river system, including the Southern River Precinct 3 Structure Plan and Precinct 3A Outline Development Plan, and the Perth Airport Preliminary Draft Environment Strategy and Master Plan;
- implemented a memorandum of understanding with DoW for collaborative projects relating to assessment of urban water management plans, drainage and water management plans, and capacity building for Trust officers;
- supported other government agencies in preparing 14 district structure plans that address water quality and quantity issues, including plans for Albion, Wungong, West Swan East and Chittering New Town; and
- finalised a discussion paper investigating the use of Special Control Areas and Improvement Plans to better manage nutrient inputs from land use activities in Ellen Brook.

In the coming year, the Trust will continue to work with DoP and DoW, to implement Better Urban Water Management (WAPC, 2008).

Figure 3 Trust Development Control Area map



River System Management

Healthy Rivers Program

The Healthy Rivers Program builds on the work of the Swan-Canning Cleanup Program 1999-06 and provides an integrated approach to river system management. The HRAP was released in August 2008.

The Action Plan's central goal is to protect the environmental health and community benefit of the Swan and Canning rivers by improving water quality. Under amendments to the *Casino (Burswood Island) Agreement Act 1985*, the Burswood Park Board contributed \$6 million to the Trust, mainly delivered via the Action Plan in 2008-09. It is expected that the Burswood Park Board will contribute an additional \$3 million annually in future years.

The Healthy Rivers Program has developed a strong monitoring and evaluation framework. This will enable the Trust to evaluate plans and programs against river monitoring data to ensure their effectiveness in meeting objectives. The HRAP was a finalist in the 2008 international and national Riverprize.

Coastal Catchments Initiative

The Trust has completed the SCWQIP, with Australian Government funding from the Coastal Catchments Initiative. The SCWQIP is a multi-agency approach to addressing nutrients flowing into the rivers from the catchments.

Sophisticated modelling shows the amount of nutrients being delivered to the rivers from the catchment needs to be drastically reduced – by 49 per cent for total nitrogen and by 46 per cent for total phosphorus.

The plan makes 13 management recommendations, including those relating to fertiliser efficiency, water sensitive urban design and installing nutrient intervention works.

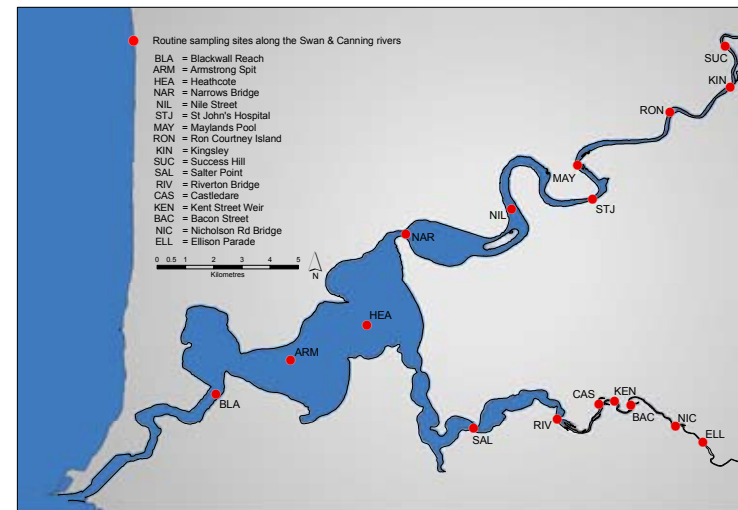
Environmental monitoring

The Swan Canning river system is monitored weekly, under a program funded by the Trust and delivered by DoW. Data is collected on nutrient and chlorophyll-a concentrations, physical parameters and phytoplankton groups, and compliance tested against water quality targets for chlorophyll-a and dissolved oxygen. Data on nutrients, temperature and conductivity is collected fortnightly for 15 of the 31 major Swan Canning sub-catchments.

Data is verified and loaded to a central database. Environmental conditions are reported weekly on the Trust website. A weekly Algae Activity Report is provided on the Trust website, Channel

Nine Television news and weather report (Friday evening) and The West Australian newspaper weather page once a week. A weekly phytoplankton report is available internally for the Trust and supplied to the departments of Health and Fisheries as conditions dictate.

Figure 4 River sampling map



During summer, high levels of the algae *Heterosigma akashiwo* and *Anabaena circinalis* were found in the Canning River. In autumn, there was a bloom of the dinoflagellate alga *Karlodinium veneficum* in the Canning River. There were concerns this bloom would result in a fish kill, but fortunately no fish deaths were attributed to the bloom.

The Trust closely monitored these potentially harmful algae and issued appropriate public warnings. In all cases, the algal levels diminished after a number of weeks and no fish kills were associated with these events.

Non-nutrient Contaminant Program

The Trust released the findings of the three-year Non-nutrient Contaminant Program study undertaken by DoW. A summary paper released by the Trust focused on results from two technical reports providing baseline information on contaminants in the Swan Canning Catchment drainage system and estuary sediment.

The results, although typical of an urban area, are an important reminder that stormwater drains lead to the rivers, and they provide a comprehensive baseline for future management. Further testing will be completed in East Perth and Bull Creek to determine if contaminants found there are affecting aquatic life.

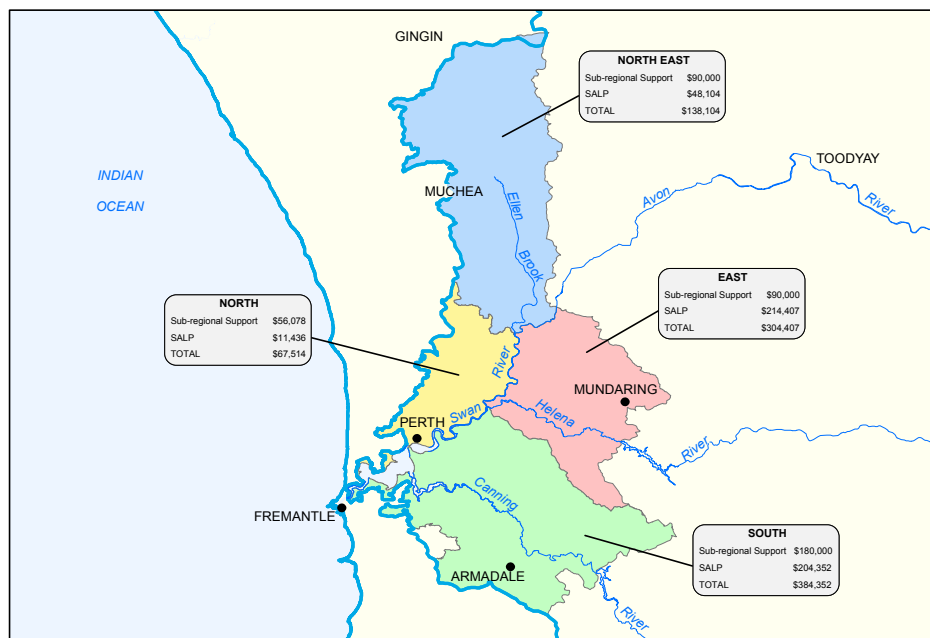
Healthy Catchments program

Sub-regional Support Program

This program provides sub-regional natural resource management (NRM) support in the Swan Region for work with the community and coordination of projects reducing nutrients entering the Swan Canning river system.

This year, sub-regional NRM support totalled \$416,000. South sub-regional support includes \$90,000 to implement Phosphorus Action Group activities across the four sub-regions.

Figure 5 Swan Canning Catchment sub-regional support and Swan Alcoa Landcare Program funding



Swan Alcoa Landcare Program

The Swan Alcoa Landcare Program is administered by Perth NRM on behalf of the Trust and Alcoa of Australia Limited. The program funds onground community-led restoration projects.

In February 2009, \$592,834 was distributed to 35 community groups for more than 70 projects. The Trust contributed \$250,000 to the program, bringing its total contribution to \$2.65 million for the past 11 years.

Local Water Quality Improvement Plans

Using the same framework as the regional SCWQIP, the Trust is developing WQIPs for catchments that do not meet long-term water quality goals. This year plans were completed for Ellen Brook, Southern River and Bickley Brook and implementation strategies are underway for Southern River.

Oxygenation

In summer and autumn the Swan and Canning rivers typically experience low oxygen levels caused by the breakdown of organic matter. This low oxygen is recognised as a major cause of nutrient release from river sediments. It causes loss of ecological function and increases the risk of fish deaths.

The two oxygenation plants on the Canning River were automated, so the systems now switch on and off in response to oxygen levels in the river. In this way oxygen is added when the river needs it most. During Perth's unseasonably dry autumn, salt waters pushed over the Kent Street Weir during very high tides and remained on the bottom of the river, as there was insufficient flow to flush them out. Widespread low oxygen levels resulted, but were quickly and effectively treated by the oxygenation plants.

A new technology for oxygenating the river called Turbolox was trialled during autumn in the upper Swan River at Guildford. A potential site for a long-term oxygenation plant has been identified in the upper Swan River.

Drainage Nutrient Intervention Program

Canning Plain and Belmont catchments

The Trust continued to work on the Wharf Street Wetlands and Civic Parkland, in partnership with the City of Canning and South East Regional Centre for Urban Landcare (SERCUL). This \$1 million project is creating an urban parkland and meandering wetland chain in an area of public open space between the City of Canning offices and Canning River, Cannington. Stormwater from the nutrient-enriched Wharf Street Main Drain is diverted into the wetland, to improve water quality, before discharge into the Canning River. In spring and summer 2009, about 78,500 plants were planted.

Designs were also completed for Centenary Park in Belmont. Plans involve planting about 2500 plants in the compensation basin in late 2009.

Ellen Brook

A nutrient filter for Ellen Brook was built at Brand Highway in Muchea. Plans include revegetating the area surrounding the works through direct seeding and planting 4,000 native plants. At a site on the Bingham Road Creek in West Bullsbrook construction started on a bund and spillway which will create a wetland to be revegetated with approximately 42,000 plants.

River Science

Technical Advisory Panel

The TAP provides independent expert advice to the Trust on scientific understanding and management of the Swan Canning river system.

Climate change risk assessment

Following the TAP report on potential impacts of climate change on the Swan and Canning rivers, the Trust is developing a risk assessment process to assess the vulnerability of the river foreshores to sea level rise. This risk assessment will enable local government to develop adaptation strategies to mitigate the effects of increased water levels on the infrastructure, social use and ecological components of the foreshore areas. With support from the City of Perth, Point Fraser near the Causeway in East Perth is being used as a case study.

Fish Research

The Trust has funded a three-year study into fish communities in the Swan River, which is being undertaken by Murdoch University. The study will conclude in July 2010.

Feral fish

A feral cichlid species, *Geophagus brasiliensis*, thought to be restricted to Bennett Brook Catchment, is reportedly present in the upper Swan River. Its presence has not, however, been confirmed by Department of Fisheries (DoF) surveys. The Trust is working with DoF and other stakeholders to monitor the fish and devise an appropriate response now the feral fish appear to have spread.

Swan Canning Research and Innovation Program

The Trust has provided \$146,780 to seven research projects to increase the Trust's scientific knowledge of river management and fill knowledge gaps.

Table 2 Trust funded SCRIP research projects

Research institution	Project title	Funding (\$)
CSIRO	Quantifying and managing dissolved organic matter-derived nutrients in agro-urban coastal catchments	\$30,000
University of Western Australia	Spatial and seasonal variability in nitrogen cycling processes	\$20,000
University of Western Australia	Application of high-resolution laser optical plankton counting technology for the study of spatial and temporal distribution of zooplankton in the Swan-Canning System	\$20,000
University of Tasmania	Does cryptophyte abundance trigger algal blooms and toxicity of the fish killing dinoflagellate <i>Karlodinium veneficum</i> in the Swan Canning river system?	\$20,000
Curtin University	Status of fish health in Claisebrook Cove	\$20,000
Curtin University	Implications of exposure by agriculture and urban runoff to crustaceans within Swan-Canning catchments	\$19,780
Murdoch University	Toxicant exposure, population genetics, and trophic associations of bottlenose dolphins (<i>Tursiops</i> sp.) in the Swan River	\$17,000
2008-09 TOTAL		\$146,780

Riverpark Management

Riverpark operations

The Act established the Swan Canning Riverpark - 72.1 square kilometres of river reserve and adjoining public lands - and gave the Trust responsibility as the park management agency. The Trust manages and restores foreshores, responds to incidents, manages river reserve leases (yacht clubs and marinas), ensures compliance with regulations, liaises with local government and the community, and removes waste and hazards.

Swan and Canning Trail Project

The Trust helped Perth Region NRM and the South West Aboriginal Land and Sea Council to source funding through Lotterywest to collate a database of indigenous interpretation for use in a proposed Swan and Canning rivers trail.

River reserve leases

Under the Act, river reserve leases for yacht clubs and marinas are held with the Trust. A number of leases have been renewed with improved environmental conditions. Four facilities are still operating under old leases and the Trust is working with the Department of Transport (DoT) as lease management agents to transfer these to the new leases. Water quality testing was conducted at all yacht clubs with slipway facilities and results were communicated to yacht clubs. The Trust is continuing to work with yacht clubs regarding future management.

Boating Management Strategy

The Boating Management Strategy was finalised in February 2009, after extensive public consultation on the draft. The Trust is now implementing a number of recommendations including managing dinghy storage on foreshores. The Trust installed an additional five courtesy moorings and successfully applied for funding for an additional 15 to be installed in 2009-10. Research into the effects of boat wash started this year to provide robust scientific information to guide management of boat wash and associated impacts.

Patrols

The Trust has taken a proactive approach to ensuring compliance with regulations in Riverpark. A seven-day-a-week roster was set up, with Riverpark operations officers actively engaging river users. The officers patrol the Riverpark, monitoring activities on the rivers to ensure they comply with regulations, talking to river users, and generally educating the public about the rivers and their use. Officers were appointed as Marine Officers under the Navigable Water Regulations to enable them to enforce speed restrictions in the Riverpark. Officers also undertake joint patrols with marine safety officers from the DoT.

Figure 6 Swan Canning Riverpark

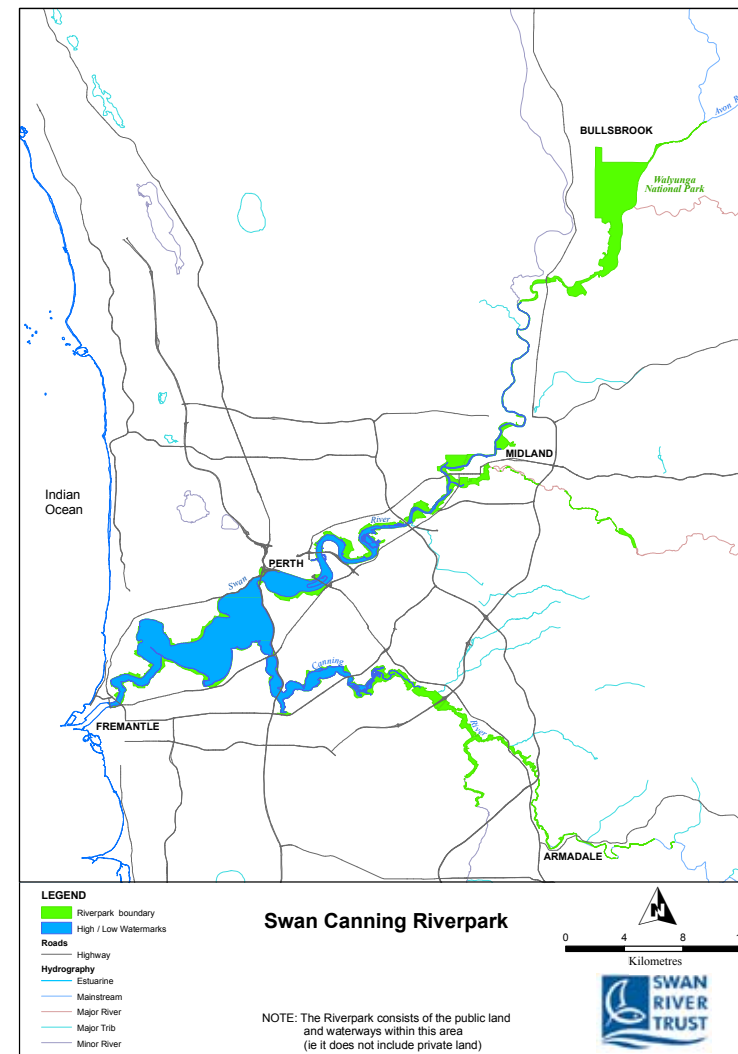


Table 3 Summary of materials removed from waterways and foreshores

Materials	Unit	Quantity removed
Rubbish (general)	kg	7726
White goods	Each	3
Tyres	Each	11
Drums	Each	12
Signs	Each	33
Vessels	Each	-
Shopping trolleys	Each	120
Fish	kg	101
Birds	Each	8
Other animals	Each	3
Timber	kg	9985
Weed	Tonnes	152
Pallets/crates	Each	12
Chairs	Each	24

Events, complaints, incidents and enforcement

Trust officers respond to complaints and incidents in the Riverpark and take action as appropriate. The Trust has developed prosecution guidelines to ensure officers are consistent and follow procedures when dealing with incidents in Riverpark. This year, Trust officers followed up on 315 complaints or incidents, compared to 258 last year. A small proportion of these involved unlawful activities and the Trust applied enforcement action against 13 offenders for committing offences under legislation enforced by the Trust. Tree damage continues to be an issue on river foreshores. The Trust installed signs at six tree damage locations to raise public awareness of the issue.

The Trust responded to 13 sewage spills during the year. The most significant of these occurred in July 2008, when a spill of approximately 700kL entered the Wungong River.

Table 4 Swan Canning Riverpark complaints and incidents summary

Incident/complaint	Total
Algal blooms	7
Aquatic deaths	25
Chemical spills	3
Destruction of vegetation	32
Foreshore damage	11
General complaints	80
Herbicides/pesticide spraying	2
Industrial discharge/dewatering	16
Liquid waste	3
Odour	4
Oil slicks/spills	36
River discolouration	6
Sewage discharge	13
Unauthorised discharge	1
Unauthorised development	12
Waste/rubbish dump	21
Watercraft nuisance	35
Weeds	8
TOTAL	315

Events

During major river events, such as the Air Race and Australia Day Skyshow, the Trust plays a support role, helping with organisation and logistical support.

Ellam Street

New staff offices were installed at Ellam Street, Victoria Park to accommodate the Riverpark operations staff.

Foreshore Assessment and Management Strategy

In line with the Swan and Canning Rivers Foreshore Assessment and Management Strategy, a Best Management Practices for Shore Stabilisation report was commissioned. This manual will help responsible agencies manage foreshores more effectively. It is expected to be released September 2009.

Asset management systems

The Trust is reviewing its asset management systems. It is working with land managers who share Riverpark shoreline responsibilities to enable effective information exchange. The aim is to improve asset management, prioritise works and enable annual costings for works to be calculated.

Riverbank Program

This program protects and enhances the foreshores' environmental, cultural and public amenity values, ensuring the rivers can be enjoyed by everyone now and in the future. Robust foreshores and vegetation are essential to the rivers' health and must be maintained, protected and enhanced.

Since January 2002, the Trust has initiated and funded shoreline protection and rehabilitation works through the Riverbank Grants Scheme. To date, 126 projects have been funded and \$5.5m expended through grants. This translates to about \$11m, when project partners' contributions are included. Projects include: erosion control; revegetation and weed control; and wall construction and maintenance.

This year, Riverbank distributed \$1.85m through the Grants Scheme.

Table 5 Riverbank Grants Scheme

Local government	Location	Project	Riverbank contribution
City of Belmont	Ascot Racecourse & Garvey Park	Development of a foreshore restoration concept plan for the Ascot Racecourse foreshore, and foreshore erosion control and restoration works at Garvey Park	\$111,613
City of Gosnells	Canning River	Revegetation and weed control along the Canning River	\$23,785
City of Nedlands	Nedlands Yacht Club to Broadway	Six hundred metres of river walling will be assessed and repaired	\$80,000
City of Nedlands	Iris Ave to Perth Flying Squadron Yacht Club	Two hundred metres of river walling will be repaired and maintained	\$120,000
City of Nedlands	Paul Hasluck Reserve	River walling will be temporarily repaired and detailed designs prepared for foreshore stabilisation	\$50,000
City of Swan	Swan Riverside Regional Park	Foreshore stabilisation and rehabilitation works along the Swan River	\$215,171
City of Armadale	Canning River	Revegetation and weed control along the Canning River	\$26,990
City of Canning	Prisoners Point & Wadjup Point Shelley	Foreshore stabilisation and revegetation with local native plants	\$75,000
City of South Perth	Redmond Reserve & Sulman Stairs	Bank stabilisation and rehabilitation through erosion control works and revegetation	\$147,684
Western Suburbs Regional Organisation of Councils	Alex Prior Park, Freshwater Bay, Keane Point, JH Abrahams Reserve, Point Resolution	Regional foreshore enhancement and rehabilitation works in the Swan River Estuary	\$101,900
City of Fremantle	Prawn Bay	Foreshore rehabilitation works including coir log maintenance, planting, and weed and erosion control	\$20,000
City of Melville	Point Walter	Preparation of detailed designs for the protection and rehabilitation of the foreshore at Point Walter	\$50,000
Town of Bassendean	Ashfield Parade	Stage two of foreshore restoration works at Ashfield Parade including protection, enhancement and management of fringing indigenous vegetation, erosion control, weed control, monitoring and maintenance	\$115,914
Town of Bassendean	Pickering Park	Erosion control and revegetation works on the Swan River at Pickering Park	\$47,000

Communications

Corporate and Media Relations

The corporate and media relations program ensures the Trust and river system receive accurate media coverage, building on relationships with river stakeholders, the media and the Perth public, through communicating changing river conditions and other issues of interest to the community.

The Trust has improved the flow of public information this year through regular articles placed in targeted external publications and by developing the new Trust website, due for activation in early 2009-10. The website will include new usability functions and was developed with considerable stakeholder input. New content has been completed and an interactive map created showing local government boundaries that border the Swan and Canning rivers.

The Trust has moved to online communications and in the year ahead two e-bulletins will be produced for internal and key stakeholders, and the public.

The Trust releases media statements and prepares Ministerial statements on Trust related matters. This year, 315 media pick-ups were generated from 46 media statements. Of these statements, 32 were released by the Trust and 15 by the Environment Minister. There was a 56 per cent increase in the number of pick-ups this year in comparison to the previous year.

The fifth Trust-hosted Mayoral Forum was held with the City of South Perth in February 2009. These local government forums with mayors and chief executive officers in the Swan Canning Catchment identify shared critical issues, open communications channels and build stronger working relationships.

The General Manager has had one-to-one meetings with riverfront council chief executive officers throughout the year. These meetings have focused on the River Protection Strategy and joint management of issues such as tree damage and shoreline management.

The Trust convened an internal indigenous working group to address how to better engage with the indigenous community and to reflect on existing initiatives.

Establishing a new Swan and Canning Rivers Foundation, to enable the Trust to receive corporate and public donations for river protection projects, has been a major task this year working with DEC legal advisers and Parliamentary Counsel. An Establishing Order and Rules were completed and it is planned that the Foundation will operate from early 2010.

Behaviour Change

The Trust has become more sophisticated in its approach to community engagement and education this year, using social marketing principles and theory-based behaviour change processes. This is reflected in the social science expertise the Trust is using to monitor and evaluate its programs. Communications staff give strategic communications planning advice across the Trust to ensure all programs are communicated in a consistent and effective way.

Four targeted community engagement and education programs are delivered leading to sustained behaviour change.

River Guardians Pilot Program

River Guardians was a major focus this year engaging more than 600 members. The program enables the Trust to involve the public in river management issues. Independent market research has demonstrated the pilot program's effectiveness, with a 5-10 per cent increase in 10 targeted behaviour change areas and a 67 per cent member satisfaction rating. This year the Department of Treasury and Finance approved the Trust to be prescribed as a financial entity in the State Trading Concerns Regulations 1988. This will enable the Trust to charge River Guardians membership fees and provide advertising and sponsorship opportunities for project partners. The River Guardians Dolphin Watch project, a new social science research project working with Murdoch and Curtin universities, was launched by the Environment Minister in April 2009. By the end of June, 35 active Dolphin Watch members were recording details of dolphin sightings in the Swan and Canning rivers.

Ribbons of Blue

Ribbons of Blue has worked with more than 4000 students and 500 teachers and community members from more than 150 schools and community groups in the catchment this year. There has been a 25 per cent increase in schools participating since last year. More than 200 teachers receive the quarterly newsletter. Two Catchment Activity Days were held involving more than 300 students from seven schools, in the priority catchments of Ellen Brook and Bayswater. The National Macroinvertebrate Snapshot in September drew record crowds with 700 students from 17 schools participating. The Trust contributed to strategic planning for Ribbons of Blue across the state in line with the new curriculum framework action plan for education for sustainability.

Great Gardens Workshop Program

The Trust-funded Great Gardens workshop series provided 31 workshops attended by 4215 people this year. The program leveraged a further 56 workshops delivered to 4823 people funded by others. Participant surveys and a new home audit program started this year has demonstrated 80 per cent behaviour change among participants with a 96 per cent increase in participants' knowledge and ability to change urban gardening habits as a result of attending the workshops. The Demonstration Great Gardens project was started this year with 10 river-friendly display garden sites chosen, including five local council sites. This project, including signage, information, website and a potential trail will be completed next year. The Trust has also worked with the Water Corporation, SERCUL and the Great Gardens team to support the Waterwise Council Training program, educating local council staff to adopt more WaterWise and Fertilise Wise practices.

Phosphorus Action Group

The Trust supports the Phosphorus Action Group (PAG) to raise awareness of the health of the Swan and Canning rivers and Perth metropolitan wetlands. PAG represents the Trust at community events and this year mounted 19 displays and gave 19 community presentations, speaking to 5480 people. A further 87 presentations were given to schools, with 2800 students participating. A total of 12,700 PAG brochures, leaflets and activity sheets and 1800 fertiliser wise and 3100 grow local plant brochures were distributed. Project resources were provided to 38 groups. Twenty planting sessions were held resulting in 11,000 plants planted. The annual local government 2008 nutrient survey was completed and distributed to local governments and relevant stakeholders.

Business Management

Business plan

The Trust works to an annual Business Plan structured around the organisation's business model, management and support programs, and informed by the Trust's Strategic Plan 2006-09.

Staff training

Staff participated in training and professional development relevant to their areas of work and expertise. This year the Trust provided opportunities for branch managers to participate in a Leadership Development Program.

Reporting requirements

DEC provide the Trust with staff, facilities and corporate services under the Act. The Service Level Agreement between DEC and the Trust was reviewed this year. The department's outcomes for disability access and inclusion plan outcomes, equal employment, substantive equality, cultural diversity and language services, corruption prevention, youth, compliance with public sector standards and ethical codes are applicable to the Trust. These outcomes can be found in DEC Annual Report 2008-09.

Conflict of interest

The Trust has procedures for identifying, preventing and resolving conflicts of interest. The procedures are outlined in DEC Code of Conduct (April 2007). Trust Board members are required to declare conflicts of interest. This year, Trust members declared a conflict of interest in eight items.

Freedom of information

This year, there was one request under the provisions of the *Freedom of Information Act 1992*. For the purposes of the Act, the Trust is a 'related agency' to DEC.

Record keeping

DEC provides record keeping support services to the Trust. The department has a record keeping practices program for staff and incorporated a record keeping practice module in its induction system. The Trust, through trained staff, has taken on and maintains some of its own record keeping practices. This year the Trust has investigated different record keeping systems. A move

from the TRIM system to Objective was trialled but the system needs further investigation to ensure it satisfies the Trust's requirements, particularly those relating to Statutory Planning.

Advertising and marketing

The Trust does not conduct campaign advertising. Expenditure was incurred by the Trust in 2008-09 in relation to Section 175ZE of the *Electoral Act 1907*.

Table 6 Advertising and marketing expenditure

Class of expenditure	Supplier	Consolidated Fund expenditure \$	External Funding expenditure \$
Print advertising and production agency	MarketForce Express		463
	Adcorp		1643
Government Media Office advertising	Media Decisions	4058	
Market research organisations	Research Solutions		19,060
Digital production agency - DVD	Cooch Creative		9350
TV advertising	The Garden Gurus		7480
TOTAL		4058	37,996

Public comment

The Trust encourages public comment on issues throughout the year. Issues of significant public interest are advertised and submissions are sought from the community.

Table 7 Public comments received on significant development applications and management plans

Item for public comment	Letters	Emails	Total
Swan Canning Water Quality Improvement Plan	16	1	17
Perth Flying Squadron Yacht Club redevelopment	1	2	3

Disclosures and legal compliance

Internal audit

Under the Act, the Trust set up a Finance and Audit Committee with members from the Board. An audit charter was developed to give the Trust greater autonomy. The role of Chief Finance Officer is now fulfilled by a Trust officer.

Ministerial directives

Under Section 34 of the Act, the Environment Minister may give directions in writing to the Trust, generally with respect to the performance of its functions. The Trust is to give effect to any such direction. This year, there were no Ministerial directives.

Capital projects

Ellam Street offices

This year new demountable offices were installed at the Trust operations depot in Victoria Park at a cost of \$195,000.

Employees

Industrial agreements

Trust officers are provided by DEC and are subject to its industrial agreements. Executive remuneration is paid in accordance with public service conditions and reflects the Department's industrial agreements.

Workers compensation statistics

Workers compensation statistics are included in DEC Annual Report 2008-09.

Governance matters

Trust compliance, remuneration and attendance

The Trust operates in accordance with Schedule 6 of the Act, *Public Sector Management Act 1994*, and DEC Code of Conduct (April 2007).

Board members received the following remuneration.

Chairman	\$26,000 per annum
Deputy Chair	\$15,000 per annum**
Trust member only	\$7,400 per annum
Board plus one committee	\$10,500 per annum
Board plus two committees	\$13,600 per annum
Board plus three committees	\$16,700 per annum

**The Deputy Chair, Dr Jane Chambers, undertakes duties additional to those of a normal member, including chairing the Swan Canning Steering Committee (a cross-agency committee that oversaw development and implementation of projects in the joint State Federal Coastal Catchments Initiative this year) and is remunerated accordingly.

There were 11 Trust meetings during 2008-09.

Table 8 Trust Board meeting attendance 2008-09

Member	Number of Trust meetings attended	Maximum possible number of meetings
Dr Jane Chambers	10	11
Mr Jim Freemantle	10	11
Mr Noel Nannup	1	3
Ms Dorte Ekelund	2	4
Cr Dudley Maier	11	11
Ms Carolyn Jakobsen	10	11
Mr Michael Poole	11	11
Ms Jan Star	10	11
Mr Mike Allen	3	3
Mr Peter Randolph	2	3

Dr Nannup resigned effective 3 October 2008, and no permanent replacement has been appointment, however Mr Peter Randolph was temporarily appointed on 9 March 2009.

On 9 March 2009 the Minister for Environment appointed Mr Jim Freemantle as Trust Chairman and Dr Jane Chambers as Deputy Chair.

Ms Dorte Ekelund resigned effective 12 November 2008. The Minister for Planning and Infrastructure recommended Mr Mike Allen, Executive Director, Statutory Planning, to occupy the position previously occupied by Ms Ekelund.

Table 9 Finance and Audit Committee attendance

Member	Number of Finance & Audit Committee meetings attended	Maximum possible number of Finance & Audit Committee meetings attended
Mr Jim Freemantle	3	4
Cr Dudley Maier	4	4
Ms Carolyn Jakobsen	4	4

Delegations

Section 33 of the Act allows for the delegation of Trust functions.

The delegation gazetted in September 2007 remains in effect.

Performance monitoring and reporting

Trust officers provide written monthly reports on activities and financial statements to the Trust Board and its committees. Performance against the strategic and business plans is evaluated quarterly. Annual performance is reported in the Trust Annual Report to Parliament and to the Minister for Environment; Youth.

Asset management

This year the carry forward value of Trust property, plant and equipment was \$737,075.

Risk management

The Trust's approach to risk management is guided by DEC risk management policies and strategies. The Trust's 2005-06 risk register was reviewed in 2008-09 with the help of Riskcover and the implementation of a database to help the Trust to manage risk in a timely manner was investigated. This database will allow branch managers to be more proactive in responding to assessed risks.

Other legal requirements

Advertising

The Trust does not conduct campaign advertising.

Compliance with public sector standards and ethical codes

Trust officers operate under DEC Code of Conduct (April 2007), as required by the Western Australian Public Sector Code of Ethics. All officers have access to the Code of Conduct on DEC intranet and in hard copy and are regularly reminded of its application. The code is comprehensive and covers a wide range of issues. The Trust provided a workshop on ethical decision making in the public sector to help staff ensure they are open and accountable in discharging their responsibilities.

Government policy requirements

Trust officers are subject to the DEC Code of Conduct (April 2007) and *Public Sector Management Act 1994* including corruption prevention and substantive equality.

Occupational Safety, Health and Injury Management

The Trust achieved an excellent outcome for occupational safety and health, with no 'Lost Time Injuries' or 'Medical Treatment Injuries' occurring and only three 'Near Miss' incidents occurring. Safety and health initiatives implemented this year included: health and wellbeing assessments; workstation ergonomics assessments; and improvements in workplace inspection procedures. The Trust maintains an active OSH committee with representatives from each branch. The committee meets regularly and actively promotes a culture of safety and health in the workplace.



Auditor General

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

SWAN RIVER TRUST FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2009

I have audited the accounts, financial statements, controls and key performance indicators of the Swan River Trust.

The financial statements comprise the Balance Sheet as at 30 June 2009, and the Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year then ended, a summary of significant accounting policies and other explanatory Notes.

The key performance indicators consist of key indicators of effectiveness and efficiency.

Board's Responsibility for the Financial Statements and Key Performance Indicators

The Board is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions, and the key performance indicators. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements and key performance indicators that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; making accounting estimates that are reasonable in the circumstances; and complying with the Financial Management Act 2006 and other relevant written law.

Summary of my Role

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements, controls and key performance indicators based on my audit. This was done by testing selected samples of the audit evidence. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion. Further information on my audit approach is provided in my audit practice statement. Refer www.audit.wa.gov.au/pubs/AuditPracStatement_Feb09.pdf.

An audit does not guarantee that every amount and disclosure in the financial statements and key performance indicators is error free. The term "reasonable assurance" recognises that an audit does not examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the financial statements and key performance indicators.

Swan River Trust

Financial Statements and Key Performance Indicators for the year ended 30 June 2009

Audit Opinion

In my opinion,

- (i) the financial statements are based on proper accounts and present fairly the financial position of the Swan River Trust at 30 June 2009 and its financial performance and cash flows for the year ended on that date. They are in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions;
- (ii) the controls exercised by the Trust provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (iii) the key performance indicators of the Trust are relevant and appropriate to help users assess the Trust's performance and fairly represent the indicated performance for the year ended 30 June 2009.

COLIN MURPHY
AUDITOR GENERAL
17 September 2009

Key Performance Indicators for the year ended 30 June 2009

Certification of performance indicators

The long-term community benefit and ecological health of the Swan Canning river system is protected and enhanced.

We hereby certify that the Performance Indicators are based on proper records, are relevant and appropriate for assisting users to assess the Trust's performance, and fairly represents the performance of the Swan River Trust for the financial year ended 30 June 2009.

Jim Freemantle

Chairman

Accountable Authority

9 September 2009

Dudley Maier

Member

Accountable Authority

9 September 2009

Key performance indicators

Key effectiveness performance indicators

The extent to which management water quality targets are achieved in the Swan and Canning rivers and catchments

The Effectiveness Indicators are:

- total nitrogen (TN) and total phosphorus (TP) concentration in 15 tributaries of the Swan Canning Catchment compared to targets levels; and
- chlorophyll-a (chl-a) concentration and dissolved oxygen (DO) saturation in surface waters of the Swan Canning river system compared to target levels.

Excess N and P entering the Swan Canning river system have contributed to nuisance and toxic algal blooms. Controlling nutrients entering the system from the catchments is essential to reduce the frequency of algal blooms and prevent further deterioration of estuarine water quality. Short and long-term targets were developed in recognition of the long timeframes required for catchment management to affect nutrient levels in tributaries.

The Swan Canning Catchment targets

Table 10 Targets for median TN and TP in catchment tributaries of the Swan Canning river system

Target	TN	TP
Short-term	2.0 mg/L	0.2 mg/L
Long-term	1.0 mg/L	0.1 mg/L

Monitoring in the Swan Canning Catchment

The 15 monitored catchments were sampled each fortnight from June to November (many tributaries only flow during the winter/spring months). The calculation of the 2009 catchment target compliance incorporated three years of data up to and including October 2008, given a total of around 30 samples. Some catchments remained dry in the early winter months resulting in fewer than 30 samples for compliance testing in some cases.

If a tributary had met the short-term target it was assessed against the long-term target. If the tributary passed short and long-term targets it was assessed to ensure the water quality had not deteriorated.

Key to catchment performance indicator results




	Tributary is being assessed against the short-term target
	Tributary has met the short-term target and is being assessed against the long-term target
	Tributary has met the short-term and long-term targets and is being monitored to ensure that it continues to meet the long-term target

Table 11 Compliance of monitored tributaries discharging into the Swan Canning river system with short-term and long-term nitrogen targets

Tributary	2005	2006	2007	2008	2009
Ellen Brook	(11) 30	(11) 32	(10) 29	(18) 20	(10) 16
Mills Street Main Drain	(12) 22	(12) 25	(12) 25	(12) 25	(12) 25
Bannister Creek	(12) 27	(12) 29	(12) 29	(12) 27	(12) 25
Bayswater Main Drain	(11) 21	(12) 21	(12) 20	(12) 21	(12) 24
Southern River	(12) 26	(12) 28	(12) 20	(12) 18	(12) 16
Bickley Brook	(12) 20	(12) 23	(12) 18	(12) 20	(12) 20
Bennett Brook	(12) 27	(11) 27	(11) 22	(11) 17	(12) 19
Yule Brook	(12) 12	(21) 15	(21) 14	(21) 19	(21) 19
Blackadder Creek	(21) 15	(21) 18	(20) 15	(20) 14	(20) 14
Canning River	(21) 6	(21) 6	(21) 2	(21) 3	(21) 3
Helena River	(19) 6	(21) 9	(20) 8	(20) 11	(20) 11
South Belmont Main Drain	(21) 4	(21) 7	(21) 5	(21) 5	(21) 5
Avon River	(21) 5	(21) 10	(21) 8	(21) 13	(21) 12
Susannah Brook	(19) 4	(21) 8	(18) 8	(17) 8	(15) 5
Jane Brook	(21) 8	(21) 8	(19) 6	(19) 5	(19) 5
Short-term target met (%)	100	100	100	93	93
Long-term target met (%)	53	53	53	53	53

Interpretation of the catchment tables

The colour of the cells in the tables indicates the target the catchment was compared with. A black cell indicates the tributary failed the short-term target in the previous year and was assessed against the short-term target in the current year. Grey means the tributary had previously passed the short-term target but failed the long-term target and was being assessed against the long-term target. A white cell means the tributary had passed both targets, and the data were used to make sure the tributary continued to meet the long-term target. The number in the brackets indicates the maximum number of 'high' samples permitted to occur if the target was met (derived statistically). The number outside the bracket was the actual number of samples from the tributaries that had higher concentrations of nitrogen or phosphorus than the target levels shown in Table 10. If the number outside the bracket was higher than the number inside the bracket the Trust concluded the target had not been achieved.

Table 12 Compliance of monitored tributaries discharging into the Swan Canning river system with short-term and long-term phosphorus targets

Tributary	2005	2006	2007	2008	2009
Ellen Brook	(11) 29	(11) 31	(10) 27	(10) 25	(10) 23
Mills Street Main Drain	(12) 27	(12) 29	(12) 26	(12) 26	(12) 27
Southern River	(12) 32	(12) 32	(12) 23	(12) 18	(12) 17
South Belmont Main Drain	(12) 15	(12) 17	(12) 14	(12) 10	(21) 7
Bannister Creek	(21) 2	(21) 3	(21) 5	(21) 7	(21) 5
Yule Brook	(21) 3	(21) 2	(21) 9	(21) 11	(21) 10
Bayswater Main Drain	(21) 2	(21) 2	(21) 4	(21) 4	(21) 2
Bickley Brook	(21) 5	(21) 4	(21) 3	(21) 2	(21) 1
Blackadder Creek	(21) 2	(21) 1	(20) 1	(20) 0	(20) 1
Jane Brook	(21) 0	(21) 0	(19) 0	(19) 0	(19) 0
Avon River	(21) 2	(21) 2	(21) 2	(21) 1	(21) 0
Bennett Brook	(21) 2	(21) 2	(21) 3	(21) 2	(21) 1
Canning River	(21) 2	(21) 2	(21) 1	(21) 1	(21) 0
Helena River	(19) 0	(21) 0	(20) 0	(20) 0	(20) 0
Susannah Brook	(19) 0	(21) 0	(18) 0	(17) 0	(15) 0
Short-term target met (%)	93	93	93	93	93
Long-term target met (%)	73	73	73	80	80

Compliance decisions

The maximum allowable excursion rate (e max) is statistically derived using the binomial distribution curve and is dependant on the percentile used (median for TN and TP – see next paragraph) and the hypothesis tested (compliance or breach).

The data is collected at intervals, rather than continuously, and consequently the true rate of excursion above a target value can only be estimated. Decision rules were developed using a 90 per cent confidence interval around the sample excursion rate. Samples above the 90 per cent confidence interval were determined to breach the target, whereas those below the 90 per cent confidence interval were determined to be compliant. Decision rules were developed using this information (see Table 13).

Table 13 Examples of decision rules for catchment nutrient targets using 30 samples

Prior condition	Decision rule
Passing target	20 or more samples above target level means the tributary has failed to comply with the target (failed)
Failing target	11 or fewer samples below target level means the tributary has complied with the target (passed)

Catchment results

Total nitrogen concentration

Since 2005 all tributaries achieved the short-term target and were assessed against the long-term target with the exception of Ellen Brook. This tributary was achieving the short-term target until 2008 when it failed to maintain compliance with the short-term target.

The number of tributaries passing the long-term target has improved since 2004 when 47 per cent of tributaries achieved the long-term target. An improvement in the condition of the monitored tributaries was noted in 2005 with 53 per cent meeting the long-term compliance target, and that has continued to the present.

Total phosphorus concentration

Since before 2005 to present, 93 per cent of the Swan Canning tributaries have met the short-term target. Ellen Brook was the only tributary where P concentrations were higher than the short-term target.

Since before 2005, 73 per cent of the monitored tributaries have complied with the long-term P target. That increased to 80 per cent of monitored tributaries in 2008, with South Belmont Main Drain achieving compliance with the long-term P target for the first time.

With the exception of Ellen Brook, nitrogen and phosphorus concentrations in the tributaries are low to moderate and have generally remained steady from 2005-09.

These results are encouraging, however there is the possibility they may have been influenced by the reduction of total annual rainfall in recent years. The impact of climate change has most likely reduced the amount of nutrients entering the tributaries from the catchments. The trend is likely to continue, with predictions of significantly less rainfall in the Swan Canning Catchment and further reduction of flow in the short term (20 years) and longer term (70 years).

It is significant that phosphorus levels in Ellen Brook remain high. This tributary discharges directly into the upper Swan River during the winter months and has a significant influence on phytoplankton growth in the middle and upper basins of the Swan estuary. The 2009 data suggests Ellen Brook is unlikely to meet the short-term target soon, with 23 of 28 samples having TP concentrations greater than 0.2mg/L. Furthermore, nitrogen concentrations in Ellen Brook have increased to the point that the catchment failed to maintain compliance against the short-term target in 2008. This is now the only catchment which is failing the short-term targets for nitrogen and phosphorus.

Swan Canning estuary targets

Key performance indicators are chlorophyll-a and dissolved oxygen concentrations in surface one metre of water (Table 14). The targets for the middle and upper basins represent a first management objective for chlorophyll-a and dissolved oxygen. Once these targets are met new targets will be set in a series of benchmarks until quality in the basins is acceptable.

Table 14 Chlorophyll-a and dissolved oxygen targets for the Swan Canning estuary

Basin	Chl-a target (µg/L)	Surface DO (% saturation)
Upper Swan	19.98	81.2
Middle Swan	8.75	75.1
Lower Swan Canning	3.55	82.1
Middle Canning	11.67	49.1

Monitoring in the Swan Canning estuary

To calculate compliance with the estuary targets, a sample is taken weekly between January and May inclusive from each of the four estuary basins. This results in the collection of about 20 samples in each basin per year. This data is pooled with the previous two years of data to provide a total of approximately 60 samples with which to test compliance.

Key to interpreting estuary performance indicator results in Table 15 and 16

	Target not met
	Target met

Table 15 Chlorophyll-*a* concentration in the basins of the Swan Canning estuary compared to targets

Basin	2006	2007	2008	2009
Upper Swan	(3) 24	(3) 25	(3) 28	(3) 17
Middle Swan	(3) 21	(3) 25	(3) 32	(3) 22
Lower Swan Canning	(10) 7	(10) 8	(10) 14	(3) 11
Middle Canning	(3) 14	(3) 14	(3) 19	(3) 17

Table 16 Dissolved oxygen saturation in the basins of the Swan Canning estuary compared to targets

Basin	2006	2007	2008	2009
Upper Swan	(1) 9	(1) 23	(1) 33	(1) 39
Middle Swan	(1) 7	(1) 11	(1) 16	(1) 21
Lower Swan Canning	(6) 3	(6) 3	(6) 4	(6) 5
Middle Canning	(1) 6	(1) 12	(1) 12	(1) 14

In tables 15 and 14 the first number (in brackets) is the maximum allowable number of samples that can exceed the target before failing. The second number is the actual number of samples that exceed the target.

Results

Chlorophyll-a concentration

The lower basin of the Swan Canning estuary met the chlorophyll-*a* target during 2006 and 2007, however the target was exceeded in 2008 for the first time and again in 2009 (Table 15). The middle and upper basin of the Swan estuary and the middle basin of the Canning estuary failed to meet the target in all four years.

Oxygen saturation

The lower basin of the Swan Canning estuary met the dissolved oxygen target in every year evaluated (Table 16). The upper and middle Swan, and the middle Canning, failed to meet the dissolved oxygen targets in all four years.

The targets for the lower estuary were developed so they could be met under the conditions experienced at the time of development. Failing these targets indicates the water quality has deteriorated. Since the lower basin of the Swan Canning estuary failed to meet the chlorophyll-*a* target in 2008, compliance is now assessed using a different decision rule, under which the basin is expected to fail the chlorophyll-*a* target until there is an improvement in water quality. Dissolved oxygen and chlorophyll-*a* concentrations in the middle basins of the Swan and Canning estuary, the upper basin of the Swan estuary and chlorophyll-*a* in the lower basin, are currently unacceptable in terms of these targets. These basins are expected to fail their targets until there is an improvement in water quality.

Algal biomass and dissolved oxygen concentrations in the summer are primarily influenced by the seasonal and long-term store of nutrients in the estuarine sediments. A reduction in algal blooms and the restoration of bottom water dissolved oxygen levels in the estuary will largely depend on the capacity to reduce the sediment store of nutrients. Consequently, there will most likely be a time lag between implementing and achieving the catchment targets and observing the desired change in the estuary.

Interpreting the estuary tables

The monitoring data from each of the estuary basins is compared to the targets in Table 12. There are only two possible outcomes, pass or fail. Black cells indicate the target was not met, whereas white cells indicate the target was achieved (Tables 15 and 16). Note that for chlorophyll-*a*, a region failed when a sample had a higher concentration than the target, while for dissolved oxygen, a region failed when a sample had a lower concentration than the target.

Key effectiveness performance indicator

Percentage of foreshore protected and rehabilitated in relation to total area

Table 17

2007-08 Actual	2008-09 Target	2008-09 Actual
4.8% without foreshore assessment	1.4%*	1.4%

* Increased from 0% to 1.4% in the 08-09 Budget with the note: "The increase in the percentage of foreshores protected and rehabilitated in 2008-09 Estimated Actual compared to 2008-09 Budget is due to the fact that additional Riverpark Funding was secured from the Burswood Casino Levy after the 2008-09 Budget was approved. Consequently, more works could be undertaken."

The Trust has an important role facilitating foreshore protection and rehabilitation through the provision of operational work capacity, technical expertise and grant funding for foreshore plans and rehabilitation projects undertaken by local government in partnership with community groups. This work contributes to mitigating riverbank erosion, restoring foreshore vegetation and protecting associated ecological, aesthetic and social values.

This indicator measures the percentage of the total foreshore area that was subject to management effort during the year. The total foreshore area is 22,282,198m². In 2007-08 a total of 1,071,190m² was involved in some way with management efforts facilitated by the Trust, equating to 4.8 per cent of the total area. In 2008-09 the foreshore area subject to direct protection or management was lower at 322,664m² equating to 1.4% of the total area. This decrease can be attributed to funding walling projects which are relatively expensive and cover a small area.

Key effectiveness performance indicator

Percentage of people attending environmental education programs who change their behaviours as a result

Table 18

2007-08 Actual	2008-09 Target	2008-09 Actual
94.5%	80%	80%

The Trust's environmental education programs provide the Perth community with the tools and information to change their behaviour to protect the Swan Canning river system. The Great Gardens Workshop program is the most effective of these. At the conclusion of every workshop participants are surveyed about their intention to change their behaviour in regard to improving soil, planting natives, garden design, water efficiency/irrigation, using river friendly fertilisers, green-waste recycling/mulching, garden pest and lawn management. Ninety-six per cent of workshop participants recorded a greater awareness of how to sustainability manage their gardens. This year home audits were introduced and will be used to help verify behaviour changes being made as a result of attending a Trust environmental education program. The Trust funded 31 workshops with 4215 people attending this year.

Key effectiveness performance indicator

Percentage of development recommendations which have attracted negative responses from the community

Table 19

2007-08 Actual	2008-09 Target	2008-09 Actual
0%	2%	4%

Part 5 of the Act provides for public comment to be made on draft reports before final consideration by the Trust. This process allows the Trust the opportunity to consider submissions on the draft from the public, applicants and referral agencies before making its recommendation to the Minister. The process provides a measure of the Trust's alignment with community values.

This year, a smaller number of applications were considered under Part 5 of the Act than in previous years because new regulations have provided for minor proposals to be dealt with by the issuing of permits. These are not posted on the website for public comment.

During 2008-09 the Trust posted 26 Part 5 draft reports with recommendations on its website. As a result of the postings one report attracted a negative response from the community. This is reflected in the 4 per cent measure recorded in Table 19.

Key effectiveness performance indicator

Percentage of developments audited in full compliance with approval conditions

Table 20

2007-08 Actual	2008-09 Target	2008-09 Actual
100%	100%	98%

In 2008-09 extra effort was directed to ensure works approved in the Trust DCA complied with conditions of approval. A new data base was developed this year to keep track of compliance actions and monitor responses from developers.

The effectiveness of the Trust's development control process is measured as a percentage of developments audited in full compliance with approval conditions imposed on development at the time of inspection. Developments are checked at various stages of works dependent on the conditions set and the likely impacts.

Of the 64 audited developments approved under Part 5 of the Act, or by way of permit under the Swan and Canning River Management Regulations 2007, only one was found to be non-compliant with relevant approval conditions at the time of inspection.

Key efficiency performance indicators

The Trust's key efficiency performance indicators are calculated to include apportioned corporate costs and other costs not directly attributed to the specific service.

Table 21 Key efficiency performance indicators

Desired outcomes	Services	Key efficiency performance indicators	2007-08 Actual \$	2008-09 Budget \$	2008-09 Actual \$	Comments
The ecological health of the Swan Canning river system is protected and enhanced	Development and implementation of environmental management programs	Average cost of river monitoring per kilometre of river managed (approximately 156km)	735	635	451	The 2008-09 actual was reduced due to deferral of \$700,000 for the Swan River oxygenation plant construction
		Average cost per square metre of foreshore undergoing protection and rehabilitation works	3.85	1.479	16.84	The 2008-09 budget was distorted because only emergency works in a very small area were expected to be delivered - this was changed after receiving funds from the Burswood Casino Levy
	Communication of environmental information	Average cost per person attending an environmental education program	334	185	336	The 2008-09 budget did not include the additional funds received from the Burswood Casino Levy
The long-term community benefit of the Swan Canning river system is protected and enhanced	Statutory assessment of development proposals	Average cost per application assessed	2391	3459	3689	Cost increase due to increase in total cost of service
		Average cost of audit compliance	1595	9631	1688	In 2008-09, the audit compliance function was shifted between operational sections - this has allowed more direct cost allocations
		Average cost per tonne of waste removed	3936	7152	11,705	Cost increase due to increase in total cost of service and reduction of tonnes of waste removed

Note: There was an error in the 2007-08 Actual KPI in last year's Annual Report. The total State Government income figure was used instead of total cost of services. The KPIs have been rectified for this report.



Auditor General

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

SWAN RIVER TRUST FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2009

I have audited the accounts, financial statements, controls and key performance indicators of the Swan River Trust.

The financial statements comprise the Balance Sheet as at 30 June 2009, and the Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year then ended, a summary of significant accounting policies and other explanatory Notes.

The key performance indicators consist of key indicators of effectiveness and efficiency.

Board's Responsibility for the Financial Statements and Key Performance Indicators

The Board is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions, and the key performance indicators. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements and key performance indicators that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; making accounting estimates that are reasonable in the circumstances; and complying with the Financial Management Act 2006 and other relevant written law.

Summary of my Role

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements, controls and key performance indicators based on my audit. This was done by testing selected samples of the audit evidence. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion. Further information on my audit approach is provided in my audit practice statement. Refer www.audit.wa.gov.au/pubs/AuditPracStatement_Feb09.pdf.

An audit does not guarantee that every amount and disclosure in the financial statements and key performance indicators is error free. The term "reasonable assurance" recognises that an audit does not examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the financial statements and key performance indicators.

Swan River Trust Financial Statements and Key Performance Indicators for the year ended 30 June 2009

Audit Opinion

In my opinion,

- (i) the financial statements are based on proper accounts and present fairly the financial position of the Swan River Trust at 30 June 2009 and its financial performance and cash flows for the year ended on that date. They are in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions;
- (ii) the controls exercised by the Trust provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (iii) the key performance indicators of the Trust are relevant and appropriate to help users assess the Trust's performance and fairly represent the indicated performance for the year ended 30 June 2009.

COLIN MURPHY
AUDITOR GENERAL
17 September 2009

Disclosures and legal compliance for the year ended 30 June 2009

Certification of financial statements

The accompanying financial statements of the Trust have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ending 30 June 2009 and financial position as at 30 June 2009.

At the date of signing, we are not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.

Jack Wong
Chief Financial Officer
9 September 2009

Dudley Maier
Member
9 September 2009

Jim Freemantle
Chairperson
9 September 2009

Financial Statements for the year ended 30 June 2009

SWAN RIVER TRUST INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009 \$	2008 \$
COST OF SERVICES			
Expenses			
Employee benefits expense	4	4,093,094	3,374,973
Finance costs	5	-	6,204
Supplies and services	6	5,338,102	6,565,459
Depreciation expense	7	93,113	108,153
Accommodation expenses	8	520,097	480,286
Other expenses	9	199,303	148,615
Grants and subsidies	10	2,555,597	1,960,321
Total cost of services		12,799,306	12,644,011
Income			
Revenue			
Commonwealth grants and contributions	11	-	346,364
Other revenue	12	5,901,323	722,648
Total revenue		5,901,323	1,069,012
Total income other than income from State Government		5,901,323	1,069,012
NET COST OF SERVICES		6,897,983	11,574,999
INCOME FROM STATE GOVERNMENT			
Service appropriation	13	7,794,000	12,616,000
Resources received free of charge		88,949	-
Total income from State Government		7,882,949	12,616,000
SURPLUS FOR THE PERIOD		984,966	1,041,001

See also note 33 'Schedule of Income and Expenses by Service'

The Income Statement should be read in conjunction with the accompanying notes

SWAN RIVER TRUST BALANCE SHEET AS AT 30 JUNE 2009

	Note	2009 \$	2008 \$
ASSETS			
Current Assets			
Cash and cash equivalents	22	1,463,185	1,160,662
Restricted cash and cash equivalents	14	815,160	365,696
Receivables	15	2,332,792	1,932,503
Amounts receivable for services	16	-	90,000
Total Current Assets		4,611,137	3,548,861
Non-current Assets			
Amounts receivable for services	16	431,000	296,000
Property, plant and equipment	17	737,075	647,905
Total Non-current Assets		1,168,075	943,905
TOTAL ASSETS		5,779,212	4,492,766
LIABILITIES			
Current Liabilities			
Payables	19	151,652	167,778
Other current liabilities	20	327,606	10,000
Total Current Liabilities		479,258	177,778
Total Liabilities		479,258	177,778
NET ASSETS		5,299,954	4,314,988
EQUITY			
Contributed equity	21	227,000	227,000
Accumulated surplus		5,072,954	4,087,988
TOTAL EQUITY		5,299,954	4,314,988

The Balance Sheet should be read in conjunction with the accompanying notes

Financial Statements for the year ended 30 June 2009

SWAN RIVER TRUST
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009	2008
		\$	\$
Balance of equity at start of period		4,314,988	3,154,987
CONTRIBUTED EQUITY			
Balance at start of period	21	227,000	108,000
Capital contribution		-	119,000
Balance at end of period		<u>227,000</u>	<u>227,000</u>
ACCUMULATED SURPLUS			
Balance at start of period	21	4,087,988	3,046,987
Surplus for the period		984,966	1,041,001
Balance at end of period		<u>5,072,954</u>	<u>4,087,988</u>
Balance of equity at end of period		<u>5,299,954</u>	<u>4,314,988</u>
Total income and expense for the period (a)		<u>984,966</u>	<u>1,041,001</u>

(a) The aggregate net amount attributable to each category of equity is: surplus \$984,966 plus gain/(loss) from asset revaluation nil (2008 surplus \$1,041,001 plus gain/(loss) from asset revaluation nil)

The Statement of Changes in Equity should be read in conjunction with the accompanying notes

SWAN RIVER TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009	2008
		\$	\$
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		7,659,000	12,481,000
Capital contributions		-	119,000
Holding account drawdowns		90,000	150,000
Net cash provided by State Government		<u>7,749,000</u>	<u>12,750,000</u>
Utilised as follows			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(4,069,325)	(3,392,720)
Supplies and services		(5,231,259)	(7,907,724)
Finance costs		-	(7,951)
Grants and subsidies		(3,057,060)	(3,097,156)
Accommodation		(520,097)	(480,286)
GST payments on purchases		(772,067)	(1,118,950)
Other payments		(218,796)	(147,072)
Receipts			
Commonwealth grants and contributions		50,000	310,000
GST receipts on sales		29,676	128,051
GST receipts from the taxation authority		715,081	929,033
Other receipts		6,296,683	977,593
Net cash (used in) operating activities	22	<u>(6,777,164)</u>	<u>(13,807,182)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of non-current physical assets		(219,849)	(42,074)
Net cash (used in) investing activities		<u>(219,849)</u>	<u>(42,074)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		-	(128,381)
Net cash (used in) financing activities		<u>-</u>	<u>(128,381)</u>
Net increase/(decrease) in cash and cash equivalents		751,987	(1,227,637)
Cash and cash equivalents at the beginning of period		1,526,358	2,753,995
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	22	<u>2,278,345</u>	<u>1,526,358</u>

The Cash Flow Statement should be read in conjunction with the accompanying notes

Notes to the Financial Statements for the year ended 30 June 2009

1 Australian equivalents to international financial reporting standards

General

The Trust's financial statements for the year ended 30 June 2009 have been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), which comprise a Framework for the Preparation and Presentation of Financial Statements (the Framework) and Australian Accounting Standards (including the Australian Accounting Interpretations).

In preparing these financial statements the Trust has adopted, where relevant to its operations, new and revised Standards and Interpretations from their operative dates as issued by the AASB and formerly the Urgent Issues Group (UIG).

Early adoption of standards

The Trust cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. No Standards and Interpretations that have been issued or amended but are not yet effective have been early adopted by the Trust for the annual reporting period ended 30 June 2009.

2 Summary of significant accounting policies

(a) General Statement

The financial statements constitute a general purpose financial report which has been prepared in accordance with the Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board as applied by the Treasurer's instructions. Several of these are modified by the Treasurer's instructions to vary application, disclosure, format and wording.

The Financial Management Act and the Treasurer's instructions are legislative provisions governing the preparation of financial statements and take precedence over the Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board.

Where modification is required and has a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

(b) Basis of Preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, modified by the revaluation of land and buildings which have been measured at fair value.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars rounded to the nearest dollar.

(c) Reporting Entity

The reporting entity comprises the Trust and entities listed at note 31 'Related Bodies'.

(d) Contributed Equity

AASB Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities' requires transfers, other than as a result of a restructure of administrative arrangements, in the nature of equity contributions to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions. Capital contributions (appropriations) have been designated as contributions by owners by Treasurer's Instruction (TI) 955 'Contributions by Owners made to Wholly-Owned Public Sector Entities' and have been credited directly to Contributed Equity.

Transfer of net assets to/from other agencies, other than as a result of a restructure of administrative arrangements, are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal. See note 21 'Equity'.

(e) Income

Revenue recognition

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised for the major business activities as follows.

Sale of goods

Revenue is recognised from the sale of goods and disposal of other assets when the significant risks and rewards of ownership control transfer to the purchaser and can be measured reliably.

Rendering of services

Revenue is recognised on delivery of the service to the client or by reference to the stage of completion of the transaction.

Interest

Revenue is recognised as the interest accrues.

Service appropriations

Service Appropriations are recognised as revenues at nominal value in the period in which the Trust gains control of the appropriated funds. The Trust gains control of appropriated funds at the time those funds are deposited to the bank account or credited to the holding account held at Treasury. See note 13 'Income from State Government'.

Grants, donations, gifts and other non-reciprocal contributions

Revenue is recognised at fair value when the Trust obtains control over the assets comprising the contributions, usually when cash is received.

Other non-reciprocal contributions that are not contributions by owners are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

Gains

Gains may be realised or unrealised and are usually recognised on a net basis. These include gains arising on the disposal of non-current assets and some revaluations of non-current assets.

Notes to the Financial Statements for the year ended 30 June 2009

(f) Property, Plant and Equipment

Capitalisation/Expensing of assets

Items of property, plant and equipment costing \$5,000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of property, plant and equipment costing less than \$5,000 are immediately expensed direct to the Income Statement (other than where they form part of a group of similar items which are significant in total).

Initial recognition and measurement

All items of property, plant and equipment are initially recognised at cost.

For items of property, plant and equipment acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

Subsequent measurement

After recognition as an asset, the revaluation model is used for the measurement of land and buildings and the cost model for all other property, plant and equipment. Land and buildings are carried at fair value less accumulated depreciation on buildings and accumulated impairment losses. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Where market-based evidence is available, the fair value of land and buildings is determined on the basis of current market buying values determined by reference to recent market transactions. When buildings are revalued by reference to recent market transactions, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

Where market-based evidence is not available, the fair value of land and buildings is determined on the basis of existing use. This normally applies where buildings are specialised or where land use is restricted. Fair value for existing use assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost. Where the fair value of buildings is dependent on using the depreciated replacement cost, the gross carrying amount and the accumulated depreciation are restated proportionately.

Independent valuations of land and buildings are provided annually by the Western Australian Land Information Authority (Valuation Services) and recognised with sufficient regularity to ensure that the carrying amount does not differ materially from the asset's fair value at the balance sheet date.

The most significant assumptions in estimating fair value are made in assessing whether to apply the existing use basis to assets and in determining estimated useful life. Professional judgment by the valuer is required where the evidence does not provide a clear distinction between market type assets and existing use assets. Refer to note 17 'Property, Plant and Equipment' for further information on revaluations.

Derecognition

Upon disposal or derecognition of an item of property, plant and equipment, any revaluation reserve relating to that asset is retained in the asset revaluation reserve.

Depreciation

All non-current assets having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method, using rates which are reviewed annually. Estimated useful lives for each class of depreciable asset are:

Plant and equipment	5 to 20 years
Information technology assets	3 to 4 years
Furniture and fittings	7 to 10 years

(g) Impairment of Assets

Property, plant and equipment are tested for any indication of impairment at each balance sheet date. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised. As the Trust is a not-for-profit entity, unless an asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

See note 18 'Impairment of Assets' for the outcome of impairment reviews and testing.

See also note 2(m) 'Receivables' and note 15 'Receivables' for impairment of receivables.

(h) Leases

The Trust holds operating leases for its head office building, motor vehicles and photocopiers. Lease payments are expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from the leased property, motor vehicles and photocopiers.

(i) Financial Instruments

In addition to cash and bank overdraft, the Trust has two categories of financial instrument.

- Loans and receivables
- Financial liabilities measured at amortised cost

These have been disaggregated into the following classes.

Financial Assets

- Cash and cash equivalents
- Restricted cash and cash equivalents
- Receivables
- Amounts receivable for services

Financial Liabilities

- Payables

Notes to the Financial Statements for the year ended 30 June 2009

Initial recognition and measurement of financial instruments is at fair value which normally equates to the transaction cost or the face value. Subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables and payables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

(j) Cash and Cash Equivalents

For the purpose of the Cash Flow Statement, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

(k) Accrued Salaries

Accrued salaries (see note 19 'Payables') represent the amount due to staff but unpaid at the end of the financial year, as the pay date for the last pay period for that financial year does not coincide with the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end. The Trust considers the carrying amount of accrued salaries to be equivalent to its net fair value.

(l) Amounts Receivable for Services (Holding Account)

The Trust receives funding on an accrual basis that recognises the full annual cash and non-cash cost of services. The appropriations are paid partly in cash and partly as an asset (Holding Account receivable) that is accessible on the emergence of the cash funding requirement to cover items such as leave entitlements and asset replacement. See also note 13 'Income from State Government' and note 16 'Amounts Receivable for Services'.

(m) Receivables

Receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off against the allowance account. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Trust will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days. See note 2(i) 'Financial Instruments' and note 15 'Receivables'.

(n) Payables

Payables are recognised at the amounts payable when the Trust becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as they are generally settled within 30 days. See note 2(i) 'Financial Instruments' and note 19 'Payables'.

(o) Provisions

Provisions are liabilities of uncertain timing or amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date.

Provisions - Employee Benefits

All employees performing the functions of the Trust are employees of the Department of Environment and Conservation. Therefore the Trust has no liability in relation to employee benefits. Liability for employee entitlements rests with the Department of Environment and Conservation.

(p) Superannuation Expense

The following elements are included in calculating the superannuation expense in the Income Statement

- defined contribution plans - employer contributions paid to the Gold State Superannuation Scheme (concurrent contributions), the WestState Superannuation Scheme, and GESB Super Scheme

The superannuation expense does not include payment of pensions to retirees, as this does not constitute part of the cost of services provided in the current year.

(q) Resources Received Free of Charge or for Nominal Cost

Resources received free of charge or for nominal cost that can be reliably measured are recognised as income and as assets or expenses as appropriate, at fair value.

(r) Comparative Figures

Comparative figures are, where appropriate, reclassified to be comparable with the figures presented in the current financial year.

3 Disclosure of changes in accounting policy and estimates

Initial application of an Australian Accounting Standard

The Trust has applied the following Australian Accounting Standards and Australian Accounting Interpretations effective for annual reporting periods beginning on or after 1 July 2008 that impacted on the Trust.

Review of AAS 27 'Financial Reporting by Local Governments', AAS 29 'Financial Reporting by Government Departments' and AAS 31 'Financial Reporting by Governments'. The AASB has made the following pronouncements from its short term review of AAS 27, AAS 29 and AAS 31.

AASB 1004 'Contributions'.

AASB 1050 'Administered Items'.

AASB 1051 'Land Under Roads'.

AASB 1052 'Disaggregated Disclosures'.

AASB 2007-9 'Amendments to Australian Accounting Standards arising from the review of AASs 27, 29 and 31 [AASB 3, AASB 5, AASB 8, AASB 101, AASB 114, AASB 116, AASB 127 & AASB 137].

Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities'.

Notes to the Financial Statements for the year ended 30 June 2009

The existing requirements in AAS 27, AAS 29 and AAS 31 have been transferred to the above new and revised topic-based Standards and Interpretation. These requirements remain substantively unchanged. AASB 1050, AASB 1051 and AASB 1052 do not apply to Statutory Authorities. The other Standards and Interpretation make some modifications to disclosures and provide additional guidance, otherwise there is no financial impact.

Voluntary changes in Accounting Policy

The Trust changed its accounting policy with effect from 1 July 2008 by increasing its asset capitalisation threshold to \$5,000 for property, plant and equipment. An amount of \$52,566 has been included as an expense in the Income Statement for those assets less than \$5,000 that are now written off. The comparatives have not been re-stated because of the immaterial nature of the adjustment.

Future impact of Australian Accounting Standards not yet operative

The Trust cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. Consequently, the Trust has not applied the following Australian Accounting Standards and Australian Accounting Interpretations that have been issued and which may impact the Trust but are not yet effective. Where applicable, the Trust plans to apply these Standards and Interpretations from their application date.

Title	Operative for reporting periods beginning on/after
AASB 101 'Presentation of Financial Statements' (September 2007). This Standard has been revised and will change the structure of the financial statements. These changes will require that owner changes in equity are presented separately from non-owner changes in equity. The Trust does not expect any financial impact when the Standard is first applied.	1 January 2009
AASB 2008-13 'Amendments to Australian Accounting Standards arising from AASB Interpretation 17 – Distributions of Non-cash Assets to Owners [AASB 5 & AASB 110]'. This Standard amends AASB 5 'Non-current Assets Held for Sale and Discontinued Operations' in respect of the classification, presentation and measurement of non-current assets held for distribution to owners in their capacity as owners. This may impact on the presentation and classification of Crown land held by the Trust where the Crown land is to be sold by the Department of Regional Development and Lands (formerly Department for Planning and Infrastructure). The Trust does not expect any financial impact when the Standard is first applied prospectively.	1 July 2009
AASB 2009-2 'Amendments to Australian Accounting Standards – Improving Disclosures about Financial Instruments [AASB 4, AASB 7, AASB 1023 & AASB 1038]'. This Standard amends AASB 7 and will require enhanced disclosures about fair value measurements and liquidity risk with respect to financial instruments. The Trust does not expect any financial impact when the Standard is first applied.	1 January 2009

Notes to the Financial Statements for the year ended 30 June 2009

	2009 \$	2008 \$
4 EMPLOYEE BENEFITS EXPENSE		
Wages and salaries (a)	3,761,727	3,059,449
Superannuation - defined contribution plans (b)	331,367	315,524
	<u>4,093,094</u>	<u>3,374,973</u>

(a) Includes the value of the fringe benefit to the employee plus the fringe benefits tax component

(b) Defined contribution plans include WestState, Gold State and GESB Super Scheme (contributions paid)

Officers are employed by DEC, all entitlements are provided in the DEC accounts.

5 FINANCE COSTS

Interest paid	-	6,204
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6 SUPPLIES AND SERVICES

Consultants and contractors	4,514,881	6,148,393
Travel	8,950	14,178
Materials	332,076	110,097
Audit fees (a)	13,000	13,000
Communications	38,131	18,514
Other	431,064	261,277
	<u>5,338,102</u>	<u>6,565,459</u>

(a) Audit fees, see also note 30 "Remuneration of Auditor"

7 DEPRECIATION EXPENSE

Office fixtures and fittings	-	1,210
Computer hardware	1,310	14,981
Plant, machinery and equipment	91,803	91,962
	<u>93,113</u>	<u>108,153</u>

8 ACCOMMODATION EXPENSES

	2009 \$	2008 \$
Lease rental	515,091	464,445
Power expenses	5,006	15,841
	<u>520,097</u>	<u>480,286</u>

9 OTHER EXPENSES

Repairs and maintenance	214,303	148,615
Asset revaluation decrements (a)	(15,000)	-
	<u>199,303</u>	<u>148,615</u>

(a) A parcel of land owned by the Trust was revalued down by the Valuer General by \$145,000 in 2006, the land was subsequently revalued upwards by \$28,000 in 2008 and by a further \$15,000 in 2009

10 GRANTS AND SUBSIDIES

<u>Recurrent</u>		
Armadale Gosnells Landcare Group	7,200	-
CMS Events	-	18,411
City of Armadale	42,165	-
City of Bayswater	62,000	100,000
City of Belmont	-	-
City of Canning	392,778	803,500
City of Fremantle	12,637	-
City of Gosnells	23,900	-
City of Nedlands	250,000	-
City of Perth	4,438	-
City of South Perth	539,738	-
City of Swan	40,578	20,000
Claisebrook Catchment Group	-	27,613
CSIRO Australia	40,000	-
Department of Agriculture and Food	5,000	-
Department of Environment and Conservation	20,138	7,500
Eastern Metropolitan Regional Council	90,000	213,404
Ellen Brockman Integrated Catchment Group	170,906	95,000
Geographe Catchment Council	1,122	-
North Metro Catchment Group	-	85,000

Notes to the Financial Statements for the year ended 30 June 2009

	2009 \$	2008 \$
Peel Harvey Catchment Council	1,122	-
Perth Region NRM	292,000	-
Shire of Chittering	132,807	-
South East Regional Centre for Urban Landcare	319,400	239,893
Swan Catchment Council	-	350,000
Town of Bassendean	97,668	-
University of WA	10,000	-
Expenses incurred for the year	<u>2,555,597</u>	<u>1,960,321</u>

11 COMMONWEALTH GRANTS AND CONTRIBUTIONS

The Natural Heritage Trust (a)	<u>-</u>	<u>346,364</u>
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(a) Included in the amount shown for the Natural Heritage Trust in 2008 were grants for two projects.

A grant of \$146,364 was received for the preparation of a water quality improvement plan for the Swan Canning river system and the Ellen Brook Management Plan. The terms of the grant are that it must be used to determine targets for nutrient loads to the waterways and river flows for the purpose of achieving the water quality objectives, nutrient loads and environmental flow objectives. The grant has been recognised in its entirety on receipt as the conditions set by the grantor relates to how the grant can be expended and there are no performance measures in terms of service delivery.

A grant of \$200,000 was received for the preparation of a nutrients offsets policy to improve water quality in the Swan Canning river system, with particular reference to the Ramsar Wetlands. The terms of the grant are that it must be used to undertake a consultancy to scope the potential to develop and implement a draft nutrient offset policy for the Swan Canning Catchment. The grant has been recognised in its entirety upon receipt as the conditions set by grantor relates to how the grant can be expended and there are no performance measures in terms of service delivery.

12 OTHER REVENUE

	2009 \$	2008 \$
Burswood Casino Levy (a)	5,725,201	-
Other	176,122	722,648
	<u>5,901,323</u>	<u>722,648</u>

(a) Included for the first time, is revenue from the Burswood Casino Levy, made possible by the passage through State Parliament of legislation to amend the Agreement Act between the State and the Burswood Island Casino. Electronic gaming machine levy funds are made available to the Trust — subject to it providing a range of programs to the Burswood Park Board — for management and protection of the Swan and Canning rivers.

13 INCOME FROM STATE GOVERNMENT

Appropriation received during the year:		
Service appropriation (a)	7,794,000	12,616,000

Resources received free of charge (b)

Determined on the basis of the following estimates provided by agencies:

Department of Regional Development and Lands	86,608	-
Department of Water	2,341	-
	<u>88,949</u>	<u>-</u>
	<u>7,882,949</u>	<u>12,616,000</u>

- (a) Service appropriations are accrual amounts reflecting the net cost of services delivered. The appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises the depreciation expense for the year and any agreed increase in leave liability during the year.
- (b) Where assets or services have been received free of charge or for nominal cost, the Trust recognises revenues equivalent to the fair value of assets and/or the fair value of those services that can be reliably determined and which would have been purchased if not donated, and those fair values shall be recognised as assets or expenses, as applicable. The exception occurs where the contribution of assets or services are in the nature of contributions by owners, in which case the Trust makes the adjustment direct to equity.

Notes to the Financial Statements for the year ended 30 June 2009

	2009 \$	2008 \$
14 RESTRICTED CASH AND CASH EQUIVALENTS		
Current		
Funds under contract (a)	805,160	355,696
Developer bonds (b)	10,000	10,000
	<u>815,160</u>	<u>365,696</u>

These amounts are to be used as follows

(a) Only for the purposes defined under contractual arrangements

(b) In fulfilling the condition of preparing foreshore management plans

15 RECEIVABLES

Current		
Current receivables	23,941	160,674
GST receivable	171,053	135,494
	<u>194,994</u>	<u>296,168</u>
Prepayments	2,137,798	1,636,335
	<u>2,332,792</u>	<u>1,932,503</u>

The Trust does not hold any collateral as security or other credit enhancements relating to receivables

See also note 2(m) 'Receivables' and note 28 'Financial Instruments'

16 AMOUNTS RECEIVABLE FOR SERVICES

Current	-	90,000
Non-current	431,000	296,000
	<u>431,000</u>	<u>386,000</u>

Represents the non-cash component of service appropriations. See note 2(l) 'Amounts Receivable for Services (Holding Account)'. It is restricted in that it can only be used for asset replacement or payment of leave liability.

	2009 \$	2008 \$
17 PROPERTY, PLANT AND EQUIPMENT		
Freehold land (a)		
At fair value	168,000	153,000
Accumulated impairment losses	-	-
	<u>168,000</u>	<u>153,000</u>
Plant and equipment		
At cost	1,003,579	814,187
Accumulated depreciation	(437,781)	(358,125)
Accumulated impairment losses	-	-
	<u>565,798</u>	<u>456,062</u>
Information technology assets		
At cost	5,237	83,193
Accumulated depreciation	(1,960)	(46,275)
Accumulated impairment losses	-	-
	<u>3,277</u>	<u>36,918</u>
Furniture and fittings		
At cost	5,039	10,139
Accumulated depreciation	(5,039)	(8,214)
Accumulated impairment losses	-	-
	<u>-</u>	<u>1,925</u>
	<u>737,075</u>	<u>647,905</u>

(a) Land was revalued as at 1 July 2008 by the Western Australian Land Information Authority (Valuations Services). The valuations were performed during the year ended 30 June 2009 and recognised at 30 June 2009. In undertaking the revaluation, fair value was determined by reference to market values for land: \$168,000. See note 2(f) 'Property, Plant and Equipment'.

Notes to the Financial Statements for the year ended 30 June 2009

Reconciliation of property, plant and equipment

Reconciliations of the carrying amounts of property, plant and equipment at the beginning and end of the reporting period are set out below.

	Furniture and Fittings	IT Assets	Plant and Equipment	Freehold Land	Total
	\$	\$	\$	\$	\$
2009					
Carrying amount at start of year	1,925	36,918	456,062	153,000	647,905
Additions	-	-	219,849	-	219,849
Revaluation increments/(decrements)	-	-	-	15,000	15,000
Depreciation	-	(1,310)	(91,803)	-	(93,113)
Write off of assets due to threshold revision	(1,925)	(32,331)	(18,310)	-	(52,566)
Carrying amount at end of year	-	3,277	565,798	168,000	737,075
	Furniture and Fittings	IT Assets	Plant and Equipment	Freehold Land	Total
	\$	\$	\$	\$	\$
2008					
Carrying amount at start of year	3,135	38,183	519,666	153,000	713,984
Additions	-	13,716	28,358	-	42,074
Depreciation	(1,210)	(14,981)	(91,962)	-	(108,153)
Carrying amount at end of year	1,925	36,918	456,062	153,000	647,905

2009 **2008**
\$ \$

18 IMPAIRMENT OF ASSETS

There were no indications of impairment of property, plant and equipment as at 30 June 2009.

The Trust held no goodwill or intangible assets with an indefinite useful life during the reporting period and at balance sheet date there were no intangible assets not yet available for use.

All surplus assets at 30 June 2009 have either been classified as assets held for sale or written-off.

19 PAYABLES

Trade payables	740	37,817
Accrued expenses	101,412	104,170
Accrued salaries	49,500	25,791
	<u>151,652</u>	<u>167,778</u>

See note 2(n) 'Payables' and note 28 'Financial Instruments'

20 OTHER CURRENT LIABILITIES

Developer bonds	10,000	10,000
Revenue in advance (a)	317,606	-
	<u>327,606</u>	<u>10,000</u>

(a) The amount held in this account is from Burswood funding and is to be used only for the programs approved by the Burswood Park Board

Notes to the Financial Statements for the year ended 30 June 2009

	2009 \$	2008 \$
21 EQUITY		
Equity represents the residual interest in the net assets of the Trust. The Government holds the equity interest in the Trust on behalf of the community.		
Contributed equity		
Balance at start of year	227,000	108,000
Contributions by owners		
Capital contributions	-	119,000
Balance at end of year	<u>227,000</u>	<u>227,000</u>
Accumulated surplus		
Balance at start of year	4,087,988	3,046,987
Result for the period	984,966	1,041,001
Balance at end of year	<u>5,072,954</u>	<u>4,087,988</u>

	2009 \$	2008 \$
22 NOTES TO THE CASH FLOW STATEMENT		
<u>Reconciliation of cash</u>		
Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows		
Cash and cash equivalents	1,463,185	1,160,662
Restricted cash and cash equivalents (see note 14 'Restricted Cash and Cash Equivalents')	815,160	365,696
	<u>2,278,345</u>	<u>1,526,358</u>
<u>Reconciliation of net cost of services to net cash flows (used in) operating activities</u>		
Net cost of services	(6,897,983)	(11,574,999)
Non-cash items		
Depreciation expense	93,113	108,153
Resources received free of charge	88,949	-
Revaluation decrement	(15,000)	-
Write off due to change in non-current asset threshold	52,566	-
(Increase)/decrease in assets		
Current receivables	(364,730)	(879,209)
Increase/(decrease) in liabilities		
Current payables	(16,126)	(1,500,227)
Other current liabilities	317,606	-
Net GST receipts/(payments)	(27,310)	(61,866)
Change in GST in receivables/payables	(8,249)	100,966
Net cash (used in) operating activities	<u>(6,777,164)</u>	<u>(13,807,182)</u>
<u>Non-cash financing and investing activities</u>		
During the year there were no assets transferred/assumed from other Government agencies not reflected in the Cash Flow Statement.		

Notes to the Financial Statements for the year ended 30 June 2009

2009	2008
\$	\$

23 RESOURCES PROVIDED FREE OF CHARGE

During the year there were no resources provided to other agencies free of charge for functions outside the normal operations of the Trust.

24 COMMITMENTS

Lease Commitments

Non-cancellable operating lease commitments

Commitments in relation to leases contracted for at the balance sheet date but not recognised in the financial statements are payable as follows

Within 1 year	682,187	402,883
Later than 1 year and not later than 5 years	362,434	602,599
	<u>1,044,621</u>	<u>1,005,482</u>

The property lease is a non-cancellable lease with a three year term, with rent payable monthly in advance. Contingent rent provisions within the lease agreement require that the minimum lease payments shall be increased based on a regular market rent review or CPI increase. The lease expires 31 December 2010.

The vehicle leases are non-cancellable and the terms vary depending on the vehicle. The lease payments are fixed for the term of the lease and are payable monthly in advance. There is no option to renew the lease at the end of the lease term.

These commitments are all inclusive of GST.

25 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Trust has no contingent liabilities and contingent assets as at 30 June 2009.

26 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

The Trust has no events to report after the balance sheet date.

27 EXPLANATORY STATEMENT

Significant variations between estimates and actual results for income and expenses are shown below. Significant variations are considered to be those greater than 10% and \$200,000.

Significant variances between estimated and actual result for 2009

		2009	2,009	
	Note	Estimate	Actual	Variance
		\$000	\$000	\$000
Employee benefits expense	(a)	2,587	4,093	1,506
Grants and subsidies	(b)	-	2,556	2,556
Other revenue	(c)	349	5,901	5,552

(a) The estimate was based on a budget which excluded the Burswood Casino Levy

(b) The estimate was based on a budget which excluded the Burswood Casino Levy

(c) The approval of the Burswood Casino Levy by State Parliament was made after the 2008/09 budget was set

Notes to the Financial Statements for the year ended 30 June 2009

Significant variances between actual results for 2008 and 2009

	Note	2009 \$000	2008 \$000	Variance \$000
Employee benefits expense	(a)	4,093	3,375	718
Supplies and services	(b)	5,338	6,565	(1,227)
Grants and subsidies	(c)	2,556	1,960	596
Commonwealth grants and contributions	(d)	-	346	(346)
Other revenue	(e)	5,901	723	5,178

- (a) This is due to an increase in staff paid through salary and wages, in leave taken and to salary increases that occurred for PSGA, specified calling and AWU staff during 2008/09
- (b) Reduction in expenditure due to reduction in funding to Department of Water to deliver services relating to monitoring and interventions
- (c) There was more money available from the Burswood Casino Levy which was available to provide grants to local government
- (d) No grant money received in 2008/09
- (e) Included for the first time, is revenue from the Burswood Casino Levy, made possible by the passage through State Parliament of legislation to amend the Agreement Act between the State and the Burswood Island Casino. Electronic gaming machine levy funds are made available to the Trust subject to it providing a range of programs — to be approved by the Burswood Park Board — for management and protection of the Swan and Canning rivers

28 FINANCIAL INSTRUMENTS

(a) Financial Risk Management Objectives and Policies

Financial instruments held by the Trust are cash and cash equivalents, restricted cash and cash equivalents, loans and receivables, and payables. The Trust has limited exposure to financial risks. The Trust's overall risk management program focuses on managing the risks identified below.

Credit risk

Credit risk arises when there is the possibility of the Trust's receivables defaulting on their contractual obligations resulting in financial loss to the Trust.

The maximum exposure to credit risk at balance sheet date in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment as shown in the table at Note 28(c) 'Financial Instruments Disclosures' and Note 15 'Receivables'.

Credit risk associated with the Trust's financial assets is minimal because the main receivable is the amounts receivable for services (holding account). For receivables other than Government, the Trust trades only with recognised, creditworthy third parties. The Trust has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Trust's exposure to bad debts is minimal. At the balance sheet date there were no significant concentrations of credit risk.

Allowance for impairment of financial assets is calculated based on objective evidence such as observable data indicating changes in client credit ratings. For financial assets that are either past due or impaired, refer to Note 28(c) 'Financial Instruments Disclosures'.

Liquidity risk

Liquidity risk arises when the Trust is unable to meet its financial obligations as they fall due. The Trust is exposed to liquidity risk through its trading in the normal course of business.

The Trust has appropriate procedures to manage cash flows including drawdowns of appropriations by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

Notes to the Financial Statements for the year ended 30 June 2009

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Trust's income or the value of its holdings of financial instruments.

The Trust does not trade in foreign currency and is not materially exposed to other price risks. The Trust's exposure to market risk for changes in interest rates relate primarily to the long-term debt obligations. The Trust is not exposed to interest rate risk because cash and cash equivalents and restricted cash are non-interest bearing and have no borrowings.

(b) Categories of Financial Instruments

In addition to cash and bank overdraft, the carrying amounts of each of the following categories of financial assets and financial liabilities at the balance sheet date are as follows.

	2009 \$000	2008 \$000
Financial Assets		
Cash and cash equivalents	1,463	1,160
Restricted cash and cash equivalents	815	366
Loans and receivables (a)	2,162	1,798
Financial Liabilities		
Financial liabilities measured at amortised cost	-	-

(a) The amount of loans and receivables excludes GST recoverable from the ATO (statutory receivable)

(c) Financial Instrument Disclosures

Credit Risk and Interest Rate Exposures

The following table disclose the Trust's maximum exposure to credit risk, interest rate exposures and the ageing analysis of financial assets. The Trust's maximum exposure to credit risk at the balance sheet date is the carrying amount of the financial assets as shown below. The table discloses the ageing of financial assets that are past due but not impaired and impaired financial assets. The table is based on information provided to senior management of the Trust.

The Trust does not hold any collateral as security or other credit enhancement relating to the financial assets it holds.

The Trust does not hold any financial assets that had to have their terms renegotiated that would have otherwise resulted in them being past due or impaired.

Interest rate exposures and ageing analysis of financial assets (a)

	Weighted Average Effective Interest Rate	Carrying Amount \$000	Interest rate exposure		Past due but not impaired			
			Variable interest rate \$000	Non- interest bearing \$000	Up to 3 months \$000	3-12 months \$000	1 to 5 years \$000	More than 5 years \$000
Financial Assets								
2009								
Cash and cash equivalents	-	1,463	-	1,463	-	-	-	-
Restricted cash and cash equivalents	-	815	-	815	-	-	-	-
Receivables (a)	-	2,162	-	2,162	22	1	-	-
		4,440	-	4,440	22	1	-	-
2008								
Cash and cash equivalents	-	1,160	-	1,160	-	-	-	-
Restricted cash and cash equivalents	-	366	-	366	-	-	-	-
Receivables (a)	-	1,798	-	1,798	137	24	-	-
		3,324	-	3,324	137	24	-	-

(a) The amount of receivables excludes GST recoverable from the ATO (statutory receivable)

Notes to the Financial Statements for the year ended 30 June 2009

Liquidity Risk

The following table details the contractual maturity analysis for financial liabilities. The contractual maturity amounts are representative of the undiscounted amounts at the balance sheet date.

Interest rate exposures and maturity analysis of financial liabilities

	Weighted Average Effective Interest Rate	Carrying Amount	Interest rate exposure		Maturity dates			
			Variable interest rate	Non- interest bearing	Up to 3 months	3-12 months	1 to 5 years	More than 5 years
	%	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Financial Liabilities								
2009								
Payables	-	152	-	152	152	-	-	-
		<u>152</u>	<u>-</u>	<u>152</u>	<u>152</u>	<u>-</u>	<u>-</u>	<u>-</u>
2008								
Payables	-	168	-	168	168	-	-	-
		<u>168</u>	<u>-</u>	<u>168</u>	<u>168</u>	<u>-</u>	<u>-</u>	<u>-</u>

The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities

2009
\$

2008
\$

29 REMUNERATION OF MEMBERS OF THE ACCOUNTABLE AUTHORITY AND SENIOR OFFICERS

Remuneration of members of the accountable authority

The number of members of the accountable authority, whose total fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year, fall in the following bands are

\$	2009	2008
0 - 10,000	4	8
10,001 - 20,000	5	2
20,001 - 30,000	1	1

The total remuneration of members of the accountable authority is 95,131 90,488

The total remuneration includes the superannuation expense incurred by the Trust in respect of members of the Trust.

No members of the Trust are members of the Pension Scheme.

Remuneration of Senior Officers

The number of senior officers, other than senior officers reported as members of the Trust, whose total fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year, fall in the following bands are

\$	2009	2008
130,001 - 140,000	-	1
140,001 - 150,001	1	-

The total remuneration of senior officers is 148,060 135,116

Notes to the Financial Statements for the year ended 30 June 2009

	2009	2008
	\$	\$

The total remuneration includes the superannuation expense incurred by the Trust in respect of senior officers other than senior officers reported as members of the Trust.

No senior officers are members of the Pension Scheme.

30 REMUNERATION OF AUDITOR

Remuneration payable to the Auditor General in respect to the audit for the current financial year is as follows

Auditing the accounts, financial statements and performance indicators

13,000	13,000
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The expense is included at note 6 'Supplies and services'

31 RELATED AND AFFILIATED BODIES

The Trust does not provide any assistance to other agencies which would deem them to be regarded as related or affiliated bodies under the definitions included in Treasurer's Instruction 951.

32 SUPPLEMENTARY FINANCIAL INFORMATION

Write-Offs

The Trust did not write off any bad debts, revenue, debts due to the State, public or other property during the financial year.

Losses Through Theft, Defaults and Other Causes

The Trust had no losses through theft, defaults and other causes during the financial year.

Gifts of Public Property

The Trust had no gifts of public property during the financial year.

Notes to the Financial Statements for the year ended 30 June 2009

33 SCHEDULE OF INCOME AND EXPENSES BY SERVICE

	Statutory Assessment of Development Proposals		Waterways Management		Development and Implementation of Environmental Management Programs		Communication of Environmental Information		Total	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
COST OF SERVICES										
Expenses										
Employee benefits expense	683	518	1,273	818	1,494	1,535	643	504	4,093	3,375
Finance costs	-	-	-	1	-	4	-	1	-	6
Supplies and services	475	278	517	1,088	3,678	4,145	668	1,055	5,338	6,566
Depreciation expense	15	8	23	24	46	63	9	13	93	108
Accommodation expense	83	34	130	72	255	312	52	62	520	480
Other expenses	27	6	48	69	81	59	43	15	199	149
Grants and subsidies	-	-	-	-	2,556	1,942	-	18	2,556	1,960
Total cost of services	1,283	844	1,991	2,072	8,110	8,060	1,415	1,668	12,799	12,644
Income										
Commonwealth grants and contributions	-	14	-	30	-	276	-	26	-	346
Other revenue	91	1	257	51	4,892	517	661	154	5,901	723
Total income other than income from State Government	91	15	257	81	4,892	793	661	180	5,901	1,069
NET COST OF SERVICES	1,192	829	1,734	1,991	3,218	7,267	754	1,488	6,898	11,575
INCOME FROM STATE GOVERNMENT										
Service appropriation	1,262	839	1,981	1,650	3,699	8,466	852	1,661	7,794	12,616
Resources received free of charge	87	-	-	-	2	-	-	-	89	-
Total income from State Government	1,349	839	1,981	1,650	3,701	8,466	852	1,661	7,883	12,616
Surplus/(deficit) for the period	157	10	247	(341)	483	1,199	98	173	985	1,041

The Schedule of Income and Expenses by Service should be read in conjunction with the accompanying notes