

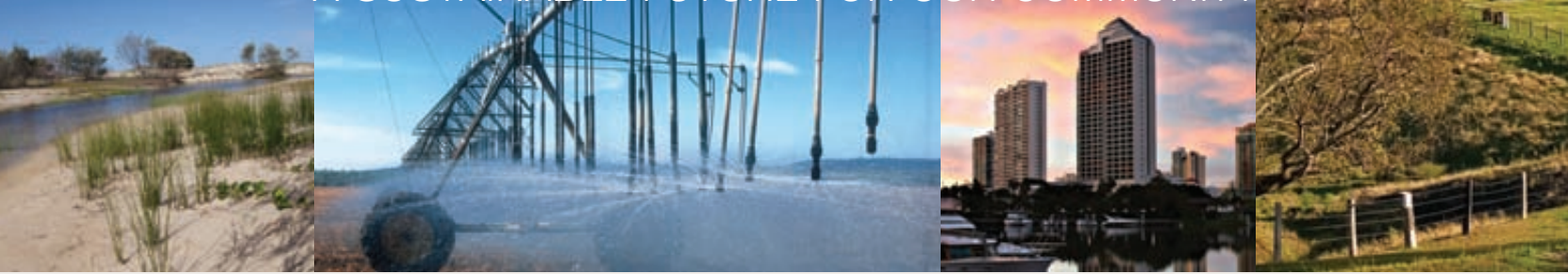


GETTING
THE
BALANCE
RIGHT

SEQ CATCHMENTS LTD CONCISE ANNUAL REPORT 2010



A SUSTAINABLE FUTURE FOR OUR COMMUNITY



CONCISE ANNUAL REPORT 2010

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SEQ Catchments acknowledges the past and present Traditional Owner custodians of the land within South East Queensland. We are committed to developing ongoing partnerships with the region's Traditional Owners.



ABOUT SEQ CATCHMENTS

We are a community-based, not for profit business working to deliver a sustainable future for our community.

We work with all levels of government, community and industry to create opportunities for sustainable growth while balancing economic development with preserving the region's natural assets.

Our extensive partner network includes Landcare, catchment and community groups, Australian, State and Local Governments, water authorities, industry groups, educational and research organisations as well as Traditional Owners and individual landholders.

SEQ Catchments has invested in significant capacity throughout the region, with staff located in Brisbane, Ipswich, Gold Coast, Sunshine Coast, Redcliffe, Kilcoy, Beaudesert and Laidley.



CHAIRMAN'S REPORT

As this will be my last report as Chairman for SEQ Catchments, I would like to reflect on my involvement in the Natural Resource Management (NRM) sector over the past 20 years and the extraordinary progress that it has been my privilege to witness over that time.

My first exposure to the NRM concept came when an Albert Shire Council engineer informed me that I should stop my dairy cows from walking in the local river as they must be polluting it.

My wife and I were running a dairy farm on the Nerang River at the time; she was a science teacher and together with our neighbour, a retired manufacturing chemist, we began testing the water to find out if we were indeed impacting the water quality.

Our investigations revealed that a nearby sewerage treatment plant discharging into the river was causing

the majority of the problem so we organised the local community to apply pressure to achieve change, which we eventually did.

I reported our findings to the Queensland Dairyfarmers Organisation and soon found myself responsible for helping our members to better manage effluent runoff from their properties into local waterways.

So began my first small steps towards helping to ensure a sustainable future for our community.

Over the past 20 years the NRM sector has learnt quite a few lessons: firstly, the vital role of the community; secondly, the need for common goals; thirdly, the importance of clearly articulated government policy; and finally and perhaps most importantly, the political will to deliver policy goals.



From L to R: Simon Warner, CEO SEQ Catchments; Julie O'Connor, Sunshine Coast Regional Council; Bob Abbot, Mayor SCRC; Nurdon Serico, Gubbi Gubbi Traditional Owner; Gordon French, Chairman SEQ Catchments

“Over the past 20 years the NRM sector has learnt quite a few lessons: firstly, the vital role of the community; secondly, the need for common goals; thirdly, the importance of clearly articulated government policy...”

Landholders across the region have come to appreciate the benefits of working firstly with Natural Resource Management SEQ (NRMSEQ) and SEQ Western Catchments Group (SEQWCG) and their precursors, and later with SEQ Catchments when NRMSEQ and SEQWCG merged to form a single organisation.

We have developed enduring relationships with governments, industry, environmental, Landcare groups and individual landholders, via community roundtables and ongoing engagement to ensure certainty of vision for the region.

For this I must acknowledge the passion and commitment of all past and present staff, many of whom are still with us from our earliest days.

I must also acknowledge the huge input of Board members who over the years have represented the

priorities of South East Queensland's local government and their community organisations.

Together we have identified the issues of concern, reached agreement on regional priorities and set targets for achieving tangible, on-ground outcomes to protect and preserve our region's natural assets.

Our greatest achievement however is the completion of the **SEQ Natural Resource Management Plan 2009 – 2031 (SEQ NRM Plan)**.

Prior to the SEQ NRM Plan, the management of natural assets was divided between community organisations, and local and state government authorities, all focused on their own specific outcomes without any “big picture” uniform targets to which they could all work towards together.



Today, the SEQ NRM Plan provides an agreed set of targets backed by the SEQ Regional Plan which all community groups, Queensland Government authorities and agencies, and local councils will work towards and report against.

SEQ Catchments has identified those SEQ NRM Plan targets that are a priority for our region and have developed a **Strategic Investment Plan (SIP)** which contains Intermediate Targets (2009-2014) that contribute towards achieving the longer term targets.

Over the past 20 years we have achieved much in **engaging politicians and policy makers** to appreciate the importance of regional bodies like SEQ Catchments, together with the community, in planning and implementing practical, on-ground activities to manage and preserve our region's natural assets.

This has been particularly challenging at the federal level with changing governments and policy directions in recent years. We've been tireless in our engagement and we are now on first name terms with government ministers and opposition shadows.

I am happy to report that they now understand that not all wisdom resides in Canberra, and that local knowledge and participation in regional planning is vital to meeting the specific needs of our region.

We have achieved much; we now have greater political awareness of regional issues and have set regional targets, but the political will to support achieving those targets is still limited at all levels, as too is practical, sustainable, environmental regulation.

Many challenges remain to achieving our vision of a sustainable future for South East Queensland; however I am optimistic that we can balance growth and economic development with the environment.

Our engagement with the corporate sector to secure vital funding to support our work and that of our community partners has been vastly improved with the establishment of the **Environmental Investment Fund (EIF)** to allow businesses and individuals to directly invest into tangible, community-driven programs.

We have deepened the understanding of why South East Queensland is different and changed the perception of

“...I am optimistic that we can balance growth and economic development with the environment.”

why people choose to live here (and it's not because we have poured a lot of concrete) via **community awareness campaigns** and the commitment of our Community Partnership Managers on the ground.

We have built, nurtured and sustained a competent workforce, brilliantly led by our CEO Simon Warner over the past six years, through good times and bad, to create an organisation that is as good as or better than any other in Australia.

I also believe that SEQ Catchments and Healthy Waterways need to have a closer relationship moving forward. While an important player in managing water quality in our region, Healthy Waterways nonetheless has overlapping roles and responsibilities with SEQ Catchments which are being resolved.

Finally, I again extend my thanks to the Board, past and present, for their hard work and support over the years,

as well as to our wonderful staff, particularly our tireless operations and technical staff without whom our many achievements to date would have been impossible.

There are plenty of challenges left for my successors to achieve.



Gordon French AM

Chairman







CEO'S REPORT

South East Queensland's natural assets continue to be under intensive, sustained and growing pressure.

Historically inappropriate land management and practices combined with ongoing rapid population growth is impacting the region's biodiversity, productive land, water quality and coastlines, and threatening the long term viability of the unique South East Queensland way of life.

Our natural assets are not inexhaustible and we are going to have to learn to live within their capacity, despite what some economists may say.

The challenge will be to keep essential services up to such growth while dealing with the environmental impacts and emergencies that are all around us.

I believe we can create opportunities for sustainable growth while balancing economic development with

preserving our region's natural assets, providing we have the commitment of all levels of government, community and industry.

Demand for our support has been unprecedented. In part this has been as a result of our increasing profile and delivery of key projects but also due to our ability to add value in ways other than just being a funding source.

Significantly less funding from traditional sources has come to the region. All groups are feeling the effects.

Despite this, I am happy to report that we have consistently delivered results for our stakeholders. We have continued to make solid progress on all Caring for our Country and National Landcare Programs and grants, as well as delivering the Healthy Country project together with a number of corporate programs.

A major highlight of the last year was the **SEQ NRM Plan** receiving the top Australian award for planning excellence by the National Planning Institute of Australia, thanks to the collaborative efforts of all our partners including the Queensland Government and local councils together with SEQ Catchments and the community.

It was a great honor for the plan to receive national recognition, and is confirmation that it is the best response to meeting the challenges accompanying South East Queensland's rapid population growth and ensuring community, economic and environmental values in the region are maintained.

In the past it had been difficult to measure overall regional progress against targets because Natural Resource Management had been addressed through numerous plans, however the SEQ NRM Plan address this issue by presenting a 'single point of truth' for activities in the region.

We have identified those SEQ NRM Plan targets that are a priority for us and our community and have developed a **Strategic Investment Plan (SIP)**, which sets the short to medium term targets that the community must meet if we are to achieve the long term targets detailed in the plan.

We must meet these long term targets so we can play our part for the South East Queensland community, environment and economy to prosper into the future.

The SIP and its clear, on-ground targets will underpin our activities going forward. Where in recent times we have been pushed towards responding to available funding

streams, the SIP provides an emphasis on responding to and meeting community needs and aspirations and we will direct available funding towards achieving these outcomes.

During the reporting period SEQ Catchments released an economic study into the impact of environmental decline in South East Queensland **Managing What Matters**. It is a call to arms to increase the public's awareness of the need to protect and improve South East Queensland's declining natural resource assets.

The report showed the quality of South East Queensland's natural assets will decline in the next 20 years despite the current efforts of governments at all levels, industry and the community.

It showed that meeting the challenge of balancing population growth and continued economic development while preserving the region's natural assets cannot be left entirely to government – it will require the commitment of the entire community.

The report found that households would be prepared to contribute \$300 a year to maintain the current extent and condition of our natural assets. This clearly shows the community wants to avoid further declines in our natural assets from current levels.

It is also clear that there needs to be a much greater investment in protecting and restoring our natural assets if we are to have any chance of achieving the targets in the SEQ Regional Plan and the SEQ NRM Plan. This will have a major impact on SEQ Catchments and we need to plan going forward to ensure this investment occurs but

also that we are ready to meet the challenge when the investment is made.

In 2006 SEQ Catchments had revenue of a little over \$6 million; since then our revenue has more than doubled. The level of investment that is required to meet the targets in the Regional Plan will see our revenue at least double again in the near future.

Our structure and systems have coped well with our growth to date however if we are to be able to respond to this increase in demand and investment we need to build a solid new base from which to meet that challenge.

Such challenges will necessarily put strains on the organisation as we face the need to meet our future. I am determined that we will continue to work to be ahead of our needs so we do not get change imposed on us. The strategic plan and the SIP have given us a great basis upon which to build a new organisation structure.

The governance of the organisation was also strengthened during the reporting period by the **Council of Mayors SEQ** applying to be accepted as a member of SEQ Catchments Limited.

This means that local government now have the right to recommend two directors to the SEQ Catchments Board. It confirms the importance of local government to our business and reinforces our strong ties with local authorities who are close to the problems on the ground.

Under the Australian Government's **Caring for our Country** Business Plan 2010/11, SEQ Catchments submitted a revised regional base level allocation expression of interest to extend our current program and have finalised the development of agreed schedules. We also made a number of open call proposals.

While the 2010/11 business plan was much clearer on what would be funded, it was still not clear how proposals that include Traditional Owners as well as community skills, knowledge and engagement can be developed competitively when no funding was allocated to these targets.

Delays in announcing project applications from the business plan have also made forward planning extremely difficult. Delay and complication with reporting, contract negotiations and funding remains a continuing source of frustration.

"We must meet these long term targets so we can play our part for the South East Queensland community, environment and economy to prosper into the future."

PROJECT DELIVERY

Achievements at the operational level across South East Queensland for the 2009/10 reporting period include:

- 199 Land for Wildlife agreements negotiated between landholders and local councils covering 1,954 ha of land
- 255 property management plans developed
- 4,337 ha of native vegetation protected, fenced, or planted
- 219 ha of pest plant and animal control measures implemented
- 266 ha of land treated and protected from soil erosion by engineering works or stock exclusion fencing
- 36.5 ha of land treated through improvements to existing drainage systems
- 9.9 km of stream bank fenced for stock management, with 27 new off-stream water points established
- 36 landholders implementing improved land management practices on 768.6 ha
- 1,965 ha under improved managed for biodiversity outcomes, including 40ha to improve the condition of endangered ecological communities.



Programs of note include the successful completion of the **Moreton Bay Oil Spill Environmental Restoration Program**, which saw SEQ Catchments allocated \$2 million in funding from Caring for our Country to implement a community-based environmental restoration program following an oil spill in Moreton Bay in March 2009.

After two competitive Expressions of Interest rounds the funding was devolved via eight projects with six different partners, with partner in-kind contributions more than doubling invested funds. These projects were a partnership with Traditional Owner groups, local government, the Queensland Government's Department of Environment and Resource Management and volunteer community groups.

We were extremely pleased that the groups involved in this project were prepared to carry out extra, unfunded work, thus adding to the overall value of the approved projects.

Results of the program included:

- 1,425 project partners and community volunteers involved
- 21,220 plants planted
- 2,600 m of protective dunal fencing erected to protect recovering vegetation
- 155 ha of coastal vegetation restoration including weed removal, erosion control and revegetation.

The success of these on-ground works and assessment programs will be used to inform coastal management plans and help to build greater resilience in our coastal ecosystems.

Healthy Country is an \$8 million, four-year pilot project involving communities, landholders and government agencies. It seeks to prove it is possible to reduce sediment loads entering Moreton Bay by 50 percent by 2031.

It is the most ambitious program of its kind in Australia. By way of comparison, a comparable project to reduce



sediment and nutrient run-off to the Great Barrier Reef has a target of 15 percent.

SEQ Catchments is undertaking the program's waterway restoration component and we have worked closely with our partners to develop a methodology to pinpoint the origin of sediment loads. Via this methodology we have been able to identify that in some areas up to 70 percent of the sediment load is coming from just 10 percent of the land mass, allowing us to direct investment to the areas causing the problems.

Ongoing community engagement will be critical to the project as it will only work if it is implemented by the people on the ground. Property Management Planning will continue to be a key tool in assisting landholders to take a holistic and landscape approach to reducing sediment run-off from their properties.

Scientific modelling using information gathered from the monitoring and evaluation program will track changes in sediment run-off as a result of changed land management practices and on-ground works over time.

We also continued to advance a number of projects on behalf of the **Powerlink GreenWorks** program. The program supports projects that deliver significant and lasting environmental outcomes and enhance visual amenity in the vicinity of areas where future electricity infrastructure is to be located.

While it is early days for these projects we already have some significant runs on the board. During the reporting period SEQ Catchments, working with the Queensland Herbarium and other project partners, completed mapping of remnant Swamp Tea-tree forests in the Brisbane Valley and Logan areas.

Swamp Tea-tree forests are listed as endangered under State and Federal legislation, with less than 30 percent of the original forest remaining.

We will now work with local councils and landholders to improve the management and conservation of Swamp Tea-tree forests through planning, financial support and training.



Other projects we are undertaking under the Powerlink GreenWorks program include salinity reduction in the Woolshed Creek area, erosion control in Mt Binga Road Gully, enhancement of biodiversity values in the Emu Creek, Ravensbourne and Crow's Nest Districts, and rehabilitation of Cooyar Creek.

SEQ Catchments will continue to pursue opportunities to expand these projects as well as running parallel projects to address other important resource management issues facing the region.

During the reporting period we continued to advance our three year, \$200,000 partnership with **ENERGEX** to restore habitat corridors and replant koala food trees in the Moreton Bay Regional Council area.

I am happy to report that since the partnership was announced in February 2009, over 4,200 trees have been planted across two sites owned by Seqwater on the banks of Lake Samsonvale.

As the land is owned by Seqwater it cannot be developed and will provide certainty for the future of the koala population in the area.

The potential exists to extend revegetation work to connect sites within the Moreton Bay region. This expansion into the surrounding areas will include weed

control, improvements to degraded habitat and further tree plantings to make it suitable for koala habitat.

It is expected that within the next five years the site will be supporting an expanding population of koalas from existing habitat adjacent to the revegetation sites.

We have established the **Environmental Investment Fund (EIF)**, which as reported by the Chairman, allows businesses and individuals to directly invest in environmental activities which we will undertake.

These environmental activities are detailed in our SIP, outlined earlier in this report, which sets the short to medium term targets that must be met if we are to achieve our contribution to the long term targets detailed in the SEQ Regional Plan.

While corporate sector investment and private donations will become critical going forward, government funding for South East Queensland's natural resources remains vital.

The 2009/10 reporting period has been a challenging balancing act which I am happy to report the SEQ Catchments team carried off with dedication and confidence.

Thank you also to our many partners in government, community and industry across the region that worked with us so diligently over the past year.

Finally, I would like to pay tribute to our retiring Chairman Gordon French. He achieved so much in his nearly seven years as Chairman to embed sustainability and sound corporate governance in our organisation.

Under his leadership SEQ Catchments has developed excellent working relationships with all parts of our sector and has become a nationally respected organisation working to secure a sustainable future for our community.

Gordon has always put major emphasis on open communication with government and our partners, who have appreciated his upfront approach to dealing with issues and his willingness to engage.

His departure will be a loss to SEQ Catchments, but I am sure his skills will continue to be called upon elsewhere within the NRM sector.

His leadership and service has made a difference to the future of our community and on behalf of the Board and our staff I wish him well with the future.

Simon Warner

CEO





OUR BOARD OF DIRECTORS

Gordon French AM (Chairman) has been Chairman of SEQ Catchments since 2005, following the successful merger of NRMSEQ and SEQWCG. Prior to this, he was Chairman of NRMSEQ since its formation in 2003. He has been an Adjunct Professor at the University of Queensland’s School of Animal Studies since 2003. His previous board memberships include Genetics Australia and Agricultural Business Research Institute. He was formerly a State Councillor of Queensland Dairyfarmers Organisation and Chairman of the National Dairy Research and Development Alliance. Gordon combined a 36 year farming and 23 year RAAF Career.

Gordon is a member of the SEQ Catchments Planning and Investment Advisory Committee which oversees the development of on-ground projects.

Jim Dale (Deputy Chairman) is a retired forester and experienced NRM Operations Manager.

He was the inaugural president of the Pumicestone Region Catchment Coordination Association and Men of the Trees (Qld). He is currently president of Pine Rivers Catchment Association, a position he has held for over 10 years.

His previous board experience included terms with the Ipswich Rivers and Boonah Shire River Improvement Trusts, and various committee positions on the Brisbane River Management Group and more recently the Moreton Bay Waterways and Catchments Partnership. He has authored a number of papers on forest management.

Jim chairs the SEQ Catchments Planning and Investment Advisory Committee.

Victor Attwood is the Deputy Mayor of Ipswich City Council and is the Chairperson of the Ripley Valley Implementation Taskforce. Victor is the Ipswich City Council representative on the Council of Mayors (SEQ) Environment and Sustainability Committee. Victor has previously been the Ipswich City Council representative on the inaugural Local Government Association of Queensland NRM Management Group. He has also been a member of the Healthy Waterways Policy Council as a local government representative.

Victor is a member of the SEQ Catchments Planning and Investment Advisory Committee.



Bardhold Blecken is a former IT Manager and System Architect, and is Chairman and a Director of Gecko Regen. He serves on the management committee and is Treasurer of Gecko as well as the Gold Coast Catchments Association.

Bardhold is member of SEQ Catchments Audit and Finance Committee.

John Brent is Mayor of Scenic Rim Regional Council. He is currently Chairman of AusVeg, a Director of Growcom and Deputy Chair of the Council of Mayors (SEQ) Pty Ltd. He is an Executive Member of the Local Government Association of Queensland (LGAQ), and a Board Member of Local Government Mutual Liability Pool (LGM).

Terry Dredge is the former Mayor of Kilcoy Shire Council. His current board memberships include Kilcoy Hospital Auxiliary Committee, Redcliffe District Health Council and Anglicare's Kilcoy Country Companions Committee. Terry has been an active participant in Queensland's grazing issues.

Terry is a member of SEQ Catchments Planning and Investment Advisory Committee.

Margie Milgate is the Regional Networks Coordinator for Growcom, the peak state representative organisation for commercial fruit and vegetable growers in Queensland. She is a Director of the SEQC Members Association representing Growcom for the Rural Industries sector; a Director of Landcare Queensland; a member of the Norman Creek Catchment Coordinating Committee and the Rural Press Club; and a member and Administration Officer for SES Brisbane Unit, Southern Group and Zone Coordinator for her local Neighbourhood Watch Group.

Margie is a member of the SEQ Catchments Planning and Investment Advisory Committee.

Robert Smith is the former Deputy Mayor of Boonah Shire Council and has 14 years experience in local government. He is a Patron of the Boonah RSL Sub Branch. His previous board positions include directorships with the Queensland Deaf Society, Australian Youth Ballet, and NRM Vegetation Management.

Robert chairs SEQ Catchments Audit and Finance Committee.



OUR EXECUTIVE TEAM

Our executive team is responsible to the CEO for implementing the Board's strategy and achieving the SEQ Catchments vision.

Simon Warner	Chief Executive Officer
Kristina Frawley	Company Secretary and Chief Financial Officer
Anthony Hill	Corporate Affairs Manager
Noel Ainsworth	Regional Operations Manager
Andrew Davidson	Regional Planning Manager
Shannon Mooney	Technical Support Manager
Tony McKew	Community Engagement Manager

Simon Warner (Chief Executive Officer) is an experienced corporate manager with significant experience in a wide range of senior executive roles including Chief Operating Officer, and General Manager Logistics and Human Resources. Simon has also held Director positions with the Port of Brisbane Corporation, Bulk Terminals Australia, Australian Bulk Alliance, and Grainco Australia Limited Subsidiary Companies. He was Chairman of the National Grower Register.

Kristina Frawley (Company Secretary and Chief Financial Officer) is an experienced Financial Manager with expertise across the commercial, governmental and not for profit sectors focussing on business process improvement and value adding activities. She holds a Master of Commerce in Accounting and Commercial Administration from the UNSW and is a graduate member of the Australian Institute of Company Directors (GAICD). She currently sits on the board of DBNC Association Inc.

FINANCIAL STATEMENTS

INCOME AND EXPENDITURE SUMMARY

for year ended 30th June 2010

	Consolidated Group		Parent Entity	
	2010	2009	2010	2009
Revenue	11,492,829	9,851,937	11,416,539	9,850,413
Expenses	(11,567,031)	(8,359,059)	(11,490,741)	(8,357,533)
Surplus (deficit)	(74,202)	1,492,878	(74,202)	1,492,880

BALANCE SHEET SUMMARY

as at 30th June 2010

Assets				
Cash and Equivalents	5,411,036	4,747,713	5,407,755	4,737,299
Total Assets	6,465,627	7,926,251	6,460,537	7,923,475
Revenue Received in Advance	1,966,533	3,863,287	1,960,844	3,860,787
Total Liabilities	3,666,784	5,053,026	3,661,692	5,050,428
Equity	2,798,843	2,873,045	2,798,845	2,873,047



CORPORATE DIRECTORY

Directors

Gordon French AM (Chairman)

Jim Dale (Deputy Chairman)

Victor Attwood

Bardhold Blecken

John Brent

Terry Dredge

Margie Milgate

Robert Smith

Public Officers

Simon Warner (CEO)

Kristina Frawley (Company Secretary
and Chief Financial Officer)

Auditors

B.B. Whitehouse Group

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Milton Qld 4064

Lawyers

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