

**INTERNATIONAL RIVERFOUNDATION**

**Special purpose financial report for the financial year ended**

**30 June 2017**

**INTERNATIONAL RIVERFOUNDATION**

**Financial Report  
Year ended 30 June 2017**

**ACN 104 346 590**

Index	1
Directors' Report	2
Auditor's Independence Declaration	5
Income Statement	6
Balance Sheet	7
Statement of Changes in Equity	8
Statement of Cash Flow	9
Notes to the Financial Statements	10
Independent Auditor's Report	20

## INTERNATIONAL RIVERFOUNDATION

### Directors' report For the year ended 30 June 2017

#### Board of Directors

The following persons were directors of International RiverFoundation the ("Foundation") during the financial year and up to the date of this report, unless otherwise noted:

Dr Roger Higgins – resigned from 26 September 2017

Prof. Paul Greenfield - nominated as Chair of the Board for approval at AGM 4 December 2017

Mr Martin Albrecht, AC

Professor Bill Dennison

Mr Philip Weller

Dr Peter Rowley

Dr Deborah Nias

Dr Selina Ward

Mr John McCarthy AO

Mr Craig Morton

Dr Eva Abal – appointed as Company Secretary 4 December 2017

#### Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the Foundation during the financial period ended 30 June 2017.

#### Matters Subsequent to the End of the Financial Period

In September 2017 IRF delivered the 20th International Riversymposium in Brisbane, Queensland. The event was a success with 469 delegates and 558 attendees overall from 27 countries. The financial result is not yet available however; early indications are that a reasonable surplus should be achieved. The event followed the 2016 International Riversymposium that was held in New Delhi, India, the first organized overseas and a success.

At 2017 symposium, the IRF announced the winners of the 2017 Thies International Riverprize. The prize money for the 2017 Thies International Riverprize (\$200,000) is payable within twelve months after the prize is awarded.

The Twinning components of the Thies International Riverprize are funded only upon; a) the acceptance of a suitable twinning proposal by IRF Board and management; b) independent peer review process; and c) delivery of the agreed milestones by the proponents.

## INTERNATIONAL RIVERFOUNDATION

### Directors' report (continued)

Subsequent to the year end, the company were informed that the issuer of the related party borrowing of \$100,000 had decided to convert the borrowing into a donation to the company and this was to be reflected in the financial statements for the year ended 30 June 2018.

Franking credits provided by the Thiess Foundation for the 2015-16 financial year amounting to \$149,212 were received in November 2017. The franking credits are not a donation. A similar amount is expected to be received before the end of the 30 June 2018 for franking credits from the 2016-17 financial year.

Aside from these matters noted, no other matter or circumstance has arisen since 30 June 2017 that has significantly affected, or may significantly affect:

- (a) the Foundation's operations in future financial years, or
- (b) the results of those operations in future financial years, or
- (c) the company's state of affairs in future financial years

#### Annual General Meeting

The Annual General Meeting of the Foundation will be held on:

- 4 December 2017 at 10.00 in Brisbane

#### Meetings of Directors

The numbers of meetings of the company's board of directors held during the year ended 30 June 2017, and the numbers of meetings attended by each director were:

<i>Director</i>	<i>Eligible to attend</i>	<i>Number attended</i>
<i>Roger Higgins</i>	4	4
<i>Martin Albrecht</i>	4	3
<i>Bill Dennison</i>	4	3
<i>Peter Rowley</i>	4	3
<i>Philip Weller</i>	4	4
<i>Craig Morton</i>	4	4
<i>Selina Ward</i>	4	4
<i>John McCarthy</i>	4	3
<i>Deborah Nias</i>	4	3

#### Insurance of Officers

Directors' and officers' liability insurance has been arranged through Austcover Pty Ltd.

INTERNATIONAL RIVERFOUNDATION

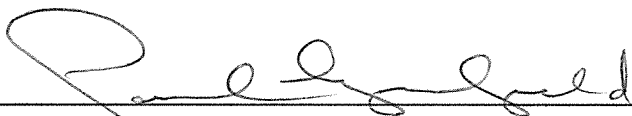
Directors' report (continued)

**Auditor's Independence Declaration**

PricewaterhouseCoopers (PwC) were appointed by the directors in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, to be approved at the 2016 Annual General Meeting. However, at this meeting PwC expressed the opinion that another auditor should be sought as PwC would like an opportunity to devote their pro-bono time to another recipient.

PKF Hackett have generously agreed to provide auditing services to IRF have been duly appointed and have conducted the 2017 financial audit.

This report is made in accordance with a resolution of the directors.

  
\_\_\_\_\_  
Paul Greenfield AO  
Dated this 8<sup>th</sup> day of December 2017

**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 60-40 OF *THE AUSTRALIAN CHARITIES AND  
NOT-FOR-PROFITS COMMISSIONS ACT 2012*  
To INTERNATIONAL RIVERFOUNDATION LTD**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017, there have been:

- (a) no contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

*PKF HACKETTS*  
PKF HACKETTS AUDIT



LIAM MURPHY  
PARTNER

BRISBANE  
DATE: 16 DECEMBER 2017

## INTERNATIONAL RIVERFOUNDATION

**Income Statement**  
**For the year ended 30 June 2017**

	Note	2017 \$	2016 \$
<b>REVENUE</b>			
Donations and gifts:			
Monetary		561,256	766,621
Non-monetary	2(a)	390,436	91,740
Grants:			
DFAT		174,460	115,000
Other Australian		216,345	259,285
Investment income		10,173	13,948
Other income	2(b)	392,168	741,716
<b>TOTAL REVENUE</b>		<b>1,714,838</b>	<b>1,988,310</b>
<b>EXPENDITURE</b>			
<b>International aid and development programs expenditures</b>			
International programs:			
Funds to international programs		322,821	637,317
Accountability and administration		476,576	502,884
Non-monetary expenditure	2(a)	390,436	91,740
<b>Total international aid and development programs expenditures</b>		<b>1,159,833</b>	<b>1,231,941</b>
Domestic programs expenditures		404,752	624,450
<b>TOTAL EXPENDITURE</b>	3	<b>1,564,585</b>	<b>1,856,391</b>
<b>EXCESS (SHORTFALL) OF REVENUE OVER EXPENDITURE</b>		<b>150,253</b>	<b>131,919</b>
<b>Other comprehensive income</b>		-	-
Other comprehensive income net of tax		-	-
<b>Total comprehensive income for the year</b>		<b>150,253</b>	<b>131,919</b>

## INTERNATIONAL RIVERFOUNDATION

**Balance Sheet**  
**For the year ended 30 June 2017**

	Note	2017 \$	2016 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and liquid assets	4	699,441	961,639
Trade and other receivables	5	-	58,973
		<u>699,441</u>	<u>1,020,612</u>
<b>Non-current assets</b>			
Property, plant and equipment	6	1,145	2,288
		<u>1,145</u>	<u>2,288</u>
<b>TOTAL ASSETS</b>		<u>700,586</u>	<u>1,022,900</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	7	357,461	746,580
Unearned revenue	7	126,400	9,848
		<u>483,861</u>	<u>756,428</u>
<b>Non-current liabilities</b>			
Borrowings	8	100,000	300,000
		<u>100,000</u>	<u>300,000</u>
<b>TOTAL LIABILITIES</b>		<u>583,861</u>	<u>1,056,428</u>
<b>NET ASSETS</b>		<u>116,725</u>	<u>(33,528)</u>
<b>EQUITY</b>			
Retained Profits		<u>116,725</u>	<u>(33,528)</u>
<b>TOTAL EQUITY</b>	9	<u>116,725</u>	<u>(33,528)</u>



## INTERNATIONAL RIVERFOUNDATION

**Statement of Changes in Equity  
For the year ended 30 June 2017**

	<b>Retained Profits</b> \$	<b>Total</b> \$
<b>Balance at 1 July 2015</b>	(165,447)	(165,447)
(Shortfall) Excess of revenue over expenditure	131,919	131,919
<b>Balance at 30 June 2016</b>	(33,528)	(33,528)
(Shortfall) Excess of revenue over expenditure	150,253	150,251
<b>Balance at 30 June 2017</b>	116,725	116,725

## INTERNATIONAL RIVERFOUNDATION

**Statement of Cash Flow**  
**For the year ended 30 June 2017**

	Note	2017 \$	2016 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts		1,403,200	1,882,622
Payment to suppliers and employees		(1,475,571)	(1,991,941)
		<u>(72,371)</u>	<u>(109,319)</u>
Interest received		10,173	13,814
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	10	<u>(62,198)</u>	<u>(95,505)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		-	(2,218)
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>		<u>-</u>	<u>(2,218)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		-	300,000
Repayments of borrowings		(200,000)	-
<b>NET CASH PROVIDED FROM FINANCING ACTIVITIES</b>		<u>(200,000)</u>	<u>300,000</u>
<b>TOTAL NET INCREASE/(DECREASE) IN CASH HELD</b>		<u>(262,198)</u>	<u>202,227</u>
CASH AT THE BEGINNING OF THE FINANCIAL YEAR		961,639	759,362
<b>CASH AT THE END OF THE FINANCIAL YEAR</b>		<u>699,441</u>	<u>961,639</u>

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of the financial report of International RiverFoundation (the foundation) are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**(a) Basis of preparation**

International RiverFoundation is a not-for-profit organisation that relies on the availability of sponsorship and donations to fund their activities. The Foundation achieved a surplus from ordinary activities during the financial year ended 30 June 2017 \$150,253 (PY profit of \$131,919). Cash outflows from operating activities were \$62,198 (PY outflow of \$95,505). The Foundation has current obligations in the form of Riverprizes and Twinning, which have been awarded; however, the funding of some of these payables is yet to be sourced. The Foundation has made significant steps with respect of these obligations ensuring that prior amounts had as much as possible been serviced.

During the current year and subsequent to year end, the Foundation has undertaken a range of successful actions in order to secure future cash resources, allowing the Foundation to continue to support its current business plan. An overview of the specific fund-raising activities and strategic actions executed in the current financial year and subsequent to year end include:

- Received donations of over \$561,000 from various philanthropic sources, including the Thiess and Albrecht Foundations, during the financial year, a decrease of \$200,000 compared with the previous year, still however, a significant sum.
- Received a commitment by the Albrecht Foundation of \$1,000,000 in previous financial years for the continued financial support for five years to 2018. \$200,000 was repaid during this financial year leaving \$100,000 in the form of a subordinated loan to be repaid only when the Foundation returns to a viable position.
- The Estate of the late Vera Thiess has commenced making IRF a charity beneficiary to support payment of the Thiess International Riverprize, Ken Thiess Memorial Scholarship and Vera Thiess Fellowship for Women.
- Franking credits provided from the Thiess Foundation for the 2015-16 financial year amounting to \$149,212 were received in November 2017. A similar amount is expected to be received before the end of the 30 June 2018 for franking credits from the 2016-17 financial year.
- A successful Riversymposium held in Brisbane in September 2017 achieving a profit and cashflow surplus for the foundation.

The continuing viability of the Foundation and its ability to continue its commitments and meet its debts as they fall due is dependent upon the Foundation being successful in maintaining existing sponsorships and donors and attracting additional sponsors and donors to meet its future commitments when required. The Foundation has designed a business plan capable of funding Prizes, scholarships and other commitments.

The directors believe the Foundation will be successful in the above matters and, accordingly have prepared the financial report on a going concern basis.

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of preparation (continued)**

*Special purpose financial report*

In the directors' opinion, the Foundation is not a reporting entity because there are no users dependent on general purpose financial reports.

This is a special purpose financial report that has been prepared for the sole purpose of complying with the *Australian Charities and Not-for-profits Commission Act 2012* requirements to prepare and distribute a financial report to the members and must not be used for any other purpose.

The financial report has been prepared in accordance with the recognition and measurement principles of all applicable Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Australian Charities and Not-for-profits Commission Act 2012* and with the *Australian Council for International Development (ACFID) Code of Conduct*. It contains the disclosures that are mandatory under the Accounting Standards and those considered necessary by the directors to meet the needs of the members.

The financial report was authorised by directors on 4 December 2017.

*Historical cost convention*

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, certain classes of property, plant and equipment and investment property.

*Critical accounting estimates*

The preparation of financial statements often requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies. There are no material areas involving a higher degree of judgment or complexity, other than as disclosed in classification of obligations between liabilities and commitments, or areas where assumptions and estimates are significant to the financial statements.

**(b) Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable. Revenue from donations, grants and sponsorships is recognised when virtually certain or on receipt.

**(c) Income tax**

The income of the company is exempt from income tax under the provisions of Section 50-5 of the Income Tax Assessment Act 1997.

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(d) Impairment of assets**

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

**(e) Cash and cash equivalents**

Cash and cash equivalents include cash on hand and deposits held with financial institutions. For the purposes of the statement of cash flow, cash includes at deposits at call which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts.

**(f) Trade and other receivables**

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost, less provision for doubtful debts. All trade debtors are recognised as current accounts receivable as they are due for settlement within the next year. Collectability of trade debtors is reviewed on an ongoing basis and debts which are known to be uncollectible are written off.

**(g) Property, plant and equipment**

All property, plant and equipment are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the reporting period in which they are incurred.

Depreciation is calculated on a straight-line basis so as to write-off the net cost or other revalued amount of each asset over its expected useful life. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter using the straight-line method. Estimated useful lives are as follows:

Plant and equipment	2 – 5 years
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The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(g) Property, plant and equipment (continued)**

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(d)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

**(h) Trade and other creditors**

These amounts represent liabilities for goods and services provided to the Foundation prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition.

**(i) Financial assets**

Amounts invested in financial assets with the intention of being held for the long term are initially recorded at cost. Increments or decrements in the fair value of the portfolio of financial assets including investment income, such as dividends received, are recognised in the income statements investment earnings.

**(j) Acquisition of assets**

The cost method of accounting is used for all acquisitions of assets regardless of whether shares or other assets are acquired. Cost is determined as the fair value of the assets given up or liabilities undertaken at the date of acquisition plus incidental costs to the acquisition.

**(k) Employee benefits**

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognized in other creditors in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

The liability for long service leave expected to be settled within 12 months of the reporting date is recognized in the provision for employee benefits. The liability for long service leave expected to be settled more than 12 months from the reporting date is recognized in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

INTERNATIONAL RIVERFOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

**NOTE 2: REVENUE**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>Gifts in kind – non-monetary</b>		
World Bank – Riversymposium costs	315,000	-
Office accommodation at BMT WBM	9,040	20,610
Office accommodation at Thiess	24,120	-
Wages for Brisbane City Council employee	12,276	-
Audit services – PKF Hacketts	30,000	71,130
	<b>390,436</b>	<b>91,740</b>
<b>Other Income</b>		
Revenue from events	290,580	593,906
IRF membership	300	300
OceanaGold – collaboration	100,000	100,000
Other	1,288	10
Condamine alliance	-	25,000
Twinning	-	22,500
	<b>392,168</b>	<b>741,716</b>

**NOTE 3: EXPENDITURES**

**Expenditure includes the following expenses:**

Rental expense on operating leases	5,526	20,610
Employee benefit	412,407	460,234
Depreciation of property, plant and equipment	1,143	879

**NOTE 4: CASH AND LIQUID ASSETS**

Cash – IRF Fund	355,252	349,988
Cash – Restricted	133,256	455,697
Cash at bank	210,933	155,954
<b>Total cash and liquid assets</b>	<b>699,441</b>	<b>961,638</b>

INTERNATIONAL RIVERFOUNDATION  
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

**Table of cash movements for designated purpose**

Designated Purpose	Cash available at beginning of financial year	Cash raised during financial year	Cash disbursed / reduced during financial year	Cash available at end of financial year
	\$	\$	\$	\$
Kenya-Tweed Program	90,448	42,338	120,741	12,045
Ken Thiess Memorial Scholarship	50,000	-	25,000	25,000
Vera Thiess Memorial Scholarship	-	50,000	31,550	18,450
Thiess International Riverprize:				
Lake Eyre	-	200,000	200,000	-
Niagara R	-	200,000	100,000	100,000
Thiess International Twinning:				
Charles R US	4,000	15,753	14,753	5,000
Willamette R	-	30,669	23,997	6,672
Mara R	-	15,000	12,500	2,500
Bremer River	96,136	76	-	96,212
Sunshine Coast Twinning	50,000	-	25,000	25,000
Other Purposes	671,055	859,537	1,122,030	408,562
<b>Total cash and liquid assets</b>	<b>961,639</b>	<b>1,413,373</b>	<b>1,665,398</b>	<b>699,441</b>

**NOTE 5: TRADE AND OTHER RECEIVABLES**

	2017	2016
	\$	\$
Prepayments	-	58,973
Total trade and other receivables	<u>-</u>	<u>58,973</u>

**NOTE 6: PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment at cost	6,249	6,249
Accumulated depreciation	(5,104)	(3,961)
	<u>1,145</u>	<u>2,288</u>



INTERNATIONAL RIVERFOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

**NOTE 7: TRADE AND OTHER PAYABLES**

	2017	2016
	\$	\$
<b>Thiess International</b>		
2011 Thiess International Twinning (Charles R)	5,000	4,000
2012 Thiess International Twinning (Willamette R)	6,672	32,564
2013 Thiess International Twinning (Mara R)	2,500	-
2015 Thiess International RiverPrize (Lake Eyre)	-	200,000
2016 Thiess International RiverPrize (Niagara)	100,000	
Ken Thiess International Scholarship	25,000	-
Vera Thiess Fellowship	18,450	-
	<b>157,622</b>	<b>236,564</b>
<b>Australian Riverprize &amp; Twinning</b>		
2010 Australian Twinning (Oxley Creek)	-	8,600
2011 Australian RiverPrize (Sunshine Coast)	-	150,000
2011 Australian Twinning (Sunshine Coast)	25,000	50,000
2013 Australian Twinning (Glenelg R.)	-	25,000
2014 Australian Riverprize (Lake Eyre)	-	100,000
2015 Australian RiverPrize (Murray River)	-	50,000
	<b>25,000</b>	<b>383,600</b>
<b>Other International</b>		
Tweed Kenya	12,045	-
	<b>12,045</b>	-
<b>Australian Payables</b>		
Bremer River account	96,212	96,136
Creditors	5,648	3,464
GST, PAYG payable and accrued expenses	60,934	26,816
	<b>162,794</b>	<b>126,416</b>
<b>TOTAL PAYABLES</b>	<b>357,461</b>	<b>746,580</b>
<b>DEFERRED INCOME</b>	<b>126,400</b>	<b>9,848</b>

**NOTE 8: BORROWINGS**

Loans from related parties	100,000	300,000
<b>TOTAL BORROWINGS</b>	<b>100,000</b>	<b>300,000</b>

Refer to note 16 for further details on this loan.

**NOTE 9: RESERVES AND RETAINED PROFITS**

<b>Retained Profits</b>		
Retained profits at the beginning of the financial year	(33,528)	(165,447)
Net surplus/(deficit) attributable to members of IRF	150,253	131,919
Retained profits at the end of the financial year	<b>116,725</b>	<b>(33,528)</b>

INTERNATIONAL RIVERFOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

**NOTE 10: FINANCIAL RISK MANAGEMENT**

*Investment earnings risk*

International RiverFoundation may be subject to risk arising from the effects of future changes in the prevailing level of interest rates and investment earnings in relation to its assets held with financial institutions and bank deposits.

*Credit risk*

The maximum credit risk exposure in the event parties fail to perform their obligations is equivalent to the amounts recognised in the balance sheet.

*Fair value of financial instruments*

It is the policy of the International RiverFoundation to recognise its financial assets at fair value.

Profit / (loss) from ordinary activities	150,253	131,919
Depreciation	1,143	879
Changes in operating assets and liabilities		
Increase/(decrease) in deferred income	116,552	9,848
(Increase)/decrease in receivables	58,973	(58,973)
Increase/(decrease) in creditors and payables	(389,119)	(179,178)
Net cash flows from operating activities	<u>(62,198)</u>	<u>(95,505)</u>

**NOTE 11: INTERNATIONAL RIVERFOUNDATION FUND (the Fund)**

The company maintains accounting records to recognise the receipt of donations received in its capacity as a Deductible Gift Recipient and expenditure from these donations. The expenditure from this Fund is approved by the Public Funds Management Committee, which oversees that disbursement of expenditure meets the Funds' environmental objectives.

**International RiverFoundation Fund**

Income and expenditure of the Fund has been:

Balance 1 July	349,988	98,406
Donations received	561,256	771,120
Interest and other income	3,403	579
Expenditure approved	(559,395)	(520,117)
Balance 30 June	<u>355,252</u>	<u>349,988</u>

The assets representing the fund are included in cash and liquid assets.

**NOTE 12: SHARE CAPITAL**

Established as a non-profit Foundation, the company does not have share capital. It is a public company limited by guarantee. Each member undertakes to contribute to the assets of the organisation in the event of it being wound up while he is a member, or within one year, after the member ceases to be a member, of a sum not exceeding \$10, should there be a shortfall in funds.

INTERNATIONAL RIVERFOUNDATION  
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

**NOTE 13: REMUNERATION OF DIRECTORS**

No remuneration was paid to directors during the year.

**NOTE 14: REMUNERATION OF AUDITORS**

No remuneration was paid to the auditors for the audit of the financial statements or for any other services.

**NOTE 15: COMMITMENTS FOR EXPENDITURE**

International RiverFoundation has an aggregate commitment of \$39,975 with respect to the following:

	2017 \$	2016 \$
<b>Program Commitments</b>		
International Commitments	-	190,448
Australia Commitments	-	30,000
<b>Total Program Commitments</b>	-	<b>220,448</b>
<b>Project Commitments</b>		
International Commitments	39,975	34,478
<b>Total Project Commitments</b>	<b>39,975</b>	<b>34,478</b>
<b>Total Commitments</b>	<b>39,975</b>	<b>254,926</b>

**International Program Commitments** above refer to approved Thiess International Projects in Note 7 that have been approved and funds are available in the Public Fund account. In order to receive funds certain obligations are required of recipients with milestones and reports accepted by IRF management.

**Australia Program Commitments** above refer to the Sunshine Coast Twinning project in Note 7 that has been approved and funds are held in the Sunshine Coast account. In order to receive funds certain obligations are required of the Sunshine Coast with milestones and reports accepted by IRF management.

**International Project Commitments** above refer to Tweed-Kenya where \$12,045 is the balance of the Tweed-Kenya bank account and OceanaGold project where \$39,795 is held in the Operating account. In order for payment to be made IRF must be satisfied that prearranged approvals are received, the ACFID Code of Conduct is adhered to and that goods and services are delivered.

*Capital Commitments*

There are no commitments for capital expenditure at balance date.

INTERNATIONAL RIVERFOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

**NOTE 16: RELATED PARTY TRANSACTIONS**

An unsecured, interest free loan of \$300,000 was received by the Albrecht Foundation on behalf of a current IRF Director during the 2016 financial year. The loan is subordinated and only repayable when the Foundation returns to a viable position. At the end of the financial year the balance owing is \$100,000.

Office space has been provided under an agreement by Thiess Pty Limited. This includes rental on-costs such as cleaning, electricity and phones.

**NOTE 17: SEGMENT INFORMATION**

The company operates in one segment, being to undertake, promote and support activities to improve and protect the quality of rivers globally.

**NOTE 18: SUBSEQUENT EVENTS**

In September 2017 IRF delivered the 20th International Riversymposium in Brisbane, Queensland. The event was a success with 469 delegates and 558 attendees overall from 27 countries. The financial result is not yet available however; early indications are that a reasonable surplus should be achieved. The event followed the 2016 International Riversymposium that was held in New Delhi, India, the first organized overseas and a success.

At 2017 symposium, the IRF announced the winners of the 2017 Thiess International Riverprize. The prize money for the 2017 Thiess International Riverprize (\$200,000) is payable within twelve months after the prize is awarded.

The Twinning components of the Thiess International Riverprize are funded only upon; a) the acceptance of a suitable twinning proposal by IRF Board and management; b) independent peer review process; and c) delivery of the agreed milestones by the proponents.

Subsequent to the year end, the company were informed that the issuer of the related party borrowing of \$100,000 had decided to convert the borrowing into a donation to the company and this was to be reflected in the financial statements for the year ended 30 June 2018.

Franking credits provided from the Thiess Foundation for the 2015-16 financial year amounting to \$149,212 were received in November 2017. A similar amount is expected to be received before the end of the 30 June 2018 for franking credits from the 2016-17 financial year.

Aside from these matters noted, no other matter or circumstance has arisen since 30 June 2017 that has significantly affected, or may significantly affect:

- (a) the Foundation's operations in future financial years, or
- (b) the results of those operations in future financial years, or
- (c) the company's state of affairs in future financial years

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF INTERNATIONAL RIVERFOUNDATION LTD

#### Opinion

We have audited the accompanying financial report, being a special purpose financial report, of International RiverFoundation Ltd ("the company"), which comprises the balance sheet as at 30 June 2017, the income statement, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the responsible entities' declaration of the company.

In our opinion, the financial report of International RiverFoundation Ltd has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2017 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Regulation 2013*.

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter - Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for any other purpose.

#### Independence

We are independent of the company in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

## Responsible Persons' Responsibilities for the Financial Report

The responsible persons of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the Responsible persons determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

## Auditor's Responsibilities for the Audit of the Financial Report

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

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

*PKF HACKETTS*

PKF HACKETTS AUDIT



LIAM MURPHY  
PARTNER

BRISBANE

DATE: 16 DECEMBER 2017