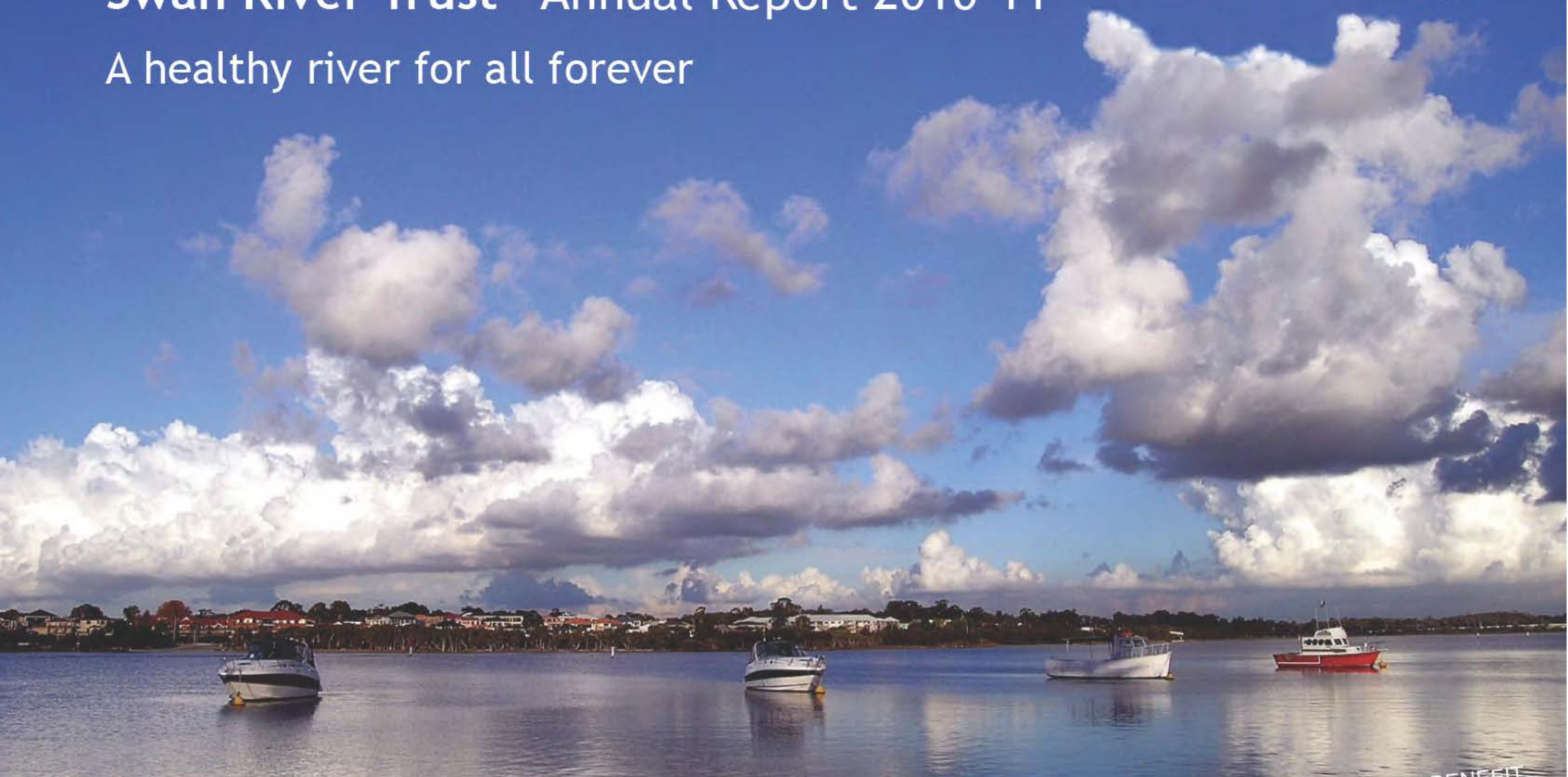


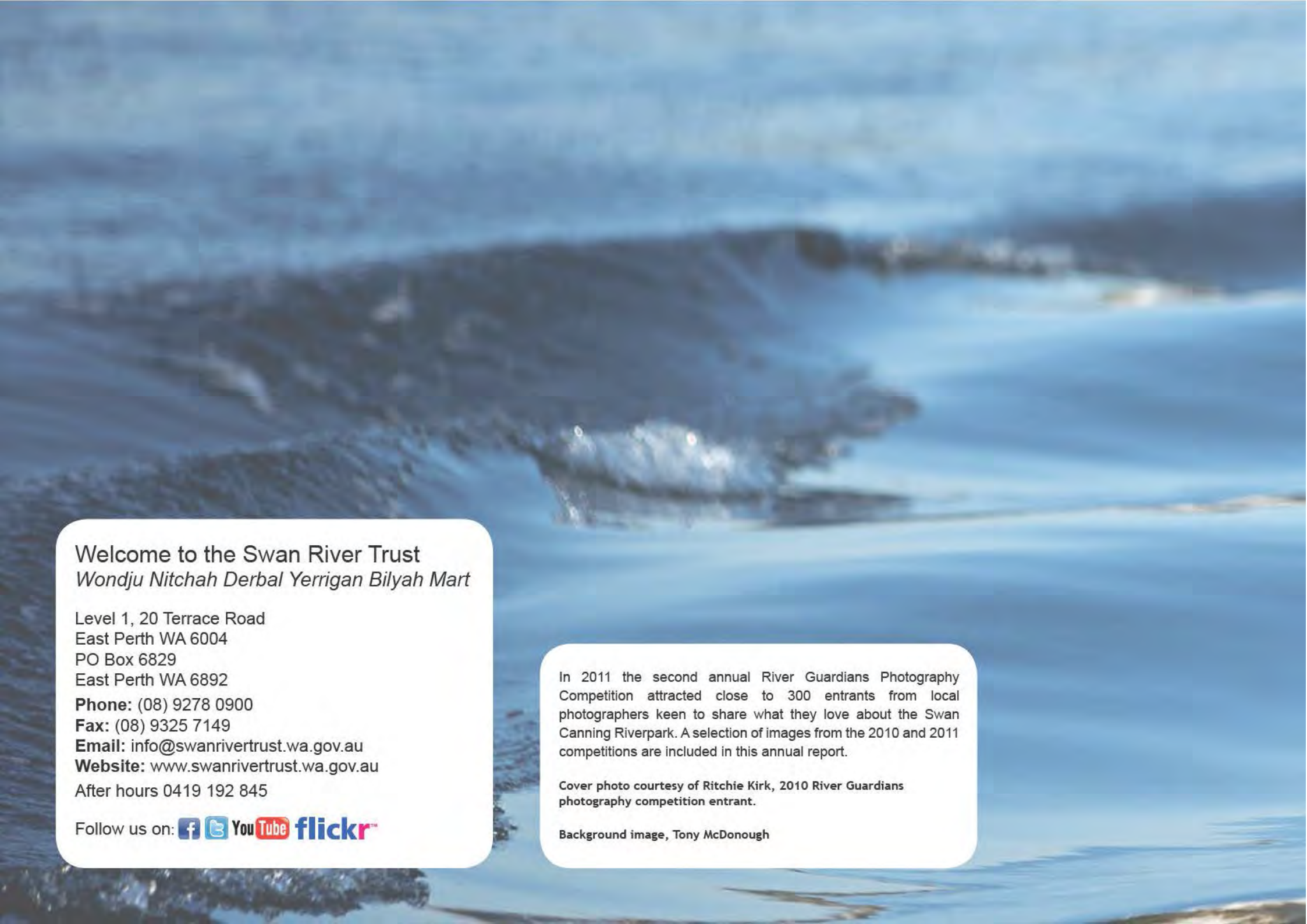


# Swan River Trust Annual Report 2010-11

A healthy river for all forever



ECOSYSTEM HEALTH SENSE OF PLACE COMMUNITY BENEFIT ECONOMIC BENEFIT



**Welcome to the Swan River Trust**  
*Wondju Nitichah Derbal Yerrigan Bilyah Mart*

Level 1, 20 Terrace Road  
East Perth WA 6004  
PO Box 6829  
East Perth WA 6892

**Phone:** (08) 9278 0900

**Fax:** (08) 9325 7149

**Email:** [info@swanrivertrust.wa.gov.au](mailto:info@swanrivertrust.wa.gov.au)

**Website:** [www.swanrivertrust.wa.gov.au](http://www.swanrivertrust.wa.gov.au)

After hours 0419 192 845

Follow us on:    

In 2011 the second annual River Guardians Photography Competition attracted close to 300 entrants from local photographers keen to share what they love about the Swan Canning Riverpark. A selection of images from the 2010 and 2011 competitions are included in this annual report.

Cover photo courtesy of Ritchie Kirk, 2010 River Guardians photography competition entrant.

Background image, Tony McDonough

# Contents

Letter to the Minister .....	2
Chairperson's report .....	3
<b>OVERVIEW OF THE AGENCY</b>	
Operational structure.....	4
The Swan River Trust Board .....	5
About the Swan River Trust .....	6
<b>AGENCY PERFORMANCE</b>	
<b>Report on Operations</b>	
Service 1: Environmental management .....	8
Service 2: Communication of environmental information .....	14
Service 3: Statutory assessment of development proposals .....	17
Service 4: Riverpark management.....	19
<b>Supporting our agency</b>	
Strategic programs.....	23
Business management.....	25
<b>SIGNIFICANT ISSUES AND TRENDS .....</b>	<b>28</b>
<b>DISCLOSURES AND LEGAL COMPLIANCE</b>	
Auditor General's opinion.....	29
Board's endorsement of key performance indicators .....	30
Summary of key performance indicators.....	31
Key effectiveness indicators.....	32
Key efficiency indicators.....	38
<b>FINANCIAL STATEMENTS .....</b>	<b>39</b>
<b>FIGURES AND TABLES</b>	
<b>Figures</b>	
1 Swan River Trust operational structure.....	4
2 Community values .....	6
3 Management framework.....	7
4 Swan and Canning rivers sampling map .....	9
5 Swan Canning Catchment sub-regional support and Swan River Trust and Alcoa Landcare Program funding .....	10
6 Dolphin sightings .....	15
7 Swan River Trust Development Control Area .....	17
8 Swan Canning Riverpark .....	19
9 Swan Avon Catchment.....	24

## Tables

1 Swan Canning Riverpark complaints and incident summary.....	21
2 Summary of materials removed from waterways and foreshores.....	21
3 Riverbank Grants Scheme funding recipients .....	22
4 Public comments on significant development applications and management plans .....	25
5 Advertising and marketing expenditure .....	25
6 Swan River Trust Board members' remuneration.....	26
7 Swan River Trust Board meeting attendance .....	26
8 Swan River Trust Board Finance and Audit Committee attendance.....	26
9 Summary of key effectiveness performance indicators .....	31
10 Targets for median total nitrogen and total phosphorus in catchment tributaries of the Swan-Canning .....	32
11 Key to catchment performance indicator results.....	32
12 Compliance of monitored tributaries discharging in to the Swan Canning Estuary with short term and long term nitrogen targets.....	33
13 Compliance of monitored tributaries discharging in to the Swan Canning Estuary with short term and long term phosphorus targets.....	33
14 Examples of decision rules for catchment nutrient median targets using 30 samples.....	34
15 Chlorophyll-a and dissolved oxygen targets of the Swan Canning Estuary .....	34
16 Chlorophyll-a concentration in the basins of the Swan Canning Estuary compared to the targets .....	35
17 Dissolved oxygen saturation in the basins of the Swan Canning Estuary compared to the targets .....	35
18 Percentage of foreshore protected and rehabilitated in relation to total area.....	36
19 Percentage of people attending environmental education programs who changed their behaviours as a result.....	36
20 Percentage of development recommendations which have attracted negative responses from the community .....	37
21 Percentage of developments audited in full compliance with approval conditions .....	37
22 Key efficiency performance indicators .....	38

## Letter to the Minister for Environment



To the Hon. **Bill Marmion**  
**Minister for Environment**

I have pleasure in submitting the 22nd Annual Report on the operations of the Swan River Trust for the period 1 July 2010 to 30 June 2011, in accordance with the *Swan and Canning Rivers Management Act 2006* and *Financial Management Act 2006*.

A handwritten signature in black ink, which appears to read "Jim Freemantle". The signature is written in a cursive style.

**Jim Freemantle**  
**Chairperson**  
**23 September 2011**

## Chairperson's report

The Swan River is continually lauded as one of Perth's most important icons. The community in turn expects increasingly high levels of care for the Swan Canning Riverpark environment, and I am pleased to reflect on the Trust's commendable efforts this year to meet those standards.

The Trust has been involved in significant development projects this year including the Waterbank Project near the Causeway, structure planning for the Burswood Peninsular, and the redevelopment proposed for the Belmont Racecourse site. These processes ensure that development occurs with consideration to its natural and built environment and that opportunities are provided to connect the river to the city in innovative ways.

In May, the Trust took to the foreshores to learn more about the people using the Riverpark. A survey of 400 river users at 12 sites aimed to create a picture of who is using it, what they are using it for and what they think about how it is being managed. It found: 41 per cent of people recognised they were in the Riverpark and the majority stated they were satisfied with the level of facilities available to them; more than 8 out of 10 were satisfied with the activities, facilities and locations of facilities on the Riverpark; 90 per cent were from the Perth Area; and 54 per cent were regular visitors to the Riverpark on a weekly or a daily basis. This survey will be repeated over the next two years to identify trends and get a sense of how the Riverpark can be improved for recreational use.

Dolphin health is, as always, of paramount importance to the Trust. Our joint investigation into the death of six river dolphins in 2009 made significant headway when the presence of the morbillivirus, a disorder of the immune system, was found in two of the three dolphins tested. While it is not yet known how the dolphins contracted the virus, our contribution to the Chief Scientist's investigation continues. The Trust is also working with other state agencies and research institutions to improve its understanding of the interplay between the estuaries and dolphin health.

It has been a hard season on our rivers, the driest on record, and the Canning in particular was adversely affected. For the first time, the Kent Street weir boards remained in place throughout 2010 due to extremely low rainfall. Without adequate stream flow in the Canning to hold back the salt water downstream of the weir, there was a high likelihood that it would move into the freshwater system upstream if the boards were removed. Unprecedented weather conditions are posing new challenges for river management and I am thankful to see the Trust staff making critical decisions for the health and longevity of our rivers.

A new policy was implemented this year to better manage private dinghies and small boats stored along the shoreline of our Riverpark. Rising dinghy numbers were affecting the health and amenity of some parts of the river, so the Trust teamed up with local governments to put a flexible management plan in place that allows foreshore managers to appropriately enforce their area.

The Trust is continually improving its scientific knowledge to ensure the most effective delivery on water quality, park management and estuary health. We have established a new technical advisory panel to give the broadest base of relevant expertise possible – and not just in aquatic ecology – but in law, planning and social science as well. We are also building a priority research framework so we have better coordination and integration of that science effort. It is critical that the relationship from science to management remains when it comes to the transfer of information.

Looking ahead, the emphasis of the Trust's effort is to acquire expertise nationally and internationally to measure the health of the Swan and Canning rivers in meaningful ways. We want to assess the effectiveness of other river strategies and look at implementing new methods to improve river health and amenity.

We acknowledge the efforts of the West Australian Local Government Association and the local governments themselves who formed the Swan Canning Policy Forum - otherwise known as the C21 - and the work they have done with the Trust.

Thanks also go to our regional and sub-regional National Resource Management partners, without whom this business simply could not continue. The 33 sub-regional NRM groups involved in the catchment area have been particularly instrumental in the successful delivery of a number of Riverbank projects.

The Board recognises the significant contribution of outgoing members Carolyn Jakobsen for her four years of work with the Trust, and Dr Jane Chambers who retired from her position on the Board in November 2010. Swimming champion Shelley Taylor-Smith and Perth-based businessman Hamish Beck were appointed in June 2011, both of whom I am sure, will bring considerable depth to the Board's expertise.

With the Commonwealth Heads of Government Meeting in Perth in October, the Trust is excited to be showing off our glorious river to international delegates. It is with great pride and confidence that we welcome our guests to Perth and see to it that their expectations are met.



Jim Freemantle  
Chairperson

23 September 2011

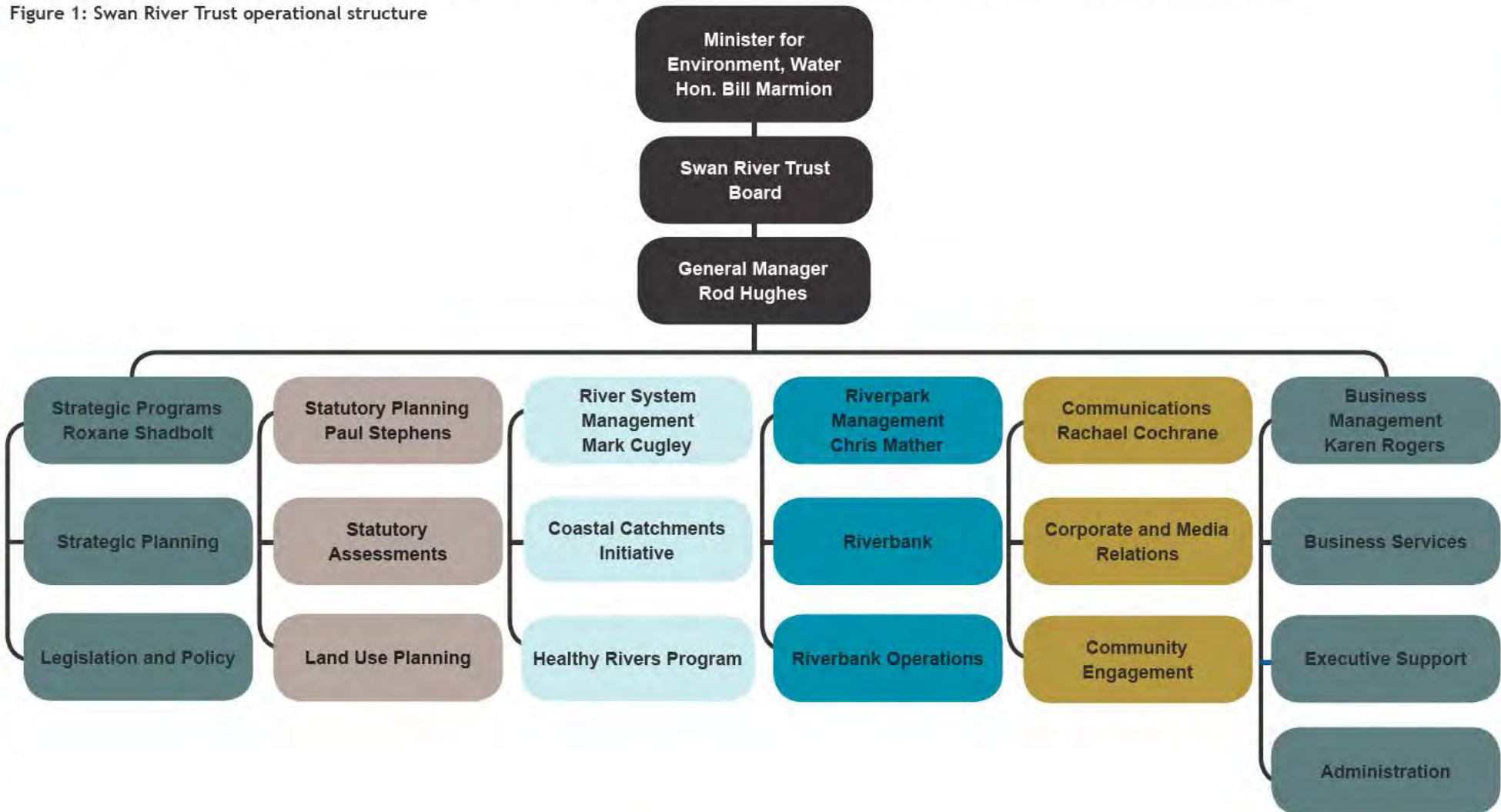
# Overview of the Agency

## Operational structure

### Executive management team

The day-to-day functions of the Trust are overseen by an executive management team, which is comprised of the General Manager and the branch managers.

Figure 1: Swan River Trust operational structure



## The Swan River Trust Board

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

### **Mr Jim Freemantle, Chairperson**

Mr Freemantle holds a Bachelor of Economics and Master of Administration from Monash University. He is a Fellow of the Australian Institute of Company Directors and a Senior Fellow of the Financial Services Institute of Australia. He previously held senior positions in banking and corporate consulting. Mr Freemantle was reappointed to the Trust Board in September 2007, appointed Chairperson in March 2009, and reappointed Chairperson for a term of one year from June 2011.

### **Dr Jane Chambers, Deputy Chairperson**

Dr Chambers is a Senior Lecturer in Aquatic Ecology in Environmental Science at Murdoch University. She has more than 25 years' experience in research relating to algal and aquatic plants, nutrient dynamics and eutrophication of freshwater and estuarine systems. She has also been active in developing technology for the creation and restoration of wetlands and riparian vegetation. Dr Chambers was reappointed to the Trust Board in September 2007 and appointed Deputy Chairperson in March 2009. Dr Chambers retired from the Board in November 2010.

### **Carolyn Jakobsen**

Ms Jakobsen is completing her postgraduate (PhD) studies at Murdoch University and is a former member of the University Senate. She has been a community and consumer activist in the Perth metropolitan area for more than 30 years, and has chaired the Board of the Women's Health Care Association among others. Ms Jakobsen was appointed to the Trust Board in September 2007.

### **Cr Dudley Maier**

Cr Maier (City of Vincent) is the Western Australian Local Government Association nominee. He holds a Bachelor of Science degree from the Australian National University and has served as committee member and community representative on a number of bodies including the Water Corporation Customer Advisory Council and Claise Brook Catchment Group. Cr Maier was appointed to the Trust Board in September 2007 and reappointed for a term of one year from June 2011.

### **Jan Star AM**

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

### **Mr Mick Poole**

Mr Poole holds a Bachelor of Science degree in agriculture from the University of Western Australia and is a Fellow of both the Academy of Technology Sciences and Engineering, and the Australian Institute of Agricultural Science and Technology. He has had a distinguished career in agriculture. Mr Poole was appointed to the Trust Board in May 2008, and reappointed as a member and as Deputy Chairperson for a term of three years from June 2011.

### **Ms Vanessa Davies**

Ms Davies has traditional links to the Wongai and Noongar people in Western Australia. She has comprehensive executive management experience in government relations, justice, employment and education, health, community and Indigenous relations. In 2000, Ms Davies completed a postgraduate Masters Degree in Management and Leadership at Curtin University. Ms Davies was appointed to the Trust Board in December 2009.

### **Mr Tony Evans**

Mr Evans is General Manager and Secretary of the Western Australian Planning Commission. He is a qualified accountant with a Bachelor of Business and Diploma in Education, and has extensive commercial and corporate governance experience in the property, resources, education and not-for-profit sectors. Mr Evans was appointed to the Trust Board in November 2009.

### **Mr Hamish Beck**

Mr Beck is managing director of Beck Advisory, a property development advisory and asset management business. He is a board member of the Art Galley of Western Australia, Chairman of the Art Gallery Foundation and a Board Member of the Architects Board of Western Australia. Mr Beck was appointed to the Trust Board in June 2011.

### **Ms Shelley Taylor-Smith**

Ms Taylor-Smith is director and founder of a consulting company. She is a qualified trainer in Neuro-Linguistic Programming and works as a motivational teacher, keynote speaker, business trainer, coach, workshop facilitator and author. She is patron of the Esther Foundation for young women and is involved in many swimming and athletic organisations. She was appointed to the Trust Board in June 2011.

# About the Swan River Trust

## Our purpose

To work with others to protect the Swan Canning Riverpark and enhance its ecological and community benefits and amenity.

## Our vision

Our vision is a healthy river for all forever, which is resilient to climate change, population and development pressures and enjoyed, shared and nurtured.

## How we function

The Trust operates in accordance with the state government goals. Its 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. It operates under the *Swan and Canning Rivers Management Act 2006* (the Act) and its 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 the ecological and community benefits and amenity of the Riverpark, and mechanisms for evaluating the achievement of those targets;
- coordinate and promote the development and implementation of strategic documents defined by 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; river foreshores; the protection and public use of land and waters; and the 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 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 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.

Figure 2: Community values

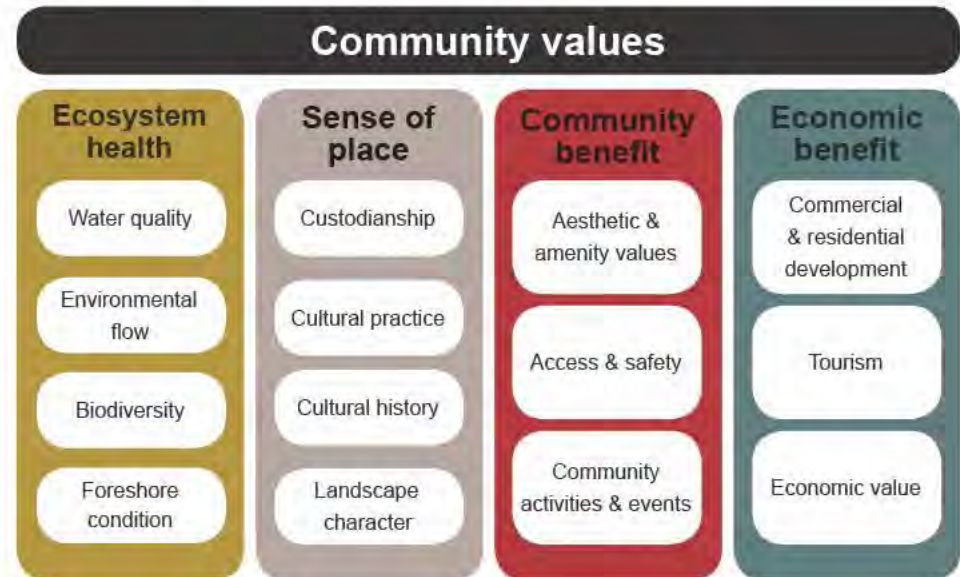




Figure 3: Management framework

# MANAGEMENT FRAMEWORK

Swan and Canning Rivers Management Act 2006

Values/targets



# Agency Performance

## Report on operations

### Service 1: Environmental management

The environmental management service is delivered by the River System Management branch to improve our understanding of the rivers' function and health.

#### Healthy Rivers Program

The Healthy Rivers Action Plan (HRAP) was delivered for the third year, using \$1.418m of \$3m in funding provided by the Burswood Park Board for Trust management projects. During the year an event was held to provide an update on the progress of actions for the HRAP to all stakeholders and the second community report was released in November 2010.

#### Swan Canning Water Quality Improvement Plan (SCWQIP)

SCWQIP implementation is being funded by the state government through State Natural Resource Management (NRM) priority funding of \$3.29m and Australian Government Caring for our Country program funding of \$2.5m. A steering committee chaired by the Trust and comprising representatives from the departments of Water, Environment and Conservation, Planning, and Agriculture and Food WA, Water Corporation, Western Australian Local Government Association and Perth Region NRM has been established to oversee the plan's implementation.

Planning for a trial to determine the effectiveness of several soil amendment products at reducing phosphorus leaching on sandy soils is underway. Each product will be trialed at different application rates and testing will be done on soil and water chemistry and plant productivity. The trial, to be run in partnership with Department of Agriculture and Food WA, ChemCentre, Department of Water and others, commenced in Ellen Brook in July 2011 and is expected to be completed in December 2012.

The Trust in partnership with Murdoch University is quantifying the effectiveness of riparian best management practices (BMPs) in stopping nutrients entering waterways. The investigation will look at the effectiveness of fencing and riparian vegetation on sandy and duplex soils in the Ellen Brook catchment. This project is scheduled for completion in December 2012.

Details of other SCWQIP projects are provided in the following program updates.

#### Non-nutrient Contaminant Program

Following completion of the three-year Non-nutrient Contaminant Program (NNCP) in 2009, the Trust is working with the Department of Water to further investigate the priority locations of Claisebrook and Bull Creek. Consistent with the National Water Quality Management Strategy, sediment at these sites was tested to determine whether contaminant concentrations are affecting ecosystem health. Reports from this work are due to be released shortly.

Ongoing NNCP work being undertaken in 2011-12 will use passive sampler technology to identify sources of polychlorinated biphenyls (PCBs) in the estuary. It also focuses on identifying any sources of ongoing contamination and its effects on biota in Claisebrook. Additionally, there will be a focus in 2011-12 on the Canning River in the vicinity of the Kent Street weir. For the first time since the construction of the weir in 1927, the weir boards were left in place throughout the 2010 winter due to lack of rain. The impact of a lack of a flushing period for the river upstream of the weir was investigated during 2010-11 and these studies will continue through 2011-12.

In addition to fielding a range of questions on contaminants from the public, media and local government, the NNCP also introduced a drain stencilling program in the City of Vincent to increase awareness of the impacts of poor water quality entering our drainage system. This drain stencilling program will be expanded to more areas within the catchment in the coming year.

## Healthy Catchments Program

The program provides support to sub-regional NRM groups in the Swan Region to coordinate community projects that reduce the amount of nutrients entering the Swan Canning river system. This year \$450,000 was provided to sub-regional NRM groups.

The Southern River Living Stream project has commenced along a section of Williams Road Main Drain in the Southern River Catchment. The project design has been completed, 80m<sup>3</sup> of sediment has been removed from the drain and two riffles and a swale have been installed. Weed control and site preparation have been completed across the site in preparation for the planting season.

An extensive fencing and revegetation project was completed in the Ellen Brook Catchment enabling nine kilometres of waterways to be fenced and protected from stock. A total of 80,000 plants were installed into riparian areas to manage erosion and to act as a filter/buffer zone and a further 40m<sup>2</sup> of sedge beds planted at the Ellen Brook confluence. School children, Department of Defence personnel and members of the local community attended a number of planting days to participate in the revegetation projects.

The Light Industry Audit program is administered by Perth Region NRM in partnership with local governments. This project targets light industrial precincts with a focus on minimising the discharge of pollutants into waterways and ground water. There have been 1,740 audits carried out in the industrial areas of Welshpool, Belmont, Bickley and Malaga.

Figure 4: Swan and Canning rivers sampling map

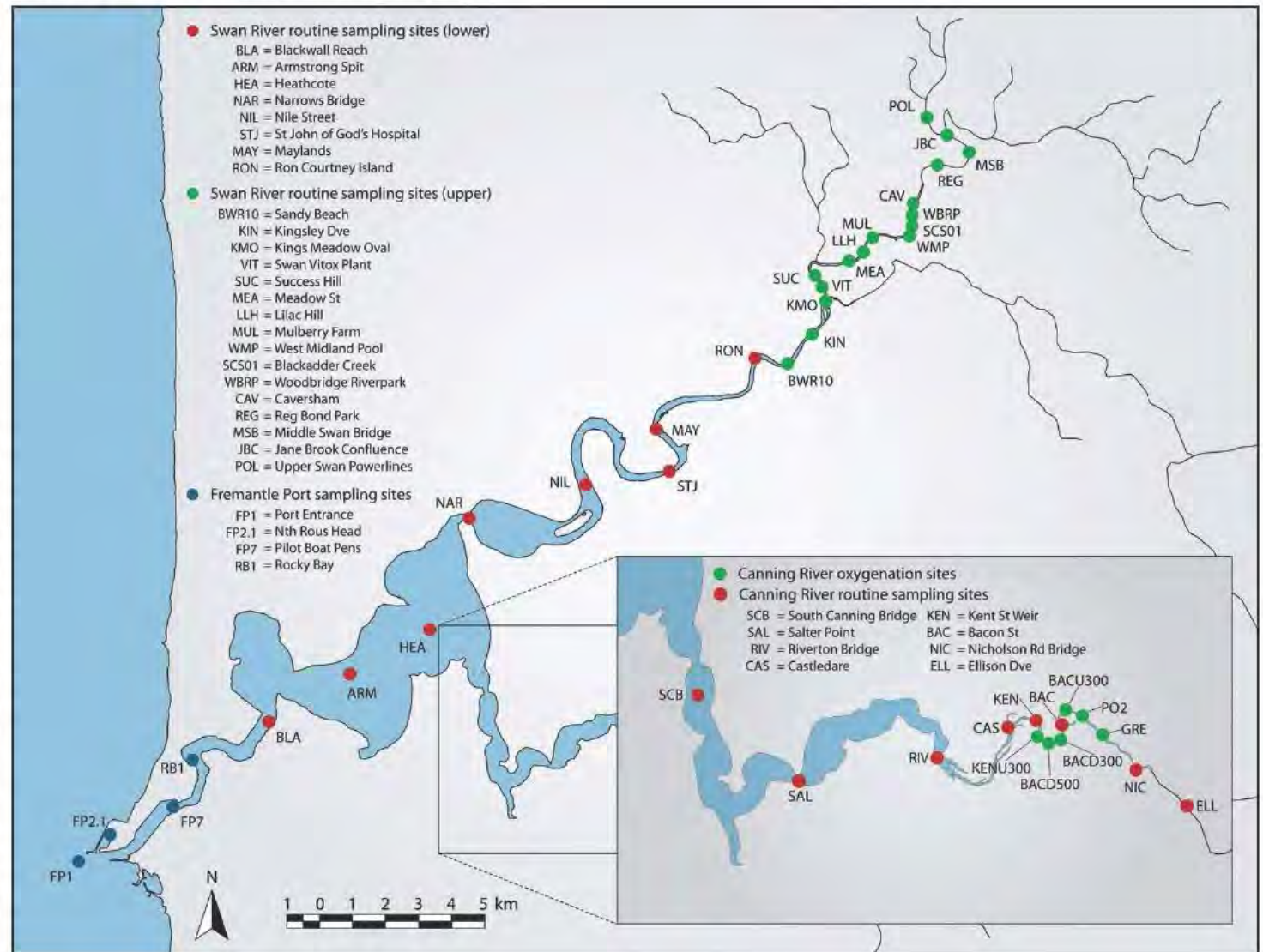
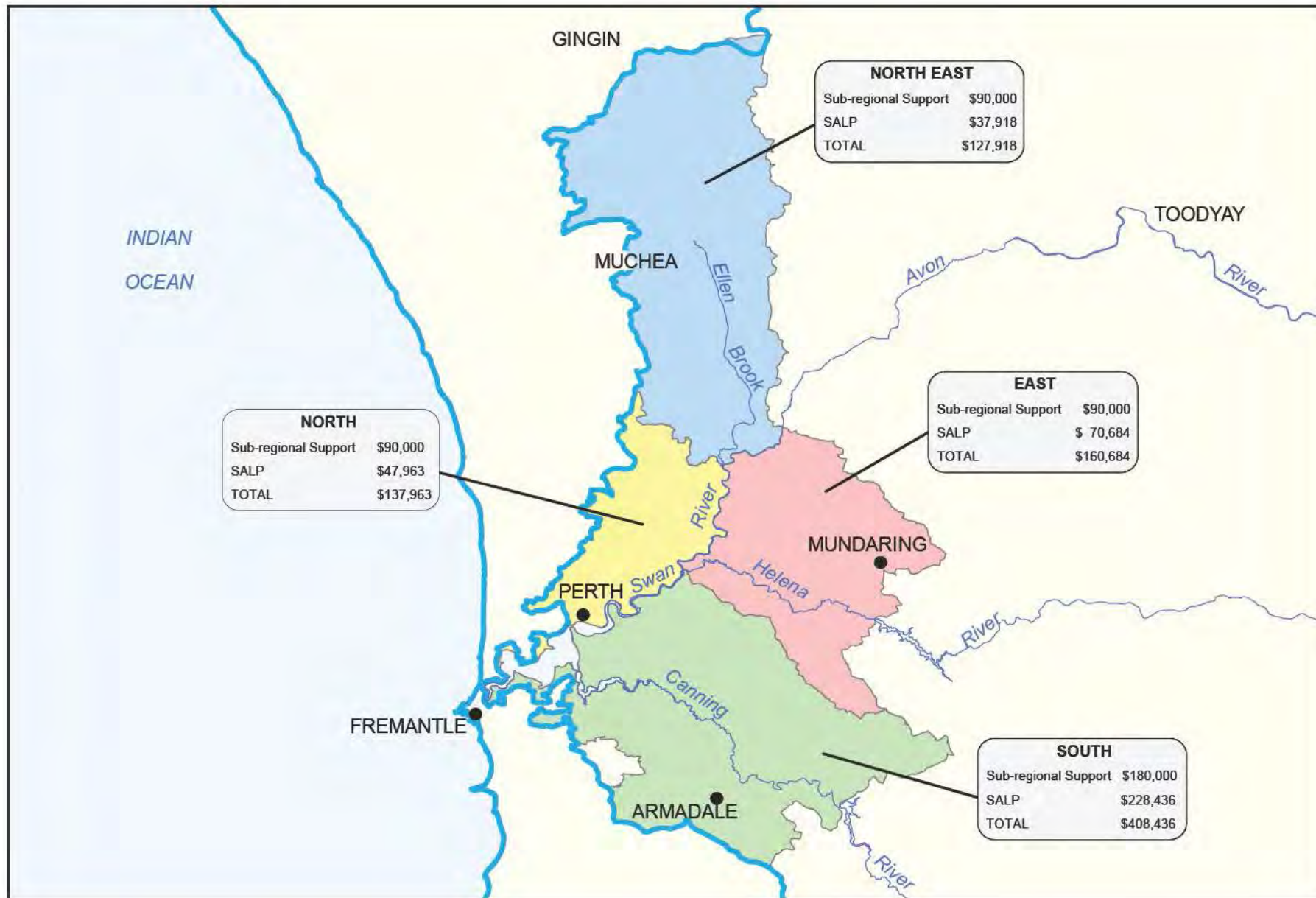


Figure 5: Swan Canning Catchment sub-regional support and Swan River Trust and Alcoa Landcare Program (SALP) funding



## Local Water Quality Improvement Plan

Using the same framework as the SCWQIP, the Trust is developing and investing in Water Quality Improvement Plans (WQIPs) for priority catchments and those that do not meet long-term water quality goals as indicated by the SCWQIP predictive modelling. WQIPs were completed for Bennett Brook, St Leonard's Creek and Bannister Creek and project briefs for implementing WQIP actions were developed for other catchments. A WQIP Progress Report for 2008-09 and 2009-10 was released providing an update on status of the nine WQIPs developed to date.

## Swan River Trust and Alcoa Landcare Program

The Trust and Alcoa Landcare Program (previously known as the Swan Alcoa Landcare Program) is administered by Perth Region NRM on behalf of the Trust and Alcoa Australia Limited.

The program provided \$385,000 to implement 38 on ground restoration projects in the Swan Canning Catchment. Of that, \$341,319 was allocated to projects to achieve improved water quality outcomes. Since joining the program in 1999 the Trust has provided more than \$2.75m to the program, contributing \$250,000 this year.



## Oxygenation

The Swan and Canning rivers typically experience low oxygen levels in summer and autumn. This is caused by the breakdown of organic matter and is recognised as a major cause of nutrient release from river sediments which in turn causes loss of ecological function and increases the risk of fish deaths. The Trust now operates four oxygenation plants in the river system to combat these problems.

During 2010-11, the fourth oxygenation plant was constructed on the Swan River at Caversham. Early testing has shown this plant has an impact on at least five kilometres of river and when operated in conjunction with the existing oxygenation plant at Guildford, the upper Swan River should become a healthier environment.

Low winter rainfall and a long dry summer saw the oxygenation plants operated over a much longer period and water with greater salinity than typically experienced. During this period of environmental stress, the oxygenation plants proved to be a critical river management tool.

## Drainage Nutrient Intervention Program (DNIP)

The Urban Water Research and Development Technical Advisory Group, on which the Trust is represented, produced a draft plan to identify current research, research gaps and priorities.

A study investigating the feasibility of an Ellen Brook end-of-catchment nutrient stripping wetland treatment system has been commissioned. The study, which includes a literature review, a pilot trial of a nutrient stripping filter system and site investigations, will develop a final design based on stakeholder consultation. Should the intervention be deemed feasible, funding has been secured to construct the wetland and associated treatment system in 2012-13.

The Anvil Way Compensation Basin Restoration and Living Stream Project saw the removal and treatment of contaminated sediment, earthworks and revegetation to improve water quality and the environmental condition at this once degraded compensation basin site.

Monitoring, evaluation and maintenance continued at DNIP sites in the Canning Plain, Central Belmont and Ellen Brook catchments.

## River Science

The Swan Canning Research and Innovation Program continues to build on the scientific knowledge underpinning the management of the Swan and Canning rivers. Many of the projects established as part of a collaborative grants program 2007-09 have been completed and project results were made available through the Trust website and a Trust feature session at the 13<sup>th</sup> International River *Symposium* held in Perth in October 2010. New projects established this financial year have focused on the development of indicators and approaches for monitoring estuarine health and condition.

Following the death of six dolphins in the Swan River in 2009 and public concern over estuarine health, the Minister for Environment established a Dolphin Health and Estuarine Working Group and provided additional funds for research into dolphin health and ecology in the Swan Canning Riverpark.

The Trust subsequently entered into a partnership with Murdoch University, a priority of which was to analyse outstanding 2007-09 dolphin tissue samples. These results have since determined that two of the six dolphins were infected with morbillivirus which affects a mammal's immune system and its ability to resist other stressors and fight off infection. The presence of the virus in the other dolphins that died cannot be ruled out with results from one of these Swan River dolphins still pending. The presence of morbillivirus could explain why there was so much variation in the symptoms that have been observed among the dead dolphins, with it being possible that morbillivirus acted in concert with other stressors to affect the dolphins. This was the first time morbillivirus has been found in Western Australian marine mammals and is only the second confirmed case in marine mammals in Australia.

The remains of one deceased juvenile dolphin was retrieved from the river in the 2010-11 year and this animal was too decomposed for the cause of death to be determined or for viral assays to be undertaken.

The Trust has continued to provide input to the Dolphin Health and Estuarine Working Group chaired by the Chief Scientist of Western Australia, Professor Lyn Beazley.

A State NRM funded project on pearl cichlid distribution in Bennett Brook, adjacent tributaries and the Swan River was completed in October 2010. The project determined that this species was capable of rapidly colonising new and variable habitats including the saline reaches of the upper Swan-Canning Estuary and its tributaries. The study suggested that breeding individuals in that population were currently restricted to the lake system at Altone Park and the Altone Park Golf Course and provided biological information to focus eradication efforts as well as recommendations for the most appropriate methodologies in a given habitat. During the course of the project community reference and educational material was produced and the Cichlid Management Group was re-established as a reference group for management and control of this species.

Fremantle Ports' inner harbour and channel deepening project was completed in April 2011. Active dredging was undertaken in three phases commencing January 2010 and the Trust was involved in reference groups and providing support during various stages of the project.

### Phoslock™ application to the Canning River

Phoslock™ is a locally-developed modified clay that removes nutrients from the water column and sediment. It was applied to a 2.5 kilometre stretch of the Canning River upstream of the Kent Street weir in 2002 to reduce the availability of nutrients to algal blooms. The lack of any significant algal blooms in the upper Canning since 2002 is attributed in part to this Phoslock™ application which was repeated in February 2010. This most recent application was monitored in 2010-11 in the context of the Kent Street weir boards remaining in place for the first time since the weir was constructed in 1927. This was due to unprecedented high tides which allowed salt water intrusion upstream of the weir as far as the Royal Street Bridge (approximately seven kilometres). The results of this saline intrusion on Phoslock™ (which was not designed to work in marine conditions) will be reported in late 2011.



Tony McDonough

## Environmental flows

The Helena River has two water storages along its length, the Mundaring Weir and the Helena Pipehead Dam, which supply water to the goldfields. Over the last two summers, the Trust has worked with other agencies and researchers to monitor fish and macroinvertebrates in some of the permanent pools in the Helena River to determine their ecological value as refuge for river fauna.

The results of this study encouraged the Department of Water and Water Corporation to undertake regular but small water releases from the Helena Pipehead Dam to ensure that pools up to 1.5 kilometres downstream of this dam provided refuge for aquatic and terrestrial fauna throughout the summer. Monitoring of fish and macroinvertebrate fauna using these pools will continue into 2011-12, culminating in a report which will provide an insight into the importance of this environmental water release project for the Helena River.

## Environmental monitoring

Each year, the Trust provides funds to the Department of Water to undertake weekly monitoring of the Swan and Canning estuary. Between 25 and 50 water samples (depending on the condition of the system) are collected from the estuary each week and subject to a range of water quality analyses including nutrients, temperature, salinity, chlorophyll-a (algae) and dissolved oxygen. Samples are collected across a range extending one kilometre upstream of the Jane Brook confluence on the Swan River, to the top of the Kent Street weir pool (near Ellison Drive) on the Canning River, and downstream to Fremantle.

In addition to the estuary sampling, the Trust provides both state and federal funding to the Department of Water to monitor the water quality within all 31 sub-catchments that feed into the Swan and Canning system. Catchment data is collected fortnightly when there is water flowing in the system.

Data collected in the environmental monitoring program helps the Trust to target specific areas within the catchment that require particular actions to determine the effectiveness of the management initiatives we already have in place. It also allows us to provide timely warnings about potentially hazardous conditions (such as harmful algal blooms) and improves our long-term understanding of the way the system functions.



Tony McDonough

## *Service 2: Communication of environmental information*

The Communications service enhances community social responsibility so that the community is motivated to be part of the process to help to look after the Riverpark.

The service aims to foster a community that is committed to helping protect the Riverpark and support the Trust in river management. This is done through programs to increase public understanding of the Swan and Canning rivers, encourage the community to take action to improve Riverpark health and build custodianship, respect for cultural significance and sense of place.

Global social science research has proven that the community is more likely to be part of solving environmental problems when it understands the issues and has a part to play in applying the solutions. Effective communication and community engagement is a critical aspect of the Trust's work.

### **Media and corporate relations**

While the Trust maintains a steady flow of information through traditional media channels, its social networking strategy has entered its second year. The Trust continues to grow its Facebook and Twitter presence, and has also established a YouTube channel.

### **Website**

The Trust's website continued to expand its influence with an average of 3814 hits per month. This is an increase of 47 per cent since last year. The River Science section was the most visited section of the website, followed by Planning.

The program focused on integration across communications media. Trust media releases and articles were simultaneously posted on the website. Facebook and Twitter referred 817 visits to the Trust website during the year. The Trust's website and social media were consistently promoted in newsletters, media releases and feature articles.

A new interactive Riverpark recreation map was launched in August 2010. Work to redevelop the website is in progress.

The River Guardians website was relaunched in July 2010. Further development throughout the year included a photo gallery, dolphin observation map and online monitoring form for the Dolphin Watch project.

Work continues to redevelop the Trust and River Guardians websites so that they give visitors the information they need more quickly and easily.





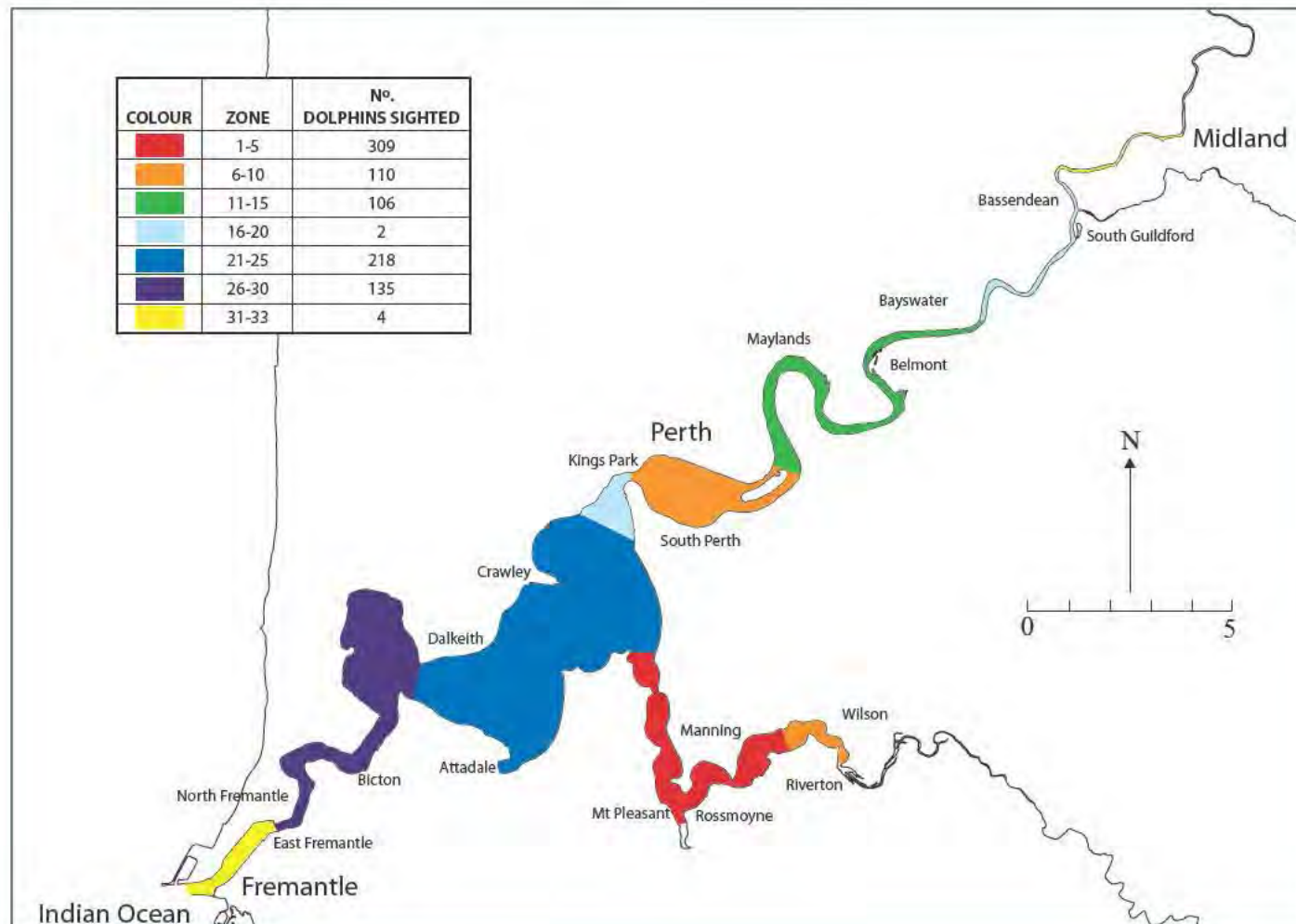
## Community engagement

### River Guardians

River Guardians now has 1050 members, an increase from 776 in 2009-10. There were 37 events held attracting 2122 attendees, working with 47 stakeholder groups, an increase from 689 attendees across 18 events in 2009-10. Five project partnerships have also been developed to provide benefits to River Guardian members and strengthen relationships with the community.

The River Guardians Dolphin Watch project flourished in its second year, with 202 trained volunteers now involved. The project attracted 43 new volunteers with the fifth round of training and celebrated its second anniversary in May with Dolphin Watch Day. The event included awards for volunteers and the release of results from the second year of monitoring.

Figure 6: Dolphin sightings



## Swan Canning Catchment Schools Project

The Trust's Ribbons of Blue program was expanded with the introduction of a new part-time Ribbons of Blue Officer position in January 2011. This allowed the program to grow its activities to actively engage with 4794 students and 601 teachers from 71 schools, organising 57 activities and interacting with 12 community groups. This is an increase from 4440 students, 557 teachers and 45 activities in 2009-10.

The Trust launched the River Rangers Pilot Program in partnership with the Department for Communities in September 2010. A training manual was completed and five schools are on board. A cadet leader workshop was held in April 2011 which enabled feedback on training, networking and the exchange of ideas.

In October 2010, 69 students from 15 schools took part in the inaugural Swan Canning Riverpark Youth Forum, which was held in conjunction with the 13<sup>th</sup> International RiverSymposium and Millennium Kids. At the end of the forum the students came up with recommendations that were presented by two St Hildas' pupils to over 500 delegates at the RiverSymposium at Burswood.

## Great Gardens

The Great Gardens Workshop program hosted 28 Trust-funded workshops attended by 2,269 people. This is an increase from 2009-10, when 28 workshops were attended by 1,939 people.

The Great Gardens team leveraged another 57 workshops attended by 6255 people funded by other sponsors.

Participants' surveys and the home audit program revealed that 67.5 per cent of attendees changed their behaviour as a result of attending a workshop, which has decreased from last year's behaviour change rate of 80 per cent. Reasons for this are outlined in the key performance Indicators section of the annual report. The surveys revealed 37.5 per cent of attendees using less fertiliser since attending a workshop and a further 22.5 per cent switched to the use of slow-release fertiliser.

## Phosphorus Awareness Project

The Phosphorus Awareness Project conducted nine displays and 12 community presentations reaching 2330 people, 129 school presentations to 3865 students and eight student planting sessions. The project also organised the annual Dance of Science Community Fair, which attracted more than 1000 people and completed the local government Annual Nutrient Survey.

Community engagement programs apply across all management areas and have included, as a response to the introduction of legislation and regulations, support to the Healthy Rivers Action Plan, the Boating Management Strategy, the Riverbank Program and the development of the draft River Protection Strategy.



## Service 3: Statutory assessment of development

The Statutory Planning service ensures land use planning protects and enhances Riverpark values and meets community demands.

The review of the Trust's Development Control Area (DCA) is nearing completion. The review corrects anomalies where the DCA does not correspond to Metropolitan Regional Scheme (MRS) parks and reserves, cadastral or rational boundaries. The Trust has updated and determined the final alignment of the DCA boundary, having regard to the submissions made by affected local governments. The Riverpark boundary has been

under review to ensure consistency with the new DCA alignment. Both the DCA and Riverpark boundary will be formally gazetted in the forthcoming year.

The review of the Swan and Canning Rivers Management Regulations 2007 has continued with several drafts of new regulations having been prepared by Parliamentary Counsel and analysed by the Trust. The amended regulations will streamline several approval processes and make the assessment process more efficient for both the Trust and applicants. It is expected that the amendments will be finalised in the first half of the 2011-12 year.

Figure 7: Swan River Trust Development Control Area



## Statutory assessments

The Trust deals with assessment matters in several statutory streams defined by the Act, the Swan and Canning Rivers Management Regulations 2007, and the MRS. When requested by the Department of Planning, the Trust also provides advice in relation to subdivision applications made under the *Planning and Development Act 2005*.

This year 324 applications were assessed relating to subdivision and to development in, or next to, the Trust DCA. Of these, 312 were approved or recommended for approval by the Minister.

## Major proposals considered

The Trust has recognised the high priority accorded to the Perth Waterfront Development as a major government project and is committed to providing resources to support the Perth Waterfront Taskforce and the officers working group.

The Trust has provided advice in relation to the investigative and forward works for the East Perth Redevelopment Authority's Waterbank development next to the Causeway. It has also been involved in providing advice and support to other government agencies in relation to the Great Eastern Highway widening project and provided critical analysis of the redevelopment proposal for the Old Mill site in South Perth next to the Narrows Bridge.

## Planning policy and strategies

The review of Trust development control policies continued through the year with the finalisation of policy revisions concerning cafes, restaurants, tearooms, and jetty structures. These policy statements are important to guide developments and the Trust in the assessment process. Reviews of policies on development setback, dredging, car parking, and sea level rise due to climate change were also instigated. The public consultation process for the stormwater management policy was carried out and it is expected that the policy will be finalised in the 2011-12 year.

During the year the Statutory Planning branch has been heavily involved in the issue of the disposal of dewatering discharge from development sites to the river. The Trust has commenced a discussion paper which will include input from industry and river science experts to examine the issue and assist in future decision making.

Consultation on the Nutrient Offset Policy was completed and the policy has been modified as a result of the submissions received from a range of stakeholders. Further progress on the policy has been deferred while the government considers its position in relation to a more general environmental offsets policy.

The Trust also provided detailed advice to the Department of Water on its draft *Water Monitoring Guidelines for Better Urban Water Management Strategies/Plans* to help ensure that land use planning and development processes include sound water monitoring procedures.

## Compliance and audit

The total number of compliance checks undertaken during the reporting period was significantly increased with 301 actions completed compared with 181 last year. This has been largely due to the effort made in previous years to streamline the system. Checks were undertaken on proposals approved under Part 5 of the Act, by permit under Trust regulations and on developments approved by the Western Australian Planning Commission or local governments adjoining the Trust Development Control Area.

Of the 257 checks made on approvals issued by the Trust, 190 (74 per cent) were found to be in full compliance at the time of inspection, a slight improvement on the previous year when 71 per cent were found to be compliant. There has been an increased presence of Trust officers in the field providing guidance to proponents concerning environmental management issues during the construction process.

## Strategic land-use planning

This year, as part of the Healthy Rivers Action Plan, the land-use planning program:

- provided advice on 20 strategic planning proposals likely to impact on water quality in the Swan Canning river system, including local and regional scheme amendments in the City of Swan and West Perth, and local water management strategies in Bayswater, Henley Brook, Bullsbrook and areas of the Wungong Urban Water Master Plan;
- supported other government agencies in preparing two district structure plans and the associated district water management strategies, including plans for the proposed Hazelmere Enterprise Area and Perth Waterfront Development.

The land-use planning program also worked in partnership with other agencies to build capacity in water sensitive urban design and total water cycle management. The Trust became a partner in the New Water Ways capacity building program and funded the program's new website. The Trust also worked in partnership with other agencies, local governments and universities to help establish a Western Australian node of the national Cities as Water Supply Catchments Research Program in Perth.



Tony McDonough

## Service 4: Riverpark management

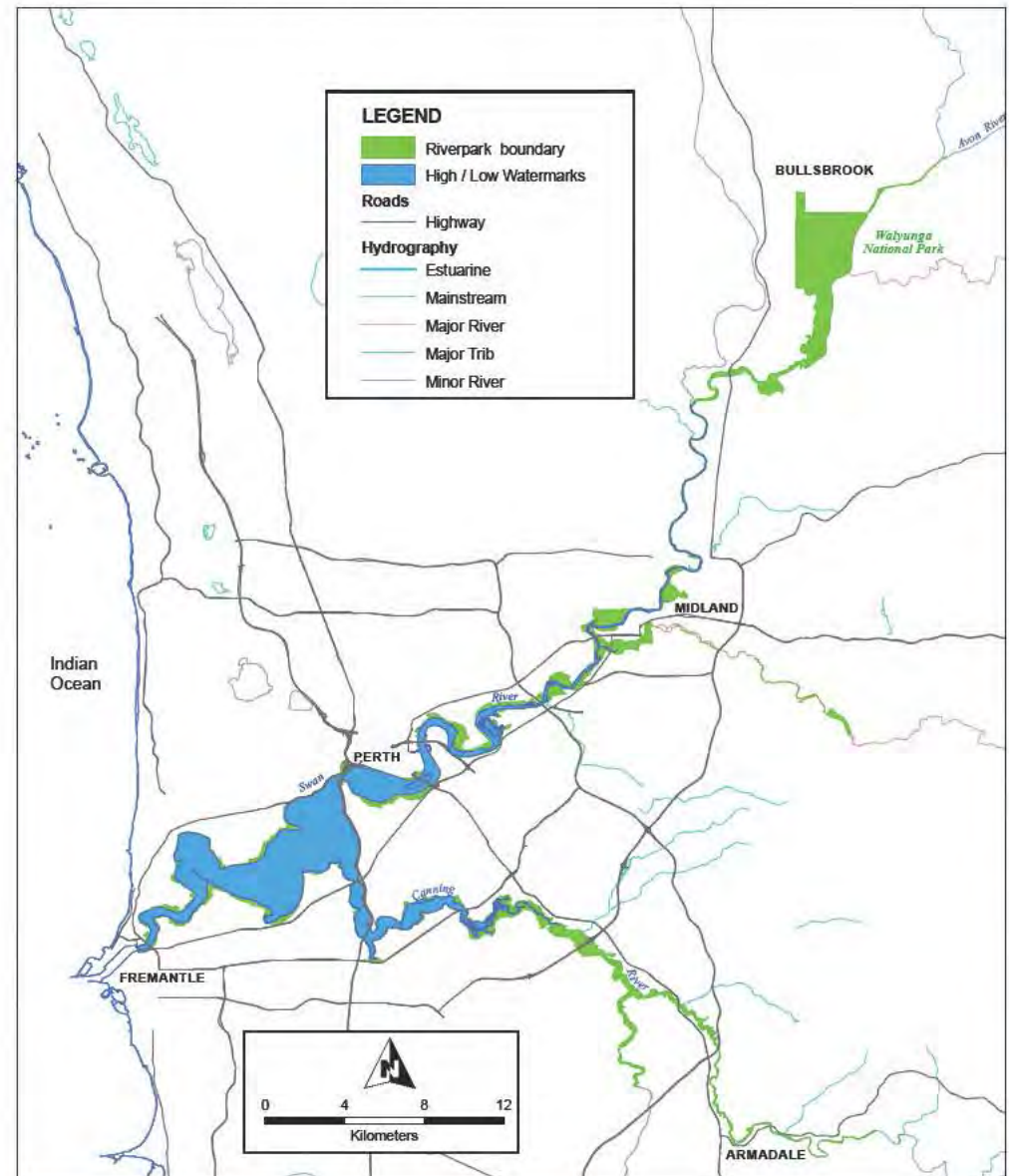
Riverpark management looks after shoreline restoration and operational, recreational and commercial activities to enhance community benefit and amenity of the Swan Canning Riverpark.

The Act establishes the Swan Canning Riverpark as 72.1km<sup>2</sup> of river reserve and adjoining public lands and gives the Trust responsibility as the park management agency.



Tony McDonough

Figure 8: Swan Canning Riverpark



## Boating Management Strategy

This year the Trust continued its focus on implementing recommendations on dinghy storage, boat wash and environmental management in yacht clubs.

The initiative, 'Dinghy Management along the Swan Canning Riverpark Shoreline' was released on 13 September 2010. This project was developed in response to a number of issues associated with storage of dinghies on public foreshores. It prohibits the storage of dinghies on the shoreline unless they are stored in an approved management system. This has been endorsed by a majority of councils in the Swan Canning Riverpark and the Trust is working with local governments in the lower estuary to implement the policy. The Trust will develop a compliance and education strategy in collaboration with the councils.

In November 2010 the speed limit was reduced from eight knots to five knots in the narrow upper reaches of the Swan River in response to the recommendations from the boat wake research undertaken in 2009 in collaboration with the Department of Transport. Trust officers authorised under the *Marine and Harbours Act 1981* undertook dedicated boating compliance operations using a laser speed gun and electronic display sign, primarily to improve compliance with the new speed limit. During the 2010-11 summer boating season, officers stopped 292 boats and issued 20 infringements and 26 caution notices. They also promoted the 'Clean Marine' campaign during this time, distributing promotional material which was well-received by the boating community.

The Trust has worked with yacht clubs and marinas to review and improve Environmental Management Systems (EMS) in line with standard ISO 14001: 2004. This process has seen improvements in EMS documentation and environmental management practices to improve responses to environmental incidents and prevent pollution of the rivers. The focus in 2011-12 will be to undertake audits of systems prior to handing compliance over to the Department of Transport as management agents of the leases.



Photo courtesy of Libby Holmsen,  
2011 River Guardians photography competition entrant

## Iconic Trails Project

The Swan Canning Riverpark Iconic Trails Project has progressed in 2010-11. A steering group was formed which includes foreshore land managers and other stakeholders. The group met three times during 2010-11 and significant data has been collected on projects already being undertaken by foreshore land managers. The first stage of a project to identify significant Noongar sites for interpretation has been finalised. The South West Aboriginal Land and Sea Council (SWALSC) has identified a number of possible sites during this process. What has come to light throughout these consultations is a need for the Trust to improve the way we work with and involve the Noongar community in the care and management of the Riverpark. This work is progressing in a positive manner.

The National Trust of Australia (WA) has been engaged to undertake a heritage audit of the European, Noongar and environmental heritage values of the Riverpark which will be used to develop an interpretation plan for the trails.

### Events, complaints, incidents and enforcement

The Trust responds to complaints and incidents in the Riverpark and takes action as appropriate. This year the Trust responded to 225 complaints, compared with 271 last year. General complaints fell from 82 in 2009-10 to 46 in 2010-11. The number of incidents recorded under the categories of 'algal blooms', 'aquatic deaths' and 'sewage spills' were also significantly less this year compared to last year.

Damage to Riverpark vegetation by landowners trying to improve the view remains a problem. A total of four signs were installed at three sites during 2010-11 compared with nine sites in 2009-10, which may be attributed to the effectiveness of the vegetation damage strategy.

Two prosecution briefs were submitted to the State Solicitor's Office for consideration in 2010-11 and the Trust is awaiting advice on these. Both briefs are for cases involving damage to vegetation on private property, but within the Trust's Development Control Area.

Riverpark officers also commenced a program to identify and address cases where private property encroaches into the Riverpark. This is particularly prevalent in the upper reaches of the Canning River, and a compliance strategy is being developed to tackle this issue in an holistic manner.

**Table 1: Complaints and incidents summary**

Algal blooms	2
Aquatic deaths	10
Chemical spills	3
Destruction of vegetation	42
Foaming	4
Foreshore damage	1
General complaints	46
Herbicides/pesticide spraying	3
Industrial discharge/dewatering	5
Offensive odour	Nil
Oil slicks/spills	23
River discolouration	16
Sewage discharge	5
Unauthorised development	9
Waste/rubbish dump	18
Watercraft nuisance	37
Weeds	1
Total	225

Trust officers continue to spend considerable time removing litter and waste from waterways and foreshores. This year there was no requirement for removal of accumulated weed from the shoreline, which can be attributed to the reduced freshwater flows within the estuaries and unusually high tides during summer. A total of 13,985 kilograms of general refuse plus 186 other large items were removed from waterways and foreshores this year.

**Table 2: Summary of materials removed from waterways and foreshores**

Rubbish (kg)	6577 kg
White goods (each)	-
Tyres (each)	46
Drums (each)	7
Signs (each)	10
Vessels (each)	1
Shopping trolleys (each)	48
Fish (kg)	30 kg
Birds (each)	2
Other animals (each)	1
Timber (kg)	7378 kg
Weed (kg)	0
Pallets/crates (each)	20
Chairs (each)	51

The Trust continues to liaise with other agencies (including Water Corporation, Department of Health, and Department of Environment and Conservation) in an endeavour to reduce the impacts of wastewater overflows, and has recently finalised the interagency document, 'Wastewater Overflows Response Procedures'. During major river events, such as the Australia Day Skyworks and Avon Descent, the Trust has a supportive role, helping with event planning and providing logistical support and compliance.



## Riverbank

Since 2002, the Riverbank program has funded 162 river restoration projects and allocated \$8 million through grants, which translates to \$16 million of on-ground works. Projects commenced in 2010-11 are listed below in Table 3.

Additional state government funding provided to the Trust in 2008-09 was used to replace gabion walling in front of the Old Swan Brewery with limestone walling in 2010-11. Replacing a second section of gabion walling in line with Best Management Practice Guidelines was also completed upstream from the Narrows Bridge in collaboration with Main Roads.

The Trust also continued to work with the City of South Perth and Main Roads, on long-term restoration and rehabilitation along the Como Foreshore in South Perth. Works have commenced on the areas between Thelma Street to Cale Street with geotextile sand bags preventing the ongoing erosion issues which has seen the area reduced to only two metres from the shared path. The Riverbank branch has completed a communication and extension plan aimed at ensuring foreshore land managers have access to support, technical information and training through the Trust.

The Trust has finalised implementation of a software-based Asset Management System. This system has been integrated with the Department of Environment and Conservation's information technology network, including Geographical Information System mapping, and will help the Trust establish a proactive river-wide funding process, looking at priority sites across the rivers. A trial assessing the value of built infrastructure has been undertaken and will guide the broad information collection during 2011-12. Once implemented this will also allow appropriate time for asset planning and ensure foreshore land managers are able to plan budgets and match funding accordingly.



Tony McDonough

Table 3: Riverbank Grants Scheme funding recipients

1	City of Swan	Foreshore stabilisation and rehabilitation works in the Swan Riverside Regional Park.	\$173,500
2	City of Gosnells	Revegetation and weed control along the Canning River in Gosnells.	\$34,940
3	City of South Perth	Shore stabilisation, revegetation, weed control and fencing of Milyu Nature Reserve.	\$27,000
4	City of Armadale	Revegetation and weed control along the Canning River in Armadale.	\$37,920
5	DEC	Restoration of ecological integrity and installation of roosts at Alfred Cove.	\$40,360
6	City of South Perth	Maintenance of foreshore erosion control project at Edgewater.	\$10,334
7	Town of Mosman Park	Construction of a groyne and beach renourishment at Mosman Beach.	\$150,000
8	City of South Perth	Salter Point Lagoon foreshore erosion control and revegetation plan.	\$13,371
9	City of Belmont	Foreshore stabilisation at Garvey Park - Section 4.	\$70,306
10	Town of Bassendean	Managed migration, minor nourishment, bio-engineering for flow mitigation and weed control in Success Hill Bassendean.	\$61,000
11	City of South Perth	Restoration of the river wall south of Canning Bridge.	\$195,000
12	City of Canning	Protection of the foreshore at Halophila Bay, Rossmoyne, using log brush mattresses and revegetation.	\$11,014
13	Burswood Park Board	Preparation of a Burswood Park Foreshore Management Plan.	\$28,000
14	City of Fremantle	Revegetation, weed control, rabbit control and supplementary plant watering on the North Fremantle foreshore.	\$16,800
15	City of Nedlands	Stage 3 of Point Resolution restoration including bank stabilisation works and revegetation and erosion control works at Waratah Place.	\$85,580
16	City of Bayswater	Tranby foreshore restoration Section 4.	\$42,400
17	Town of East Fremantle	Planning and implementation of erosion control technique(s) to prevent erosion at Zephyr Café.	\$33,250
18	City of Bayswater	Construction of a revetment wall to prevent erosion at Bath Street.	\$123,062



## Supporting our agency

### Strategic programs

The Strategic programs area implements a planning and policy framework to guide the Trust and others to achieve collaborative, coordinated Riverpark management.

#### **Draft River Protection Strategy**

The Trust has worked with other state agencies and key stakeholders to develop a *Draft River Protection Strategy*, which is a requirement of the *Swan and Canning Rivers Management Act 2006*. The Draft Strategy aims to achieve better coordination and collaboration between management and community organisations and recommend actions to protect Riverpark values. The Trust coordinated the development of the draft Strategy in partnership with 21 local government authorities, 15 state government agencies and over 500 Natural Resource Management groups and community members.

#### **Aquatic Use Management Framework**

The Trust and the Department of Transport are working to produce the Aquatic Use Management Framework. Known as *Sharing the Rivers*, it will promote the safe, equitable and sustainable use of the waterways in the Riverpark into the future. The framework will provide an updated aquatic use plan (similar to the *Swan and Canning Rivers Boating Guide*) and identify processes for future decision making. Key stakeholder consultation was completed in February 2011. Eight forums were attended by a wide range of representatives from user groups and interested individuals. The draft project report is due to be released for public comment in late 2011.

#### **Useability Index**

The Useability Index is being developed as a tool to help the Trust and its partners assess the level of community benefit and amenity of the Riverpark within the foreshore parklands. This will assist in the ongoing monitoring of the recreational value of these assets.

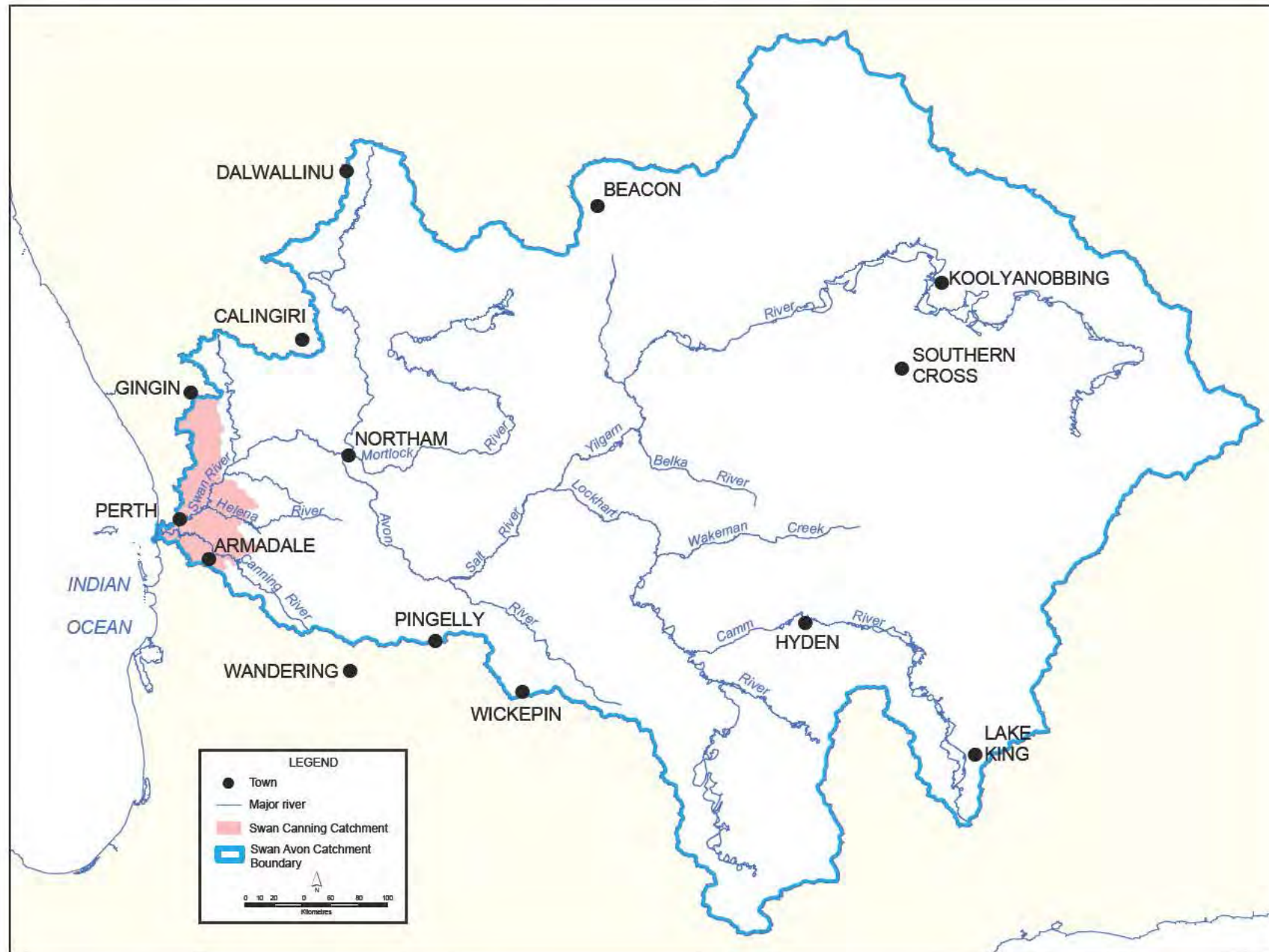
#### **Operational legislative review**

Work is progressing to improve the Trust's response to operational matters by proposing legislative amendments to streamline regulatory and planning approval processes.



Photo courtesy of Nicholas Wood,  
2011 River Guardians photography competition entrant

Figure 9: Swan Avon Catchment



## Business management

The Business management service ensures accountability, good governance and financial sustainability by improving management systems within the Trust.

Work has continued throughout the year to improve the internal financial reporting processes in line with the *Financial Management Act 2006* and the Treasurer's Instructions.

### Reporting requirements

DEC provides the Trust with staff, facilities and corporate services as defined by the *Swan and Canning Rivers Management Act 2006*. The Service Level Agreement between DEC and the Trust has been reviewed and a new Memorandum of Understanding is being negotiated. Outputs pertaining to the DEC disability access and inclusion plan, equal employment, substantive equality, cultural diversity and language services, corruption prevention, youth, compliance with public sector standards and ethical codes applicable to the Trust are incorporated in the outcomes reported in the DEC Annual Report 2010-11.

### Conflict of interest

This year, six Trust members declared a conflict of interest on 11 items which were managed in accordance with established procedures.

### Freedom of Information

There were four requests under the provisions of the *Freedom of Information Act 1992*. For the purposes of the Act, the Trust is a 'related agency' to the DEC.

### Record keeping

Record keeping was centralised to the Trust in 2009-10. The Trust now has an internal Records Information Manual (RIM) and the Record Keeping Plan, including retention and disposal schedules, has been revised and submitted to the State Records Office.

### Public comment

The Trust encourages public comment on river management issues and actively works to provide the community with opportunities to participate in decision making. Public meetings are held to discuss key issues and matters of significant public interest are advertised to seek submissions from the community.

Table 4: Public comments received on significant development applications and management plans

Item for public comment	Letters	Emails	Total
Matilda Bay kiosk	5	117	122
Setback policy	8	-	8

## Advertising and marketing

The Trust does not conduct campaign advertising or marketing and has no budget allocation for this activity. The only Trust advertising this year was for the public comment process for development and management plans as mentioned.

Table 5: Advertising and marketing expenditure

Class of expenditure	Supplier	Consolidated fund expenditure	External fund expenditure
Public comment for development and management plans	Adcorp	\$4,110	
<b>TOTAL</b>		<b>\$4,110</b>	

### Disclosures and legal compliance

The Trust has a Finance and Audit Committee consisting of three Board members, as well as the General Manager and Business Services Manager as non-rating members. The Trust has an exemption from the Department of Treasury and Finance to employ an in-house Chief Financial Officer if there is support by an approved external accountancy firm.

### Ministerial Directions

No Ministerial directives were received during the financial year.

### Capital projects

An office fit-out designed to optimise space was completed this year at a cost of \$60,000.

The Trust took delivery of a replacement front end loader, used for river restoration, weed collection and beach re-nourishment. The total cost after trading in the existing asset was \$223,300.

A contract for the replacement of a tip truck used for a range of operational tasks was placed at a cost of \$216,227.

A contract for a patrol boat to be delivered next year was let at a total cost of \$222,181.

## Employees

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 are included in the DEC Annual Report 2010-11.

### Governance matters

The Trust operates in accordance with Schedule 6 of the *Swan and Canning Rivers Management Act 2006*, the *Public Sector Management Act 1994*, and the DEC Code of Conduct (May 2011). Board members received the following remuneration. Board members who are public servants are not remunerated.\*

Table 6: Swan River Trust Board members' remuneration

Position	Committees	2010-11	2010-11
Chairman Jim Freemantle	Board + 1	Finance and Audit Committee	\$24,639
Deputy Chair Jane Chambers (Resigned Nov 2010)	Board + 1	Chair of Swan Canning Water Quality Improvement Plan Steering Committee	\$7,535
Member Cr Dudley Maier	Board + 2	Chair of Finance and Audit Committee River Protection Strategy Advisory Committee	\$14,777
Member Carolyn Jakobsen (Retired 20 June 2011)	Board + 2	Finance and Audit Committee River Protection Strategy Advisory Committee	\$14,777
Member Michael Poole (Deputy Chair Retired 20 June 2011)	Board + 1	River Protection Strategy Advisory Committee	\$11,336
Member Tony Evans	Board		NIL*
Member Vanessa Davies	Board + 1		\$11,409
Member Jan Star	Board + 1	Chair of Swan Canning Water Quality Improvement Plan Steering Committee	\$7,924

There were 11 Trust Board meetings during 2010-2011.

Table 7: Swan River Trust Board meeting attendance

Member	Total	Attended
Mr Jim Freemantle	11	10
Dr Jane Chambers (Resigned Nov 2010)	11	5
Ms Carolyn Jakobsen	11	11
Cr Dudley Maier	11	11
Ms Jan Star	11	9
Mr Michael Poole	11	11
DPI rep - Tony Evans	11	8
Ms Vanessa Davies	11	9

Table 8: Swan River Trust Board Finance and Audit Committee attendance

Member	Total	Attended
Mr Jim Freemantle	4	4
Ms Carolyn Jakobsen	4	3
Cr Dudley Maier	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 the Minister for Environment.

## Asset management

The carry forward value of Trust property, plant and equipment was \$21,476,579.

## Other legal requirements

The Trust does not conduct campaign advertising.

## Compliance with public sector standards and ethical codes

Trust officers are subject to the DEC Code of Conduct (May 2011) and *Public Sector Management Act 1994*, as required by the Western Australian Public Sector Code of Ethics.

## Government policy requirements

Trust officers are subject to the DEC Code of Conduct (May 2011) and *Public Sector Management Act 1994*, including corruption prevention and substantive equality.

## Occupational safety, health and injury management

The Trust maintains an active Occupational Safety and Health (OSH) committee with representatives from each branch. The committee meets regularly and actively promotes a culture of safety and health in the workplace. There were four Occupational Safety and Health incidents reported, however none of these resulted in a Lost Time Injury. Workstation ergonomic assessments have continued to be undertaken and manual handling training has also been implemented.

OSH is a standing item at weekly executive management team meetings and at staff meetings held every six weeks.



Tony McDonough

## Significant issues and trends

The Swan Canning river system provides a stunning backdrop to Perth, a unique recreational setting for residents and visitors and a habitat for unique wildlife. Bushfires in the upper reaches of the catchments and low rainfall this year have brought attention to pressures on the system which often require long term responses.

### Challenges

- Population growth causing increased demand for riverside residential and commercial development, increased waste and use of the river for competing recreational activities.
- Improving community understanding of problems facing the river and their responsibility in delivering solutions.
- The Swan River drains the large rural Avon Catchment contributing significantly to sedimentation, acidification and nutrient input.
- The Swan and Canning rivers also drain urban land with increasing residential and industrial use contributing to nutrient input, low oxygen levels and non-nutrient contamination.
- Understanding and protecting social and cultural significance of the Riverpark.
- The effects of climate change, including reduced rainfall, storm surges and stream flow and increased marine intrusion, increases the rivers' vulnerability.
- Shoreline erosion, vegetation loss and ageing river walls continue to put additional pressure on the Riverpark's ecological and community values.

### Management approach

The Trust management approach to meet these challenges is to:

- provide a whole of system, intergenerational perspective to policy, planning and management;
- take an adaptive, risk-based approach to prioritise work programs;
- adapt our strategies to meet emerging challenges and changing priorities;
- base our management on sound science;
- influence others to take up their responsibilities;
- collaborate with others to increase return on investment;
- monitor, evaluate and communicate our successes and failures;
- use community expertise in problem solving; and
- demonstrate innovative strategies.



Photo courtesy of Melinda Poor,  
2011 River Guardians photography competition entrant

# Disclosures and legal compliance

## Independent Auditor's report

To the Parliament of Western Australia

### SWAN RIVER TRUST

#### Report on the Financial Statements

I have audited the accounts and financial statements of the Swan River Trust.

The financial statements comprise the Statement of Financial Position as at 30 June 2011, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

#### *Board's Responsibility for the Financial Statements*

The Board is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the Treasurer's Instructions, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements based on my audit. The audit was conducted in accordance with Australian Auditing Standards. Those Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Trust's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

#### *Opinion*

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the financial position of the Swan River Trust at 30 June 2011 and its financial performance and cash flows for the year then ended. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions.

#### Report on Controls

I have audited the controls exercised by the Swan River Trust. The Board is responsible for ensuring that adequate control is maintained over the receipt, expenditure and investment of money, the acquisition and disposal of public and other property, and the incurring of liabilities in accordance with the Financial Management Act 2006 and the Treasurer's Instructions, and other relevant written law.

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the controls exercised by the Board based on my audit conducted in accordance with Australian Auditing Standards.

#### *Opinion*

In my opinion, the controls exercised by the Swan River Trust are sufficiently adequate to 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.

#### Report on the Key Performance Indicators

I have audited the key performance indicators of the Swan River Trust. The Board is responsible for the preparation and fair presentation of the key performance indicators in accordance with the Financial Management Act 2006 and the Treasurer's Instructions.

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the key performance indicators based on my audit conducted in accordance with Australian Auditing Standards.

#### *Opinion*

In my opinion, the key performance indicators of the Swan River Trust are relevant and appropriate to assist users to assess the Trust's performance and fairly represent indicated performance for the year ended 30 June 2011.

#### Independence

In conducting this audit, I have complied with the independence requirements of the Auditor General Act 2006 and the Australian Auditing Standards, and other relevant ethical requirements.



COLIN MURPHY  
AUDITOR GENERAL

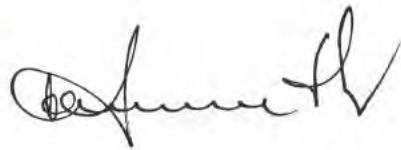
15 September 2011

## *Board's endorsement of Key performance indicators*

**Key Performance Indicators for the year ended 30 June 2011**

Certification of performance indicators

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 represent the performance of the Trust for the financial year ended 30 June 2011.



Jim Freemantle

Chairperson

Accountable Authority

12 September 2011



Dudley Maier

Member

Accountable Authority

12 September 2011



## Summary of Key performance indicators

Table 9: Summary of key performance indicators

The following table illustrates the relationship between the agency's services and desired outcomes and the government goal it contributes to.

The key effectiveness indicators measure the extent of impact of the delivery of the service on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government goal - Social and Environmental Responsibility: Ensuring that economic activity is managed in a socially and environmentally responsible manner for the long-term benefit of the state			
Desired outcomes	Services	Effectiveness performance indicators	Efficiency performance indicators
The ecological health of the Swan Canning river system is protected and enhanced	Development and implementation of environmental management programs	The extent to which management water quality targets are achieved in the Swan and Canning rivers and catchments	Average cost of river monitoring per kilometre of river managed (approximately 156 kms)
		Percentage of foreshores protected and rehabilitated in relation to total area	Average cost per square metre of foreshore undergoing protection and rehabilitation works
	Communication of environmental information	Percentage of people attending environmental education programs who change their behaviours as a result	Average cost per person attending an environmental education program
The long-term community benefit of the Swan Canning river system is protected and enhanced	Statutory assessment of development proposals	Percentage of development recommendations which have attracted negative responses from the community	Average cost per application assessed
	Riverpark management	Percentage of developments audited in full compliance with approval conditions	Average cost of audit compliance
			Average cost per tonne of waste removed

## Key effectiveness performance indicators

The extent to which management water quality targets are achieved in the Swan Canning estuary and catchments. The effectiveness indicators are:

- Total nitrogen (N) and total phosphorus (P) concentration in 15 tributaries of the Swan-Canning catchment compared to target levels.
- Chlorophyll-a (chl-a) concentration and dissolved oxygen (DO) saturation in surface waters of the Swan-Canning estuary compared to target levels.

Excess N and P entering the Swan Canning river system have caused disruption to the river system 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. In recognition of the long timeframes required for catchment management to affect nutrient levels in tributaries, both short and long-term targets have been developed.

### The Swan Canning Catchment targets

Table 10: Targets for median total nitrogen and total phosphorus in catchment tributaries of the Swan Canning river system

Target	Total nitrogen	Total phosphorus
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 2011 catchment target compliance incorporated three years of data up to and including October 2010, which included 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 then it was assessed against the long-term target. If the tributary passed both the short and long-term targets then it was assessed to ensure that the water quality had not deteriorated.

### Performance 2011: Swan Canning Catchment targets

Table 11: Key to catchment performance indicator results

	The tributary failed the short-term target in the previous year and was therefore assessed against the short-term target in the current year.
	The tributary previously passed the short-term target that failed the long term target and was therefore assessed against the long-term target in the current year.
	The tributary passed both targets and the data is used to make sure the tributary continued to meet the long-term target.

### Interpretation of the catchment tables

The colour of the cells in the tables indicates the target that the catchment was compared with. The darkest shade cell indicates that the tributary failed the short-term target in the previous year and was therefore assessed against the short-term target in the current year. Medium shade means that the tributary had previously passed the short-term target but failed the long-term target and was therefore being assessed against the long-term target. The lightest shade cell means that the tributary had passed both targets, and the data was used to make sure that the tributary continued to meet the long-term target. The number within the brackets indicates the maximum number of 'high' samples permitted to occur if the target was met (derived statistically). The number outside the bracket is the actual number of samples from the tributaries that had higher concentrations of nitrogen or phosphorus than the target levels shown in Table 1. If the number outside the bracket was higher than the number inside the bracket the Trust concluded that the target had not been achieved.



Table 12: Compliance of monitored tributaries discharging into the Swan Canning estuary with short-term and long-term nitrogen targets

Tributary	2007	2008	2009	2010	2011
Ellen Brook	(10) 29	(18) 20	(10) 16	(10) 20	(9) 16
Mills Street Main Drain	(12) 25	(12) 25	(12) 25	(12) 26	(12) 25
Bannister Creek	(12) 29	(12) 27	(12) 25	(12) 25	(12) 27
Bayswater Main Drain	(12) 20	(12) 21	(12) 24	(12) 26	(12) 27
Southern River	(12) 20	(12) 18	(12) 16	(12) 24	(12) 27
Bickley Brook	(12) 18	(12) 20	(12) 20	(12) 22	(12) 16
Bennett Brook	(11) 22	(11) 17	(12) 19	(12) 25	(12) 29
Yule Brook	(21) 14	(21) 19	(21) 19	(21) 17	(21) 10
Blackadder Creek	(20) 15	(20) 14	(20) 14	(21) 18	(18) 14
Canning River	(21) 2	(21) 3	(21) 3	(21) 5	(21) 4
Helena River	(20) 8	(20) 11	(20) 11	(19) 10	(17) 6
South Belmont Main Drain	(21) 5	(21) 5	(21) 5	(21) 5	(21) 5
Avon River	(21) 8	(21) 13	(21) 12	(21) 17	(21) 15
Susannah Brook	(18) 8	(17) 8	(15) 5	(17) 7	(15) 5
Jane Brook	(19) 6	(19) 5	(19) 5	(20) 8	(18) 7
Short-term target met (per cent)	100	93	93	93	93
Long-term target met (per cent)	53	53	53	53	53

Table 13: Compliance of monitored tributaries discharging into the Swan Canning estuary with short-term and long-term phosphorus targets

Tributary	2007	2008	2009	2010	2011
Ellen Brook	(10) 27	(10) 25	(10) 23	(10) 25	(9) 24
Mills Street Main Drain	(12) 26	(12) 26	(12) 27	(12) 29	(12) 26
Southern River	(12) 23	(12) 18	(12) 17	(12) 22	(12) 24
South Belmont Main Drain	(12) 14	(12) 10	(21) 7	(21) 11	(21) 19
Bannister Creek	(21) 5	(21) 7	(21) 5	(21) 2	(21) 3
Yule Brook	(21) 9	(21) 11	(21) 10	(21) 5	(21) 3
Bayswater Main Drain	(21) 4	(21) 4	(21) 2	(21) 0	(21) 0
Bickley Brook	(21) 3	(21) 2	(21) 1	(21) 1	(21) 1
Blackadder Creek	(20) 1	(20) 0	(20) 1	(21) 1	(18) 1
Jane Brook	(19) 0	(19) 0	(19) 0	(20) 0	(18) 0
Avon River	(21) 2	(21) 1	(21) 0	(21) 0	(21) 0
Bennett Brook	(21) 3	(21) 2	(21) 1	(21) 0	(21) 1
Canning River	(21) 1	(21) 1	(21) 0	(21) 0	(21) 0
Helena River	(20) 0	(20) 0	(20) 0	(19) 0	(17) 0
Susannah Brook	(18) 0	(17) 0	(15) 0	(17) 0	(15) 0
Short-term target met (per cent)	93	93	93	93	93
Long-term target met (per cent)	73	80	80	80	80

### Compliance decisions

The maximum allowable excursion rate ( $e_{max}$ ) was statistically derived using the binomial distribution curve and was dependent upon the percentile used (median for TN and TP – see next paragraph) and the hypothesis tested (compliance or breach).

The data was collated 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. This information was used to develop decision rules (See Table 14 on the following page).

Table 14: Examples of decision rules for catchment nutrient median targets using 30 samples

Prior condition	Decision rule
Currently passing target	20 or more samples above target level means the tributary has failed to comply with the target (failed).
Currently failing target	11 or fewer samples above target level means the tributary has complied with the target (passed).

## CATCHMENT RESULTS 2007- 2011

### Total nitrogen concentration

Since 2007, all tributaries achieved the short-term target and were assessed against the long-term target, but in 2008 Ellen Brook failed to maintain compliance with its short-term target. It was then assessed against the short-term target for the first time in 2009 and the catchment appears unlikely to achieve the short-term N target soon.

In 2007, 53 per cent of the monitored tributaries were meeting the long-term compliance target, and that has continued to the present.

### Total phosphorus concentration

From 2007 to present, 93 per cent of tributaries have met the short-term target. Ellen Brook was the only tributary where P concentrations were higher than the short-term target.

In 2007, 73 per cent of the monitored tributaries 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. In 2009 it was assessed against the long-term target for the first time.

The nitrogen and phosphorus concentrations in the Swan-Canning tributaries are low to moderate and have generally remained steady over the 2007 to 2011 reporting period.

These results are encouraging, however there is the possibility that they may have been influenced by the reduction of total annual rainfall in recent years. This has most likely reduced the amount of nutrients entering the Swan-Canning 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). This was evident with 2010 being a very dry year resulting in the Swan River (Jan to Oct 2010) experiencing the lowest stream flows on record (1975 to present).

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 River estuary. The 2011 data suggests that Ellen Brook is unlikely to meet the short-term target soon, with 24 of 26 samples having TP concentrations greater than 0.2mg/L.

### Swan Canning estuary targets

Key performance indicators are chlorophyll-a and dissolved oxygen concentrations to a depth of one metre (Table 15). The targets for the middle and upper basins represent a first management objective for chlorophyll-a and dissolved oxygen. Upon meeting these targets, new targets will be set in a series of benchmarks until quality in the basins is acceptable.

Table 15: Chlorophyll-a and dissolved oxygen targets for the Swan Canning estuary.

Estuary basin	Chl-a target (µg/L)	Surface DO (per cent 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, resulting 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.



## Performance 2011: Swan Canning estuary targets

Key to interpreting the Estuary Performance Indicator results in Tables 16 and 17

	Target not met
	Target met

Table 16: Chlorophyll-a concentration in the basins of the Swan Canning Estuary compared to the targets

Basin	2008	2009	2010	2011
Upper Swan	(3) 28	(3) 17	(3) 27	(3) 31
Middle Swan	(3) 32	(3) 22	(3) 34	(3) 41
Lower Swan-Canning	(10) 14	(3) 11	(3) 17	(3) 17
Middle Canning	(3) 19	(3) 17	(3) 28	(3) 31

Table 17: Dissolved oxygen saturation in the basins of the Swan Canning Estuary compared to the targets

Basin	2008	2009	2010	2011
Upper Swan	(1) 33	(1) 39	(1) 29	(1) 31
Middle Swan	(1) 16	(1) 21	(1) 16	(1) 12
Lower Swan-Canning	(6) 4	(6) 5	(6) 4	(6) 1
Middle Canning	(1) 12	(1) 14	(1) 9	(1) 11

In Tables 16 and 17, the number within the bracket indicates the maximum number of individual samples that can fail to meet the target before an overall 'fail' for the year is recorded. The number outside the bracket is the actual number of samples that failed to meet the target.

## ESTUARY RESULTS 2008 – 2011

### Interpreting the estuary tables

The monitoring data from each of the estuary basins are compared to the targets in Table 15. There are only two possible outcomes, pass or fail. Black cells in Tables 16 and 17 indicate that the target was not met, whereas white cells indicate that the target was achieved. 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.

## Chlorophyll-a concentration

The lower basin of the Swan Canning estuary failed the chlorophyll-a target for the first time in 2008 and has continued to exceed the target since then (Table 16). The middle and upper basin of the Swan River 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 17). 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 that they could be met under the conditions experienced at the time of development. Failing these targets indicates that 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 River estuary and chlorophyll-a in the lower basin, are currently unacceptable in terms of these targets. These basins will 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.

## Key effectiveness performance indicator

Table 18: Percentage of foreshore protected and rehabilitated in relation to total area

2009-10 Actual	2010-11 Target	2010-11 Actual
2.15%	4.5%	2.25%

### Interpretation

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

This indicator measures the percentage of total foreshore area subject to management effort during the year. The total foreshore area is 22,282,198m<sup>2</sup>. In 2010-11, an estimated area of 996,750m<sup>2</sup> or 4.5 per cent of foreshore was to receive some form of management effort facilitated by the Trust. The actual area of foreshore was significantly less being 500,246m<sup>2</sup> or 2.25 per cent of the total area. This is due to the fact the majority of foreshore restoration projects facilitated through the Riverbank Grants Scheme during 2010-11 were river walling projects which are more expensive per square metre than natural shoreline restoration.

## Key effectiveness performance indicator

Table 19: Percentage of people attending environmental education programs who change their behaviours as a result

2009-10 Actual	2010-11 Target	2010-11 Actual
80%	80%	67.5%

The Trust's Community Engagement Program delivers environmental education projects that provide the Perth community with the tools and information to change their behaviour to protect the Swan Canning Riverpark.

The Great Gardens Workshop program is the most effective of these and is used as the effectiveness indicator for the entire program.

During 2010-11 the number of Great Gardens workshops remained at 28 however attendees increased to 2,269, up from 1,939 in 2009-10. The Trust funding also leveraged a further 57 workshops with 6,255 participants with funding provided by other sponsors.



Tony McDonough

Since 2003, more than 28,000 people have attended one of 307 Great Gardens workshops funded by the Trust. These free workshops provide the Perth public with sustainable garden practices and environmental education to reduce urban fertiliser and water use. In 2010-11 participants surveyed and home audits completed demonstrated a 67.5 per cent behaviour change as a result of the workshops provided, compared with 80 per cent last year. There are thought to be several reasons for this: seasonal variations can be significant over the autumn and winter periods when the workshops are held; this year 30 per cent of participants had attended more than one of the Great Gardens workshops so their behaviour may have already changed prior to their attendance; and the method of auditing behaviour change has changed so that self identification is now backed up with rigorous home audits. These include specific questions by the organisers about how behaviour change has occurred.

Since 2003, the predominant demographic of workshop attendees has been the over 50 years age bracket. For this reason, Great Gardens is planning to capture a younger group of devotees in future years – 30 to 50 year olds. This obviously includes families, and many more of the Great Gardens events this year have been targeted at the family category.

## Key effectiveness performance indicator

Table 20: Percentage of development recommendations which have attracted negative responses from the community

2009-10 Actual	2010-11 Target	2010-11 Actual
8%	2%	6%

In accordance with Part 5 of the *Swan and Canning Rivers Management Act 2006*, draft reports on proposed developments are approved by the Trust for comment by the public. The draft reports are published on the Trust website for three weeks to allow for this to occur. The process allows the Trust to consider the public's response to the decisions it makes before a final recommendation is made to the Minister. Importantly it allows the Trust to gauge its alignment with community values on development matters within the Development Control Area.

In 2010-11, 17 applications were determined under Part 5 and one of those attracted a negative response from the community. This is reflected in the six per cent measure recorded in Table 20.

## Key effectiveness performance indicator

Table 21: Percentage of developments audited in full compliance with approval conditions

2009-10 Actual	2010-11 Target	2010-11 Actual
71%	100%	74%

The effectiveness of the Trust's development control process is measured as a percentage of developments found to be complying with those approval conditions relevant at the time of audit.

Of the 257 compliance actions conducted on developments approved under Part 5 of the Act, or by way of permit under the *Swan and Canning River Management Regulations 2007*, 67 were found to be non-compliant with one or more relevant approval conditions at the time of the compliance action.

There was a slight increase in the percentage of compliant developments. Of note is the significant increase in the number of compliance checks that were carried out – from 181 last year to 257 in the 2010-11 year. The development and introduction of the compliance database last year has allowed an increase in the amount of time available to carry out work in the field.

In addition to the audits carried out on Trust approvals, 44 compliance audits were also carried out on projects approved by local governments or the Western Australian Planning Commission with advice and conditions recommended by the Trust. Of those projects 68 per cent of audits revealed full compliance with conditions recommended by the Trust.



Photo courtesy of Mark Gerlach,  
2011 River Guardians photography competition entrant

## Key efficiency performance indicators

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

Table 22: Key efficiency performance indicators

Desired outcomes	Services	Key efficiency performance indicators	2009-10 Actual \$	2010-11 Target \$	2010-11 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 156 kms)	561	511	560	Although there was an increase in the total cost of service in 2010-11, including funding received under the Australian Government's Caring for our Country program as part of \$2.5 million commitment over 2010-11, 2011-12 and 2012-13, the number of monitoring sites has increased resulting in the average cost per river monitoring site remaining largely unchanged
		Average cost per square metre of foreshore undergoing protection and rehabilitation works	11.79	7.53	16.14	The cost appointed to this key performance indicator includes constructive wetlands which resulted in an increased cost per square metre. It should be noted that the actual area that underwent some form of management in 2010-11 was 2.25 per cent of the total area compared with a target of 4.5 per cent
		Average cost per person attending an environmental education program	820	701	532	Increased attendance at workshops
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	3,450	3,918	3,629	The target has been met through continuing refinement of assessment processes and targeted use of resources
		Average cost of audit compliance	671	929	379	The development and implementation of an efficient tracking and recording system has increased the number of actual audit actions carried out in the field
		Average cost per tonne of waste removed	15,683	13,298	158,520	Due to low rainfall there was significant reduction in fresh water flows in the lower estuary resulting in no weed being removed from the foreshore. This resulted in a significant reduction in total tonnage of waste removed from the Riverpark and saw a corresponding increase in cost per tonne shown against this indicator



## Financial statements

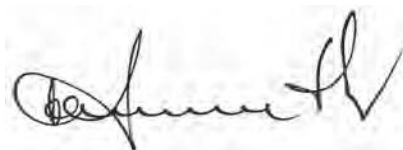
### Certification of Financial Statements for the year ended 30 June 2011

The accompanying financial statements of the Swan River 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 ended 30 June 2011 and the financial position as at 30 June 2011.

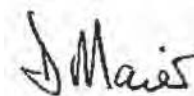
At the date of signing we are not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.



R. Hughes  
General Manager  
Date: 24 August 2011



J. Freemantle  
Chairperson  
Date: 24 August 2011



D. Maier  
Member  
Date: 24 August 2011

## Financial Statements for the year ended 30 June 2011

### Swan River Trust

#### STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2011

	Note	2011 \$	2010 \$
<b>COST OF SERVICES</b>			
<b>Expenses</b>			
Employee benefits expense	5	4,941,792	4,683,455
Supplies and services	6	3,564,626	4,423,322
Depreciation and amortisation expense	7	128,953	96,999
Accommodation expenses	8	576,490	604,157
Other expenses	9	196,743	230,092
Grants and subsidies	10	8,624,483	3,929,455
<b>Total cost of services</b>		<b>18,033,087</b>	<b>13,967,480</b>
<b>Income</b>			
<i>Revenue</i>			
Commonwealth grants and contributions	11	450,848	100,000
Grants and contributions	12	4,617,034	4,720,634
Other revenue	13	126,459	125,682
<b>Total revenue</b>		<b>5,194,341</b>	<b>4,946,316</b>
<i>Gains</i>			
Gain on disposal of non-current assets	14	21,906	-
<b>Total income other than income from State Government</b>		<b>5,216,247</b>	<b>4,946,316</b>
<b>NET COST OF SERVICES</b>		<b>12,816,840</b>	<b>9,021,164</b>
<b>INCOME FROM STATE GOVERNMENT</b>	15		
Service appropriation		12,179,000	13,311,000
Resources received free of charge		26,511	157,389
<b>Total income from State Government</b>		<b>12,205,511</b>	<b>13,468,389</b>
<b>SURPLUS/(DEFICIT) FOR THE PERIOD</b>		<b>(611,329)</b>	<b>4,447,225</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>(611,329)</b>	<b>4,447,225</b>

See also note 37 'Schedule of Income and Expenses by Service'.

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

### Swan River Trust

#### STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2011

	Note	2011 \$	2010 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	26	2,260,633	2,839,230
Restricted cash and cash equivalents	16	1,452,364	338,601
Receivables	17	435,628	461,253
Prepayments	18	4,451,478	5,057,659
Amounts receivable for services	19	68,000	143,000
<b>Total Current Assets</b>		<b>8,668,103</b>	<b>8,839,743</b>
<b>Non-current Assets</b>			
Amounts receivable for services	19	331,000	295,000
Property, plant and equipment	20	21,443,829	1,028,307
Intangible assets	21	85,346	-
<b>Total Non-current Assets</b>		<b>21,860,175</b>	<b>1,323,307</b>
<b>TOTAL ASSETS</b>		<b>30,528,278</b>	<b>10,163,050</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	23	359,062	230,746
Other current liabilities	24	479,613	41,472
<b>Total Current Liabilities</b>		<b>838,675</b>	<b>272,218</b>
<b>TOTAL LIABILITIES</b>		<b>838,675</b>	<b>272,218</b>
<b>NET ASSETS</b>		<b>29,689,603</b>	<b>9,890,832</b>
<b>EQUITY</b>			
Contributed equity	25	20,735,600	325,500
Accumulated surplus		8,954,003	9,565,332
<b>TOTAL EQUITY</b>		<b>29,689,603</b>	<b>9,890,832</b>

The Statement of Financial Position should be read in conjunction with the accompanying notes.

## Notes to Financial Statements for the year ended 30 June 2011

### Swan River Trust

#### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2011

	Note	Contributed equity \$	Accumulated surplus \$	Total equity \$
<b>Balance at 1 July 2009</b>	25	227,000	5,072,954	5,299,954
Correction to prior period		-	45,153	45,153
Restated balance at 1 July 2009		227,000	5,118,107	5,345,107
Total comprehensive income for the year		-	4,447,225	4,447,225
Transactions with owners in their capacity as owners:				
Transfer of net assets from owners		98,500	-	98,500
<b>Balance at 30 June 2010</b>		<u>325,500</u>	<u>9,565,332</u>	<u>9,890,832</u>
<b>Balance at 1 July 2010</b>		325,500	9,565,332	9,890,832
Total comprehensive income for the year		-	(611,329)	(611,329)
Transactions with owners in their capacity as owners:				
Transfer of net assets from owners		20,410,100	-	20,410,100
Total		<u>20,410,100</u>	<u>-</u>	<u>20,410,100</u>
<b>Balance at 30 June 2011</b>		<u><b>20,735,600</b></u>	<u><b>8,954,003</b></u>	<u><b>29,689,603</b></u>

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

### Swan River Trust

#### STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2011

	Note	2011 \$	2010 \$
<b>CASH FLOWS FROM STATE GOVERNMENT</b>			
Service appropriation		12,075,000	13,224,000
Holding account drawdowns		143,000	80,000
<b>Net cash provided by State Government</b>		<u><b>12,218,000</b></u>	<u><b>13,304,000</b></u>
Utilised as follows :			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Employee benefits		(4,977,138)	(4,594,198)
Supplies and services		(3,449,293)	(4,303,603)
Grants and subsidies		(8,524,983)	(6,822,343)
Accommodation		(576,490)	(604,157)
GST payments on purchases		(1,106,930)	(1,095,153)
GST payments to the taxation authority		(62,027)	(58,109)
Other payments		(194,096)	(230,092)
<b>Receipts</b>			
Commonwealth grants and contributions		396,848	-
GST receipts on sales		254,921	151,582
GST receipts from the taxation authority		972,768	834,854
Other receipts		5,781,401	4,561,283
<b>Net cash used in operating activities</b>	26	<u><b>(11,485,019)</b></u>	<u><b>(12,159,936)</b></u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Payments</b>			
Purchase of non-current physical assets		(306,715)	(244,578)
<b>Receipts</b>			
Proceeds from the sale of non-current physical assets		108,900	-
<b>Net cash used in investing activities</b>		<u><b>(197,815)</b></u>	<u><b>(244,578)</b></u>
Net increase in cash and cash equivalents		535,166	899,486
Cash and cash equivalents at the beginning of period		3,177,831	2,278,345
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>	26	<u><b>3,712,997</b></u>	<u><b>3,177,831</b></u>

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

# Notes to Financial Statements for the year ended 30 June 2011

## Swan River Trust

---

### 1 AUSTRALIAN ACCOUNTING STANDARDS

#### General

The Trust's financial statements for the year ended 30 June 2011 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' refers to Standards and Interpretations issued by the Australian Accounting Standard Board (AASB). The Trust has adopted any applicable, new and revised Australian Accounting Standards from their operative dates.

#### Early adoption of standards

The Trust cannot early adopt an Australian Accounting Standard unless specifically permitted by Treasurer's Instruction (TI) 1101 *Application of Australian Accounting Standards and Other Pronouncements*. No Australian Accounting Standards that have been issued or amended but not operative have been early adopted by the Trust for the annual reporting period ended 30 June 2011.

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (a) General statement

The financial statements constitute general purpose financial statements that have 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 Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board.

Where modification is required and has had 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 and all values are rounded to the nearest dollar.

## Swan River Trust

---

#### (c) Reporting entity

The reporting entity comprises the Trust and entities listed at note 35 'Related bodies'.

#### (d) Contributed equity

AASB Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, 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 have been designated as contributions by owners by 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.

#### (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.

##### Provision 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 fair 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 'Amounts receivable for services' (holding account) held at Treasury.

## Notes to Financial Statements for the year ended 30 June 2011

### Swan River Trust

---

#### 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

Realised and unrealised gains 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.

#### (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 Statement of Comprehensive Income (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

Subsequent to initial 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 (buildings only) 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

### Swan River Trust

---

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 determined on the depreciated replacement cost basis, 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 annually to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the reporting period.

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.

##### Derecognition

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

##### 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	2 to 4 years

## Notes to Financial Statements for the year ended 30 June 2011

### Swan River Trust

---

Furniture and fittings 7 to 10 years

#### (g) Intangible Assets

##### Capitalisation/expensing of assets

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets costing \$25,000 or more are capitalised. The cost of utilising the assets is expensed (amortised) over their useful life. Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

All acquired and internally developed intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

The cost model is applied for subsequent measurement requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

Amortisation for intangible assets with finite useful lives is calculated for the period of the expected benefit (estimated useful life which is reviewed annually) on the straight line basis. All intangible assets controlled by the Authority have a finite useful life and zero residual value.

The expected useful lives for each class of intangible asset are:

Software 2 to 5 years

##### Computer software

Software that is an integral part of the related hardware is recognised as property, plant and equipment. Software that is not an integral part of the related hardware is recognised as an intangible asset. Software costing less than \$5,000 is expensed in the year of acquisition.

#### (h) Impairment of assets

Property, plant and equipment and intangible assets are tested for any indication of impairment at the end of each reporting period. 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.

### Swan River Trust

---

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.

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment at the end of each reporting period irrespective of whether there is any indication of impairment.

#### (i) 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.

#### (j) Financial instruments

In addition to cash, the Trust has two categories of financial instrument:

- Loans and receivables; and
- Financial liabilities measured at amortised cost.

Financial Instruments 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

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.

## Notes to Financial Statements for the year ended 30 June 2011

### Swan River Trust

---

#### (k) Cash and cash equivalents

For the purpose of the Statement of Cash Flows, 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.

#### (l) Accrued salaries

Accrued salaries (see note 23 '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.

#### (m) Amounts receivable for services (holding account)

The Trust receives income from the State Government partly in cash and partly as an asset (holding account receivable). The accrued amount is accessible on the emergence of the cash funding requirement to cover asset replacement.

#### (n) 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 (j) 'Financial instruments' and note 17 'Receivables'.

#### (o) Payables

Payables are recognised 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.

### Swan River Trust

---

#### (p) 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 the end of each reporting period.

#### 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.

#### (q) Superannuation expense

The superannuation expense in the Statement of Comprehensive Income comprises employer contributions paid to Gold State Superannuation Scheme (GSS) concurrent contributions, the West State Superannuation Scheme (WSS), and GESB Super Scheme (GESBS).

The GSS is a defined benefit scheme for the purposes of employees and whole-of-government reporting. However, it is a defined contribution plan for agency purposes because the concurrent contributions (defined contributions) made by the Trust to GESB extinguish the Trust's obligations to the related superannuation liability.

#### (r) 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 at fair value. Where the resource received represents a service that the authority would otherwise pay for, a corresponding expense is recognised. Receipts of assets are recognised in the Statement of Financial Position.

Assets or services received from other State Government agencies are separately disclosed under Income from State Government in the Statement of Comprehensive Income.

#### (s) Comparative figures

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

## Notes to Financial Statements for the year ended 30 June 2011

### Swan River Trust

#### 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 effective for annual reporting periods beginning on or after 1 July 2010 that impacted on the Trust.

2009-5 *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 5, 8, 101, 107, 117, 118, 136 & 139]*

Under amendments to AASB 117, the classification of land elements of all existing leases has been reassessed to determine whether they are in the nature of operating or finance leases. As leases of land & buildings recognised in the financial statements have not been found to significantly expose the Trust to the risks/rewards attributable to control of land, no changes to accounting estimates have been included in the Financial Statements and Notes to the Financial Statements.

Under amendments to AASB 107, only expenditures that result in a recognised asset are eligible for classification as investing activities in the Statement of Cash Flows. All investing cashflow reported in the Trust's Statement of Cash Flows relate to increases in recognised assets.

##### Future impact of Australian Accounting Standards not yet operative

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

### Swan River Trust

#### Operative for reporting periods beginning on/after

AASB 2009-11	<i>Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 &amp; 1038 and Interpretations 10 &amp; 12]</i>	1 Jan 2013
	The amendment to AASB 7 requires modification to the disclosure of categories of financial assets. The Trust does not expect any financial impact when the Standard is first applied. The disclosure of categories of financial assets in the notes will change.	
AASB 2009-12	<i>Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 &amp; 1031 and Interpretations 2, 4, 16, 1039 &amp; 1052]</i>	1 Jan 2011
	This Standard introduces a number of terminology changes. There is no financial impact resulting from the application of this revised Standard.	



## Notes to Financial Statements for the year ended 30 June 2011

### Swan River Trust

		Operative for reporting periods beginning on/after
AASB 1053	<i>Application of Tiers of Australian Accounting Standards</i>	1 July 2013
	<p>This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements.</p> <p>The Standard does not have any financial impact on the Trust. However it may affect disclosures in the financial statements of the Trust if the reduced disclosure requirements apply. DTF has not yet determined the application or the potential impact of the new Standard for agencies.</p>	
AASB 2010-2	<i>Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements</i>	1 July 2013
	<p>This Standard makes amendments to many Australian Accounting Standards, including Interpretations, to introduce reduced disclosure requirements into these pronouncements for application by certain types of entities.</p> <p>The Standard is not expected to have any financial impact on the Trust. However this Standard may reduce some note disclosures in financial statements of the Trust. DTF has not yet determined the application or the potential impact of the amendments to these Standards for agencies.</p>	

### Swan River Trust

		Operative for reporting periods beginning on/after
AASB 2011-2	<i>Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements [AASB 101 &amp; AASB 1054]</i>	1 July 2011
	<p>This Amending Standard removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards for reduced disclosure reporting. DTF has not yet determined the application or the potential impact of the amendments to these Standards for agencies.</p>	
AASB 2010-5	<i>Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 &amp; 1038 and Interpretations 112, 115, 127, 132 &amp; 1042] (October 2010)</i>	1 Jan 2011
	<p>This Standard introduces a number of terminology changes as well as minor presentation changes to the Notes to the Financial Statements. There is no financial impact resulting from the application of this revised Standard.</p>	

## Notes to Financial Statements for the year ended 30 June 2011

### Swan River Trust

		<b>Operative for reporting periods beginning on/after</b>
AASB 2010-6	<i>Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets [AASB 1 &amp; AASB 7]</i>	1 July 2011
	<p>This Standard makes amendments to Australian Accounting Standards, introducing additional presentation and disclosure requirements for Financial Assets.</p> <p>The Standard is not expected to have any financial impact on the Trust. DTF has not yet determined the application or the potential impact of the amendments to these Standards for agencies.</p>	
AASB 9	<i>Financial Instruments</i>	1 Jan 2013
	<p>This Standard supersedes AASB 139 Financial Instruments: Recognition and Measurement, introducing a number of changes to accounting treatments.</p> <p>The Standard was reissued on 6 Dec 2010 and the Trust is currently determining the impact of the Standard. DTF has not yet determined the application or the potential impact of the Standard for agencies.</p>	

### Swan River Trust

		<b>Operative for reporting periods beginning on/after</b>
AASB 2010-7	<i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 &amp; 1038 and Interpretations 2, 5, 10, 12, 19 &amp; 127]</i>	1 Jan 2013
	<p>This Amending Standard makes consequential adjustments to other Standards as a result of issuing AASB 9 Financial Instruments in December 2010. DTF has not yet determined the application or the potential impact of the Standard for agencies.</p>	
AASB 1054	<i>Australian Additional Disclosures</i>	1 July 2011
	<p>This Standard, in conjunction with AASB 2011-1 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project, removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards.</p>	

## Notes to Financial Statements for the year ended 30 June 2011

### Swan River Trust

---

		<b>Operative for reporting periods beginning on/after</b>
AASB 2011-1	<i>Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASB 1, 5, 101, 107, 108, 121, 128, 132 &amp; 134 and Interpretations 2, 112 &amp; 113]</i>	1 July 2011
	<p>This Amending Standard, in conjunction with AASB 1054 Australian Additional Disclosures, removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards.</p>	

### Swan River Trust

---

## Notes to Financial Statements for the year ended 30 June 2011

### Swan River Trust

#### 4 PRESENTATION OF COMPARATIVE FIGURES

Comparative figures in the Statement of Comprehensive Income have been changed from the figures disclosed in the Financial Statements for the year ended 30 June 2010 to ensure consistency of presentation of information between years. The changes relate to the treatment of amounts payable to the Department of Water under service agreements, which were formerly included in supplies and services and which are now included in grants and subsidies.

The change in presentation has been made to ensure consistent presentation of these amounts in Whole of Government reporting. The effect of the change is to decrease the 2009-10 figure for supplies and services in the Statement of Comprehensive Income by \$2,084,000 relative to the equivalent figure included in the Financial Statements for the year ended 30 June 2010 and to increase the figure for grants and subsidies by the same amount. The comparative figures have been adjusted by the same amounts where necessary in the Statement of Cash Flows and in the Notes to the Financial Statements.

#### 5 EMPLOYEE BENEFITS EXPENSE

	2011	2010
	\$	\$
Wages and salaries <sup>(a)</sup>	4,522,647	4,292,846
Superannuation - defined contribution plans <sup>(b)</sup>	419,145	390,609
	<b>4,941,792</b>	<b>4,683,455</b>

<sup>(a)</sup> Includes the value of the fringe benefit to the employee plus the fringe benefits tax component

<sup>(b)</sup> Defined contribution plans include West State, Gold State and GESB Super Scheme (contributions paid)

Officers are employed by DEC. All entitlements are provided for within the DEC financial statements. At 30 June 2011 these amounts were: annual leave current liability \$467,870 (30 June 2010: \$339,816), long service leave current liability \$270,051 (30 June 2010: \$277,046) and long service leave non-current liability \$422,638 (30 June 2010: \$373,916).

### Swan River Trust

#### 6 SUPPLIES AND SERVICES

	2011	2010
	\$	\$
Consultants and contractors	2,805,814	3,486,463
Travel	10,266	12,013
Materials	197,732	236,307
Audit fees	13,400	13,600
Communications	151,657	58,798
Other	385,757	616,741
	<b>3,564,626</b>	<b>4,423,322</b>

## Notes to Financial Statements for the year ended 30 June 2011

### Swan River Trust

	2011	2010
	\$	\$
<b>7 DEPRECIATION AND AMORTISATION EXPENSE</b>		
Depreciation		
Furniture and fittings	1,045	-
Information Technology Assets	4,573	1,597
Plant and equipment	110,163	95,402
<b>Total depreciation</b>	<b>115,781</b>	<b>96,999</b>
Amortisation		
Intangible assets	13,172	-
<b>Total amortisation</b>	<b>13,172</b>	<b>-</b>
<b>Total depreciation and amortisation</b>	<b>128,953</b>	<b>96,999</b>
<b>8 ACCOMMODATION EXPENSES</b>		
Lease rentals	562,207	590,865
Power expenses	14,283	13,292
	<b>576,490</b>	<b>604,157</b>
<b>9 OTHER EXPENSES</b>		
Repairs and maintenance	183,485	230,092
Employment on-costs	13,258	-
	<b>196,743</b>	<b>230,092</b>

### Swan River Trust

	2011	2010
	\$	\$
<b>10 GRANTS AND SUBSIDIES</b>		
<b>Recurrent</b>		
City of Bayswater	139,000	21,500
City of Belmont	111,613	28,909
City of Canning	644,389	165,546
City of Fremantle	20,500	7,363
City of Gosnells	33,339	27,635
City of Nedlands	180,120	63,700
City of Perth	1,444,940	220,000
City of South Perth	450,442	-
City of Subiaco	-	3,000
City of Swan	233,836	155,216
CSIRO Australia	20,000	30,000
Curtin University of Technology	-	39,780
Department of Environment and Conservation	129,100	97,208
Department of Water	2,691,420	2,084,000
Eastern Metropolitan Regional Council	100,000	90,000
Ellen Brockman Integrated Catchment Group	316,137	221,711
Main Roads Western Australia	485,000	-
Murdoch University	130,472	57,919
Perth Region NRM	766,706	269,968
Shire of Peppermint Grove	8,200	-
South East Regional Centre for Urban Landcare	508,399	286,000
Town of Bassendean	162,914	-
Town of Claremont	27,000	-
Town of East Fremantle	20,956	-
University of Tasmania	-	20,000
University of WA	-	40,000
<b>Expenses incurred for the year</b>	<b>8,624,483</b>	<b>3,929,455</b>

## Notes to Financial Statements for the year ended 30 June 2011

### Swan River Trust

	2011	2010
	\$	\$
<b>11 COMMONWEALTH GRANTS AND CONTRIBUTIONS</b>		
Caring for our Country	450,848	100,000

During 2009-10, the Commonwealth Government agreed to provide the Trust with \$2.5million through the Caring For Our Country program over three years, of which \$450,848 was recognised as income by the Trust in 2010-11. The work to be undertaken aligns with management actions for the Swan Canning Water Quality Improvement Plan, including in stream nutrient intervention, improving land management practices and soil quality, undertaking extension activities and on-ground actions through community and landholder engagement.

### 12 GRANTS AND CONTRIBUTIONS

Burswood Casino Levy <sup>(a)</sup>	2,561,534	3,326,134
State Natural Resource Management <sup>(b)</sup>	1,945,500	1,394,500
Department of Regional Development and Lands	90,000	-
Local Government	20,000	-
	<u>4,617,034</u>	<u>4,720,634</u>

<sup>(a)</sup> Revenue from the Burswood Casino Levy arose initially in 2009-10 from 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

<sup>(b)</sup> During the year, the State Government provided the Trust with funds of \$1,945,500 through the State Natural Resource Management (NRM) program to implement the Swan Canning Water Quality Improvement Plan (SCWQIP). Projects to implement management actions of the SCWQIP include riparian fencing and revegetation along the Ellen Brook and structural nutrient interventions in the Ellen Brook, Southern River and Mills Street Main Drain catchments.

### 13 OTHER REVENUE

Sale of intellectual property rights	65,318	-
Other	61,141	77,563
River Park operational income	-	48,119
	<u>126,459</u>	<u>125,682</u>

### Swan River Trust

	2011	2010
	\$	\$
<b>14 NET GAIN ON DISPOSAL OF NON-CURRENT ASSETS</b>		
<u>Proceeds from disposal of non-current assets</u>		
Property, plant and equipment	108,900	-
<u>Costs of disposal of non-current assets</u>		
Property, plant and equipment	(86,994)	-
<b>Net Gain</b>	<u>21,906</u>	<u>-</u>

### 15 INCOME FROM STATE GOVERNMENT

Appropriation received during the year:

Service appropriation <sup>(a)</sup> 12,179,000 13,311,000

Resources received free of charge <sup>(b)</sup>

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

Landgate	16,541	2,413
Department of Treasury and Finance	6,295	64,936
State Solicitor's Office	2,645	1,543
Department of Water	1,030	1,889
Department of Transport	-	86,608
	<u>26,511</u>	<u>157,389</u>
	<u>12,205,511</u>	<u>13,468,389</u>

<sup>(a)</sup> Service appropriations fund the net cost of services delivered. 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.

<sup>(b)</sup> Assets or services received free of charge or for nominal cost are recognised as revenues at fair value of the assets and/or services that can be reliably measured and which would have been purchased if not donated. Contributions of assets or services in the nature of contributions by owners are recognised direct to equity.

## Notes to Financial Statements for the year ended 30 June 2011

### Swan River Trust

	2011	2010
	\$	\$
<b>16 RESTRICTED CASH AND CASH EQUIVALENTS</b>		
<u>Current</u>		
Funds under contract <sup>(a)</sup>	1,442,364	328,601
Developer bonds <sup>(b)</sup>	10,000	10,000
	<b><u>1,452,364</u></b>	<b><u>338,601</u></b>

These amounts are to be used as follows:

<sup>(a)</sup> Only for the purposes defined under contractual arrangements

<sup>(b)</sup> In fulfilling the condition of preparing foreshore management plans

### 17 RECEIVABLES

#### Current

Receivables	169,735	132,729
GST receivable	265,893	328,524
	<b><u>435,628</u></b>	<b><u>461,253</u></b>

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

### 18 PREPAYMENTS

Grants and subsidies	4,451,278	5,030,686
Other services and contracts	200	7,509
Training costs	-	19,464
	<b><u>4,451,478</u></b>	<b><u>5,057,659</u></b>

### 19 AMOUNTS RECEIVABLE FOR SERVICES

Current	68,000	143,000
Non-current	331,000	295,000
	<b><u>399,000</u></b>	<b><u>438,000</u></b>

Represents the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability.

### Swan River Trust

	2011	2010
	\$	\$
<b>20 PROPERTY, PLANT AND EQUIPMENT</b>		
Land - Reserves <sup>(a)</sup>		
At fair value	20,578,100	168,000
Accumulated impairment losses	-	-
	<b><u>20,578,100</u></b>	<b><u>168,000</u></b>
Plant and equipment		
At cost	1,299,936	1,296,994
Accumulated depreciation	(509,392)	(533,183)
Accumulated impairment losses	-	-
	<b><u>790,544</u></b>	<b><u>763,811</u></b>
Plant and equipment under construction		
Construction costs	52,596	-
	<b><u>52,596</u></b>	<b><u>-</u></b>
Information technology assets		
At cost	20,379	12,097
Accumulated depreciation	(8,129)	(3,556))
Accumulated impairment losses	-	-
	<b><u>12,250</u></b>	<b><u>8,541</u></b>
Information technology assets work in progress		
Development costs	-	79,346
	<b><u>-</u></b>	<b><u>79,346</u></b>
Furniture and fittings		
At cost	16,423	13,648
Accumulated depreciation	(6,084)	(5,039)
Accumulated impairment losses	-	-
	<b><u>10,339</u></b>	<b><u>8,609</u></b>
	<b><u>21,443,829</u></b>	<b><u>1,028,307</u></b>

<sup>(a)</sup> Land was revalued as at 1 July 2010 by the Western Australian Land Information Authority (Valuations Services). The valuations were performed during the year ended 30 June 2011 and recognised at 30 June 2011. In undertaking the revaluation, fair value was determined by reference to market values for land: \$10,500,000. For the remaining balance, fair value was determined on the basis of existing use. See note 2(f) 'Property, plant and equipment'.

## Notes to Financial Statements for the year ended 30 June 2011

### Swan River Trust

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

	Land - Reserves \$	Plant and equipment \$	Plant and equipment under construction \$	IT assets \$	IT assets work in progress \$	Furniture and fittings \$	Total \$
<b>2011</b>							
Carrying amount at start of year	168,000	763,811	-	8,541	79,346	8,609	1,028,307
Additions	-	223,890	52,596	8,282	-	2,775	287,543
Transfers <sup>(a)</sup>	20,410,100	-	-	-	(79,346)	-	20,330,754
Disposals	-	(86,994)	-	-	-	-	(86,994)
Depreciation	-	(110,163)	-	(4,573)	-	(1,045)	(115,781)
<b>Carrying amount at end of year</b>	<b>20,578,100</b>	<b>790,544</b>	<b>52,596</b>	<b>12,250</b>	<b>-</b>	<b>10,339</b>	<b>21,443,829</b>

	Land - Reserves \$	Plant and equipment \$	Plant and equipment under construction \$	IT assets \$	IT assets work in progress \$	Furniture and fittings \$	Total \$
<b>2010</b>							
Carrying amount at start of year	168,000	565,798	-	3,277	-	-	737,075
Additions	-	293,416	-	6,860	79,346	8,609	388,231
Depreciation	-	(95,403)	-	(1,596)	-	-	(96,999)
<b>Carrying amount at end of year</b>	<b>168,000</b>	<b>763,811</b>	<b>-</b>	<b>8,541</b>	<b>79,346</b>	<b>8,609</b>	<b>1,028,307</b>

<sup>(a)</sup> The transfers shown in 2011 under land relate to land transferred at fair value from the Department of Regional Development and Lands (\$20,229,100) and the Department of Water (\$181,000). The transfer shown under IT assets work in progress represents the reclassification of expenditure on asset management software under Intangible Assets (see note 21)



## Notes to Financial Statements for the year ended 30 June 2011

### Swan River Trust

	2011	2010
	\$	\$
<b>21 INTANGIBLE ASSETS</b>		
<u>Computer Software</u>		
At cost	98,518	-
Accumulated amortisation	(13,172)	-
Accumulated impairment losses	-	-
	<u>85,346</u>	-
Reconciliation:		
<u>Computer Software</u>		
Carrying amount at start of year	-	-
Transfers from property, plant and equipment	79,346	-
Additions	19,172	-
Amortisation expense	(13,172)	-
<b>Carrying amount at end of year</b>	<u>85,346</u>	-

### 22 IMPAIRMENT OF ASSETS

There were no indications of impairment of property, plant and equipment or intangible assets at 30 June 2011.

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 2011 have either been classified as assets held for sale or written-off.

### 23 PAYABLES

#### Current

Trade payables	-	6,641
Accrued expenses	237,448	88,101
Accrued salaries	121,614	136,004
	<u>359,062</u>	<u>230,746</u>

### Swan River Trust

	2011	2010
	\$	\$
<b>24 OTHER LIABILITIES</b>		
<u>Current</u>		
Developer bonds	10,000	10,000
Revenue in advance <sup>(a)</sup>	469,613	31,472
	<u>479,613</u>	<u>41,472</u>

<sup>(a)</sup> The amount held in this account is from Burswood funding (see note 12) and is to be used only for the programs approved by the Burswood Park Board.

### 25 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 period	325,500	227,000
<u>Transfer of net assets from other agencies</u>		
Land at Fair Value <sup>(a)</sup>	20,410,100	-
River infrastructure provided by owners <sup>(b)</sup>	-	98,500
<b>Total contributions by owners</b>	<u>20,410,100</u>	<u>98,500</u>
<b>Balance at end of period</b>	<u>20,735,600</u>	<u>325,500</u>
<b>Accumulated surplus</b>		
Balance at start of period	9,565,332	5,072,954
Correction to prior period <sup>(c)</sup>	-	45,153
Result for the period	(611,329)	4,447,225
<b>Balance at end of period</b>	<u>8,954,003</u>	<u>9,565,332</u>
<b>Total Equity at end of period</b>	<u>29,689,603</u>	<u>9,890,832</u>

<sup>(a)</sup> This is land transferred at fair value from the Department of Regional Development and Lands (\$20,229,100) and the Department of Water (\$181,000)

<sup>(b)</sup> This is infrastructure and equipment long controlled by the Trust but not previously recognised as assets

<sup>(c)</sup> The correction represents the capitalisation to Property, plant and equipment for minor items previously treated as operating expenditure

## Notes to Financial Statements for the year ended 30 June 2011

### Swan River Trust

	2011	2010
	\$	\$
<b>26 NOTES TO THE STATEMENT OF CASH FLOWS</b>		
<b>Reconciliation of cash</b>		
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:		
Cash and cash equivalents	2,260,633	2,839,230
Restricted cash and cash equivalents (note 16 'Restricted cash and cash equivalents')	1,452,364	338,601
	<u>3,712,997</u>	<u>3,177,831</u>
<b>Reconciliation of net cost of services to net cash flows used in operating activities</b>		
Net cost of services	(12,816,840)	(9,021,164)
<u>Non-cash items:</u>		
Depreciation and amortisation expense (note 7)	128,953	96,999
Resources received free of charge (note 15)	26,511	157,389
Gain on disposal of non-current assets (note 14)	(21,906)	-
<u>(Increase)/decrease in assets:</u>		
Current receivables <sup>(c)</sup>	(40,370)	(108,788)
Current prepayments	606,181	(2,919,861)
<u>Increase/(decrease) in liabilities:</u>		
Current payables	127,782	79,094
Other current liabilities	438,141	(286,134)
Net GST receipts/(payments) <sup>(a)</sup>	62,631	(166,826)
Change in GST in receivables/payables <sup>(b)</sup>	3,898	9,355
<b>Net cash used in operating activities</b>	<u>(11,485,019)</u>	<u>(12,159,936)</u>

<sup>(a)</sup> This is the net GST paid/received, i.e. cash transactions

<sup>(b)</sup> This reverses out the GST in receivables and payables

<sup>(c)</sup> Note that the Australian Taxation Office (ATO) receivable in respect of GST is not included in these items as they do not form part of the reconciling items

#### Non-cash financing and investing activities

During 2010-11 there were assets transferred/assumed from other Government agencies not reflected in the Statement of Cash Flows. Refer to note 25 'Equity'.

### Swan River Trust

	2011	2010
	\$	\$
<b>27 RESOURCES PROVIDED FREE OF CHARGE</b>		
During the year there were no resources provided to other agencies free of charge for functions outside the normal operations of the Trust.		
<b>28 COMMITMENTS</b>		
<b>Capital expenditure commitments</b>		
Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported on the financial statements, are payable as follows:		
Within 1 year	380,552	-
	<u>380,552</u>	<u>-</u>
The capital commitments include amounts for:		
Plant and equipment	380,552	-
	<u>380,552</u>	<u>-</u>
<b>Lease commitments</b>		
Non-cancellable operating leases:		
Commitments in relation to leases contracted for at the end of the reporting period but not recognised in the financial statements are payable as follows:		
Within 1 year	682,426	666,674
Later than 1 year and not later than 5 years	1,031,943	2,159,848
	<u>1,714,369</u>	<u>2,826,522</u>

The property lease is a non-cancellable lease with a four year, ten month 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 on 31 December 2014.

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.

## Notes to Financial Statements for the year ended 30 June 2011

### Swan River Trust

#### 29 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Trust has no contingent liabilities or contingent assets as at 30 June 2011.

#### 30 EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

The Trust has no events to report after the end of the reporting period.

#### 31 EXPLANATORY STATEMENT

This statement provides details of any significant variations between estimates and actual results for 2011 and between the actual results for 2010 and 2011. Significant variations are considered to be those greater than 10% and \$200,000.

##### Significant variances between estimated and actual result for 2011

	2011 Estimate	2011 Actual	Variation
	\$	\$	\$
Supplies and services	6,846,000	3,564,626	(3,281,374)
Grants and subsidies	4,374,000	8,624,483	4,250,483

##### Supplies and services

During the year \$2,691,420 of payments to the Department of Water were transferred to grants and subsidies. Funding for other projects was also reallocated from supplies and services to grants and subsidies to meet output demands.

##### Grants and subsidies

As mentioned above, the actual expenditure includes \$2,691,420 transferred from supplies and services for payments to the Department of Water. In addition to this, actual expenditure in 2010-11 also includes additional emergency works and expenditure in relation to grants issued in 2009-10, included under prepayments at 30 June 2010.

##### Significant variances between actual results for 2010 and 2011

	2011	2010	Variance
	\$	\$	\$
<u>Income</u>			
Commonwealth grants and contributions	450,848	100,000	350,848
<u>Expenses</u>			
Supplies and services	3,564,626	4,423,322	(858,696)
Grants and subsidies	8,624,483	3,929,455	4,695,028

### Swan River Trust

##### Commonwealth grants and contributions

The variance arises due to additional funding in 2010-11 for the Swan Canning Water Quality Improvement Plan (SCWQIP).

##### Supplies and services

Funding for projects was reallocated from supplies and services to grants and subsidies to meet output demands.

##### Grants and subsidies

Additional expenditure on grants and subsidies in 2010-11 included the SCWQIP Anvil Basin restoration, Drainage Nutrient Intervention Program, environmental monitoring of the river and oxygenation works. Many of the grants issued in 2009-10 and accounted for as prepayments at 30 June 2010 were expensed in 2010-11.

#### 32 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 the end of the reporting period 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 32(c) 'Financial instrument disclosures' and note 17 '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 end of the reporting period 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 32(c) 'Financial instrument disclosures'.

# Notes to Financial Statements for the year ended 30 June 2011

## Swan River Trust

---

### 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.

### 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 relates primarily to the long-term debt obligations.

### (b) Categories of financial instruments

In addition to cash, the carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are as follows:

#### Financial Assets

	2011	2010
	\$	\$
Cash and cash equivalents	2,260,633	2,839,230
Restricted cash and cash equivalents	1,452,364	338,601
Loans and receivables <sup>(a)</sup>	169,735	132,729
Amounts receivable for services	399,000	438,000

#### Financial Liabilities

Financial liabilities measured at amortised cost	359,062	230,746
--	---------	---------

<sup>(a)</sup> 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 tables 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 end of the reporting period 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.

## Notes to Financial Statements for the year ended 30 June 2011

### Swan River Trust

#### Interest rate exposures and ageing analysis of financial assets <sup>(a)</sup>

	Weighted Average Effective Interest Rate %	Interest rate exposure			Past due but not impaired				Impaired financial assets \$
		Carrying Amount \$	Variable interest rate \$	Non- interest bearing \$	Up to 3 months \$	3-12 months \$	1 to 5 years \$	More than 5 years \$	
<b>Financial Assets</b>									
<b>2011</b>									
Cash and cash equivalents	-	2,260,633	-	2,260,633	-	-	-	-	-
Restricted cash and cash equivalents	-	1,452,364	-	1,452,364	-	-	-	-	-
Receivables <sup>(a)</sup>	-	169,735	-	169,735	-	-	335	-	-
Amounts receivable for services	-	399,000	-	399,000	-	-	-	-	-
		<b>4,281,732</b>	-	<b>4,281,732</b>	-	-	<b>335</b>	-	-
<b>2010</b>									
Cash and cash equivalents	-	2,839,230	-	2,839,230	-	-	-	-	-
Restricted cash and cash equivalents	-	338,601	-	338,601	-	-	-	-	-
Receivables (a)	-	132,729	-	132,729	22,000	-	729	-	-
Amounts receivable for services	-	438,000	-	438,000	-	-	-	-	-
		<b>3,748,560</b>	-	<b>3,748,560</b>	<b>22,000</b>	-	<b>729</b>	-	-

<sup>(a)</sup> The amount of receivables excludes GST recoverable from the ATO (statutory receivable)

## Notes to Financial Statements for the year ended 30 June 2011

### Swan River Trust

#### Liquidity risk

The following table details the contractual maturity analysis for financial liabilities. The table includes interest and principal cash flows. An adjustment has been made where material.

Interest rate exposures and maturity analysis of financial liabilities <sup>(a)</sup>

	Weighted Average Effective Interest Rate %	Interest rate exposure		Maturity date				Impaired financial assets \$
		Carrying Amount \$	Variable interest rate \$	Non- interest bearing \$	Up to 3 months \$	3-12 months \$	1 to 5 years \$	
<b>Financial Liabilities</b>								
<b>2011</b>								
Payables	-	359,062	-	359,062	359,062	-	-	-
		<b>359,062</b>	-	<b>359,062</b>	<b>359,062</b>	-	-	-
<b>2010</b>								
Payables	-	230,746	-	230,746	230,746	-	-	-
		<b>230,746</b>	-	<b>230,746</b>	<b>230,746</b>	-	-	-

<sup>(a)</sup> The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities at the end of the reporting period

### 33 REMUNERATION OF MEMBERS OF THE TRUST AND SENIOR OFFICERS

#### Remuneration of members of the Trust

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

\$	2011	2010
0 - 10,000	3	5
10,001 - 20,000	4	4
20,001 - 30,000	1	1
\$	\$	\$
<b>The total remuneration of members of the Trust</b>	<b>92,396</b>	<b>108,547</b>

## Notes to Financial Statements for the year ended 30 June 2011

### Swan River Trust

---

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 of fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year, fall within the following bands are:

	2011	2010
	\$	\$
150,001 - 160,000	-	1
170,001 - 180,000	1	-
	\$	\$
<b>The total remuneration of senior officers</b>	<b>170,106</b>	<b>158,528</b>

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.

### 34 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 key performance indicators

	2011	2010
	\$	\$
	<b>13,400</b>	<b>13,600</b>

### 35 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 TI 951.

### 36 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.

# Financial Statements for the year ended 30 June 2011

## Swan River Trust

### 37 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	
	2011 \$	2010 \$	2011 \$	2010 \$	2011 \$	2010 \$	2011 \$	2010 \$	2011 \$	2010 \$
<b>COST OF SERVICES</b>										
<b>Expenses</b>										
Employee benefits expense	881,446	753,515	1,332,743	1,213,214	2,038,315	1,946,417	689,288	770,309	4,941,792	4,683,455
Supplies and services	347,475	378,591	663,902	812,423	2,081,156	2,509,396	472,093	722,912	3,564,626	4,423,322
Depreciation and amortisation expense	5,059	5,886	89,606	10,884	31,655	74,350	2,633	5,879	128,953	96,999
Accommodation expense	60,889	56,746	102,887	104,935	381,019	385,800	31,695	56,676	576,490	604,157
Grants and subsidies	10,000	-	10,000	-	8,604,483	3,929,455	-	-	8,624,483	3,929,455
Other expenses	1,395	20,135	2,712	39,034	180,791	137,198	11,845	33,725	196,743	230,092
<b>Total cost of services</b>	<b>1,306,264</b>	<b>1,214,873</b>	<b>2,201,850</b>	<b>2,180,490</b>	<b>13,317,419</b>	<b>8,982,616</b>	<b>1,207,554</b>	<b>1,589,501</b>	<b>18,033,087</b>	<b>13,967,480</b>
<b>Income</b>										
<i>Revenue</i>										
Commonwealth grants and contributions	14,411	-	24,351	-	284,584	100,000	127,502	-	450,848	100,000
Grants and contributions	3,893	268,987	(8,954)	143,983	4,214,019	3,835,174	408,076	472,490	4,617,034	4,720,634
Other revenue	2,564	2,054	31,949	69,210	89,099	52,247	2,847	2,171	126,459	125,682
Gains/(losses) on disposal of non-current assets	4,162	-	(10,467)	-	26,044	-	2,167	-	21,906	-
<b>Total income other than income from State Government</b>	<b>25,030</b>	<b>271,041</b>	<b>36,879</b>	<b>213,193</b>	<b>4,613,746</b>	<b>3,987,421</b>	<b>540,592</b>	<b>474,661</b>	<b>5,216,247</b>	<b>4,946,316</b>
<b>NET COST OF SERVICES</b>	<b>1,281,234</b>	<b>943,832</b>	<b>2,164,971</b>	<b>1,967,297</b>	<b>8,703,673</b>	<b>4,995,195</b>	<b>666,962</b>	<b>1,114,840</b>	<b>12,816,840</b>	<b>9,021,164</b>
<b>INCOME FROM STATE GOVERNMENT</b>										
Service appropriation	1,286,338	1,250,253	2,173,597	2,311,972	8,049,441	8,500,085	669,624	1,248,690	12,179,000	13,311,000
Resources received free of charge	4,408	6,648	7,702	98,902	12,029	45,199	2,372	6,640	26,511	157,389
<b>Total income from State Government</b>	<b>1,290,746</b>	<b>1,256,901</b>	<b>2,181,299</b>	<b>2,410,874</b>	<b>8,061,470</b>	<b>8,545,284</b>	<b>671,996</b>	<b>1,255,330</b>	<b>12,205,511</b>	<b>13,468,389</b>
<b>Surplus/(Deficit) for the period</b>	<b>9,512</b>	<b>313,069</b>	<b>16,328</b>	<b>443,577</b>	<b>(642,203)</b>	<b>3,550,089</b>	<b>5,034</b>	<b>140,490</b>	<b>(611,329)</b>	<b>4,447,225</b>

The Schedule of Income and Expenses by Service should be read in conjunction with the accompanying notes. The 2010 comparative figures for Development and Implementation of Environmental Management Programs have been adjusted on the basis described in Note 4 to the Financial Statements. The effect of this adjustment is to increase the 2010 figure for grants and subsidies and to reduce the figure for supplies and services by \$2,084,000 relative to the equivalent figures included in the 2010 financial statements.