

ANNUAL REPORTS

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THE CLERK OF THE PARLIAMENT

of the

14 June 2001



CANE PROTECTION AND PRODUCTIVITY BOARDS

to the

MINISTER
FOR
PRIMARY INDUSTRIES
AND RURAL COMMUNITIES

2000

ANNUAL REPORTS

(in order of presentation)

Mossman Cane Protection and Productivity Board

Mulgrave Cane Protection and Productivity Board

Babinda Cane Protection and Productivity Board

Mourilyan Cane Protection and Productivity Board

Tully Cane Protection and Productivity Board

Herbert Cane Protection and Productivity Board

Invicta Cane Protection and Productivity Board

Ayr Cane Protection and Productivity Board

Inkerman Cane Protection and Productivity Board

Proserpine Cane Protection and Productivity Board

Mackay Cane Protection and Productivity Board

Plane Creek Cane Protection and Productivity Board

Bingera Cane Protection and Productivity Board

Fairymead Cane Protection and Productivity Board

Millaquin-Qunaba Cane Protection and Productivity Board

Isis Cane Protection and Productivity Board

Maryborough Cane Protection and Productivity Board

Moreton Cane Protection and Productivity Board

Rocky Point Cane Protection and Productivity Board

INTRODUCTION

Cane Protection and Productivity Boards are constituted under the *Sugar Industry Act 1999* by the Honourable the Minister for Primary Industries and Rural Communities on the recommendation of the Bureau of Sugar Experiment Stations Board with 'functions, powers and duties to take all necessary steps to prevent, control and eradicate pest infestation of sugarcane grown within its area or any other matter or thing that adversely affects the quantity or quality of crops of sugarcane within its area; and to assist and cooperate with the Bureau of Sugar Experiment Stations Board in research concerning any matter related to the production, harvesting, transport and processing of sugar cane or related to the production of sugar cane products'.

As at 31 December 2000 there were 20 statutory Cane Protection and Productivity Boards, several of which trace back to 1923 when the first sugarcane pest control legislation was inserted into the *Sugar Experiment Stations Act 1900-1990*. Boards have been required under the Sugar Experiment Stations Act, since at least 1939, and currently under the Sugar Industry Act, to have their accounts audited by the Auditor-General or his nominee, and to provide an Annual Report to the Minister.

Annual Reports and Financial Statements (from 19 Boards) for the year 2000 have been prepared, according to the requirements of the *Financial Administration and Audit Act 1977*, and the Ministerial Guidelines issued by the Honourable the Minister for Primary Industries and Rural Communities. These reports have been collated and printed in one volume by the Bureau of Sugar Experiment Stations (BSES) in terms of Section 46J of that Act, at the request of the Honourable the Minister for Primary Industries and Rural Communities.

Despite numerous contacts, an Annual Report and audited Financial Statement have not been received from the South Johnstone Cane Protection and Productivity Board. These will be forwarded under separate cover if received at this Office.

MOSSMAN CANE PROTECTION AND PRODUCTIVITY BOARD

ANNUAL REPORT

TO THE

MINISTER FOR PRIMARY INDUSTRIES

2000

MOSSMAN CANE PROTECTION AND PRODUCTIVITY BOARD
10TH ANNUAL REPORT
TO THE MINISTER FOR PRIMARY INDUSTRIES
FOR THE PERIOD ENDED 31ST OCTOBER 2000.

As from the 1st July 1991 this Board was constituted under the provisions of Part 5 of *The Sugar Industry Act*. It replaces the Mossman Cane Pest and Disease Control Board, which had been in existence since 1942.

Mossman Cane Protection and Productivity Board ceased to exist as at October 31 2000. As of this date the assets and liabilities of this Board were transferred to Mossman Agricultural Services Ltd., a company limited by guarantee with approval of The Minister for Primary Industries in accordance with section 183G of the Act.

The members in office were as follows: -

Canegrowers' Representatives - Messrs J.K. Reynolds (Chairman), C.J. McClelland, and C.B. Coulthard.

Millowners' Representatives - Messrs R.D. Verri (Deputy Chairman) and J.G. Watson.

B.S.E.S. Nominee - Dr. P.H. Twine (Group Manager, BSES). - Alternate Mr D.V. Calcino (Extension Officer, BSES).

Staff Messrs A.V. Rudd (Technical Field Officer), A.W. Ford (Productivity Officer) and Mrs. F.J. Prior (Secretary)

FINANCE

- Compulsory levy collection was replaced in 2000 by a voluntary fee for membership. Membership fees for growers and miller were set at 3 cents per tonne.
- Other sources of finance included profit from chemical sales, commission on fertiliser sales and specific project funding from various sources.

REVIEW - 2000

PRODUCTION AND PRODUCTIVITY

During the year 859,599 tonnes of cane were crushed at an average ccs of 12.70. Productivity indicators for the last five years are listed below. As production figures for the Mareeba area are vastly different from the Coastal area these data are presented separately.

Once again the extremely low ccs levels experienced in the coastal sector are the cause for considerable concern. These low levels coupled with very low cane yields throughout the area have severely reduced grower and mill income.

	TONNES CANE	TONNES CANE/Ha	CCS	TONNES CCS/Ha
2000 (Mareeba)	319,547	89.09	13.93	12.41
2000 (Coastal)	540,051	61.82	11.97	7.40
2000	859,599	69.75	12.70	8.86
1999 (Mareeba)	381,146	111.97	14.27	15.96
1999 (Coastal)	679,252	74.91	11.85	8.88
1999	1,060,410	84.98	12.72	10.81
1998 (Mareeba)	336,515	101.5	13.83	14.04
1998 (Coastal)	747,000	84.5	11.17	9.44
1998	1,083,515	89.1	11.99	10.68
1997 (Mareeba)	362,727	109.5	13.96	15.29
1997 (Coastal)	685,976	77.0	12.35	9.51
1997	1,048,703	85.8	12.90	11.07
1996 (Mareeba)	372,247	125.6	13.97	17.55
1996 (Coastal)	804,414	94.0	11.91	11.20
1996	1,176,661	102.1	12.56	12.82

SIGNIFICANT WEATHER EFFECTS

Record rainfall during November 1999 negated any benefits to the 2000 crop from an early finish in that year. The pattern of above average rainfall continued until April severely depressing growth through the wet season.

APPROVED SEED PLOTS AND RATOON STUNTING DISEASE (RSD)

Forty-two tonnes of plants were distributed from the approved seed plots at Cooya and Whyanbeel under supervision of Board staff. Prior to this distribution, plants were regularly checked for disease, including sending samples to Tully BSES for RSD diagnosis. One approved seed plot was planted following hot water treatment (HWT) of plants. Fifty-seven tonnes of cane was HWT for planting in approved seed plots or directly for growers.

SOIL ANALYSIS AND CROP NUTRITION

Numbers of soil samples analysed for the year totalled 243. The analyses showed that soils that were sampled were in a generally good state of fertility and confirmed thoughts that nutrition imbalances are not a major problem for the majority of growers.

Exchangeable Potash values were low in 30% of samples but this was offset by the indication that Potash reserves were more than adequate in all cases. The other elements analysed for showed remarkably similar trends. Calcium, Magnesium and Zinc analyses all showed less than 5% of samples to be in the responsive area while Phosphorus showed 92% of samples to be in the non-responsive area.

The pricing policy for mud/ash mixtures settled on by Mossman Central Mill resulted in a more widespread (and therefore more area beneficial) usage of the product. Wet infield conditions still create problems of distribution from time to time but the only way these problems are likely to be overcome is with a different distribution system. In the short term at least, the present system is likely to continue.

Assistance was given to the BSES Project 2084, a nutrient survey study with the collection of soil and leaf samples for analysis from a range of soil types and differing climatic conditions. Sites are to be leaf samples again in the 2001 growing season.

HERBICIDES AND WEED CONTROL

Vine control in trash-blanketed ratoons continued to be the major weed control problem area with many blocks needing repeated herbicide applications to achieve satisfactory control. Depressed sugar prices have caused financial difficulties for growers with many attempting to cut costs by restricting weed control measures.

The area infested with problem weeds such as calopo, sicklepod and various paspalum species increased during the year. Discussion continued with chemical companies regarding strategies to reduce the number of herbicide applications for vine control. Trials were initiated with one new product in this situation.

AGRICHEMICAL and FERTILISER SALES

The Board continued its involvement in the sales of agricultural chemicals, and fertilisers to Mossman canegrowers.

CANE VARIETY MANGEMENT

Two replicated strip trials were planted to compare newly released or high potential varieties with popular varieties. Six replicated strip trials in the same program were harvested. Promising varieties were propagated in an approved seed plot for potential commercial release.

In association with BSES a variety best management practice group was maintained. This group obtained maturity data for recently released varieties from the strip trial program. One strip trial comparing dual row with single row using billet and whole stalk machinery was planted at the instigation of this group. The group conducted a bus tour to look at various trials.

BLOCK DATA AND PRODUCTIVITY REPORTS

Block data was collected from the completion of planting. Both Block Performance Reports and Farm Summaries were prepared and posted to all growers. Graphs showing individual farm ccs, tonnes cane per hectare, and tonnes ccs per hectare compared to district averages for the last ten years were incorporated with the productivity reports. Specialised analysis of data was undertaken for several growers.

PEST AND DISEASE DATA

Data on the occurrence of pests and diseases were collected, compiled and provided to BSES for industry compilation and distribution.

Pests

Severe rat damage was experienced throughout much of the 2000 crop. Only very limited use was made of Racumin rodenticide in bait stations because of the limitations of using this baiting strategy. Assistance was given to Canegrowers and BSES towards the preparation and planning for emergency use permits for Ratoff and Racumin outside of bait stations.

Owl boxes were installed with assistance from BSES staff as part of the NHT funded project "Encouraging Owls onto Sugarcane Farms"

Funding continued to be available from the Wet Tropics Management Authority via the Department of Natural Resources for a pig-trapping program. Supplementary funds were provided by the Board to assist Mr.G. Harrold to trap pigs in the coastal sectors and Mr. D. Paton to operate in the Mareeba area.

Diseases

Orange rust was responsible for appreciable crop and ccs losses in Q124 and other susceptible varieties. CCS was particularly low in early harvested rust effected crops from the coastal belt and many growers had to mix Q124 with other varieties to achieve the minimum 7 ccs required for payment.

EXTENSION ACTIVITIES

An agricultural extension service for Mossman mill area canegrowers was maintained with only minimal delays in servicing requests for advice.

A series of shed meetings was held during February-March to present productivity information and various technological developments. This forum was also used for consultation with growers in the development of plans to incorporate and to develop a constitution for the new body.

Staff participated in various organisations and committees as representatives of the Mossman Sugar Industry. e.g. Cattle Creek Landcare Group, The Tableland Water Use Efficiency Management Committee, Douglas Shire Sustainable Future for Agriculture Steering Committee and the Far North Queensland Pest Advisory Committee.

IMPROVEMENT IN QUALITY OF CANE SUPPLY TO THE MILL

Milestones were met for SRDC Project MCB001 "Lifting the viability of the Mossman sugar industry by improving the cane supply" This is co-operative project involving SRDC, BSES, and MCPPB supervised by MCPPB and employs an extension officer (harvesting). A local advisory body with representatives from all sectors of the local industry provides advice and direction for the project.

CRC FOR SUSTAINABLE SUGAR PRODUCTION

As in previous years staff members Alec Ford and Allan Rudd were committed for 25% of their time to the CRC as representatives for Sugar North.

All activities were concerned with Program 3.

- Four automatic weather stations were maintained – two on the tablelands and two on the coast – to provide weather data in association with time of harvest trials and the Sugarbag data set.

Local workshops were held in conjunction with CRC staff to address harvest research and Messrs Ford and Rudd both attended the Annual Planning Review meeting.

As a consequence of local meetings, 28 farms participated in a pilot study to assess cane supply options in the area for the 2000 season. A difficult growing season resulting in poor block performance in relation to estimates, a severe attack of Orange Rust disease in some varieties and a problem with wet infield conditions resulted in major problems for growers in trying to follow the harvest program. However, there was enough evidence produced to suggest that there was promise in the program and it has been revised and updated for the coming season.

SILICON NUTRITION TRIALS

All milestones pertaining to SRDC project CLW009 “Improving yield and ccs in sugarcane through the application of silicon based amendments” were complied with. Significant responses were recorded in both the silicon rates and products trials. Plant cane results will be presented in a collaborative paper to be presented to the 2001 conference of ASSCT.

LASER LEVELLING

The laser equipment has gained a solid core of followers and was used extensively when weather conditions permitted. This year saw more use in the Mareeba area and this should continue to increase as a ‘touch up’ operation on blocks that have been previously been levelled by commercial operators.

MOSSMAN MILL AREA EXPANSION

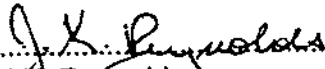
Some small areas were planted in the Mareeba area in preparation for future expansion and the trial plot at Lakeland Downs was again harvested. Yields improved over the 1999 result with the block averaging 134 tchp, an increase of some 25 tonnes. Sugar content was, however, disappointing at 12.1 compared to the mill average of 13.2. The highest ccs came from Q120, which was slightly higher than the mill. The block has been ratooned again.

HIGH DENSITY PLANTING

The HDP trial was harvested by the special harvester provided by the Bundaberg BSES. There was no significant difference in yield between treatments but there was a suggestion that the bedded Q186 performed better than the conventional spacing. The trial has been ratooned for further study.

GENERAL

The Board would like to record their appreciation for the support afforded by the Bureau of Sugar Experiment Stations, Sugar North Ltd, Mossman Central Mill and Canegrowers Mossman. Thanks also to staff - Allan Rudd, Fiona Prior and Alec Ford.


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J.K. Reynolds
CHAIRMAN

October, 2000.

MOSSMAN CANE PROTECTION AND PRODUCTIVITY BOARD

PROFIT AND LOSS STATEMENT FOR THE PERIOD ENDED 31 OCTOBER 2000

	Note	2000 \$	1999 \$
Operating Revenue			
Trading Profit on Sales	2	41,865	30,809
Other Income			
Levy Received		47,531	63,625
CRC Project	3	28,982	44,150
Interest Received		10,816	9,846
Commission (Fertiliser Agency)		4,997	13,542
Project Income		48,133	45,252
Hire Laserscoop		3,975	5,225
Profit/(Loss) On Sale of Fixed Assets		7,299	0
Miscellaneous Income		4,536	0
Total Operating Revenue		198,134	212,449
Operating Expenses			
Advertising		0	86
Audit & Accountancy Fees		3,575	3,718
Bank Charges		558	607
Computer Software		260	200
Conference & Travelling		4,226	4,189
Depreciation		17,110	20,814
Extension Activities		5,560	1,659
General Expenses (Pest & Disease Control)		5,239	4,540
Insurance		10,992	10,255
Laserscoop Expenses		2,432	3,876
Long Service Leave Expense		2,327	2,295
Loss on Disposal of Asset		2,372	429
Members Fees & Allowances		4,638	9,783
Office Expenses		4,157	1,961
Postages		783	662
Printing & Stationery		2,305	1,613
Project Expenses		64,142	17,934
Repairs Plant & Equipment		50	284

MOSSMAN CANE PROTECTION AND PRODUCTIVITY BOARD

PROFIT AND LOSS STATEMENT
FOR THE PERIOD ENDED 31 OCTOBER 2000

	Note	2000 \$	1,999 \$
Salaries		67,451	90,624
Salaries Reimbursed		-22,337	-26,806
Sundry Expenses		188	1,197
Superannuation		12,206	9,948
Telephone & Fax Charges		1,957	3,345
Vehicle Expenses		2,930	4,552
Workers Compensation		514	565
Total Operating Expenses		193,635	168,330
Operating Profit/(Loss)		4,499	44,119

MOSSMAN CANE PROTECTION AND PRODUCTIVITY BOARD

BALANCE SHEET AS AT 31 OCTOBER 2000

	Note	2000 \$	1999 \$
Current Assets			
Cash	4	354,187	252,780
Receivables	5	82,699	52,204
Inventories		74,647	109,630
Prepayments		0	4,000
Total Current Assets		<u>511,533</u>	<u>418,614</u>
Non Current Assets			
Fixed & Moveable Assets	6	<u>232,048</u>	<u>225,974</u>
Total Assets		<u><u>743,581</u></u>	<u><u>644,588</u></u>
Current Liabilities			
Provision For Annual Leave		10,668	15,282
Creditors	7	147,984	65,095
Funds held For Future Projects	8	<u>13,892</u>	<u>0</u>
Total Current Liabilities		<u>172,544</u>	<u>80,377</u>
Non Current Liabilities			
Provision For Long Service Leave		<u>17,927</u>	<u>15,600</u>
Total Liabilities		<u><u>190,471</u></u>	<u><u>95,977</u></u>
Net Assets		<u><u>553,110</u></u>	<u><u>548,611</u></u>
Equity			
Retained Profits at Beginning of the year		548,611	504,492
Operating Profit/(Loss)		<u>4,499</u>	<u>44,119</u>
Retained Profits at End of the year		<u><u>553,110</u></u>	<u><u>548,611</u></u>

MOSSMAN CANE PROTECTION AND PRODUCTIVITY BOARD

**STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 OCTOBER 2000**

	Note	2000 \$	1999 \$
Cash Flows From Operating Activities			
Receipts from Customers		480,585	545,441
Payments to Suppliers & Employees		-371,316	-548,065
Interest Received		10,394	8,982
Net Cash Provided by/ (Used in) Operating Activities	9	<u>119,663</u>	<u>6,358</u>
Cash Flows From Investing Activities			
Proceeds from Sale of Asset		25,900	0
Payments for Purchase of Asset & Restructuring Costs		-44,156	-8,675
Net Cash Provided by/(Used in) Investing Activities		<u>-18,256</u>	<u>-8,675</u>
Net Increase/(Decrease) in Cash Held		101,407	-2,317
Cash at Beginning of Year		<u>252,780</u>	<u>255,097</u>
Cash at End of Year		<u><u>354,187</u></u>	<u><u>252,780</u></u>

MOSSMAN CANE PROTECTION AND PRODUCTIVITY BOARD

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE PERIOD ENDED 31 OCTOBER 2000

Note 1 - Statement of Significant Accounting Policies

These financial statements are a special purpose financial report prepared for use by the Board

The statements have been prepared in accordance with the requirements of the following applicable Accounting Standards and other mandatory professional reporting requirements :-

AASB 1001: Accounting Policies Reporting
AASB 1002: Events Occurring After Reporting Date
AASB 1018: Statement of Financial Performance
AASB 1019: Inventories.
AASB 1021: Depreciation.
AASB 1025: Statement of Cash Flows.
AASB 1025: Application of the Reporting Entity Concept and Other Amendments
AASB 1028: Accounting for Employee Entitlements.
AASB 1031: Materiality
AASB 1034: Financial Report Presentation and Disclosure.

No other applicable Accounting Standards or mandatory professional reporting requirements have been applied.

The statements are also prepared on an accruals basis. They are based on historical costs and do not take into account changing money values or, except where specifically stated, current valuations of non - current assets.

The following specific accounting policies have been adopted in the preparation of these statements.

(a) Property Plant & Equipment

Property, plant & equipment are included at cost or at independent valuation. The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, are depreciated over their useful lives commencing from the time the asset is made ready for use.

(b) Employee Benefits

Provision is made in respect of the Board's liability for annual leave and long service leave at balance date. Long service leave is accrued in respect of all employees with more than 10 years service with the Board.

MOSSMAN CANE PROTECTION AND PRODUCTIVITY BOARD

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE PERIOD ENDED 31 OCTOBER 2000

(c) Inventories

Inventory has been valued at the lower of cost and net realisable value. Cost is based on the average cost principle and includes expenditure incurred in acquiring the inventory and bringing it to the existing condition and location.

(d) Depreciation

Depreciation is provided for on all fixed assets including freehold buildings but excluding freehold land so as to write off the assets progressively over their estimated economic lives. Fixed assets are first depreciated in the year of acquisition. The diminishing balance method of depreciation has been used where appropriate.

MOSSMAN CANE PROTECTION AND PRODUCTIVITY BOARD

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE PERIOD ENDED 31 OCTOBER 2000

	2000 \$	1999 \$
<u>Note 2 - Trading Profit On Sales</u>		
Total Sales (Agricultural Chemicals)	303,622	388,331
Cost of Goods Sold		
Add:		
Opening Inventory	109,629	69,263
Purchases	241,736	404,697
	351,365	473,960
Less:		
Closing Inventory	74,647	109,629
Rebates	14,783	6,114
Discounts	178	695
	89,608	116,438
Total Cost of Goods Sold	261,757	357,522
Trading Profit on Sales	41,865	30,809

Note 3 - CRC Project

Total Funds Received (Sugar North)	50,833	61,000
Direct Expenditure		
Carver Press	0	0
Computer	7,809	0
Reimburse Expenses - A. Ford	14,042	16,850
Contribution to Overhead Expenditure	28,982	44,150

Under agreements between Mossman Cane Protection & Productivity Board, Mossman Central Mill Company Limited, Sugar North Limited and The Co-operative Research Centre for Sustainable Sugar (CRC), Sugar North Limited has agreed to contribute funds to the Board for a 7 year period, commencing in 1996. These funds are to be used by the Board in meeting the direct costs, both capital and recurring, of running the CRC project and also to cover indirect administration, technical and other support overhead costs.

MOSSMAN CANE PROTECTION AND PRODUCTIVITY BOARD

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE PERIOD ENDED 31 OCTOBER 2000

	2000	1999
	\$	\$
<u>Note 4 - Cash</u>		
Cash on Hand	250	250
Cash at National Australia Bank	173,937	72,530
Term Deposits - National Australia Bank	180,000	180,000
Total Cash at End of the Year	<u>354,187</u>	<u>252,780</u>

Note 5 - Receivables

Salary Reimbursements	5,900	6,701
CRC Project	5,592	15,250
Trade Receivables	47,904	28,661
Interest on Investments	2,014	1,592
GST Paid on Purchases	21,289	0
Total Receivables	<u>82,699</u>	<u>52,204</u>

MOSSMAN CANE PROTECTION AND PRODUCTIVITY BOARD

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE PERIOD ENDED 31 OCTOBER 2000

	2000	1999
	\$	\$
Note 6 - Fixed and Moveable Assets		
Building (Office Complex)		
At Cost (July 1996)	164,476	164,476
Less: 1996 Contribution Mossman Central Mill	50,000	50,000
	<u>114,476</u>	<u>114,476</u>
Less: Provision for Depreciation	11,674	9,487
	<u>102,802</u>	<u>104,989</u>
Building (Hot Water Treatment Complex)		
At Independent Valuation (23/12/1991)	113,140	113,140
Add: Modifications at Cost	7,050	7,050
	<u>120,190</u>	<u>120,190</u>
Less: Provision for Depreciation	59,040	54,963
	<u>61,150</u>	<u>65,227</u>
Fixtures & Fittings		
At Cost	3,000	3,000
Less: Provision for Depreciation	1,828	1,594
	<u>1,172</u>	<u>1,406</u>
Office Furniture & Equipment		
At Cost	29,425	31,058
Less: Provision for Depreciation	11,587	16,324
	<u>17,838</u>	<u>14,734</u>
Plant & Equipment		
At Cost	77,518	77,518
Less: 1996 Contribution 'Canegrowers, Mossman'	38,651	38,651
	<u>38,867</u>	<u>38,867</u>
Less: Provision for Depreciation	22,200	18,868
	<u>16,667</u>	<u>19,999</u>
Motor Vehicle		
At Cost	31,938	27,868
Less: Provision for Depreciation	3,665	8,249
	<u>28,273</u>	<u>19,619</u>
Restructuring Costs	4,146	0
Total Fixed and Moveable Assets	<u><u>232,048</u></u>	<u><u>225,974</u></u>

MOSSMAN CANE PROTECTION AND PRODUCTIVITY BOARD

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE PERIOD ENDED 31 OCTOBER 2000

	2000	1999
	\$	\$
<u>Note 7 - Creditors</u>		
Trade Creditors	88,622	43,481
CRC Project	0	4,212
Accrued Directors Fees	4,428	0
Superannuation Payable	7,189	2,490
Group Tax Payable	6,689	7,557
Customer Prepayments	11,911	7,355
GST Collected on Sales	29,145	0
	<hr/>	<hr/>
Total Creditors	147,984	65,095

Note 8 - Funds held for Future Projects

Owl Box Project	4,976	0
Silicon Project	8,916	0
	<hr/>	<hr/>
	13,892	0

MOSSMAN CANE PROTECTION AND PRODUCTIVITY BOARD

Note 9 - Reconciliation of Operating Profit to Net Cash Provided by Operating Activities

Operating Profit	4,499	44,119
Non Cash Flows in Operating Profit		
Depreciation	17,110	20,814
Profit on Sale of Fixed Assets	-7,299	0
Loss on Disposal of Fixed Assets	2,372	429
Changes in Assets and Liabilities		
(Increase)/Decrease in Receivables	-30,495	-17,408
(Increase)/Decrease in Inventory	34,983	-40,366
(Increase)/Decrease in Prepayments	4,000	-4,000
Increase/(Decrease) in Creditors	96,780	-4,519
Increase/(Decrease) in Provision for Long Service Leave	2,327	2,294
Increase/(Decrease) in Provision for Annual Leave	-4,614	4,995
Net Cash Provided by/(Used in) Operating Activities	<u>119,663</u>	<u>6,358</u>

Note 10 - Events Subsequent to Reporting Date.

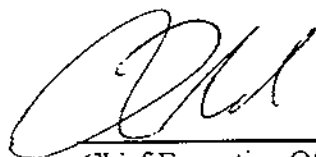
As from the 1st November 2000, the operations of the Mossman Cane Protection & Productivity Board were transferred to a new entity, Mossman Agricultural Services Ltd., a company limited by guarantee. All assets & liabilities at that date were assumed by the new entity. These Financial Reports have been prepared for a 10 month period and do not compare to the previous years 12 month reporting period.

MOSSMAN CANE PROTECTION AND PRODUCTIVITY BOARD

**MANAGEMENT CERTIFICATE
FOR THE PERIOD ENDED 31 OCTOBER 2000**

We have prepared the foregoing annual financial statements pursuant to the provisions of the Financial Administration and Audit Act 1977 and certify that in our opinion:-

- (i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the statements have been drawn up so as to present a true and fair view in accordance with prescribed accounting standards and other prescribed requirements of the transactions of the Mossman Cane Protection & Productivity Board for the period ended 31st October, 2000 and of the financial position as at the end of that year.



Chief Executive Officer



Principal Accounting Officer

Date: 28.3.01.

INDEPENDENT AUDIT REPORT

To the Mossman Cane Protection and Productivity Board

Scope

I have audited the financial statements of Mossman Cane Protection and Productivity Board for the period ended 31 October 2000 in terms of section 46G of the *Financial Administration and Audit Act 1977*. The financial statements comprise the Profit and Loss Statement, Balance Sheet, Statement of Cash Flows, Notes to and forming part of the accounts and certificates given by the Chief Executive Officer and Principal Accounting Officer.

The Board is responsible for the preparation and the form of presentation of the financial statements and the information they contain. I have audited the financial statements in order to express an opinion on them.

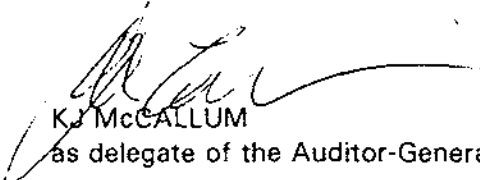
The audit has been conducted in accordance with *QAO Auditing Standards*, which incorporate the Australian Auditing Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included the examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with prescribed requirements which include Australian Accounting Standards so as to present a view which is consistent with my understanding of the entity's financial position and the results of its operations and its cash flows.

The Audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In accordance with section 46G of the Financial Administration and Audit Act, I certify that I have received all the information and explanations I have required and, in my opinion –

- the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
- the statements have been drawn up so as to present a true and fair view in accordance with prescribed accounting standards and other prescribed requirements of the transactions of Mossman Cane Protection and Productivity Board for the financial period 1 January 2000 to 31 October 2000 and of the financial position as at the end of that period.


K.J. McCALLUM

as delegate of the Auditor-General of Queensland

28th March 2001
Queensland Audit Office
Brisbane

MULGRAVE CANE PROTECTION AND PRODUCTIVITY BOARD

ANNUAL REPORT

TO THE

MINISTER FOR PRIMARY INDUSTRIES

2000

Annual Report 2000

The year 2000 started with generally ideal growing conditions. However, unfavorable weather conditions from the end of January through to the end of April, were responsible for a dramatic change in crop prospects for the coming season.

Three major floods, two in February and another, caused severe damage in earl April, resulting in widespread inundation of many low-lying farms. Wind damage from Cyclone "Steve" caused heavy breakage of cane tops in certain varieties, this occurred mostly in the Northern sections of the area.

A dramatic increase in Grey back grub damage and substantial crop losses from Orange Rust and Yellow spots diseases, contributed to a poorer than average crop.

A total of 910,331 tonnes was harvested at the rate of 65.50 tonne cane per hectare, the lowest district average recorded since 1991. The acreage CCS for the season was 12.43.

Cane Diseases

The major diseases present in the 2000 crop were Orange Rust, Yellow Spot and Chlorotic Streak. All three diseases were accentuated by the wet conditions, which prevailed during the early months of the year.

Orange Rust

Symptoms of Orange Rust first appeared in early January 2000, and continued to worsen in fields of Q124 and Q173^o, all through the prolonged wet season. Substantial crop reductions and CCS losses occurred in these varieties throughout the harvest period. An area of some 3,000 hectares was recorded as showing heavy Orange Rust disease.

Yellow Spot

Weather conditions during the first six months of the year were ideal for the spread and development of Yellow Spot disease. Moderate to heavy infections were recorded in the varieties Q127, Q117, Q120, Q124. Field observations showed that some 5,000 hectares were affected by this disease.

Chlorotic Streak

This disease is wide spread on river flat and low lying farms where flooding and waterlogging has occurred. A series of wet years has been responsible for the continual spread of this disease, which is estimated to occur in approximately 50% of the district.

Other diseases present in the crop were Common Rust, Pokkah Boeng, TopRot, and Pineapple Disease, but generally these were considered to be of little economic importance.

Smut Disease

Field surveys were made in many localities during December and January, using high clearance over the row machines, where approximately 1% of the crop was inspected. This is the third year these inspections have been initiated by the Board and again it is good to report that there have been no symptoms of smut disease sighted.

Precautionary measures have been taken where a nucleus of resistant varieties Q96, Q99, Q133, Q170^o, Q171^o, have been long hot water treated and planted on a number of farms.

Varietal Plantings

The following table shows the varieties planted during the year 2000, with recently treated cane, which is progeny from varieties long hot water treated during the last five years.

Varietal Plantings - 2000
Year of Long Hot Water Treatment

Variety	HA1999	HA1998	HA1997	HA1996	HAOld	Total	2000%	1999%
Q77	-	1.05	0.20	3.40	-	4.65	0.15	0.27
Q96	2.29	10.23	11.13	6.73	6.85	37.23	1.17	3.07
Q99	0.89	5.97	-	0.81	-	7.67	0.24	0.22
Q113	20.83	126.20	62.39	26.06	50.47	285.95	9.01	10.60
Q117	15.32	1.41	7.31	17.52	59.66	101.22	3.19	3.36
Q120	7.86	22.97	6.91	33.08	73.84	144.66	4.56	8.20
Q124	-	-	-	-	-	-	-	3.42
Q127	0.25	-	-	2.95	-	3.20	0.10	0.57
Q128	-	-	-	-	-	-	-	0.21
Q135	13.88	24.69	13.02	33.98	26.16	111.73	3.42	3.60
Q138	0.52	0.71	11.42	8.85	2.24	23.74	0.75	1.54
Q152	1.73	10.94	31.34	19.41	17.57	80.99	2.45	7.69
Q158	9.75	14.81	41.80	5.84	17.89	90.09	2.74	3.98
Q160	0.99	-	19.60	-	11.45	32.04	1.01	0.54
Q166 ^o	-	23.55	27.45	17.13	21.36	89.49	2.82	2.36
Q167 ^o	-	-	16.60	-	-	16.60	0.52	0.51
Q172 ^o	18.15	45.94	34.08	150.77	1.20	250.14	7.88	6.93
Q173 ^o	6.54	6.53	0.30	3.90	-	17.27	0.54	6.15
Q174 ^o	33.60	368.11	534.05	531.13	38.75	1505.64	47.44	31.64
Q175 ^o	1.54	0.60	47.97	4.12	-	54.23	1.71	0.90
Q178 ^o	-	-	2.89	-	-	2.89	0.09	0.63
Q181 ^o	7.69	24.95	31.63	-	-	64.27	2.03	0.97
Q186 ^o	9.25	115.84	-	-	-	125.09	3.94	0.31
Q187 ^o	1.12	68.05	-	-	-	69.17	2.18	0.34
H56-752	-	-	-	0.32	8.95	9.27	0.29	1.38
MXD	-	8.20	-	-	-	8.70	0.27	0.44
Exp Var	9.87	-	-	-	-	9.87	0.31	0.17
	162.07	881.25	900.09	866.00	336.39	3145.80	99.12	
Plus area planted with 2000 H.W.T. Cane						28.00	0.88	
						3173.80	100.00	

Plant Sources

The plant source inspection program was maintained during the year. Inspections concentrated mostly on sources three or more years removed from LHWT. There were no positive findings of R.S.D. during the plant source inspection program. This work needs to be maintained if R.S.D. levels are to be kept to the present low levels.

R.S.D. Survey

There was no survey conducted in old ratoon fields during the year, due primarily to the prolonged wet conditions which persisted well into April, and other work commitments which occurred during the year. Every effort will be made during 2001 to carry out a survey, which is expected to target at least 30% of assignments.

Approved Seed

The distribution of the approved seed from plots was maintained by Board staff. A total of 128 tonnes of 1st and 2nd release cane was sold to 32 growers. A further 3,107 tonnes of approved planting material purchased by 140 growers, were authorised and approved for payment through the Mulgrave Mill payment system. There was no new varieties released during 2000, however two new seedlings 77N1232 and 89N356 are expected to be released in 2001.

Hot Water Treatment

The Board's long hot water treatment program commenced on 31st July and concluded on the 26th September. A total of 139.50 tonnes was treated by 66 growers, which was greater by 26 tonnes and 17 growers than the previous year.

The following table shows the variety and tonnes treated during the 2000 program.

Variety	Tonnes
Q77	0.40
Q96	3.00
Q99	1.90
Q113	5.70
Q117	3.10
Q120	7.00
Q127	1.50
Q135	4.30
Q138	3.20
Q152	8.60
Q158	3.30
Q160	1.50
Q166 ^o	9.20
Q167 ^o	4.60
Q172 ^o	8.00
Q174 ^o	42.00
Q175 ^o	4.20
Q178 ^o	0.20
Q181 ^o	3.70
Q186 ^o	5.90
Q187 ^o	3.10
Exp Var	15.10
Total	139.50

Weed Pests

Major weed pests such as Calopo, Sickie Pod, Itch Grass, Giant Sensitive Plant, Guinea Grass, continued to spread and are causing major problems on certain properties and to the Mill as a whole.

Pest Management Plan

A Pest management Plan has been developed and adopted with the Cairns City Council and other interested groups. Mulgrave Productivity Board had taken the initiative by sending out notices to growers who properties have been neglected and have become infested with major weed pests. Mulgrave Mill will be taking a firm stand against the acceptance of cane from properties where weeds and grass pests are out of control.

Productivity Awards

The annual Productivity Awards night was held at the Mulgrave Rambler Station on the 23rd March. Chairman David Howard presented the awards, which covered many different categories. Growers who attended the awards were also handed a copy of their Productivity Reports for the 1999 season

Productivity Focus Group (PFG)

A total of 13 Grower groups were formed during the year. This process performed quite well during its first year and was well attended by interested growers. An average farm representation for all groups was 61%.

Specific Topics such as grub control, strategic tillage, weevil borers, Rat control, grass and weed management, varieties, and crop nutrition have been addressed at the relevant focus group. Input from local Agribusiness firms and Industry researchers has been a valuable component of the process.

Soil Sampling

The number of soil samples taken from growers in recent years has been dropping off. A total of 39 samples were taken and sent to Mossman mill for Analysis during 2000. A decision to stop the 50% subsidy paid by the Productivity Board, on samples sent to Mossman Mill and other agricultural agencies was made to take effect from the 31st December 2000

Pests

The Major pests affecting the crop during the year were Grey Back Grubs, Rats, Feral Pigs, and Borers and to a much lesser degree were Cockatoos, Wallabies, Army Worms, Red Bills and Funnel Ants.

Grubs

Peak damage from Grey Back Grubs was noted throughout the Mulgrave area, in the 2000 crop. The majority of damage was recorded in old ratoon fields, however the increasing damage in protected plant cane fields is concerning.

There are seven (7) major hot spots throughout the district where Grey Back Grubs are causing damage.

Field surveys during the year showed affected blocks totaled 974 hectares, where an estimated 39,000 tonnes of cane were lost.

Focus Group meetings and field tours on specific grub issues occurred throughout the year, to discuss what actions needed to be taken to address the increasing grub problem.

Applications of acidified Suscon Blue, Suscon plus during late Spring to plant cane fields were common, particularly where growers had experienced damage in their 1999 plantings. Field trials using BioCane (Metarhizium) and Confidor have also been trialed by growers and also in B.S.E.S. field trials in Mulgrave.

Rats

Overall crops losses from rats was considerably less than the previous year. Field observations showed that the climbing rat caused far more damage to high land areas than the ground rat. It was felt that the long wet period and a succession of flooding in ground rat prone areas, was responsible for the lesser damage in these areas. Field observations and grower's estimates show that approximately 8,000 tonnes of cane was lost.

Field applications of Racumin® in bait stations during the December-January period revealed that the bait "Takes" were generally only average. The long wet period, which followed virtually, put a stop to follow up baiting throughout the district.

Early in November two workshops were held for growers to gain accreditation for the use of Racumin® wax blocks and paste and Ratoff®. These guidelines were set down by the National Registration Authority (NRA) to allow growers to use these baits in cane fields, without the use of bait stations. The permit was effective from the 26th October to the 31st March 2001. Approximately 50% of Mulgrave growers attended the accreditation course

Weevil Borers

Field observations generally suggested that damage were much less than the previous years. Mill data shows that damaged billets from weevil borers occurred in approximately 3% of the harvested crop. Plantings of the more susceptible varieties Q120, Q124, and Q138 have been greatly reduced and replaced with Q174th, which at this point in time appears to be less susceptible.

Cockatoos

Damage to cane crops occurred mostly in fringe areas. Estimates of losses amounted to some 750 tonnes on 20 farms. Damage Mitigation permits, to shoot those birds were issued to 12 growers during the year.

Wallabies

Damage occurred mostly on properties in the Freshwater, Smithfield, Edmonton and White Rock areas. The majority of damage occurs in young cane during the dry Spring months, however in recent years wallabies have been destroying complete stools of maturing cane

stalks. It was estimated that crop losses amounted to 1180 tonnes from 10 properties. Damage mitigation permits were issued to eight (8) growers to shoot these animals.

Army Worms

Outbreaks of night feeding army worms were considerably less than the previous year and the overall severity of the damage was not as great. Control measures were initiated on some farms where severe defoliation of leaf tissue was imminent. Army worm infestations were recorded in approximately 1,000 hectares during the Spring.

Feral Pigs

The level of damage in the 2000 crop was generally much less than the previous year. A total of 2,915 tonnes of cane was destroyed compared with 5,772 tonnes the previous year. Local pig hunters operating in the area were successful in capturing 374 feral pigs. A pig-trapping program which has been operating in the Mulgrave area for the past five (5) years, with only minimal success, was not maintained during the year.

A feral pig consultative group, consisting of local crop protection members, representatives from DNR, NPWS, Cairns City Council, Pig hunters and local government member Warren Pitt was formed early in the year. The main focus of the group was to seek approval for Pig Hunters to enter State Forests to control rising pig numbers.

Eastern Swamp Hen (Costs)

Damage to young cane from these birds was generally of little economic importance.

Funnel Ant

The incidence of these ants is increasing in many localities of the Mulgrave area. There were no specific areas of damage noted in ratoon fields during the year.

Conferences

Chairman Tom Watters attended the Annual Conference of the Australian Society of Sugar Cane Technologists, which was held in Bundaberg.

Board members and staff also attended the Annual meeting of Cane Protection and Productivity Boards from Mossman to Ingham, held in Mourilyan in December.



Mr TS Watters
Chairman

THE MULGRAVE CANE PROTECTION AND PRODUCTIVITY BOARD

Profit and Loss Account

For the year ended 31st December 2000

	Note	2000	1999
Operating Profit (Loss) before Abnormal Items	2	(34,095)	11,613
Accumulated Funds at the beginning of the financial year		201,493	189,880
Accumulated Funds at the end of the financial year	6	167,398	201,493

The above profit and loss account should be read in conjunction with the accompanying notes

THE MULGRAVE CANE PROTECTION AND PRODUCTIVITY BOARD

Balance Sheet

As at 31st December 2000

	Note	2000	1999
CURRENT ASSETS			
Cash		41,339	10,103
Investments	3	100,000	155,000
Trade debtors		5,817	-
Total Current Assets		147,156	165,103
NON - CURRENT ASSETS			
Plant and equipment	4	81,609	91,680
Total Non-Current Assets		81,609	91,680
TOTAL ASSETS		228,765	256,783
CURRENT LIABILITIES			
Creditors and accruals		31,935	26,172
Employee provision	5	6,588	6,248
Total Current Liabilities		38,523	32,420
NON - CURRENT LIABILITIES			
Employee provision	5	22,845	22,870
Total Non-Current Liabilities		22,845	22,870
TOTAL LIABILITIES		61,368	55,290
NET ASSETS		167,398	201,493
EQUITY			
Accumulated funds	6	167,398	201,493

The above balance sheet should be read in conjunction with the accompanying notes

THE MULGRAVE CANE PROTECTION AND PRODUCTIVITY BOARD

Statement of Cash Flows

For the year ended 31st December 2000

#	Note	2000	1999
Cash flows from operating activities			
Payments to suppliers and employees		(105,500)	(113,876)
Interest received		5,716	3,802
Levies received		92,469	127,200
Other receipts		-	2,290
Net cash inflow (outflow) from operating activities	10	<u>(7,315)</u>	<u>19,416</u>
Cash flows from investing activities			
Payments for plant and equipment		(16,449)	(17,000)
Proceeds from sale of plant and equipment		-	-
Net cash inflow (outflow) from investing activities		<u>(16,449)</u>	<u>(17,000)</u>
Net increase (decrease) in cash held		(23,764)	2,416
Cash at beginning of the financial year		<u>165,103</u>	<u>162,687</u>
Cash at the end of the financial year	9	<u>141,339</u>	<u>165,103</u>

The above statement of cash flows should be read in conjunction with the accompanying notes

THE MULGRAVE CANE PROTECTION AND PRODUCTIVITY BOARD

Notes to and forming part of the financial statements

31st December 2000

1. Statement of significant accounting policies

(a) Basis of Accounting

The accounts have been prepared on an historical cost basis, consistent with the basis applied in the previous financial year. Revenue and expenditure are brought to account on an accruals basis.

(b) Non-current assets

Non-current assets are included in the accounts at cost less accumulated depreciation. Gains or losses arising from the sale or disposal of fixed assets are brought to account in the determination of the profit for the year, except for substantial gains or losses which are included as non-operating (extra-ordinary) income.

(c) Depreciation

Depreciation provided on the hot water treatment plant and radios is calculated on the diminishing value method, and in the case of all other non-current assets depreciation is calculated using a straight line method at rates based on the estimated useful life of the asset.

(d) Employee Entitlements

Provision has been made for the legal liability to employees for long service leave. In addition, provision has been made for accrued holiday pay where such liability exists. Sick pay is brought to account as incurred.

The Board contributes to The Mulgrave Central Mill Company Limited Staff Superannuation Plan in respect of its Supervisors who are members of that Plan.

Liabilities for employees' entitlements to wages and salaries, annual leave and other current employee entitlements are accrued at nominal amounts calculated on the basis of current wage and salary rates.

Provisions for employee entitlements are brought to account according to AAS30.

(e) Income Tax

No income tax is payable as the Board is a non-profit organisation and is specifically exempted from income tax under the Income Tax Assessment Act.

THE MULGRAVE CANE PROTECTION AND PRODUCTIVITY BOARD

Notes to and forming part of the financial statements

31st December 2000 (continued)

2. Operating profit before abnormal items has been determined after

	<u>2000</u>	<u>1999</u>
(a) Crediting as revenue		
Levy - 844,729.44 tonnes @ 10.0 cents per tonne	84,473	127,200
Profit on sale of fixed assets	-	-
Sundry Revenue	-	2,290
Interest received	5,716	3,802
Total Revenue	<u>90,189</u>	<u>133,292</u>
(b) Charging as expenses		
Auditors' fees	(933)	(1,025)
Depreciation	(10,895)	(11,714)
Employee provisions	(315)	(230)
Rat poison	-	-
Feral pig scalps	(3,740)	(4,080)
Members fees and allowances	(5,630)	(6,190)
Travelling and conference expenses	(1,591)	(964)
Salaries and wages	(74,611)	(74,611)
Superannuation	(8,059)	(4,140)
Insurance - Workers compensation	(324)	(330)
Insurance - Miscellaneous	(1,366)	(431)
Motor vehicle expenses	(8,486)	(5,986)
Repairs and maintenance	(429)	(920)
Council Rates	(381)	(373)
Soil Samples	391	(1,048)
General Expenses	(7,913)	(9,637)
Total Expenses	<u>(124,283)</u>	<u>(121,679)</u>
Total Profit/(Loss)	<u>(34,095)</u>	<u>11,613</u>

Short term investments

	<u>2000</u>	<u>1999</u>
3.		
Term deposits	100,000	155,000
	<u>100,000</u>	<u>155,000</u>

Plant and equipment

	<u>2000</u>	<u>1999</u>
4.		
At Cost	182,830	176,562
Less accumulated depreciation	101,221	84,882
	<u>81,609</u>	<u>91,680</u>

THE MULGRAVE CANE PROTECTION AND PRODUCTIVITY BOARD

Notes to and forming part of the financial statements

31st December 2000 (continued)

Provisions

5.	2000	1999
Employee provisions annual leave	6,588	6,248
Employee provisions long service leave	22,845	22,870
	<u>29,433</u>	<u>29,118</u>

Accumulated funds

6.	2000	1999
Balance at 1st January 2000	201,493	189,880
Add (Deduct) balance transferred from Income and Expenditure Account	<u>(34,095)</u>	<u>11,613</u>
	<u>167,398</u>	<u>201,493</u>

Meetings of members

7. The following table sets out the numbers of meetings of the Board held during the year ended 31st December 2000, and the numbers of meetings attended by each member.

Number of meetings held	<u>11</u>	<u>12</u>
Number of meetings attended by :		
T.S. Watters	11	12
R.T. McDowall	9	9
J.G. Dillon	9	12
E.J. Amadio	0	3
J.F. Hesp	10	10
D. Reghenzani	11	9

Remuneration of members

8. All members fees paid during the year ended 31st December 2000 were in the \$ 0 - \$10,000 band.

THE MULGRAVE CANE PROTECTION AND PRODUCTIVITY BOARD

Notes to and forming part of the financial statements

31st December 2000(continued)

9. Reconciliation of Cash

	<u>2000</u>	<u>1999</u>
Cash at bank	41,339	8,542
Call deposit account	-	1,561
Term deposits	<u>100,000</u>	<u>155,000</u>
Balance as per statement of cash flows	<u>141,339</u>	<u>165,103</u>

10. Reconciliation of Operating Profit (Loss) and Net Cash Applied to Operating Activities

	<u>2000</u>	<u>1999</u>
Operating profit (loss)	(34,095)	11,613
Depreciation expense	10,895	11,714
Increase (Decrease) in employee provisions	315	230
Increase (Decrease) in trade creditors	21,387	(4,141)
Decrease (Increase) in trade debtors	<u>(5,817)</u>	<u>-</u>
Net cash inflow (outflow) from operating activities	<u>(7,315)</u>	<u>19,416</u>

11. Contingent Assets/Liabilities

There were no known contingent assets/liabilities of a significant nature at 31st December 2000.



MULGRAVE CANE PROTECTION AND PRODUCTIVITY BOARD

Management Certificate

We have prepared the foregoing annual financial statements pursuant to the provisions of the Financial Administration and Audit Act 1977, and other prescribed requirements and certify that:

(a) in our opinion:

- (i) the prescribed requirements in respect to the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the foregoing statements have been drawn up so as to present a true and fair view in accordance with prescribed accounting standards, of the transactions of the Mulgrave Cane Protection and Productivity Board for the period 1 January 2000 to 31 December 2000 and of the financial position as at the end of that year.

J.S. de Kretser
Chairman

[Signature]
Principal Accounting Officer

February 2001

Independent Audit Report

To Mulgrave Cane Protection and Productivity Board

Scope

We have audited the general purpose financial statements of Mulgrave Cane Protection and Productivity Board for the year ended 31 December 2000 in terms of section 46G of the Financial Administration and Audit Act 1977. The financial statements comprise the Balance Sheet, Statement of Cash Flows, Notes to an forming part of the financial statements and certificates given by the Chairperson and person responsible for financial administration.

The Board is responsible for the preparation and the form of presentation of the financial statements and the information they contain. We have audited the financial statements in order to express an opinion on them.

The audit has been conducted in accordance with QAO Auditing Standards, which incorporate the Australian Auditing Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included the examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with prescribed requirements which include Australian Accounting Standards so as to present a view which is consistent with my understanding of the entity's financial position and the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In accordance with section 46G of the Financial Administration and Audit Act, we certify that we have received all the information and explanations we have required and, in our opinion -

- (a) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
- (b) the statements have been drawn up so as to present a true and fair view in accordance with prescribed accounting standards and other prescribed requirements of the transactions of Mulgrave Cane Protection and Productivity Board for the financial year 1 January 2000 to 31 December 2000 and of the financial position as at the end of that year.



WD McCluskey
as delegate of the Auditor-General of Queensland
28 March 2001

Queensland Audit Office
Brisbane

BABINDA CANE PROTECTION AND PRODUCTIVITY BOARD

ANNUAL REPORT

TO THE

MINISTER FOR PRIMARY INDUSTRIES

2000

BABINDA CANE PROTECTION AND PRODUCTIVITY BOARD

ANNUAL REPORT - YEAR ENDED 31 DECEMBER 2000

BOARD MEMBERSHIP AND SUPPORT STAFF

Membership of the Board and support personnel for 2000 comprised the following:

<i>Millowner's representatives:</i>	R G Porter (Chairman) W F Browning (resigned 30/6/00)
<i>Growers' representatives:</i>	A J Zappala (Deputy Chairman) M A Cardillo W R Saro
<i>BSES representatives:</i>	G G McMahon D Telford – Proxy
<i>Staff:</i>	M A Goodson (Cane Productivity Officer) W J Brand (Cane Protection Officer)
<i>Productivity Adviser:</i>	M J Ward
<i>Secretary:</i>	J W McGrath

LEVIES

In early 2000 the Queensland State Government advised all CPPBs that statutory levies had been declared illegal (i.e. a State excise on production) and from 2000 onwards Boards would have to adopt alternative funding arrangements. The Babinda CPPB decided to move to a system of voluntary levies and a rate of ten (10) cents per tonne cane was approved for the 2000 season to be shared equally by the canegrowers and millowner, that is, five (5) cents per tonne from the growers with the millowner agreeing to match the growers' contributions. Growers were requested to sign authorisation forms allowing Babinda Mill to deduct the levy from their cane payments for the 2000 and subsequent seasons under the provisions of Section 95 of the Sugar Industry Act. Section 95 allows for a millowner to make payment authorised by a grower in line with a category of payment approved by a cane production board. 252 growers out of a total of 269 signed authorisations. This comprised 97% of cane delivered during the 2000 season.

INCOME AND EXPENDITURE

As a result of a very disappointing 2000 season crop total levy income fell short of the cost of supplying services to growers in the Babinda area. Babinda Mill area production fell from 724,729 tonnes in 1999 to 499,029 tonnes in 2000. As a result of the decrease in tonnage levy income was down by \$25,212 to \$47,261.

The main item of expenditure was Salaries and Wages which accounted for \$78,259 or 70% of total expenditure. After accounting for income and expenditure and providing depreciation on fixed assets, the Board's accounts showed a deficit of \$25,516 for the year compared with a deficit of \$1,956 in 1999.

Additional income from sale of agricultural chemicals, the supply of research services to the SRDC project and cash reserves have provided supplementary funds to allow the Board to cover its expenditure for the year.

As shown in the financial statements the Board commenced the year with a balance of \$110,859 in the National Australia Bank and \$50,000 in the Investment account. At 31 December 2000 Cash at NAB was \$18,461 and \$50,000 remained in the Investment account.

Cost control remains an important part of the Board's function and the effect of current levels of income on financial capacity is limiting the ability to fund new initiatives or provide a substantial response to an unexpected pest or disease incursion.

MERGER PROPOSAL WITH MOURILYAN CPPB

During the year the Babinda and Mourilyan CPPBs held combined meetings and the Boards also met individually on the same day. Efficiencies were achieved in that reports were presented at the combined meetings and as a result duplication of reporting by the same millowner and BSES representatives of both boards was eliminated. The majority of Board business was also attended to at the combined meetings. Members had also identified and discussed advantages of merging the Babinda and Mourilyan Boards and reached a position in November where a proposal to merge the two Boards before the commencement of the 2001 season was prepared and distributed to all Mourilyan and Babinda growers. The Babinda Mill Suppliers' Committee had indicated their support for the proposed merger. Feedback from growers closed on 14 December 2000. It was satisfying to report that no objections were received. The structure of the merged entity has not yet been agreed upon however DPI has advised that the entity could remain as a statutory Board or become corporatised.

STRATEGIC PLAN

The Board has continued to develop its goals and plan appropriate strategies for addressing cane protection and productivity issues within the Babinda area. The Board's strategic planning process strives to maintain a strong focus on production,

environmental, quality and profitability issues influencing production outcomes in the Babinda area.

Key issues within the strategic plan cover the following:

- CCS yield and profitability improvement
- Harvesting management and performance
- Farm management and performance
- Board activities and administration

Copies of the current strategic plan are available if required.

OPERATIONS

During the year the Board continued to coordinate a wide range of activities which were directed towards promoting profitability and sustainable cane production for growers in the Babinda area.

Activities in the area of productivity and cane protection included the following:

- Farm and block productivity data delivered to all growers.
- A bus trip and shed meetings.
- Participation with State and Local government organisations in noxious weed control.
- Surveys for sugar cane Smut and other diseases in the Babinda area.
- Soil sample interpretation and fertiliser advice.
- Involvement in BSES variety development program including the propagation and distribution of new varieties.
- Preparing productivity newsletters to growers on a weekly basis during the crushing season.
- Levels and advice on infield and farm drainage.
- Operation of an approved seed plot with distribution of approved planting material without cost to growers during 2000.
- Monitoring and control of pests and diseases including routine plant source inspections;
- Sale of agricultural chemicals.
- Herbicide advice.

MEMORANDUM OF UNDERSTANDING WITH BSES

The Board continued to maintain a Memorandum of Understanding (MOU) with BSES. While this process no longer involves a financial contribution from BSES to the Board, the MOU is seen as adding value to functions performed within the area by both BSES and Babinda CPPB staff, avoiding duplication of effort and providing a stronger commitment for locally based research and productivity extension.

In order to maintain the function of supplying clean seed to the local industry, the Board signed a distribution agreement with BSES for the distribution of PBR varieties in the Babinda Mill area.

SRDC PROJECT

This SRDC funded project was commenced during 1999 as a Babinda based project involving Babinda CPPB staff and CSIRO. The broad objective of this project is to improve productivity and profitability in a wet tropics environment using stakeholders in a participative approach.

Three trial sites with different trash management techniques were set up in 1999. Unfortunately, trial harvest data from these plots in the 2000 season did not produce any conclusive results as a result of poor crop growth due to extreme wet conditions after trial establishment. The plots have been re established for harvest in the 2001 season.

After consultation with the Grower Coordinating Committee additional trials were set up in 2000 to investigate the yield effects of surface applied versus incorporated Nitrogen fertiliser.

ACKNOWLEDGEMENT

On behalf of the Board and staff, I wish to acknowledge the support and co-operation of the Babinda Mill Suppliers' Committee, BSES staff and Bundaberg Sugar staff during 2000. I would also like to acknowledge the contribution made by Bill Browning to Board activities during his extended period of service until his resignation from Board activities in June.



R G Porter
CHAIRMAN

27 February 2001

Babinda Cane Protection and Productivity Board

Profit and Loss Statement for the Year Ended 31 December 2000

	Note	2000 \$	1999 \$
Operating Profit/(Loss)	2	(16,228)	(1,956)
Accumulated Funds at the beginning of the financial year		237,623	239,579
Accumulated Funds at the end of the financial year	14	221,395	237,623

The accompanying notes form an integral part of these financial statements

Babinda Cane Protection and Productivity Board

Detailed Profit and Loss Statement

For the Year Ended 31 December 2000

	2000 \$	1999 \$
INCOME		
Interest received	5,020	2,776
Levy received	47,261	72,473
Net proceeds (Chemical sales)	20,422	(20,513)
Miscellaneous income (Commission on chemical sales)	6,872	9,671
Long service leave and annual leave	0	0
Miscellaneous income	143	0
Miscellaneous income (BSES)	0	5,118
Other Income - SRDC Project	51,969	74,576
Profit on sale of assets	0	0
	<u>131,687</u>	<u>144,101</u>
EXPENDITURE		
Approved Seed Expenses	2,460	0
Audit Fees	1,670	0
Bank charges	5	0
Board fees and mileage	1,523	1,866
Cane disease inspections	113	0
Conference expenses	190	484
Depreciation	10,045	14,654
Fringe benefits tax	147	156
General & office expenses	1,955	6,438
Insurance	3,035	0
Productivity awards function	414	338
Motor vehicle expenses	7,360	5,462
Maintenance plant and equipment	810	353
Postage and telephone	3,182	1,664
Salaries and wages	78,259	77,461
Long service leave and annual leave	1,612	3,327
Stationery and printing	639	250
Superannuation	5,124	5,140
Freight and cartage	3,270	991
Miscellaneous expenses	1,836	3,694
Other Expenses - SRDC - CSIRO Collaborator's	15,748	20,887
Other Expenses - Extension Activities	8,518	2,892
	<u>147,915</u>	<u>146,057</u>
Operating profit/(loss)	(16,228)	(1,956)

Babinda Cane Protection and Productivity Board

Balance Sheet for the Year Ended 31 December 2000

	Note	2000 \$	1999 \$
CURRENT ASSETS			
Cash	7	77,882	160,909
Trade Debtors	8	80,252	59,384
Inventories	9	71,565	56,419
Prepaid Insurance		973	1,206
TOTAL CURRENT ASSETS		230,672	277,918
NON-CURRENT ASSETS			
Property, plant and equipment	10	49,647	59,692
TOTAL ASSETS		280,319	337,610
CURRENT LIABILITIES			
Trade Creditors	11	35,685	78,361
Provision for long service leave & annual leave	12	23,239	21,626
TOTAL CURRENT LIABILITIES		58,924	99,987
GST LIABILITIES			
GST Paid		0	0
GST Rounding		0	0
TOTAL GST LIABILITIES		0	0
NON-CURRENT LIABILITIES			
Provision for long service leave		0	0
TOTAL LIABILITIES		58,924	99,987
NET ASSETS		221,395	237,623
EQUITY			
Accumulated Funds		221,395	237,623

The accompanying notes form an integral part of these financial statements

Babinda Cane Protection and Productivity Board

Statement of Cash Flows for the Year Ended 31 December 2000

	Note	2000 \$	1999 \$
Cash Flows from operating activities			
Receipts from customers		540,296	296,998
Payments to suppliers and employees		(628,343)	(240,769)
Interest received		5,020	2,776
Net cash provided by operating activities	13	(83,027)	59,005
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		0	0
Purchases of property, plant and equipment		0	(28,442)
Net cash used in investing activities		0	(28,442)
Net increase in cash held		(83,027)	30,563
Cash and short term deposits at the beginning of the financial year		160,909	130,346
Cash and short term deposited at the end of the financial year		77,882	160,909

The accompanying notes form an integral part of these financial statements

Babinda Cane Protection and Productivity Board

Notes to and Forming Part of the Financial Statements

1

Statement of Accounting Policies

(a)

Basis of Accounting

The accounts have been prepared in accordance with Public Finance Standards on an historical cost basis, consistent with the basis applied in the previous financial year. Income and Expenditure are brought to account on an accruals basis.

(b)

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs have been assigned to inventory quantities on hand at balance date using the first in first out basis. Cost comprises material and direct costs into store.

(c)

Property, plant and equipment

Property, plant and equipment are included at cost. Depreciation is provided on all fixed assets, other than land, using the diminishing value method at rates based on the estimated useful life of the various classes of assets. Depreciation of motor vehicles is calculated using the straight line method.

Gains or losses arising from the sale or disposal of fixed assets are brought to account in the determination of the profit for the year.

(d)

Employee entitlements

Liabilities for employees' entitlements to wages and salaries, annual leave and other current employee entitlements are accrued at nominal amounts calculated on the basis of current wage and salary rates. Employee entitlements to long service leave are accrued in respect of all employees, based on estimated future wage and salary rates and at discounted amounts in accordance with AAS30, Accounting for Employee Entitlements.

(e)

Income Tax

No income tax is payable as the Board is a non-profit organisation and is specifically exempted from income tax under the Income Tax Assessment Act.

(f)

Comparative figures

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

Babinda Cane Protection and Productivity Board

Notes to and Forming Part of the Financial Statements

	2000	1999
	\$	\$
2 Operating profit before abnormal items have been determined after:		
Crediting as revenue		
Levy received	47,261	72,473
Sales	390,200	293,417
Miscellaneous Income	143	5,118
Other Income - SRDC Project	51,969	74,576
Interest received	5,020	2,776
Rebate on chemicals	6,872	9,671
Long service leave and annual leave	0	0
Charging as expense		
Cost of goods sold	(369,777)	(313,929)
Depreciation	(10,045)	(14,654)
Salaries and Wages	(78,259)	(77,461)
Long service leave and annual leave	(1,612)	(3,327)
Other	(33,734)	(26,837)
Other - SRDC Expenses	(24,266)	(23,779)
	<u>(16,228)</u>	<u>(1,956)</u>

3 Board fees and allowances

Cardillo M	541	632
Mustafa A	0	144
Saro W	498	498
Zappala A	484	592
	<u>1,523</u>	<u>1,866</u>

4 Conference expenses

Advance - ASSCT Conference/Courses	190	484
	<u>190</u>	<u>484</u>

5 Contingent Assets/Liabilities

There are no know contingent assets/liabilities of a significant nature at 31 December 2000

Babinda Cane Protection and Productivity Board

Notes to and Forming Part of the Financial Statements

	2000 \$	1999 \$
6 Salaries and wages		
W Brand - Asst Supervisor - Salary	36,774	34,653
M Goodson - Cane Productivity Officer - Salary	41,485	42,808
Annual Leave accrued	292	2,029
Long Service Leave accrued	1,320	1,279
	<u>79,871</u>	<u>80,769</u>
7 Current assets - cash		
Cash on Hand	6,496	50
Cash at National Australia Bank	18,462	110,859
First Australian Building Society	52,924	50,000
	<u>77,882</u>	<u>160,909</u>
8 Receivables		
Trade debtors - chemicals	53,191	59,384
Other debtors	27,061	0
	<u>80,252</u>	<u>59,384</u>
9 Current Assets - Inventories		
Chemical stock	71,565	56,419
	<u>71,565</u>	<u>56,419</u>
10 Property, plant and equipment		
Furniture and fittings - at cost	1,721	1,721
Less provision for depreciation	967	928
	<u>754</u>	<u>793</u>
Hot water treatment building - at cost	7,239	7,239
Less provision for depreciation	7,239	7,239
	<u>0</u>	<u>0</u>
Motor vehicles - at cost	47,735	47,735
Less provision for depreciation	37,647	34,718

Babinda Cane Protection and Productivity Board

Notes to and Forming Part of the Financial Statements

	2000 \$	1999 \$
	10,088	13,017
Carl Zeiss Microscope - at cost	2,125	2,125
Less: provision for depreciation	1,828	1,790
	<u>297</u>	<u>335</u>
Sundry plant - at cost	33,745	33,745
Less: provision for depreciation	16,168	13,312
	<u>17,577</u>	<u>20,433</u>
Office complex - at cost	25,140	25,140
Less: provision for depreciation	8,399	7,667
	<u>16,741</u>	<u>17,473</u>
Commercial computer equipment - at cost	14,858	14,858
Less: provision for depreciation	10,668	7,217
	<u>4,190</u>	<u>7,641</u>
Total - Property, plant and equipment	<u>49,647</u>	<u>59,692</u>

In Sundry plant assets \$21,652.00 and Commercial computer equipment \$6,789.00 (at cost) relates to SRDC project assets which can be acquired by SRDC for a consideration of \$1.00. SRDC may exercise this option within three months of the termination date of the project, 30 June 2002.

11 Creditors

Trade creditors chemicals	35,685	78,361
	<u>35,685</u>	<u>78,361</u>

12 Current Liabilities - Provisions

Annual leave - W Brand	4,582	4,880
Annual leave - M Goodson	4,144	3,553
Long service leave - W Brand	14,513	13,193
Long service leave - M Goodson	0	0
	<u>23,239</u>	<u>21,626</u>

Babinda Cane Protection and Productivity Board

Notes to and Forming Part of the Financial Statements

	2000 \$	1999 \$
13 Reconciliation of net cash provided by operating activities to operating profit/(loss)		
Operating profit/(loss)	(16,228)	(1,956)
Depreciation expense	10,045	14,654
Changes in assets and liabilities		
(Increase)/Decrease in trade debtors	6,193	(3,782)
(Increase)/Decrease in other debtors	(27,061)	0
(Increase)/Decrease in inventories	(15,146)	(2,948)
(Increase)/Decrease in prepaid insurance	233	(458)
Increase/(Decrease) in trade creditors	(42,676)	50,168
Increase/(Decrease) in employee entitlements	1,613	3,327
Net cash provided by operating activities	(83,027)	59,005

14 Accumulated funds

Balance as at 1 January	237,623	239,579
Add balance transferred from profit and loss account	(16,228)	(1,956)
	221,395	237,623

15 Financial reporting by segments

The Board operates in the cane protection industry at Babinda, its revenue being derived principally from the sale of chemicals, and a levy on the mill and farmers in this region.

BABINDA CANE PROTECTION & PRODUCTIVITY BOARD

STATEMENT OF SALARIES, WAGES AND ALLOWANCES ETC PAID FOR THE YEAR ENDED 31 DECEMBER 2000

6-9000	Salaries - Brand, William	36,774.10
6-6900	Salaries - Goodson, Mike	41,484.80
6-2700	Clerical Allowance	<u>1,836.00</u>
		<u>\$80,094.90</u>

6-2150 COMMITTEE EXPENSES

	Meeting Fees	Travelling	Total
Cardillo, Mike	390.00	151.20	541.20
Saro, Walter	390.00	108.00	498.00
Zappaia, Alan	<u>390.00</u>	<u>94.00</u>	<u>484.00</u>
	\$1,170.00	\$353.20	<u>\$1,523.20</u>

6-2200 CONFERENCE EXPENSES

Goodson, Mike - ASSCT Conference	190.00
	<u>\$190.00</u>

BABINDA CANE PROTECTION AND PRODUCTIVITY BOARD

MANAGEMENT CERTIFICATE

We have prepared the foregoing Annual Financial Statements pursuant to the provisions of the **Financial Administration and Audit Act 1977**, and other prescribed requirements and certify that -

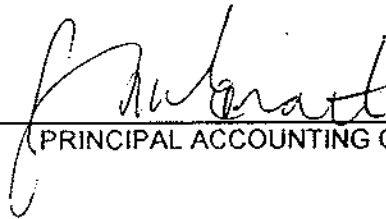
(a) in our opinion -

- (i) the prescribed requirements in respect to the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the foregoing statements have been drawn up so as to present a true and fair view in accordance with prescribed accounting standards, of the transactions of the Babinda Cane Protection and Productivity Board for the period 1 January 2000 to 31 December 2000 and of the financial position as at the end of that year.



CHAIRMAN

28-Mar-01



PRINCIPAL ACCOUNTING OFFICER

Independent Audit Report

To Babinda Cane Protection and Productivity Board

Scope

We have audited the general purpose financial statements of Babinda Cane Protection and Productivity Board for the year ended 31 December 2000 in terms of section 46G of the Financial Administration and Audit Act 1977. The financial statements comprise the Balance Sheet, Profit and Loss, Statement of Cash Flows, Notes to an forming part of the financial statements and certificates given by the Chairperson and person responsible for financial administration.

The Board is responsible for the preparation and the form of presentation of the financial statements and the information they contain. We have audited the financial statements in order to express an opinion on them.

The audit has been conducted in accordance with QAO Auditing Standards, which incorporate the Australian Auditing Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included the examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with prescribed requirements which include Australian Accounting Standards so as to present a view which is consistent with my understanding of the entity's financial position and the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In accordance with section 46G of the Financial Administration and Audit Act, we certify that we have received all the information and explanations we have required and, in our opinion -

- (a) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
- (b) the statements have been drawn up so as to present a true and fair view in accordance with prescribed accounting standards and other prescribed requirements of the transactions of Babinda Cane Protection and Productivity Board for the financial year 1 January 2000 to 31 December 2000 and of the financial position as at the end of that year.



WD McCluskey
as delegate of the Auditor-General of Queensland
28 March 2001

Queensland Audit Office
Brisbane

MOURILYAN CANE PROTECTION AND PRODUCTIVITY BOARD

ANNUAL REPORT

TO THE

MINISTER FOR PRIMARY INDUSTRIES

2000

MOURILYAN CANE PROTECTION AND PRODUCTIVITY BOARD

ANNUAL REPORT - YEAR ENDED 31 DECEMBER 2000

The Mourilyan Cane Protection and Productivity Board was constituted in accordance with the provisions of Part 5 of the Sugar Industry Act 1991, on 15 July 1991. It operated as a Cane Pest and Disease Control Board from 1 May 1975 until 14 July 1991 under the now repealed Section 30 of the Sugar Experiment Stations Act. The Board's current three-year term covers the period 1 April 1999 to 31 March 2002.

The Board operated as a voluntary Board from its inception on 11 December 1915 until 30 April 1975. It was established because of the need to control pests and diseases and to prevent the introduction and spread of pests and diseases.

The members of the Board are:

Mr R G Porter	-	Millowner's representative (Chairman)
Mr R C Rees	-	Millowner's representative
Mr J M Marano	-	Canegrowers' representative (Deputy Chairman)
Mr F R Tarditi	-	Canegrowers' representative
Mr J J Chizzotti	-	Canegrowers' representative
Mr G G McMahon	-	Bureau of Sugar Experiment Stations representative (Mrs D Telford - Proxy)
Mr J W McGrath	-	Secretary
Mr C Alman	-	Bundaberg Sugar Ltd, Cane Supply Manager
Mr M J Ward	-	Bundaberg Sugar Ltd, Productivity Adviser

The supervisory staff are:

Mr G Bugeja	-	Supervisor
Mr D Collinson	-	Assistant Supervisor

The Board's objectives are:

- To provide approved planting material from the Board's plots to meet growers' requirements.
- To reduce and contain the level of diseases, especially RSD.
- To carry out inspections and surveys and to take all action to prevent, control and eradicate pest infestation or any other problem that could adversely affect sugarcane productivity.
- To promote best practice farm management and provide advice and assistance to canegrowers in relation to the prevention, control and eradication of pest infestation or any other problem that could adversely affect growers' productivity.
- To provide advice and assistance covering the preservation and enhancement of the capacity of land to sustain crops of sugarcane and to assist in keeping to a minimum any damage to the environment that may be caused by activities of the sugar industry within the Mourilyan area.

The supervisory staff achieved the Board's objectives and goals associated with the Board's approved seed scheme. Their duties included the inspection of plant source material, the hot water treatment of seed material and the maintenance and provision of approved seed cane.

APPROVED SEED SALES

A total of 173.80 tonnes of approved seed was supplied to 98 growers from the Board's approved seed plots during the year compared with 273.4 tonnes on 102 assignments in 1999. 82.16 tonnes remaining from the Moresby plot, 149.75 tonnes from the Mundoo plot and 269.95 tonnes from the Bilyana plot were harvested and delivered to the mill for crushing.

No new varieties were released in 2000. It is anticipated that approximately 670 tonnes of approved seed will be available for distribution to growers in 2001. 2.20 hectares was planted at the Moresby plot, 1.53 hectares at the Mundoo plot and 1.60 hectares at Tom Machan's plot (Bilyana).

The Board's staff made available to growers the cutting of approved seed for billet planters. Also the Board provided a tractor and plant cutter at the Moresby plot for the cutting of approved seed.

A comparison of approved seed introduced onto farms over the last five years is shown below.

Year	Tonnes (including HWT and Board Plots)
1996	120.70
1997	110.75
1998	174.05
1999	273.10
2000	173.80

PLANT SOURCE INSPECTIONS

Inspections were carried out on 214 blocks over 111 assignments. The phase contrast microscope was used for 101 blocks with ratoon stunting being confirmed positive in 11 of these samples.

DISEASES

Ratoon Stunting Disease

A total known area of 220.49 hectares over 31 assignments was recorded to be infected with RSD throughout the mill area in 2000. The estimated infected area declined from 2,200 hectares in 1990 to 1100 hectares in 2000. The use of newly released varieties in conjunction with the use of approved seed has been the main reason for the decline in area of RSD.

Chlorotic Streak Disease

Chlorotic Streak disease has become much more noticeable on farms throughout low-lying areas during the past three wet seasons. An estimated 1800 hectares was infected with CSD.

PESTS

Greyback Grubs

A comparison of grub damage over the last five years is as follows:

Year	Tonnes lost	Area damaged
1996	17640	1008
1997	18500	1442
1998	12000	1396
1999	2462	183
2000	4372	691

The area recorded as damaged escalated from 183 hectares in 1999 to 691 hectares in 2000. The level of damage was generally moderate however some blocks suffered serious stool damage to the extent that blocks required ploughing out. Suscon ® gave satisfactory control in blocks where grub numbers were not too high and the product was applied to strict guidelines. These blocks have sustained some visible stool loss however have generally ratooned into acceptable crops.

The Mourilyan and Babinda Cane Protection and Productivity Boards have jointly purchased a special applicator for use by growers wishing to trial Confidor ® in ratoons for greyback grub control.

Cane Weevil Borers

Cane weevil borer damage has continued to remain low over the last five years. The estimated loss in 2000 was 2500 tonnes of cane. During the period 1993 to 1997 losses varied from 15000 to 18500 tonnes lost with effects on CCS of up to 2 units in the effected areas. It is believed that the use of tolerant varieties has had the biggest impact on reducing cane weevil borer populations in Mourilyan. Tolerant varieties have been an important part of the Integrated Pest Management program.

Rats

Losses caused by rats were estimated to be 5500 tonnes of cane compared with 6500 tonnes in the previous year. Climbing rats were again responsible for the majority of the damage. Both 1999 and 2000 seasons have seen record losses to rats. The field mouse was responsible for increased damage in blocks adjacent to rivers.

Continual wet weather conditions have made it very difficult for growers to practise good farm hygiene, which has allowed rat populations to remain high. Racumin® was registered and made available in late 1999 under strict guidelines. These restricted requirements have proved to be quite difficult, costly and a health hazard.

During 2000 the NRA approved emergency use of Rattoff ® and Racumin ® outside bait stations. This permit covered the period October 2000 to March 2001. To enable the emergency use permit to be approved for Mourilyan growers the supervisory staff were required to carry out the monitoring of rat numbers and breeding statistics during this period.

Integrated Pest Management strategies promoted to growers were:

1. Good incrop weed control.
2. Good harbourage management.
3. Only then should bait be applied to further reduce rat populations.

Giant Sensitive Plant

Spraying was carried out by growers using knockdown/pre-emergent herbicides with satisfactory results achieved. Records of infested blocks and farms were maintained. Grower and miller efforts have continued to minimise the spread of GSP.

FARM MANAGEMENT

Growers were assisted to develop appropriate farming skills to manage cane protection and productivity issues eg herbicide usage, variety selection, nutrition and interpretation of productivity data. The exceptionally wet seasons have made it most difficult for growers to maintain crop yields particularly during low sugar prices.

WEED CONTROL

The use of herbicides has played an important role for on-farm weed control. Advice on usage eg application, timing, calibration of equipment, rates and herbicide selection, together with the Board providing sales of chemicals has assisted with enhancing crop productivity by reducing weed competition.

SOIL NUTRITION

Growers were assisted with advice in maintaining soil fertility through soil analyses.

STRATEGIES FOR ADDRESSING PRODUCTIVITY ISSUES

- (a) Variety selection has proved to be an important tool in maximising productivity. The Mourilyan block recording scheme and the productivity report has assisted in providing variety performance data which has been made available and delivered to all growers.
- (b) Encourage and assist with the development of SRDC projects investigating productivity and profitability issues in the Mourilyan mill area.

MERGER PROPOSAL WITH BABINDA CPPB

During the year the Mourilyan and Babinda CPPBs held combined meetings and the Boards also met individually on the same day. Efficiencies were achieved in that reports were presented at the combined meetings and as a result duplication of reporting by the same millowner and BSES representatives of both boards was eliminated. The majority of Board business was also attended to at the combined meetings. Members had also identified and discussed advantages of merging the Babinda and Mourilyan Boards and reached a position in November where a proposal to merge the two Boards before the commencement of the 2001 season was prepared and distributed to all Mourilyan and Babinda growers. The Mourilyan Mill Suppliers' Committee had indicated their support for the proposed merger. Feedback from growers closed on 14 December 2000. It was satisfying to report that no objections were received. The structure of the merged entity has not yet been agreed upon however DPI has advised that the entity could remain as a statutory Board or become corporatised.

FINANCIAL

In January 2000 the Queensland State Government advised all CPPBs that statutory levies had been declared illegal (i.e. a State excise on production) and from 2000 onwards Boards would have to adopt alternative funding arrangements. The Mourilyan CPPB decided to move to a system of voluntary levies and a rate of ten (10) cents per tonne cane was approved for the 2000 season to be shared equally by the canegrowers and millowner, that is, five (5) cents per tonne from the growers with the millowner agreeing to match the growers' contributions. Growers were requested to sign authorisation forms allowing Mourilyan Mill to deduct the levy from their cane payments for the 2000 and subsequent seasons under the provisions of Section 95 of the Sugar Industry Act. Section 95 allows for a millowner to make payment authorised by a grower in line with a category of payment approved by a cane production board.

271 growers out of a total of 284 signed authorisations. This comprised 96% of cane delivered during the 2000 season.

Attached to this report is a copy of the audited accounts of the Board for the year ended 31 December 2000. The principal source of income for the year continues to be the annual levy. Mourilyan's production fell from 814,761 tonnes in 1999 to 689,112 tonnes in 2000 and as a result of the decrease in tonnage, levy income was down by \$15,220 to \$66,256. The main item of expenditure was salaries and wages which accounted for \$71,882 or 108 % of the levy compared with 83% in the previous year.

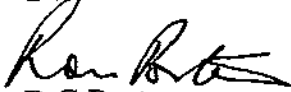
After accounting for all income and expenditure and providing depreciation on fixed assets other than land, the Board's accounts showed a deficit of \$8,280 in 2000 compared with a surplus of \$6,785 in the previous year.

Expenditure of a capital nature incurred during the year was as follows:

Massey Ferguson Tractor	\$10,000
Steam Pipe to H/W treatment Tank	\$ 7,111
Confidor Applicator	\$ 4,759
Farm Shed Improvements	\$ 4,425
Computer Equipment	<u>\$ 3,279</u>
TOTAL	\$29,574

As shown in the financial statements the Board commenced the year with a balance of \$336,248 in the bank and fixed deposit. At 31 December 2000 Cash at Bank including fixed deposit was \$177,419. The general policy of the Board is to have approximately \$100,000 in reserve at the end of the financial year to meet commitments during the January to June period when receipts from income are restricted.

In conclusion I wish to record my appreciation of the assistance and commitment given by Board members and staff during the year.


R G Porter
Chairman

7 March 2001

Mourilyan Cane Protection and Productivity Board

Profit and Loss Statement for the Year Ended 31 December 2000

	Note	2000 \$	1999 \$
Operating Profit/(Loss)	2	(8,250)	6,786
Accumulated Funds at the beginning of the financial year		413,925	407,139
Accumulated Funds at the end of the financial year	14	405,675	413,925

The accompanying notes form an integral part of these financial statements

Mourilyan Cane Protection and Productivity Board

Detailed Profit and Loss Statement For the Year Ended 31 December 2000

	2000 \$	1999 \$
INCOME		
Interest received	12,029	10,011
Levy received	66,257	81,476
Net proceeds (Chemical sales)	23,237	15,411
Miscellaneous income (Commission on chemical sales)	28,680	12,642
Miscellaneous income	745	4,089
Soil Samples	308	1,547
Approved Seed Plot Income	2,453	3,780
	<u>133,709</u>	<u>128,956</u>
EXPENDITURE		
Approved Seed Expenses	6,198	5,506
Audit Fees	1,257	1,396
Bank charges	343	337
Board fees and mileage	1,375	1,692
Cane disease inspections	523	377
Conference expenses	200	264
Depreciation	8,682	5,510
Electricity	195	150
Fringe benefits tax	254	254
General & office expenses	4,058	1,652
Industrial clothing	491	370
Insurance	2,999	1,466
Productivity awards presentations	500	1,100
Productivity awards function expenses	800	539
Motor vehicle expenses	13,079	9,014
Maintenance plant and equipment	899	1,594
Postage and telephone	5,445	4,699
Salaries and wages	71,882	67,494
Long service leave and annual leave	6,586	3,541
Printing and Stationery	740	250
Superannuation	5,240	4,748
Freight and cartage	5,204	5,126
Pig Scalps	727	205
Miscellaneous expenses	4,282	4,887
	<u>141,959</u>	<u>122,171</u>
Operating profit/(loss)	(8,250)	6,785

Mourilyan Cane Protection and Productivity Board

Balance Sheet for the Year Ended 31 December 2000

	Note	2000 \$	1999 \$
CURRENT ASSETS			
Cash	7	177,419	336,248
Trade Debtors	8	133,694	109,865
Inventories	9	113,176	105,116
Prepaid Insurance		664	0
TOTAL CURRENT ASSETS		424,953	551,229
NON-CURRENT ASSETS			
Property, plant and equipment	10	106,088	86,314
TOTAL ASSETS		531,041	637,543
CURRENT LIABILITIES			
Trade Creditors	11	85,275	190,113
Provision for long service leave & annual leave	12	40,091	33,505
TOTAL CURRENT LIABILITIES		125,366	223,618
GST LIABILITIES			
GST Paid		0	0
GST Rounding		0	0
TOTAL GST LIABILITIES		0	0
TOTAL LIABILITIES		125,366	223,618
NET ASSETS		405,675	413,925
EQUITY			
Accumulated Funds		405,675	413,925

The accompanying notes form an integral part of these financial statements

Mourilyan Cane Protection and Productivity Board

Statement of Cash Flows for the Year Ended 31 December 2000

	Note	2000 \$	1999 \$
Cash Flows from operating activities			
Receipts from customers		645,069	514,953
Payments to suppliers and employees		(885,169)	(565,837)
Interest received		12,029	10,011
Levy received		66,257	81,476
Chemical rebate		28,680	12,641
Soil Samples		308	1,547
Product Development Allowance		0	1,756
Approved Seed Plot Income		2,453	3,780
Net cash provided by operating activities	13	(130,373)	60,327
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		0	0
Purchases of property, plant and equipment		28,456	0
Net cash used in investing activities		28,456	0
Net increase in cash held		(158,829)	60,327
Cash and short term deposits at the beginning of the financial year		336,248	275,921
Cash and short term deposited at the end of the financial year		177,419	336,248

The accompanying notes form an integral part of these financial statements

Mourilyan Cane Protection and Productivity Board

Notes to and Forming Part of the Financial Statements

1

Statement of Accounting Policies

(a)

Basis of Accounting

The accounts have been prepared in accordance with Public Finance Standards on an historical cost basis, consistent with the basis applied in the previous financial year. Income and Expenditure are brought to account on an accruals basis.

(b)

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs have been assigned to inventory quantities on hand at balance date using the first in first out basis. Cost comprises material and direct costs into store.

(c)

Property, plant and equipment

Property, plant and equipment are included at cost. Depreciation is provided on all fixed assets, other than land, using the diminishing value method at rates based on the estimated useful life of the various classes of assets. Depreciation of motor vehicles is calculated using the straight line method.

Gains or losses arising from the sale or disposal of fixed assets are brought to account in the determination of the profit for the year.

(d)

Employee entitlements

Liabilities for employees' entitlements to wages and salaries, annual leave and other current employee entitlements are accrued at nominal amounts calculated on the basis of current wage and salary rates. Employee entitlements to long service leave are accrued in respect of all employees, based on estimated future wage and salary rates and at discounted amounts in accordance with AAS30, Accounting for Employee Entitlements.

(e)

Income Tax

No income tax is payable as the Board is a non-profit organisation and is specifically exempted from income tax under the Income Tax Assessment Act.

(f)

Comparative figures

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

Mourilyan Cane Protection and Productivity Board

Notes to and Forming Part of the Financial Statements

	2000 \$	1999 \$
2 Operating profit before abnormal items have been determined after:		
Crediting as revenue		
Levy received	66,257	81,476
Sales	557,405	563,079
Miscellaneous Income	0	0
Approved seed plot income	2,453	3,780
Interest received	12,029	10,011
Rebate on chemicals	28,680	12,641
Discount received	745	2,333
Soil samples	308	1,547
Product development allowance	0	1,756
Charging as expense		
Cost of goods sold	(534,168)	(547,668)
Depreciation	(8,682)	(5,510)
Salaries and wages	(71,882)	(67,494)
Long service leave and annual leave	(6,586)	(3,541)
Other	(54,809)	(45,625)
	<u>(8,250)</u>	<u>6,785</u>
3 Board fees and allowances		
Chizzotti, John	329	494
Marano, Joseph	483	468
Tarditi, Frank	563	730
	<u>1,375</u>	<u>1,692</u>
4 Conference expenses		
Bugeja, G - ASSCT Conference/Courses	200	264
	<u>200</u>	<u>264</u>
5 Contingent Assets/Liabilities		

There are no know contingent assets/liabilities of a significant nature at 31 December 2000

Mourilyan Cane Protection and Productivity Board

Notes to and Forming Part of the Financial Statements

	2000 \$	1999 \$
6 Salaries and wages		
D Collinson - Asst Supervisor - Wages	26,451	25,601
G Bugeja - Cane Productivity Officer - Salary	45,431	41,893
Annual Leave accrued	15,223	10,919
Long Service Leave accrued	24,867	22,586
	<u>111,972</u>	<u>100,999</u>
7 Current assets - cash		
Cash on Hand	928	0
Cash at National Australia Bank	(17,577)	152,055
Suncorp Metway	194,068	184,193
	<u>177,419</u>	<u>336,248</u>
8 Receivables		
Trade debtors - chemicals	133,684	109,865
Other debtors	10	0
	<u>133,694</u>	<u>109,865</u>
9 Current Assets - Inventories		
Chemical stock	113,176	105,116
	<u>113,176</u>	<u>105,116</u>
10 Property, plant and equipment		
Land	36,662	36,662
Buildings - at cost	58,235	53,910
Less: provision for depreciation	<u>28,802</u>	<u>27,461</u>
	29,433	26,449
Plant and equipment - at cost	109,780	88,909
Less: provision for depreciation	<u>73,011</u>	<u>68,902</u>
	36,769	20,007

Mourilyan Cane Protection and Productivity Board

Notes to and Forming Part of the Financial Statements

	2000 \$	1999 \$
Office equipment - at cost	13,584	10,325
Less: provision for depreciation	10,360	7,129
	<u>3,224</u>	<u>3,196</u>
Total - Property, plant and equipment	<u>106,088</u>	<u>86,314</u>
 11 Creditors		
Trade creditors chemicals	85,113	190,113
Trade creditors other	162	0
	<u>85,275</u>	<u>190,113</u>
 12 Current Liabilities - Provisions		
Annual leave - D Collinson	3,684	2,708
Annual leave - G Bugeja	11,540	8,211
Long service leave - D Collinson	0	0
Long service leave - G Bugeja	24,867	22,586
	<u>40,091</u>	<u>33,505</u>
 13 Reconciliation of net cash provided by operating activities to operating profit/(loss)		
Operating profit/(loss)	(8,250)	6,785
Depreciation expense	8,682	5,510
Changes in assets and liabilities		
(Increase)/Decrease in trade debtors	(23,819)	(45,212)
(Increase)/Decrease in other debtors	(10)	0
(Increase)/Decrease in inventories	(8,060)	(32,747)
(Increase)/Decrease in prepaid insurance	(664)	0
Increase/(Decrease) in trade creditors	(104,838)	122,450
Increase/(Decrease) in employee entitlements	6,586	3,541
Net cash provided by operating activities	<u>(130,373)</u>	<u>60,327</u>

Mourilyan Cane Protection and Productivity Board

Notes to and Forming Part of the Financial Statements

	2000	1999
	\$	\$
14		
Accumulated funds		
Balance as at 1 January	413,925	407,140
Add balance transferred from profit and loss account	(8,250)	6,785
	<u>405,675</u>	<u>413,925</u>

15 Financial reporting by segments

The Board operates in the cane protection industry at Mourilyan, its revenue being derived principally from the sale of chemicals, and a levy on the mill and farmers in this region.

MOURILYAN CANE PROTECTION & PRODUCTIVITY BOARD

STATEMENT OF SALARIES, WAGES AND ALLOWANCES ETC PAID FOR THE YEAR ENDED 31 DECEMBER 2000

6-9000	Wages - Collinson, Dave	26,450.64
6-6900	Salaries - Bugeja, George	45,431.00
6-2700	Clerical Allowance	2,482.00
	Secretarial Allowance	1,800.00
		<hr/>
		\$76,163.64
		<hr/>

6-2150 COMMITTEE EXPENSES

	Meeting Fees	Travelling	Total
Chizzotti, John	280.00	49.00	329.00
Marano, Joseph	420.00	63.00	483.00
Tarditi, Frank	420.00	142.50	562.50
	<hr/>	<hr/>	<hr/>
	\$1,120.00	\$254.50	\$1,374.50
	<hr/>	<hr/>	<hr/>

6-2200 CONFERENCE EXPENSES

Bugeja, George - ASSCT Conference	200.00
	<hr/>
	\$200.00
	<hr/>

MOURILYAN CANE PROTECTION AND PRODUCTIVITY BOARD

MANAGEMENT CERTIFICATE

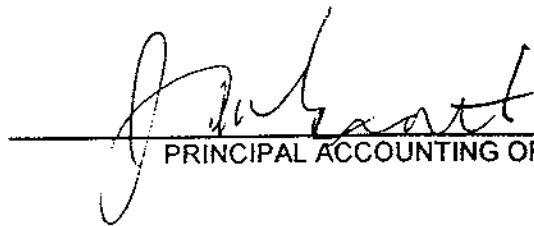
We have prepared the foregoing Annual Financial Statements pursuant to the provisions of the **Financial Administration and Audit Act 1977**, and other prescribed requirements and certify that -

(a) in our opinion -

- (i) the prescribed requirements in respect to the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the foregoing statements have been drawn up so as to present a true and fair view in accordance with prescribed accounting standards, of the transactions of the Mourilyan Cane Protection and Productivity Board for the period 1 January 2000 to 31 December 2000 and of the financial position as at the end of that year.



CHAIRMAN



PRINCIPAL ACCOUNTING OFFICER

28-Mar-01

Independent Audit Report

To Mourilyan Cane Protection and Productivity Board

Scope

We have audited the general purpose financial statements of Mourilyan Cane Protection and Productivity Board for the year ended 31 December 2000 in terms of section 46G of the Financial Administration and Audit Act 1977. The financial statements comprise the Balance Sheet, Profit and Loss, Statement of Cash Flows, Notes to an forming part of the financial statements and certificates given by the Chairperson and person responsible for financial administration.

The Board is responsible for the preparation and the form of presentation of the financial statements and the information they contain. We have audited the financial statements in order to express an opinion on them.

The audit has been conducted in accordance with QAO Auditing Standards, which incorporate the Australian Auditing Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included the examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with prescribed requirements which include Australian Accounting Standards so as to present a view which is consistent with my understanding of the entity's financial position and the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In accordance with section 46G of the Financial Administration and Audit Act, we certify that we have received all the information and explanations we have required and, in our opinion -

- (a) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
- (b) the statements have been drawn up so as to present a true and fair view in accordance with prescribed accounting standards and other prescribed requirements of the transactions of Mourilyan Cane Protection and Productivity Board for the financial year 1 January 2000 to 31 December 2000 and of the financial position as at the end of that year.



WD McCluskey

as delegate of the Auditor-General of Queensland
28 March 2001

Queensland Audit Office
Brisbane

TULLY CANE PROTECTION AND PRODUCTIVITY BOARD

ANNUAL REPORT

TO THE

MINISTER FOR PRIMARY INDUSTRIES

2000

ANNUAL REPORT
of the
TULLY CANE PROTECTION AND PRODUCTIVITY BOARD
FOR THE YEAR ENDED 31ST DECEMBER 2000.

OFFICE BEARERS

MILLOWNERS REPRESENTATIVES:

PG. Borgna,
T. Fuelling

CANEGROWERS REPRESENTATIVES:

S. Maingay (Chairman))
B. Maifredi (Deputy Chairman)

BSES REPRESENTATIVE:

A. Crema
R. Kelly/D. Finlayson

STAFF

SUPERVISOR:

R. Edwards

ASSISTANT SUPERVISOR:

P. Mullins

SECRETARY:

P. Lucy

On behalf of the Board, I have much pleasure in submitting my Annual Report on the activities and functions of the Board for the year ended 31st December 2000

AIMS & OBJECTIVES:

The Board is constituted under Part 5, Division 3 of the Sugar Industry Act 1999
The aim of the Board is to improve sugar cane productivity in the Tully Mill area through the effective control of cane pests and diseases and through productivity related programs.

FINANCE:

During the year, the board was primarily funded by a voluntary service fee based on cane crushed at the Mill. Prior to this, the board was funded by a compulsory levy under the Sugar Act. All growers were advised of the situation of levies no longer being compulsory and were requested to sign an authority to allow the mill to continue to deduct a service fee to fund the boards operations. The local mill directors also agreed to continue to match grower funding. Over ninety-nine percent of growers signed these authorities.

I would like to take this opportunity to thank the Mill Board and growers for recognising the value of the Boards' role and for their positive support during trying times.

The board recognised that the local industry was being severely affected by low productivity and low sugar prices, therefore a decision was made to reduce the service fee for the 2000 year from the previous 8 cents per tonne of cane, to 6 cents. Of this, 3 cents is paid by growers and 3 cents is paid by millers. This amounted to a funding reduction of twenty-five percent and was only possible because of the boards' policy of accumulating reserves during prosperous years for use during poor years. The levy had previously remained at 8 cents for the past eleven years.

Following discussions with contributors and because of the serious productivity issues being experienced throughout the district, a comprehensive review of board services is being undertaken.

A total of 1,537,710 tonnes crushed, netted \$92,262. As anticipated, income from the levy was below budget. Profits from pesticide sales also helped to fund the Board's operations and assisted in keeping the levy to a minimum.

STRATEGIC PLAN:

Under the Public Finance Standards the Board upgraded its five year rolling Strategic Plan. The **key issues** recognised by the board were –

- A dramatic decrease in cane yield per hectare and sugar content caused principally by adverse weather conditions.
- Cane quality, sugar quality and yield are being adversely affected by changes to cultural and harvesting practices
- An increase in environmental awareness and the impact of the sugar industry on the environment.
- The role of the BSES and the need to support their research programs into increasing productivity and profitability in the local area.
- The trend towards larger harvesting groups and its effect on the spread of pests and diseases, productivity and sugar quality.
- Ongoing chemical storage legislation and the effect these regulations will have on the Board's chemical operations.
- The increasing number of new, inexperienced growers in the local area and the level of assistance these growers will require.
- The majority of new canelands are some distance from the Boards base.
- Limited Board resources to meet ongoing increases in assigned area and grower numbers.
- Productivity problems associated with increases in farm size.
- The possible incursion of an exotic pest or disease

- Issues arising from growers in the Tully geographical area supplying other mills.
- The limits on funding available for the Board's programs.

FOREWORD

Unfortunately, the greatest productivity issue during the year 2000, continued to be the excessive wet weather. The wet season virtually lasted for the first six months of the year and provided optimum growing conditions for many weed pests and perfect breeding conditions for animal pests.

Flooding in early February left some cane in low areas standing in water for up to two weeks. Cyclone Steve crossed the coast near Cairns in late February and caused further flooding. Cyclone Tessi crossed the coast near Rollingstone in early April, with only a little wind and rain. Further heavy rain and flooding occurred a few days later when Cyclone Vaughn became a rain depression off the coast. The crop was severely retarded after almost eight weeks of continual rain and three major floods. Cane diseases such as chlorotic streak disease, orange rust and yellow spot also flourished in the wet conditions.

Because of this, and flow-on effects from poor weather conditions over the past two years, cane yield was at an all time low of 63 tonnes cane per hectare.

Because of the relatively dry conditions during the season, it is hoped that stool damage to ratoons during harvesting has been minimal.

Excessive wet weather in the latter part of the year also caused poor stooling and establishment in much of the plant and replant cane, which will have an effect on the 2001 crop.

On a brighter note, we had an increase in CCS of approx one unit over the previous year, rat damage decreased, we had a relatively dry harvesting period and we did not have a large amount of Q124 to be infected by orange rust

REVIEW OF OPERATIONS

PEST AND DISEASE SITUATION

The area affected by **Greyback Cane Grubs** increased to approximately 270 ha. Most damage was of a light to moderate nature, although some blocks continued to receive heavy damage. Most of this damage is still occurring in unprotected plant cane or older ratoons.

The area of plant cane treated with SuSCon insecticide increased by about forty percent to twenty-eight percent of the total area planted for the year 2001 crop. This means the total area treated for grubs in the Tully mill area in 2001 is only approximately eight percent.

Strip trials of the new insecticide, Confidor were placed on four farms. They will be rated in early 2001.

Once again, no known frenchi grub damage was recorded.

Weevil borer damage was still widespread across the mill area, however damage continues to decline because of the use of more resistant varieties.

RAT damage was generally not as severe as in the previous year, although some individual blocks continued to receive heavy damage. Some of the reasons for this decrease in damage were,

- ❖ There was no standover cane for the rats to breed in,
- ❖ environmental conditions were not as favourable for the rats as in the previous year, and
- ❖ we had access to bait during the year.

Racumin bait became available to the industry as a replacement for Klerat. It had to be applied in bait stations and it was recognized that there were major problems with this method of application. Because of this, CANEGROWERS, with on-ground support of BSES and Cane Protection and Productivity Boards in rat affected areas, applied to the National Registration Authority for Emergency Use Permits to allow for the use of Racumin wax blocks, Racumin paste and, a new bait, RATTOFF outside of bait stations to protect the 2001 crop. These permits were granted with strict guidelines for a six-month period from October 2000 to the end of March 2001. A requirement of these guidelines was that growers intending to use bait had to attend accreditation workshops. One hundred and forty-eight growers attended the two Tully workshops. Productivity Boards also had to carry out monitoring of rat numbers. Monitoring found that rat numbers decreased dramatically after the initial application of bait.

Because these are native rats, each Productivity Board also has to apply for a permit from Queensland Parks and Wildlife Service to allow growers to bait them.

RATTOFF was not available until late November and Racumin wax blocks were not available until December. Because Racumin wax blocks were fully registered, they were available from all resellers, however to assist in controlling its use, and to simplify reporting to QPWS and NRA, RATTOFF was only available through Productivity Boards. Only a very small amount of Racumin blocks were used, with RATTOFF being the major bait type. A total of 2220 kgs of RATTOFF was distributed to sixty-five growers. The Tully board once again supplied both types of bait at cost price.

The manufacturers of Racumin paste decided that it would not be freely available, initially, but a small amount was provided to the Proserpine and Tully Productivity Boards for testing on farms under wet field conditions. This trial bait was not available during 2000.

Sulphur Crested Cockatoos once again caused widespread damage with approximately 5000 tonnes of cane damaged. Severe damage was caused to planting material on a number of farms. Board staff once again assisted growers in applying for damage mitigation permits from Queensland Parks and Wildlife Service.

Feral pigs continued to damage cane near scrub and swamps. The board continued to manage and partially fund the local component of the Community Based Feral Pig Trapping Program. At present, the Wet Tropics Management Authority and the Department of Natural Resources are the main funding bodies for this program. A total of 91 pigs were caught in the Tully cane area. The trapper provides detailed records of all pigs captured. These records are used by the Department of Natural Resources to research feral pig activity and by the Health Department to monitor certain diseases. The aim of the program is to reduce the impact or damage caused by feral pigs, not necessarily their numbers. Approximately 6,600 tonnes of cane was

damaged. The Supervisor is a member of the Feral Pig Advisory Committee, which manages the regional trapping program and attended two meetings during the year.

Armyworms caused only light damage.

Weeds once again caused major problems. In many cases, financial constraints and wet weather prevented effective spraying from being carried out. Vines and broadleaf weeds continued to spread. **Calopo** caused harvesting problems on many farms. Most of the vine spraying was carried out by over-row spray units.

Sicklepod (Arsenic weed) is still continuing to rapidly spread throughout the entire district. Control remains difficult and expensive and at its present rate of spread, it is fast becoming one of our major weed pests.

Guinea and hamil grass continued to cause major problems needing constant attention.

The ponded pasture grass, **hymenachne** continued to spread in drains and waterways in the lower parts of the district and has infested several flood free cane blocks. In some instances, growers have destroyed cane because of this plant. DNR staff have finalised trials on a number of herbicides and other control techniques so that landholders will have an effective means of controlling the plant in waterways. Board staff, are assisting the local Council to implement hymenachne control programs through the Council Pest Management Plan.

DNR spray teams continued to treat infestations of **siam weed**. The plant is now down to manageable levels. Board staff continued to assist in the control campaign by reporting any infestations they found.

Ratoon stunting disease (RSD) is still the major controllable disease in the district. The regular use of 'approved seed cane', and effective farm hygiene are the most cost effective methods of reducing the levels of this disease. Plant source inspections and surveys detected 176 ha of diseased cane on twenty-one CPA's. The total area known to have RSD reduced from 400, to 280 hectares. The estimated area is approximately 600 hectares.

Extra cane stalks were once again collected by mill staff during early maturity testing prior to the commencement of the season, and processed by board staff for RSD ELISA testing.

The board once again employed a person during the season to randomly collect samples from cane billets at the mill tippler for RSD testing. These survey methods have proven to be a cost effective means of surveying for the disease.

Only small amounts of the disease was detected.

No intensive surveys were carried out for **sugar cane smut**, however staff remained vigilant for any signs of the disease during routine activities throughout the year.

Because of prolonged wet conditions, the area infected with **chlorotic streak disease (CSD)** increased considerably, in all parts of the mill area. Most varieties were affected. The estimated area infected to a moderate to severe intensity is 18,000 ha.

Because of the persistent wet weather during the first half of the year, **yellow spot disease** and **orange rust** were a concern.

Orange rust was a minor disease, which changed its strain to severely affect several previously resistant varieties. Varieties worst affected, were Q124 and Q173^Φ, with light to moderate infection in Q158. Luckily, Q124 and Q173^Φ were only minor varieties in the mill area. The first severe infection of the disease at Tully was detected in February. Approximately 11,000 hectares of yellow spot and 1,400 hectares of orange rust were affected to a moderate to severe level.

APPROVED SEED CANE, NEW VARIETIES AND HOT WATER TREATMENT:

The total amount of cane distributed from the plot was reduced because of the adverse growing conditions throughout the year. The following amounts of cane were distributed.

98 tonnes to 66 assignments (1999 - 102 tonnes to 69 assignments)
188 tonnes harvested and milled (1999 - 107 tonnes)

The most popular varieties were Q120, Q174^Φ, Q186^Φ and Q187^Φ.

No new varieties were distributed during the year.

Approximately 3.4 ha were planted for distribution in 2001. This consisted of eight varieties, a large mother plot, three seedlings, and four smut resistant older varieties. Poor germination occurred in some varieties.

Two new seedlings for possible release in 2001 were also planted. Only very limited amounts of these seedlings were available for planting, therefore they were only planted at the one distribution site.

Collaborative variety mother plots were planted on four farms. Three seedlings for possible future release were planted into a mother plot on the Euramo distribution site.

A PBR distribution contract was signed with the BSES to allow the board to distribute varieties subject to Plant Breeders Rights (PBR) from board approved seed plots. Under this contract, the board can only distribute PBR varieties to growers who have signed a PBR licence agreement with the BSES. This includes new varieties.

To encourage greater use of approved seed cane, the board once again distributed cane at no charge. This is the fifth year this has occurred and it has not led to any significant increase in amounts of cane distributed, or the number of growers obtaining cane. In fact there has been a steady decrease over each of these years. Because of this, and issues relating to PBR, this policy will be reviewed in 2001.

The board is still continuing the search for a suitable site for a southern seed plot. All possible sites investigated to date have been unsuitable because of poor location or infection by chlorotic streak disease.

The board cannot distribute cane infected with a major disease such as CSD. In the past, most seed plots in the mill area have been abandoned because of CSD.

The boards' present plot has remained free of CSD to date.

Hot water treatment of varieties not available at the plot was carried out for several growers.

PLANT SOURCE INSPECTIONS:

The use of good quality, disease-free planting material is one of the most cost effective methods of increasing productivity. The number of growers who don't have planting material inspected prior to planting still remains high. This is possibly a reflection of the adverse weather conditions, with planting being carried out whenever time allowed. Much of the planting material was of a poor quality, with side shoots and eye damage, therefore many growers obtained plants from neighbouring sources. Samples from all cane inspected, except first progeny approved seed, continued to be microscope tested for RSD.

PESTICIDES & SPRAY EQUIPMENT:

Gross sales of pesticides and spray fittings during the year totalled \$139,181. A further \$44,620 of rat bait was sold at cost price. This is a reduction on the previous years sales. This occurred primarily because of a decrease in the amount of chemicals used and increased local competition. The boards' presence in the market place causes a general stabilisation of prices, thus allowing growers who purchase elsewhere to also obtain considerable savings. Income from sales also assists in minimising the levy, and point of sale provides an opportunity for growers to discuss other cane growing matters with staff.

Mossman Mill Soil Test Kits were stocked for resale to growers at cost price.

The board's chemical store and staff continue to comply with AGSAFE standards and regulations. The Supervisor attended an AGSAFE accreditation, training course in December.

GENERAL

Messrs Maingay, Crema and Edwards attended the Cane Protection and Productivity Board and Australian Society of Sugar Cane Technologists Conferences in Bundaberg in early May.

Mr. Maifredi and the Supervisor attended two Far North Queensland Pest Advisory Committee meetings, one each at Atherton and Cairns. This committee advises the Rural Lands Protection Board on pests affecting the area from Ingham north. It is very active in having pest problems recognised and addressed. The Supervisor continued to act as Secretary to the committee.

The Supervisor is a member of the Cardwell Shire Pest Management Planning Committee and attended three meetings during the year. This plan forms the basis for the management of plant and animal pests in the Shire.

Messrs., Borgna, Finlayson, Edwards, Mullins and myself attended the annual Regional Meeting of Northern Cane Protection and Productivity Boards at Mourilyan in mid December.

Various board members and the Supervisor attended three local Productivity Committee meetings throughout the year.

Mr. Crema continued to represent the local area on the Sugar Research and Development Corporation (SRDC) CP 2002 (low CCS) Steering Committee and the DPI Sugar Solutions Steering Committee.

Staff continued to inspect harvesting equipment and machinery for cleanliness before movement out of the mill area. This procedure is necessary to prevent the spread of pests and diseases throughout the industry. The service is reciprocal and equipment coming into our district should be inspected before it leaves other mill areas.

Weed identification and pesticide advice were provided as required, and boom spray, fertiliser applicator and pesticide applicator calibrations were carried out for growers on request.

Trevor Fuelling retired from his position as a mill representative on the board in October. Trevor was a board representative for almost twenty years.

The local BSES Extension Officer, Richard Kelly was transferred to the Maryborough area in mid November. Richard was the BSES representative on the Board for almost three years.

On behalf of the Board, I wish to thank both Trevor and Richard for their input and assistance, and wish them both well in the future.

I would like to take this opportunity to welcome Derrick Finlayson as the BSES representative on the Board.

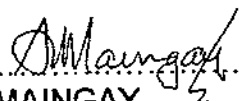
Peter Mullins commenced duties as Assistant Supervisor in February. Peter is from a well-known Tully cane farming family and was recently Assistant Supervisor with the Invicta Productivity Board in the Burdekin area.

The Boards office and hot water treatment complex was pressure cleaned and painted.

The land the office is situated on had been leased from the Department of Natural Resources for the past twenty-three years. An opportunity arose to freehold the land and it was purchased by the board.

ACKNOWLEDGMENTS:

On behalf of the Board, I wish to extend my appreciation and thanks to the CEO and Staff of the B.S.E.S., Members and Staff of the local CANEGROWERS and the Directors and Staff of TULLY SUGAR LIMITED for their Co-operation and assistance throughout the year. I would also like to thank my fellow Board Members, Supervisory Staff and Secretary for the efficient and conscientious manner in which they carried out their duties.


.....
S. MAINGAY
CHAIRMAN

INDEPENDENT AUDIT REPORT

To Tully Cane Protection and Productivity Board

Scope

I have audited the general purpose financial statements of Tully cane Protection and Productivity Board for the year ended 31 December 2000 in terms of section 46G of the *Financial Administration and Audit Act 1977*. The financial statements comprise Profit and Loss Account, Balance Sheet, Statement of Cash Flows, Notes to and forming part of the financial statements and certificates given by the Chairperson and person responsible for financial administration.

The Board is responsible for the preparation and the form of presentation of the financial statements and the information they contain. I have audited the financial statements in order to express an opinion on them.

The audit has been conducted in accordance with *QAO Auditing Standards*, which incorporate the Australian Auditing Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included the examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with prescribed requirements which include Australian Accounting Standards so as to present a view which is consistent with my understanding of the entity's financial position and the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In accordance with section 46G of the Financial Administration and Audit Act, I certify that I have received all the information and explanations I have required and, in my opinion –

- the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
- the statements have been drawn up so as to present a true and fair view in accordance with prescribed accounting standards and other prescribed requirements of the transactions of Tully Cane Protection and Productivity for the financial year 1 January 2000 to 31 December 2000 and of the financial position as at the end of that year.


John Zabala
as delegate of the Auditor-General of Queensland

Queensland Audit Office
Brisbane

21/11/2001

Tully Cane Protection & Productivity Board
Certificate by Management
for Year Ended 31st December, 2000

We have prepared the foregoing Statement of Financial Performance, Statement of Financial Position and Statement of Cash Flows pursuant to the provisions of the *Financial Administration and Audit Act 1977* and certify that;

(a) In our opinion -

- (i) The prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) The foregoing statements have been drawn up so as to present a true and fair view in accordance with prescribed accounting standards, of the transactions for the period 1st January 2000 to 31st December 2000 and the financial position of the Tully Cane Protection and Productivity Board as at 31st December, 2000


CHAIRMAN


PRINCIPAL ACCOUNTING OFFICER

28th February, 2000/1

Tully Cane Protection & Productivity Board
Statement of Cash Flows
for Year Ended 31st December, 2000

	2000	1999
	\$	\$

Note 1

Reconciliation of Cash

For the purpose of the statement of cash flows, cash includes: cash on hand, in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of the reporting period as shown in the statement of cash flows is reconciled to the related item in the statement of financial position as follows:

Cash	74,475	80,993
Deposits at Call	<u>375,832</u>	<u>468,865</u>
	<u>450,307</u>	<u>549,858</u>

Note 2

Reconciliation of Net Cash provided by Operating Activities to Operating Profit

Operating Profit	(24,320)	15,561
Depreciation	16,667	18,315
Loss\Profit on Sale of Non-Current Asset	352	(8,646)
Provision for Annual Leave	6,483	815
Provision for Long Service Leave	1,596	(8,062)
Changes in assets & liabilities:		
(Increase)\Decrease in Trade Debtors	(20,469)	17,621
(Increase)\Decrease in Sundry Debtors	133	(142)
(Increase)\Decrease in Inventory	(3,999)	(5,580)
(Increase)\Decrease in Prepaid Creditors	-	45
Increase\Decrease in Trade Creditors	(26,444)	(9,137)
Increase\Decrease in Sundry Creditors	(3,144)	(1,419)
Increase\Decrease in Prepaid Rent	-	(520)
Net Cash provided by operating activities	<u>(53,145)</u>	<u>18,851</u>

Tully Cane Protection & Productivity Board

Statement of Cash Flows

for Year Ended 31st December, 2000

		2000 \$	1999 \$
	NOTES		
Cash Flows from operating activities			
Receipts from customers		114,979	309,275
Payments to suppliers & employees		(283,737)	(439,231)
Interest Received		23,996	20,526
Levies Received		<u>91,617</u>	<u>128,281</u>
Net Cash provided by operating activities	2	<u>(53,145)</u>	<u>18,851</u>
Cash Flows from Investing Activities			
Payment for Property, Plant & Equipment		(46,406)	(31,813)
Proceeds from sale of equipment		<u>-</u>	<u>24,616</u>
Net Cash used in investing activities		<u>(46,406)</u>	<u>(7,197)</u>
Net Increase in cash held		(99,551)	11,654
Cash at beginning of period		<u>549,858</u>	<u>538,204</u>
Cash at end of period	1	<u>450,307</u>	<u>549,858</u>

Tully Cane Protection & Productivity Board

Year ended 31st December, 2000

Notes to and Forming Part of the Accounts

Statement of Accounting Policies

(a) Basis of Accounts

The accounts have been prepared on an historical cost basis, consistent with the basis applied in the previous financial year. Income and Expenditure are brought to account on an accrual basis.

(b) Stocks

Stocks are valued at the lower of average cost or net realisable value.

(c) Fixed Assets

Fixed assets are included in the accounts at cost less accumulated depreciation.

(d) Depreciation

Depreciation is provided on all fixed assets, other than land, using a straight line method at rates based on the estimated useful life of the various classes of assets, except motor vehicles and some equipment. Depreciation on these assets is calculated on the diminishing value method.

Gains or losses arising from the sale or disposal of fixed assets are brought to account in the determination of the profit for the year, except for substantial gains or losses which are included as non-operating (extraordinary) income.

(e) Repairs and Maintenance

Where provisions have been made, expenditure for repairs and maintenance is charged to the provision. The accounts have been charged with the amount necessary to return the provisions to the required level.

Where no provisions have been made, expenditure for repairs and maintenance is charged to the accounts.

(f) Retirement Benefits

Provision has been made for the legal liability to employees for long service leave. In addition, provision has been made for accrued holiday pay. Sick pay is brought to account as incurred.

(g) Contingent Assets/Liabilities

There were no known contingent assets/liabilities of a significant nature as at 31st December 2000.

Tully Cane Protection & Productivity Board
Notes to and Forming Part of the Accounts
for Year Ended 31st December, 2000

	2000 \$	1999 \$
Note 11 - Provisions		
Provision for Annual Leave	14,561	8,079
Provision for Long Service	19,121	17,523
	<u>33,682</u>	<u>25,602</u>
<u>Movement in Provisions</u>		
<u>Provision for Annual Leave</u>		
Balance at beginning of year	8,079	7,264
Add transfer from expenditure	6,482	815
Balance at end of year	<u>14,561</u>	<u>8,079</u>
<u>Provision for Long Service Leave</u>		
Balance at beginning of year	17,524	25,585
Add transfer from expenditure	1,597	(8,062)
Balance at end of year	<u>19,121</u>	<u>17,523</u>
Note 12 - Buildings		
Buildings at cost	100,530	99,684
Add Additions	-	846
	<u>100,530</u>	<u>100,530</u>
Less Accumulated Depreciation	51,780	48,361
Closing Written Down Value	<u>48,750</u>	<u>52,169</u>
Note 13 - Plant & Equipment		
Plant & Equipment at cost	82,280	83,568
Add Additions	3,191	30,967
	<u>85,471</u>	<u>114,535</u>
Less Disposals	1,579	32,255
	<u>83,892</u>	<u>82,280</u>
Less Accumulated Depreciation	48,340	36,810
Closing Written Down Value	<u>35,552</u>	<u>45,470</u>
Note 14 - Office Furniture & Fittings		
Furniture & Equipment at cost	4,432	4,432
Add Additions	-	-
	<u>4,432</u>	<u>4,432</u>
Less Disposals	-	-
	<u>-</u>	<u>4,432</u>
Less Accumulated Depreciation	2,788	2,530
Closing Written Down Value	<u>1,644</u>	<u>1,902</u>
Note 15 - Clean Seed Plot Fence		
Fence at cost	7,771	7,771
Less Accumulated Depreciation	2,829	2,596
Closing Written Down Value	<u>4,942</u>	<u>5,175</u>

Tully Cane Protection & Productivity Board
Notes to and Forming Part of the Accounts
for Year Ended 31st December, 2000

	2000 \$	1999 \$
Note 5 - Other Expenses		
Advertising	-	529
Audit Fees	1,500	1,700
Bank Charges	120	256
Clean Seed Plot Expenses	8,580	10,476
Cleaning	614	600
Comission on Rental Property	18	564
Contributions to Productivity Projects	-	322
RSD & Rodent Control Programs	554	-
General Expenses	1,203	3,371
Insurance	2,367	2,395
Light & Power	2,922	2,831
Legal Fees	-	22
Lease	-	1,550
Maintenance	8,332	2,541
Motor Vehicle Expenses	3,898	4,255
Pig Trap Expenses	2,400	2,400
Postage	896	486
Printing & Stationery	169	515
Licence Fees & Permits	-	150
Rates	3,447	3,448
Rent	500	500
Subscriptions	127	125
Telephone	3,794	3,930
Loss on Sale of Non-Current Asset	352	-
	<u>41,793</u>	<u>42,966</u>
Note 6 - Accumulated Funds		
Balance at beginning of year	659,749	644,188
Surplus/(Deficit) for the year	(24,320)	15,561
	<u>635,429</u>	<u>659,749</u>
Note 7 - Short Term Investments		
Fixed Deposit - NAB Ltd	375,832	468,865
Note 8 - Debtors		
Trade Debtors	35,997	15,528
Other Debtors	97	230
	<u>36,095</u>	<u>15,758</u>
Note 9 - Inventory		
Chemicals	43,045	44,808
Spray Fittings	5,010	5,607
Rat Bait	7,109	-
Soil Test Kits	-	750
	<u>55,164</u>	<u>51,165</u>
Note 10 - Creditors		
Trade Creditors	47,288	73,732
Other Creditors	-	3,144
	<u>47,288</u>	<u>76,876</u>

Tully Cane Protection & Productivity Board
Notes to and Forming Part of the Accounts
for Year Ended 31st December, 2000

	2000 \$	1999 \$
Note 1 - Chemical Trading Account		
Gross Income from Chemical Sales	130,181	280,912
Less Cost of Goods Sold	114,237	257,913
Gross Trading Profit	15,944	22,999
Less Administration Fees		
Tully River District Canegrowers' Executive	1,304	2,808
Tully Sugar Limited	2,219	4,872
	<u>3,523</u>	<u>7,680</u>
	<u>12,421</u>	<u>15,319</u>
Note 2 - Levy Received		
6 cents per tonne for Financial Members (2000)	91,617	128,281
1,603,514.24 tonnes @ 8 cents per tonne (1999)		
Note 3 - Other Income		
Profit on sale of asset	-	8,646
Approved Seed Plot Income	3,187	4,310
Rat Campaign Income	(453)	18
Rent - Dwelling	2,400	6,556
Rounding	1	-
	<u>5,135</u>	<u>19,530</u>
Note 4 - Administrative Expenses		
Conference Expenses	2,713	1,822
Fringe Benefits Tax	931	750
Meeting Attendance	3,550	5,735
Salaries & Wages	71,055	90,932
Secretarial Fees	3,500	3,500
Superannuation	8,191	10,354
Worker's Compensation	304	343
Staff Training	706	625
	<u>90,950</u>	<u>114,061</u>

Tully Cane Protection & Productivity Board
Statement of Financial Position
at at 31st December, 2000

	2000 \$	1999 \$
CURRENT ASSETS		
Cash at NAB Ltd - Current Account	74,475	80,993
Short Term Investments (Note 7)	375,832	468,865
Debtors (Note 8)	36,095	15,758
Prepaid Creditors	-	-
Inventory (Note 9)	55,164	51,165
TOTAL CURRENT ASSETS	<u>541,566</u>	<u>616,781</u>
NON-CURRENT ASSETS		
Land	83,945	40,730
Buildings (Note 12)	48,750	52,168
Plant & Equipment (Note 13)	35,552	45,471
Office Furniture & Equipment (Note 14)	1,644	1,902
Clean Seed Plot Fence (Note 15)	4,942	5,175
TOTAL NON-CURRENT ASSETS	<u>174,833</u>	<u>145,446</u>
TOTAL ASSETS	<u>716,399</u>	<u>762,227</u>
CURRENT LIABILITIES		
Creditors (Note 10)	47,288	76,876
Provisions (Note 11)	33,682	25,602
Prepaid Rent	-	-
TOTAL CURRENT LIABILITIES	<u>80,970</u>	<u>102,478</u>
NET ASSETS	<u>635,429</u>	<u>659,749</u>
EQUITY (Net Assets)		
Accumulaied Funds (Note 6)	635,429	659,749
TOTAL EQUITY (Net Assets)	<u>635,429</u>	<u>659,749</u>

Tully Cane Protection & Productivity Board

Statement of Financial Performance

for Year Ended 31st December, 2000

	2000	1999
	\$	\$
Income for the year was	133,169	183,656
This was earned from:		
Profit from Chemical Trading (Note 1)	12,421	15,319
Levy Received (Note 2)	91,617	128,281
Interest Received	23,996	20,526
Other Income (Note 3)	5,135	19,530
	<u>133,169</u>	<u>183,656</u>
Expenditure for the year was	157,489	168,095
This consisted of expenses and charges as under -		
Depreciation	16,667	18,315
Provision for Long Service Leave	1,596	(8,062)
Provision for Annual Leave	6,483	815
Administrative Expenses (Note 4)	90,950	114,061
Other Expenses (Note 5)	41,793	42,966
	<u>157,489</u>	<u>168,095</u>
Resulting in a surplus for the year which was transferred to accumulated funds	<u>(24,320)</u>	<u>15,561</u>

HERBERT CANE PROTECTION AND PRODUCTIVITY BOARD

ANNUAL REPORT

TO THE

MINISTER FOR PRIMARY INDUSTRIES

2000

HERBERT CANE PROTECTION AND PRODUCTIVITY BOARD

CHAIRMAN'S ANNUAL REPORT - 2000

TO THE HONOURABLE

THE MINISTER FOR PRIMARY INDUSTRY

MEMBERS

Canegrower Representatives

Victoria

Mr. R. Pace (Chairman)
Mr. N. Reinaudo
Mr. G. Morley

Macknade

Mr. G. Accornero
Mr. J. Cantamessa

Miller Representatives

Dr. A. Wood
Mr. P. Allen

BSES Nominee

Mr. G. McMahon

Proxy

Mr. G. Shannon

Observer

Mr. J. Girgenti, QMCHA

Staff

Mr. R. Kerkwyk	Manager
Mr. T. McClintock	Senior Field Officer
Mr. M. Waring	Senior Field Officer
Ms. L. Venturato	Productivity Officer
Mr. A. Cauchi	Field Officer
Mrs. S. Beccaris	Administration Assistant/Secretary

STRATEGIC PLAN 2001 - 2005

Goals set for 2000 were achieved. We were marginally down on volumes of approved seed distribution, as many growers were unable to plant due to wet conditions in the field. As well, a substantial proportion of what was planted failed, again due to wet conditions. The Board's seed plots for 2000 also suffered from water damage, resulting in lower than planned volumes of available disease free cane in 2000.

As in the previous year, the climate was the major factor in the determination of productivity levels. The major losses were due to flooding and excess rainfall. This in turn, makes it difficult to allocate losses due to diseases and pests.

ROLE OF THE BOARD

- Actively encourage the adoption of farming techniques and practices which improve the canegrowing environment to maximize the productivity of cane varieties, in a sustainable way.
- Accommodate requests from the BSES and other research organisations for assistance and co-operation with research activities.
- Provide the necessary advice to control losses from pests and disease.
- Encourage growers to accept the philosophy of Integrated Catchment Management.
- Provide the necessary training to the Board's staff in response to technological advances.
- Extend research findings to improve industry productivity and profitability.
- Determine productivity trends, using GIS technology.
- Long term financial and managerial support to the Herbert Resource Information Centre.
- Proactively encourage and advise practices that will maintain and enhance sugar quality and quantity.
- Provide a laser survey drainage design service to the local industry.
- Encourage sound environmental practices to ensure long term industry sustainability, whilst maintaining environmental integrity.

KEY ISSUES

- **Drainage and conservation of water.**
- **Reduction of Ratoon Stunting Disease.**
- **Integrated Pest Management strategies for rodent control and feral pig control.**
- **Planting methods and practices, harvesting methods and practices.**
- **Land Usage.**
- **Productivity analysis and productivity reports.**
- **Sustainable agriculture/environmental integrity.**
- **Noxious (plant and animal) pest control.**
- **HRIC**

1. INTRODUCTION

- 1.1 This annual report for 2000 describes some of the causes that contributed to what was probably, the poorest year on record, in terms of low crop volumes and poor prices.
- 1.2 This report will attempt to identify major reasons for the poor crops. However adverse weather conditions played a part, a very significant part and the industry cannot control the weather. Having stated that, there are farming methods that should be trialled that may lessen bad weather impacts on the crop.
- 1.3 The Herbert Board fared very well in the quest for voluntary funding. Only two of the district's 820 growers declined to join. CSR, the Millers, matched grower funds. The system of funding was altered from a cents per tonne basis to a dollar per hectare system.
- 1.4 There are several new Board members, due to Mr. Dave Horsley taking extended long service leave and Ray Wimberley being transferred to Invicta Mill in the Burdekin. Dave Horsley gave sterling service to the Board for many years and all the Board members and staff are grateful for his support during his time as a member. Ray Wimberley also gave the Board sound advice and support and we thank him for his contribution.
- 1.5 As the 1999 Sugar Industries Act allows Boards to determine their own destinies, options open to us are currently being investigated. Several Boards have entered into various forms of partnerships with BSES; the Mossman Board has formed a company limited by guarantee. The Herbert Board is unchanged to date.

2. ADMINISTRATION

- 2.1 Due to the aforementioned reasons, there are two new CSR appointed miller representatives on our Board. Both of these appointments have been 'approved' by DPI and BSES. Current Board composition is as follows:-

Mr. Roy Pace, Victoria, Chairman
Mr. Geoff Morley, Victoria
Mr. Nelson Reinaudo, Victoria
Mr. Gary Accornero, Macknade
Mr. Jeff Cantamessa, Macknade
Dr. Andrew Wood, Miller Member, CSR Herbert River Mills
Mr. Peter Allen, Miller Member, CSR Herbert River Mills
Mr. Joe Girgenti, QMCHA observer
Mr. Greg Shannon, BSES proxy.

- 2.2 The Board will undergo further changes in the near future. For millers to consider continuing funding, they have requested equal membership on the Board. Therefore, a change in Board membership structure will have to be approved by the Minister or, if the Board elects to vacate statute, a new Board elected with three millers and three growers. The new miller member will be Mr. Col Smith, the new Manager of Macknade Mill. Grower members will be elected from the Herbert district, without the Macknade area and Victoria area distinction.
- 2.3 Performance levels were assessed, relative to the Strategic Plan and salary reviews were conducted by an elected committee consisting of the Chairman, Dr. A. Wood, Mr. G. Accornero, Mr. J. Cantamessa and the writer.
- 2.4 Following a mail out to all growers of the authorisation forms and shed meetings, it was left up to staff to collect in excess of 400 grower signatures. At the end of this task, only two growers chose not to sign. This exercise offered an opportunity for these growers to advise us on how they felt the industry was being managed. The major complaints were rats, sugar prices and administrative/environmental constraints.
- 2.5 Several shed meetings were conducted where the major topic of discussion was the change to voluntary funding for both CPPBs and BSES. Numerous mill suppliers' branch meetings were addressed on the same topic.
- 2.6 A further major administrative change that occurred during the year 2000, was the introduction of plant breeders rights or PBR. PBR restricts what farmers can do with those varieties and how these varieties are managed

in our approved seed plots. Following several consultative meetings, the Herbert CPPB signed a variety distribution agreement with BSES.

2.7 The Board set the voluntary funding level at \$3.46 per assigned hectare. This figure was produced by applying the average production over 10 years of tonnes cane per hectare over an average size farm. The per hectare system allowed for more concise budgeting.

2.8 Total levy monies collected amounted to \$450,277.90. The budget was set at \$453,874. Actual budget expenditure was \$425,091, resulting in a surplus of \$25,187.

2.9 **Table 1 Year 2000 Budget – Income and Expenditure**

Projected Income	Actual Income	2000 Budget	Actual Expenditure	Surplus
\$454,403	\$450,278	\$453,874	\$425,091	\$25,187

2.10 The major item of under expenditure compared to budget was item Motor Vehicles where \$38,000 was budgeted to replace two vehicles. Replacement vehicles costs were \$26,914 leaving a surplus of \$11,086. Other significant items were Office Equipment and Computers, under expended by \$2,045, and Pest and Disease Equipment where actual expenditure was \$1,576 compared to a budgeted \$8,000.

2.11 There were no Freedom of Information applications made to the Board.

2.12 All duties were conducted in accordance with the Workplace Health and Safety Act. There were no lost time injuries and no workers compensation claims made during 2000.

2.13 The Financial Statement was duly audited.

2.14 The Board provided salary data to the Australian Bureau of Statistics as usual.

2.15 Staff attended several training courses during the year. These courses were Sustainable Environmental Sugar Production, Project and Change Management, Introduction to Arcview, Advanced Arcview and New Arc Info.

2.16 Details of staff duties and time spent on tasks are contained in the hours/duties graph. The method of allocating staff time to specific duties allows the costing of major activities contained in the Strategic Plan.

- 2.17 Board staff interacted with and hold positions on several committees such as the Herbert Hymenachne Response Group, the Integrated Catchment Committee, FNQPAF and the Council Pest Management Committee.
- 2.18 The Annual General Meeting was held and attendances were satisfactory. The guest speaker was Mr. John Baird.

3. PRODUCTIVITY

- 3.1 Productivity levels in the Herbert in terms of tonnes cane per hectare, was the lowest since the war years. A total of 2,802,049.34 tonnes was crushed from 58,379 hectares for an average of 47.99 tcph. Average mill ccs was 13.01 resulting in 6.243 tsph, the lowest level of sugar production for many years.
- 3.2 Several growers were not able to supply the mills due to below 7.0 ccs levels.
- 3.3 The causes for such low crop levels were complex. Very high rainfall in November 1999 badly affected late plant causing crop loss and prolific grass and weed growth. Those fields of plant not hilled up produced low stalk numbers and very poor stools. There is sound reason to avoid late plant and late ploughout/replant whilst current weather conditions persist. The plant crop for 2001, particularly late P/RP was again affected by excessive rainfall, followed by very hot conditions which causes some losses. A record number of hectares were planted in 2000, in an attempt to repair damage and lift production.
- 3.4 Orange rust badly affected the crop, in particular Q124 which made up 64 percent of the district for the 2000 crush. Losses are impossible to measure but were not less than 50 percent on the average. Low-lying areas were the worst affected, with the more elevated regions like Abergowrie and Upper Stone faring somewhat better. Very little Q124 was planted this year and a lot of this variety was ploughed out and replanted or fallowed. It is estimated that Q124 levels have dropped to 44 percent of the Herbert's crop. Orange rust was confirmed as present in the district in December 2000.
- 3.5 Adverse weather conditions also caused major losses. Ongoing rainfall, long term inundation of the soils and extended periods of no sunlight caused poor germination, thrifty growth of cane and poor stalk development. All these factors contributed toward light crops with poor canopies. Low trash mass is allowing heavier than normal weed germination in the ratoons.
- 3.6 Crop losses are explained in the various tables, though, as in the previous two years, impacts from pests and minor diseases are difficult to accurately measure given the crop condition generally.
- 3.7 No new varieties were released during 2000. Several new varieties are expected to be released in 2001.

4. DRAINAGE – SURVEYS – DESIGNS

- 4.1 Surveys were conducted and drainage designs produced whenever weather allowed.
- 4.2 BSES extension staff continued to share this work during 2001.
- 4.3 A total of 3,943.97 hectares were surveyed in 2000 for 361 assignments over 586 blocks.

4.4 Table 2 Surveys and Designs 1996 – 2000

Year	Assignments	Blocks	Area
1996	9	14	53.18
1997	369	530	3238.27
1998	205	230	1428.00
1999	407	614	4064.10
2000	361	586	3943.97
Total	1351	1960	12,727.52

- 4.5 It can be seen that a significant area has been surveyed, designed and presumably lasered since 1996. The benefits of this service are significant and at the current rate of hectares per year surveyed, many of the poorly drained fields will soon become more productive.
- 4.6 The reference station at Lucinda has continued to provide perfect results.
- 4.7 Board staff can now transport the new data on lasered fields from the designs and edit these into the cane block data layers, on the Arcview driven GIS.
- 4.8 The equipment required some repairs during the year, though technically it is still functioning satisfactorily.

5. *HERBERT RESOURCE INFORMATION CENTRE/GIS*

- 5.1 Mr. Mark Noonan from the HRIC resigned during the year. CSR will continue with the satellite imagery crop forecasting work.
- 5.2 The Trimble DGPS was duly purchased and used to map areas of pest and disease incidence, including Hymenachne areas and Giant Sensitive Weed areas.
- 5.3 CSR traffic officers and cane inspectors made use of this equipment to measure new and changed blocks, and fallow areas.
- 5.4 Board member Mr. J. Cantamessa continues to serve as the Herbert CPPB's representative on the HRIC Board.
- 5.5 Maps were produced for a variety of reasons.
- 5.6 The Manager attended several HRIC Board meetings when Mr. Cantamessa was unable to attend.

6. DISEASE CONTROL – HOT WATER TREATMENT

- 6.1 Seed cane treated in 1999 suffered the same fate as other plant cane during the year, depleting stocks of disease free material available for propagation.
- 6.2 Also due to Orange Rust in Q124, alternative varieties were selected by growers for treatment. The below table details volumes and varieties treated for 108 assignments in 239 crates.
- 6.3 Some trials will be conducted in 2001 to determine post hot water treatment germination relative to variety, crop age, ccs and time of treatment. In some instances during 2000 there appeared to exist a correlation between poor germination and those crates treated late in the week. If this is the case, the water in the tanks will need to be changed more often.
- 6.4 A workplace health and safety inspection of the HWT premises resulted in a list of requirements to comply with safety standards. The gantry assembly must be rust proofed and painted, with badly rusted struts replaced, the two pump motors are to be fenced off and the hook safety catch must be released. Also the motor on pump 1 needs a bearing replacement and inlet pipe replacement. These jobs have been placed on the Mill's work list, and a quote for gantry work has been organised.

6.5 Table 3 HWT Details 2000

Variety	Tonnes Treated	Variety	Tonnes Treated
Q138	19.50	Q96	10.35
EXP	38.80	Q119	5.80
Q174	13.20	Q164	16.40
Q157	27.60	Q179	22.70
Q127	5.00	Q162	16.35
Q152	16.60	Q158	22.70
Q120	5.00	Q165	0.70
Q117	3.30	Pindar	0.60
Q115	4.40	Q135	3.00
Cassius	6.50	Q124	2.70
Q186	0.40		
Total	241.60 tonnes		

7. DISEASE CONTROL – APPROVED SEED PLOTS

- 7.1 The usual seven plots were planted for 2001 seed distribution.
- 7.2 Germination is reasonable in most cases.
- 7.3 In addition, a plot was planted with the two new varieties for 2001. This will provide sufficient seed to plant these new canes in the 2001 plantings. So in 2002, normal volumes of the new varieties will be available to the growers.
- 7.4 Plot locations and varieties are listed below –
- | | |
|--------------------|------------------------|
| Stone River | J. Vezzoli |
| Elphinstone Pocket | W. Smithwick |
| Bernerside | Buonaccorso & Di Bella |
| Hawkins Creek | J. Russo |
| Bambaroo | G. Zatta |
| Estate | A. Lynn |
| Pinnacle Hill | N. Reid |
- 7.5 As mentioned, a variety distribution agreement was signed with BSES. This agreement effectively licenses the Herbert CPPB with the sole rights to distribute PBR varieties. It also restricts Boards distributing PBR varieties to those growers who have signed funding for BSES. It is not clear if CPPBs can refuse distribution to those growers not financial with BSES.
- 7.6 Plant and ratoon volumes distributed from the plots in 2000 were lower than normal and less than the level set down in the Strategic Plan. Orange rust in Q124 was a major factor as no Q124 at all was taken from the plots. Consequently, no Q124 was planted in the plots for 2001.
- 7.7 Table 4 below details volumes and varieties released in 2000.

Table 4

2000 Approved Seed Plots

Plot	Class	Tonnes	No. of Assts.
Sorbello	Plant	83.90	44
Castorina	Plant	70.70	45
Smithwick	Plant	58.23	52
Smithwick	1R	41.30	18
Milton	Plant	39.12	18
Pavetto	Plant	25.95	15
Pavetto	1R	7.00	4
Reid	Plant	33.05	30
Morris	1R	28.50	15
Russo	Plant	28.77	33
Clerk	Plant	56.45	30
Totals		472.97	304

- 7.8 The Board has a lease agreement on a stick planter fitted with a Suscon box.
- 7.9 Compensation will need to be paid to Smithwick's lease plot as income per hectare from that plot was less than the minimum set down in the lease conditions. Once again the major factor was the Q124 which was sent to the mill for crushing.
- 7.10 All plots were sampled with all varieties tested for RSD by the Elisa method. Plots were also inspected for CSD.

8. *PESTS – PLANTS*

- 8.1 Several meetings were attended to discuss the Hymenachne problem in the district's waterways.
- 8.2 Two members of the National Registration Authority (NRA) were given a conducted tour of the bad Hymenachne areas. The need to fast track candidate herbicides for new weed pests was explained. In turn, NRA explained in detail the data that needs to be part of chemical registration applications.
- 8.3 Summer grasses and broadleaf weeds were prolific in the crop and also again present in the young cane. Ongoing wet conditions made weed control very difficult early in 2000. By the time ground conditions dried up, the crop was mostly out of hand. As much as possible in the way of weed control was done using four wheel motorcycles.
- 8.4 Board staff sprayed GSP, giant sensitive plant, along the river bank as usual. Hinchinbrook Shire Council was provided with a map showing areas of GSP, for their pest management plan. Board staff also sprayed several tramline sidings where new areas of GSP were found.
- 8.5 Sicklepod is now considered another annual weed and grower awareness of this pest is high. A lot of sicklepod control occurs in fallow and young plant cane.
- 8.6 Water hyacinth continues to cover waterways and lagoons. Insect trials against this weed, conducted by CSIRO appear to have come to a halt.
- 8.7 Vines are prolific in young cane, particularly Calopo and Centro. Much of the cane under vines will need to be sprayed by aerial operators.

9. PESTS – ANIMALS – INSECTS

- 9.1 Damage and loss of cane to both Rattus sordidus and Melomys burtoni again made cane rats the industry's most costly pests.
- 9.2 A co-operative effort by Canegrowers, BSES and the northern CPPBs resulted in the granting of an emergency use permit for three rodenticides. These permits allow the use of Racumin blocks without bait stations, Racumin paste without bait stations and Ratoff, a zinc phosphide product without bait stations in cane. Racumin blocks and paste may be used in harborage areas with bait stations only.
- 9.3 Grower accreditation to use these products was a condition of the permits, and around 600 growers in the Herbert attended the various accreditation workshops held for that purpose.
- 9.4 CPPBs agreed to conduct pre and post application non-target species monitoring, also a pre requisite for the granting of the permit.
- 9.5 As part of the damage mitigation permit, the Herbert CPPB undertook to conduct rat population monitoring for November and December 2000, and January 2001. In the first round of monitoring trap success of 50 percent over one night was recorded, an indication of large numbers of animals in the fields of cane. Rain in late November caused the rats to colonise new areas within the fields and perhaps also caused some deaths. Consequently the second round of monitoring resulted in much lower trap success. The first round of monitoring yielded very few pregnant females, indicating a low breeding level. Barely a month later, following rain, nearly half the females captured were in a breeding state. This is a graphic example of how these rodents can react to favourable conditions.
- 9.6 Damage from greyback cane grubs Dermolepida albohirtum, was much more widespread than normal. Damage was recorded from the top of Abergowrie to Crystal Creek.
- 9.7 Grub damage ranged from severe to mild and occurred in older ratoons or fields where no Suscon had been applied. No instances of Suscon failures were reported.
- 9.8 Large beetle flights were reported in November this year, again, over large parts of the Herbert district. Growers on the lighter textured soils were urged to apply Suscon at planting time.
- 9.9 The community based feral pig trapping program proved extremely successful. Some 100 feral pigs Sus scrofa were captured and dispatched, with the larger boars destined for export as game pork.

Damage from feral pigs was significant in some areas, with isolated blocks suffering severe damage.

- 9.10 Armyworm activity caused some minor damage.
- 9.11 Poor growth areas were sampled for Pachymetra. Most of the fields with this pest were found in the Ingham Line to Yuruga areas.
- 9.12 Cockatoos caused some serious damage on several farms. There is no real control for these pests, except to consistently "scare" them away.
- 9.13 Weevil borer damage was down on previous years, perhaps due to long term wet conditions.
- 9.14 Very little wireworm damage was noted, though losses from inundation may have masked wireworm activity.

10. DISEASES

- 10.1 Ratoon Stunting Disease levels remained low. The search for planting material resulted in a record number of 2,617 RSD inspections conducted in 1,368 fields for 515 assignments. A total of 100 blocks were found infected on 48 assignments. Many of these infected fields are Q158 and so much of this variety exhibited symptoms that samples were taken and sent for Elisa testing. The results seemed to indicate that a large majority of these Q158 fields were exhibiting false symptoms. Follow up sampling is planned for 2001.
- 10.2 No specific smut surveys were conducted, however general inspections included smut symptoms.
- 10.3 Orange rust infections became very severe as wet conditions continued. The disease was found mainly in Q124 over all the district, though the most severe levels of infection were found in the lower lying areas. Mild infections were found in Q158. Orange rust reappeared in November 2000, again, largely in Q124.
- 10.4 In 1999 Q124 made up 64 percent of the crop. By end of the season 2000, the amount of Q124 had dropped by 20 percent to approximately 45 percent.
- 10.5 The overall losses to orange rust is difficult to assess. The most common estimate is 25 teph, or around 700K tonnes of cane.
- 10.6 Chlorotic Streak Disease was very widespread in the variety Q179. This variety has a high susceptibility rating for CSD and the obvious effect of the disease is disappointing. Many growers perceived Q179 as the successor to Q124.
- 10.7 Germination of plant cane in 2000 was generally good with average or normal levels of pineapple disease. This disease becomes more prevalent when germination of the setts is delayed by poor quality planting material or cold, wet conditions. Excessive depth of soil cover, particularly during the cooler months, causes slow germination, and when the time period exceeds five weeks, pineapple disease takes hold.
- 10.8 During germination inspections, it became clear that five weeks is the maximum protection period offered by all fungicides applied at planting, under all conditions.
- 10.9 Red rot disease was common in the lodged crops. Most of the cane that tested less than seven ccs was badly affected by red rot as a secondary infection.

11. SUMMARY

- 11.1 The year 2000 is one that the sugar industry, particularly in the North, would like to forget. Productivity levels were the lowest for half a century, due to several factors.
- 11.2 Orange rust devastated Q124, which was the major variety. There is a lesson to be learned about the hazards of reliance on one cultivar. Previous examples exist, not too far back in history with Fiji disease and NCO310. The rapid replacement of Q124 with alternative varieties is a credit to the Herbert growers.
- 11.3 Appalling climatic conditions further deteriorated crops. Huge rainfall in November 1999 caused a lot of losses in plant cane, made weed control impossible, and spread CSD.
- 11.4 Rats were a significant problem. Rat numbers were high due to standover the previous year, and high weed biomass levels maintained those populations for some time.
- 11.5 While conditions are not perfect, the outlook late in 2000 for next year's crop is much better, with the potential for 4 million tonnes of cane.
- 11.6 Record areas of cane was planted, to repair damaged fields, to replace Q124 and hopefully, to take advantage of a better price.
- 11.7 Staff were kept busy with reactive work, which largely centred around the search for suitable planting material. While not all the goals were met, with respect to the Strategic Plan, other set goals were exceeded. These included the area surveyed for drainage, volumes hot water treated, and a successful campaign to reduce rat populations.
- 11.8 The reaction by growers and millers in voluntary funding levels exceeded this writer's expectation. We are all, staff and Board members, grateful for the level of support received from the industry.
- 11.9 All statutory obligations were met, perhaps for the last time.
- 11.10 Staff performed ably during a difficult year. A lot of pressure was placed on our resources and available time with the sheer volume of reactive work.

12. FUTURE PLANNING

- 12.1 At time of writing, some 1800 cane farmers have put in a bid to purchase CSR Sugar Division assets. Should this bid be successful, there will undoubtedly be significant changes in the structure of the local industry.
- 12.2 As stated in the 1999 annual report, directional and structural changes are likely to occur to other industry bodies also. Our relationship to those bodies will need to be reviewed when those changes finally do take place.
- 12.3 In the immediate future, the decision needs to be made as to whether the Herbert CPPB remains under statute or, alternatively become a company limited by guarantee.

R.M. PACE
CHAIRMAN

A handwritten signature in black ink, appearing to read 'R M Pace', written in a cursive style.

HERBERT CANE PROTECTION AND PRODUCTIVITY BOARD

FOR THE YEAR ENDED 31ST. DECEMBER, 2000

PURPOSE AND SCOPE OF FINANCIAL STATEMENTS

The financial statements are prepared in accordance with the requirements of the Financial Administration and Audit Act 1977.

The Statements are designed to be included in the Chairman's annual report to the Minister for Primary Industries.

A full presentation of the whole of the financial activities of the Board is contained in the statements.

HERBERT CANE PROTECTION AND PRODUCTIVITY BOARD

OPERATING STATEMENT

FOR THE YEAR ENDED 31ST. DECEMBER, 2000

		2000 \$	1999 \$
Income for the Year	(Note A1)	482,603	465,224
Expenditure for the Year	(Note A1)	<u>426,580</u>	<u>412,799</u>
Operating Profit (Loss) before Income Tax	(Note A1)	56,023	52,425
Income Tax Expense		<u>-</u>	<u>-</u>
Operating Profit (Loss) after Income Tax		56,023	52,425
Profit (Loss) on Extraordinary Items		<u>-</u>	<u>-</u>
Operating Profit (Loss) after Income Tax and Extraordinary Items		<u>56,023</u>	<u>52,425</u>
Retained Profits at Beginning of Period (1 January 2000)		<u>530,087</u>	<u>481,771</u>
Total Available for Appropriation		586,110	534,196
Amounts Transferred (to) or from Reserves/Provisions	(Note B6)	<u>(3,581)</u>	<u>(4,109)</u>
Retained Profits at End of Period (31 December 2000)		<u>582,529</u>	<u>530,087</u>

HERBERT CANE PROTECTION AND PRODUCTIVITY BOARD

BALANCE SHEET AS AT 31ST. DECEMBER 2000

2000 \$	2000 \$		1999 \$
		CURRENT ASSETS	
22,230		Cash (Note B7)	52,617
420,000		Investments (Note B8)	341,000
208		Sundry Debtors (Note B9)	300
363		Inventories	522
	442,801	Total Current Assets	394,439
		NON CURRENT ASSETS	
2		Investments (Note B10)	2
182,750		Property, Furniture, Equipment & Vehicles (Note B11)	176,861
	182,752	Total Non Current Assets	176,863
	625,553	TOTAL ASSETS	571,302
		Less CURRENT LIABILITIES	
2,566		Creditors (Note B12)	4,338
	2,566	Total Current Liabilities	4,338
		NON-CURRENT LIABILITIES	
40,458		Provisions (Note B13)	36,877
	40,458	Total Non-Current Liabilities	36,877
	43,024	TOTAL LIABILITIES	41,215
	582,529	TOTAL NET ASSETS	530,087
		ACCUMULATED FUNDS	
	582,529	Profit and Loss Appropriation Reserve	530,087
	582,529	Total Funds	530,087

HERBERT CANE PROTECTION AND PRODUCTIVITY BOARD

STATEMENT OF CASH FLOWS

YEAR ENDED 31ST. DECEMBER, 2000

2000		1999
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	
\$	\$	\$
	<u>Cash Outflows</u>	
(222,664)	Salaries and Wages	(211,277)
<u>(164,885)</u>	Other	<u>(160,209)</u>
	(387,549)	(371,486)
	<u>Cash Inflows</u>	
18,927	Interest Received	12,654
<u>450,278</u>	Other	<u>452,570</u>
	469,205	<u>465,224</u>
	Net Cash Provided from	
	81,656 Operating Activities (Note 2)	93,738
	Purchase of Property, Furniture,	
(69,791)	Equipment and Vehicles	(10,973)
4,500	Proceeds from Sale of Plant	0
<u>32,248</u>	Proceeds from Sale of Vehicles	<u>0</u>
	(33,043) Net Cash Used in Investing Activities	(10,973)
	48,613 Net Increase (Decrease) in Cash Held	82,765
	<u>393,617</u> Cash Held at the Beginning of the Year	<u>310,852</u>
	<u>442,230</u>	<u>393,617</u>

HERBERT CANE PROTECTION AND PRODUCTIVITY BOARD

NOTES TO AND FORMING PART OF THE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST. DECEMBER, 2000

1. Reconciliation of Cash

For the purpose of the Statement of Cash Flows, the Board considers cash to include cash on hand and in Bank Accounts and investments in money market instruments. Cash held as at the end of the year as reported in the Statement of Cash Flows is reconciled to the relevant items in the Financial Statements, as follows:-

	Year Ended 31st December 2000	Year Ended 31st December 1999
	\$	\$
Cash on Hand (Petty Cash)	130	130
Cash at Bank - NAB Cheque A/C	22,100	52,487
Investment - Canegrowers Financial Services Pty. Ltd.	420,000	341,000
	<u>442,230</u>	<u>393,617</u>

2. Reconciliation of Net Cash Provided from Operating Activities to Operating Result

Operating Result - Surplus (Deficit) of Income over Expenditure	56,023	52,425
--	--------	--------

Adjust:-

Loss on sale of assets	1,649	0
Profit on sale of assets	(13,398)	0
Depreciation Expense	38,904	38,928
Increase (Decrease) in Sundry Creditors	(1,772)	3,018
(Increase) Decrease in Stock on Hand	159	(353)
(Increase) Decrease in Sundry Debtors	92	(280)
<u>Net Cash Used in Operating Activities</u>	<u>81,656</u>	<u>93,738</u>

3. Tax Status

The operating activities of the Board are exempt from Taxation.

HERBERT CANE PROTECTION AND PRODUCTIVITY BOARD

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 31ST. DECEMBER, 2000

(A) Statement of Accounting Policies

(a) Basis of Accounts

The accounts have been prepared on an historical cost basis, consistent with the basis applied in the previous financial year. Income and Expenditure are brought to account on the accrual basis.

(b) Preparation of Financial Statements

To achieve comparisons between previous years' financial statements and the current years' financial statements certain comparative figures have been restated to facilitate such comparisons.

(c) Stocks

Stocks are valued at cost.

(d) Fixed Assets

Fixed Assets are included in the accounts at cost less accumulated depreciation.

(e) Depreciation

Depreciation is provided on all fixed assets and is calculated on the diminishing value method at a rate based on the estimated useful life of the various classes of assets.

(f) Retirement Benefits

No provision has been made for accrued holiday leave. Provision has been made for Long Service Leave for all the employees with 7 years or more service. Sick leave is brought into account as incurred.

(g) Contingent Assets/Liabilities

There were no known contingent assets/liabilities of a significant nature as at 31st. December, 2000.

HERBERT CANE PROTECTION AND PRODUCTIVITY BOARD

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 31ST. DECEMBER, 2000

(A1) Statement of Operating Profit

2000	2000	1999
\$	\$	\$
	<u>Income</u>	
450,278	Levy Received (Note B1)	351,570
18,927	Interest Received	12,654
13,398	Profit on sale of assets	0
0	HRIC/GIS - reimb of 1997 mapping project	101,000
	482,603	465,224
	<u>Expenditure</u>	
605	Advertising	999
180	Affiliation Members Fees	195
1,500	Audit Fee	1,500
35	Bank Charges	0
1,318	Clothing Issue	556
864	Computer Consumables	942
1,760	Delegates Expenses (Note B2)	1,136
38,904	Depreciation (Note B3)	38,928
11,636	Disease Control	3,760
2,681	General Expenses (Note B4)	4,967
55,417	HRIC/GIS Expenses	59,362
643	Hot Water Tank Expenses	542
7,577	Insurances	5,565
1,649	Loss on sale	0
6,331	Members Fees (Note B5)	10,282
23,688	Motor Vehicle Expenses	24,075
567	Pest Control	98
2,400	Pig Trapping Program	2,400
1,537	Postages	1,578
1,109	Printing & Photocopying	1,995
3,413	Productivity	2,931
9,744	Rent Paid	9,744
1,098	Repairs & Maintenance Equipment	1,122
222,664	Salaries & Wages	211,277
727	Small Equipment Items	0
2,033	Staff Training	3,061
988	Stationery	1,172
19,229	Superannuation	18,407
5,492	Telephone	5,248
791	Workers Compensation	957
	426,580	412,799
	56,023 Operating Surplus (Deficit) for the year	52,425

HERBERT CANE PROTECTION AND PRODUCTIVITY BOARD

FOR THE YEAR ENDED 31ST. DECEMBER, 2000

(B) EXPLANATORY NOTES

NOTE 1 - LEVY

Csr Limited Herbert River Mills	\$450,277.90
-Grower Authorised Deductions	

NOTE 2 - DELEGATES EXPENSES

	2000	1999
	\$	\$
ASSCT		
Registration & Expenses -		
R. Kerkwyk & R. Pace		
Bundaberg Conference	<u>1,760</u>	<u>1,136</u>

NOTE 3**HERBERT CANE PROTECTION AND PRODUCTIVITY BOARD****DEPRECIATION SCHEDULE****YEAR ENDED 31ST. DECEMBER 2000**

Description	Opening Written Down Value	ADDITIONS		DELETIONS		Total Value for Depreciation	Rate %	Depreciation	Closing Written Down Value	Profit/Loss on sale of Asset
		Date	Cost	Date	Consideration					
MOTOR VEHICLES										
1990 Box Trailer	418.34					418.34	20	83.67	334.67	
1994 Holden Rodeo Cr/Cab	9160.03			14.03.00	17748.00	9160.03	20	365.40	0.00	8953.37
1995 Nissan Patrol	13860.78					13860.78	20	2772.16	11088.62	
1995 Nissan Navara D/Cab	10599.99			04.04.00	14500.00	10599.99	20	544.48	0.00	4444.49
1996 Holden Rodeo Sp/Cab	13048.79					13048.79	20	2609.76	10439.03	
1997 Holden Rodeo Sp/Cab	15451.90					15451.90	20	3090.38	12361.52	
1998 Nissan Patrol	24402.34					24402.34	20	4880.47	19521.87	
2000 VT Commodore Sedan		14.03.00	30455.00			30455.00	20	4876.13	25578.87	
2000 Toyota Hilux Dualcab		04.04.00	27610.00			27610.00	20	4103.78	23506.22	
TOTAL THIS PAGE	86942.17		58065.00		32248.00	145007.17		23326.23	102830.80	13397.86

HERBERT CANE PROTECTION AND PRODUCTIVITY BOARD**DEPRECIATION SCHEDULE****YEAR ENDED 31ST. DECEMBER 2000**

Description	Opening Written Down Value	ADDITIONS		DELETIONS		Total Value for Depreciation	Rate %	Depreciation	Closing Written Down Value	Profit/Loss on sale of Asset
		Date	Cost	Date	Consideration					
OFFICE EQUIP. & COMP.	12082.27					12082.27	20	2416.45	9665.82	
CD Rom Writer		24.11.00	387.73			387.73	20	7.84	379.89	
	12082.27		387.73			12470.00		2424.29	10045.71	
FURNITURE & FITTINGS	5154.74					5154.74	7.5	386.60	4768.14	
	5154.74		0.00			5154.74		386.60	4768.14	
PEST & DISEASE EQUIP	9690.73					9690.73	20	1938.15	7752.58	
S/Steel Fertiliser Box		16.06.00	1086.00			1086.00	20	117.50	968.50	
Suscon Applicator		20.07.00	490.00			490.00	20	43.91	446.09	
	9690.73		1576.00			11266.73		2099.56	9167.17	
TOTAL THIS PAGE	26927.74		1963.73			28891.47		4910.45	23981.02	

NOTE 3 (Cont'd)

HERBERT CANE PROTECTION AND PRODUCTIVITY BOARD**DEPRECIATION SCHEDULE****YEAR ENDED 31ST. DECEMBER 2000**

Description	Opening Written Down Value	ADDITIONS		DELETIONS		Total Value for Depreciation	Rate %	Depreciation	Closing Written Down Value	Profit/Loss on sale of Asset
		Date	Cost	Date	Consideration					
PRODUCTIVITY EQUIP	36546.56					36546.56	20	7309.31	29237.25	
GPS	6364.42			02.03.00	4500.00	6364.42	20	215.52	0.00	(1648.90)
GPS		26.05.00	9399.90			9399.90	20	1124.91	8274.99	
Canon BJC 6200 Printer		24.11.00	362.73			362.73	20	7.33	355.40	
	42910.98		9762.63		4500.00	52673.61		8657.07	37867.64	
HOT WATER TANKS	14699.23					14699.23	10	1469.92	13229.31	
BUILDING	3349.93					3349.93	5	167.50	3182.43	
MKD OFFICE & C'TENTS	1694.57					1694.57	20	338.91	1355.66	
MKD POISON SHED & GARAGE	336.25					336.25	10	33.63	302.62	
TOTAL THIS PAGE	62990.96		9762.63		4500.00	72753.59		10667.03	55937.66	
TOTAL OF ALL PAGES	176860.87		69791.36		36748.00	246652.23		38903.71	182749.48	11748.96

HERBERT CANE PROTECTION AND PRODUCTIVITY BOARD

FOR THE YEAR ENDED 31ST. DECEMBER, 2000

ii NOTE 4 - GENERAL EXPENSES

	2000	1999
	\$	\$
AGM Expenses	647	730
Cards & Wrapping Paper	6	15
Chemical Directory	125	0
Donations	50	50
Films, Slides & Developing	107	34
First Aid Requirements	0	318
Freight	31	60
Laminating	16	96
Licence Fees - Radio Equipment	57	57
Lunch Expenses - Away Meetings	56	135
Magazine Subscription	60	197
Meeting Expenses	103	138
Morning Tea Expenses	504	474
Post Box Rental	48	45
Send Off - Board Members/Staff	105	642
Shelving for Office	73	0
Water Cooler Expenses	518	485
Xmas Function Food & Drinks	131	54
Sundry	44	1437
	<u>2,681</u>	<u>4,967</u>

HERBERT CANE PROTECTION AND PRODUCTIVITY BOARD

FOR THE YEAR ENDED 31ST. DECEMBER, 2000

NOTE 5 - MEMBERS FEES & MILEAGES

		\$	\$
R. Pace	Chairmans Allowance	800.00	
	Mileage	<u>252.88</u>	1052.88
J. Cantamessa	17 Meetings @ \$96/mtg	1632.00	
	1 Meeting @ \$160/mtg	160.00	
	Mileage	<u>148.24</u>	1940.24
N.L. Reinaudo	5 Meetings @ \$96/mtg	480.00	
	Mileage	<u>8.15</u>	488.15
G. Accornero	5 Meetings @ \$96/mtg	480.00	
	Mileage	<u>32.70</u>	512.70
G. Morley	5 Meetings @ \$96/mtg	480.00	
	Mileage	<u>87.20</u>	567.20
D. Horsley *	2 Meetings @ \$96/mtg	192.00	
	Mileage	<u>14.16</u>	206.16
R. Wimberley *	4 Meetings @ \$96/mtg	384.00	
	Mileage	<u>87.20</u>	471.20
A. Wood *	4 Meetings @ \$96/mtg	384.00	
	Mileage	<u>87.20</u>	471.20
P. Allen *	1 Meeting @ \$96/mtg	96.00	
	Mileage	<u>7.08</u>	103.08
J. Girgenti	5 Meetings @ \$96/mtg	480.00	
	Mileage	<u>38.15</u>	518.15
			<u>6330.96</u>

* Payment made to CSR Limited, Herbert River Mills

HERBERT CANE PROTECTION AND PRODUCTIVITY BOARD

FOR THE YEAR ENDED 31ST. DECEMBER, 2000

NOTE 6 - TRANSFERS (TO) OR FROM RESERVES/

PROVISIONS

	2000	1999
	\$	\$
Provision for Long Service Leave	<u>(3,581)</u>	<u>(4,109)</u>
	<u>(3,581)</u>	<u>(4,109)</u>

2000	1999
\$	\$

NOTE 7 - CASH

Cash on hand	130	130
Cash at Bank - N.A.B. Cheque a/c	<u>22,100</u>	<u>52,487</u>
	<u>22,230</u>	<u>52,617</u>

2000	1999
\$	\$

NOTE 8 - INVESTMENTS

Canegrowers Financial Services Pty Ltd	<u>420,000</u>	<u>341,000</u>
	<u>420,000</u>	<u>341,000</u>

HERBERT CANE PROTECTION AND PRODUCTIVITY BOARD

FOR THE YEAR ENDED 31ST. DECEMBER, 2000

NOTE 9 - SUNDRY DEBTORS

<u>ACCOUNT</u>	<u>CHQ.NO.</u>	<u>PARTICULARS</u>	<u>AMOUNT</u>
Tax Control	4035	Deputy Commissioner of Taxation - Input tax credits for December purchases	<u>\$208.13</u>

NOTE 10 - INVESTMENTS

	2000 \$	1999 \$
Share - Herbert River District Canegrowers' Co-operative Society Ltd.	<u>2</u>	<u>2</u>

NOTE 11 - PROPERTY, FURNITURE, EQUIPMENT & VEHICLES

	2000 \$	1999 \$
Building	3,182	3,350
Hot Water Treatment Tanks	13,229	14,699
Furniture & Fittings	4,768	5,155
Macknade Office & Contents	1,356	1,695
Macknade Poison Shed & Garage	303	336
Office Equipment & Computers	10,046	12,082
Pest & Disease Equipment	9,167	9,691
Productivity Equipment	37,868	42,911
Vehicles	<u>102,831</u>	<u>86,942</u>
	<u>182,750</u>	<u>176,861</u>

HERBERT CANE PROTECTION AND PRODUCTIVITY BOARD

FOR THE YEAR ENDED 31ST. DECEMBER, 2000

NOTE 12 - SUNDRY CREDITORS

<u>ACCOUNT</u>	<u>CHQ. NO.</u>	<u>PARTICULARS</u>	<u>AMOUNT</u>
Telephone	4012	Telstra - Mobiles for December	70.36
Tax Control		GST	7.04
Motor Vehicle	4014	Devietti Holden - Service 513 FJK	95.45
Expenses			
Tax Control		GST	9.55
Pig Trapping	4015	D. Bacchiella - Trapping expenses	
Program		December	200.00
Motor Vehicle	4016	Northern Oil - Fuel for December	720.68
Expenses			
Tax Control		GST	72.08
Disease Control	4017	Ingham Manufacturers - 4lt	
		mineral turps	8.95
Tax Control		GST	0.90
Telephone	4018	Telstra - December account	277.30
Tax Control		GST	24.45
Motor Vehicle	4019	Beaurepaires - Wheel alignment	
Expenses		and balance 647 DTR	41.82
Tax Control		GST	4.18
Disease Control	4021	NQAS - Oil hose, bolt off spray	
		for planter	71.75
Tax Control		GST	7.18
Computer Cons.	4022	Mervs Stationery - diskettes	8.14
Stationery		- leads, diaries	21.82
Tax Control		GST	2.99
Disease Control	4023	Ingham Agencies & Co - paint	
		for planter	34.60
Tax Control		GST	3.46
Motor Vehicle	4024	Barra Enterprises - Service	
Expenses		Toyota 082 FGG	335.05
Tax Control		GST	33.50

General Expenses	4025	Ingham Chemex - Rent water cooler and water	44.10
Printing & Photocopying	4032	BSES - 1/2 share photocopier maintenance	242.23
Stationery		- 1/2 share photocopy paper	74.37
Productivity		- 1/2 share geostar cable	111.40
Tax Control		GST	42.80
			<u>2,566.15</u>
			\$ <u>2,566.15</u>

2000	1999
\$	\$

NOTE 13 - PROVISIONS

Long Service Leave	<u>40,458</u>	<u>36,877</u>
--------------------	---------------	---------------



14th February 2001

The Auditor
Herbert Cane Protection and
Productivity Board
PO Box 135
INGHAM QLD 4850

Dear Sir/Madam,

Please find below the total levies paid for the 2000 season:

HERBERT RIVER MILLS

Total Levies Paid: Value	\$225138.95
--------------------------	-------------

Total Levies Paid: GST	\$ 20678.85
------------------------	-------------

Yours faithfully,

A handwritten signature in dark ink, appearing to read 'D. O'Connell', written over a horizontal dotted line.

D. O'Connell
Senior Accountant



CANEGROWERS
FINANCIAL SERVICES PTY LTD
ABN 30 009 937 428

190-194 Edward Street Brisbane Qld 4000
GPO Box 1032 Brisbane Qld 4001
Phone (07) 3864 6444 Fax (07) 3210 0237

10 January 2001

Herbert Cane Protection & Productivity Board
PO Box 135
INGHAM QLD 4850

CERTIFICATE OF BALANCE

We hereby certify that the total of deposits held in the name of:
Herbert Cane Protection & Productivity Board

at this office as at the close of business on 31st December 2000 amounted to:
\$420,000.00



Secretary



Herbert Cane Protection and Productivity Board

VICTORIA & MACKNADE MILL AREAS

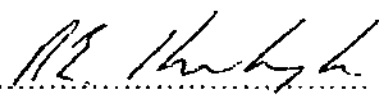
FAIRFORD ROAD
P.O. BOX 135 INGHAM, 4850
Phone: 0747 761 805, 0747 763 656
Fax: 0747 763 468
Email: hcpb@b150.com.au

STOCK ON HAND AS AT 31.12.2000

This is to certify that the following stocks were held in store on 31 December, 2000.
Values are as indicated.

Round Up Bioactive	15 litres	\$ 97
Uptake	7 litres	183
Methylated Spirits	15 litres	30
Caneknife Steriliser	10 litres	53

		\$363


.....
R.E. Kerkwyk
Manager

HERBERT CANE PROTECTION AND PRODUCTIVITY BOARD

CERTIFICATE BY MANAGEMENT

YEAR ENDED 31ST. DECEMBER, 2000

We have prepared the foregoing financial statements pursuant to the provisions of the Financial Administration and Audit Act 1977 and certify that -

- (a) (i) the prescribed requirements in respect of the establishment and keeping of the accounts have been complied with in all material respects; and
- (ii) the foregoing statements have been drawn up so as to present a true and fair view of transactions for the period 1st January 2000 to 31st. December 2000 and the financial position of the Herbert Cane Protection and Productivity Board as at 31st. December, 2000 on a basis consistent with that applied in respect of the financial year last preceding.


.....
CHAIRMAN


.....
PRINCIPAL
ACCOUNTING OFFICER

HERBERT CANE PROTECTION AND PRODUCTIVITY BOARD

INDEPENDENT AUDIT REPORT

I have audited the general purpose financial statements of Herbert Cane Protection and Productivity Board for the year ended 31 December 2000 in terms of section 46G of the Financial Administration and Audit Act 1977. The financial statements comprise the Statement of Operating Profit, Balance Sheet, Statement of Cash Flows, Notes to and forming part of the financial statements and certificates given by the Chairman and person responsible for financial administration.

The Board is responsible for the preparation and the form of presentation of the financial statements and the information they contain. I have audited the financial statements in order to express an opinion on them.


The audit has been conducted in accordance with QAO Auditing Standards, which incorporate the Australian Auditing Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included the examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with prescribed requirements which include Australian Accounting Standards so as to present a view which is consistent with my understanding of the entity's financial position and the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In accordance with section 46G of the Financial Administration and Audit Act, I certify that I have received all the information and explanations I have required and, in my opinion –

- the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects;
and
- the statements have been drawn up so as to present a true and fair view in accordance with prescribed accounting standards and other prescribed requirements of the transactions of Herbert Cane Protection and Productivity Board for the financial year 1 January 2000 to 31 December 2000 and of the financial position as at the end of that year


.....
Ross Alexander Maclean
Delegate of the Auditor-General of Queensland

Queensland Audit Office
Brisbane

INVICTA CANE PROTECTION AND PRODUCTIVITY BOARD

ANNUAL REPORT

TO THE

MINISTER FOR PRIMARY INDUSTRIES

2000

INVICTA CANE PROTECTION AND PRODUCTIVITY BOARD

ANNUAL REPORT FOR 2000

PROFILE

The Invicta Cane Protection and Productivity Board is constituted and operates under the provisions of the 'Sugar Industry Act, 1999' which defines the function of all such Boards as follows:-

Section 180 – Objective of a Cane Protection and Productivity Board

The principal objective of a Cane Protection and Productivity Board is to enhance the productivity of the sugar industry by increasing the quantity and improving the quality of sugarcane produces by crops grown in its area.

Section 190 – Functions of a Cane Protection and Productivity Board

A Cane Protection and Productivity Board has the following functions –

- (a) to provide suitable advice and help to cane growers within its area about –
 - (i) the prevention, control and eradication of pest infestation of cane or any other matter or thing that adversely affects the quantity or quality of crops of cane; or
 - (ii) the production and harvesting of cane;
- (b) to help, and cooperate with, entities involved in preventing, controlling and eradicating pests in cane;
- (c) to help, and cooperate with, entities involved in researching the production, harvesting, transport and processing of cane, including the BSES;
- (d) to provide advice and information about the preservation and enhancement of the capacity of land to sustain crops of cane;
- (e) to help minimize any damage to the environment that may be caused by activities of the sugar industry within its area;
- (f) to take all action within the powers conferred on it by this or another Act that may be necessary to achieve its objectives.

The area of responsibility of this Board is limited to the sugar cane growing lands in the Giru, Clare, Millaroo and Dalbeg areas which are assigned to the Invicta Mill.

The aim of the Invicta Board is to maximise sugar cane production in the Invicta Mill area for the benefit of all Invicta cane growers and of the owners of Invicta Mill, by advising and assisting cane growers regarding any cane pest and disease problems and any matter related to increasing sugar cane production and to ensuring sustainable sugar cane growing in this area, giving due consideration to management efficiency, current technology, safety requirements, environmental issues and economic factors.

BOARD MEMBERSHIP

The Invicta Board has six members, including:-

- (i) three representatives of Invicta cane growers, who are elected by Invicta cane growers at elections which are held every three years;
- (ii) two representatives of the millowners who are nominated by the owners of Invicta Mill every three years; and
- (iii) an officer of the Bureau of Sugar Experimental Stations who is nominated by the Sugar Experiment Stations Board every three years.

Cane Grower Representatives

Keith Lyons
Angelo Dal Santo
David Becke

Chairman

Millowner Representatives

Mike Heath
Steve Atkinson

Deputy Chairman

Bureau of Sugar Experiment Station Representative

Gavin McMahon
Ash Benson as appointed proxy.

BOARD STAFF

Rod Schultz	Supervisor	0407 834 800
Dale Chapple	Assistant to the Supervisor	0407 167 159
Neil Dunbar	Secretary	4783 4800

Rod and Dale may also be contacted through their office located at the BSES Brandon Station on **4782 5455**

BOARD OPERATIONS

The Board's area has continued to expand. The Board has developed a Five Year Strategic Plan which is reconsidered and updated each year. The Board also adopts a Work Plan each year setting out the specific objective to be achieved during the current year.

The points of the Board are normally implemented by two full time field staff who are supported by casual employees as required.

The Board's staff provide assistance and advice to Invicta cane growers in all matters relating to the sustainable growing of sugar cane and to improving sugar cane productivity.

Inspection programmes are in place for ensuring that all cane planting material used is free of disease and that any incidence of cane pests and diseases is detected.

During 2000 the Board reviewed its Work Plan to ensure that its resources are being fully utilised.

The Board acknowledges its obligation to cane growers and the mill owner to provide value through its operations, and to its employees as a responsible employer.

The Board has a firm policy that priority will be given to assisting any Invicta grower who has a problem on his farm. The extensiveness of the Invicta area necessitates that there be reliance on the vigilance of cane growers to observe any irregularities on their farms and to call our staff for advice as soon as possible.

It is the policy of the Board to ensure that all Invicta growers have a source of disease free planting material of all the current approved varieties and of new varieties being released. In spite of the difficulty in recent years in finding growers who have the land available and who are willing to grow cane for seed purposes, the Board has continued to provide a nucleus of disease free seed cane for all growers.

The Supervisor is responsible for assisting plot holders in the establishment and operation of the seed cane plots.

The following is a summary of the various activities of the Board during 2000:-

WEATHER

Wet conditions resulted in the majority of growers not being able to commence autumn plant until May and June. Heavy rain from mid October to the end of the year resulted in waterlogging of late spring plant and late ratoons. Harvest of the last of the crop was not possible for some growers. Again positive SOI index at the end of the year favours a better than average wet season into the new year.

The following table shows the monthly rainfall at major recording centres throughout the district.

Center	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Totals
Dalbegg	69.20	415.80	46.20	127.90	14.90	80.70	0	0	0	48.60	244.20	229.80	1277.30
Millaroo	71.00	478.00	69.00	116.80	68.60	50.10	0	1.00	0	58.30	125.80	252.70	1291.30
Clare	91.00	323.60	177.74	190.90	83.00	59.70	0	7.00	0	42.20	149.50	261.60	1386.20
Giru	127.40	890.00	161.40	385.00	85.20	39.00	0	6.40	0	53.20	287.20	383.60	2418.40
BSES	38.20	595.40	138.20	234.40	5.20	37.60	0	2.00	0	22.20	185.40	156.60	1415.20

HARVEST

Again, adverse weather conditions leading into the year yielded a disappointing crop. A crop of 2,748,710 tonnes of cane was harvested from 28,337 hectares. The crop average was below that achieved in 1999. A crop of 97 tonnes of cane per hectare averaging 14.7 CCS was harvested. The net result was drop in productivity from 16.6 tonnes of sugar per hectare last season to 14.2 tonnes sugar per hectare this year.

YOUNG CROP

The 2001 crop prospects appear poor. Waterlogging, poor weed control, chlorotic streak disease, greyback grub, field rat and spur-throated locusts are all causing severe crop reduction.

VARIETIES

A new BSES variety 'Q189' was released from Board seedcane plots during the year.

The 2000 harvest consisted: Q96 - 21.9%, Q117 - 19.1%, Q127 - 30.6%, Q124 - 8.4%, Q165 - 9.2% Q171 - 2.6%, Q177 - 2.3%, Q133 - 1%, Q163 - 1% and Others 3.9%.

Early commercial results from Q177, Q180 and Q176 were generally as expected in both weight and CCS levels.

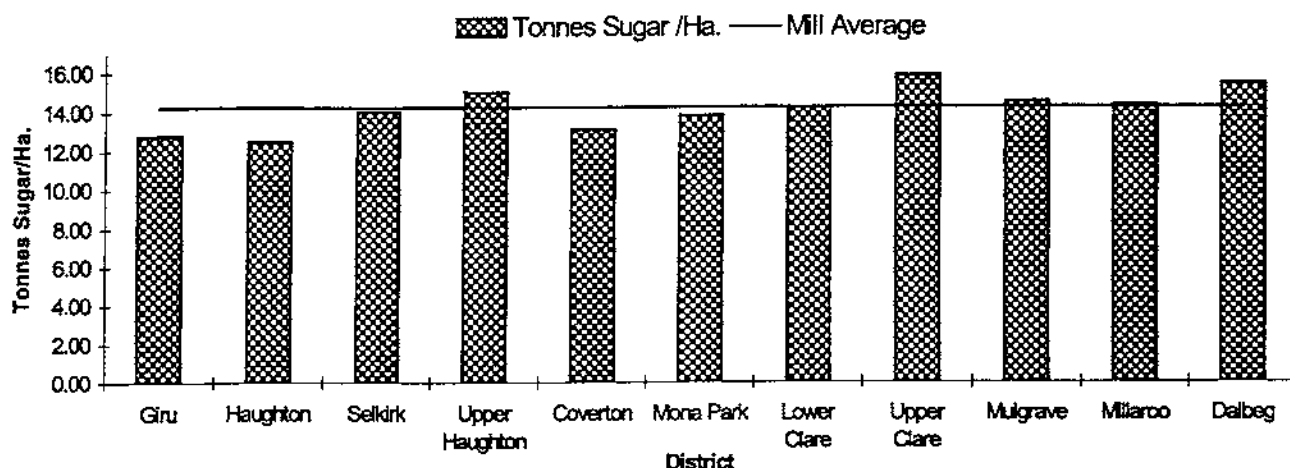
VARIETY MILL AVERAGE PERFORMANCE (Tonnes Sugar per hectare)

Variety	Plant	1 Ratoon	2 Ratoon	3 Ratoon	Average
Q96	16.7	13.9	14.0	13.5	13.5
Q117	16.8	15.5	13.0	13.3	13.9
Q124	11.2	11.2	10.1	9.5	10.1
Q127	18.3	16.0	14.7	14.1	16.2
Q133	18.7	17.4	13.1	11.3	15.0
Q163	18.8	14.5	11.6	13.6	16.5
Q165	16.2	13.4	12.8	11.8	14.2
Q171	15.6	15.4	11.6		
Q176	16.9	16.3			
Q177	16.6	15.4			
Q180	15.5	15.9			

PRODUCTIVITY REPORT

A District Productivity Report was compiled by the Supervisor in association with BSES, from 2000 harvest figures supplied by CSR Sugar (Cane Supply and Transport Dept.) and the Boards Database. The object of the report is to optimise grower utilisation of the available varieties.

2000 DISTRICT PRODUCTIVITY AVERAGES (Tonnes Sugar / Hectare)



CROP PROTECTION ISSUES

WEED PESTS

Rain during critical periods prevented the implementation of weed control strategies resulting in severe losses being inflicted on the 2001 crop. Itch grass rebounded in the area of the early nineties infestation. Voluntary quarantine of the infested farm has been undertaken for the immediate future. Board staff will be involved in monitoring the quarantine of the site and conducting regional inspections to determine if infestation has established elsewhere in the region.

Weed pests continuing to cause significant problems in the area include Sorghum species (most serious Sorghum Milliacium), Hamil grass, Guinea grass, Green Summer grass and several vine species.

ANIMAL PESTS

Greyback Grubs

Damage area remained static at 974 hectares. This was a loss of 50,160 tonnes of cane to the Invicta area. Extensive beetle flights were reported throughout those areas adjacent to both the Haughton and Burdekin rivers. Wet weather during critical periods prevented many growers applying control measures. As a result of this grub damage is expected to rise significantly in 2001.

Frenchi Grubs

Moderate to severe damage levels were recorded in a few blocks in the Dalbeg region. Large flights of Frenchi type beetles were again reported in the upper Millaroo and Dalbeg areas.

Field Crickets

Moderate damage was found in young plant cane in cracking clay soil types.

Nematodes

Moderate to severe infestation was recorded in the Millaroo and Dalbeg regions. Damage was most severe on silty sands and sandy loams.

Other insect pests causing problems included Linear Bugs, White Ants and Leaf Hoppers.

Pigs

Damage levels remained relatively low throughout.

Cockatoos

Minor damage continued to annoy growers in all parts of the area.

Rats

Increased damage levels were recorded in the northern Millaroo to Giru regions. The inability of many affected growers to implement grass control late in the year is expected to result in further damage increase in 2001. Population monitoring protocols were initiated when damage in young plant and ratoon crops was reported in October. The numbers recorded prompted the Board to successfully seek a district damage mitigation permit for field rats from National Parks. Belated approaches to NRA via CANEGROWERS Brisbane managed to have the region included in the emergency use of two rat baits outside of bait stations.

PEST DATA

<u>Pests</u>	<u>Area Damaged</u>	<u>Tonnes Lost</u>	<u>Control Measures</u>	<u>Area Treated</u>	<u>Treatment Cost</u>
Cockatoos	1.7	10	Nil		
Field Crickets	16	200	Lorsban	11.16	\$456
Grubs	973		Suscon Blue +Acidifiers, Biocane, Confidor	215	\$66588
Pigs	16.8	230	Shoot/Trap		
Rats	412	815	Nil		
Whiteants	1	30	Nil		
Nematodes	12	450	Nil	8.77	\$1837
Moth Borer	1	15	Nil		
Agile Wallabies	2	50	Nil		

DISEASE PESTS

Chlorotic Streak Disease

Extensive areas of infection continue throughout the area. The presence of the disease in ratoons of seedcane plots continues to cause major concern.

CSD Research

The Board continues a commitment to research aimed to (a) identify the chlorotic streak disease pathogen, (b) rate variety susceptibility to the disease and (c) catalogue yield loss associated with the disease.

Pineapple Disease

The disease continues to cause strike problems when inclement weather conditions result in unusually long germination periods and when fungicide application is inadequate.

Ratoon Stunting Disease

No presence of the disease was detected.

Common Rust Disease

Heavy infection of in young Q117 and Q165 blocks during spring and early summer was common.

Orange Rust Disease

The advent of orange rust disease resulted in halving the district productivity of Q124. The impact of milder infections seen in Q177, Q127, Q183 and Q180 has been difficult to estimate.

Pokkah Boeng

High growth rates in the new variety Q183 late in the year associated with weather conditions suitable to Pokkah Boeng, resulted in severe distortion of a large percentage of tops. Fortunately while the diseased stalks looked spectacular the infected plants soon recovered.

Other **Minor diseases** found in the district included Bacterial Mottle, Top Rot / Red Stripe, Marasmius and Basal Stem Sheath and Root Rot.

Disease Inspections

Again casual labour was hired to assist our staff in the conduct of a disease inspection of 5% of the young ratoons in district. Inspections were carried out on a random basis throughout the district. While no Smut disease was located the inspections revealed widespread Chlorotic Streak disease infection.

Plant Source Inspections

Plant sources were inspected on request from growers. During the year 35 growers requested that 43 blocks be inspected as prospective plant sources.

SEEDCANE PLOTS

Seedcane Sold to Growers 2000: Kilo Plot Sales - 918.97 tonnes. Prior to the release of the plots all varieties were closely inspected for RSD using a Phase Contrast Microscope.

The Baratta site was not able to be planted until mid September and like many other clay fields planted at that time suffered a very poor strike and high weed growth. This site will be subject to considerable work aimed to increase drainage to acceptable levels.

The Millaroo site continues service growers in that area and upper Clare.

Kilo Plot Sales 2000

Variety	Weight
Q117	55.31
Q127	103.68
Q133	26.25
Q163	17.12
Q165	6.70
Q171	76.35
Q176	15.85
Q177	92.10
Q180	34.30
Q183	162.09
Q189	215.07
Q96	98.01
Tellus	16.14
Total:	<u>918.97</u>

Hot Water Treatment

Both plots were long hot water treated prior to planting. Leaf Scald susceptible varieties were cold soaked at ambient temperatures for a minimum of 40 hours prior to heat treatment on

future plot source sites. The facilities of the Ayr CPPB were hired as the Boards Invicta mill facilities remained unavailable.

Total tonnes treated **2000** - 127.5, **1999** - 91.35, **1998** - 65.75, **1997** - 74.55, **1996** - 53.5, **1995** - 61.

MANAGEMENT ISSUES

Meetings - (Attended by Supervisory Staff)

§ BSES Burdekin New Variety Introductions

Organised by BSES plant breeders to discuss new variety introductions to Board run seedcane plots.

§ BSES Shed Meetings

The supervisor made presentations at three BSES organised shed meetings held early in the year.

§ ASSCT conference

Bundaberg.

§ CPPB conference

Bundaberg.

§ BSES Field Day

Held at the Burdekin Research Station. Combined Burdekin CPPB staff manned a display highlighting Sugarcane Pests and Greyback Grub problems.

§ Pre Harvest Shed Meetings

Organised by CSR Burdekin Mills and attended by CSR Field and technical staff, CPPB staff and growers.

§ Invicta Canegrowers grower meetings

Staff made presentations at three CANEGROWER organised regional meetings.

Publications

The annual Invicta area District and variety productivity report was produced for Invicta growers in association with BSES and CSR Sugar.

The supervisor contributed articles to 'The Invicta' Newsletter on a monthly basis.

Staff

The Board operated the first half of the year with the Supervisor only. An Assistant was employed in early June.

Staff Time Allocation (hours)

Activity (Hrs.)	Sup	Ast
Plots	483.0	529.5
Plant Sources	96.5	9.0
CSD Project	16.0	5.0
Crop Data/Survey	106.5	129.5
Other Grower Contacts	276.0	77.5
Inspections	81.5	98.0
Office	339.0	112.5
Administrative / Maintenance	281.5	201.0
Meetings	234.0	5.0
Training	41.0	109.0
Annual Leave	24.0	0.0
Time off in lieu/overtime	58.0	37.0

Total at Work	2037.0	1313.0
RDO Due 24min/day	100.0	70.2
RDO Taken	87.0	54.0
Sick Leave	40.5	0.0
Overtime Worked	164.5	51.0
Hours/Month @ 8hrs/day	2000.0	1316.0

Work Plan

The 2000 workplan was not able to be completed due to the disruptions caused following the loss of the compulsory levy and the lack of staff early in the year.

Strategic Plan

The strategic plan encompassing the Boards Objectives, Strategies and Activities for the next five years was again reviewed.

Equipment Purchase

Billet bags and Bag loading trailer - This equipment was purchased to enable the hot water treatment of cane in billets. The lack of available labour for stripping full stick cane and the cost of that labour initiated the move.

Vehicles

The Board replaced the second vehicle during the year.

FINANCE

The operations of the Board are funded by Invicta cane growers and CSR Ltd, the owners of Invicta Mill, on a 50/50 basis. The Board receives no monetary contribution from Government or from the general public.

Upon consideration of the Work Plan for the year, the Board prepares and adopts a budget of expenditure, to raise the funds required. Mindful of the cost to Invicta growers and to the mill owners, the Board operations are run efficiently and economically.

A net Budget of \$268,300 was adopted with the 2000 Season Levy set a 7.5 cents per tonne of cane.

Attached to this report, is the Board's Profit and Loss Statement for the year ended 31st December, 2000 which is a record of the financial operations for the year, and also the Board's Balance Sheet which indicates the financial position of the board as at 31st December, 2000.

CURRENT POSITION

The Board has managed to obtain 100% support from Invicta growers and CSR Ltd has honoured its commitment to pay a sum equal to that provided by the growers.

Thus despite the fact that the levy is now a 'voluntary' one, the Board's position has improved financially since last year. Cost saving measures employed by the Board have been successful and the income from the levy has remained constant. This accounts for the Board's improved financial standing.

Nevertheless, the 'voluntary' levy means that the situation can change very dramatically and quickly. It is important that the current improvement in the financial position of the Board does not lead to complacency. The financial well-being of the Board depends on the support of Invicta growers and CSR Ltd and it is essential that the service provided by the Board and its employees continues to be of the highest standard to meet the needs and requirements of its financial supporters. In this regard the Board is extremely fortunate that it has a very able and

experienced Supervisor in Rod Schultz supported by an eager and personable Assistant in Dale Chapple.

CONCLUSION

On behalf of the Board and all Invicta cane growers, I wish to thank the Officers of the Bureau of Sugar Experiment Stations, the Members and staff of CANEGROWERS Invicta Area and the Management and staff of CSR Ltd - Burdekin Mills, for their ready support and assistance to the Board throughout the year.

I am particularly thankful for the assistance of CSR Ltd staff and BSES Officers in the provision of the data used the Productivity Report which contains much useful information for Invicta growers.

I also wish to thank Rod Schultz and Dale Chapple, for their efforts on behalf of the Board and all Invicta growers.

My thanks must also be expressed to my fellow Board Members for their full cooperation and support throughout the year.

Keith Lyons
CHAIRMAN

INVICTA CANE PROTECTION AND PRODUCTIVITY BOARD

BALANCE SHEET

AS AT 31.12.00

	<u>1999</u>	<u>2000</u>
<u>CURRENT ASSETS</u>		
CASH AT BANK	19,929	71,190
PETTY CASH	325	382
INVESTMENTS	151,295	135,208
ACCOUNTS RECEIVABLE	<u>1,156</u>	<u>2,301</u>
<u>TOTAL CURRENT ASSETS</u>	<u>172,705</u>	<u>209,081</u>
<u>NON-CURRENT ASSETS</u>		
BUILDING & HWT PLANT	8,184	7,759
LAND AT GIRU	630	630
COMMUNICATION EQUIPMENT	273	182
OFFICE FURNITURE & EQUIPMENT	1,600	1,480
MOTOR VEHICLES	22,094	38,311
PLANT & EQUIPMENT	18,386	20,489
COMPUTER EQUIPMENT	<u>685</u>	<u>457</u>
<u>TOTAL NON-CURRENT ASSETS</u>	<u>51,852</u>	<u>69,308</u>
<u>TOTAL ASSETS</u>	<u>224,557</u>	<u>278,389</u>
<u>CURRENT LIABILITIES</u>		
CREDITORS (ACCOUNTS PAYABLE)	13	-
PROVISIONS	33,269	39,203
GST COLLECTED	-	175
GST PAID	-	-207
<u>TOTAL CURRENT LIABILITES</u>	<u>33,282</u>	<u>39,171</u>
<u>TOTAL LIABILITIES</u>	<u>33,282</u>	<u>39,171</u>
<u>NET ASSETS</u>	<u>191,275</u>	<u>239,218</u>

WHICH IS REPRESENTED BY:-
ACCUMULATED FUNDS (e)

\$ 191,275 **\$ 239,218**

INVICTA CANE PROTECTION AND PRODUCTIVITY BOARD

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31.12.00

	<u>1999</u>	<u>2000</u>
<u>OPERATING REVENUE</u>		
LEVIES	201,523	202,875
INTEREST RECEIVED	- BANK 4,431	1,197
INTEREST RECEIVED	- INVESTMENTS 2,170	6,958
SEED CANE	- PLANTS 57,492	41,419
	- CUTTING 18,993	15,921
	- LOADING 3,996	3,224
SUNDRY INCOME	3,933	3,064
SALES	- METARHIZIUM 8,301	5,452
PROFIT ON SALE	- MOTOR VEHICLE -	1,488
SALES TAX REFUND	5,638	-
	<u>\$ 306,477</u>	<u>\$ 281,598</u>
<u>OPERATING EXPENSES</u>		
A.S.S.C.T MEMBERSHIP	100	160
ADVERTISING	1,290	1,139
AERIAL CROP INSPECTION	1,783	1,006
AUDIT	906	905
BANK CHARGES	387	506
COMPUTER LEASE	1,338	1,103
CONFERENCE EXPENSES	1,285	3,256
DEPRECIATION	12,382	8,941
EXTENSION OFFICER	11,340	10,836
FRINGE BENEFITS TAX	2,277	2,277
GENERAL EXPENSES	12,085	3,419
H.W.T EXPENSES	559	-
INSURANCE	3,046	3,861
LOSS ON DISPOSAL P, M & E		9,109
MEETING FEES	6,147	7,060
METARHIZIUM TRIALS	4,291	5,078
MOTOR VEHICLE EXPENSES	17,204	8,686
OCCUPATIONAL HEALTH & SAFETY	271	1,358
PLOT EXPENSES	3,493	10,053
POSTAGE	230	189
PRINTING & STATIONERY	1,723	908
RATES	1,284	780
REPAIRS & MAINTENANCE	5,189	10,441
SALARY & WAGES	132,924	83,414
PROVISION FOR ANNUAL LEAVE	3,307	3,884
PROVISION FOR LONG SERVICE LEAVE	2,466	2,050
SECRETARIAL FEE	2,500	2,500
STAFF TRAINING	-	932
SUPERANNUATION	9,043	8,730
TELEPHONE	2,916	2,960
TRAVELLING EXPENSES	1,851	2,689
OFFICE RENTAL	2,130	853
SEED CANE	- PLANTS 60,824	30,260
	- LOADING 499	525
	- CUTTING 2,502	3,787
	<u>\$ 309,572</u>	<u>\$ 233,655</u>
PROFIT & (LOSS)	<u>\$ (3,095)</u>	<u>\$ 47,943</u>

INVICTA CANE PROTECTION AND PRODUCTIVITY BOARD
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER, 2000

	<u>1999</u> (\$)	<u>2000</u> (\$)
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
INFLOWS FROM OPERATING ACTIVITIES	302,797	270,810
OUTFLOWS FROM OPERATING ACTIVITIES	(291,404)	(209,684)
GST PAID		(32)
INTEREST RECEIVED	<u>6,601</u>	<u>8,155</u>
NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES	(f) \$ 17,994	\$ 69,249
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
PROCEEDS FROM THE SALE OF PROPERTY, PLANT & EQUIPMENT	-	6,364
PAYMENT FOR PROPERTY, PLANT & EQUIPMENT	<u>(4,502)</u>	<u>(40,381)</u>
NET CASH PROVIDED/USED BY INVESTING ACTIVITIES	\$ <u>(4,502)</u>	\$ <u>(34,017)</u>
NET INCREASE (DECREASE) IN CASH HELD	13,492	35,232
CASH AT THE BEGINNING OF THE REPORTING PERIOD	<u>158,056</u>	<u>171,548</u>
CASH AT THE END OF THE REPORTING PERIOD(g)	<u>\$171,548</u>	<u>\$206,780</u>

INVICTA CANE PROTECTION AND PRODUCTIVITY BOARD
STATEMENT OF ACCOUNTING POLICIES

(a) *Basis of Accounts.*

The accounts have been prepared on an historical cost basis, consistent with the basis applied in the previous financial year.

(b) *Fixed Assets.*

Fixed assets are included in the accounts at cost less accumulated depreciation.

(c) *Depreciation.*

Depreciation is provided on all fixed assets, other than land, calculated on the diminishing value method.

Gains or losses from the sale of fixed assets have been brought to accounts in the determination of the profit for the year.

(d) *Provisions.*

Provision has been made for the legal liability to employees for accrued annual leave and long service leave as follows:-

Annual Leave	\$ 13,574
Long Service Leave	\$ 25,629
	<u>\$ 39,203</u>

	<u>1999</u>	<u>2000</u>
(e) <u>ACCUMULATED FUNDS</u>		
BALANCE AT 1ST JANUARY	194,370	191,275
ADD/(SUBTRACT) BALANCE TRANSFERRED FROM PROFIT AND LOSS STATEMENT	<u>(3,095)</u>	<u>47,943</u>
BALANCE AT 31ST DECEMBER	\$ <u>191,275</u>	\$ <u>239,218</u>
(f) <u>RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO OPERATING PROFIT (LOSS)</u>		
OPERATING PROFIT (LOSS)	(3,095)	47,943
DEPRECIATION	12,382	8,941
PROFIT ON SALE OF PLANT & EQUIPMENT		(1,488)
LOSS ON DISPOSAL P,P&E		9,109
PROVISION FOR ANNUAL LEAVE	3,307	3,884
PROVISION FOR LONG SERVICE LEAVE	2,466	2,050
INCREASE/(DECREASE) IN CREDITORS	13	(13)
DECREASE/(INCREASE) IN ACCOUNTS RECEIVABLE	<u>2,921</u>	<u>(1,177)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ <u>17,994</u>	\$ <u>69,249</u>
(g) <u>RECONCILIATION OF CASH:</u>		
CASH AT BANK	19,929	71,190
PETTY CASH	325	382
SHORT TERM INVESTMENTS	<u>151,294</u>	<u>135,208</u>
	\$ <u>171,548</u>	\$ <u>206,780</u>

INVICTA CANE PROTECTION AND PRODUCTIVITY BOARD
NOTES TO AND FORMING PART OF THE ACCOUNTS

(a) *Repairs & Maintenance.*

This expense accounts includes repairs to the following:-

Microscope	126
HWT Crates	1,266
HWT Facilities	200
Loader	7,543
Spray Tank	18
Residence	114
Box Trailer	<u>1,174</u>
	<u>\$10,441</u>

(b) *General Expenses.*

This expense account includes the following items of expenditure:-

(1) Registrations	834
(2) Catering	227
(3) SRDC Levy	9
(4) Canegrowers & Pest Brd Levies	49
(5) Bank Payments – Milburn	1,719
(6) Sundry Expenses	490
(7) Ground Surveys	<u>91</u>
	<u>\$ 3,419</u>

(c) *Accounts Receivable.*

\$ 2,301

(d) *Accounts Payable.*

NIL

(e) *Contingent Assets/Liabilities.*

There were no known contingent assets or liabilities of a significant nature as at 31st December, 2000.

INVICTA CANE PROTECTION AND PRODUCTIVITY BOARD
SUMMARY OF FEES AND ALLOWANCES PAID TO BOARD MEMBERS

	<u>FEES</u>	<u>TRAVELLING EXPENSES</u>	<u>TOTAL</u>
Lyons, J.K.	\$2,260	\$817.50	\$3,077.50
Dal Santo, A.A.	1,800	719.40	2,519.40
Becke, D.R.	1,320	923.23	2,243.23
CSR Limited (Heath, G.M.) (Atkinson, S.E.)	1,680	228.90	1,908.90
	<u>\$7,060</u>	<u>\$2,689.03</u>	<u>\$9,749.03</u>

INVICTA CANE PROTECTION AND PRODUCTIVITY BOARD

We have prepared the foregoing Profit and Loss Statement and supplementary statement's pursuant to the provisions of the "Financial Administration and Audit Act 1977" and certify that:-

- (a) the foregoing Financial Statements are in agreement with the accounts and records of the Invicta Cane Protection and Productivity Board; and
- (b) in our opinion:-
 - (1) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
 - (2) the foregoing statements have been drawn up so as to present a true and fair view of transactions for the period 1st January, 2000 to 31st December, 2000 and the financial position of the Invicta Cane Protection and Productivity Board as at 31st December, 2000 on a basis consistent with that applied in respect of the financial year last preceding.



JK LYONS
CHAIRMAN



NS DUNBAR
SECRETARY

S/L/C
-29.1.2000

INDEPENDENT AUDIT REPORT

To the Invicta Cane Protection and Productivity Board

Scope

I have audited the financial statements of Invicta Cane Protection and Productivity Board for the year ended 31 December 2000. The financial statements comprise the Profit and Loss Account, Balance Sheet, Statement of Cash Flows, Notes to and forming part of the financial statements and certificates given by the Chairman and Secretary as required by the *Financial Administration and Audit Act 1977*.

The Board is responsible for the preparation and the form of presentation of the financial statements and the information they contain. I have audited the financial statements in order to express an opinion on them.

The audit has been conducted in accordance with *QAO Auditing Standards*, which incorporate the Australian Auditing Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included the examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with prescribed requirements which include Australian Accounting Standards so as to present a view which is consistent with my understanding of the entity's financial position and the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In accordance with the provisions of the Financial Administration and Audit Act, I certify that I have received all the information and explanations I have required and, in my opinion:

- the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
- the statements have been drawn up so as to present a true and fair view in accordance with prescribed accounting standards and other prescribed requirements of the transactions of Invicta Cane Protection and Productivity Board for the financial year ended 31 December 2000 and of the financial position as at the end of that year.



G W Waters
(Delegate of the Auditor – General)

Dated this 6th day of April 2001.

AYR CANE PROTECTION AND PRODUCTIVITY BOARD

ANNUAL REPORT

TO THE

MINISTER FOR PRIMARY INDUSTRIES

2000

AYR CANE PROTECTION AND PRODUCTIVITY BOARD

ANNUAL REPORT TO THE MINISTER **FOR PRIMARY INDUSTRIES** **2000**

CHARTER

Originally known as the Lower Burdekin Cane Pest and Disease Control Board since formation from 1st July, 1942 the name was changed to Ayr Cane Pest and Disease Control Board upon notification printed in the Queensland Government Gazette dated 4th June, 1949.

Cane Pest and Disease Control Boards were constituted under the provisions of Section 30 of the Sugar Experiment Stations Act 1900-1983.

In 1991, new sugar industry legislation was enacted in the name "The Sugar Industry Act 1991" and the appropriate sections were gazetted on 13th July, 1991 and took affect from 15th July, 1991.

At that point in time, The Sugar Experiment Stations Act was repealed and the Sugar Industry Act, at Part 5, Division 1 created Cane Protection and Productivity Boards while Section 14.40 converted existing Cane Pest and Disease Control Boards to Cane Protection and Productivity Boards.

The Board was originally established so that pests and diseases affecting cane could be brought under control and to prevent the introduction and spread of further diseases and pests.

The 1991 Act has provided for those same duties and services to be maintained but with the provision for Boards to become directly involved in productivity matters if they so desire.

Board finances are derived principally from a voluntary levy on growers and millers of sugar cane in the Board's area as a result of advice at the end of 1999 that the approval of compulsory levies payable by all growers and mill owners had been discontinued by the State Government.

AIMS AND OBJECTIVES

The major aims and objectives of the Board are:-

1. To locate and minimise the affect of any outbreak of cane pests or diseases in the crops of sugar cane.
2. To distribute to cane growers cane plants which have been treated against certain diseases.
3. To reduce the amount of itch grass found at various places throughout the Board's area back to a manageable level, where its presence will not affect the yields of the crops of sugar cane.
4. To participate jointly with other sugar industry bodies locally in experimental work with approved chemicals and organisms for the improved control of grey back cane grubs causing significant losses in sugar cane production.

MANAGEMENT AND STRUCTURE

The Board consists of six members of whom three are cane growers elected by cane growers of the area, two are representatives of millowners nominated by the millowners and one is an officer of the Bureau of Sugar Experiment Stations nominated by the Sugar Experiment Stations Board.

The current term of the Board commenced from 1st April, 1999 and membership is as follows:-

Mr SP Sartori	Cane grower and Chairperson
Mr GM Heath	Millowner representative and Deputy Chairperson
Mr RJ Searle	Cane grower
Mr RJ Saldumbide	Millowner representative (to 07/07/2000)
Mr RW Rossiter	Cane grower
Dr PH Twine	Officer of the Bureau of Sugar Experiment Stations
Mr R Cocco	Proxy member for Dr Twine
Mr L Jensen	(Attended as Millowner observer after 07/07/2000 pending his appointment)

The following are permanent staff retained by the Board:-

Mr TF Hall	(Supervisor)
Mr RJ Boylan	(Assistant Supervisor)
Mr SJ Towers	(Productivity Officer)

The secretarial and clerical requirements of the Board are performed by the staff of the office of Kalamia Cane Growers Organisation Ltd.

Attendance of members of the Board at meetings and other authorised business of the Board was as follows:-

<i>Name</i>	<i>Membership Represented</i>	<i>No of Meetings Possible to Attend</i>	<i>No of Meetings Attended</i>	<i>Other Authorised Business</i>
Mr R Cocco	BSES	7	6	0
Mr GM Heath	Millowner	7	7	2
Mr RW Rossiter	Canegrower	7	7	6
Mr RJ Saldumbide	Millowner	4	2	0
Mr SP Sartori	Canegrower	7	7	15
Mr RJ Searle	Canegrower	7	7	0
Mr L Jensen	Observer	3	0	1

REVIEW OF OPERATIONS

Approved Seed Source

The Board had only one grower contracted to provide approved seed plants in 2000, that being Hodder Brothers at Rita Island whose lease has been extended for a further two years to cease at 31st December, 2001.

The main supply of treated plants however, came from the Whitson farm in 2000. This was its second year of supply of treated plants since the farm was purchased by the Kalamia and Pioneer Mill Suppliers' Committees and leased to the Board for this specific purpose.

There was a problem with some planting material purchased from that plot in August where poor germination followed. This appears to be caused by maturity of the plants and consequent high ccs level. As a result, it is proposed to close the plot in future years for a short period to allow for an aerial application of urea and a watering of the remaining cane. It is hoped this will remedy the problem.

Production from Board plots in 2000 was as follows:-

	<u>Hodder's plot</u>	<u>Whitson Farm</u>
Plants – Full Stick	262 tonnes	1,202 tonnes
– Billet Length	0 tonnes	182 tonnes
Milled	<u>3,005 tonnes</u>	<u>5,691 tonnes</u>
	<u>3,267 tonnes</u>	<u>7,075 tonnes</u>

Additional to the above, the Board participates with the BSES and the Invicta and Inkerman Boards in a joint primary propagation plot on lands owned by AB and Mrs DP Smith at Airville for the purpose of raising new cane varieties prior to planting them into the respective treated plants plots by each Board.

Its production in 2000 was 30 tonnes used by the Boards in mother plots and BSES trials and 119 tonnes were delivered to Kalamia mill.

The following varieties were planted in Hodders Plot and Whitson Farm in 2000 for distribution in 2001 season:-

<u>Variety</u>	<u>Areas Planted</u>	
	<u>Hodder's Plot</u>	<u>The Whitson Farm</u>
Q96	0.30 ha	2.26 ha
Q117	0.81 ha	2.75 ha
Q124	Nil ha	0.09 ha
Q127	0.81 ha	3.68 ha
Q133	0.40 ha	0.37 ha
Q163	0.10 ha	1.23 ha
Q165	Nil ha	0.19 ha
Q171	0.40 ha	1.02 ha
Q176	Nil ha	0.36 ha
Q177	0.10 ha	2.68 ha
Q180	0.20 ha	0.41 ha
Q183	1.43 ha	2.80 ha
Tellus	0.20 ha	0.37 ha
Q189	<u>0.10 ha</u>	<u>0.46 ha</u>
<u>TOTAL AREAS</u>	<u>4.85 ha</u>	<u>18.67 ha</u>

SMUT SURVEY

A Smut disease survey was again carried out this year. The known susceptible varieties were targeted. 40 blocks with a total area of 349.43 ha were surveyed. The actual area inspected was 34.88 ha. One casual employee was employed to assist staff with this task. Two four-wheel motorbikes were used to carry out the inspections.

DISEASES IN PLOTS

Chlorotic streak has been found in cane on Whitson farm and Pokah Boeng has also occurred in Q183. These diseases are attributable to the current weather conditions. Drainage of the blocks is to be improved to assist in the control of Chlorotic Streak.

PESTS

Grey Back Grubs

The plague of grey back cane grubs occurring throughout parts of the district continued in 2000.

The Inkerman Cane Protection and Productivity Board was again successful in obtaining an off-label permit for the application of carbaryl from the air and the ground by approved operators. The permit covers usage of the chemical and the method of application across the three Boards' areas in the Burdekin District.

For the first time, Metarhizium was made commercially available to growers in the district through a local farm supplies retailer. This relieved the Board of the trial work it had carried out to promote this product as a treatment option.

The Board also continues to jointly fund the cost of a BSES extension officer in the district who is specifically engaged to work on the cane grubs problem. This arrangement will continue for a further two years.

Soldier Fly

The incidence of Soldier fly has been reduced to two blocks on one farm in the Rita Island area.

The assistance programme for growers with these pests expired on 30th June, 2000 and the Board has decided to await an assessment of crop damage for the year before it will consider further assistance

Itch Grass

17 growers had portions of farms declared to be itch grass infested in 2000. A further 6 growers are known to have itch grass on their farms but these have not been declared because the infected areas are manageable.

The itch grass roguing programme continued with two casual employees and in conjunction with Board staff rogued approximately 38,728 plants by the end of December.

Other Cane Pests

The following estimates of cane lost due to pest damage were collated from information gathered from growers in the latter part of the year and are provided with 1999 season loss estimates for comparison:-

	<u>2000 season</u>	<u>1999 season</u>
ARMY WORMS	0 tonnes	0 tonnes
CICADAS	0 tonnes	0 tonnes
COOTS	393 tonnes	115 tonnes
DEER	389 tonnes	51 tonnes
GRUBS	84,494 tonnes	78,844 tonnes
PIGS	9,441 tonnes	1,730 tonnes
RATS	3665 tonnes	1,073 tonnes
SOLDIER FLY	400 tonnes	70 tonnes
TERMITES	5 tonnes	14 tonnes
WALLABIES	4,851 tonnes	1,015 tonnes
WEEVIL BORERS	0 tonnes	15 tonnes
WIRE WORM	0 tonnes	0 tonnes

Approved Insecticide/Fungicide Usage in 2000

CANE SETT	1,451 ha
LORSBAN 50 EC	1,027 ha
SHIRTAN	5,244 ha
SUSCON BLUE	582 ha

Suscon Plus and Confidor were used experimentally in large scale trials under special permit.

Although neither an insecticide or a fungicide, the organic treatment commercially known as BIOCANE was used to treat 364 ha.

There were no permits issued for the use of organochlorines in the period under review.

PLANT AND EQUIPMENT

The Board replaced its Mitsubishi Triton dual cab utility in the usual six years rotation with a Toyota Hilux 4WD dual cab. Authorisation was also given for repairs to the roof of the Clare Road building and the hot water treatment plant.

PLANT BREEDERS RIGHTS

The application of plant breeders rights (PBR) joined with the loss of the compulsory levy by and for BSES has caused some concern for the Board, especially in the area of distribution of PBR canes from the Board's plots. There are potential legal entanglements not of the Boards making if it provides PBR canes to growers who have not signed a Plant Breeders Rights agreement or, if the Board refuses to supply someone who has not signed such an Agreement, the affected grower may initiate action against the Board. At the time of preparation of this Report no Distribution Agreement between BSES and the Board has been finalised.

FREEDOM OF INFORMATION

The Freedom of Information legislation has application to the Board but no approaches have been received from the public for access to any of the Boards records.

FINANCIAL MATTERS

The annual financial statements for the year have been prepared.

As mentioned elsewhere, the Board has lost its compulsory levy for funding.

The voluntary levy paid to the Board in 2000 was 7.10 cents per tonne of cane crushed at each of Pioneer and Kalamia Mills, such levy being borne in equal proportions by the millers and growers ie. 3.55 cents per tonne each.

Because of the voluntary nature of these levies, there were two Kalamia and four Pioneer growers who did not pay Board levies in 2000 season. This means an equivalent amount of money is not paid to the Board by the mill owners.

In an effort to control the increasing cost of bank charges, the Board has provided its Supervisor and Farm Manager with a credit card each with which to pay for purchases as they are made.

The Board is also considering imposing a full cost recovery charge for sales and services provided to non-subscribers and also charging other Boards, BSES and CSR Technical Field Department for the use of its hot water treatment plant.

Fees and Allowances paid to Board members for the year were as set out below.

<u>Name</u>	<u>Particulars</u>		<u>Total</u>
CSR Limited*	Daily Fees	\$1,860.00	
	Car Allowance	<u>210.57</u>	\$2,070.57
CSR Limited**	Daily Fees	\$ 240.00	
	Car Allowance	<u>4.24</u>	244.24
SP Sartori	Daily Fees	\$2,780.00	
	Car Allowance	<u>94.69</u>	2,874.69
RJ Searle	Daily Fees	\$ 840.00	
	Car Allowance	<u>125.92</u>	965.92
RW Rossiter	Daily Fees	\$1,440.00	
	Car Allowance	<u>61.36</u>	\$1,501.36
			<u>\$7,656.78</u>

* On attendance by GM Heath

** On attendance by RJ Saldumbide

RESIGNATION BY MR RJ SALDUMBIDE

It was with regret that the Board received the resignation of one of its mill owner representatives, Mr RJ Saldumbide.

Mr Saldumbide had been Senior Field Officer at Kalamia Mill but retired from work shortly after resigning from the Board.

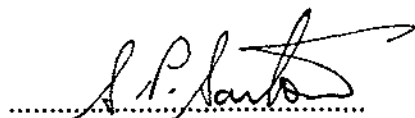
STAFF

A permanent staff of three persons continues to be retained while temporary employees are engaged from time to time as required for the distribution of treated cane from the plots, the itch grass control programme and the Smut disease survey.

APPRECIATION

The Board extends its appreciation to its Supervisor and his staff for their efforts throughout the year and recognises the valuable assistance of the staff of the Bureau of Sugar Experimental Stations including those locally and Brisbane based.

The thanks of the Board are also extended to the staff of Kalamia Cane Growers Organisation Ltd who carry out the secretarial and clerical requirements of the Board.



SP Sartori
CHAIRPERSON

AYR CANE PROTECTION AND PRODUCTIVITY BOARD
PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER, 2000

	<u>NOTES</u>	<u>2000</u> <u>\$</u>	<u>1999</u> <u>\$</u>
<u>Operating Revenue</u>			
1 Cane Sales		119,412	131,116
Interest		9,570	8,251
Itch Grass Control		1,202	2,770
Levies		208,646	204,269
Sale – Mitsubishi Utility		4,872	0
Sale – Subaru Utility		0	2,443
Whitson Farm	(1)	<u>181,548</u>	<u>218,985</u>
Total Operating Revenue		525,250	567,334
<u>Operating Expenses</u>			
Advertising		225	142
Audit Fees		965	966
Bank Charges		167	20
Cane Purchases		83,946	95,318
Cleaning		2,515	2,617
Depreciation		12,657	12,475
Electricity		3,940	2,457
Entertainment Expenses		579	481
Equipment Written-Off		441	979
Fees & Allowances		7,657	9,863
First Aid Supplies		108	187
Goods and Services Tax	(2)	(283)	283
Hodder's Plot		0	1,263
Insurances	(3)	5,927	3,775
Loader Expenses		1,473	1,514
Loss – Equipment Sales		0	6,556
Motor Vehicle Expenses		15,075	18,961
Pest Destruction		16,284	17,577
Postal Charges	(4)	915	468
Printing and Stationery		1,665	2,103
Protective Dress		1,179	657
Provision for Long Service Leave	(5)	2,321	1,191
Provision for Recreational Leave	(5)	264	2,939
Repairs and Maintenance		3,322	4,796
Salaries and Wages		157,556	165,131
Secretarial & Clerical Allowance		6,941	0
Shire Rates		581	571
Smith's Plot		1,487	292
Sprays & Poisons		225	50
Staff Training		150	55
Subscriptions		240	370
Sundry Expenses		464	305
Superannuation		8,962	9,204
Telephones		4,246	4,426
Travel Expenses		662	1,018
Whitson Farm	(1)	<u>181,548</u>	<u>218,985</u>
Total Operating Expenses		524,404	587,995
Operating Profit/(Loss)		846	(20,161)

AYR CANE PROTECTION AND PRODUCTIVITY BOARD
BALANCE SHEET AS AT 31ST DECEMBER, 2000

	<u>NOTES</u>	<u>2000</u> \$	<u>1999</u> \$
<u>Current Assets</u>			
Accounts Receivable (GST)		541	0
Cash at Bank		37,171	76,964
Petty Cash		200	200
Short Term Investments	(6)	190,000	160,000
Prepayment		<u>7,351</u>	<u>0</u>
Total Current Assets		<u>235,263</u>	<u>237,164</u>
<u>Non-Current Assets</u>			
Buildings and HWT Plant		52,222	54,971
Communications, Furniture and Office Equipment		9,916	11,017
Land		6,801	6,801
Movable Plant and Equipment		<u>53,259</u>	<u>43,535</u>
Total Non-Current Assets	(7)	<u>122,198</u>	<u>116,324</u>
TOTAL ASSETS		<u>357,461</u>	<u>353,488</u>
<u>Current Liabilities</u>			
Provision for Long Service Leave	(5)	9,042	0
Provision for Recreation Leave	(5)	6,883	6,619
Tax Payable (GST)		<u>542</u>	<u>0</u>
		16,467	6,619
<u>Non-Current Liabilities</u>			
Provision for Long Service Leave	(5)	<u>4,888</u>	<u>11,609</u>
TOTAL LIABILITIES		<u>21,355</u>	<u>18,228</u>
NET ASSETS		<u>336,106</u>	<u>335,260</u>
Which is represented by:-			
ACCUMULATED FUNDS	(8)	<u>336,106</u>	<u>335,260</u>

AYR CANE PROTECTION AND PRODUCTIVITY BOARD
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER, 2000

	<u>2000</u> \$	<u>2000</u> \$	<u>1999</u> \$	<u>1999</u> \$
<u>Cash Flows from Operating Activities:</u>				
Inflows of Funds from Operations	510,808		557,140	
Outflows of Funds from Operations		(516,072)	(566,663)	
Interest Received		<u>9,570</u>	<u>8,251</u>	
Net Cash Provided (Used) by Operating Activities	(9)	4,306	(1,272)	
<u>Cash Flows from Investing Activities:</u>				
Payment for Property, Plant and Equipment		(25,464)	(17,514)	
Proceeds from sale of Property Plant and Equipment		<u>11,365</u>		
Net Cash Used in Investing Activities		(14,099)		(17,514)
Net Increase (Decrease) in Cash Held		9,793		(18,786)
Cash at the Beginning of the Reporting Period		<u>237,164</u>		<u>255,950</u>
Cash at the End of the Reporting Period	(10)	<u>227,371</u>		<u>237,164</u>

AYR CANE PROTECTION AND PRODUCTIVITY BOARD
STATEMENT OF ACCOUNTING POLICIES

(a) Basis of Accounts:

The accounts have been prepared on an historical cost basis consistent with the basis applied in the previous financial year except where otherwise explained. Income and Expenditure are brought to account on an accrual basis.

(b) Fixed Assets and Depreciation:

Fixed Assets are included in the accounts at cost less accumulated depreciation which on these assets, is calculated on the diminishing value method.

(c) Retirement Benefits:

Provision has been made for legal liability to employees for long service and recreational leave to 31st December, 2000. Sick pay is brought to account as incurred.

EXPLANATORY NOTES

Note 1. Whitson Farm

During 1997, the Pioneer and Kalamia Mill Suppliers Committees jointly purchased a farm to enable this Board to provide a continuing source of cane plants which have been treated against various diseases.

Subsequent to the purchase, the farm has been leased to this Board.

Following is a table of receipts and expenses for the period ending 31st December, 2000 together with comparative 1999 figures.

<u>Receipts</u>	<u>2000</u>		<u>1999</u>	
Cane Pays - Pioneer Mill	\$127,321.89		\$167,602.31	
Diesel Fuel Rebate	4,683.34		505.13	
Treated Cane Sales	<u>49,542.50</u>	\$181,547.73	<u>50,877.26</u>	\$218,984.70
 <u>Expenditure</u>				
Capital Items and Works	1,927.60		124.09	
Chemicals	7,703.33		9,997.71	
Contract Work (Farm operation, discing & ploughing, planting, spraying vines and cane beetles etc)	56,062.88		77,511.55	
Electricity (Irrigation)	5,766.24		8,174.55	
Fertilisers	7,076.34		9,338.11	
Fuel and Oil	1,150.60		518.78	
Harvesting and Haulage	29,357.69		31,021.49	
Insurances	2,986.29		2,337.01	
Levelling Job	550.00		15,958.62	
North Burdekin Water Board	1,032.00		2,071.86	
Pipeline Job	1,921.36		27,768.00	
Repairs and Maintenance	1,791.74		3,990.32	
Shire Rates	9,204.48		9,348.34	
Sundry Expenses	203.70		45.85	
Surplus (to Mill Suppliers Committees)	<u>54,813.48</u>	\$181,547.73	<u>20,778.42</u>	\$218,984.70
Balance at end of Year		<u>\$ 0.00</u>		<u>\$ 0.00</u>

AYR CANE PROTECTION AND PRODUCTIVITY BOARD

Note 2. Goods and Services Tax

The negative entry reverses the payment of GST on certain purchases made prior to the introduction of the tax and which was claimed back on the Board's first Business Activity Statement.

Note 3. Insurances

The increase of in excess of \$2,000 from 1999 to 2000 is largely the result of the purchase by the Board of a Professional Liability policy of insurance.

Note 4. Postal Charges

The doubling of the cost of postal charges results from the increased need to communicate with growers by mail (using reply paid envelopes) as the Board attempted to secure voluntary payments of its levy.

Note 5. Provisions - Long Service and Recreational Leave

The Board's liability to staff as at 31st December, 2000 was as follows:-

<u>Employee</u>	<u>Long Service</u>	<u>Recreational</u>
RJ Boylan	\$9,042 (Current)	3,292
TF Hall	4,888 (Non Current)	0
SJ Towers	0	3,591
	<u>\$13,930</u>	<u>\$6,883</u>

Note 6. Short Term Investments

	<u>2000</u>	<u>1999</u>
	<u>\$</u>	<u>\$</u>
Canegrowers Financial Services Pty Ltd	190,000	160,000
	<u>190,000</u>	<u>160,000</u>

Note 7. Property, Plant and Equipment (Non-Current Assets)

	<u>2000</u>	<u>1999</u>
	<u>\$</u>	<u>\$</u>
Total gross property, plant and equipment	248,487	249,960
<u>Less</u> total provision for depreciation	<u>126,289</u>	<u>133,636</u>
Total Property, Plant and Equipment	<u>122,198</u>	<u>116,324</u>
Represented by:		
At cost		
Buildings and fixed plant and equipment	146,905	146,905
<u>Less</u> provision for depreciation	<u>94,683</u>	<u>91,934</u>
	<u>52,222</u>	<u>54,971</u>
Communications, furniture and office equipment	13,384	13,384
<u>Less</u> provision for depreciation	<u>3,468</u>	<u>2,367</u>
	<u>9,916</u>	<u>11,017</u>
Moveable plant and equipment	81,397	82,870
<u>Less</u> provision for depreciation	<u>28,138</u>	<u>39,335</u>
	<u>53,259</u>	<u>43,535</u>
Land	<u>6,801</u>	<u>6,801</u>
	<u>122,198</u>	<u>116,324</u>

Note 8. Accumulated Funds

	<u>2000</u>	<u>1999</u>
	<u>\$</u>	<u>\$</u>
Balance at 1st January	335,260	355,421
Add/(Subtract) balance transferred from Income and Expenditure Account	846	(20,161)
	<u>336,106</u>	<u>335,260</u>

AYR CANE PROTECTION AND PRODUCTIVITY BOARD

Note 9. Statement of Cash Flows

	<u>2000</u>	<u>1999</u>
	\$	\$
Reconciliation of Net Cash Provided by operating Activities of Operating Profit/(Loss)		
Operating Profit/(Loss)	846	(20,161)
Less Prepayment	(7,351)	(2,808)
Add Depreciation	12,657	12,475
Add Equipment write-off	441	979
Add Loss-Equipment Sales	0	6,556
Add Provisions	2,585	4,130
Less Profit on Sale Mitsubishi	(4,872)	(2,443)
	<u>4,306</u>	<u>(1,272)</u>

Note 10. Statement of Cash Flows

	<u>2000</u>	<u>1999</u>
	\$	\$
Reconciliation of Cash		
Cash at Bank	37,171	76,964
Petty Cash	200	200
Short Term Investments	<u>190,000</u>	<u>160,000</u>
	<u>227,371</u>	<u>237,164</u>

Note 11. Contingent Assets/Liabilities

There were no known contingent assets/liabilities of a significant nature at 31st December, 2000.

**CERTIFICATE OF THE AYR CANE PROTECTION AND
PRODUCTIVITY BOARD**

We have prepared the foregoing Annual Financial Statements pursuant to the provisions of the *Financial Administration and Audit Act 1977* and other prescribed requirements and certify that in our opinion:-

- (i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the foregoing Annual Financial Statements have been drawn up so as to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Ayr Cane Protection and Productivity Board for the period, 1st January, 2000 to 31st December, 2000 and of the financial position as at the close of that year.


SP SARTORI
CHAIRPERSON


WA LAWSON
SECRETARY

AYR CANE PROTECTION AND PRODUCTIVITY BOARD

FEES AND ALLOWANCES PAID - 2000

<u>Name</u>	<u>Particulars</u>		<u>Total</u>
CSR Limited*	Daily Fees	\$1,860.00	
	Car Allowance	<u>210.57</u>	\$2,070.57
CSR Limited**	Daily Fees	\$ 240.00	
	Car Allowance	<u>4.24</u>	244.24
SP Sartori	Daily Fees	\$2,780.00	
	Car Allowance	<u>94.69</u>	2,874.69
RJ Searle	Daily Fees	\$ 840.00	
	Car Allowance	<u>125.92</u>	965.92
RW Rossiter	Daily Fees	\$1,440.00	
	Car Allowance	<u>61.36</u>	\$1,501.36
			<u>\$7,656.78</u>

* On attendance by GM Heath

** On attendance by RJ Saldumbide

SALARIES AND WAGES PAID - 2000

	<u>1/1/00 to 30/6/00</u>	<u>1/7/00 to 31/12/00</u>	<u>Net</u>
JM Hanlon	0.00	2,581.07	2,581.07
RJ Boylan	16,792.56	21,898.02	38,690.58
RK Bradley	3,816.64	4,349.09	8,165.73
TA Hall	956.76	0.00	956.76
TF Hall	16,400.16	25,084.95	41,485.11
SE Hall	0.00	526.47	526.47
JD Horgan	2,154.36	11,681.80	13,836.16
SA Horgan	2,154.16	11,255.60	13,409.76
CW Messer	0.00	754.48	754.48
GP Olsen	0.00	1,829.55	1,829.55
SJ Towers	16,696.05	18,537.43	35,233.48
RJ Walsh	<u>3,832.39</u>	<u>2,979.85</u>	<u>6,812.24</u>
	<u>62,803.08</u>	<u>101,478.31</u>	164,281.39
<u>Less</u> Contribution by BSES for Smut disease survey			<u>6,725.49</u>
Balance as per Profit and Loss Statement			<u>\$157,555.90</u>

INDEPENDENT AUDIT REPORT

To the Ayr Cane Protection and Productivity Board

Scope

I have audited the financial statements of Ayr Cane Protection and Productivity Board for the year ended 31 December 2000. The financial statements comprise the Profit and Loss Account, Balance Sheet, Statement of Cash Flows, Notes to and forming part of the financial statements and certificates given by the Chairman and Secretary as required by the *Financial Administration and Audit Act 1977*.

The Board is responsible for the preparation and the form of presentation of the financial statements and the information they contain. I have audited the financial statements in order to express an opinion on them.

The audit has been conducted in accordance with *QAO Auditing Standards*, which incorporate the Australian Auditing Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included the examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with prescribed requirements which include Australian Accounting Standards so as to present a view which is consistent with my understanding of the entity's financial position and the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In accordance with the provisions of the Financial Administration and Audit Act, I certify that I have received all the information and explanations I have required and, in my opinion,

- the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
- the statements have been drawn up so as to present a true and fair view in accordance with prescribed accounting standards and other prescribed requirements of the transactions of Ayr Cane Protection and Productivity Board for the financial year ended 31 December 2000 and of the financial position as at the end of that year.



G W Waters
(Delegate of the Auditor – General)

Dated this 30th day of March 2001.

INKERMAN CANE PROTECTION AND PRODUCTIVITY BOARD

ANNUAL REPORT

TO THE

MINISTER FOR PRIMARY INDUSTRIES

2000

INKERMAN CANE PROTECTION AND PRODUCTIVITY BOARD

CHAIRMAN'S REPORT FOR YEAR ENDED 31ST DECEMBER 2000

There is little doubt that the past year is one we would rather forget for many reasons. With a depressed commodity price, poor tonnages and a rain effected season completion featuring so prominently, it is hard to focus on what good has come other than to be able to put the year behind us.

The fact is there is plenty of good news:

- The number of growers taking up strategies for pest management has increased, as has the number of growers offering to take part in trials.
- The Bio-cane *Metarhizium* commercialization process is nearing completion with the market refining delivery practices.
- Confidor is available for trial usage and the temporary permit for the use of Carbaryl was successfully renewed adding to the "off the shelf" choices for management of Canegrub.
- Many of the industry research initiatives with which we collaborate heavily are now returning meaningful data.
- Inkerman growers have demonstrated strong voluntary support for the Board matched dollar for dollar by the miller.

The responsibility all growers have demonstrated in adopting the purchase of approved seed from the Board plot cannot be understated. I am most happy to confirm that no known diseases have been identified from the regular testing we undertake adding to the importance of this initiative.

2000 Season

The crop at 1,636,561 tonnes was the lowest result since 1992. Overcast conditions during the majority of the cane's peak growing cycle, orange rust and greyback cane grubs were the main contributing factors. Compensating a little were solid CCS results through a harvest that remained predominantly dry. Dirt levels reduced slightly from 1999 despite harvesting from an equivalent area.

The Year in a Snap Shot

January: Conditions sorted for contractors to cut load and cart plants for growers on the board Plot.

February: Attended a series of three shed meetings with BSES and 90 growers. The release of varieties, safety policy on the board plot, pig trapping and future funding were outlined with a positive response from growers. Pig damage had escalated on farms on the edge of the cane growing area, pig trappers were organised in conjunction with DNR.

Orange Rust: Light infection observed in blocks of Q124 Ratoons and Plant cane across district.

March: Staff attended a Farmsafe training course.

Crop Data: The area treated for grub control increased by 42% from the 1998 to 1999 seasons. This resulted in 38% of the area planted being treated in 1999. The level of grub damage estimated in the 1999 crop was 2875 ha's affected with 90,695 tonnes lost. Pig damage was up significantly to 275 ha's affected with 4785 tonnes lost.

Metarhizium: Local Productivity Boards and BSES reviewed a draft management plan for supporting the commercial release of Bio Cane.

Safety: Board representatives received a draft safety policy for each Board with procedures on plot sites.

Levy Authority: Many growers want to discuss the reasons for voluntary levy authorities for industry organisations.

Orange Rust: Many blocks of Q124 developed light to moderate infection levels with some light infection in Q177, Q180 and Q183.

April: Heavy rain stopped majority of early planting. Many growers requesting advice on alternatives to varieties susceptible to Orange rust. Growers still discussing reason for voluntary levies. Orange rust persisted with a reduction in crop growth affected varieties.

May: First aerial survey conducted widespread grub damage. Board conference Bundaberg. Amendments to Sugar Industry Act. BSES outlined issues with PBR varieties. ASSCT Conference. General rain again delayed early planting. Orange Rust persisted in many affected blocks.

June: General rain early in month continued to delay planting. Second aerial survey confirmed an increase in greyback cane grub damage from first survey with 415 blocks being recorded with damage on 154 farms.

Bio Cane: Local staff were accredited in the storage and application of the product.

Distribution Agreement: A meeting was held between local Boards and BSES to discuss PBR varieties and procedures for sale off plots.

Orange Rust: Infection decreased.

July: Maintenance work conducted at board's treatment site at mill, after all involved were safety inducted.

Greyback information meeting conducted by BSES to inform growers of the latest results with research on grub control. Board staff outlined the extent of grub damage.

August: Planted Board Plot: Prepared and treated plants and planted Mother Plot.

September: Completed selling plants: 1630 tonnes sold to growers.

Pesticides: First order for Davison products delivered.

October: BioCane: Staff commenced checking grower's application of BioCane to record details.

Confidor: Several growers requested permits to treat ratoons.

November: General rain disrupted all field operations severely.
BioCane checking and Confidor permits continued.
Board's pesticide facility accredited by Agsafe.
Board's Strategic plan reviewed. Chlorotic Streak survey.
Information supplied to BSES researcher to conduct survey.

December: Board Plot hilled up and sprayed progressively as blocks dried out.
Chlorotic Streak found in ratoons in Ayr and Invicta Board's Plot's but none to date on Inkerman.
NRA: Delegation from NRA visited district on fact finding tour local problems.
IPM workshop conducted by BSES Productivity Board and Agribusiness reviewed Manual.

Pest and Disease Survey

Two of the main objectives of the Board are to reduce the impact of major controllable diseases and minimize losses from the incidence of pests. Having reduced the threat of RSD to low levels because of the seed plot operation, the Board staff are able to give growers extra advice on grub control methods and to be vigilant for striate mosaic, chlorotic streak and smut disease. While there have been a few instances of older progeny being used for plants, these plants have always been inspected beforehand and subjected to RSD testing, prior to the issue of a permit. Routine disease inspections are carried out by field staff during their twice-yearly inspections, or at other times as needed.

Entomology

The collaborative efforts made between industry research bodies has started to return vital information to the industry on various pests and our arch nemesis, the Canegrub. Other northern areas are starting to record increasing damage due to this pest and has alarmed the growers in those areas. An industry desire for the "silver bullet" remains. What their experience is showing is that you can't sit around waiting and the sooner action is taken the less likelihood there is of an uncontrolled outbreak.

I noted with disappointment the reduction in spending on research and development by the large chemical producers, focusing on profit taking in pharmaceuticals instead. This makes it all the more important to support those companies continuing to direct efforts into agricultural R & D. We know we will have a very poor show without them.

Productivity

Once again the Board's collaborative efforts have been extremely important in securing and disseminating quality advice to the growers. Both the miller and growers profit from this extremely important aspect of our work. All growers are encouraged to regularly avail themselves of the written information, workshops and meetings. Most important though is to ask the Board staff for direction to the most appropriate sources of information or advice on

varieties, farm practices and recommendations. Above all else the hygiene of the district is paramount.

Work Place Health and Safety on the Farm

We are grateful for the support offered by CSR in this regard and advice they have been providing. The farm is a work site and a place for commercial transaction. Growers have been respecting procedures being progressively adopted and we would like to thank all participating in this initiative.

Distribution Agreement:

The Board has been working closely and constructively with the BSES to negotiate a distribution agreement for Plant Breeder Right cane. We are yet to settle on the final document wording but I feel relatively confident in saying an agreement will be reached and entered into before the commencement of early planting in March 2001.

Conclusion:

The Chairman without a good team behind is not effective. I would like to thank my fellow Board members for the contributions they have made during the year and thank our staff for the excellent extension service they have provided to growers. I thank the Growers and CSR for their valuable contribution to a service aimed at pest and disease management and prevention.


PM Sgarbossa
CHAIRMAN

INKERMAN CANE PROTECTION & PRODUCTIVITY BOARD
BALANCE SHEET AS AT 31ST DECEMBER 2000

1999 \$			2000 \$
	Current Assets -		
170 121	Cash	134 430	
686	Short Term Investments	674	
46 385	Receivables	38 668	
<u>41 768</u>	Inventories	<u>28 528</u>	
258 960	Total Current Assets		202 300
	Non Current Assets		
<u>99 058</u>	Property, Plant & Equipment	82 723	<u>82723</u>
358 018	<u>Total Assets</u>		285 023
	Current Liabilities		
27 232	SRDC Holding Account	----	
10 768	Creditors	13 080	
25 051	Provision Long Service Leave	28 145	
13 992	Provision Annual Leave	9 493	
----	Provision for Voluntary Super Payments	144	
<u>----</u>	Provision for GST Liability	<u>12 845</u>	
77 043	<u>Total Liabilities</u>		63 707
<u>280 975</u>	<u>Net Assets</u>		<u>221 316</u>

1999		2000 \$
	<u>Equity</u>	
280 975	Accumulated Results from Operation	221 316
<u>280 975</u>	Total Equity	<u>221 316</u>

INKERMAN CANE PROTECTION AND PRODUCTIVITY BOARD

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED
31ST DECEMBER 2000

1999		2000
	Operating Revenue	
	This was earned from:	
161 963	Sales (Chemicals)	101 543
	Sales (Metarhizium)	21 798
187 792	Levies	159 230
5 416	Interest on Investments	596
4 340	Other (Sale of Asset)	----
<u>5 532</u>	Sales Tax Refund	----
365 043		283 167
	Expenditure	
	This consisted of expenses and charges under:	
3 216	Annual Leave	(4 498)
2 345	Long Service Leave	3 094
124 097	Wages	126 379
44 957	Administrative	46 539
154 442	Purchases	125 716
12 939	Depreciation	15 975
-----	Disposals	360
7 919	Motor Vehicle Expenses	5 730
<u>37 429</u>	Other	<u>23 531</u>
387 344		342 827
(22 301)	Resulting in an operating surplus/(deficit)	(59 659)
<u>(22 301)</u>	Operating Profit/(Loss) to Accumulated Fund was:	<u>(59 659)</u>

INKERMAN CANE PROTECTION AND PRODUCTIVITY BOARD

SCHEDULE OF OTHER EXPENSES AS AT 31ST DECEMBER, 2000.

EXPENDITURE:

Advertising, Printing & Stationery	1 542
Audit	1 667
Clean Cane	10 924
Cane Grub Expenses	1 101
General Expenses	2 459
Insurance	2 851
Petty Cash	491
Telephone	<u>2 496</u>
	<u>\$23 531</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS

(A) Statement of Accounting Policies

(a) Basis of Accounts

The accounts have been prepared on an historical cost basis, consistent with the basis applied in the previous financial year. Income and expenditure are brought to account on an accrual basis.

(b) Stocks

Stocks are valued at the lower of cost or net realisable value.

(c) Fixed Assets

Fixed assets are included in the accounts at written down value less depreciation.

(d) Depreciation

Depreciation is provided on all fixed assets, other than land, using a straight line method at rates based on the estimated useful life of the various classes of assets, except motor vehicles and some equipment. Depreciation on these assets is calculated on the diminishing value method.

Gains or losses arising from the sale or disposal of fixed assets are brought to account in the determination of the profit for the year, except for substantial gains or losses which are included as non-operating (extraordinary) income.

(e) Repairs and maintenance

No provisions have been made. Expenditure for repairs and maintenance is charged to the accounts.

(f) Retirement Benefits

Provision has been made for employees' long service leave, in a special reserve account. Holiday pay and sick pay is brought to account as incurred.

(g) Contingent Assets/Liabilities

There were no known contingent assets/liabilities of a significant nature at 31st December, 2000.

Explanatory Notes

	Note 1.	Short Term Investments	
1999			2000
\$			\$
686		Long Service Leave Account	674
<u>686</u>			<u>674</u>

Note 2. Administrative Expenses		
1999		2000
\$		\$
15 242	Board Fees and Allowances	11 789
2 414	Conference Expenses	7 015
17 250	Rent & Secretarial	17 254
8 312	Superannuation	9 100
<u>1 739</u>	Staff Training	<u>1 380</u>
<u>44 957</u>		<u>46 538</u>
Note 3. Accumulated Funds		
1999		2000
\$		\$
303 276	Balance 1st January	280 975
	Add Balance transferred from	
<u>(22 301)</u>	Income and Expenditure	<u>(59 659)</u>
<u>280 975</u>		<u>221 316</u>
Note 4. Sundry Debtors		
1999		2000
\$		\$
46 233	Trade Debtors	38 668
<u>-----</u>	Less Provision for Bad Debts	<u>-----</u>
46 223	Net Debtors	38 668
<u>152</u>	Other Debtors	<u>-----</u>
<u>46 385</u>		<u>38 668</u>
Note 5. Buildings		
1999		2000
\$		\$
26 000	At written down value	24 728
<u>-----</u>	Plus Additions	<u>-----</u>
26 000		24 728
<u>1 272</u>	Less Depreciation	<u>1 209</u>
<u>24 728</u>		<u>23 519</u>
Note 6. Motor Vehicles, Plant and Equipment		
1999		2000
\$		\$
45 160	At written down value	67 611
<u>35 909</u>	Plus Additions	<u>-----</u>
81 069		67 611
<u>2 660</u>	Less Disposals	<u>360</u>
78 409		67 251
<u>10 798</u>	Less Depreciation	<u>13 977</u>
<u>67 611</u>		<u>53 274</u>

Note 7. Office Furniture

1999		2000
\$		\$
5 300	At written down value	6 719
<u>2 288</u>	Plus Additions	<u>-----</u>
7 588		6 719
<u>869</u>	Less Depreciation	<u>789</u>
<u>6 719</u>		<u>5 930</u>

Note 8. Salaries and Wages

1999		2000
\$		\$
115 949	Salaries & Wages	118 593
<u>8 148</u>	Salary - BSES Staff	<u>7 786</u>
<u>124 097</u>		<u>126 379</u>

Note 9. Reconciliation of Net Cash Provided by Operating Activities to Operating Profit

1999		2000
\$		\$
(22 301)	Operating Profit/Loss	(59 659)
12 939	Depreciation	15 975
(4 340)	(Gain)/Loss on Disposal of Non-Current Asset	360
3 231	Decrease/(Increase) Receivables	7 717
24 606	Increase/(Decrease) Creditors	(24 920)
<u>-----</u>	Increase/(Decrease) in Employee Entitlements	<u>(1 261)</u>
<u>-----</u>	Increase/(Decrease) in Net GST Liability	<u>12 845</u>
(12 740)	Decrease/(Increase) Inventories	<u>13 240</u>
<u>1 395</u>	Net Cash provided/(used) by Operating Activities	<u>(35 703)</u>

Note 10. Reconciliation of Cash

1999		2000
\$		\$
170 121	Cash	134 430
686	Investments	674
<u>170 807</u>		<u>135 104</u>

INKERMAN CANE PROTECTION AND PRODUCTIVITY BOARD
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2000.

1999		2000
	<u>Cash Flows from Operating Activities:</u>	
352 986	Inflows of Funds from Operations (A)	290 288
(362 539)	Outflows of Funds from Operations (B)	(339 432)
5 532	Sales Tax Refund	----
----	GST Liability	12 845
<u>5 416</u>	Interest & Bill Discounts Received	<u>596</u>
	Net Cash Provided/(Used) by	
1 395	Operating Activities (9)	(35 703)
	<u>Cash Flows from Investing Activities:</u>	
(38 197)	Payment for Property, Plant & Equipment (C)	-----
<u>7 000</u>	Proceeds of Sale of Property, Plant & Equipment	-----
	Net Cash Provided/(Used) in	
<u>(31 197)</u>	Investing Activities	<u>-----</u>
(29 802)		(35 703)
(29 802)	Net Increase/(Decrease) in Cash Held (Note 10)	(35 703)
<u>200 609</u>	Cash at the Beginning of the Reporting Period	170 807
<u>170 807</u>	Cash at the End of the Reporting Period (10)	<u>135 104</u>

INKERMAN CANE PROTECTION AND PRODUCTIVITY BOARD
BUDGET PROPOSALS FOR THE 2000 SEASON

	1997	1998	1999	2000	2001
EXPENDITURE					EST
Audit	1575	1545	1668	1667	1700
Petty Cash	797	733	869	491	700
Telephone	2009	2000	2933	2496	2800
Rent & Secretarial	17250	17250	17250	17254	17254
Conference Expenses	1291	5390	2415	7015	5000
Insurance	2745	3019	2936	2851	3000
Repairs	1511	609	610	0	1000
Advert, Printing, Stationery	1435	1086	976	1542	1300
BSES Salaries	8238	8148	8148	7786	8000
Staff Training	2659	3071	1740	1380	2000
<u>Running Expenses</u>	<u>\$39 510</u>	<u>\$42 851</u>	<u>\$39 545</u>	<u>42 482</u>	<u>42 754</u>
Salaries & Wages	118206	113402	121509	117190	130000
Utility & Truck Expenses	9131	5061	7920	5730	6000
Chairman's & Board Expenses	9688	9496	15242	11789	12000
Clean Cane	9349	9151	21720	10924	10000
Superannuation	6762	8404	8312	9100	10400
Depreciation	6188	7608	12939	15975	15000
General Expenses	6741	3679	5322	3465	5000
	<u>\$166 065</u>	<u>\$156 801</u>	<u>\$192 964</u>	<u>174 173</u>	<u>188400</u>
TOTAL	<u>\$211 750</u>	<u>\$199 652</u>	<u>\$232 509</u>	<u>216 655</u>	<u>231154</u>

ACTUAL INCOME
FOR 2000 SEASON

Contract Income	159 230
Bank Interest	596
Profit on Sale of Goods	<u>4 335</u>
	<u>\$164 161</u>

ESTIMATE INCOME
FOR 2000 SEASON

Contract Income	160 000
Bank Interest	500
	<u>10 000</u>
	<u>\$170 500</u>


TRADING PROFIT - 2000

	\$	\$
Sales (Chemicals)		\$101 543
Opening Stock	19 970	
Plus Purchases (Chemicals)	<u>105 746</u>	
	125 716	
Less Closing Stock	<u>28 528</u>	<u>\$97 188</u>
Gross Profit		<u>\$ 4 355</u>

**CERTIFICATE OF INKERMAN CANE PROTECTION AND
PRODUCTIVITY BOARD**

We have prepared the foregoing Annual Financial Statements pursuant to the provisions of the *Financial Administration and Audit Act 1977* and other prescribed requirements and certify that

- (a) the foregoing financial statements with other information and notes to and forming part thereof are in agreement with the accounts and records of the Inkerman Cane Protection and Productivity Board.
- (b) in our opinion -
 - (i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects, and
 - (ii) the foregoing annual financial statements have been drawn up so as to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Inkerman Cane Protection and Productivity Board for the period 1st January, 2000 to 31st December, 2000 and of the financial position as at the close of that year.


CHAIRMAN
19th March, 2001


SECRETARY

INDEPENDENT AUDIT REPORT

To the Inkerman Cane Protection and Productivity Board

Scope

I have audited the financial statements of Inkerman Cane Protection and Productivity Board for the year ended 31 December 2000. The financial statements comprise the Profit and Loss Account, Balance Sheet, Statement of Cash Flows, Notes to and forming part of the financial statements and certificates given by the Chairman and Secretary as required by the *Financial Administration and Audit Act 1977*.

The Board is responsible for the preparation and the form of presentation of the financial statements and the information they contain. I have audited the financial statements in order to express an opinion on them.

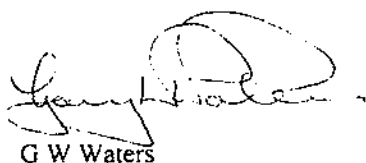
The audit has been conducted in accordance with *QAO Auditing Standards*, which incorporate the Australian Auditing Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included the examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with prescribed requirements which include Australian Accounting Standards so as to present a view which is consistent with my understanding of the entity's financial position and the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In accordance with the provisions of the Financial Administration and Audit Act, I certify that I have received all the information and explanations I have required and, in my opinion,

- the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
- the statements have been drawn up so as to present a true and fair view in accordance with prescribed accounting standards and other prescribed requirements of the transactions of Inkerman Cane Protection and Productivity Board for the financial year ended 31 December 2000 and of the financial position as at the end of that year.



G W Waters
(Delegate of the Auditor – General)

Dated this 30th day of March 2001.

PROSERPINE CANE PROTECTION AND PRODUCTIVITY BOARD

ANNUAL REPORT

TO THE

MINISTER FOR PRIMARY INDUSTRIES

2000

ANNUAL REPORT
By The
PROSERPINE CANE PROTECTION AND
PRODUCTIVITY BOARD
To The
MINISTER FOR PRIMARY INDUSTRIES

I present my report on the Operation of the Board for the last year:

1. PROSERPINE CANE PROTECTION AND PRODUCTIVITY BOARD FUNDING.

One of the key consequences of the 1999 review of the Sugar Industry Act, was that Cane Protection and Productivity Boards (PCPPB's) lost the ability to compulsorily acquire their funding from a levy placed on cane growers and millers in their defined area.

The loss of compulsory membership has had a profound impact on many CPPB's in the state. Generally CPPB's have had to seek funding approval from individual Cane Production Area (CPA) holders in their mill area in addition to negotiating funding from the particular milling entity.

Securing funding in many mill areas has drawn precious labour resources away from achieving on-ground productivity and profitability gains.

Proserpine Cane Protection and Productivity Board is in an enviable position in having Proserpine Co-operative Sugar Milling Association, after discussions with industry members, determine that the operations of the Board could be funded by way of a subscription through the Co-operative (if approved by a simple majority of members of the Co-operative at the Annual General Meeting).

Following are details pertaining to this "new" funding process:
As outlined by Proserpine Cooperative Sugar Milling Association Ltd to its members at the year 2000 AGM.

Introduction of a new rule to introduce a subscription for the funding of the Proserpine Cane Pest and Productivity Board.

Background

Members would be aware that following the introduction of the Sugar Industry Act 1999 that the funding of the Proserpine Cane Protection and Productivity Board (PCPPB) has been left in considerable doubt.

The Board of the Association has had considerable discussions with the PCPPB and with industry members and with the support of the PCPPB are recommending to members that the PCPPB be funded by way of a subscription through the Cooperative.

The following procedures are recommended by the board.

The PCPPB would submit a budget including the subscription rate to the Association Board for approval, which would then be voted on approved by simple majority of members at the Annual General Meeting.

The subscription would be on the basis of a cents per tonne of cane accepted for payment in that year and would then be matched by the Association and paid to the PCPPB.

Special Resolution

In order to introduce a subscription a new rule would need to be approved by members and the following Special Resolution is proposed by the board to be voted on at the Annual General Meeting to be held on the 25th May 2000 at the Proserpine Cultural Hall at 9 am.

That the following new rule be added to the Associations rules.

SUBSCRIPTIONS

- (1) In accordance with Section 72 of the Act, members of the Association will be required to pay a yearly subscription fee which will be directed to the funding of the Proserpine Cane Pest and Productivity Board or its successors*
- (2) The subscription fee will be determined each year by a recommendation of the board and approved by members at the Annual General Meeting. The subscription fee for each member will be on a per tonne of cane basis, on the tonnes of cane accepted for crushing for each member by the Association and will be processed as a deduction from the payment for such cane.*

The Association will match the subscription paid by members and forward the total payment to the Proserpine Cane Protection and Productivity Board or its successors as the same time the relevant cane payment is made.

- (3) The Association will advise in writing any person intending to become a member, of the subscriptions payable by a member to the Association.*

And the following modification of the rules be made:

Rules 15 to 55 now become rules 16 to 56.

The special resolution would require approval by two thirds of the members present at the meeting to be successful and then be submitted to the registrar for subsequent approval.

EFFECT ON MEMBERS

The Board of the Association believes that the introduction of a subscription would secure the funding for this important service which is provided to all members of the Cooperative.

The proposal would mean that the funding of the PCPPB would be transparent with the members being required to approve the subscription each year.

The proposal also means that ALL members are contributing to this important service.

EFFECT ON COOPERATIVE

The Board considers that the operations of the PCPPB are very much in line with the principles and operations of the Cooperative in the rendering of services to members and recommend the approval of the special resolution.

Proserpine CPPB is delighted to have its operations viewed as being so strongly "in line with the principles and operation of the Cooperative in rendering services to members", and is not daunted by the prospect of its priorities, operations and budget being open to such member scrutiny each year.

Proserpine CPPB appreciates the overwhelming support given to it by members of the Cooperative at the 2000 AGM and would like to assure all members that this support is not taken for granted. Every effort will continue to be made to achieve Productivity and Profitability increases for members of the Cooperative.

2. FUNCTIONS OF PROSERPINE CANE PROTECTION AND PRODUCTIVITY BOARD

As defined in the Sugar Industry Act 1999, CPPB's are to carry out the following functions:

- To provide suitable advice and help to cane growers within their area about:
The prevention, control and eradication of pest infestations of cane or any other matter or thing that adversely affects the quantity or quality of crops of cane or

The production and harvesting of cane

- To help, and cooperate with, entities involved in preventing, controlling and eradicating pests in cane.
- To provide advice and information about the preservation and enhancement of the capacity of the land to sustain crops of cane
- To help minimise any damage to the environment that may be caused by activities of the sugar industry within its area
- To take all action within the powers conferred on it that may be necessary to achieve its objectives

In order to ensure that the stated functions of Proserpine CPPB are being carried out, the Board has commenced a complete review of its workplan.

The workplan is being compiled to provide an operational framework that satisfies legislative requirements and most importantly, delivers a cost efficient and effective service for its members.

3. STATUTORY OR NON-STATUTORY

Proserpine Cane Protection and Productivity Board has chosen to remain as a Statutory Body.

However it should be noted that several CPPB's have moved from Statutory Bodies to a corporate structure.

As circumstances, local area requirements and priorities change it is possible that Proserpine Cane Protection and Productivity Board will re-assess its decision to remain as a Statutory Authority.

4. FINANCE

Funds on hand as at 31st December 2000, amounted to \$110,119.00 as compared to \$214,635.00 as a 31st December 1999.

It is obvious that this represents a significant decrease in cash reserves for the period. The decrease of \$104,516.00 in funds on hand resulted from a reduction in income (as a consequence of the reduced crop) and increased spending on emergency short term crop enhancing activity.

As follows:

(a) Levy/Subscription Income

YEAR	DISTRICT CROP (TONNES)	TOTAL LEVY/SUBSCRIPTION (GROWER + MILL)	CPPB LEVY INCOME
1995	1,790,759	9c	\$161,168.31
1996	2,137,507	9c	\$192,375.63
1997	1,985,551	9c	\$178,699.59
1998	2,074,442	9c	\$186,699.78
1999	1,956,103	9c	\$176,049.27
2000	1,389,657	9c	\$125,069.13

As shown, subscription income from the 2000 crop was approximately \$60,000 down on the previous five-year average.

It should be clearly understood that the Productivity Board was aware of the impact of the reduced crop on its income, and indeed discussed at length how best to respond to the shortfall.

The Productivity Board discussed the merit of reducing activity, reducing grower service and or reducing staff levels. The Productivity Board determined that such reductions in the provision of services to its member were NOT in the best interest of the Proserpine Sugar Industry.

Instead of scaling back operations it was determined that the best way to assist the Proserpine Sugar Industry as a whole was to commit resources to a massive variety distribution and Hot Water Treatment programme, including accessing suitable varieties from outside of the district.

The simple logic of the decision was that the Boards reserves would be best utilised through greatly increasing the availability and supply of varieties resistant to Orange Rust (both new & existing varieties.). Through this action it was felt that the district would be in the best possible position to extricate itself from the precarious situation that it has found itself in.

Proserpine Cane Protection and Productivity Board is firmly of the opinion that its year 2000 plant propagation, distribution and Hot Water Treatment activities have created planting options and productivity opportunities for the mill area that do not exist in any other central region mill area.

The variety opportunities created by the Boards year 2000 activities came at a cost. Not only was subscription income down by \$50,000 - \$60,000 (on previous years), but in addition some capital item costs and operational costs were significantly above previous years.

For Example:

PEST AND DISEASE CONTROL

The year 2000 figure was \$122,734 greater than the 1999 total. It should be noted that the 2000 sum includes all plant cane payments (\$56,716) in addition to all Q157 expenses from Ingham.

The cost of plants sourced from the Productivity Boards distribution plots is fully refunded by participating growers. As shown under "income" in the Profit & Loss Statement. The higher figure reflects the level of distribution activity during 2001 and does not represent an additional cost.

In general terms the year 2000 costs associated with pest and disease control were approximately \$60,000 greater than the 1999 costs. The key areas of additional cost were as follows:

Casual Labour

General Ledger details show casual labour costs for the year of \$42,937.62. This compares to previous year costs of only several thousand dollars.

It should be noted that casual labour costs were not only incurred to provide assistance during plant distribution and Hot Water Treatment of cane, but also to replace Mr W.H Gibson during extended Sick Leave.

Plant Distribution

If costs associated with obtaining Q157 from Ingham and payments to distribution plot holders are removed from General Ledger details designated "Plant Distribution" it would be noted that almost \$17,000 was spent on extraordinary equipment such as slings, HWT cradles, forklift hire, fuel and miscellaneous costs to manage plant distribution and Hot Water Treatment.

OVERALL – FINANCIAL SUMMARY

For the 12 month period, income was down over \$50,000 and costs were up approximately \$60,000 creating a nett change of the stated \$104,516.00

It is hoped that the expanded activity of Proserpine Cane Protection and Productivity board in plant distribution activities during the year 2000, and the strong variety position created for the Proserpine Sugar Industry as a whole, will be viewed favourably during 2001 subscription discussions later in the year.

5. VARIETY POSITION

The Boards decision to commit all available resources to expanding the available planting pool of non-Q124 varieties achieved the following:

1. Growers without access to alternative varieties were able to obtain nucleus supplies of non Q124 varieties through the Boards plant source data base.
2. Extensive supplies of older ratoons of non-Q124 were Hot Water Treated for individual growers to improve future planting source integrity.
3. Massive supplies of Q190, Q185 as well as a small supply of Q170 were distributed to growers.
4. Approximately 150 tonnes of Q157 was sourced from the Herbert River region and distributed to participating growers.
5. Growers able to access a source of the clone 85C778 were encouraged to Hot Water Treat a nucleus quantity for potential planting in 2001 (subject to local area agreement).

As a result of the Boards activities the following plant propagation possibilities for district growers have been generated.

VARIETY	POTENTIAL TONNAGE AVAILABLE TO PLANT				
	2000	2001	2002	2003	2004
Q190 PBR	700	10,500	157,500	UNLIMITED	UNLIMITED
Q185 PBR	350	5,250	78,750	UNLIMITED	UNLIMITED
Q170 PBR	17	255	3,800	57,500	UNLIMITED
Q157	150	1,500	22,500	UNLIMITED	UNLIMITED
80N84*	5.5	80	1,200	18,000	UNLIMITED
RB 76	2	30	450	6,750	100,000
88C67*	2	30	450	6,750	100,000
85C778*	100	1,500	22,500	UNLIMITED	UNLIMITED
85C542*	0	10	150	2,250	33,750

NOTE:

1. Local Industry decisions on the release of 80N84, RB76, 85C778, 85C542 and 88C67 are still required, however they have been included in the Boards propagation plots because of their results in BSES early stage evaluation trials.

2. *Build up factors of either 10 times or 15 times have been used depending on plant quality and treatment requirements.*

3. **Plant Breeding Rights applications pending.*

As clearly shown Proserpine district cane growers, may have an estimated 19,000 tonnes of new varieties (Q190, Q185, Q170 and 85C778) available for planting this year. If it is assumed that an average of 7.5 tonnes of cane per hectare will be required for planting (mix of wholestick and billet) the supply could plant approximately 2500ha of land this year. This represents almost 40% of the projected area to be planted in 2001 and many times the area to be planted in subsequent years.

As stated previously, cane growers in other central mill areas are not in as strong a position and will require a further season to generate similar quantities of new varieties.

PRODUCTIVITY REPORT

The 2000 season has been described by many Sugar Industry identities as one of the most difficult in the industry's history.

Not only was the district's overwhelmingly most popular variety, Q124, decimated by the advent of Orange Rust disease, but in addition sugar prices fell to extremely low levels.

The combination of poor crop and poor price has placed a heavy burden on the district's growers and mill. The way in which the district has responded to adversity is a testament to its resilience and strength.

Growers have embarked on a massive variety replacement programme. Growers without access to alternatives have generally been provided with nucleus supplies by their neighbours. In recent months, Proserpine Cooperative Sugar Milling Association has helped by providing financial assistance with the cost of fungicide application.

It is obvious that Orange Rust pressure has not been as severe this year (2001) as it was during late Summer and Autumn of 2000. In addition fungicide applications have further reduced Orange Rust spoor loads.

In spite of reduced Orange Rust pressure and emergency use permits for several fungicides, it is clear that the most effective short/medium term Orange Rust control strategy will be to remove Q124 from the area.

The removal of Q124 from mill supply was put forward by the industry in its application for emergency use fungicide permits, also it is hoped that by removing such a highly susceptible variety, the risk of the disease to other varieties may be lessened.

As a direct consequence of Orange Rust Disease, Proserpine growers ploughed out and replanted significantly more ground than ever before.

Early weather conditions were quite favourable for plough-out and replanting. It is unfortunate that dry weather conditions persisted through Winter into Spring. Much of the area replanted from mid season onwards quickly dried out and germination rates suffered. This was particularly evident on heavier soils where soil tilth was generally not as fine as the lighter, sandy soils.

Heavy and unseasonal rain in late October/November wreaked havoc on the areas 6,000ha of plant cane. It became very clear that blocks protected by pre-emergent herbicides (and of course with good drainage characteristics) out performed those where weed control was not possible.

High rates of knock down chemicals in salvage type situations, while generally effective in cleaning up grass and weed growth, were NOT conducive to good stooling and rapid cane growth.

The effects of many savage grass and weed removal operations are still very obvious throughout the district today.

Proserpine district cane growers responded very well to the Productivity Board's plant distribution operations. In the year 2000 approximately 1,000 tonnes of "New" varieties were cut (most of it by hand) and treated through the Hot Water Treatment (HWT) tanks. In addition several hundred tonnes of growers own cane were processed and 150 tonnes of Q157 was imported to the district from Ingham.

In total, approximately 1,400 tonnes of cane was processed through the Productivity Boards HWT tanks. This represents approximately a Forty fold (40 times) increase in tank throughput, and demonstrates what can be achieved at the HWT tanks when the need arises.

The purpose of the 2000-year propagation process was clearly to establish a "critical mass" of alternative varieties on all district farms in as short a time frame as possible.

It is believed that this action will be fundamental to the District quickly returning to normal productivity and hopefully, profitability levels.

Key "Productivity Functions" of the Productivity Board during the year have included:

- **Plant Propagation and Distribution**

In addition to the distribution process already outlined, the Board established a nucleus plot of Smut resistant varieties. These varieties will be propagated and further evaluated as a matter of urgency during the 2001 season.

Variety Contribution to Mill Supply (%)
1997 - 2001

YEAR	Q124	OTHERS	Q138	Q121	Q135	H56
2001	62.40	9.02	15.28	3.96	7.17	2.17
2000	85.08	4.09	5.12	2.02	1.92	2.77
1999	86.10	3.12	4.67	1.98	1.64	2.49
1998	86.55	3.93	3.41	2.69	1.54	1.88
1997	81.11	5.79	4.50	3.77	1.84	2.99

NOTE:

1. Year 2001 figures are estimates only.
2. Provided by officers of Proserpine Cooperative Sugar Milling Association.

- **Extension Service**

The Productivity Board recognises that the provision of extension advice to the district's canegrowers is a core function. As such a considerable proportion of available resources have been expended on this task. Growers have sought advice on a multitude of issues including irrigation development, pest and disease, nutrition, weed control, drainage, salinity and sodicity, block development, green cane trash blanketing and of course cane variety issues.

- **Farm Development Plans**

The Proserpine Productivity Board provides growers with a high level of assistance in preparing Farm Development Plans for lodgement with applications for new and increased Cane Production Areas (CPA).

It is the belief of the Board that input into farm development and management planning at such an early stage will result in an increased likelihood of farming success that will be to the betterment of the entire industry. The Proserpine Cane Production board completed two rounds of expansion for the Proserpine Mill Area in 2000. In April 2000 Twenty (20) "New Entrants", Five (5) "Existing New Entrants" and Seventy-Five (75) "Existing" Applicants were submitted.

October 2000 Expansion attracted ten (10) applicants from "New Entrants", fourteen (14) "Existing New Applicants" and Forty – Nine (49) "Existing" Growers.

The Productivity Board assisted applicants to produce Farm Development Plans and to complete applications for increased and new CPA. Assistance was also provided to the Proserpine Cane Production Board (CPB) to ensure that CPA was issued in accordance with regulatory requirements.

- **Irrigation Developments**

The Proserpine Board has played a role in advancing irrigation developments in the district. The role encompasses assistance with initial site investigations for dams and water storages and assistance with evaluation of tail-water recycle pit proposals.

For major irrigation schemes such as the Lethebrook Ringtank, the Productivity Board has worked vigorously with CANEGROWERS & with growers involved, government departments and consultants on a vast array of issues in an attempt to gain approval for construction.

Once schemes are constructed, the Productivity Board will have an ongoing role working with growers to ensure that appropriate irrigation management practices are employed and maximum efficiency is obtained from the schemes.

- **Soil Moisture Monitoring Sites**

The Boards soil moisture monitoring sites continue to provide a "snapshot" of soil moisture status throughout the district.

They are a simple and effective decision support tool for the 85% of growers with access to an irrigation supply. The sites assist growers to determine when to commence irrigation and also how much irrigation water to apply.

The Productivity Boards soil moisture monitoring stations have been adopted in other regions of state.

- **Orange Rust**

Considerable Board resources have been expended in providing advice to growers on a range of issues centred around Orange Rust Disease. It is expected that this issue will require a significant time and financial commitment from the Board for at least the next few seasons.

- **Property Vegetation Management Planning – (PVMP)**

Given the advent of legislation controlling clearing on freehold land, the Board determined that it should develop a process to facilitate the completion of PVMP on an as-needs basis by district growers.

The process is in place and has already been used to successfully obtain permits to clear native vegetation.

- **Risk Analysis**

The Board has been instrumental in gaining Industry support to review the area's disease risk status.

It is expected that by systematically and objectively reviewing "how the industry stands" for a range of diseases and sugar quality issues, that appropriate decisions can be made on applications to change the areas list of approved varieties.

FARM RESOURCE MAPPING

The Proserpine Productivity Board was once again successful in gaining funding through the Natural Heritage Trust (NHT) to continue with the Farm Resource Mapping Project through until 2001. It is anticipated that by the end of the three year duration of the project all growers in the Proserpine Mill Area will have received a comprehensive and user friendly Farm Resource Package.

It must be noted that the project relies heavily on information generated by officers of Proserpine Sugar Milling Association and also by officers working on the PILUS and WILUS Projects. The assistance of the Milling Association, in particular the office of the Cane Inspectors Department, is greatly appreciated.

To date Farm Resource Packages have been provided to approximately 95% of growers in the district. The packages have become a framework for Land and Water Management Plans and Property Vegetation Management Plans in addition to being the main component of all applications for new and increased Cane Production Area.

As part of the packages the mapping process is also being used to demonstrate the ability of local irrigators, both on the Proserpine River and in the two water Boards that divert water from the Peter Faust Dam, to utilise the water resource more efficiently without impacting on the environment. As part of the project a series of 14 "Soil Moisture Monitoring Stations" have been established throughout the district.

It is the belief of the Board that the Farm Resource Packages provided to local growers represent the most comprehensive resource utilisation and on-farm decision support tool in use in Australian Agriculture. The Packages are a starting point only, they can be developed further to meet the specific requirements of individual growers.

The Productivity Board sincerely appreciates the efforts of project officer Christine Peterson and wishes her every success in the future.

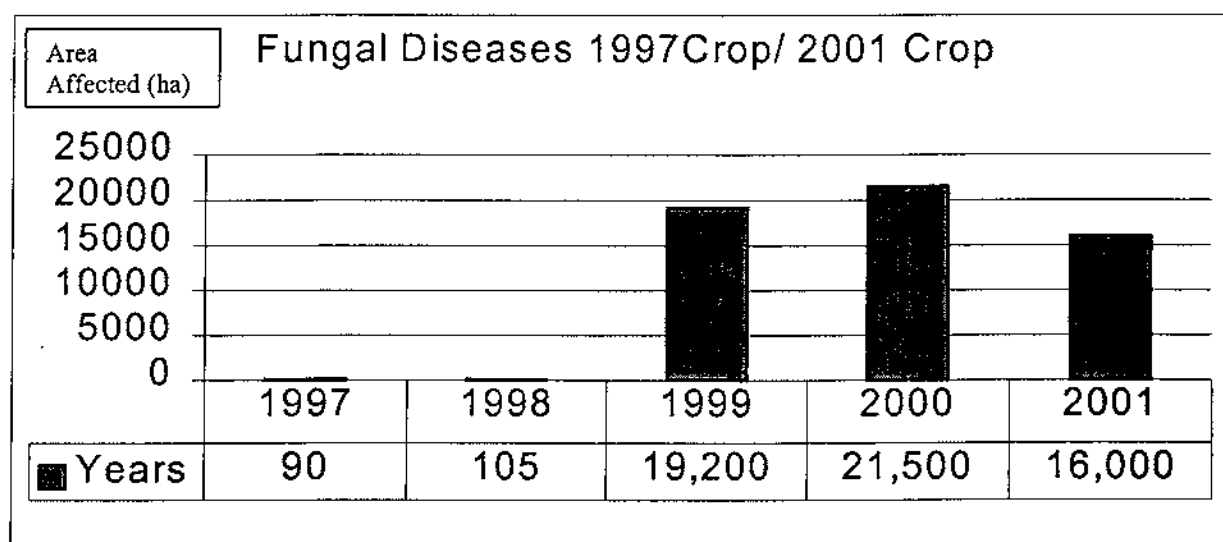
PEST & DISEASE REPORT

Area damaged by Sugarcane Pests and Diseases have not increased over the past 12 months, however it should be noted that conditions favouring an increase in the spread of in particular, diseases have

occurred. A great deal of vigilance will be required by all concerned to ensure that damage levels do not increase in the next few years.

1. DISEASE LEVELS

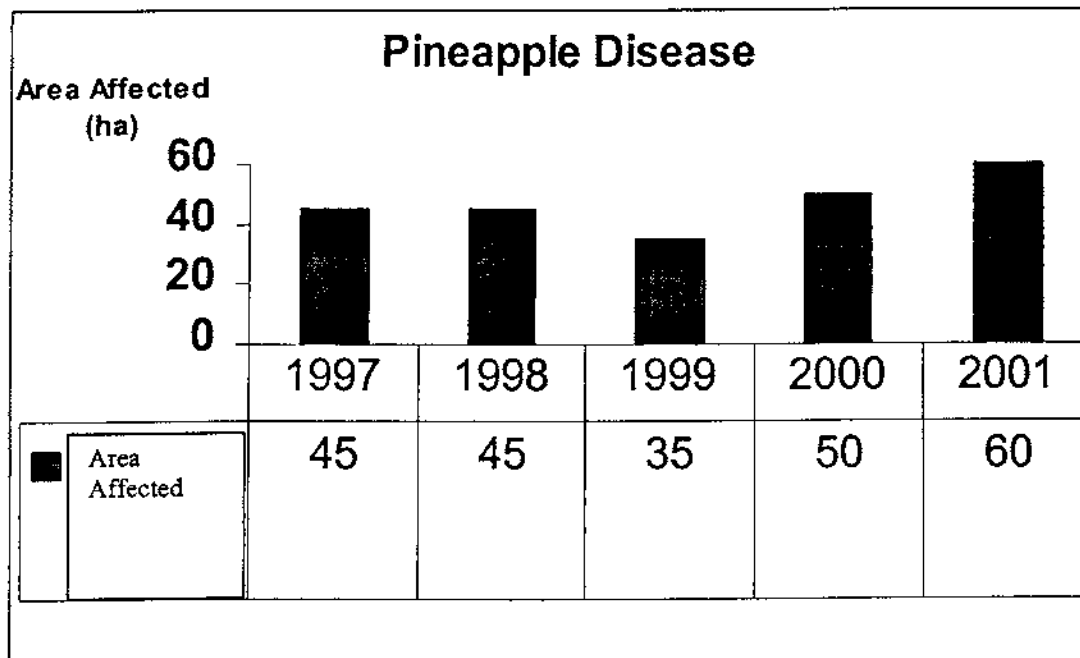
(a) Fungal Diseases – 1997 crop / 2001 crop.



As shown above diseases, in particular fungal diseases such as "Yellow Spot" (1999) and "Orange Rust" (2000 & 2001) have exploded in the district in recent years.

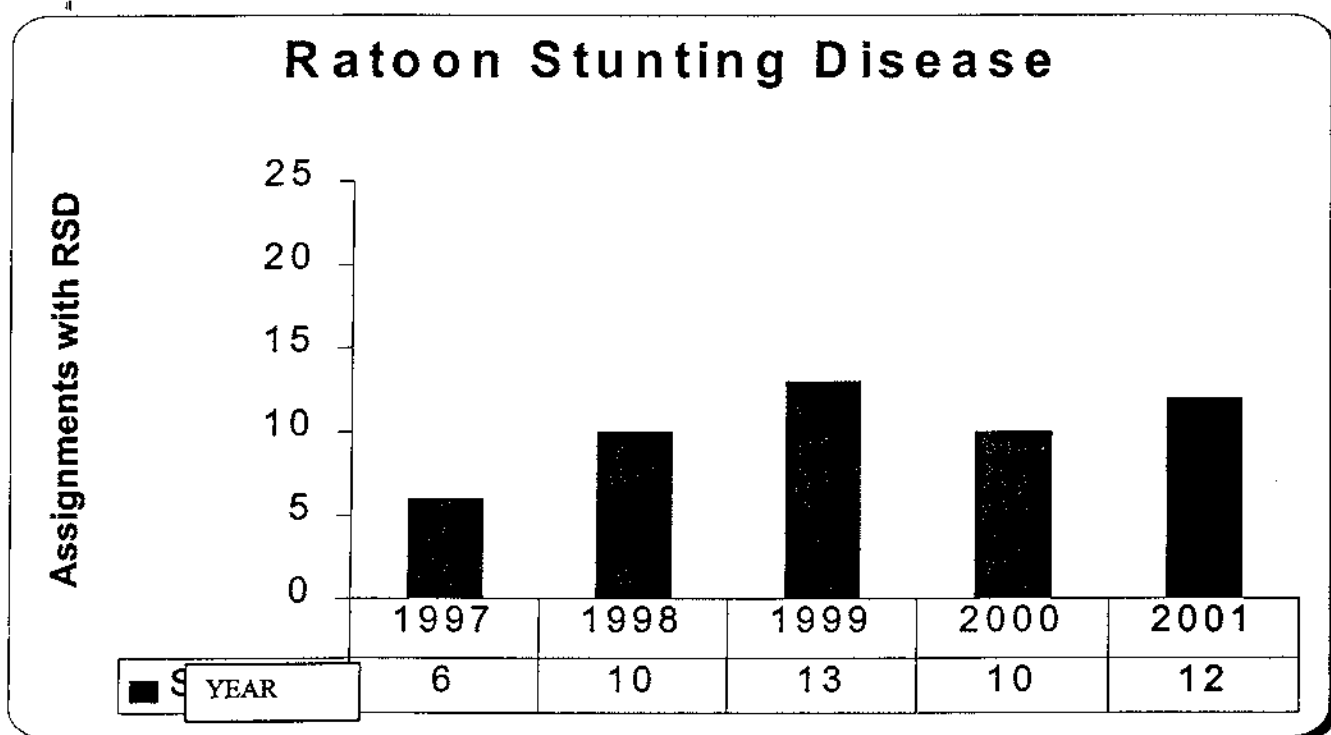
As shown previously, these diseases have had a catastrophic impact on district productivity and profitability.

(b) – Pineapple Disease



As shown above, existing "Pineapple Disease" control strategies would appear to be effective.

(c) Ratoon Stunting Disease



As shown above RSD levels have not increased noticeably in the Proserpine Mill Area. However it should be noted that several "new" detections were recorded during 2000.

Growers need to be aware of the serious disease risk that has been taken during the 2000 year in planting such large areas with older, low integrity plants.

Every effort should be made during the 2001 season to re-establish plant sources on each farm, from the Board's distribution plot or from individually HWT cane. A survey of 25% of CPA holders in the district will be carried out each year to ensure that RSD levels do not begin to increase.

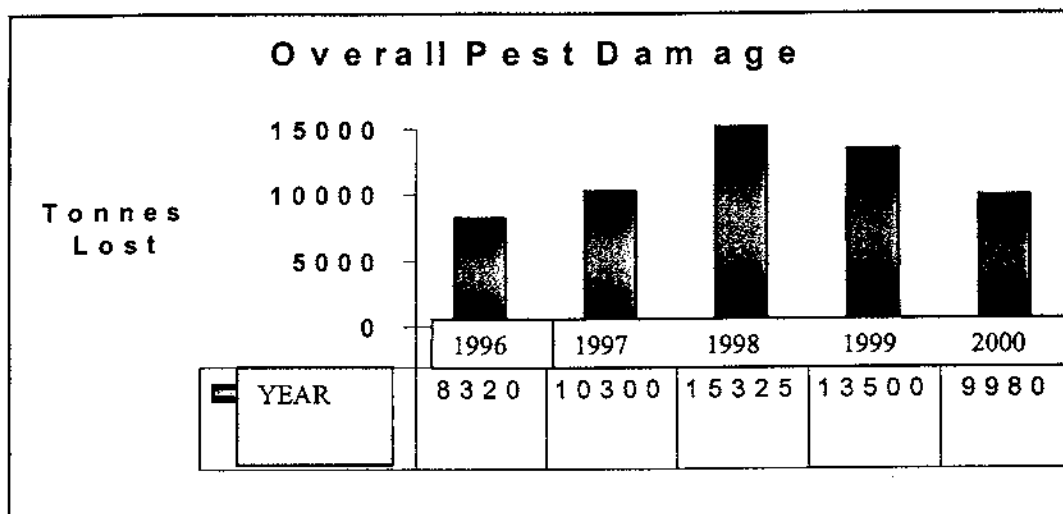
2. PEST INCIDENCE

Overall pest damage decreased in the 2000 season from previous seasons. While individual pest incidence shows considerable season to season volatility, it is pleasing to note that cane grub and cicada damage appears to be progressively declining. With reference to cane grub damage (grey back) it is clear that control has resulted from the drastic action taken by affected growers to remove damaged crops and to plant with preventative chemicals.

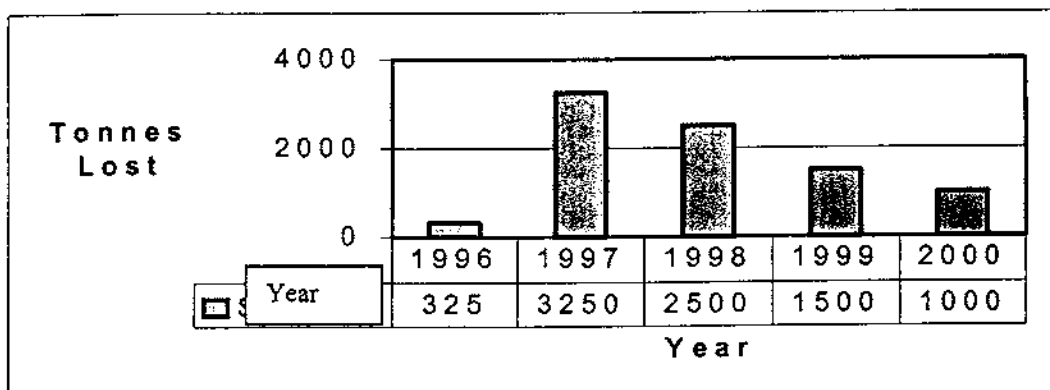
Recent observations of damage along both the O'Connell and Proserpine Rivers clearly shows that cane beetles are still quite active and that damage is possible in unprotected crops.

The Board will need to maintain a watching brief on these pests.

1. Overall Pest Damage



2. Tonnes Lost to Greyback Cane Grubs



3. FAUNA REPORTS

The Productivity Board acts as a facilitator between participating growers and the Department of Environment and Heritage for the issue of permits to control native fauna.

Permits have been issued for the control of Wallabies, Cockatoos and Eastern Swamp Hens. It should be noted that significant changes have been made to the protocol of issuing permits. In particular growers need to be aware that the number of animals, of any particular species, stated on the permit represents the total number of animals of that species able to be taken. In addition any grower requesting a new damage mitigation permit will be required to have their farm inspected by the District Ranger.

THANK YOU

I wish to thank all my fellow Board Members for their efforts and assistance during the year. I would also like to thank the Secretary, The Productivity Officer, the Supervisor and local BSES Extension Officer, who continued to provide excellent service to the Board, and the staff of CANEGROWERS Proserpine who are always willing to assist the Productivity Board with its operations.

A special thankyou needs to be given to the Board of Directors Management and staff of Proserpine Cooperative Sugar Milling Association Limited. The assistance given to the Productivity Board staff during the operation of the Hot Water Treatment facility during the 2000 season was outstanding.

The facility was expanded and on many occasions maintained by mill staff on very short notice at no cost to the Productivity Board. The high level of HWT tank throughput achieved during the year 2000, would not have occurred without this assistance.

I.V. Ivanoff
Chairman

**PROSERPINE CANE PROTECTION AND PRODUCTIVITY BOARD
PROFIT AND LOSS STATEMENT**

For the Year Ended 31 December 2000

	Note	2000 \$	1999 \$
<u>OPERATING REVENUES</u>			
General Levies		125,018	175,677
Interest Received		7,861	8,882
Balance of Productivity Award Sponsorship 1998			1,500
Sale of Plants		56,716	
Sundry Income		350	0
<u>TOTAL OPERATING REVENUE</u>		<u>189,945</u>	<u>186,059</u>
<u>OPERATING EXPENSES</u>			
Advertising		36	25
AGM & Annual Report		1,151	2,077
Audit Fees		1,695	1,650
Bank Charges		598	350
Billet Length Project			3,098
Conference Fees	ASSCT	3,462	3,281
	Other	1,010	4,873
Depreciation		5,908	7,622
Donations		408	0
Entertainment		1,180	1,407
Fees & Allowances		7,065	7,290
Field Trials		153	
Growth Monitoring		4,412	
Pest & Disease Control		127,109	4,375
Postage		1,003	236
Printing & Stationery		973	792
Productivity Awards			758
Provision for Employee Entitlements		3,015	2,949
Rent		4,800	4,800
Repairs & Maintenance		1,640	573
Salaries		132,629	116,171
Secretarial Allowance		12,000	11,667
Staff Amenities		168	78
Staff Training		332	
Sundry Expenses		689	902
Superannuation		13,298	9,867
Telephone & Faxes		3,341	2,529
Travel & Accommodation			3,194
Vehicle Expenses		1,660	19,344
Workers' Compensation & Insurance		1,729	2,528
<u>TOTAL OPERATING EXPENSE</u>		<u>331,661</u>	<u>212,436</u>
<u>OPERATING PROFIT/(LOSS) Before Abnormal Items</u>		<u>-141,716</u>	<u>-26,377</u>
Abnormal items	4	0	0
<u>OPERATING PROFIT/(LOSS) After Abnormal Items</u>		<u>-141,716</u>	<u>-26,377</u>

The Accompanying Notes form part of the accounts

PROSERPINE CANE PROTECTION AND PRODUCTIVITY BOARD
BALANCE SHEET
as at 31 December 2000

<u>CURRENT ASSETS</u>	Note	2000 \$	1999 \$
Cash	2	110,119	214,635
Receivables	3	2,372	13,814
<u>TOTAL CURRENT ASSETS</u>		112,491	228,449
 <u>NON CURRENT ASSETS</u>			
Property Plant and Equipment	5	26,706	32,614
<u>TOTAL NON CURRENT ASSETS</u>		26,706	32,614
 <u>TOTAL ASSETS</u>		139,197	261,063
 <u>CURRENT LIABILITIES</u>			
Creditors	6	16,835	-
Provisions	7	25,380	22,365
<u>TOTAL CURRENT LIABILITIES</u>		42,215	22,365
 <u>TOTAL LIABILITIES</u>		42,215	22,365
 <u>NET ASSETS</u>		96,982	238,698
 <u>EQUITY</u>			
Accumulated Profits	8	96,982	238,698

The Accompanying Notes form part of the accounts.

PROSERPINE CANE PROTECTION AND PRODUCTIVITY BOARD
STATEMENT OF CASH FLOWS
for the year 31 December 2000

	Note	2000 \$	1999 \$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Receipts from General Levies		125018	175677
Payments to Suppliers and Employees		-305903	-216247
Interest Received		7861	8882
Sponsorship for Productivity Awards 1998			1500
Sale of Plants		68157	
Sundry Income		350	
Net Cash Provided by (used in) Operating Activities	9(b)	<u>-104516</u>	<u>-30188</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Proceeds from Sale of Motor Vehicles & Equipment		0	0
Payment for Plant & Equipment		0	-634
Net Cash provided by (used in) Investing Activities		<u>0</u>	<u>-634</u>
Net Increase (Decrease) in Cash Held		-104516	-30822
Cash as at 1 January 2000		214635	245457
Cash as at 31 December 2000	9(a)	<u>110119</u>	<u>214635</u>

The Accompanying Notes form part of the accounts

PROSERPINE CANE PROTECTION & PRODUCTIVITY BOARD

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2000

ii

Note 1 – Statement of Significant Accounting Policies

(a) Basis of Accounting

The accounts have been prepared on an historical cost basis, consistent with the basis applied in the previous financial year. Revenue and expenditure are brought to account on an accruals basis.

(b) Non-current Assets

Non-current assets are included in the accounts at cost less accumulated depreciation. Gains or losses arising from the sale or disposal of fixed assets are brought to account in the determination of the profit for the year, except for substantial gains or losses which are included as non-operating (extra-ordinary) income.

(c) Depreciation

Depreciation is provided on all fixed assets, using the diminishing value method.

(d) Employee Entitlements

Provision has been made for the legal liability to employees for long service leave. In addition, provision has been made for accrued holiday pay where such liability exists. Sick pay is brought to account as incurred.

Liabilities for employees' entitlements are accrued at nominal amounts calculated on the basis of current wage and salary rates.

(e) Income Tax

No income tax is payable as the Board is a non-profit organisation and is specifically exempted from income tax under the Income Tax Assessment act.

(f) Contingent Assets/Liabilities

There were no known contingent assets/liabilities of a significant nature at 31 December, 2000.

PROSERPINE CANE PROTECTION AND PRODUCTIVITY BOARD
NOTES TO AND FORMING PART OF THE ACCOUNTS
For the year ended 31 December 2000

	2000 \$	1999 \$
Note 2 - Cash		
Cash on Hand	100	50
Cash at Bank	5496	2830
Westpac - Cash Management Account	32173	6243
Qld Canegrowers Council Account	72350	205512
	<u>110119</u>	<u>214635</u>
 Note 3 - Receivables		
Sundry Debtors	2372	13814
 Note 4 - Abnormal Item		
Provision for Non-Vesting Provision for Sick Leave	0	0
 Note 5 - Property, Plant & Equipment		
Plant, Equipment and Vehicles at Cost	135915	135915
Less Accumulated Depreciation	109209	103301
	<u>26706</u>	<u>32614</u>
 Note 6 - Creditors		
Sundry Creditors	16836	0
 Note 7 - Provisions		
Employee Entitlements		
Recreational Leave	17889	15481
Long Service Leave	7491	6884
	<u>25380</u>	<u>22365</u>
 Note 8 - Accumulated Profits		
Balance - 1 January 1999	238698	265075
Add Profit/(Loss)	-141716	-26377
	<u>96982</u>	<u>238698</u>

PROSERPINE CANE PROTECTION AND PRODUCTIVITY BOARD
NOTES TO AND FORMING PART OF THE ACCOUNTS
For the year ended 31 December 2000

	2000	1999
	\$	\$

Note 9 - Cash Flow Information

(a) Reconciliation of Cash

For the purpose of this Statement of Cash Flows, cash includes cash on hand and in at call deposits with Bank or financial institutions

Cash at the end of the year is shown in the Balance Sheet as:

Cash on Hand	100	50
Cash at Bank	5496	2830
At Call Deposits with Financial Institutions	104523	211755
	110119	214635

(b) Reconciliation of Cash Flow from Operations with Operating Profit

Operating Profit/(Loss) after income tax	-141716	-26377
Non-Cash Flows in operating profit		
Depreciation	5908	7622
Recreational Leave	2408	2355
Long Service Leave	606	594
Profit from Sale of Motor Vehicles & Equipment	0	0
Transfer of Non-Vesting Provision for Sick Leave	0	0
Increase/(Decrease) in NHT Funding in Advance	0	0
Increase/(Decrease) in Trade Creditors	16836	-569
Decrease/(Increase) in Trade Debtors	11441	-13813
	-104517	-30188

Note 10 - Natural Heritage Trust Funded Project - Farm Resource Mapping

The Natural Heritage Trust funded project "Farm Resource Mapping" commenced on 1st October 1997 and a total amount of \$153,496.00 has been received to 31/12/2000 from Government Natural Heritage Trust funds.

The opening balance of the account as at 1st January 2000 was \$107.51, with expenditure during the year of \$49,347.38. Interest received on funds amounted to \$319.06 and the account had a closing balance of \$6,479.09 as at the 31st December 2000.

MANAGEMENT CERTIFICATE

CERTIFICATE BY PROSERPINE CANE PROTECTION & PRODUCTIVITY
BOARD

FOR THE YEAR ENDED 31 DECEMBER 2000

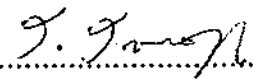
We have prepared the foregoing annual Financial Statements pursuant to the provisions of the *Financial Administration and Audit Act 1977* and other prescribed requirements and certify that in our opinion:

- (I) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects;

and

- (II) the statements have been drawn up so as to present a true and fair view in accordance with prescribed accounting standards of the transactions of the Proserpine Cane Protection & Productivity Board for the financial year and of the financial position as at the end of that year.

Dated this 27th day of March 2001.


.....
Ivan Ivanoff
Chairman


.....
Ian Charles McBean
Secretary

INDEPENDENT AUDIT REPORT

To Proserpine Cane Protection and Productivity Board

Scope

I have audited the general purpose financial statements of Proserpine Cane Protection and Productivity Board for the year ended 31 December 2000 in terms of section 46G of the *Financial Administration and Audit Act 1977*. The financial statements comprise Profit & Loss Account, Balance Sheet, Statement of Cash Flows and Notes to and Forming Part of the Accounts and certificates given by the Chairperson and Secretary.

The Board is responsible for the preparation and the form of presentation of the financial statements and the information they contain. I have audited the financial statements in order to express an opinion on them.

The audit has been conducted in accordance with *QAO Auditing Standards*, which incorporate the Australian Auditing Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included the examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with prescribed requirements which include Australian Accounting Standards so as to present a view which is consistent with my understanding of the entity's financial position and the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In accordance with section 46G of the Financial Administration and Audit Act, I certify that I have received all the information and explanations I have required and, in my opinion –

- the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
- the statements have been drawn up so as to present a true and fair view in accordance with prescribed accounting standards and other prescribed requirements of the transactions of Proserpine Cane Protection and Productivity Board for the financial year 1 January 2000 to 31 December 2000 and of the financial position as at the end of that year.



A.R. Eames
as delegate of the Auditor-General of Queensland

Queensland Audit Office
Brisbane

MACKAY CANE PROTECTION AND PRODUCTIVITY BOARD

ANNUAL REPORT

TO THE

MINISTER FOR PRIMARY INDUSTRIES

2000

MACKAY CANE PROTECTION AND PRODUCTIVITY BOARD

MISSION STATEMENT: To contribute to the profitability and sustainability of the sugar industry in the Mackay district through improvements in plant protection and productivity programs

ANNUAL REPORT TO THE MINISTER FOR PRIMARY INDUSTRIES

2000

The Mackay Cane Protection and Productivity Board is constituted under the Sugar Industry Act, 1999.

The Board's current three year term commenced 1 April, 1999 and concludes 31 March, 2002.

The Mackay Board was in existence as a Cane Pest and Disease Control Board since the amalgamation of the Cane Pest Board and the Cane Diseases Control Board in 1942. These separate Boards were established on a compulsory basis in 1939 and followed a voluntary Cane Pest Board established in 1924.

Financed by a levy on shareholders of Mackay Sugar Co-operative Association Limited, the Board services cane growing areas supplying Marian, Pleystowe, Racecourse and Farleigh Sugar Mills. The 2000 crop from these areas totalled 4,662,620 tonnes cane from a harvested area of 83,362 hectares, giving an average yield of 55.93 tonnes of cane per hectare.

The Board has adopted a five year strategic plan. The aims and objectives of this plan are:

- Produce adequate supplies of clean seed cane;
- Reduce incidence and effects of cane pests and diseases throughout the district;
- Provide an identification, advisory and referral service for growers on matters pertaining to pest/disease control and productivity;
- Utilise an appropriate computer based system for recording protection and productivity data;
- Support the development of strip trials and demonstration sites by individual growers;
- Facilitate the development of Productivity Groups and discussion groups in all Mill areas;
- Communicate information to stakeholders; and
- Develop an appropriate skill base for staff to meet the expanded role.

Membership of the Board comprises:-

Canegrower Representative (Elected)	Mullins Representative (Appointed)
AS Hamilton (Chairman)	MA Volker (Deputy Chairman)
WG Benson / D Kane / TV Welsh	DW Neville / BB Sheedy / J Toon*
<p style="text-align: center;">BSES Representative (Appointed) G McMahon (T Willcox - Proxy) *Mr J Toon resigned as a Board representative in October 2000.</p>	

The Board met 11 times during 2000.

Secretarial services were provided by CANEGROWERS Mackay, with Mr RJ Mullins as nominee. Mr M Schuurs took over as nominee after Mr RJ Mullins' resignation in October.

Mr T Willcox (BSES) continued as Coordinator.

A Royal assumed the dual responsibilities of Productivity Officer and Field Manager after the resignation of Mr P Amiet in July. Messrs MJ Mackenzie, A Dougan and SJ Evans are Senior Productivity Advisers and there are 5 Productivity Advisers.

Major activities during 2000 included:

- Harvesting, hauling and HWT of 160 tonnes of Q190^o
- Rat bait registration – rodent and non target monitoring and permit applications with EPA
- 10% increase in ELISA testing of plant sources
- HWT program – increased by 350%
- Establishment of distribution plots for varieties – increased area by 100%
- Establishment of new office and conference room facilities.

DISEASE CONTROL:

Staff continued with regular farm visits for disease surveys, plant source inspections and responded to grower requests for checks on suspect cane.

Inspection of seed cane commenced in early March and continued through to October.

A survey of old ratoons and plough-out blocks for Ratoon Stunting disease was continued. Many of the older ratoon blocks normally surveyed were processed this year as routine plant inspections.

Surveys for leaf scald, Fiji disease and sugar cane smut disease were carried out in the latter part of the year.

Fiji Disease -

Random inspections in ratoons of Q124 late in the year failed to locate any trace of this disease.

Ratoon Stunting Disease (RSD) -

(a) Pre-Planting Inspections -

Disease was located on 22 farms, 30 fields totaling 127 hectares.

(b) RSD Survey -

Checks on 174 old ratoon and plough-out blocks located no RSD.

(c) RSD Awareness Program -

Harvester contractors and growers in-groups with RSD are contacted and given details on the disease. Mill field officers are notified of all harvesting groups consisting of fields infected with the disease.

Control measures for RSD and the risks associated with the disease are promoted through the media, grower meetings and field days.

(d) ELISA Diagnostic Laboratory -

During 2000 approximately 15,265 samples were processed at the Te Kowai laboratory for the Mackay Cane Protection and Productivity Board, with 24 blocks testing positive for RSD. (0.6%)

Leaf Scald -

The disease was found in the variety H56-752 in the Owens Creek area. Control measures have been advised.

Yellow Spot -

Small areas of yellow spot were detected in the variety Q124 during the year. Levels of infection were minor.

Bacterial Mottle -

This water-borne disease was located at numerous sites throughout the district, mainly along watercourses following heavy rains.

Sett Rots -

These fungal rots were responsible for widespread germination failures during the latter part of the 2000 planting season. Over-matured, piped and damaged billets allowed the entry of soil-borne fungi such as pineapple disease, fusarium and red rot. Heavy unseasonal rain during the November period compounded the problem.

Rust -

Light to moderate infection was observed in the varieties Q117, H56-752 and Q190^Φ but appeared to have little effect on yield.

Orange Rust -

This disease severely affected the entire district lowering overall production by over 25%. Extended periods of overcast wet conditions were favourable for the rapid spread of the disease. The Mackay sugarcane district was greater than 85% Q124 - the variety most affected by the disease. Large areas of this variety were ploughed out and replanted with other varieties in a bid to lessen the problem. This Board, in association with Mackay Sugar and BSES, established a plant bank. This bank enabled growers to rapidly source the best available planting material of varieties other than Q124.

The Board also utilised a large proportion of reserves to increase the amount of approved seed available. This process was carried out by hand cutting over 160 tonnes of the new variety Q190^Φ and heat treating the material.

Sugar Cane Smut -

Surveys were again conducted throughout all parts of the district. No disease has been located.

Articles were presented through the media to increase grower awareness of the disease.

Pokkah Boeng -

Minor infection was observed in several parts of the district, particularly in the early part of the year.

Pachymetra Root Rot -

Pachymetra infection continues to be found in many parts of the district. The fungus has become more widespread with such large areas planted in previous years to the variety Q124 that is susceptible. An extensive survey planned for the year was delayed because of the outbreak of Orange Rust disease.

CANE PESTS:

Insect Pests -

(a) Soldier Fly -

The area suffering damage was reduced to 155 hectares (227 ha in 1999 and 460 hectares in 1998) and crop losses reduced to 4,320 tonnes (6,145 tonnes in 1999).

Whilst losses were down on previous years, new infestations were reported with damage varying from small patches to large areas on some farms.

The Mackay CPPB continued to finance research into the problem by a BSES staff member under the supervision of Dr Peter Samson. A number of trials were established and studies into population dynamics continued.

(b) Cane Grubs -

The area known to be infested by different grub species rose slightly on the previous year.

Frenchi Grub (*Lepidota frenchi*) was responsible for losses of 2,259 tonnes, while Greyback grub (*Dermolepida alborhirtum*) damage was estimated at 790 tonnes.

Trials with *metarhizium* fungus were established to check the efficacy against Frenchi grub. The recommended chemical treatment, suSCon Blue, continues to give good control provided that placement is correct.

(c) Wireworms -

Small areas of damage were reported where growers had failed to apply chlorpyrifos (Lorsban) at planting.

An estimated 17,830 hectares were treated.

(d) Weevil Borer -

Infestations are known to exist in all sections of the Mackay Sugar area.

Mr A Dougan, along with other staff continues to conduct population monitoring and stalk damage counts in a number of blocks.

Weevil borer numbers throughout the year were compatible with those of 1999.

Stalk damage counts carried out during the harvest showed damage levels ranging from 5% to 37%.

Mr Dougan will continue to monitor populations and assisted in trials with the BSES using pheromone baits.

(e) Large Moth Borer -

Numerous infestations were reported throughout the year, mainly from grassy blocks or adjacent to grassy headlands.

Crop damage appeared to be negligible.

(f) Army Worms -

Light to moderate infestations appeared in all sections of the district in the latter part of the year.

In most cases no action was required, however in some instances chemical control was implemented.

Animal and Bird Pests -

(a) Rats -

The large population, which built up over the 1998-99 season, continued to impact on the 2000 crop. Considerable damage was reported from both *Rattus sordidus* and *Melomys burtoni*.

The industry secured two emergency permits for the use of zinc phosphide and Racumin baits. The permits enabled the baits to be used without bait stations within the confines of the crop.

As part of the permit conditions, the Board conducted regular rounds of rodent monitoring and studies into secondary poisoning.

A series of grower workshops were conducted involving both IPM strategies and safety issues regarding the chemicals. Over 1,145 Mackay growers attended the workshops.

Bi-weekly teleconferences were held to ensure all parties involved were adhering to the time constraints of permit conditions.

Grower estimates of losses in the 2000 crop were approximately 138,260 tonnes, although damage was almost impossible to ascertain given the impact of poor growing conditions and orange rust.

(b) Wallabies -

Crop losses were estimated to be 3,440 tonnes compared to 1,600 tonnes in 1999 and 370 tonnes in 1998.

(c) Feral Pigs -

The problem of feral pigs continued, with losses of 9,822 tonnes compared to 500 tonnes in 1998.

As a result, the Mackay CPPB provided funding to assist growers purchase pig traps.

(d) Eastern Swamp Hens (Coots) -

Crop damage increased from 550 tonnes in 1998, 2,300 tonnes in 1999, to 7,238 tonnes.

(e) Cockatoos -

Cockatoos were responsible for the loss of some 3,015 tonnes of cane, more than double the previous year's losses.

Staff also assisted judging awards with productivity committees and the CANEGROWERS organisation.

An annual bus trip was held in conjunction with BSES to bring growers up-to-date on relevant issues.

Computer Services -

Spreadsheets enabling reliable decision-making were prepared and given to interested growers. With all time low production and low sugar prices more and more growers are utilising products such as this as part of their farm management tools.

STAFF:

The Field Manager retired from service in July.

All staff carried out their duties in a professional manner and worked many extended hours catering for the increased demand on plant source requirements following the demise of the major variety.

Table VII lists the permanent staff employed at 31 December 2000.

Table VII
Permanent Staff

Name	Position	Date Commenced
A Royal	Productivity Officer	21-Mar-94
M Mackenzie	Senior Productivity Adviser	26-Oct-89
A Dougan	Senior Productivity Adviser	28-Jun-93
SJ Evans	Senior Productivity Adviser	15-May-89
D Barbour	Productivity Adviser	2-Jun-83
R Gunning	Productivity Adviser	9-Jan-84
A Kelleher	Productivity Adviser	22-Oct-84
I Bradshaw	Productivity Adviser	2-May-89
A Windsor	Productivity Adviser	29-Jan-96

STAFF TRAINING:

A number of courses, workshops and seminars were attended.

These included -

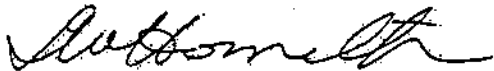
- First Aid Refresher Course
- ASSCT Conference
- Weeds Conference

APPRECIATION:

The Board and staff received support, co-operation and assistance from many organisations and individuals.

Special thanks go to:

- Management and Staff at each of the Mackay Sugar Mills;
- BSES Staff in Mackay, Brisbane and other centres;
- CANEGROWERS Mackay and Area Committees;
- The Australian Broadcasting Corporation, *The Daily Mercury*, *The Bush Telegraph* and *Sugar Times*
- Local Agribusiness
- The many individual cane growers in the district



AS Hamilton
CHAIRMAN

MACKAY CANE PROTECTION & PRODUCTIVITY BOARD

PROFIT AND LOSS STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2000

OPERATING REVENUE	2000	1999
LEVIES RECEIVED	372,337	527,011
SALE OF CANE PLANTS	0	1,940
CANE PROCEEDS	7,136	8,833
INTEREST	72,244	65,117
RENT RECEIVED	2,322	2,150
CONFERENCE INCOME	0	1,831
DISPOSAL OF ASSETS	11,584	18,590
REBATES	260	0
TOTAL OPERATING REVENUE	465,884	625,472

OPERATING EXPENSES

ADMINISTRATION CHARGES	20,056	20,000
ADVERTISING	1,665	5,173
AUDIT FEES	2,850	2,850
BANK CHARGES	936	628
COMPUTER EXPENSES	288	2,178
CONSULTANTS FEES	1,300	1,040
CREDIT CARD FEES	178	390
DEPRECIATION	64,419	60,468
ELECTRICITY	557	640
ENTERTAINMENT	2,674	760
FARM EXPENSES	20,169	11,617
FREIGHT	8,727	217
FRINGE BENEFITS TAX	3,641	4,705
GARAGE RENTAL	500	500
GROWER SUBSIDIES	6,277	3,362
INSURANCE	7,273	4,345
INTEREST PAID	673	1,225
LEGAL FEES	7,326	809
LICENCE FEES	154	159
MEETING FEES & ALLOWANCES	19,051	14,833
MOTOR VEHICLE EXPENSES	46,818	47,606
SUB-TOTAL	215,534	183,505

BAH 72

SUB-TOTAL	215,534	183,505
PEST MANAGEMENT RESEARCHER	32,960	78,463
PHOTOGRAPHY	0	81
PLANT HIRE	600	820
POSTAGE	1,661	589
PRESENTATIONS & DONATIONS	897	318
PRINTING AND STATIONERY	5,041	2,940
PRODUCTIVITY CO-ORDINATOR		
& OFFICE RENTAL	33,144	39,936
OFFICE RENTAL	404	0
RATES & CHARGES	2,250	2,052
REPAIRS & MAINTENANCE	16,037	6,714
R.S.D. TESTING	9,145	13,720
SAFETY SUPPLIES	1,044	2,032
SEMINARS & CONFERENCES	2,216	2,319
SUBSCRIPTIONS	671	1,113
SUNDRY EXPENSES	1,693	168
SUPERANNUATION	30,755	27,281
TELEPHONE	16,528	14,508
TRAINING & TRAVEL	4,997	8,380
WAGES	401,118	393,134
ANNUAL LEAVE ENTITLEMENT	224	-5,534
LSL ENTITLEMENT	-10,792	2,874
TOTAL OPERATING EXPENSES	766,124	774,413
OPERATING PROFIT/(LOSS)	-300,241	-148,941
EXTRA-ORDINARY ITEM		
SUPERANNUATION RESERVE TFR	0	348,154
OPERATING PROFIT/(LOSS) AFTER EXTRA-ORDINARY ITEMS	-300,241	199,213

ABM 72

MACKAY CANE PROTECTION & PRODUCTIVITY BOARD

BALANCE SHEET AS AT 31ST DECEMBER 2000

	NOTE	2000	1999
CURRENT ASSETS			
CASH	2	73,649	-35,901
RECEIVABLES	3	21,567	14,117
INVESTMENTS	4	1,080,240	1,475,146
INVENTORIES	5	1,598	1,608
TOTAL CURRENT ASSETS		<u>1,177,054</u>	<u>1,454,970</u>
NON-CURRENT ASSETS			
PREPAID OFFICE RENT		138,263	0
PROPERTY, PLANT & EQUIPMENT	6	<u>534,670</u>	<u>571,795</u>
TOTAL NON-CURRENT ASSETS		<u>672,933</u>	<u>571,795</u>
TOTAL ASSETS		<u>1,849,987</u>	<u>2,026,765</u>
CURRENT LIABILITIES			
CREDITORS	7	188,111	44,493
LEASE LIABILITY		0	9,587
PROVISION FOR LONG SERVICE LEAVE		10,568	25,957
PROVISION FOR ANNUAL LEAVE		21,696	21,472
TOTAL CURRENT LIABILITIES		<u>220,375</u>	<u>101,509</u>
NON-CURRENT LIABILITIES			
PROVISION FOR LONG SERVICE LEAVE		<u>20,916</u>	<u>16,319</u>
TOTAL NON-CURRENT LIABILITIES		<u>20,916</u>	<u>16,319</u>
TOTAL LIABILITIES		<u>241,291</u>	<u>117,828</u>
NET ASSETS		<u>1,608,696</u>	<u>1,908,937</u>
EQUITY			
RETAINED PROFITS	8	<u>1,608,696</u>	<u>1,908,937</u>

THE ACCOMPANYING NOTES FORM PART OF THESE FINANCIAL STATEMENTS.

BAH 70.

MACKAY CANE PROTECTION AND PRODUCTIVITY BOARD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST DECEMBER 2000

	NOTE	2000	1999
Cash Flow From Operating Activities			
Receipts from General Levies		372,337	535,258
Payments to Suppliers and Employees		-719,802	-674,255
Receipts from Sale of Crop		7,136	18,105
Receipts from Rent		2,322	2,150
Extra-Ordinary Item - Superannuation Reserve		0	348,154
Conference Income		0	-702
Interest Received		69,717	64,330
Interest and Other Costs of Finance Paid		-673	-1,225
Rebates Received		260	0
Net Cash Provided by Operating Activities	2	-268,703	291,815
Cash Flow From Investing Activities			
Payment for Plant & Equipment		-61,891	-117,378
Proceeds from Sale of Plant & Equipment		46,182	66,000
Net Cash Used In Investing Activities		-15,709	-51,378
Net Increase/(Decrease) in Cash Held		-284,412	240,437
Cash as at 1st January, 2000		1,436,937	1,196,500
Cash as at 31st December, 2000	1	1,152,525	1,436,937

Notes To Statement Of Cash Flows

1. Reconciliation of Cash

For the purpose of the statement of cash flows cash includes -

Cash on hand and in at call deposits with banks or financial institutions, net of bank overdraft and credit cards.

Cash at the end of the year is shown in the balance sheet as:

Cash on Hand	0	208
Cash at Bank	73,649	-36,109
At Call Deposits with Financial Institutions	1,080,240	1,475,146
Mastercard Account	-1,364	-2,308
	<u>1,152,525</u>	<u>1,436,937</u>

ASH 7N.

MACKAY CANE PROTECTION AND PRODUCTIVITY BOARD

STATEMENT OF CASH FLOWS

FOR YEAR ENDED 31ST DECEMBER 2000

	NOTE	2000	1999
2. Reconciliation of Cash Flow from Operations with Operating Surplus			
Operating Surplus		-300,241	199,213
Non-Cash Flows in Operating Profit:			
Depreciation		64,419	60,468
Sale of Property, Plant & Equipment		-11,584	-18,590
Changes in Assets:			
(Increase)/ Decrease in Trade Debtors		1,984	17,116
(Increase)/Decrease in Other Debtors/Prepayments		-148,320	5,802
(Increase)/Decrease in Inventories		10	-608
(Increase)/Decrease in Accrued Interest		622	-788
Changes in Liabilities:			
Increase/(Decrease) in Lease Liability		-9,587	0
Increase/(Decrease) in Long Service Leave Prov		-10,792	2,873
Increase/(Decrease) in Creditors		144,562	32,862
Increase/(Decrease) in Annual Leave Provision		224	-6,533
Cash Flows From Operations		<u>-268,703</u>	<u>291,815</u>

ASH 72.

MACKAY CANE PROTECTION AND PRODUCTIVITY BOARD

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2000

NOTE 1: Statement of Accounting Policies

(a) Basis of Accounts

The Accounts have been prepared in accordance with *Public Finance Standards issued under Section 46L of the Financial Administration and Audit Act 1977* and Applicable Accounting Standards. The accounts have also been prepared on an historical basis consistent with the basis applied in the previous financial year. Income and expenditure are brought to account on an accrual basis.

(b) Inventories

Inventories are valued at the lower of cost or net realisable value.

(c) Property Plant and Equipment

Property Plant and Equipment are included in the accounts at cost less accumulated depreciation.

(d) Depreciation

Depreciation is provided on all fixed assets, other than land and is calculated on the diminishing value method over their useful life.

Gains or losses arising from the sale or disposal of fixed assets are brought to account in the determination of the surplus/(deficit) for the year.

(e) Investments

Investments, consisting of deposits with banks and financial institutions, are included at cost.

(f) Employee Benefits

The provision has been made for the legal liability to employees for long service leave and annual leave as required by Australian Accounting Standard AAS 30.

ABH 72.

MACKAY CANE PROTECTION AND PRODUCTIVITY BOARD

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2000

(g) Contingent Assets/Liabilities

There were no known contingent assets/liabilities of a significant nature as at 31st December, 2000.

BSA. 72.

MACKAY CANE PROTECTION AND PRODUCTIVITY BOARD

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2000

	2000	1999
NOTE 2: CASH		
NATIONAL AUSTRALIA BANK	73,649	-36,109
CASH ON HAND	0	208
	<u>73,649</u>	<u>-35,901</u>
NOTE 3: RECEIVABLES		
DEBTORS	7,707	9,691
PREPAYMENTS	11,333	1,276
INTEREST ACCRUED	2,527	3,149
	<u>21,567</u>	<u>14,116</u>
NOTE 4 INVESTMENTS		
MPBS - SUPERANNUATION RES	362,704	341,064
CANEGROWERS FINANCIAL SERVICES	717,536	1,134,082
	<u>1,080,240</u>	<u>1,475,146</u>
NOTE 5: INVENTORIES		
FUEL	936	1,608
CHEMICALS & POISONS	662	0
	<u>1,598</u>	<u>1,608</u>

BSA 70.

MACKAY CANE PROTECTION AND PRODUCTIVITY BOARD

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2000

	2000	1999
NOTE 6: PROPERTY, PLANT & EQUIPMENT		
FREEHOLD LAND	<u>4,794</u>	<u>4,794</u>
VICTORIA PLAINS FARM	<u>175,055</u>	<u>175,055</u>
BUILDINGS AND IMPROVEMENTS	131,770	131,770
LESS ACCUM DEPRECIATION	<u>33,783</u>	<u>30,752</u>
	<u>97,987</u>	<u>101,018</u>
 HOT WATER TREATMENT PLANT	25,816	25,816
LESS ACCUM DEPRECIATION	<u>24,173</u>	<u>23,990</u>
	<u>1,643</u>	<u>1,826</u>
 PLANT & EQUIPMENT		
TOOLS & EQUIPMENT	24,025	17,329
LESS ACCUM DEPRECIATION	<u>10,342</u>	<u>9,340</u>
	<u>13,683</u>	<u>7,989</u>
 PLANT	56,042	56,042
LESS ACCUM DEPRECIATION	<u>37,615</u>	<u>33,009</u>
	<u>18,427</u>	<u>23,033</u>
 MOTOR VEHICLES	254,358	281,740
LESS ACCUM DEPRECIATION	<u>69,837</u>	<u>69,746</u>
	<u>184,521</u>	<u>211,994</u>
 TRACTOR	17,595	17,595
LESS ACCUM DEPRECIATION	<u>14,657</u>	<u>13,923</u>
	<u>2,938</u>	<u>3,672</u>
 FURNITURE & FITTINGS		
FURNITURE & FITTINGS	6,022	6,022
LESS ACCUM DEPRECIATION	<u>1,765</u>	<u>1,541</u>
	<u>4,257</u>	<u>4,481</u>
 OFFICE EQUIPMENT	68,367	68,367
LESS ACCUM DEPRECIATION	<u>37,002</u>	<u>30,434</u>
	<u>31,365</u>	<u>37,933</u>

Handwritten signature/initials

NOTE 7: CREDITORS

SUNDRY CREDITORS	186,747	42,185
NAB MASTER CARD	1,364	2,308
	<u>188,111</u>	<u>44,493</u>

NOTE 8: RETAINED PROFITS

Balance as at 1st January, 2000	1,908,937	1,709,724
Add: Net Profit/(Loss)	-300,241	199,213
	<u>1,608,696</u>	<u>1,908,937</u>

ABH 72.

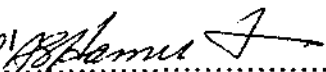
MANAGEMENT CERTIFICATE
CERTIFICATE BY MACKAY CANE PROTECTION AND
PRODUCTIVITY BOARD
FOR YEAR ENDED 31ST DECEMBER, 2000

We have prepared the foregoing annual financial statements pursuant to the provisions of the *Financial Administration and Audit Act 1977* and other prescribed requirements and certify that -

in our opinion -

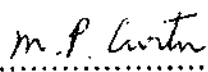
(i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and

(ii) the statements have been drawn up so as to present a true and fair view in accordance with prescribed accounting standards of the transactions of the Mackay Cane Protection and Productivity Board for the financial year ended 31st December, 2000, and of the financial position as at the end of that year.

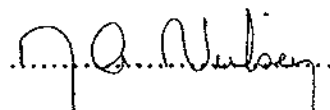
9/5/01 
.....

Date

Chairman


.....

Principal Accounting
Officer


.....

Secretary

INDEPENDENT AUDIT REPORT

To Mackay Cane Protection and Productivity Board

Scope

I have audited the general purpose financial statements of Mackay Cane Protection and Productivity Board for the year ended 31 December 2000 in terms of section 46G of the *Financial Administration and Audit Act 1977*. The financial statements comprise the Profit and Loss Statement, Balance Sheet, Statement of Cash Flows, Notes to and forming part of the financial statements and certificates given by the Chairperson and person responsible for financial administration.

The Board is responsible for the preparation and the form of presentation of the financial statements and the information they contain. I have audited the financial statements in order to express an opinion on them.

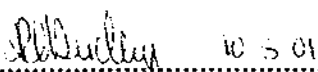
The audit was conducted in accordance with *QAO Auditing Standards*, which incorporate the Australian Auditing standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included the examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with prescribed requirements which include Australian Accounting Standards so as to present a view which is consistent with my understanding of the entity's financial position and the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In accordance with section 46G of the *Financial Administration and Audit Act*, I certify that I have received all the information and explanations I have required and, in my opinion -

- the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
- the statements have been drawn up so as to present a true and fair view in accordance with prescribed accounting standards and other prescribed requirements of the transactions of Mackay Cane Protection and Productivity Board for the financial year 1 January 2000 to 31 December 2000 and of the financial position as at the end of that year.


.....
(Mrs) Robynne Dudley
as delegate of the Auditor-General of Queensland

Queensland Audit Office
Brisbane

PLANE CREEK CANE PROTECTION AND PRODUCTIVITY BOARD

ANNUAL REPORT

TO THE

MINISTER FOR PRIMARY INDUSTRIES

2000

ANNUAL REPORT
by the
PLANE CREEK CANE PROTECTION & PRODUCTIVITY BOARD
to the
MINISTER FOR PRIMARY INDUSTRIES

BOARD MEMBERSHIP

CANEGROWER REPRESENTATIVES	James E Pedersen (Chairman) Peter Hackett Keith E Schmidtke
MILLOWNER REPRESENTATIVES	John Pratt Paul Giordani
BSES NOMINEE	Robert Sluggett
SECRETARY	Suzanne L Rowlinson
FIELD PRODUCTIVITY OFFICER	Mark Beech
RESEARCH ASSISTANT	Shay Simpson

SECRETARIAT AND STAFF

Secretarial and clerical services for the Board are provided by CANEGROWERS Mackay with Mrs Sue Rowlinson as nominee Secretary.

An agreement with the Sugar Experiment Stations Board to provide the services of the Field Productivity Officer and Research Assistant has proven both economical and efficient.

MAJOR FIELD ISSUES

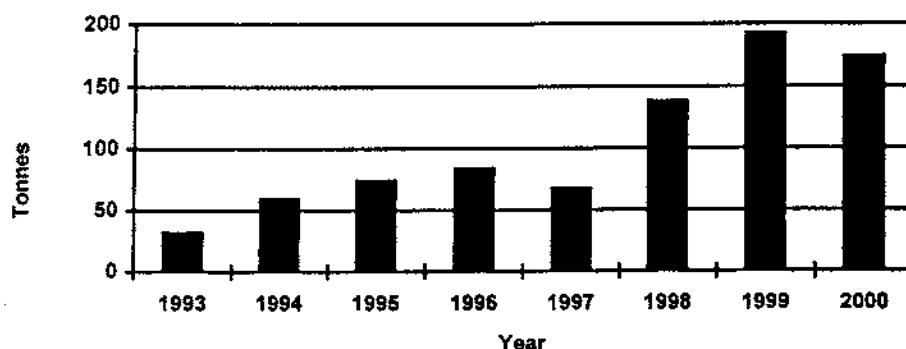
Approved Seed Plots

Approximately 174 tonnes of clean seed was distributed from the plots this year which was 26 tonnes less than 1999 due to growers generally not wanting Q124 clean plants. Only four growers collected Q124. Nearly 99% of assignments received clean seed this year, which is well above normal. The quantity of plants distributed this year would not have been possible without the extra planting undertaken in 1999 and the cooperation of the growers who grow the cane on behalf of the Board.

Additional to the plots, 15 tonnes of the new variety Q190^A was obtained from Wagoora and hot water treated, before being released to growers, on a basis of ¾ of a stick per CPA hectare.

Poor germination resulted from sticks cut from the lower half of the plant but generally most people had satisfactory germination considering it was hot water treated and handled several times before being planted.

Figure 1 – Utilisation of Board's Plots 1993 -2000



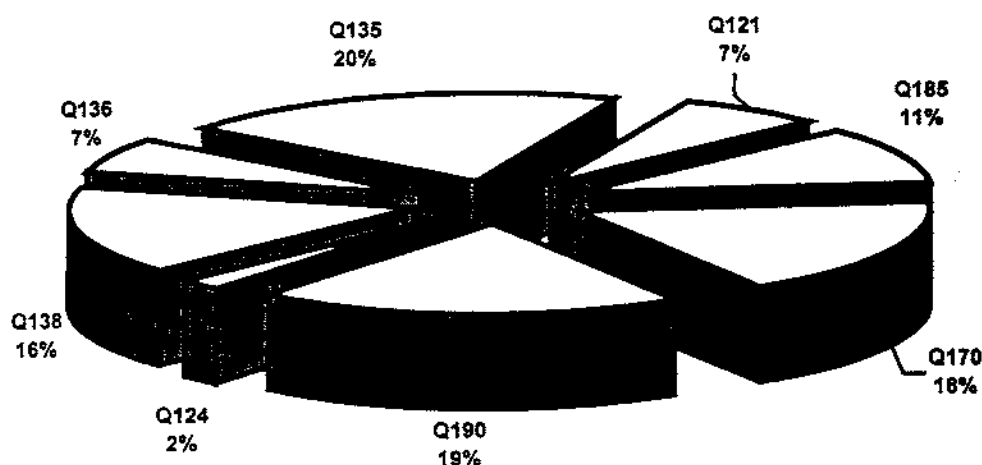
Once again growers had the choice of either having their seed cut and delivered or alternatively they could collect the seed from the plot as in previous years. Due to the small quotas, growers generally opted to cut and collect the cane themselves.

The plots have again been expanded to accommodate the extra demand for other varieties with the demise of Q124. Extra quantities of Q157 (expected to be released in 2001) have been obtained from the BSES plot at Ingham and planted separate to our other plots for quarantine reasons. It is anticipated that approximately 700 tonnes of clean seed will be available from Plane Creek plots in 2001. This compares to a distribution of just under 70 tonnes in 1997.

In contrast to 1999, Q124 was the least popular variety this year (*See figure 2*).

Approved seed plots remains the most cost effective and efficient way for the Board to control the spread of disease in Plane Creek. The Plane Creek CPPB is extremely grateful to the plot holders, Tom Reed, Brian Adams and Arthur Gardner, for their continued assistance in supplying quality clean seed to Plane Creek growers.

Figure 2. Varieties Distributed in 2000



PESTS

Grubs

Growers in grub prone areas who do not apply Suscon at planting are still suffering losses from frenchi (*Lepidiotia frenchi*), Negatoria (*Lepidiotia negatoria*) and Greyback (*Dermolepida albohirtum*) canegrubs. Significant frenchi/negatoria damage has again occurred in the Alligator Creek area with significant losses on some individual farms. Greyback numbers have declined from their peak in 1997. About 200ha was damaged by canegrubs in 2000.

The Plane Creek Cane Protection and Productivity Board continues to cooperate with BSES with grub trials in the area.

Soldier Fly

Soldier fly infestations caused minimal damage in 2000.

Armyworms

Armyworms were present throughout the mill area and damaged approximately 500ha of cane. Blocks infested with successive generations were sprayed with Lorsban.

Other

Some crop losses resulted from weevil borer, large moth borer and wireworms infestations. Weevil borer damage appears to be on the increase.

Animal and Bird Pests

Several permits by the Qld Parks And Wildlife service were issued during 2000 for the destruction of pests including Eastern Swamp Hen (*Porphyrio porphyrio*), Agile Wallabies (*Macropus agilis*) and Feral Pigs (*Sus scrofa*).

Eastern Swamp Hen caused considerable crop damage in 2000 especially to cane blocks near, or adjacent to, wetland areas. Water laying in cane paddocks provided swamp hens with an ideal habitat with food, water and protection from predators all in one convenient location.

Rat damage was again an issue for Plane Creek growers in 2000. Growers welcomed the issue by the National Registration Authority of an emergency use permit for the use of Ratoff and Racumin without the need of bait stations in crop situations.

Where growers have not controlled grasses etc both in and around their cane, heavy rat damage can be expected in the coming season. The PCCPPB will continue to monitor the situation and cooperate with other stakeholders to find an effective solution to the problem.

DISEASES

Orange Rust

Orange rust caused yield reductions in the order of 15-20% in Q124 crops during the 2000 season. The impact on the crop caused a major rethink by growers as to their variety selection. Planting of Q124 went from about 90% of the planting in 1999 to just under 10% in 2000 with Q135 (28%), Q138 (26%), Q136 (14%) and to a lesser extent Q121 (10%)

filling the gap. Propagation of new varieties has been accelerated to assist in filling the gap also.

Ratoon Stunting Disease

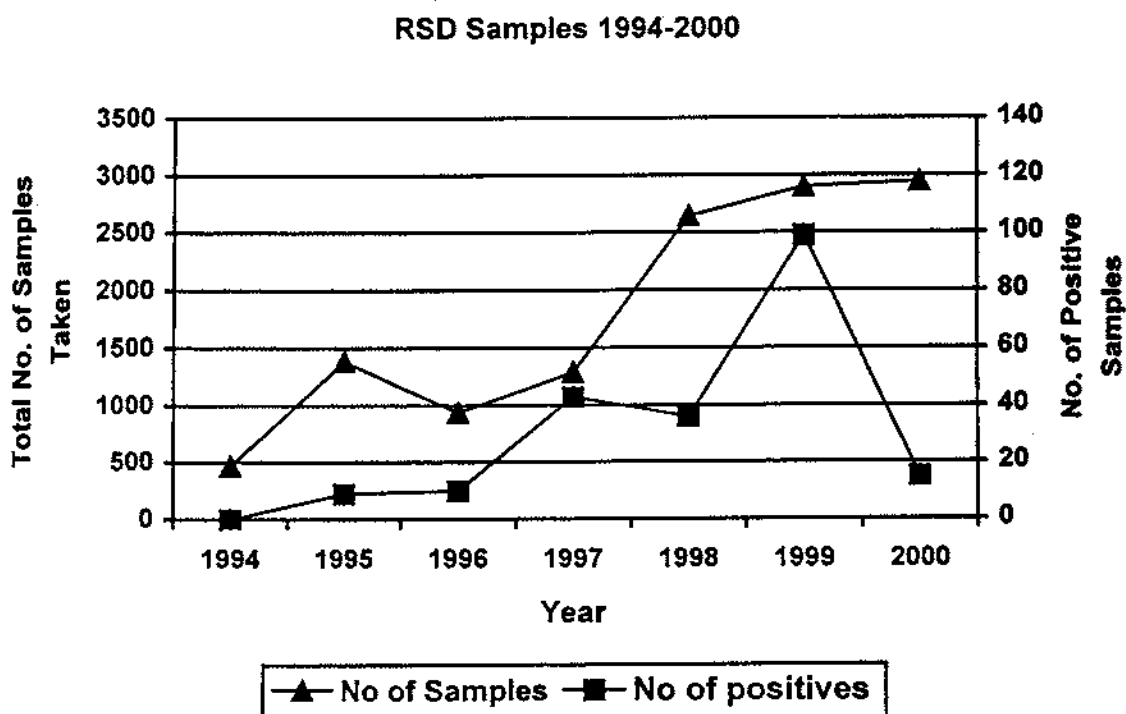
Ratoon stunting disease (RSD) is the major disease in the mill area at present. Ten blocks tested positive to RSD during the year (See Table 1).

Two new farms were found diseased this year. Planting diseased cane and not obtaining clean seed continue to be the main means of RSD transmission in Plane Creek. It is essential that all growers obtain approved seed every year, have plant sources inspected prior to planting and practice good farm hygiene to reduce their chances of getting the disease. Growers who do not do this are not only putting themselves at risk but also others in their harvesting group.

During 2000 many growers used plant sources of varieties, other than Q124, which were several years from any hot water treatment which may lead to an increase in RSD levels in future years.

Table 1. Summary of Plant Source Inspections 2000

Number of Samples Taken	Result	Hectares	No. of Blocks	No. of Farms
2932	Negative	1153.33	634	182
15	Positive	20.99	11	4
2947	Totals	1174.32	645	182



Pachymetra Root Rot

During 2000 a survey of Plane Creek cane fields for pachymetra root rot was completed. The survey was a joint effort between Plane Creek Cane Protection and Productivity Board and BSES and was initiated following several findings of extremely high levels of Pachymetra (up to 1,647,444 spores/kg) in the Plane Creek mill area. In badly-affected fields, low yields and stool tipping were an obvious result of the disease.

Of greatest concern to the district is the high Pachymetra levels in the major variety Q124, which made up 83% of the 2000 Plane Creek crop. Spores counts of 1,300,000 sp/kg were recorded in some crops; 120,000 sp/kg has been shown to cause yield reductions of 20% in this variety.

The results suggest that Pachymetra root rot in Plane Creek is having a significant impact on productivity.

No. of Farms Surveyed	% of Farms	No. of blocks Surveyed	% of Samples with Pachymetra	% of Samples > 100,000/kg	Average Spore Count/kg Soil
89	37%	206	88.3	34.5	119,427

Q121, Q136, Q159 are all highly susceptible to the disease, and planting successive crops of these varieties should be avoided where possible.

The need to monitor crops for pachymetra has become apparent so that growers can make informed variety decisions. To facilitate this a lab for analyzing pachymetra samples has been established on a fee for service basis in Sarina by the Cane Protection and Productivity Board.

Pineapple Disease

The area affected by pineapple disease was considerably less this year, probably mainly due to better seasonal conditions and farming practices. Use of a mercury based (shiratan) fungicide increased by 800 ha in 2000 after the many planting failures in 1999.

Smut

Field inspections surveying for sugarcane smut continued in 2000 in cooperation with BSES.

A block at Alligator Creek was quarantined after it was discovered that the seed of a forage sorghum crop planted, had originated from the Ord. After intensive inspections by Cane Protection and Productivity Board and BSES officers, the crop was destroyed even though no symptoms of smut were found. Quarantine was lifted in August.

Again, no smut was found during surveys however growers are asked to remain vigilant and report any unusual stools.

1999 Productivity Review

The year 2000 will be remembered and the effects of it will be felt for many years. Not only did growers suffer low yields due to seasonal as well as disease influences but the sugar price dropped to around \$255/tonne.

What this meant to an average grower in Plane Creek is that income per hectare went from \$1362 in 1999 to \$779 in 2000, which is a 43% reduction. Returns in 2000 were only 30% of those in 1997.

Just over 20,000 hectares of cane was harvested in 2000 producing 56.4 tonnes of cane/ha and 7.33 tonnes of sugar/ha on average. The best tonnes of sugar/ha was 11.5 tonnes while the worst was only 3.25 tonnes sugar/ha. Carmila West was the district that average the highest at 9.2 tonnes of sugar/ha while Dawlish produced the least at 6.42 tonnes of sugar/ha.

Q124 has been the favourite of growers for many years however 2000 has shown growers once again what can happen when one single variety is relied upon too much. The next few years will see a major shift in the variety makeup of the Plane Creek Mill area to varieties more tolerant of orange rust. Although, there are several good varieties out at the moment, as well as coming through the BSES plant breeding system, it is unlikely that we will see another variety like Q124 for quite a while. A variety, which is able, to be grown on almost any soil type, harvested throughout the season and still compares favourably to all the others. Instead, I think that we will see many varieties, which suit specific circumstances and specific soil types.

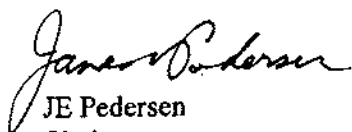
2000 was the third year that the Plane Creek Cane Protection and Productivity Board in conjunction with BSES and CSR Plane Creek staff, produced a review of each farms production in comparison to their district and the mill. These reports were mailed to every grower and provided a graphical picture of their production. They are a valuable tool for farm decision-making allowing growers to compare the performance of each of the major varieties on their farm in terms of a dollar return/ha. These reports will become even more valuable as new varieties are planted and the spectrum of varieties on offer is expanded.

Advisory services

Advice was mainly in relation to, drainage, variety selection, poor ratooning and pest and disease problems. By far variety selection and propagation of alternative varieties has been a major activity of the board during the year.

The Plane Creek Cane Protection and Productivity Board continues to work closely with BSES to deliver a wide range of services to growers. These include pest and disease advice and monitoring, advice on farm management issues such as irrigation, drainage and fertilisers, surveying, provision of approved seed for planting and technical support for property planning.

Thanks are due to the members and Secretary of the Plane Creek Cane Protection and Productivity Board, CANEGROWERS, BSES, Mackay Cane Protection and Productivity Board and staff of CSR Plane Creek for their assistance and support during the year.


JE Pedersen
Chairman

March 2001

PLANE CREEK CANE PROTECTION AND PRODUCTIVITY BOARD

OPERATING STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2000

	NOTES	2000 \$	1999 \$
COST OF SERVICES			
Operating Expenses			
Administration Charges		10,000	10,000
Advertising		0	79
Audit Fees		1,725	1,725
Bank Charges		40	32
Clean Seed		17,868	2,919
Computer Expenses		210	1,341
Conference Expenses		0	717
Depreciation		7,688	8,528
Entertainment & Refreshments		181	225
Freight		29	45
Hire of Plant & Equipment		230	169
Insurance		2,211	1,141
Interest Paid		2	1
Meeting Fees & Allowances		1,889	3,019
Motor Vehicle Expenses		4,367	5,034
Office Rental		3,025	1,500
Photography		0	13
Postage		573	386
Presentations & Donations		0	155
Printing & Stationery		1,508	1,810
Productivity Co-Ordinator		51,801	48,933
Repairs & Maintenance		1,206	688
Research Assistant Fees		33,489	40,095
RSD Testing Expenses		1,580	2,899
Subscriptions		107	211
Telephone		3,861	3,395
Training & Travel Expenses		1,039	1,761
Total Operating Expenses		144,629	136,821
Operating Revenue from Independent Sources			
Levies Received		78,292	123,278
Sale of Cane Plants		20,000	0
Smut Survey - BSES Contributions		3,001	2,880
Irrigation Survey		2,304	0
Interest		11,024	8,852
Total Operating Revenue		114,621	135,010
Total Operating Revenue and Extraordinary Items		114,621	135,010
Change in Net Assets Resulting from Operations		-30,008	-1,811
Results from Operations of Prior Periods		305,468	307,279
Accumulated Results from Operations		275,460	305,468

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PLANE CREEK CANE PROTECTION AND PRODUCTIVITY BOARD

STATEMENT OF FINANCIAL POSITION

AS AT 31ST DECEMBER 2000

	NOTES	2000 \$	1999 \$
CURRENT ASSETS			
CASH	3	6,841	48,336
RECEIVABLES	4	10,875	811
INVESTMENTS	5	<u>226,130</u>	<u>193,924</u>
Total Current Assets		243,846	243,071
NON-CURRENT ASSETS			
PROPERTY, PLANT & EQUIPMENT	6	71,511	79,199
Total Non-Current Assets		<u>71,511</u>	<u>79,199</u>
TOTAL ASSETS		<u><u>315,357</u></u>	<u><u>322,270</u></u>
CURRENT LIABILITIES			
CREDITORS		39,896	16,802
TOTAL LIABILITIES		<u>39,896</u>	<u>16,802</u>
NET ASSETS		<u><u>275,460</u></u>	<u><u>305,468</u></u>
EQUITY			
Accumulated Results from Operations	7	<u>275,460</u>	<u>305,468</u>

The accompanying notes form part of these financial statements.

PLANE CREEK CANE PROTECTION AND PRODUCTIVITY BOARD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST DECEMBER 2000

	NOTE	2000 \$	1999 \$
Cash Flow From Operating Activities			
Receipts from General Levies		78,292	125,671
Payments to Suppliers and Employees		-124,093	-134,234
Sale of Cane Plants		20,000	0
Smut Survey - BSES Contribution		3,001	2,880
Irrigation Survey		2,304	0
Interest Received		11,206	8,849
Net Cash Provided by Operating Activities	2	-9,290	3,166
Cash Flow From Investing Activities			
Payment for Plant & Equipment		0	-215
Net Cash Used In Investing Activities		0	-215
Net Increase/(Decrease) in Cash Held		-9,290	2,951
Cash as at 1st January, 2000		242,260	239,309
Cash as at 31st December, 2000	1	232,970	242,260

Notes To Statement Of Cash Flows

1. Reconciliation of Cash

For the purpose of the statement of cash flows cash includes -

Cash on hand and in at call deposits with banks or financial institutions, net of bank overdraft.

Cash at the end of the year is shown in the balance sheet as:

Cash at Bank	6,841	48,336
At Call Deposits with Financial Institutions	226,129	193,924
	232,970	242,260

PLANE CREEK CANE PROTECTION AND PRODUCTIVITY BOARD

STATEMENT OF CASH FLOWS

FOR YEAR ENDED 31ST DECEMBER 2000

	NOTE	2000 \$	1999 \$
2. Reconciliation of Cash Flow from Operations with Operating Profit after Income Tax			
Operating Profit after Income Tax		-30,008	-1,811
Non-Cash Flows in Operating Profit:			
Depreciation		7,688	8,529
Changes in Assets:			
(Increase)/ Decrease in Trade Debtors		-10,246	2,142
(Increase)/Decrease in Accrued Interest		182	-3
Changes in Liabilities:			
Increase/(Decrease) in Trade Creditors		<u>23,094</u>	<u>-5,691</u>
Cash Flows From Operations		<u><u>-9,290</u></u>	<u><u>3,166</u></u>

PLANE CREEK CANE PROTECTION AND PRODUCTIVITY BOARD

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2000

NOTE 1: Statement of Accounting Policies

(a) Basis of Accounts

The Accounts have been prepared in accordance with *Public Finance Standards issued under Section 46L of the Financial Administration and Audit Act 1977* and Approved Accounting Standards. The accounts have also been prepared on an historical cost basis consistent with the basis applied in the previous financial year. Income and expenditure are brought to account on an accrual basis. The accounting policies have been consistently applied.

(b) Property Plant and Equipment

Property Plant and Equipment are included in the accounts at cost less accumulated depreciation.

(c) Depreciation

Depreciation is provided on all fixed assets, other than land and is calculated on the diminishing value method.

Gains or losses arising from the sale or disposal of fixed assets are brought to account in the determination of the profit for the year.

(d) Investments

Investments are included at cost.

(e) Contingent Assets/Liabilities

There were no known contingent assets/liabilities of a significant nature as at 31st December, 2000.

PLANE CREEK CANE PROTECTION AND PRODUCTIVITY BOARD

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2000

NOTE 2: Operating profit/(loss) before abnormal items and income tax has been determined after:

	2000 \$	1999 \$
(a) Crediting as Revenue		
Levies	78,292	123,278
Interest	11,024	8,852
(b) Charging as Expense		
Secretarial Services	10,000	10,000
Depreciation	7,688	8,529
Audit Fee	1,725	1,725
Members Fees & Allowances	1,889	3,019

NOTE 3: Cash / Overdraft

Petty Cash	0	100
National Australia Bank	6,841	48,236
	<u>6,841</u>	<u>48,336</u>

NOTE 4: Receivables

Debtors	10,497	251
Accrued Interest	378	560
	<u>10,875</u>	<u>811</u>

NOTE 5: Investments

Suncorp Building Society	94,620	89,038
Canegrowers Financial Services	131,510	104,886
	<u>226,130</u>	<u>193,924</u>

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PLANE CREEK CANE PROTECTION AND PRODUCTIVITY BOARD

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2000

	2000 \$	1999 \$
NOTE 6: Property Plant & Equipment		
Buildings at Cost (a)	6,585	6,585
Less: Accumulated Depreciation	<u>2,375</u>	<u>2,153</u>
	4,210	4,432
Equipment at Cost	75,972	75,972
Less: Accumulated Depreciation	<u>28,836</u>	<u>23,599</u>
	47,136	52,373
Furniture at Cost	1,612	1,612
Less: Accumulated Depreciation	<u>865</u>	<u>793</u>
	747	819
Vehicles at Cost	24,934	24,934
Less: Accumulated Depreciation	<u>7,434</u>	<u>5,490</u>
	17,500	19,444
Communications System at Cost	8,080	8,080
Less: Accumulated Depreciation	<u>6,162</u>	<u>5,949</u>
	1,918	2,131
	<u>71,511</u>	<u>79,199</u>

Note (a) This represents expenditure on a garage for the Board's vehicle. The building was constructed on land owned by the Plane Creek Mill Supplier's Committee.

NOTE 7: Accumulated Results from Operations

Balance at 1st January, 2000	305,468	307,279
Add: Change in Net Assets	<u>-30,008</u>	<u>-1,811</u>
	<u>275,460</u>	<u>305,468</u>

MANAGEMENT CERTIFICATE
CERTIFICATE BY PLANE CREEK CANE PROTECTION AND
PRODUCTIVITY BOARD
FOR YEAR ENDED 31ST DECEMBER, 2000

We have prepared the foregoing annual financial statements pursuant to the provisions of the *Financial Administration and Audit Act 1977* and other prescribed requirements and certify that -

(a) the foregoing financial statements with other information and notes to and forming part thereof are in agreement with the accounts and records of the Plane Creek Cane Protection and Productivity Board;

(b) in our opinion -

(i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and

(ii) the foregoing annual financial statements have been drawn up so as to present a true and fair view, on a basis consistent with that applied in the financial year last preceding, of the transactions of the Plane Creek Cane Protection and Productivity Board for the period 1st January, 2000 to 31st December, 2000, and of the financial position as at the close of that year.

29/3/01

.....
James Redfern

Date

Chairman

.....
M. P. Austin

Principal Accounting
Officer

.....
D. L. Harrison

Secretary

INDEPENDENT AUDIT REPORT

To Plane Creek Cane Protection and Productivity Board

Scope

I have audited the general purpose financial statements of Plane Creek Cane Protection and Productivity Board for the year ended 31 December 2000 in terms of section 46G of the *Financial Administration and Audit Act 1977*. The financial statements comprise Operating Statement, Statement of Financial Position, Statement of Cash Flows and Notes to and Forming Part of the Accounts and certificates given by the Chairperson, Secretary and Principal Accounting Officer.

The Board is responsible for the preparation and the form of presentation of the financial statements and the information they contain. I have audited the financial statements in order to express an opinion on them.

The audit has been conducted in accordance with *QAO Auditing Standards*, which incorporate the Australian Auditing Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included the examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with prescribed requirements which include Australian Accounting Standards so as to present a view which is consistent with my understanding of the entity's financial position and the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In accordance with section 46G of the Financial Administration and Audit Act, I certify that I have received all the information and explanations I have required and, in my opinion –

- the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
- the statements have been drawn up so as to present a true and fair view in accordance with prescribed accounting standards and other prescribed requirements of the transactions of Plane Creek Cane Protection and Productivity Board for the financial year 1 January 2000 to 31 December 2000 and of the financial position as at the end of that year.



A.R. Eames
as delegate of the Auditor-General of Queensland

Queensland Audit Office
Brisbane

BINGERA CANE PROTECTION AND PRODUCTIVITY BOARD

ANNUAL REPORT

TO THE

MINISTER FOR PRIMARY INDUSTRIES

2000

Bingera Cane Protection and Productivity Board

MEMBERS

Canegrowers' Representatives

G S McLennan - Chairperson
L M Zunker - Deputy Chairperson
G R Nicolson

Millowners' Representatives

B G Glasgow
P E Ledger

Bureau of Sugar Experiment Stations Nominee

G G McMahon
A Doak (Local Proxy)

Secretary

T Bawden

Supervisor

L R Sinnamon (Retired 28/7/2000)

Disease Inspector

B L Quinn (Resigned 1/9/2000)

Field Officer

J H Panitz (Commenced 1/11/2000)

BINGERA CANE PROTECTION and PRODUCTIVITY BOARD

CHARTER

The Bingera Cane Protection & Productivity Board was established on the 15 July 1991 under the Sugar Industry Act, 1991. This Board represents a continuation of the Bingera Cane Pest & Disease Control Board, which was constituted under the Sugar Experiment Stations Act 1900 - 1983. The Board's current three year term commenced on the 1 April 1999.

The Bingera Cane Pest & Disease Control Board evolved from the Bundaberg Cane Disease Control Board which was set up in early 1939 (probably 1 April 1939) following amendments to the Sugar Experiment Stations Act 1938. On 1 April 1942 it became the Bundaberg Cane Pest & Disease Control Board following the further amendment to the Act in 1941 which amalgamated Cane Disease Control Boards with Cane Pest Boards, although there was no Cane Pest Board in the Bundaberg area.

Because of serious Fiji disease problems and the need to take much more intensive measures to combat the disease. Bundaberg Board was abolished in late 1972 and split into three separate Boards for the Bingera/Gin Gin, Fairymead and Millaquin/Qunaba areas, this came into existence on the 1 April, 1973. The Bingera/Gin Gin Board became the Bingera Cane Pest & Disease Control Board as from 1 April 1975 following the closing down of Gin Gin Mill.

AIMS AND OBJECTIVES

The Board was established to provide for better control of pests and diseases in the Bingera area and to help to prevent the establishment of other pest and diseases in the area through attention to quarantine. It is particularly active in arranging the supply of adequate tonnages of healthy planting material for all canegrowers in the area, for the control of Ratoon Stunting, Fiji and Mosaic Diseases.

Under the Sugar Industry Act, 1991 the principle objective of the Productivity Board is "to enhance the productivity of the Sugar Industry by increasing the quantity and improving the quality of sugar cane produced by crops grown in its area".

APPROVED SEED PRODUCTION AND DISTRIBUTION

Cane growers in the Bingera Mill area are supplied with approved seed from the primary increase plot at Toweran. Prior to 1993, this plot was operated jointly by the three Bundaberg Boards, but is now operated solely by the Bingera Board. This plant source is considered to be of utmost importance to the Bingera district, especially concerning the control of Ratoon Stunting Disease. The continued cycle of hot water treatment of planting material is a far superior system to the system of treating plants grown on farms, especially when "escapes" of RSD infected material have been recorded after treatment of "off the farm" material.

As of 31 December 2000 the Bingera Mill area consisted of 239 assignments of which 216 actually supplied cane. The total assigned area is 17,806.3 hectares. Distribution of approved seed (which includes surplus bulk loads and new varieties) totalled 434 tonnes and was distributed to 180 growers (83.3% of growers).

RELEASE OF NEW VARIETIES

Board staff under the supervision of BSES plant breeding staff have become more involved in the propagation of new varieties. The most promising BSES varieties in the final stages of selection are made available to the CPPB to begin propagation for possible distribution. As results from BSES trials become available, the most promising varieties are carried through the propagation stages. After industry consultation and final approval from BSES, the new varieties are released to growers from CBBP distribution plots.

This scheme is designed to ensure adequate supplies of a new variety are available to growers as soon as a new variety proves suitable for the area. This scheme can release a new variety two to three years earlier than under the old system.

Plant source inspections and distribution of approved seed currently takes up the major portion of the annual work program. However, this portion of the program is operated in conjunction with general on farm services to the growers. Inspections were carried out for over 80% of growers during the year with emphasis being placed on major pests and diseases known to exist in the district as well as potential threats.

SUGARCANE DISEASES

- ¶ CPPB field officers are mindful of all diseases affecting sugarcane and are well informed by officers of the BSES. Diseases identified during 2000 inspections included Ratoon Stunting disease, Mosaic, Red Stripe, Pineapple disease Common Rust and Orange Rust.

Fiji Disease

The introduction of resistant varieties by BSES and the more stringent Quarantine Regulations set in place have eliminated the more serious productivity losses which otherwise would have occurred. A watching brief is being maintained on the increased area of Q124. Particularly as Fiji disease is still to be found in this variety in areas further south of Bundaberg.

Ratoon Stunting Disease

The problem with RSD has been a continuing one. CPPB staff have been proactive in the field and the use of the Phase Contrast Microscope is of great benefit in the positive identification of the disease. Samples from the approved seed plots were despatched to BSES Tully for more precise analysis using the latest ELISA technique. It is planned to use the ELISA method of RSD detection for all routine on farm sampling of planting material.

RSD was detected in 245 of the blocks inspected during 2000.

Mosaic Disease

Mosaic disease in Bingera has increased slightly over the previous year's figure of 344 hectares. Because Q124 is the major variety of the area and is susceptible to Mosaic, this disease will have to be monitored closely.

Pachymetra

This disease is particularly evident where poor growth problems occur. Further surveys are required to show the full extent of the *pachymetra* problem in the Bingera area.

Common Rust

Observations during 2000 suggest that with the introduction of more resistant varieties, rust is only a minor threat to productivity with light infection known in 751 hectares.

Orange Rust

This fungal disease was identified in the Bundaberg district in autumn 2000. Many blocks of Q124 and Q182^o had some rust, the severity of the disease varying between blocks throughout the district. Due to Orange Rust and dry weather, the productivity of Q124 was down on previous years.

Other Diseases

CPPB staff maintained a watch for other diseases. This was carried out in conjunction with plant source inspections and on farm visits.

SUGARCANE PESTS

- # The major pests affecting cane crops in the district are Cane grubs, Nematodes and Soldier Fly.

Cane Grubs

Cane grubs are considered to be the major pest and it is estimated that approximately 65.0 hectares were damaged, causing an approximate loss of 780 tonnes of cane. Some time was spent throughout the year diagnosing the damage from cane grubs and recommending treatment. Growers forced to protect crops have applied the controlled release chemical suSCon® to approximately 911.5 hectares.

Soldier Fly

Soldier Fly has rapidly become a major pest in Bingera. Losses are not easy to predict as several factors may affect a reliable estimate of losses incurred. A minimum of 360.0 hectares was damaged to some extent in 2000 with an estimated loss of 5,210 tonnes. However this does not take into account losses due to premature ploughout of blocks infected with Soldier Fly. As a control chemical no longer exists, good cultural practices are a must. Even ideal cultural practices may not prevent an attack particularly in light textured soils. If some new control method is not found in the near future, losses are expected to increase from Soldier Fly attacks. In 2000 it was obvious that dry conditions coupled with Soldier Fly infestations, contributed to variable, slow and poor ratooning on many farms in the district.

Nematodes

The conservative estimate of the area affected by Nematode attacks is in the vicinity of 25 hectares and the losses from this pest would be in excess of 380 tonnes of cane. Board staff received many requests for identification and treatment of this pest.

Rhyparida Beetle

The larvae of the Rhyparida Beetle is causing problems for a small number of growers but the area affected fluctuates from year to year. A conservative estimate of the area affected is 2.0 hectares. No recommended treatment for this pest is available. BSES researchers are carrying out a survey into the life cycle of this pest with assistance from CPPB staff.

Army Worms

Green cane harvesting in 2000 was 62.6% of the Bingera crop, which is an increase on the 1999 crop. Inspections and advice on Army Worm infestations during the winter and spring was a frequent request by growers. Board staff advised growers to avoid chemical treatment, if possible and to allow natural control to take place.

Pig Damage

The incidence of pig damage is occurring and 6.0 hectares was damaged causing an estimated loss of 100.0 tonnes.

GROUP EXTENSION

The Bingera Cell Groups or grower discussion groups have again proved to be an effective method of keeping growers aware of sugarcane R & D as well as keeping them informed of productivity issues. These forums allow growers to discuss issues in an informal manner with researchers, neighbours, BSES and CPPB staff.

Meetings were held early in the year for each of the five Cell Groups. Approximately 130 growers attended the series of meetings. Topics discussed were:

- Variety Performance
- New Varieties
- Dirt in cane supply
- Water - Transfers and Credits
- Water - future infrastructure development
- Fertiliser Flow Rates
- Mosaic Disease

Bus trips were also organised for the Bingera Cell Groups. This was an opportunity to illustrate to growers options available to them from current R & D. Other sites allowed growers to inspect relevant industry facilities. Sites inspected were:

- Abington Fish Hatchery
- Millaquin Refinery
- Bundaberg Bulk Sugar Terminal
- DPI Research Station
- Nitrogen trial site
- Austoft factory

Field Days

CPPB staff attended and prepared displays for several industry field days during the year. These included the BSES Field Day and Agro Trend. These days allowed CPPB staff to talk to growers, fellow industry representatives and the wider community about sugar industry issues.

RATIONALISATION OF CANE PROTECTION AND PRODUCTIVITY BOARDS AND THE ESTABLISHMENT OF THE SUGAR SERVICES GROUP

The Bingera, Fairymead and Millaquin / Qunaba CPPBs are currently working towards amalgamating into one CPPB for the Bundaberg district.

An industry partnership of all three Boards, BSES, Bundaberg Sugar Ltd. and CANEGROWERS Bundaberg was established. This new extension group will trade as Sugar Services. The Sugar Services Group consists of staff from all Bundaberg CPPB's and BSES Bundaberg Extension staff. A management committee made up of representatives from CPPB's, BSES and Bundaberg Sugar Ltd. administer its operations. John Willcox has been appointed Coordinator of the Sugar Services Group.

Breakfast Meeting

In an effort to promote productivity and other discussions between growers and their partners, a Harvest Breakfast meeting was held at the end of the crushing. Approximately 150 people attended this event which was used to launch the Sugar Services Group of which Bingera CPPB is now part. Speakers discussed productivity, the Rural Water Use Efficiency Project and the proposed "Bundaberg 2000 Project". Attendees were addressed by the Chairman of Sugar Services, Barrie McLellan and by Henry Palaszcuk, Minister for Primary Industries. Mr Henry Palaszcuk officially launched the Sugar Services Group at this meeting.

PRODUCTIVITY MATTERS

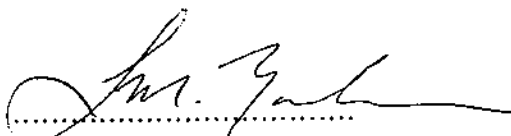
The Board provides representation on the Bundaberg Cane Productivity Committee, which has a broad aim to sustain the economic viability of the Bundaberg cane industry.

The Board also provides representation to sugar industry meetings and forums as requested.

BOARD MEETINGS

Meetings were held on the following dates during 2000:

10 February
28 February
8 May
13 July
31 July
23 October



LM Zunker
Deputy Chairperson
11 May 2001

BINGERA CANE PROTECTION AND PRODUCTIVITY BOARD
PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2000

	<i>Notes</i>	<i>2000</i>	<i>1999</i> \$
OPERATING REVENUE			
General Levies		84,206	126,639
Interest Received		5,881	2,781
Proceeds of Cane Plants		34,716	35,181
Sundry Income		10,480	12,757
Profit on Sale of Vehicle		2,475	3,405
		<hr/>	<hr/>
TOTAL OPERATING REVENUE		137,758	180,763
OPERATING EXPENSES			
Administration Fees		-	2,100
Advertising		570	0
Audit Fees		900	900
Bank Fees		47	(276)
Cane Plant Project		29,879	33,918
Computer Maintenance		-	70
Conference and Travel Expenses		309	1,800
Depreciation Vehicles and Office Equipment		9,254	10,960
Functions		1,005	1,054
General Expenses		952	150
Insurance		1,429	516
Loss on Sale of Assets		89	-
Members' Meeting Fees		7,521	3,659
Motor Vehicle Expenses		7,820	7,184
Office Building Expenses		-	0
Printing, Stationery and Photocopying		729	421
Postage		895	582
Provision - Annual Leave		(3,023)	650
Provision - Long Service Leave		(23,635)	8,869
Rent		2,015	1,794
RSD Testing		513	189
Salaries and Wages		94,624	87,376
Services Agreement		14,052	-
Staff Training		-	575
Subscriptions and Publications		100	349
Superannuation		4,789	5,388
Telephone		1,990	1,335
Workers' Compensation		115	450
		<hr/>	<hr/>
TOTAL OPERATING EXPENSE		152,939	170,013
OPERATING PROFIT/(LOSS) C/fwd			
		<hr/>	<hr/>
		(\$15,181)	\$10,750

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BINGERA CANE PROTECTION AND PRODUCTIVITY BOARD
PROFIT AND LOSS STATEMENT (cont)
 FOR THE YEAR ENDED 31 DECEMBER 2000

	<i>Notes</i>	<i>2000</i>	<i>1999</i> \$
<i>OPERATING PROFIT/(LOSS) B/fwd</i>		(15,181)	10,750
Income Tax Expense Attributable to Operating Profit	A(vii)	-	-
Retained Profits at the Beginning of the Financial Year		167,146	156,396
<i>RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR</i>		<u>\$151,965</u>	<u>\$ 167,146</u>

The Accompanying Notes form part of the Accounts.

BINGERA CANE PROTECTION AND PRODUCTIVITY BOARD

BALANCE SHEET

AS AT 31 DECEMBER 2000

	<i>Notes</i>	<i>2000</i>	<i>1999</i> \$
<i>CURRENT ASSETS</i>			
Cash	1	147,264	150,415
Receivables	2	<u>1,200</u>	<u>1,028</u>
TOTAL CURRENT ASSETS		<u>148,464</u>	<u>151,443</u>
<i>NON-CURRENT ASSETS</i>			
Property, Plant and Equipment	3	<u>35,703</u>	<u>56,255</u>
TOTAL NON-CURRENT ASSETS		<u>35,703</u>	<u>56,255</u>
TOTAL ASSETS		<u>\$184,167</u>	<u>\$207,698</u>
<i>CURRENT LIABILITIES</i>			
Creditors	4	20,299	1,992
Provisions	5	<u>346</u>	<u>27,003</u>
TOTAL CURRENT LIABILITIES		<u>20,645</u>	<u>28,995</u>
TOTAL LIABILITIES		<u>20,645</u>	<u>28,995</u>
NET ASSETS		<u>\$163,522</u>	<u>\$178,703</u>
<i>EQUITY</i>			
Reserves	6	11,557	11,557
Accumulated Profits	7	<u>151,965</u>	<u>167,146</u>
		<u>\$163,522</u>	<u>\$178,703</u>

The above Balance Sheet is to be read in conjunction with the attached notes.

BINGERA CANE PROTECTION AND PRODUCTIVITY BOARD
NOTES TO AND FORMING PART OF THE ACCOUNTS
AS AT 31 DECEMBER 2000

(A) STATEMENT OF ACCOUNT POLICIES

(i) *Basis of Accounts*

The accounts have been prepared on an historical cost basis, consistent with the basis applied in the previous financial year, except that certain non-current assets are included at valuation. Income and expenditure are brought to account on an accrual basis.

(ii) *Non-Current Assets*

Non-current assets are included in the accounts at cost or valuation less accumulated depreciation.

(iii) *Depreciation*

Depreciation is provided on all non-current assets, other than land and buildings, using the diminishing value method.

Gains or losses arising from the sale or disposal of non-current assets are brought to account in the determination of the profit for the year, except for substantial gains or losses which are included as non-operating (extraordinary) income.

(iv) *Repairs and Maintenance*

Expenditure for repairs and maintenance is charged to the accounts.

(v) *Employee Entitlements*

Provision has been made for the legal liability to employees for long service leave. In addition, provision has been made for accrued annual leave. Sick leave is brought to account as incurred.

(vi) *Contingent Assets / Liabilities*

There were no known contingent assets / liabilities of a significant nature at 31 December 2000.

(vii) *Income Tax*

No income tax is payable as the board is a non-profit organisation and is specifically exempted from income tax under Section 23 of the Income Tax Assessment Act.

BINGERA CANE PROTECTION AND PRODUCTIVITY BOARD
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2000

<i>Explanatory Notes</i>	<i>2000</i>	<i>1999</i> \$
NOTE 1: CASH		
Petty Cash	-	50
Cash At Bank	47,741	30,876
Deposits on Call	99,523	119,489
	<u>147,264</u>	<u>150,415</u>
NOTE 2: RECEIVABLES		
Six Month Prepayment of Toweran Rent	525	525
Sundry Debtors	675	503
	<u>1,200</u>	<u>1,028</u>
NOTE 3: PROPERTY PLANT AND EQUIPMENT		
Property Plant and Equipment		
<i>Equipment</i>		
At Cost	60,695	60,695
Plus Additions	5,173	-
	<u>65,868</u>	<u>60,695</u>
Less Disposals	812	-
	<u>65,056</u>	<u>60,695</u>
Less Provision for Depreciation	45,049	42,345
	<u>\$20,007</u>	<u>\$18,350</u>
TOTAL EQUIPMENT		
<i>Motor Vehicle</i>		
At Cost	48,960	48,960
Plus Additions	-	-
	<u>48,960</u>	<u>48,960</u>
Less Disposals	25,134	-
	<u>23,826</u>	<u>48,960</u>
Less Provision for Depreciation	8,130	11,055
	<u>\$15,696</u>	<u>\$37,905</u>
TOTAL MOTOR VEHICLES		

BINGERA CANE PROTECTION AND PRODUCTIVITY BOARD
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2000

Explanatory Notes continued

2000

1999

NOTE 4: CREDITORS

Sundry Creditors

20,299

1,992

NOTE 5: PROVISIONS

Recreational Leave

Movements in Provision

Balance 1 January 2000

3,369

2,718

Add On cost charged Against Operating
Revenue

5,374

6,635

8,743

9,353

Less Amounts Paid

8,397

5,984

Balance 31 December 2000

346

3,369

\$

Long Service Leave

Movements in Provision

Balance 1 January 2000

23,634

14,766

Add On Cost charged Against Operating
Revenue

1,087

9,493

24,721

24,259

Less Amounts Paid

24,721

625

Balance 31 December 2000

-

23,634

NOTE 6: RESERVES (ASSET REVALUATION)

Balance 1 January

11,557

11,557

Transferred to reserves

-

-

\$11,557

\$11,557

NOTE 7: ACCUMULATED PROFITS

Balance 1 January

167,146

156,396

Add Profit (Loss)

(15,181)

10,750

\$151,965

167,146

PNP

BINGERA CANE PROTECTION AND PRODUCTIVITY BOARD
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2000

	<i>2000</i>	<i>1999</i>
	\$	\$
<i>CASH FLOWS FROM OPERATING ACTIVITIES</i>		
Inflows:		
Levies	83,531	126,639
Interest Received	5,881	2,781
Other	45,699	47,435
	<hr/>	<hr/>
TOTAL INFLOWS	135,111	176,855
Outflows:		
Wages and Salaries (Including Meeting Fees)	(107,171)	(96,424)
Payment to Suppliers	(46,535)	(50,378)
	<hr/>	<hr/>
TOTAL OUTFLOWS	(153,706)	(146,802)
<i>NET CASH PROVIDED OR USED BY OPERATING ACTIVITIES</i>	(18,595)	30,053
<i>Note 2</i>		
<i>CASH FLOWS FROM INVESTING ACTIVITIES</i>		
Inflows:		
Proceeds from Sale of Plant and Equipment	16,818	17,220
	<hr/>	<hr/>
TOTAL INFLOWS	16,818	17,220
Outflows:		
Payment for Purchase of Plant and Equipment	(5,173)	(25,277)
	<hr/>	<hr/>
TOTAL OUTFLOWS	(5,173)	(25,277)
<i>NET CASH USED IN INVESTING ACTIVITIES</i>	11,645	(8,057)
<i>CASH FLOWS FROM UNPAID GST</i>		
Inflows:		
GST Collected on Sales	6,192	-
	<hr/>	<hr/>
TOTAL INFLOWS	6,192	-
Outflows:		
GST Paid on Purchases	2,393	-
	<hr/>	<hr/>
TOTAL OUTFLOWS	2,393	-
<i>NET CASH USED FROM UNPAID GST</i>	3,799	-

RR

	2000	1999
	\$	\$
Net Increase (Decrease) in Cash Held	(3,151)	21,996
Cash at Beginning of Reporting Period	<u>150,415</u>	<u>128,419</u>
Cash at End of Reporting Period	<u>147,264</u>	<u>150,415</u>
<i>Note 1</i>		

RP

BINGERA CANE PROTECTION AND PRODUCTIVITY BOARD
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2000

NOTES TO THE STATEMENT OF CASH FLOWS

1 *Reconciliation of Cash*

For the purpose of the statement of cash flows, the Board considers cash to include on hand and in banks and investments in money market instruments. Cash at the end of the reporting period as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	2000	1999
Cash at Bank	47,741	30,876
Deposits on Call	99,523	119,489
Petty Cash	-	50
	\$147,264	\$150,415

2 *Reconciliation of Cash Flow from Operations With Operating Profit After Income Tax*

	2000	1999
Operating Result	(15,181)	10,750
Depreciation	11,294	13,759
Trade Creditors – Increase (Decrease)	14,507	(67)
Employee Entitlements – Increase (Decrease)	(26,657)	9,519
Trade Debtors – (Increase) Decrease	(172)	(503)
Profit on Sale of Vehicle	(2,475)	(3,405)
Loss on Sale of Plant and Equipment	89	-
	(18,595)	30,053

RRP

BINGERA CANE PROTECTION AND PRODUCTIVITY BOARD
SCHEDULE OF DEBTORS AND CREDITORS
FOR YEAR ENDED 31 DECEMBER 2000

SUNDRY DEBTORS:

Bundaberg Sugar Ltd	560.99
GD & W V Dawson	<u>113.57</u>
	\$674.56
	<u><u> </u></u>

SUNDRY CREDITORS:

Australian Taxation Office	4,355.59
Bureau of Sugar Experiment Stations	15,828.90
S J & M I Reinke	96.25
Stedmans (Wholesale) Pty Ltd	<u>18.02</u>
	\$20,298.76
	<u><u> </u></u>

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BINGERA CANE PROTECTION AND PRODUCTIVITY BOARD

STATEMENT OF PAYMENTS

2000

MEMBERS' MEETING FEES

	<i>FEES</i>	<i>MILEAGE</i>	<i>TOTAL</i>
G S McLennan	2,840.00	2,063.10	4903.10
L M Zunker	740.00	142.83	882.83
G R Nicolson	920.00	206.31	1,126.31
B G Glasgow	200.00	8.70	208.70
P E Ledger	400.00	-	400.00
	<hr/>	<hr/>	<hr/>
	\$5,100.00	\$2,420.94	\$7,520.94
	<hr/>	<hr/>	<hr/>

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BINGERA CANE PROTECTION AND PRODUCTIVITY BOARD

Depreciation Schedule For Year Ended 31 December 2000

Description	Original Cost	Opening WDV	Sale Date	Sale Price	Profit/Loss on Sale	2000 Purch	Price	Deprec Value	Rate %	Use	Deprec	Closing WDV	Closing Bal Sht
Motor Vehicles													
Toyota Hi-Lux (388-ENZ)	25,134.00	17,652.76	30/10/00	16,818.18	-2,475.31			-	22.5	10	3,309.89	-	-
Toyota Hi-Lux (773-EXE)	23,826.00	20,252.10						20,252.10	22.5	12	4,556.72	15,695.38	23,826.00
	48,960.00	37,904.86		16,818.18	-2,475.31			20,252.10			7,866.61	15,695.38	23,826.00
Agricultural Equipment													
Harvester	9,202.83	2,367.43						2,367.43	30.0	12	710.23	1,657.20	9,202.83
Hydraulic Loader	4,000.00	1,372.00						1,372.00	30.0	12	411.60	960.40	4,000.00
Irrigation Pump	2,000.00	370.49						370.49	20.0	12	74.10	296.39	2,000.00
U/G Mains	6,500.00	1,204.11						1,204.11	20.0	12	240.82	963.29	6,500.00
M/F 290 Tractor	10,000.00	679.42						679.42	30.0	12	203.83	475.59	10,000.00
Boom Sprayer	800.00	91.21						91.21	25.0	12	22.80	68.41	800.00
Double Disc	100.00	11.39						11.39	25.0	12	2.85	8.54	100.00
Fertilizer Box	250.00	28.50						28.50	25.0	12	7.13	21.37	250.00
Offset Disc	500.00	57.00						57.00	25.0	12	14.25	42.75	500.00
Slasher	600.00	68.41						68.41	25.0	12	17.10	51.31	600.00
Trash Rake	200.00	22.80						22.80	25.0	12	5.70	17.10	200.00
Plough	1,500.00	333.70						333.70	25.0	12	83.43	250.27	1,500.00
Irrigation System	4,017.89	1,228.81						1,228.81	20.0	12	245.76	983.05	4,017.89
	39,670.72	7,835.27						7,835.27			2,039.60	5,795.67	39,670.72
Office Equipment													
Hard Disk	850.00	19.04						19.04	40.0	12	7.62	11.42	850.00
Printer	885.00	26.08						26.08	36.0	12	9.39	16.69	885.00
Pentium Computer	2,478.00	374.68						374.68	40.0	12	149.87	224.81	2,478.00
Pentium Computer	1,451.00	1,160.80						1,160.80	40.0	12	464.32	696.48	1,451.00
4 Drawer Filing Cabinets (2)						Sept '00	436.36	436.36	20.0	3	21.82	414.54	436.36
Toshiba Satellite Computer						Nov '00	3,999.00	3,999.00	40.0	1	133.30	3,865.70	3,999.00
	5,664.00	1,580.60					4,435.36	6,015.96			786.32	5,229.64	10,099.36

BINGERA CANE PROTECTION AND PRODUCTIVITY BOARD

Depreciation Schedule For Year Ended 31 December 2000

Description	Original Cost	Opening WDV	Sale Date	Sale Price	Profit/Loss on Sale	2000 Purchase Price	Deprec Value	Rate %	Use	Deprec	Closing WDV	Closing Bal Sht
Sundry Equipment												
2 Way Radios	2,008.88	64.96					64.96	27.0	12	17.54	47.42	2008.88
Microscope	3,666.00	696.69					696.69	15.0	12	104.50	592.19	3,666.00
Mobile Phone	812.25	93.17	Scrapped		88.51		-	30.0	2	4.66	-	-
Air Conditioning Uni	1,955.00	1,160.78					1160.78	25.0	12	290.20	870.58	1,955.00
Mobile Phones (2)						25/02/00 738.00	738.00	30.0	10	184.50	553.50	738.00
	8,442.13	2,015.60			88.51	738.00	2,660.43			601.40	2,063.69	8,367.88
Non Deprec Assets												
Shed Extensions	1,101.90	1,101.90					1,101.90				1,101.90	1,101.90
Harvester Shed	2,250.00	2,250.00					2,250.00				2,250.00	2,250.00
Loader Shed	3,566.00	3,566.00					3,566.00				3,566.00	3,566.00
		6,917.90					6,917.90				6,917.90	6,917.90
	56,254.23			16,818.18	- 2,386.80	5,173.36	43,681.66			11,293.93	35,702.28	88,881.86

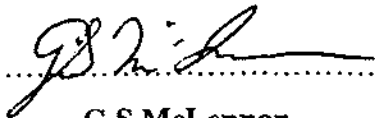
BINGERA CANE PROTECTION AND PRODUCTIVITY BOARD

MANAGEMENT CERTIFICATE

For the Year Ended 31 December 2000

We have prepared the foregoing annual financial statements pursuant to the provisions of the Financial Administration and Audit Act 1977 and other prescribed requirements and certify that in our opinion –

- the prescribed requirements in respect of the establishment and keeping of accounts have been completed within all material respects: *and*
- the foregoing annual financial statements have been drawn up so as to present a true and fair view, on a basis consistent with that applied in the financial year last preceding, of the transactions of the Bingera Cane Protection and Productivity Board for the period 1 January 2000 to 31 December 2000 and of the financial position as at the close of that year.



G S McLennan
Chairperson



T Bawden
Principal Accounting Officer

.....15/02/01.....

Date



INDEPENDENT AUDIT REPORT

To Bingera Cane Protection and Productivity Board.

Scope

I have audited the general purpose financial statements of Bingera Cane Protection and Productivity Board prepared by the Protection and Productivity Board for the year ended 31 December, 2000 in terms of section 46G of the *Financial Administration and Audit Act 1977*. The financial statements comprise the *Profit and Loss Account, Balance Sheet, Statement of Cash Flows, Notes to and forming part of the financial statements* and certificates given by the Chairperson and Principal Accounting Officer.

The Board is responsible for the preparation and the form of presentation of the financial statements and the information they contain, I have audited the financial statements in order to express an opinion on them.

The audit has been conducted in accordance with *QAO Auditing Standards*, which incorporate the Australian Auditing Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included the examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with prescribed requirements which include Australian Accounting Standards so as to present a view which is consistent with my understanding of the entity's financial position and the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In accordance with section 46G of the Financial Administration and Audit Act, I certify that I have received all the information and explanations I have required and, in my opinion –

- The prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
- The statements have been drawn up so as to present a true and fair view in accordance with prescribed accounting standards and other prescribed requirements of the transactions of Bingera Cane Protection and Productivity Board for the financial year 1 January 2000 to 31 December 2000 and of the financial position as at the end of that year.



PAUL R PETRIE

As delegate of the Auditor-General of Queensland

Queensland Audit Office
Brisbane

Dated: 7 March, 2001

FAIRYMEAD CANE PROTECTION AND PRODUCTIVITY BOARD

ANNUAL REPORT

TO THE

MINISTER FOR PRIMARY INDUSTRIES

2000

INTRODUCTION

The Board is constituted under the provisions of Part 5 of the Sugar Industry Act 1991. The current three year term for Members expires on 31 March 2002.

The Board seeks to contribute to the sustained profitability of the sugar industry in the Fairymead area through improvements in plant protection and productivity programs.

The Board provides for better control of pests and diseases and prevention of establishment of other pests and diseases in the area through attention to quarantine, and is active in arranging for the supply of adequate healthy planting material for all cane growers served by the Board and for control of Ratoon Stunting and Fiji Diseases.

The Fairymead Board is actively involved in farm productivity with one Board Member being a representative on and Chairman of the Bundaberg Cane Productivity Committee.

During the past 12 months the Fairymead Cane Protection and Productivity Board continued with the operation of its own Mother Plot system in the Fairymead area in the campaign to eliminate Ratoon Stunting Disease from the region and to improve the quality and quantity of cane plant supply for the area.

For the 2000 season, the Board's levy was 10.00 cents per tonne cane. The Board's policy is to maintain a levy that provides for the most effective services for cane growers within the Board's area.

BOARD MEMBERSHIP (At 31 March 2001)

<i>Cane Growers' Representatives</i>	McLellan, B A – Chairman Schulte, D K Strathdee, R N
<i>Mill Owners' Representatives</i>	Glasgow, B G Pitt, A G
<i>BSES Nominee</i>	McMahon, G G Sullivan, D J [B Agr Sc (UQ)] (Local proxy)
<i>Secretary</i>	Bawden, T
<i>Field Staff – Supervisor</i>	Webber, M J [B App Sc (Biology), Ass Dip App Sc (Horticulture)]

ROLE OF THE BOARD

Under the Sugar Industry Act 1991, the principal objective of a Cane Protection and Productivity Board is *"to enhance the productivity of the sugar industry by increasing the quantity and improving the quality of sugar cane produced by crops grown in its area"*.

In addressing the productivity issues, the Act charges the Board with the following functions:

- 1 Taking all steps necessary to prevent, control and eradicate pest infestations of sugar cane grown within the Fairymead Board area.
- 2 To assist and cooperate with BSES in research concerning any matter related to the production, harvesting, transport and processing of sugar cane.
- 3 To provide such advice and assistance as it sees fit to cane growers concerning matters related to production, harvest, pest control, the business of sugar cane farming, the preservation and enhancement of the capacity of land to sustain sugar production and to assist in minimising environmental damage.

PLANT DISTRIBUTION

Premium quality clean seed plants were again produced from the Board's Mother Plot located on Bundaberg Sugar Ltd property and grown by Mr M Ash. The Board continued to sample for RSD to ensure that clean seed cane was available for distribution to growers during 2000.

Cane plant distribution proceeded according to schedule. Harvesting and loading systems developed by Mr Ash have continued to assist with the efficient and timely distribution of cane plants. All plants were placed in bundles which have been automatically weighed. The Plot opened on a number of occasions to cater for the needs of all growers in the Fairymead Board area, including Fairymead Plantation. There has been an increased demand for the supply of billet cane plants. John Wardrop (autumn) and Clyde Hubert (spring) made a cane harvester available to assist in the cutting and loading of billet plants.

The Board supported the concept of billet plant distribution as part of the regular cane plant distribution process.

During autumn 172.53 tonnes of cane plants were distributed. A further 166.71 tonnes of plants were distributed during spring, making a total annual "kg" distribution of 339.24 tonnes. A new variety – Q188 – was available for uptake in both autumn and spring. Jacki bags were again utilised for billet cane in both autumn and spring. Tonnages taken in bags in autumn and spring were 26.75 and 18.00 tonnes respectively.

Plant distributions for 2000 were as follows.

Variety	Autumn (Tonnes)	Spring (Tonnes)	Total 2000
Q124	33.20	3.00	36.20
Q135	5.65	7.05	12.70
Q136	4.10	0.90	5.00
Q138	12.35	10.65	23.00
Q141	24.80	12.45	37.25
Q146	2.60	2.40	5.00
Q150	0.55	3.55	4.10
Q151	17.95	14.20	32.15
Q154	0.50	0.45	0.95
Q155	12.20	6.83	19.03
Q170 ^Ø	9.08	2.05	11.13
Q182 ^Ø	14.85	1.60	16.45
Q188 ^Ø	<u>34.70</u>	<u>101.58</u>	<u>136.28</u>
	172.53	166.71	339.24

Approximately 2.5 hectares were planted in the Mother plot in autumn and spring

MOTHER PLOT FIELD DAY

The Mother Plot Field Day held on 29 February 2000 and attracted a total of about 100 people. The Field Day allowed growers the opportunity to inspect the latest varieties and consider their performance levels. Speaker's topics included Mosaic disease, CPPB activities, BSES plant breeding and 1999 productivity data. Guest speakers and a farm walk enhanced this extension activity.

VARIETIES

The Board maintained a review of all varieties to ensure that the most productive and profitable varieties were available for growers. Board Members consider the sugar quality aspects of each variety. Only minor plantings of older varieties occurred as growers indicated a preference for new varieties. Many growers acquired Q188^Ø at both the autumn and spring clean seed distributions.

DISEASE CONTROL

The Fairymead Board maintains an effective level of inspections for disease. "Kilogram" and nucleus plant inspections were carried out throughout the year, both in Autumn and Spring.

Ratoon Stunting Disease (RSD)

From January to February and May to July 2000, growers deemed to be in high risk harvesting groups had their plant sources inspected for RSD. This was achieved by taking billet samples for Elisa analysis. In all, 100 growers were sampled, resulting in 14 new cases of RSD, plantation cane inclusive. In instances where positive samples were recorded, growers were notified.

Growers and billet cane planting contractors were constantly advised of hygiene methods and practices throughout the year.

Smut Sugarcane Disease

No Smut has yet been detected. Grower awareness of the disease is very good.

Mosaic Disease

The Fairymead Mother Plot was monitored to ensure mosaic disease was not present. The disease has been found on 3 Fairymead farms in the variety Q124.

***Pachymetra* Root Rot**

Concern regarding PRS have meant that more Q138 and Q170, which are both PRS resistant, have been considered for planting. Fairymead Cane Protection and Productivity Board and BSES have been providing a service which enables growers to check the presence and extent of PRS in their soils.

Orange Rust

This fungal disease was discovered in all Bundaberg cane growing districts in autumn 2000. All blocks of Q124 and Q182^{ph} had some rust, the severity of the disease varying between blocks throughout the district. Due to Orange Rust and dry weather, the normally highly productive variety Q124's performance was mediocre.

Other Diseases

The Board maintained a watch for other diseases. This was carried out in conjunction with plant source inspections and on farm visits.

PEST CONTROL

As with diseases, the Fairymead Board maintains an effective level of inspections for pests.

Soldier Fly

Soldier Fly has continued to be of considerable concern in the Fairymead area with most damage occurring in the Gooburrum area, and on the river soils of the Kolan. This pest is by far the most widespread and damaging in Fairymead.

The main variety affected is Q124. Currently there are no varieties available proven to be tolerant of Soldier Fly. However, some growers claim Q170 has some potential against this pest.

Without any control measures available and with a continuation of dry seasons, this pest will explode. Some trials have shown that long, clean fallows or Soyabean rotation will decrease numbers by virtually starving the pest out.

While the area infested with Soldier Fly may only be a small percentage of the cane growing area of Queensland, it is devastating for growers who have this pest.

Trials have continued with some of the practices being ploughout-replant, minimum tillage, green cane trash blanket, cover cropping, mill mud and Vapam. *Metarhizium* trials have not been successful. The Board welcomes further research to determine suitable control measures and has offered assistance where possible.

The Supervisor advised growers of the cultural methods of control as recommended by BSES.

Nematodes

Nematodes are a major pest in the majority of the soil types in the Board area. The Board continued to monitor the areas of major damage.

Canegrubs

Canegrubs continue to be a problem throughout the area but in general are being controlled satisfactorily except for Crinita and Noxia.

Metarhizium and chemical trials are currently underway, as well some IPM work.

Pink Earth Pearls

A significant infestation of Margarodids (Pink Earth Pearls) was identified during late 1995. At the time there had been no appreciable losses in crop and no apparent extensive spread of the Earth Pearls.

The worst areas in Fairymead are east of BSES, Oakwood and the old Mother Plot site. Growers continue to be informed on all hygiene aspects.

Rhyparida Beetle

Rhyparida damage was negligible during 2000. Q124 appears to be the most susceptible variety.

The Board has been involved in an extensive survey of the area during the last year. There were very few beetle sightings and most sightings occurred from December on.

There are two species of Rhyparida Beetle, these being black and brown. The black beetle is the major pest within the Fairymead area. There is no control for this pest. A severe infestation is very serious and can cause severe crop loss while after a light infestation, the crop can sometimes grow out without much crop loss occurring.

BSES is currently involved in research in an effort to establish a control system. The Rhyparida Beetle is native to Australia and is present throughout Queensland with the worst occurrences being in Bundaberg and Childers.

Armyworms

Infestation has been moderate this year. Growers were advised of the best techniques and chemical applications in a bid to control this pest and were advised to monitor their trash blanket blocks.

SERVICE TO GROWERS

The Supervisor cooperated with BSES Extension Officers in assisting growers with advice on insecticide / herbicide use, plant nutrition, pests and diseases, cane varieties, irrigation practices and scheduling, soil conservation, trash retention and drainage.

Advice was also provided on varietal suitability of various soils.

The Board provided advice and calibration service for sprayers, fertiliser boxes and other equipment. The Supervisor assisted with seminars for growers to demonstrate pest and disease control, productivity and farming techniques.

It is the Board's philosophy that Productivity Board staff should work in close liaison with Extension Officers of the BSES towards a more efficient management of human resources.

PROJECTS AND ACTIVITIES

Agro-Trend

The Board provided assistance at the Bundaberg District Sugar Industry Exhibit at the 2000 Agro-Trend. The exhibit also involved CANEGROWERS, BSES, Bundaberg Sugar

Ltd, Millaquin / Qunaba and Bingera Cane Protection and Productivity Boards, Queensland Sugar Corporation and Queensland Caneharvesters.

ASSCT Conference

CPPB members and the supervisor attended the Conference in Bundaberg and gained valuable information from the different Papers presented and from discussions with Members of other Boards throughout the State.

Chemical Accreditation Courses

The Board actively promoted chemical accreditation courses in the Fairymead area.

Cell Group Meetings

These were poorly attended in 2000. Only around 30 growers attended. Topics covered at the meetings were:

- Growing Soyabeans.
- RSD sampling procedures
- 2000 crushing arrangements
- 1999 varietal performance

Breakfast Meeting

In an effort to continue to promote productivity and other discussions between growers and their partners, the Board again held a *Harvest Breakfast* meeting at the end of the crushing. The financing of this project was possible through the sponsorship of Grow Force and Suncorp Metway. Around 150 people attended this event which was used to promote a new extension concept of which Fairymead CPPB is now part of called Sugar Services. Speakers discussed productivity, the Rural Water Use Efficiency Project and the proposed Bundaberg 2000 Project. Attendees were addressed by the appointed chairman of Sugar Services, Barry McLellan and by Henry Palaszczuk, state minister for Primary Industries.

Rationalisation of Cane Protection and Productivity Boards – Bundaberg

The Board supported initiatives to investigate options for amalgamating the Bingera, Fairymead and Millaquin / Qunaba Cane Protection and Productivity Boards in an endeavour to increase the level of efficiency of Board operations and services to growers. The amalgamation of all three Boards looks imminent with the appointment of a coordinator (John Willcox) and the establishment of Sugar Services. This new extension service consists of staff from both Bundaberg's CPPB's and Bundaberg BSES. A management committee made up of representatives from CPPB's, BSES and Bundaberg Sugar Ltd administers it.

PRODUCTIVITY

The Board actively participated in the Bundaberg Cane Productivity Committee, a group comprising representatives of the Millaquin / Qunaba, Fairymead and Bingera Cane Protection and Productivity Boards, Bundaberg Sugar Ltd, BSES and CANEGROWERS Bundaberg, QDPI and Queensland Caneharvesters. This participation included assistance in the preparation of productivity material and data for presentation at a range of forums including Productivity Awards, farm financial seminars and grower meetings.

STAFF

The Board maintained the philosophy of employing a Supervisor only with additional field staff to be retained on a casual basis as required.

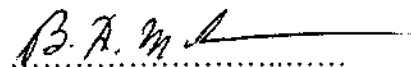
BOARD MEETINGS

Meeting were held on the following dates during 2000.

10 February
28 February
8 May
13 July
31 July
23 October

THANKS

The Boards extends appreciation to all growers for their cooperation.



B A McLellan
Chairman
30 April 2001

FAIRYMEAD CANE PROTECTION AND PRODUCTIVITY BOARD
PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2000

	<i>Notes</i>	<i>2000</i>	<i>1999</i>
<i>OPERATING REVENUES</i>		\$	\$
General Levies		117,704	85,632
Interest Received		6,135	4,715
Proceeds of Cane Plants		37,600	35,537
Profit on Sale of Assets		-	2,706
TOTAL OPERATING REVENUE		161,439	128,590
<i>OPERATING EXPENSES</i>			
Advertising		744	619
Audit Fees		1,125	1,125
Bank Fees and Charges		30	31
Cane Plant Project		27,178	29,441
Chairman's Meeting Fees		5,539	3,552
Chairman's Telephone Allowance		-	200
Contribution Secretarial Services		5,240	7,997
Depreciation of Property, Plant and Equipment		7,938	5,662
Electricity		158	172
Fringe Benefits Tax		-	48
Functions		412	731
General Expenses – Building and Office		63	165
Insurance		2,074	949
Office and Computer Supplies		-	29
Members' Meeting Fees		4,188	4,236
Postage and Telephone		2,882	2,341
Printing, Photocopying and Circulars		836	797
Provision - Long Service Leave	7	1,791	-
Provision - Recreation Leave	7	(252)	1,845
Rent		2,025	1,794
RSD Testing		1,099	1,424
Salaries and Wages		39,406	31,653
Services Agreement		3,798	-
Staff Training		-	185
Subscriptions		53	50
Sundry Expenses		4,464	1,122
Superannuation		2,975	2,416
Travelling Expenses and Conferences		489	2,799
Vehicle Expenses		4,916	7,639
Workers' Compensation		159	158
TOTAL OPERATING EXPENSE		119,330	109,180
OPERATING PROFIT/(LOSS)		\$ 42,109	\$ 19,410

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FAIRYMEAD CANE PROTECTION AND PRODUCTIVITY BOARD
PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2000

	<i>Notes</i>	<i>2000</i> \$	<i>1999</i> \$
<i>OPERATING PROFIT/(LOSS)</i>			
Before Abnormal Items and Income Tax B/fwd		42,109	19,410
Income Tax Expense Attributable to Operating Profit	1(f)	<u>-</u>	<u>-</u>
OPERATING PROFIT / (LOSS) AFTER INCOME TAX		<u>\$42,109</u>	<u>\$19,410</u>

The accompanying notes form part of the accounts

FAIRYMEAD CANE PROTECTION AND PRODUCTIVITY BOARD

BALANCE SHEET

AS AT 31 DECEMBER 2000

	<i>Notes</i>	<i>2000</i> \$	<i>1999</i> \$
<i>CURRENT ASSETS</i>			
Cash	2	61,067	31,330
Receivables	4	641	105
Investments	3	129,400	99,574
		<hr/>	<hr/>
TOTAL CURRENT ASSETS		191,108	131,009
<i>NON-CURRENT ASSETS</i>			
Property, Plant and Equipment	5	31,422	39,040
		<hr/>	<hr/>
TOTAL NON-CURRENT ASSETS		31,422	39,040
		<hr/>	<hr/>
TOTAL ASSETS		\$222,530	\$170,049
<i>CURRENT LIABILITIES</i>			
Creditors	6	14,064	5,231
Provisions	7	3,398	1,859
		<hr/>	<hr/>
TOTAL CURRENT LIABILITIES		17,462	7,090
		<hr/>	<hr/>
TOTAL LIABILITIES		17,462	7,090
		<hr/>	<hr/>
NET ASSETS		\$205,068	\$162,959
<i>EQUITY</i>			
Provision for Asset Replacement	8	19,000	19,000
Accumulated Profits	9	186,068	143,959
		<hr/>	<hr/>
TOTAL EQUITY		\$205,068	\$162,959
		<hr/>	<hr/>

The accompanying notes form part of the accounts.

FAIRYMEAD CANE PROTECTION AND PRODUCTIVITY BOARD
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2000

NOTE 1: STATEMENT OF ACCOUNTING POLICIES

(a) ***Basis of Accounts***

The accounts have been prepared on an historical cost basis, consistent with the basis applied in the previous financial year. Income and expenditure are brought to account on an accrual basis.

(b) ***Fixed Assets***

Fixed assets are included in the accounts at cost less accumulated depreciation.

(c) ***Depreciation***

Depreciation is provided on all fixed assets, other than land, using the diminishing value method.

Gains or losses arising from the sale or disposal of fixed assets are brought to account in the determination of the profit for the year, except for substantial gains or losses which are included as non-operating (extraordinary) income.

(d) ***Employee Entitlements***

Provision has been made for the legal liability to employees for long service leave and recreation leave. Sick pay is brought to account as incurred.

(e) ***Contingent Assets / Liabilities***

There were no known contingent assets / liabilities of a significant nature at 31 December 2000.

(f) ***Income Tax***

No income tax is payable as the Board is a non-profit organization and is specifically exempted from income tax under Section 23 of the Income Tax Assessment Act.

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FAIRYMEAD CANE PROTECTION AND PRODUCTIVITY BOARD

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2000

Explanatory Notes continued

	2000 \$	1999 \$
NOTE 2: CASH		
Cash at Bank	61,067 <u>\$61,067</u>	31,330 <u>\$31,330</u>
NOTE 3: INVESTMENTS		
Commercial Bill	<u>129,400</u>	<u>99,574</u>
NOTE 4: RECEIVABLES		
Sundry Debtors	<u>641</u>	<u>105</u>
NOTE 5: PROPERTY PLANT AND EQUIPMENT		
<i>Office Furniture and Equipment</i>		
At cost	8,355	7,315
Plus Additions	-	1,939
	<u>8,355</u>	<u>9,254</u>
Less Disposals	-	899
	<u>8,355</u>	<u>8,355</u>
Less Provision for Depreciation	6,517	5,621
	<u>\$ 1,838</u>	<u>\$ 2,734</u>
<i>Sundry Equipment</i>		
At cost	10,083	5,774
Plus Additions	320	5,015
	<u>10,403</u>	<u>10,789</u>
Less Disposals	-	706
	<u>10,403</u>	<u>10,083</u>
Less Provision for Depreciation	5,698	4,418
	<u>\$ 4,705</u>	<u>\$ 5,665</u>
<i>Buildings</i>		
At Cost	10,784	10,784
Less Provision for Depreciation	6,002	5,777
	<u>\$4,782</u>	<u>\$ 5,007</u>

FAIRYMEAD CANE PROTECTION AND PRODUCTIVITY BOARD

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2000

Explanatory Notes continued

	2000 \$	1999 \$
<i>Motor Vehicles</i>		
At cost	26,874	24,245
Plus Additions	-	26,874
	<u>26,874</u>	<u>51,119</u>
Less Disposals	-	24,245
	<u>26,874</u>	<u>26,874</u>
Less Provision for Depreciation	7,999	2,519
	<u>\$ 18,875</u>	<u>\$ 24,355</u>
 <i>Furniture and Fittings</i>		
At cost	1,381	1,381
Less Provision for Depreciation	159	102
	<u>\$1,222</u>	<u>\$ 1,279</u>

NOTE 6: CREDITORS

Sundry Creditors	<u>\$ 14,064</u>	<u>\$ 5,231</u>
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NOTE 7: PROVISIONS

Annual Leave

Movements in Provision for Annual Leave

Balance 1 January 2000	1,859	15
Add On-Costs charged against operating revenue	2,614	(1,844)
	<u>4,473</u>	<u>1,859</u>
Less Amount Paid	2,866	-
Balance 31 December 2000	<u>\$ 1,607</u>	<u>\$ 1,859</u>

Long Service Leave

Movements in Provision for Long Service Leave

Balance 1 January 2000	-	-
Add On-Costs charged against operating revenue	1,791	-
	<u>1,791</u>	<u>-</u>
Balance 31 December 2000	<u>1,791</u>	<u>-</u>

Total

<u>\$ 3,398</u>	<u>\$ 1,859</u>
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FAIRYMEAD CANE PROTECTION AND PRODUCTIVITY BOARD

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2000

Explanatory Notes continued

2000

1999

\$

\$

NOTE 8: PROVISION FOR ASSET REPLACEMENT

Balance

19,000

19,000

NOTE 9: ACCUMULATED PROFITS

Balance - 1 January 2000

143,959

124,549

Add Profit/(Loss)

42,109

19,410

Balance 31 December 2000

\$186,068

143,959

FAIRYMEAD CANE PROTECTION AND PRODUCTIVITY BOARD
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2000

	2000 \$	1999 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
<i>Inflows:</i>		
Receipts from General Levies	117,704	85,632
Interest Received	6,135	4,715
Other	37,064	37,731
<i>Outflows:</i>		
Wages and Salaries (incl Board Meeting Fees)	(49,133)	(39,441)
Payments to Suppliers	(57,892)	(57,783)
<i>Net Cash Provided or used by Operating Activities (Note 2)</i>	<u>\$ 53,878</u>	<u>\$ 30,854</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
<i>Inflows:</i>		
Proceeds From Sale Of Equipment	-	11,539
<i>Outflows:</i>		
Payments for Purchase of Plant and Activities	(320)	(33,828)
<i>Net Cash Provided Or Used In Investing Activities</i>	<u>\$ (320)</u>	<u>\$(22,289)</u>
CASH FLOWS FROM UNPAID GST		
<i>Inflows:</i>		
GST Collected on Sales	8,194	-
<i>Outflows:</i>		
GST Paid on Purchases	2,189	-
<i>Net Cash From Unpaid GST</i>	<u>\$6,005</u>	<u>-</u>
Net Increase (Decrease) In Cash Held	59,563	8,565
Cash at Beginning of Reporting Period 1 January 2000	<u>130,904</u>	<u>122,339</u>
Cash at End of Reporting Period 31 December 2000	<u>\$190,467</u>	<u>\$ 130,904</u>

FAIRYMEAD CANE PROTECTION AND PRODUCTIVITY BOARD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2000

NOTES TO THE STATEMENT OF CASH FLOWS

1 *Reconciliation of Cash*

For the purpose of the Statement of Cash Flows, cash includes:

- (i) cash on hand and in at-call deposits with bank or financial institutions net of bank overdrafts; *and*
- (ii) investments in money market instruments

Cash at the end of the year is shown in Balance Sheet as:

	2000 \$	1999 \$
Cash at Bank	61,067	31,330
At-Call Deposits with Financial Institutions	129,400	99,574
	<u>\$ 190,467</u>	<u>\$ 130,904</u>

2 *Reconciliation of Cash Flow from Operations With Operating Profit After Income Tax*

	2000 \$	1999 \$
Operating Profit / (Loss) After Income Tax	42,109	19,410
Non-Cash Flows in Operating Profit		
Depreciation	7,938	5,662
Long Service Leave	1,791	-
Recreation Leave	(252)	1,845
Asset Replacement	-	-
Increase / (Decrease) in Trade Creditors	2,828	4,450
Decrease / (Increase) in Trade Debtors	(536)	1,705
(Profit) / Loss on Sale of Non-Current Assets	-	(2,218)
	<u>\$ 53,878</u>	<u>\$ 30,854</u>

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FAIRYMEAD CANE PROTECTION AND PRODUCTIVITY BOARD
SCHEDULE OF DEBTORS AND CREDITORS
FOR YEAR ENDED 31 DECEMBER 2000

SUNDRY DEBTORS:

E M & G A Murphy	539.00
R J H & B Rieck	102.50
	<hr/>
	\$641.50
	<hr/>

SUNDRY CREDITORS:

Australian Taxation Office	8,835.12
Auer Petroleum Pty Ltd	160.84
BBC Hardware	20.66
Bundaberg Nissan & Hyundai	87.69
Bundaberg & District RSL	220.15
Bureau of Sugar Experiment Stations	4,548.91
Stedmans (Wholesale) Pty Ltd	6.72
Telstra	184.25
	<hr/>
	\$14,064.34
	<hr/>

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FAIRYMEAD CANE PROTECTION AND PRODUCTIVITY BOARD

STATEMENT OF PAYMENTS

2000

MEMBERS' MEETING FEES

	<i>FEES</i>	<i>MILEAGE</i>	<i>TOTAL</i>
B A McLellan	4,320.00	1,218.60	5,538.60
D K Schulte	1,120.00	127.20	1,247.20
R N Strathdee	1,280.00	591.80	1,871.80
A G Pitt	500.00	11.60	511.60
B G Glasgow	540.00	17.40	557.40
	<u>\$7,760.00</u>	<u>\$1,966.60</u>	<u>\$9,726.60</u>

CRF

FAIRYMEAD CANE PROTECTION AND PRODUCTIVITY BOARD

Depreciation Schedule For Year Ended 31 December 2000

Description	Original Cost	Opening WDV	Sale Date	Consid-eration	Profit /Loss on Sale	2000 Date Purchase	Cost	Total Value for Depr	Rate %	Depreciation	Closing Written Down Value
Motor Vehicles											
Nissan Navara	26,874.00	24,354.56						24,354.56	22.5	5,479.78	18,874.78
	26,874.00	24,354.56						24,354.56		5,479.78	18,874.78
Building											
Office		4,871.55						4,871.55	4.5	219.22	4,652.33
Shed		135.45						135.45	4.5	6.10	129.35
		5,007.00						5,007.00		225.32	4,781.68
Furniture and Fittings											
Blinds & Grills	1,381.00	1,279.29						1,279.29	4.5	57.57	1,221.72
		1,279.29						1,279.29		57.57	1,221.72
Office Furniture & Equipment											
Answering Machine	219.00	28.50						28.50	22.5	6.41	22.09
Computer Screen & Keyboard	403.00	153.14						153.14	40.0	61.26	91.88
Computer & Accessories	1,450.00	1,160.00						1,160.00	40.0	464.00	696.00
Furniture		76.16						76.16	9.0	6.85	69.31
Furniture		228.46						228.46	7.5	17.13	211.33
HP Deskjet Printer	419.00	52.49						52.49	40.0	21.00	31.49
Notebook Computer	3,705.96	464.29						464.29	40.0	185.72	278.57
Pentax ESP10928 Camera	400.00	192.19						192.19	25.0	48.05	144.14
Panasonic KX-FT37AL Fax Machine	489.00	378.97						378.97	22.5	85.27	293.70
		2,734.20						2,734.20		895.69	1,838.51

Depreciation Schedule For Year Ended 31 December 2000

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MANAGEMENT CERTIFICATE

FAIRYMEAD CANE PROTECTION AND PRODUCTIVITY BOARD

For the Year Ended 31 December 2000

We have prepared the foregoing annual financial statements pursuant to the provisions of the Financial Administration and Audit Act 1977 and other prescribed requirements and certify that, in our opinion –

- the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; *and*
- the foregoing annual financial statements have been drawn up so as to present a true and fair view in accordance with the prescribed accounting standards of the transactions of the Fairymead Cane Protection and Productivity Board for the financial year 1 January 2000 to 31 December 2000 and of the financial position as at the end of that year.

.....21/02/01.....
DATE

.....B. A. M. L.....
CHAIRPERSON

.....Bauden.....
PRINCIPAL ACCOUNTING OFFICER

MRP

INDEPENDENT AUDIT REPORT

To Fairymead Cane Protection and Productivity Board.

Scope

I have audited the general purpose financial statements of Fairymead Cane Protection and Productivity Board prepared by the Protection and Productivity Board for the year ended 31 December, 2000 in terms of section 46G of the *Financial Administration and Audit Act 1977*. The financial statements comprise the *Profit and Loss Account, Balance Sheet, Statement of Cash Flows, Notes to and forming part of the financial statements* and certificates given by the Chairperson and Principal Accounting Officer.

The Board is responsible for the preparation and the form of presentation of the financial statements and the information they contain. I have audited the financial statements in order to express an opinion on them.

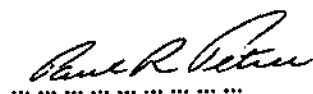
The audit has been conducted in accordance with *QAO Auditing Standards*, which incorporate the Australian Auditing Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included the examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with prescribed requirements which include Australian Accounting Standards so as to present a view which is consistent with my understanding of the entity's financial position and the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In accordance with section 46G of the *Financial Administration and Audit Act*, I certify that I have received all the information and explanations I have required and, in my opinion –

- The prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
- The statements have been drawn up so as to present a true and fair view in accordance with prescribed accounting standards and other prescribed requirements of the transactions of Fairymead Cane Protection and Productivity Board for the financial year 1 January 2000 to 31 December 2000 and of the financial position as at the end of that year.



PAUL R PETRIE

As delegate of the Auditor-General of Queensland

Queensland Audit Office
Brisbane

Dated: 7 March, 2001

MILLAQUIN-QUNABA CANE PROTECTION AND PRODUCTIVITY BOARD

**ANNUAL REPORT
TO THE
MINISTER FOR PRIMARY INDUSTRIES
2000**

INTRODUCTION

The Board is constituted under the provisions of Part 5 of the Sugar Industry Act 1991. The current three year term for Members expires on 31 March 2002.

The Board seeks to contribute to the sustained profitability of the sugar industry in the Millaquin and ex-Qunaba areas now rezoned to Millaquin and Fairymead Mills, within the Bundaberg district through improvements in plant protection and productivity programs.

The Board provides for better control of pests and diseases and prevention of establishment of other pests and diseases in the area through attention to quarantine, and is active in arranging for the supply of adequate healthy planting material for all cane growers served by the Board and for control of Ratoon Stunting and Fiji Diseases.

During the past 12 months the Millaquin / Qunaba Cane Protection and Productivity Board continued with the operation of its own Mother Plot system in the Millaquin / Qunaba area in the campaign to eliminate Ratoon Stunting Disease from the region and to improve the quality and quantity of cane plant supply for the area.

The Millaquin / Qunaba Cane Protection and Productivity Board is actively involved in farm productivity with one Board Member being a representative on the Bundaberg Cane Productivity Committee.

For the 2000 season, the Board's levy was 10.0 cents per tonne cane. The levy for the 2000 season increased by 1.0 cents per tonne cane from the 1999 levy.

BOARD MEMBERSHIP (At 31 March 1999)

<i>Cane Growers' Representatives</i>	Lawson, D – Chairman Griffin, K A – Deputy Chairman Baker, L M
<i>Mill Owners' Representatives</i>	Powell, R M Glasgow, B G
<i>BSES Nominee</i>	McMahon, G G Collins, J [B Agr Sc] (Local Proxy)
<i>Secretary</i>	Bawden, T
<i>Field Staff – Supervisor</i>	Turner, M E – Cane Protection Officer Haines, M G – Cane Productivity Officer

ROLE OF THE BOARD

Under the Sugar Industry Act 1991, the principal objective of a Cane Protection and Productivity Board is *"to enhance the productivity of the sugar industry by increasing the quantity and improving the quality of sugar cane produced by crops grown in its area"*.

In addressing the productivity issues, the Act charges the Board with the following functions:

- 1 Taking all steps necessary to prevent, control and eradicate pest infestations of sugar cane grown within the Millaquin / Qunaba Board area.
- 2 To assist and cooperate with BSES in research concerning any matter related to the production, harvesting, transport and processing of sugar cane.
- 3 To provide such advice and assistance as it sees fit to cane growers concerning matters related to production, harvest, pest control, the business of sugar cane farming, the preservation and enhancement of the capacity of land to sustain sugar production and to assist in minimising environmental damage.

PLANT DISTRIBUTION

During 2000, the Board operated three levels of Approved Seed plots in the propagation of cane plants – a Mother Plot and a Primary Increase Plot on the property of G & K Campbell and a number of Secondary Increase plots at various locations.

Small quantities of new seedlings were supplied by BSES for planting and propagation. Premium quality Approved Seed plants were distributed from the Primary Increase Plot. Distribution yard procedures again allowed for smooth operations.

The plant distribution system experienced another successful year, with 82% of growers collecting Approved Seed. The remaining 18% represents growers who have very small assignments and do not find it necessary to collect Approved Seed every year.

All cane plant plots were regularly sampled for RSD to ensure that Approved Seed cane was available for distribution to growers during 2000. A total of 280 samples were collected in Spring and Autumn with no evidence of RSD. BSES assisted with advice on guidelines for plant plots, including the utilisation of buffer zones. The Board continued to complete formal contracts with farm owners for each of the Cane Plant Plots (Mother Seed, Primary Increase and Secondary Increase), in an endeavour to ensure that the best long-term interest of growers is maintained.

During Autumn 262.46 tonnes of "kilogram" cane plants were distributed and 77.81 tonnes of the newly released variety Q188[®] were distributed during Spring.

Plant distributions for 2000 were as follows.

Variety	Autumn (tonnes)	Spring (tonnes)	Total 2000
Q124	77.44		77.44
Q135	23.37		23.37
Q138	22.65		22.65
Q141	22.04		22.04
Q150	11.05		11.05
Q151	26.45		26.45
Q155	17.70		17.70
Q170 [Ⓟ]	36.16		36.16
Q182 [Ⓟ]	25.60		25.60
Q188 [Ⓟ]		77.81	77.81
Total	262.46	77.81	340.27

PRIMARY INCREASE PLOT FIELD DAY

The Primary Increase Plot Field Day held on 8 February 2000 on the property of G and K Campbell attracted a total of 90 people which included cane growers, representatives of district banks, industry personnel and agricultural retailers. The Field Day allowed growers the opportunity to inspect the latest varieties and consider their performance levels.

A range of speakers presented details of 1999 variety performance, BSES research on 'Bio Cane' biological insecticide, sustainable farming systems and Rural Water Use Efficiency Initiative. Attendees also participated in a field walk and inspection of new varieties. The Field Day also included machinery, chemical and spray equipment displays and demonstrations, and BSES research projects.

VARIETIES

The Board maintained a review of all varieties to ensure that the most productive and profitable were available for growers. Board Members consider the sugar quality aspects of each variety.

It is the Board's policy that all propagation should cease for low use varieties and that any growers wishing to continue with such varieties should meet the cost of hot water treatment.

HOT WATER TREATMENT TANKS

The Board is responsible for the care and maintenance of hot water treatment tanks located at Millaquin Mill. Costs are on a shared basis with other Cane Protection and Productivity Boards in the region.

DISEASE CONTROL

The Millaquin / Qunaba Board maintains a high degree of inspections.

Routine inspection of "kg" and nucleus plants are performed during Autumn and Spring planting period. The Board recommends that growers wishing to plant 'Commercial' or "ratoon" should contact the Board to arrange for inspections and a permit. No permit is required for the planting of "kg" or "nucleus" material.

Fiji Disease

The Board maintained a watch on Fiji Disease in the area. The decline in Fiji Disease can be readily seen through the information gained by carrying out this annual survey. The absence of Fiji Disease findings in past surveys points to the strong possibility that young ratoon blocks could be free of Fiji Disease.

Ratoon Stunting Disease (RSD)

During 2000, 790 samples were collected.

Results from these samples found nine blocks positive. Eight blocks were on farms where Ratoon Stunting Disease was found in the 1996/97/98/99 surveys. Growers identified with RSD in the previous surveys (1996, 1997, 1998, 1999) have their plant sources tested annually to make sure the cane they are planting is not transmitting the disease. Six hundred and forty (640) samples were taken from the affected farms.

Results from these samples found eleven blocks positive. Growers involved were informed of the results and an alternative plant source was tested which were found negative.

The growers and contractors involved were notified of the disease presence. A letter was sent to the growers confirming this finding with the relevant information including block number, variety, and crop class. Another letter was sent to the growers in the group informing them of the presence of this disease in their group. Also another letter attached to an information sheet on "Recommended Hygiene Practices" was sent to the neighbouring contractors informing them of these finding.

A meeting of growers in the affected group was held to inform them of the disease and recommended hygiene practices.

Appropriate sampling techniques for detecting the presence of RSD will continue for the next year and all growers and contractors will be advised of correct hygiene practices.

Orange Rust Disease

The fungal disease, Orange Rust, was detected in Autumn 2000. Most blocks of Q124 and Q182^Φ had some rust, the severity of the disease varying throughout the Millaquin/Qunaba area. A combination of Orange Rust and dry weather during the Autumn/Winter /Spring period affected the productivity of Q124, particularly on the poorer soil types.

Sugarcane Smut Disease

Following the discovery of Smut in the Ord River region of Western Australia, an extensive survey has been undertaken to evaluate the situation in Queensland. As well as on-farm inspections, a number of grower meetings were held to inform growers in order for them to also carry out inspections. Around 1,905.4 hectares were inspected representing around 10% of the 1998 harvested Millaquin / Qunaba area.

Monitoring continued through the 1999/00 period in conjunction with routine inspection programs. No Sugarcane Smut has been detected.

Mosaic Disease

The Board continues to monitor for the spread of Mosaic Disease. During the 2000 survey, four diseased stools were identified in two blocks on two farms. All diseased stools were rogued by the grower.

Pachymetra (PRS)

During 1999 a small monitoring program was initiated to assess the level of Pachymetra in blocks previously identified with the disease and are now planted to the variety Q124. The survey included a selection of positive blocks with low, medium and high levels of Pachymetra and resistant and susceptible varieties to determine if spore counts have increased over the previous years.

A total of 18 blocks were sampled with results indicating where resistant varieties were planted, the spore numbers decreased and where a susceptible variety was planted there was an increase in spore numbers. This monitoring was maintained in 2000.

Rust Disease (common)

Monitoring of the incidence of Rust Disease was maintained in 2000. Rust has been observed in some blocks of young Autumn plant and ratoon cane in the mill area. Investigation of these blocks has found that Q138 continues to be the variety mainly affected. Infection in these blocks ranged from light to severe. Other varieties in these blocks appear free of the disease.

Other Diseases

The Board maintained a watch for other diseases. This was carried out in conjunction with plant source and routine inspections.

PEST CONTROL

As with diseases, the Millaquin / Qunaba Board maintained a high degree of monitoring for pest losses within the total area with specific emphasis on damage caused by major pests affecting cane crops such as cane grubs, Soldier Flies, Pink Earth Pearls and Nematodes.

Soldier Fly

Soldier Fly has continued to be of considerable concern in the Millaquin / Qunaba area.

Staff advised growers of the cultural method of control and wherever possible recommended they plant varieties which appear to have some resistance to the pest. More outbreaks are expected to occur unless a suitable control measure can be found. The Board continues to assist BSES with field trials.

Canegrubs

The Childers and Bundaberg Canegrub caused moderate to severe damage during the 2000 season. The varieties CP 51-21, Q141, Q151 and Q146 were being affected. The majority of these blocks were not treated with SuSCon®.

Information was provided to growers to remind them of the correct application method, application rates and depth of application of SuSCon®.

Moth Borer

Moth Borers continue to be responsible for light to moderate damage in young Autumn plants and some blocks of mature cane. Varieties affected included Q124, Q138, Q141, and Q151. Most of these blocks were free of grass and weeds.

Pink Earth Pearls

The area affected by Earth Pearl damage continues to increase with Red Volcanic farms most affected. Information is provided to growers on specific strategies and appropriate farming activities. Growers are also informed on all hygiene aspects.

Rhyparida Beetle

The Board was involved in an extensive survey of the area during 1999 and 2000. During the 1999 survey small to large larvae, pupae, adult black beetles and light to heavy damage were recorded in some blocks.

Infestations were not as prevalent in during the 2000 survey.

BSES is currently involved in research in an effort to establish a control system. This research is ongoing.

PRODUCTIVITY

The Board continues to employ a Cane Productivity Officer and Cane Protection Officer to more accurately define the specific requirements of the Board.

The Cane Productivity Officer regularly reviewed the relative CCS performance for all varieties for each zone in the area during the crushing.

Q124 is a major variety in most of the mill area, however, the increased levels of orange rust disease caused a decline in productivity, especially on the poorer soils. Q135 and Q155 have continued to produce above average net return / ha on good quality soils. The importance of Q141 remains evident.

The Boards actively participated in the Bundaberg Cane Productivity Committee, a group comprising representatives of the Millaquin / Qunaba, Fairymead and Bingera Cane Protection and Productivity Boards, Bundaberg Sugar Ltd, BSES, Canegrowers Bundaberg, QDPI and Queensland Caneharvesters. This participation included assistance in the preparation of productivity material and data for presentation at a range of forums including Productivity Awards, farm financial seminars and grower meetings. The Board's five year Strategic Plan was reviewed and utilised so as to improve the Board's planning skills.

The Cane Productivity Officer was involved in a number of projects throughout the year.

Irrigation Methods and Benchmarking Review

The completion of this irrigation practice study provided a snap-shot of distribution of irrigation application methods in the Millaquin / Qunaba area, together with an evaluation of grower irrigation management efficiency levels.

This report is the culmination of a three year (1996/97/98) audit of irrigation and cultivation practice conducted by the Millaquin / Qunaba Cane Protection and Productivity Board. It sets out the process involved in the development of the database; explanatory tables to demonstrate irrigation, cultural and management practices within each soil type and water supply system are included. The integrity of the information gathered, along with consideration of the future direction of this work program, is also discussed.

Results of this study provided base line data to an audit of irrigation practices conducted in conjunction with the establishment of the Rural Water Use Efficiency Initiative. It also provides industry field advisers and Extension Officers with benchmark information to quantify change to irrigation practice and will assist with the development of local irrigation extension priorities.

CRC Project

Masters student Miss Judy Skilton completed studies for the CRC sponsored project to develop "Guidelines for Sustaining Soil Fertility and Balanced Crop Nutrition on Soils Irrigated with Magnesic-Sodic Groundwaters". Outcomes of this project were presented to industry, local government and general public through presentations at industry and public forums, and by media release.

The Board has provided considerable support for this project through the participation of the Cane Productivity Officer.

SRCD Project

The project "A Participatory Approach to Improving Furrow Irrigation Efficiency" has been undertaken by the Board and the District Productivity Coordinator. Stage one of the project included a desk top study to identify farms with poor water use efficiency and localities where furrow irrigation is practised. The irrigation methods and benchmarking review provided background information, which assisted with the justification of this project. Data compiled during the three year review had provided a large proportion of the information required to complete the desk top study for this project.

The second stage of the study involving a monitoring phase, is now complete. Full monitoring sites were established on six farms while a further five partial monitoring sites were also established. Irrigation events at all sites were regularly assessed for inflow data and advance rates. Crop growth, evaporation, rainfall and soil moisture was also measured.

Stage three of the program involving practice evaluation is also complete. Several factors related to current practices were identified as contributors to low furrow irrigation efficiency. These factors included uneven and inappropriate inflow rates, uneven and unsuitable advance rates, mismatched cut-off times and superfluous end-wetting.

The final stage involving group extension activities is now in progress.

Assessment and Promotion of Irrigation Efficiency

"An interactive approach to identifying irrigation management factors and practices contributing to variability in Cane Water Indices.

Irrigation application efficiency has received considerable attention through research and extension activities during the past several years.

This project to identify grower practices in relation to timing of irrigation and quantity of water applied, and how this relates to various stages of growth in combination with rainfall and soil moisture holding capacity commenced in 2000.

This program aims to identify deficiencies in knowledge, in conjunction with encouraging grower awareness of the value of irrigation planning to meet specific crop moisture demand at various critical growth stages. The concept of equating irrigation with an estimated daily crop water use on a particular soil type for each month of the year (illustrated by McDougall and Hussey in the Bundaberg district irrigation guide (1997)), will be promoted during this project.

Other Productivity Issues

The Board continues to monitor the impact of trickle irrigation, green cane harvesting and trash blanket farming.

There is no doubt that future advice to growers will have to take into account the social benefits, economic value, availability of water supplies and understanding of best management of the systems.

SERVICE TO GROWERS

The Board's Officers cooperated with BSES Extension Officers in assisting growers with advice on insecticide / herbicide use, plant nutrition, pests and disease, cane varieties, irrigation practices and scheduling, soil conservation, trash retention and drainage.

The Board provided advice and calibration services for sprays and other equipment. Growers have been urged to have equipment calibrated at least once a year. Staff assisted with seminars for growers to demonstrate pest and disease control, productivity and farming techniques.

The Board was also involved in the planting of new seedlings and varieties on growers' land for propagation.

PROJECTS AND ACTIVITIES

BSES Centenary Field Day

Board Members and staff assisted with the Centenary Field Day. Information about new varieties, productivity, benefits of green trash blanket, factors affecting the application efficiency of furrow irrigation, and a number of other related activities was presented.

Agro-Trend

The Board provided assistance at the Bundaberg District Sugar Industry Exhibit at the 2000 Agro-Trend. The exhibit also involved Canegrowers, BSES, Bundaberg Sugar Ltd, Fairymead and Bingera Cane Protection and Productivity Boards, Queensland Sugar corporation and Queensland Caneharvesters.

ASSCT Conference

Board Members and staff attended the Conference in Bundaberg and gained valuable information from the different Papers presented and from discussions with Members of other Boards throughout the State.

Chemical Accreditation Courses

The Board actively promoted chemical accreditation courses in the Millaquin / Qunaba area.

Rationalisation of Cane Protection and Productivity Boards – Bundaberg

The Board supported initiatives to investigate options for amalgamating the Bingera, Fairymead and Millaquin / Qunaba Cane Protection and Productivity Boards in an

endeavour to increase the level of efficiency of Board operations and services to growers. A joint Secretary for all three Boards is currently in place to rationalise administrative functions.

Cell Group Meetings

A successful round of cell group meetings was held during 2000. Topics for discussion included 1999 variety production information, Orange Rust, "Factors Affecting the Application Efficiency of Furrow Irrigation" and "Sustaining Soil Fertility and Balanced Crop Nutrition on Soils Irrigated with Magnesium-Sodic Groundwaters".

COMPUTER EQUIPMENT

The Board continued to review computer equipment and software to assist with the compilation and analysis of pest and disease data. The system allows the operator to target a farm, harvesting group, zone or the entire Mill area to determine block information such as varieties and crop class. The equipment is also used extensively for analysis of soil survey and irrigation information.

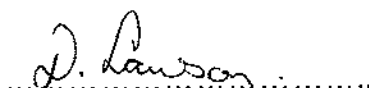
BOARD MEETINGS

Meeting were held on the following dates during 2000.

10 February
28 February
8 May
13 July
31 July
23 October

THANKS

The Boards extends appreciation to all growers for their cooperation.



D Lawson
Chairman
11 May 2001

MILLAQUIN/QUNABA CANE PROTECTION AND PRODUCTIVITY BOARD
PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2000

	<i>Notes</i>	<i>2000</i>	<i>1999</i> \$
OPERATING REVENUES			
Levies		88,124	127,868
Interest Received		8,024	6,694
Proceeds of Cane Plants		37,437	43,082
Hot Water Treatment of Plants		1,780	980
Miscellaneous Income		2,851	-
Profit on Sale of Assets		7,265	-
TOTAL OPERATING REVENUE		145,481	178,624
OPERATING EXPENSES			
Advertising		974	250
Audit Fees		1,125	1,125
Bank Fees and Charges		30	37
Chairman's Meeting Fees		2,625	2,423
Computer Consumables and Equipment		95	274
Contribution Cane Plants		33,497	41,658
Contribution Secretarial Services and Expenses		5,240	8,569
Depreciation of Property, Plant and Equipment		11,646	8,412
Functions		336	165
Fringe Benefits Tax		22	24
Insurance		2,241	901
Loss on Sale of Asset		-	730
Members' Meeting Fees		3,446	2,038
Postage and Telephone		2,825	2,456
Printing, Stationery, Photocopying and Circulars		1,013	874
Provision - Asset Replacement	8	-	-
Provision - Long Service Leave	7	1,928	2,324
Provision - Recreation Leave	7	(2,372)	295
Rent		1,399	1,794
Repair and Maintenance		-	240
RSD Testing		820	907
Salaries and Wages		76,453	69,257
Services Agreement		3,798	-
Staff Training		218	1,020
Subscriptions		150	100
Sundry Expenses		1,273	1,379
Superannuation		5,735	5,235
Travelling Expenses and Conferences		399	3,480
Vehicle Expenses		6,987	6,006
Workers' Compensation		287	342
TOTAL OPERATING EXPENSE		162,190	162,315
OPERATING PROFIT/(LOSS) C/fwd		(\$16,709)	\$ 16,309

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MILLAQUIN/QUNABA CANE PROTECTION AND PRODUCTIVITY BOARD

PROFIT AND LOSS STATEMENT (cont)

FOR THE YEAR ENDED 31 DECEMBER 2000

	<i>Notes</i>	<i>2000</i> \$	<i>1999</i> \$
OPERATING PROFIT / (LOSS)			
before abnormal items and income tax B/fwd		(16,709)	16,309
Income Tax Expense Attributable to Operating Profit	1(f)	<u>-</u>	<u>-</u>
OPERATING PROFIT/(LOSS) AFTER INCOME TAX		<u>(\$16,709)</u>	<u>\$16,309</u>

The Accompanying Notes form part of the Accounts.

RRP

MILLAQUIN/QUNABA CANE PROTECTION AND PRODUCTIVITY BOARD
BALANCE SHEET
AS AT 31 DECEMBER 2000

	<i>Notes</i>	<i>2000</i>	<i>1999</i> \$
CURRENT ASSETS			
Cash	2	22,139	36,944
Receivables	4	672	1,225
Short-term Investments	3	149,308	159,319
TOTAL CURRENT ASSETS		<u>\$172,119</u>	<u>197,488</u>
NON-CURRENT ASSETS			
Property, Plant and Equipment	5	<u>45,189</u>	<u>25,387</u>
TOTAL NON-CURRENT ASSETS		<u>45,189</u>	<u>25,387</u>
TOTAL ASSETS		<u>\$217,308</u>	<u>\$ 222,875</u>
CURRENT LIABILITIES			
Creditors	6	13,689	2,103
Provisions	7	<u>14,611</u>	<u>15,055</u>
TOTAL CURRENT LIABILITIES		<u>28,300</u>	<u>17,158</u>
TOTAL LIABILITIES		<u>\$ 28,300</u>	<u>\$ 17,158</u>
NET ASSETS		<u>\$189,008</u>	<u>\$ 205,717</u>
EQUITY			
Provision for Asset Replacement	8	20,000	20,000
Retained Profits	9	<u>169,008</u>	<u>185,717</u>
TOTAL EQUITY		<u>\$ 189,008</u>	<u>\$ 205,717</u>

The above Balance Sheet is to be read in conjunction with the attached notes.

PRP

MILLAQUIN / QUNABA CANE PROTECTION AND PRODUCTIVITY BOARD
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2000

NOTE 1: STATEMENT OF ACCOUNTING POLICIES

(a) *Basis of Accounts*

The accounts have been prepared on an historical cost basis, consistent with the basis applied in the previous financial year. Income and expenditure are brought to account on an accrual basis.

(b) *Fixed Assets*

Fixed assets are included in the accounts at cost less accumulated depreciation.

(c) *Depreciation*

Depreciation is provided on all fixed assets, other than land, using the diminishing value method.

Gains or losses arising from the sale or disposal of fixed assets are brought to account in the determination of the profit for the year, except for substantial gains or losses which are included as non-operating (extraordinary) income.

(d) *Employee Entitlements*

Provision has been made for the legal liability to employees for long service leave and recreation leave. Sick pay is brought to account as incurred.

(e) *Contingent Assets / Liabilities*

There were no known contingent assets / liabilities of a significant nature at 31 December 2000.

(f) *Income Tax*

No income tax is payable as the Board is a non-profit organization and is specifically exempted from income tax under Section 23 of the Income Tax Assessment Act.

NOTE 2: CASH

	<i>2000</i>	<i>1999</i>
	\$	\$
Cash at Bank	22,139	36,944
	<u>22,139</u>	<u>36,944</u>

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MILLAQUIN/QUNABA CANE PROTECTION AND PRODUCTIVITY BOARD
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2000

<i>Explanatory Notes continued</i>	<i>2000</i> \$	<i>1999</i> \$
NOTE 3: INVESTMENTS		
Commercial Bill	<u>149,308</u>	<u>159,319</u>
NOTE 4: RECEIVABLES		
Sundry Debtors	<u>672</u>	<u>1,225</u>
NOTE 5: PROPERTY PLANT AND EQUIPMENT		
<i>Office Furniture and Equipment</i>		
At Cost	14,437	19,402
Plus Additions	<u>-</u>	<u>3,199</u>
	14,437	22,601
Less Disposals	<u>-</u>	<u>8,164</u>
	14,437	14,437
Less Provision for Depreciation	<u>10,112</u>	<u>7,310</u>
	<u>4,325</u>	<u>7,127</u>
<i>Sundry Equipment</i>		
At Cost	2,884	2,242
Plus Additions	<u>-</u>	<u>1,683</u>
	2,884	3,925
Less Disposals	<u>-</u>	<u>1,041</u>
	2,884	2,884
Less Provision for Depreciation	<u>1,410</u>	<u>951</u>
	<u>1,474</u>	<u>1,933</u>
<i>Motor Vehicles</i>		
At Cost	41,229	41,229
Plus Additions	<u>45,366</u>	<u>-</u>
	86,595	41,229
Less Disposals	<u>41,229</u>	<u>-</u>
	45,366	41,229
Less Provision for Depreciation	<u>6,209</u>	<u>25,194</u>
	<u>39,157</u>	<u>16,035</u>
<i>Furniture and Fittings</i>		
At Cost	564	564
Less Provision for Depreciation	<u>331</u>	<u>272</u>
	<u>233</u>	<u>292</u>

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MILLAQUIN/QUNABA CANE PROTECTION AND PRODUCTIVITY BOARD
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2000

Explanatory Notes continued

NOTE 6: CREDITORS

	2000 \$	1999 \$
Sundry Creditors	<u>13,689</u>	<u>2,103</u>

NOTE 7: PROVISIONS

Recreation Leave

Movements in Provision

Balance 1 January 2000	4,831	4,536
Add On-Costs charged against operating revenue	<u>5,415</u>	<u>4349</u>
	10,246	8,885
Less Amounts Paid	<u>7,787</u>	<u>4,054</u>
Balance 31 December 2000	<u>2,459</u>	<u>4,831</u>

Long Service Leave

Movements in Provision

Balance 1 January 2000	10,224	7,900
Add On-Costs charged against operating revenue	<u>1,928</u>	<u>2,324</u>
	12,152	10,224
Less Amounts Paid	<u>-</u>	<u>-</u>
Balance 31 December 2000	<u>12,152</u>	<u>10,224</u>

Total

<u>\$ 14,611</u>	<u>\$ 15,055</u>
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NOTE 8: PROVISION FOR ASSET REPLACEMENT

Balance	20,000	20,000
Provision for Motor Vehicles	-	-
Provision for Furniture and Equipment	<u>-</u>	<u>-</u>
	<u>20,000</u>	<u>20,000</u>

NOTE 9: ACCUMULATED PROFITS

Balance - 1 January 2000	185,717	169,408
Add Profit/(Loss)	<u>(16,709)</u>	<u>16,309</u>
Balance 31 December 2000	<u>\$169,008</u>	<u>185,717</u>

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MILLAQUIN/QUNABA CANE PROTECTION AND PRODUCTIVITY BOARD
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2000

	2000 \$	1999 \$
<i>CASH FLOWS FROM OPERATING ACTIVITIES</i>		
<i>Inflows:</i>		
Receipts from Levies	88,124	127,868
Interest Received	8,024	6,694
Other	42,621	44,412
<i>Outflows:</i>		
Wages and Salaries (incl Board meeting fees)	(85,151)	(73,718)
Payments to Suppliers	(57,080)	(75,394)
<i>Net Cash Provided or Used by Operating Activities (Note 2)</i>	<u>\$ (3,462)</u>	<u>\$ 29,862</u>
<i>CASH FLOWS FROM INVESTING ACTIVITIES</i>		
<i>Inflows:</i>		
Proceeds from sale of equipment	21,183	678
<i>Outflows:</i>		
Payments for Purchase of Plant and Activities	(45,366)	(4,882)
<i>Net Cash Provided or Used in Investing Activities</i>	<u>(24,183)</u>	<u>(4,204)</u>
<i>CASH FLOWS FROM UNPAID GST</i>		
<i>Inflows:</i>		
GST Collected on Sales	7,119	-
<i>Outflows:</i>		
GST Paid on Purchases	4,290	-
<i>Net Cash From Unpaid GST</i>	<u>2,829</u>	<u>-</u>
Net increase (decrease) in cash held	(24,816)	25,658
Cash at beginning of reporting period 1 January 2000	196,263	170,605
Cash at end of reporting period 31 December 2000	<u>\$171,447</u>	<u>\$ 196,263</u>

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MILLAQUIN/QUNABA CANE PROTECTION AND PRODUCTIVITY BOARD
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2000

2000
\$

1999
\$

NOTES TO THE STATEMENT OF CASH FLOWS

1 *Reconciliation of Cash*

For the purpose of this Statement of Cash Flows, cash includes:

- i) cash on hand and in at call deposits with bank or financial institutions net of bank overdrafts; and
- ii) investments in money market instruments

Cash at the end of the year is shown in Balance Sheet as:

Cash at Bank	22,139	36,944
At Call Deposits with Financial Institutions	149,308	159,319
	<u>\$171,447</u>	<u>196,263</u>

2 *Reconciliation of Cash Flow from Operations With Operating Profit After Income Tax*

Operating Profit/(Loss) after Income Tax	(16,709)	16,309
Non-Cash Flows in Operating Profit		
Depreciation	11,646	8,412
Long Service Leave	1,928	2,324
Recreation Leave	(2,372)	295
Increase/(Decrease) in Trade Creditors	8,757	1,443
Decrease/(Increase) in Trade Debtors	553	350
Profit / Loss on Sale of Assets	(7,265)	729
	<u>\$ (3,462)</u>	<u>\$ 29,862</u>

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MILLAQUIN/QUNABA CANE PROTECTION AND PRODUCTIVITY BOARD

STATEMENT OF PAYMENTS

2000

MEMBERS' MEETING FEES

	<i>FEES</i>	<i>MILEAGE</i>	<i>TOTAL</i>
D Lawson (Chairman)	2,575.00	275.60	2,850.60
L M Baker	1,225.00	162.90	1,387.90
K A Griffin	975.00	137.50	1,112.50
B G Glasgow	435.00	11.60	446.60
R M Powell	265.00	8.70	273.70
	<u>\$5,475.00</u>	<u>\$596.30</u>	<u>\$6,071.30</u>

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MILLAQUIN/QUNABA CANE PROTECTION AND PRODUCTIVITY BOARD
SCHEDULE OF DEBTORS AND CREDITORS
FOR YEAR ENDED 31 DECEMBER 2000

SUNDRY DEBTORS:

J Codianni	<u>\$ 671.77</u>
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SUNDRY CREDITORS:

Australian Taxation Office	7,584.74
Bureau of Sugar Experiment Stations	4,548.91
Hot Water Treatment Maintenance	960.00
McAtees Mechanical & Windscreens	471.05
Telstra	<u>124.75</u>
	<u>\$13,689.45</u>

ERP

MILLAQUIN / QUNABA CANE PROTECTION AND PRODUCTIVITY BOARD

Depreciation Schedule For Year Ended 31 December 2000

Description	Original Cost	Opening WDV	Sale Date	Consideration	Profit /Loss on Sale	2000 Date Purchase	Cost	Total Value for Depr	Rate %	Depreciation	Closing Written Down Value
Motor Vehicles											
Triton Patrol 171-CNU	19,108.00	4,741.24	04/01/00	8,000.00	-3,258.76			-	-	-	-
Ford Courier 061-DTZ	22,121.00	11,293.46	30/10/00	13,181.82	-4,005.89			-	22.5	2,117.53	-
Ford Courier Crew Cab 425-FJK						04/01/00	24,039.69	24,039.69	22.5	5,408.93	18,630.76
Holden Commodore Utility 633-FTM						30/10/00	21,326.26	21,326.26	22.5	799.73	20,526.53
	41,229.00	16,034.70		21,181.82	-7,264.65		45,365.95	45,365.95		8,326.19	39,157.29
Sundry Equipment											
Compressor	211.20	57.68						57.68	10.0	5.77	51.91
Knapsack Sprayer	60.00	-						-	-	-	-
Microscope	993.41	247.51						247.51	7.5	18.56	228.95
One Tonne Tool Box	139.00	-						-	-	-	-
Dipping Frame	387.00	346.69						346.69	25.0	86.67	260.02
Mobile Phone	288.00	280.80						280.80	30.0	84.24	196.56
Mobile Phone	288.00	280.80						280.80	30.0	84.24	196.56
Diviner Tubes	720.00	720.00						720.00	25.0	180.00	540.00
	3,086.61	1,933.48						1,933.48		459.48	1,474.00
Office Equipment and Computers											
Bookshelf	112.00							-	-	-	-
Canon BJC4650 Printer	495.00	287.10						287.10	40.0	114.84	172.26
Colorado 5GB Tape Back Up External Unit	975.00	565.50						565.50	40.0	226.20	339.30
Equipment	202.00	150.28						150.28	7.5	11.27	139.01
Filing Cabinet 4 Draw	256.00							-	-	-	-
Future Computer CW-9811LX	2,897.50	1,680.55						1,680.55	40.0	672.22	1,008.33
Future Computer CW-9811LX	2,897.50	1,680.55						1,680.55	40.0	672.22	1,008.33
C/fwd	7,835.00	4,363.98						4,363.98		1,696.75	2,667.23

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MILLAQUIN / QUNABA CANE PROTECTION AND PRODUCTIVITY BOARD

Depreciation Schedule For Year Ended 31 December 2000

[illegible]

MANAGEMENT CERTIFICATE

MILLAQUIN / QUNABA CANE PROTECTION AND PRODUCTIVITY BOARD

For the Year Ended 31 December 2000

We have prepared the foregoing annual financial statements pursuant to the provisions of the Financial Administration and Audit Act 1977 and other prescribed requirements and certify that, in our opinion –

- the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; *and*
- the foregoing annual financial statements have been drawn up so as to present a true and fair view in accordance with the prescribed accounting standards of the transactions of the Millaquin / Qunaba Cane Protection and Productivity Board for the financial year 1 January 2000 to 31 December 2000 and of the financial position as at the end of that year.

15/02/01
DATE

D. Lawson
CHAIRPERSON

Bawden
PRINCIPAL ACCOUNTING OFFICER

MP

INDEPENDENT AUDIT REPORT

To Millaquin-Qunaba Cane Protection and Productivity Board.

Scope

I have audited the general purpose financial statements of Millaquin-Qunaba Cane Protection and Productivity Board prepared by the Protection and Productivity Board for the year ended 31 December, 2000 in terms of section 46G of the *Financial Administration and Audit Act 1977*. The financial statements comprise the *Profit and Loss Account, Balance Sheet, Statement of Cash Flows, Notes to and forming part of the financial statements* and certificates given by the Chairperson and Principal Accounting Officer.

The Board is responsible for the preparation and the form of presentation of the financial statements and the information they contain, I have audited the financial statements in order to express an opinion on them.

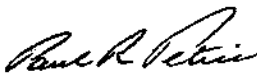
The audit has been conducted in accordance with *QAO Auditing Standards*, which incorporate the Australian Auditing Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included the examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with prescribed requirements which include Australian Accounting Standards so as to present a view which is consistent with my understanding of the entity's financial position and the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In accordance with section 46G of the *Financial Administration and Audit Act*, I certify that I have received all the information and explanations I have required and, in my opinion –

- The prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
- The statements have been drawn up so as to present a true and fair view in accordance with prescribed accounting standards and other prescribed requirements of the transactions of Millaquin-Qunaba Cane Protection and Productivity Board for the financial year 1 January 2000 to 31 December 2000 and of the financial position as at the end of that year.



PAUL R PETRIE

As delegate of the Auditor-General of Queensland

Queensland Audit Office
Brisbane

Dated: 7 March, 2001

ISIS CANE PROTECTION AND PRODUCTIVITY BOARD

ANNUAL REPORT

TO THE

MINISTER FOR PRIMARY INDUSTRIES

2000

ISIS CANE PROTECTION AND PRODUCTIVITY BOARD

ANNUAL REPORT YEAR ENDING 31 DECEMBER 2000

Charter

The Isis Cane Protection and Productivity Board is constituted under the provisions of Part 5 Section 163 of the Sugar Industry Act 1999.

The Board's existence was preserved in accordance with Chapter 8 part 2 Section 255 (2) of the Act. The operations of the Board in 1991 was financed solely by statutory levy on the growers and millers of the mill area, under Section 5.14 of the Sugar Industry Act 1991.

Aims and Objectives

The Board was established to provide extension advice on the control of pests by chemicals and other means, to identify and monitor sugar cane diseases present in the area, and prevent their spread by roguing and use of disease-free plants, and to help prevent the establishment of other pests and diseases in the area through attention to quarantine. It is particularly active in arranging the supply of adequate tonnages of healthy planting material, through the establishment of a Tertiary Increase Plot (TIP) for the propagation of clean seed canes on a commercial enterprise, for all cane growers in the area, for the control of ratoon stunting, Fiji and Mosaic diseases.

Management and Structure

The current three year term of Board membership expires on 31 March 2002. The personnel appointed by the Minister for Primary Industries effective on 1 April 1999 are as follows -

Canegrowers' Representatives

Hillhouse,	John
Hoffmann,	Steven Roy
Kingston,	Neil Robert

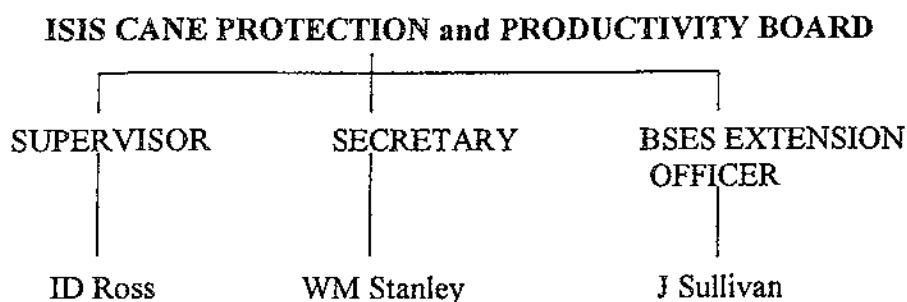
Millowners' Representatives

Hochen,	Mark
Cox,	Trevor George

Bureau of Sugar Experiment Stations Representative

McMahon, Gavin Geoffrey

The Management structure of the Board is as follows –



REVIEW OF OPERATIONS

The 2000 season would, when compared to the previous five years have to be called disastrous. Ratoon crops suffered from some very severe harvester damage from the 99 season, this coupled with a very poor growing season saw the district average plummet to 77.2t/h, down from 102.2 t/h in 99.

Growers would be only too aware of the impact this reduction in crop size had on their cash flow, especially coming in a year when the sugar price was below the cost of production.

Varieties

I recall being at a meeting when Q124 was being discussed as to its possible release in the Isis. The plant breeders at the time cautioned its release because of its susceptibility to mosaic disease, RSD. Experience in the north with its productivity out weighed these concerns and subsequently Q124 was released. No one would question that decision today as the variety actually has had some very impressive statistics. As with most of our moneymaking varieties over the years, some major problem arises and the variety is forced prematurely out of the system. NCO and Q93 it was Fiji disease, Q95 mosaic and now Q124 it appears to be orange rust.

The effect of orange rust on the 2000 crop has been difficult to properly estimate in a year in which many factors affected the proper growth of the crop. Suffice to say Q124 and Q182 did suffer crop losses with the more severely affected areas being to the north of the district on the lighter soils. Q124 comprised 46.12% of the crop. Other varieties of note are Q151 at 17.69%, Q138 at 9.77%, and Q141 at 8.73%. With a big question mark over Q124 the percentage of the minor varieties is likely to grow markedly over the next couple of years. Growers are asked to consider possible planting material early so that Board staff can properly assess suitability for planting stock.

Clean Seed

The spring distribution saw a total of 380 tonnes of the varieties listed in the summary attached at the end of this report, distributed to growers. The summary lists the varieties, the number of growers involved, and the method of harvest. As can be seen, where billets are available growers are prepared to take bulk quantities, which assists in commercial plantings of clean cane twelve months ahead of nucleus plants.

This spring will see the release of Q135 from La Rocca's as whole stalk and Hoffmann's as billets.

First ratoon Q188 and Q138 from La Rocca's Knockroe farm will also be available

Accelerated Variety Program

The Orange Rust outbreak has resulted in the BSES and Isis Cane Protection and Productivity Board co-operative efforts in planting out two promising new seedlings 88C6002 and 90S7063 on Illgarra Farming Co and RS & J P/L at Cordalba.

These are bulking-up plots and would be used for hot water treatment if a decision was made to release these varieties.

At Angelo La Rocca's Lynwood farm, the normal accelerated variety program has seen the seedlings 88C6002, 89S8124 and 90S7063 planted out in bulk-up plots. This year four more promising seedlings 87S756, 88S7161, 88C6002 and 90N6008 have been planted at Alf Bonanno's Redridge farm, also hot water treated Q141 and Q170, which will be used for future distributions.

Hot Water Treatment

Hot water treatment was carried out for ten growers at the facility at the Isis Mill. Both whole stalk and billets were treated with good strikes in all cases. Growers are encouraged to utilise this state of the art facility to become self-sufficient in clean plants of the minor varieties or just to be self-sufficient should the Board's distribution plots be inconvenient. A phone call to Board staff is all that is required

Diseases

Ratoon Stunting Disease (RSD)

The Board for a number of years now has been taking random samples from commercial cane to be Eliza tested for RSD. A total of 495 samples were taken with 51 testing positive, around 10%. A breakdown can be seen in the summary. Of the 443 plant inspections carried out between July and September, 18 blocks were found to have RSD. The Board staff have evidence of some growers knowingly planting diseased cane, this practice not only affects the potential productivity of the particular grower concerned, but has the potential to affect other growers in the immediate harvesting group. In the near future, the Board will be considering what action can be taken to notify growers at risk. This disease is one of the many we confront, that we as growers, are masters of our own destiny.

Clean plants + Clean Ground + Harvested with clean machinery = Clean Farm

Mosaic Disease

This disease is very prevalent in Q124. In the survey conducted over 55 blocks, 47 had low levels, and 7 had medium levels. With the reduction of Q124 likely over the next few years, mosaic disease should become insignificant.

Smut

A random smut survey was conducted by Board staff, none was found. The timing of this survey gives staff an ideal opportunity to assess other pests and diseases showing at the time. The survey will be continued in future years.

Orange Rust

As stated earlier, the losses to orange rust in the 2000 crop were masked somewhat by the other limiting factors to good productivity. Unfortunately the same cannot be said for the effects of this disease on the 2001 crop. The final results of the northern experience in 2000 suggest we are in for a major varietal change in this district.

While spraying of fungicide is giving rewarding results, the replacement of susceptible varieties seems to be the only real alternative, hence the push on the accelerated variety program.

Pests

Childers Grub

Damage from Childers cane grub was recorded in 81 blocks with relatively high grub numbers and some major crop losses occurring in most blocks. The focus group has had some positive transfer of up-to-date research information given to focus group farmers during the year and I encourage any grower with a problem with Childers cane grub not receiving an invitation to this group to contact Board staff or BSES.

Soldier Fly

Board Staff carried out a survey covering 120 blocks, 235 hectares were noted as having soldier fly present. Heavy damage seems to be confined to only a few farms in the district and to these growers it is a major problem. Research into this pest has stalled due to lack of funding and research direction, a situation that is unacceptable.

Rhyparida

The damage attributable to this insect was negligible in the 2000 crop. There is a school of thought, based on past outbreaks of this pest, that we may not have an on-going problem with this pest. BSES and Board staff will continue to monitor this situation.

Army Worms

The dry spring of 2000 saw some major infestations of armyworm in trash blanket. The damage caused, in conjunction with slow ratooning due to dry weather, compounded the effect to the extent that some premature plough out occurred. This pest needs to be managed or significant crop losses are likely to occur.

Pigs

Feral pigs are still causing sporadic serious damage in certain pockets of the district. Areas bordering the rivers and the State Forest are reporting the bulk of the problems. State Forest refuses to allow hunting on their land, which makes control in some areas difficult. Trapping in most cases is not proving successful which really only leaves hunting as a control measure. A list of local people who have been involved in this control work can be obtained from Board staff.

Funding

You would be aware that prior to the 2000 crushing season, this Board sought grower's voluntary membership and to be funded by way of a deduction authority. I am pleased to say that we have a 100% membership in this district and the Board and staff will be working to justify and maintain that membership.

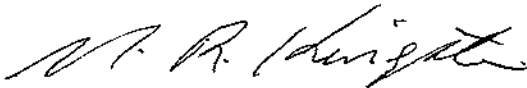
Staff

Growers would be aware of the appointment of Bruce Quinn as Assistant Supervisor. Bruce commenced work here in September 2000 and has brought with him a wealth of experience having been in the industry for seventeen years at Bingera. Bruce and Ian are working well together and the transitional arrangement the Board has in place ensures that this district will be well served into the future. Board staff are only a phone call away, so please make contact if you have any concerns.

Acknowledgements

It would be remiss of me not to make mention of the now retired Cliff Jones in this report. Cliff was BSES Extension Officer in this district for 33 years and a member of this board all that time. Cliff's experience and enthusiasm was evident to the day he retired and this board and this district was well served during his long period here. Thanks Cliff.

I wish to acknowledge the assistance given to me throughout the year by Secretary, Wayne Stanley, and for the professional approach he has to his position. To Jim Sullivan of BSES, and staff Ian Ross and Bruce Quinn and the other Board members Mark Hochen, Ian Hillhouse, Steve Hoffman and Trevor Cox, I thank you for your contribution and assistance in 2000.



NR Kingston
CHAIRMAN

ISIS CANE PROTECTION AND PRODUCTIVITY BOARD

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2000

	NOTES	<u>2000</u>	<u>1999</u>
OPERATING REVENUES		\$	\$
Sugar Levy Assessment		83,421	129,649
Interest	2	7,560	5,629
Rent	3	3,481	1,560
Soil Sample Rebate		2,840	1,360
Sugar Cane Smut Survey		0	1,862
Total Operating Revenue		<u>97,302</u>	<u>140,060</u>
OPERATING EXPENSES			
Advertising & Promotions		0	36
Affiliation and Membership Fees		100	50
Audit Fees		510	516
Bank Charges		273	209
Clean Seed Scheme	4	1,060	3,521
Contribution Secretarial Services and Expenses	6	5,000	4,200
Depreciation of Property, Plant and Equipment	12	9,005	8,106
Fringe Benefits Tax		1,472	1,296
General Sundry Expenses	7	1,903	2,274
Insurance		3,729	1,835
Legal Expenses		0	666
Loss on Disposal of Asset		336	0
Members Meeting Fees & Car Allowance	5	4,423	3,802
Provision for Employee Entitlement	15	(3,532)	2,452
Rates		1,105	1,185
Repairs and Maintenance - House		5,744	17
- Equipment		0	116
Research Assistant		0	6,935
Salaries and Wages	8	51,119	41,915
Soil Sample Rebate		2,840	1,360
Stamps, Telephone, Stationery		2,460	2,469
Superannuation		3,885	2,735
Travelling Expenses		0	2,309
Uniforms		423	0
Vehicle Expenses		6,307	3,162
Total operating expense		<u>98,162</u>	<u>91,166</u>
Operating profit/(loss)		\$ (860)	\$ 48,894
Income tax attributable to operating profit/loss		0	0
Operating profit/(loss) after income tax		(860)	48,894
Profit/(Loss) on extraordinary items			
Income tax attributable to extraordinary items		=	=
Profit/(Loss) on extraordinary items after income tax		=	=
Operating profit/(loss) and extraordinary items after income tax		\$ (860)	\$ 48,894

The accompanying notes form part of these accounts.


PRP

ISIS CANE PROTECTION AND PRODUCTIVITY BOARD

BALANCE SHEET AS AT 31 DECEMBER 2000

	<u>NOTES</u>	<u>2000</u> \$	<u>1999</u> \$
CURRENT ASSETS			
Cash		3,978	19,832
Investments	11.	<u>181,601</u>	<u>180,541</u>
Total current assets		\$185,579	\$200,373
NON-CURRENT ASSETS			
Property, plant and equipment	12.	<u>122,410</u>	<u>106,452</u>
Total non-current assets		122,410	106,452
Total assets		\$307,989	\$ 306,825
CURRENT LIABILITIES			
Creditors	13.	4,102	418
Goods and Services Tax	14.	1,870	0
Provisions	15.	<u>14,344</u>	<u>17,874</u>
Total current liabilities		20,316	18,292
NON-CURRENT LIABILITIES			
Total non-current liabilities		---	---
Total liabilities		20,316	18,292
Net assets		\$287,673	\$ 288,533
EQUITY			
Accumulated Profits	9.	188,300	189,160
Reserves	10.	<u>99,373</u>	<u>99,373</u>
Total equity		\$287,673	\$ 288,533

The accompanying notes form part of these accounts.



ISIS CANE PROTECTION AND PRODUCTIVITY BOARD

Notes to and forming part of the accounts for the year ended 31 December 2000

1 Statement of Accounting Policies

(a) *Basis of Accounts*

The accounts have been prepared on an historical cost basis, consistent with the basis applied in the previous financial year except that certain fixed assets are included at valuation. Income and expenditure are brought to account on an accrual basis.

(b) *Fixed Assets*

Fixed assets are included in the accounts at cost or valuation less accumulated depreciation.

(c) *Depreciation of Property, Plant and Equipment*

Property, plant and equipment are depreciated using the diminishing value method. Freehold land is not depreciated.

(d) *Repairs and Maintenance*

Where provisions have been made, expenditure for repairs and maintenance is charged to the provision. The accounts have been charged with the amount necessary to return the provisions to the required level.

Where no provisions have been made, expenditure for repairs and maintenance is charged to the accounts.

(e) *Employee Benefits*


Provision has been made for the legal liability to employees for long service leave and accrued holiday pay. Sick leave is brought to account as incurred.

(f) *Contingent Assets/Liabilities*

There were no known contingent assets/liabilities of a significant nature at 31st December, 2000

(g) *Income Tax*

No income tax is payable as the board is a non-profit organisation and is specifically exempted from income tax under Section 23 of the Income Tax Assessment Act.



	2000	1999
2 INTEREST	\$	\$
Cheque Account	0	92
Cash Management Account	1,189	840
ESANDA Debenture Stock	<u>6,371</u>	<u>4,697</u>
	<u>7,560</u>	<u>5,629</u>
3 RENT		
I.D. Ross	480	1,560
Daniel Smith	<u>3001</u>	<u>0</u>
	<u>3,481</u>	<u>1,560</u>
4 CLEAN SEED SCHEME		
Cane Plant Purchases	1,036	855
Hot Water Treatment Expenses	0	0
Laboratory Expenses	24	418
Plant Hire	<u>0</u>	<u>2,248</u>
	<u>1,060</u>	<u>3,521</u>

5 MEMBERS' MEETING FEES AND CAR ALLOWANCE

MEMBERS	MEETING FEES		CAR ALLOWANCE		TOTAL	
	2000	1999	2000	1999	2000	1999
NR Anderson	0	80	0	7	0	87
TG Cox	400	320	0	0	400	320
M Hochen	480	320	0	0	480	320
J Hillhouse	480	310	13	9	493	319
SR Hoffmann	470	310	112	57	582	367
NR Kingston	2,080	1,530	388	272	2,468	1,802
GE Peterson	0	500	0	87	0	587
	<u>3,910</u>	<u>3,370</u>	<u>513</u>	<u>432</u>	<u>4,423</u>	<u>3,802</u>

6 CONTRIBUTION SECRETARIAL SERVICES AND EXPENSES

Isis District Cane Growers' Executive	<u>5,000</u>	<u>4,200</u>
---------------------------------------	--------------	--------------

7 GENERAL EXPENSES

Equipment – shovel, mattock handle, chains, tape measure	168	142
Computer disks, print cartridges and Y2K upgrade	0	1,036
Petty Cash	360	271
Eliza Testing equipment, sample eskies, measure jug	0	25
Keys Cut	12	0
Show cane – twine and labels	0	63
Personal Safety Equipment/Training	57	60
Conference and Meeting Expenses	173	100
Pest Spraying 17 Nelson St.	0	123
Presentations – Retiring members	741	454
Retirement Function	<u>392</u>	<u>0</u>
	<u>1,903</u>	<u>2,274</u>

PRV

	2000	1999
	\$	\$
8 SALARIES AND WAGES		
ID ROSS	25,639	39,297
BL QUINN	10,915	
G ONOPRIENKO	0	271
BS MAMMINO	0	862
GA BATHGATE	0	719
J FLETCHER	0	322
I PINK	0	333
C VELLA	0	110
	<u>36,554</u>	<u>41,914</u>
9 ACCUMULATED PROFITS		
Accumulated Funds		
Balance 1st January	189,160	140,266
ADD Balance transferred from Profit and Loss Statement (Loss)	(860)	48,894
Balance 31st December	<u>188,300</u>	<u>189,160</u>
10 RESERVES		
Asset Revaluation	<u>99,373</u>	<u>99,373</u>
	<u>99,373</u>	<u>99,373</u>
Movements in Reserve		
Asset Revaluation Reserve		
Balance 1st January	99,373	99,373
ADD Surplus on revaluation of Land and Buildings on 31/12/96	=	=
Balance 31st December	<u>99,373</u>	<u>99,373</u>
11 INVESTMENTS		
Cash Management Account	31,601	40,541
ESANDA Debenture Stock	<u>150,000</u>	<u>140,000</u>
	<u>181,601</u>	<u>180,541</u>
12 PROPERTY, PLANT AND EQUIPMENT		
<u>Equipment</u>		
At Cost	5,932	491
Plus Additions	0	5,441
LESS Scrapings	0	0
	5,932	5,932
LESS Provision for Depreciation	<u>1,622</u>	<u>864</u>
	<u>4,310</u>	<u>5,068</u>
<u>Furniture</u>		
At Cost	820	820
Plus Additions	0	0
	820	820
LESS Provision for Depreciation	<u>608</u>	<u>591</u>
	<u>212</u>	<u>229</u>

	2000	1999
<u>House and Land</u>	\$	\$
At Independent Valuation 31st December - 1996		
House	70,000	70,000
Land	<u>24,000</u>	<u>24,000</u>
	94,000	94,000
LESS Provision for Depreciation	<u>11,774</u>	<u>9,030</u>
	<u>82,226</u>	<u>84,970</u>
 <u>Microscope</u>		
At Cost	2,900	2,900
Plus Additions	<u>---</u>	<u>---</u>
	2,900	2,900
LESS Provision for Depreciation	<u>2,216</u>	<u>2,123</u>
	<u>684</u>	<u>777</u>
 <u>Office Equipment & Computers</u>		
At Cost	8,225	7,717
Plus Additions	0	508
Less Scrapings	<u>1,200</u>	<u>---</u>
	7,025	8,225
LESS Provision for Depreciation	<u>5,340</u>	<u>5,685</u>
	<u>1,685</u>	<u>2,540</u>
 <u>Two Way Radio</u>		
At Cost	1,187	1,187
Less Scrapings	<u>144</u>	<u>0</u>
	1,043	1,187
LESS Provision for Depreciation	<u>1,043</u>	<u>1,043</u>
	<u>0</u>	<u>144</u>
 <u>Vehicles</u>		
Ford Courier Xcab Reg No 251 DXD		
At Cost	23,442	23,442
Toyota Hilux Xcab Reg No 345 FQZ		
At Cost	<u>24,732</u>	<u>0</u>
	48,174	23,442
LESS Provision for Depreciation	<u>15,613</u>	<u>10,946</u>
	<u>32,561</u>	<u>12,496</u>
 <u>Mobile Phone</u>		
Digital 0407 114 748		
At Cost	595	595
CDMA 0429 114 748		
At Cost	<u>566</u>	<u>0</u>
	1,161	595
LESS Provision for Depreciation	<u>430</u>	<u>367</u>
	<u>731</u>	<u>228</u>

110

	2000	1999
	\$	\$
13 CREDITORS		
Current		
Creditor		
BSES -- Eliza Testing	0	418
ATO -- PAYG	<u>4,102</u>	<u>0</u>
	<u>4,102</u>	<u>418</u>

14 GOODS and SERVICES TAX

Current			
Liability		<u>1,870</u>	<u>0</u>
GST Collected Sales	8,008		0
Payment to Australian Tax Office	<u>4,857</u>	3,151	0
GST Paid on Purchases	4,006		0
Claim Back	<u>2,724</u>	<u>1,281</u>	<u>0</u>
		<u>1,870</u>	<u>0</u>

15 PROVISIONS

Current		
Employee Entitlements -		
Long Service Leave	8,147	13,192
Recreation Leave	<u>6,197</u>	<u>4,683</u>
	<u>14,344</u>	<u>17,875</u>
Movements in Provisions		
Provision for Employee Entitlements		
Balance 1st January	17,875	15,423
Add On-cost Applied		
Charge against Profit and Loss Statement	<u>6,932</u>	<u>2,452</u>
	24,807	17,875
LESS Amounts Paid	10,463	---
	-----	-----
Balance 31st December	<u>14,344</u>	<u>17,875</u>

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ISIS CANE PROTECTION & PRODUCTIVITY BOARD
STATEMENT OF CASH FLOWS FOR YEAR ENDED 31ST DECEMBER, 2000

	Notes	2000	1999
CASH FLOWS FROM OPERATING ACTIVITIES			
Inflows:			
Sugar Levy Assessment		83,421	129,649
Interest Received		7,560	5,629
Rent Received		3,481	1,560
Soil Subsidy Rebates		2,840	1,360
Sugar cane smut survey		0	1,862
Superannuation		1,936	1,955
Outflows:			
Salaries and Wages Paid		51,119	41,915
Fringe Benefits Tax Paid		1,472	1,296
Other Expenses - less creditors		<u>38,013</u>	<u>38,934</u>
Net Cash provided (used) by operating activities	A	<u>8,634</u>	<u>59,870</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Inflows:			
Proceeds from sale of Plant Vehicles & Equipment		---	---
Outflows:			
Payment for Plant Vehicles & Equipment		<u>(25,298)</u>	<u>(5,949)</u>
Net Cash provided (used) in investing activities		<u>(25,298)</u>	<u>(5,949)</u>
CASH FLOWS FROM GST			
Inflows: Net		<u>1,870</u>	<u>1,870</u>
Net Cash provided by GST		<u>1,870</u>	<u>0</u>
Net increase (decrease) in cash held		(14,794)	53,920
Cash at beginning of reporting period		<u>200,373</u>	<u>146,453</u>
Cash at end of reporting period	B	<u>185,579</u>	<u>200,373</u>

Notes to the Statement of Cash Flows

A. Reconciliation of Net Cash provided by (used) operating activities to operating result.

	<u>2000</u>	<u>1999</u>
Operating Result	(860)	48,894
Depreciation	9,005	8,106
Provision of Employee Entitlements	(3,532)	2,452
Non Cash Loss on Disposal of Assets	336	---
Increase (Decrease) in Creditors	<u>3,685</u>	<u>418</u>
Net Cash provided (used) by operating activities	<u>8,634</u>	<u>59,870</u>

AA

B. Reconciliation of Cash

For the purpose of the Statement of Cash Flows, cash includes cash on hand and at banks. Cash at the end of the financial year as shown in the Statement of Cash Flow is reconciled to the related items in the Balance Sheet as follows:

	<u>2000</u>	<u>1999</u>
Cash at Bank	3,928	19,782
Cash on Hand	50	50
Cash Management Account	31,601	40,541
ESANDA Debenture Stock	<u>150,000</u>	<u>140,000</u>
	<u>185,579</u>	<u>200,373</u>

PR

MANAGEMENT CERTIFICATE

ISIS CANE PROTECTION & PRODUCTIVITY BOARD

We have prepared the foregoing annual financial statements pursuant to the provisions of the Financial Administration and Audit Act 1977 and other prescribed requirements and certify that in our opinion -

- * the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
- * the foregoing annual financial statements have been drawn up so as to present a true and fair view in accordance with the prescribed accounting standards of the transactions of the Isis Cane Protection and Productivity Board for the financial year 1st January 2000 to 31st December 2000 and of the financial position as at the end of that year.

6th March, 2001


CHAIRPERSON


PRINCIPAL
ACCOUNTING OFFICER



INDEPENDENT AUDIT REPORT

To Isis Cane Protection and Productivity Board.

Scope

I have audited the general purpose financial statements of Isis Cane Protection and Productivity Board prepared by the Protection and Productivity Board for the year ended 31 December, 2000 in terms of section 46G of the *Financial Administration and Audit Act 1977*. The financial statements comprise the *Profit and Loss Account, Balance Sheet, Statement of Cash Flows, Notes to and forming part of the financial statements* and certificates given by the Chairperson and Principal Accounting Officer.

The Board is responsible for the preparation and the form of presentation of the financial statements and the information they contain, I have audited the financial statements in order to express an opinion on them.

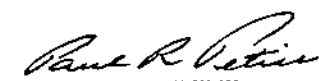
The audit has been conducted in accordance with *QAO Auditing Standards*, which incorporate the Australian Auditing Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included the examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with prescribed requirements which include Australian Accounting Standards so as to present a view which is consistent with my understanding of the entity's financial position and the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In accordance with section 46G of the Financial Administration and Audit Act, I certify that I have received all the information and explanations I have required and, in my opinion –

- The prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
- The statements have been drawn up so as to present a true and fair view in accordance with prescribed accounting standards and other prescribed requirements of the transactions of Isis Cane Protection and Productivity Board for the financial year 1 January 2000 to 31 December 2000 and of the financial position as at the end of that year.



PAUL R PETRIE

As delegate of the Auditor-General of Queensland

Queensland Audit Office
Brisbane

Dated: 7 March, 2001

*For Use By Taxpayers **NOT** Engaged In Both Primary Production And Other Business Activities*

FILE: Equipment

Show consideration receivable on disposal, etc., of any unit of plant not now included in depreciation

758

*For Use By Taxpayers **NOT** Engaged In Both Primary Production And Other Business Activities*

FILE: Furniture & Fittings

RR

For Use By Taxpayers NOT Engaged In Both Primary Production And Other Business Activities

FILE: House & Land

OR		2,744
----	--	-------

For Use By Taxpayers NOT Engaged In Both Primary Production And Other Business Activities

FILE: Microscope

Show consideration receivable on disposal, etc., of any unit of plant not now included in depreciation

and

For Use By Taxpayers NOT Engaged In Both Primary Production And Other Business Activities

FILE: Office Equipment

† Show consideration receivable on disposal, etc., of any unit of plant not now included in depreciation

663

22

For Use By Taxpayers NOT Engaged In Both Primary Production And Other Business Activities

RETURN OF: Isis Cane Protection & Productivity Board

FILE: Two Way Radio

Deduct for private use**NET ADJUSTMENT**

Deduct for private use

NET DEPRECIATION

* Show clearly any offset of an excess on disposal, etc., against the cost or depreciated value of any other unit of property - see Section 59 (2A).

Show consideration receivable on disposal, etc., of any unit of plant not now included in depreciation

AMOUNT CLAIMED FOR DEPRECIATION

plb

For Use By Taxpayers NOT Engaged In Both Primary Production And Other Business Activities

FIČE: Motor Vehicles

Show consideration receivable on disposal, etc., of any unit of plant not now included in depreciation

AMOUNT CLAIMED FOR DEPRECIATION

4.667

*For Use By Taxpayers **NOT** Engaged In Both Primary Production And Other Business Activities*

RETURN OF: Isis Cane Protection & Productivity Board

FILE: Mobile Phone

* Show clearly any offset of an excess on disposal, etc., against the cost or depreciated value of any other unit of property - see Section 59 (2A).

Show consideration receivable on disposal, etc., of any unit of plant not now included in depreciation

AMOUNT CLAIMED FOR DEPRECIATION

62

MARYBOROUGH CANE PROTECTION AND PRODUCTIVITY BOARD

**ANNUAL REPORT
TO THE
MINISTER FOR PRIMARY INDUSTRIES
2000**

**ANNUAL REPORT
of the
MARYBOROUGH CANE PROTECTION AND PRODUCTIVITY BOARD**

The Maryborough Cane Protection and Productivity Board is constituted under the provisions of Part 5 of the Sugar Industry Act 1999, and is financed solely by voluntary levies on the growers and the miller of the area.

The aim of the Board is to improve the total production and profitability of sugar cane in the mill area.

Membership of the Board is comprised of three cane growers, elected by cane growers supplying the Maryborough sugar mill, two mill owner representatives who are nominated by the sugar mill owner, and an officer of the Bureau of Sugar Experiment Stations who is appointed by the Governor in Council. The Board's current three (3) year term is 1st April, 1999 to 31st March, 2002.

BOARD MEMBERSHIP

Mr J.C. Schmidt	- Canegrower's Representative, Chairman
Mr A.K. Birt	- Canegrower's Representative, Deputy Chairman
Mr L.W. Petersen	- Canegrower's Representative
Mr D.M. Braddock	- Millowner's Representative
Mr P.R. Downs	- Millowner's Representative
Mr G. McMahon	- BSES - Cane Protection and Productivity Board Coordinator
Mr R.S. Kelly	- Proxy for Mr G McMahon - BSES

Staff:

Productivity Officer	- Mr F.P. Sestak
Secretary	- Mr T.H. Turner

REVIEW OF OPERATIONS

The provision of clean seed cane and plant source inspections as well as advice and reporting on pest and disease situations has been the main focus of the Board over the past twelve months.

The major functions of the Board through the Productivity Officer during 2000 were as follows:-

(a) Plant Source Inspections – The new plant source inspection method adopted for the 1998 season to replace the compulsory plant source inspection technique proved to be very successful and well adopted by growers in the 2000 season and will be used again in 2001. The method dispenses with the requirement to inspect planting material provided that the cane being planted is either KG (plant or 1st ratoon) or Nucleus (plant or 1st ratoon). All other material must be inspected. All cane that is inspected will be tested for RSD using either the Phase Contrast Microscope or will be sent to Tully for inspection using the ELISA method, time permitting. A total of 610 plant sources were inspected covering an area of 273 ha for the 2000 season.

(b) Clean Seed Program - Distribution of clean seed planting material to growers in the mill area was undertaken in March and September 2000. Approximately 100 tonnes of material

was distributed to growers from the Board's clean seed plots. Most interest in varieties was directed to Q188⁰ which was released for the first time in Maryborough. Other varieties that featured significantly are Q138 and Q170⁰. Q124 was not distributed in any significant amount due to the threat of being devastated by Orange Rust. This distribution program has proven to be very popular with growers and has been instrumental in the control of RSD throughout the district.

(c) General Inspection of Cane for Pest/Diseases - During 2000, the Productivity Officer made numerous farm visits to carry out general inspections for cane pest and diseases and to collate pest and disease incidence data. The sugarcane Smut monitoring program was again carried out 2000. Blocks in the Maryborough area were chosen randomly and inspected for Smut disease. No Sugarcane Smut disease was found in the Maryborough area. A monitoring program is in place for Fiji disease which targets susceptible areas and varieties.

(d) Inspection of Equipment for Movement between Areas - The finding of Smut in WA has highlighted the need for the inspection of machinery either leaving or entering a mill area. All machinery either entering or leaving the Maryborough mill area must be inspected. During the 2000 season the Productivity Officer conducted inspections and issued permits for the movement of machinery between quarantine zones.

(e) Weed Control Advice - Advice to growers on suitable methods for weed control was provided on request and included such items as chemical type, rate of application and safety procedures and calibration of equipment.

(f) BSES Plant Breeding Program - Assistance was provided to the Bureau of Sugar Experiment Stations (BSES) with planting of variety trials and also the supervision of sampling trials for CCS and weighing of the trials at harvest.

(g) Productivity Awards - The annual Productivity Awards presentation was held on Friday, 31st of March with approximately 150 growers in attendance. Guest speaker for the awards was Dr Mac Hogarth, BSES Group Manager, Sugarcane Breeding and Improvement.

(h) Productivity review - Information on farm productivity including zonal productivity and weather information was collated by the Productivity Officer and distributed to growers in booklet form. Also included in the report are varietal statistics and Crop Water Index information for the district.

(i) Sponsorship of Soil Tests - The Board continued with the practice of contributing to the cost of soil tests undertaken by local growers. This has been readily accepted and is proving to be a worthwhile exercise in increasing farm productivity by matching crop needs to nutrients applied.

PATHOLOGY REVIEW

Orange Rust

Orange rust was first identified in the Maryborough area in March 2000. The incidence of Orange Rust quickly increased to the majority of Q124 blocks relatively quickly after the initial sighting. However, due to the late incursion during the season, there was no significant loss of yield due to Orange Rust. There is the potential of Orange Rust being a devastating disease in the crops of Q124 in the Maryborough area

Fiji Disease

Effective control measures have resulted in minimal instances of stools infected with Fiji Disease. Close monitoring of this situation will be needed to ensure this disease is kept under control and the Board plans to increase grower awareness of the disease via field days and meetings. Growers are kept informed on the disease situation with growers in potential 'hot spots' involved in a proactive survey program for the Fiji disease.

Ratoon Stunting Disease

The incidence of RSD found during plant source inspections is on the decline in the Maryborough area as well as a decrease in the total amount of RSD estimated to be present. To combat any spread of this disease, it is now compulsory that all planting material which is not either KG or Nucleus cane be inspected for RSD prior to use. This disease is believed to be under control however, growers co-operation is needed to bring this disease completely under control. The provision of clean planting material and good on farm hygiene will assist in the spread of this disease.

Other Diseases

Other diseases such as rust, top rot, chlorotic streak and pokkah boeng have occurred in isolated cases but have not caused significant damage in the area.

ENTOMOLOGY REVIEW

Cane Grubs

Losses due to cane grubs were estimated at 500 tonnes of cane from the 20 hectares that suffered damage. A total of 1,715 hectares was treated at a cost of approximately \$428,625. The controlled release product suSCon was the major form of treatment. The major grub species detected were *L.negatoria* and *A.consanguineus*.

Soldier Fly

An estimated 9,000 tonnes of cane were lost over an area of 300 hectares that suffered damage by soldier flies. There appeared to be a significant increase in the area affected due to Soldier Fly compared to the previous year. Currently there is no registered chemical or biological control for the pest. Only cultural methods such as bare fallow, spray out fallow or cover cropping with a suitable crop are recommended control measures that work in varying degrees of effectiveness.

Other Pests

Some growers received damage from feral pigs during the year especially where their properties adjoin Forestry land. Some minor damage from black beetle, foxes, rats and the Eastern Swamp Hen was also evident. Army worms have also affected a significant area especially in blocks which have been green cane trash blanketed but have not caused major crop losses.

BOARD MEETINGS

The Board met on three (3) occasions during 2000 and the meetings were well attended by the members. At these meetings, the members considered various situations and operations and

received reports from the Productivity Officer on the current situation concerning pests and diseases in the district, and the Secretary reported on various administrative and financial matters.

CONCLUSION

On behalf of the Board, I wish to thank Frank Sestak the Productivity Officer, Trevor Turner the Board Secretary and the Maryborough BSES Extension Officer Richard Kelly for their work during the year. My thanks also go to the Board for their loyal support over the past year.

A handwritten signature in cursive script, reading "J.C. Schmidt".

J.C. Schmidt
Chairman

Maryborough Cane Protection & Productivity Board

Profit & Loss Account

For the period ended 31 December 2000

	2000	1999
	\$	\$
Operating Revenues		
Levy	53998	76904
Interest on Investments	6288	3941
Productivity Awards	1918	0
SRDC Project	5500	0
Other - Profit on Sale of Vehicle	0	6194
Total Operating Revenue	67704	87039
 Administrative Expenses (Note 2)	 65370	 64625
Depreciation and write-off	5431	6511
Total Operating Expenses	70801	71136
 Operating Profit/(Loss) before tax	 -3097	 15903
Income tax attributable thereto	NIL	NIL
Operating Profit/(Loss)	-3097	15903
 Profit or Loss on Extraordinary Items	 0	 0
Income tax on Extraordinary items	0	0
Profit/(Loss) on Extraordinary Items after tax	0	0
 Operating Profit/(Loss) and Extraordinary Items after tax	 -3097	 15903

Maryborough Cane Protection & Productivity Board

Balance Sheet As at 31 December 2000

	2000 \$	1999 \$
Current Assets		
Cash at Bank	5,805	52,552
Short Term Investment	125,000	75,000
GST Receivable	<u>795</u>	<u>0</u>
Total Current Assets	131,600	127,552
Non-Current Assets		
Motor Vehicle	16,628	21,456
Machinery & Plant	<u>4,759</u>	<u>5,362</u>
Total Non-current Assets	21,387	26,818
Total Assets	152,987	154,370
Current Liabilities		
Trade Creditors	2,399	2,538
Provision for Annual Leave	959	928
GST Payable	<u>1,822</u>	<u>0</u>
Total Current Liabilities	5,180	3,466
Total Liabilities	5,180	3,466
Net Assets	147,807	150,904
Equity		
Accumulated Funds 1.1.2000	150,904	135,001
add Excess Income over Expenditure	<u>-3,097</u>	<u>15,903</u>
Total Equity	147,807	150,904

Maryborough Cane Protection & Productivity Board

Statement of Cash flows
For the period ended 31 December 2000

	2000	1999
Cash Flow from Operating Activities	\$	\$
Receipts from General Levy - Sundry Income	63238	76904
Payments to Suppliers and Employees	-66273	-78665
Interest Received	6288	3941
Net Cash Provided by (used in) Operating Activities (Note 6)	3253	2180
 Net Increase (Decrease) in Cash Held	 3253	 2180
Cash at 1 January 2000	127552	125372
Cash at 31 December 2000 (Note 5)	130805	127552

Maryborough Cane Protection & Productivity Board
Notes to and Forming Part of the Accounts for the
Period ended 31/12/2000

Note 1 Statement of Accounting Policies

(a) Basis of Accounts

The accounts have been prepared on an historical cost basis consistent with the basis applied in the previous year. Income and expenditure are brought to account on an accrual basis.

(b) Fixed Assets

Fixed Assets are included in the accounts at cost less depreciation.

(c) Depreciation

Depreciation is provided on all fixed assets, other than land, using the Diminishing value method.

(d) Repairs & Maintenance

Maintenance, repair costs and minor renewals are charged as expenses as incurred.

(e) Investments

Investments, consisting of short term investments, are included at cost.

(f) Contingent Assets/Liabilities

There were no Contingent Assets/Liabilities at 31 December 2000.

(g) Employee Entitlements

1. Wages, Salaries, Annual & Sick Leave

Liabilities for wages and salaries and annual leave are recognised and are measured as the amount unpaid at the reporting date at the current pay rates in respect of employees' services up to that date. A liability for sick leave is recognised, and is measured as the amount accumulated at the reporting date at current rates of pay which is expected to result in payments to employees where such amounts are considered material.

Maryborough Cane Protection & Productivity Board
Notes to and Forming Part of the Accounts for the
Period ended 31/12/2000

2. Long Service Leave

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee and periods of service. Expected future payments are discounted using interest rates on national government guarantee securities with terms to maturity that match, as closely as possible, the estimated future cash outflows. The vested amount payable to employees has been recognised as a current liability in the Balance Sheet.

3. Superannuation

The superannuation expense for the reporting period is the amount of the statutory contribution the Board makes to the superannuation plan which provides benefits to its employees.

Note 2 Administration Expenses

	2000	1999
	\$	\$
Staff Salaries	43291	41264
Secretarial Services	5000	5000
Postage, Telephone, Printing & Stationery	1354	1524
Motor Vehicle Expenses	3895	2698
Superannuation	2828	2314
Board Fees & Expenses	1394	1085
Audit Fees	500	500
Workers Compensation	186	165
Insurance	1596	1629
Productivity Awards	2563	1016
RSD Testing	483	382
Soil Tests	360	800
Conference & Training Courses	804	3058
Hot Water Treatment Plants	640	640
SRDC Project	0	2105
Sundries	476	445
Total	65370	64625

Maryborough Cane Protection & Productivity Board
Notes to and Forming Part of the Accounts for the
Period ended 31/12/2000

Note 3 Bank Interest

	2000	1999
	\$	\$
General Account	1012	525
Investment Account	1	42
Short Term Deposit	5275	3374
Total	6288	3941

Note 4 Fixed Assets

	Value		Net Value
	31.12.99	Depreciation	31.12.00
Vehicle	21456	4828	16628
Plant &			
Machinery	5362	603	4759
Total	26818	5431	21387

Note 5 Cash

Reconciliation of Cash

2000	1999
\$	\$

For the purpose of the Statement of Cash Flows, cash includes:-

* Cash in hand and in call deposits with bank and financial institutions net of bank overdrafts.

* Cash at the end of the year is shown in Balance Sheet as:-

Cash on hand

At call deposits with financial institutions

Savings Account	0	2548
Cheque Account	5805	50004
Term Deposit	125000	75000
Total	130805	127552

Maryborough Cane Protection & Productivity Board
Notes to and Forming Part of the Accounts for the
Period ended 31/12/2000

Note 6 Reconciliation of Net Cash Provided by (Used by) Operating activities to Operating Profit (Loss) after Income Tax.	2000 \$	1999 \$
Operating Profit (Loss) after Income Tax	-3097	15903
Add Non cash expenses		
Depreciation	5431	6044
Profit on sale of vehicle	0	-6194
Loss on sale of phone	0	467
Less changes in operating assets		
Capital purchases	0	-27038
Capital sales	0	12500
Increase in Trade Creditors	-139	452
Increase in Employee Entitlements provided	31	46
Increase in Net GST Payable	1027	0
Net cash provided by (used in) operating activities	3253	2180

**MARYBOROUGH CANE PROTECTION AND PRODUCTIVITY BOARD
COMMITTEE REPORT**

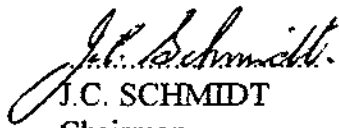
We have prepared the foregoing annual financial statements pursuant to the provisions of the *Financial Administration and Audit Act 1977* and other prescribed requirements and certify that :-


The foregoing financial statements with other information and notes to and forming part thereof are in agreement with the accounts and records of the Maryborough Cane Protection and Productivity Board;

In our opinion :-

(1) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects ; and

(2) the statements have been drawn up so as to present a true and fair view in accordance with prescribed accounting standards and other prescribed requirements of the transactions of the Maryborough Cane Protection and Productivity Board for the financial year ended 31 December 2000 and of the financial position as at the end of that year.


J.C. SCHMIDT
Chairman
27/3/01


T.H. TURNER
Secretary
27/3/01

INDEPENDENT AUDIT REPORT

To the Maryborough Cane Protection and Productivity Board

Scope

I have audited the financial statements of the Maryborough Cane Protection and Productivity Board for the period ended 31 December 2000. The financial statements comprise the Profit and Loss Account, Balance Sheet, Statement of Cash Flows, Notes to and forming part of the financial statements and certificates given by the Chairman and Secretary as required by *the Financial Administration and Audit Act 1977*.

The Board is responsible for the preparation and the form of presentation of the financial statements and the information they contain. I have audited the financial statements in order to express an opinion on them.

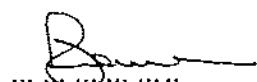
The audit has been conducted in accordance with *QAO Auditing Standards*, which incorporate the Australian Auditing Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included the examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with prescribed requirements which include Australian Accounting Standards so as to present a view which is consistent with my understanding of the entity's financial position and the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In accordance with the provisions of the Financial Administration and Audit Act, I certify that I have received all the information and explanations I have required, and in my opinion –

- The prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
- The statements have been drawn up so as to present a true and fair view in accordance with prescribed accounting standards and other prescribed requirements of the transactions of the Maryborough Cane Protection and Productivity Board for the period ended 31 December 2000 and of the financial position as at the end of that period.



J.A. Lowe
(Delegate of the Auditor-General)

28 March 2001

MORETON CANE PROTECTION AND PRODUCTIVITY BOARD

ANNUAL REPORT

TO THE

MINISTER FOR PRIMARY INDUSTRIES

2000

MORETON CANE PROTECTION AND PRODUCTIVITY BOARD

62ND ANNUAL REPORT

TO THE MINISTER FOR PRIMARY INDUSTRIES

COVERING THE PERIOD

1 JANUARY 2000 TO 31 DECEMBER 2000

MORETON CANE PROTECTION AND PRODUCTIVITY BOARD

Members

K Bailey	Cane Grower Representative (Chairman)
J Francis	Cane Grower Representative (Deputy Chairman)
L J Finger	Milowner Representative
P J Harders	Milowner Representative
G Oakes	Cane Grower Representative
G G McMahon	Bureau of Sugar Experimentation Stations Representative
A Blatch	Bureau of Sugar Experimentation Stations Representative (alternate to G McMahon)

Administration

I D K Bloore A.C.I.S., Secretary

The current three year term is from 1 April 1999 to 31 March 2002.

Summary

Generally speaking, 2000 was a fairly quiet year for the Board.

The crop was very disappointing with a consequent very small levy collection. The Board decided on a 4c levy for the 2000 season, not expecting the crop to fall to the level that it did. However, because Board reserves are good, no real harm has been done.

My review of the calendar year events now follows.

2000 REVIEW

2000 Monitoring Programme

The 2000 monitoring programme covered 748 Hectares.

All areas with a history of Fiji disease were covered and the results of the programme are as follows:

- Fiji Disease was found in 3 stools only.
- Chlorotic Streak infection was widespread in the 2000 survey. Worst affected variety was Q170.
- Mosaic. This was found in Q124 and Q137.
- Pokkah Boeng was present in Q141, Q124, Q154, Q150 and Q138.
- There have been low infestations of Schlerophthera, Tangle Top and Rust (red).

Hot Water Treatment Programme

It is estimated that 10 tonnes were hot water soaked in 2000.

Quarantine Area

Issues relating to the Voluntary Quarantine Area (VQA) have been low key during 2000.

The Board recommended that the Joint Miller/Grower committee pay for any additional costs of plants in the VQA.

Communication on all issues/concerns relating to the VQA are to be directed through the Board Chairman. It was agreed that no decisions should be made ~~as~~ taken without prior reference to the Chairman of the Board. ^{OR}

Ratoon Stunting Disease

Of the 625 samples sent to Tully and the 117 samples tested locally, 1.35% were infected with RSD (ie 10 samples).

Mother Plot

Germination of plants from the plot at Amnamoor were very good this year.

2000 Season Levy and Membership

The Board settled on a 4c per tonne levy from members for the 2000 season.

Unfortunately, there are 14 canegrowers who chose not to become members of the Board in 2000. Besides the loss of revenue for the Board, it makes life difficult working in the district knowing that some canegrowers have not availed themselves to membership.

The time will come when one of their farms is infected with a disease and the Board will be in the difficult position of not knowing what to do.

The Board has agreed to a higher charge out rate to non-members for various services but this is a "band-aid solution" and it does not fix the wound.

We would hope that over a period of time all non-members will join the industry Board.

Shed Meetings

Shed meetings, held in June each year, are continuing to be very popular with 60 people attending each of the two meetings. The demonstrations and variety of topics are different each year and help canegrowers to understand issues and learn more and more. Subjects in 2000 included the double disc planter, new variety Q188 and discussion on the Cendong harvesting and transport system.

- Congratulations to John Francis and Gordon Oakes for their commitment and organisation of these meetings.

2000 Season Awards Night

Canegrowers decided not to run a parallel awards night for the 2000 season. This meant that our awards night presentation was the only event for the season and again was very well run and a highly successful night. We estimate that around 200 people were at the presentation evening. Congratulations to all people involved in organising the evening and particularly to our sponsors who continue to assist us with this event.


Productivity Booklet

Unfortunately this booklet for the 1999 season came out 6 months after the completion of the season and it appears as though the 2000 season booklet will also be out 6 months after the end of the season. To be of any real value this book should be out within 2 – 3 months of the end of the season. Therefore we may have to consider an alternative publisher for the 2001 season book.

The Future

The future of this Board and indeed the entire area will depend upon whether or not the industry remains on the Sunshine Coast. All the time the millers and growers are working closely together, there is that much more of a chance that the area will have a long term future.

We as a Productivity Board must continue to encourage improving working relationships amongst all industry partners.

A handwritten signature in cursive script, appearing to read 'K Bailey'.

K BAILEY
Chairman

MORETON CANE PROTECTION AND PRODUCTIVITY BOARD

PROFIT AND LOSS STATEMENT

FOR YEAR ENDED 31 DECEMBER 2000

	<u>2000</u>	<u>1999</u>
	<u>\$</u>	<u>\$</u>
OPERATING REVENUES		
Cane Plant Sales	1,363	3,063
Field Day Contributions	2,080	0
Interest received\accrued	5,448	3,578
Sponsorship for Productivity awards	2,250	1,950
Levies Received	25,678	40,664
Profit (Loss) on sale of Assets	0	6,219
Southern Conference Registrations	0	320
Meal contributions - prod.awards night	1,492	1,245
Total Operating Revenue	\$38,311	\$57,039

OPERATING EXPENSES

Auditor's Remuneration	1,600	1,200
Bank Charges	5	20
Depreciation	5,365	3,126
Field Days & Productivity meetings	7,389	6,836
Fuel and Oil	1,185	1,184
Insurance	649	511
Interest paid	0	2
Miscellaneous	1,420	856
Motor Vehicle Expenses	1,336	837
Postage	506	246
Printing and Stationery	1,922	1,435
Subscriptions	100	100
Repairs and Maintenance	718	0
Cost of Sugar Cane Plants	1,229	3,331
Telephone Expenses	1,261	1,262
Training	170	97
Wages and Allowances	24,953	24,085
Total operating expense	\$49,808	\$45,128

Income tax (equivalent) attributable to operating profit/loss
Profit/(loss) after income tax (equivalent)

<u>(\$11,497)</u>	<u>\$11,911</u>
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MORETON CANE PROTECTION AND PRODUCTIVITY BOARD

BALANCE SHEET

AS AT DECEMBER 2000

		<u>2000</u>	<u>1999</u>
		\$	\$
	Notes		
CURRENT ASSETS			
Cash	2	24,040	33,416
Investments		101,459	96,572
Prepayments		713	487
Sundry Debtors		5,639	5,987
Total current assets		\$131,851	\$136,462
NON-CURRENT ASSETS			
Property, plant and equipment	3	29,367	34,732
Total non-current assets		\$29,367	\$34,732
Total assets		\$161,218	\$171,194
CURRENT LIABILITIES			
Creditors		6,334	4,813
Total current liabilities		\$6,334	\$4,813
Total liabilities		\$6,334	\$4,813
Net Assets		\$154,884	\$166,381
EQUITY			
Accumulated profits	4	150,973	162,470
Asset Revaluation Reserve		3,911	3,911
Total equity		\$154,884	\$166,381



MORETON CANE PROTECTION AND PRODUCTIVITY BOARD

STATEMENT OF CASH FLOWS

FOR YEAR ENDED 31 DECEMBER 2000

		<u>2000</u>	<u>1999</u>
		\$	\$
	Notes		
CASHFLOWS FROM OPERATING ACTIVITIES			..
Receipts from cash flows		41,422	74,800
Interest received		5,031	2,976
Payment to suppliers and employees		(50,848)	(46,325)
Interest and other costs of finance paid		(95)	(334)
Net cash provided by/(used in) operating activities	7	<u>(\$4,490)</u>	<u>\$31,117</u>
Cash Flows from Investing Activities			
Purchases of Property, Plant and Equipment		0	(33,321)
Proceeds from sales of Property, Plant & Equipment		0	18,807
Net Cash Used in Investing Activities		<u>0</u>	<u>(14,514)</u>
Net increase/(decrease) in cash held		(4,490)	16,603
Cash at beginning of reporting period		129,989	113,386
Cash at end of reporting period	6	<u>\$125,499</u>	<u>\$129,989</u>



1. STATEMENT OF ACCOUNTING POLICIES

(a) Basis of Accounting

The accounts have been prepared on the basis of an historical cost basis. Income and expenditure are brought to account on an accrual basis. The Profit and Loss Statement, Balance Sheet and Statement of Cash Flow form a general purpose financial report, which has been prepared in accordance with prescribed accounting standards and other prescribed requirements.

(b) Depreciation of non-current assets

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of the service potential embodied in those assets. Depreciation is recognised on a prime cost basis, using rates which are reviewed each reporting period.

The capitalisation threshold for property, plant and equipment is \$500.

(c) Investments

Investments are valued at cost. Interest revenues are recognised as they accrue.

(d) Income Tax

The Board is currently exempt, under Australian Income Tax Legislation, Section 50-25 of the Income Tax Assessment Act 1997, from paying income tax. As a consequence, Australian Accounting Standard (AAS3) Tax Effect Accounting is not applicable to these accounts.



MORETON CANE PROTECTION AND PRODUCTIVITY BOARD

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR YEAR ENDED DECEMBER 2000

	<u>2000</u>	<u>1999</u>
	\$	\$
2. Cash		
Cash at Bank	23,940	33,416
Petty Cash Imprest	100	0
Total Cash	<u><u>\$24,040</u></u>	<u><u>\$33,416</u></u>
3. Property, plant and equipment		
Plant and equipment - at cost	4,642	4,642
Plant and equipment - at valuation	<u>2,232</u>	<u>2,232</u>
	6,874	6,874
Less accumulated depreciation	<u>2,431</u>	<u>2,100</u>
	4,443	4,774
 Motor Vehicles	32,747	32,747
Less accumulated depreciation	<u>7,823</u>	<u>2,789</u>
	24,924	29,958
Total Property, plant and equipment	<u><u>\$29,367</u></u>	<u><u>\$34,732</u></u>
4. Accumulated Profits		
Accumulated profits at beginning of reporting period	162,470	150,559
Add operating profit/(loss)	(11,497)	11,911
Accumulated profits at end of reporting period	<u><u>\$150,973</u></u>	<u><u>\$162,470</u></u>

5. Contingent Assets/Liabilities

There were no known contingent assets/liabilities as at 31 December 2000

6. Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdraft. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Balance sheet as follows:

Cash	24,040	33,416
Investments	101,459	96,573
Total	\$125,499	\$129,989

7. Reconciliation of net Cash provided by Operating Activities To Operating Profit after Income Tax

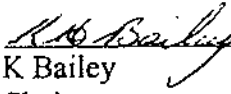
Operating Profit\loss) after income tax	(11,497)	11,911
Depreciation	5,365	3,126
Net loss (profit) on sale of Non-current assets	0	(6,219)
Changes in assets and liabilities:		
Decrease\increase) in debtors	348	21,803
Decrease\increase) in prepayments	(226)	(167)
(Decrease)\increase in creditors	1,520	663
Net Cash provided by\used in) operating activities	(\$4,490)	\$31,117



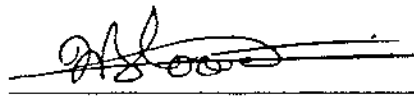
MANAGEMENT CERTIFICATE

We have prepared the foregoing annual financial statements pursuant to the provisions of the *Financial Administration and Audit Act 1977* and other prescribed requirements and certify that in our opinion:

- (i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects: and
- (ii) the foregoing financial statements have been drawn up so as to present a true and fair view, in accordance with prescribed accounting standards and other prescribed requirements, of the Moreton Cane Protection and Productivity Board's transactions for the financial year ended 31 December 2000 and of the financial position as at the end of that year.


K Bailey
Chairman

30 MARCH 2001
Date


IDK Bloore ACIS
Principal Accounting Officer

30 MARCH 2001
Date



2000 ANNUAL REPORT

ROCKY POINT CANE PROTECTION AND PRODUCTIVITY BOARD

TO THE MINISTER FOR PRIMARY INDUSTRIES

CONSTITUTION

The Rocky Point Cane Protection and Productivity Board is constituted under Part 5 of the Sugar Industry Act 1999. It continues to operate under a Statutory structure.

OBJECTIVE

To enhance the productivity of the sugar industry by increasing the quantity and improving the quality of cane produced by crops in the Rocky Point Mill area.

MEMBERSHIP

The membership of the Board assumed their responsibilities on 1 April 1999 effective for three years.

The members of the Board are as follows –

Mr. David Huth	- Millowners Representative	- Chairperson
Mr. Kevin Mischke	- Canegrowers Representative	- Vice Chairperson
Mr. Barry Kriedemann	- Canegrowers Representative	
Mr. Adrian Brumm	- Canegrowers Representative	
Mr. Barry Brooking	- Millowners Representative	
Mr. Tony Blatch	- B.S.E.S. Nominee	

FUNDING

The Board was funded for the first time by a voluntary levy. The amount of 6.15c per tonne of cane was paid by growers who signed a deduction form, this being matched by the Mill, making a total of 12.3c per tonne. Grower participation was 98%.

MEETINGS

The Board met quarterly to attend to business. Board representatives also met with the Canegrowers Committee and Mill Management to ascertain the needs of the industry.

STAFF

Mr. Victor Schwenke	- Supervisor (Part time permanent)
Mr. Allan Brehmer	- Casual Field Assistant
Mrs. Kaylene Kaddatz	- Secretary

FUNCTIONS

- (a) To prevent, control and eradicate pests and diseases of sugar cane.
- (b) To provide clean cane plants from the Mother Plot for distribution in the area.
- (c) To distribute new varieties for planting in the area.
- (d) To inspect and approve cane for commercial planting.
- (e) To provide advice and information to growers concerning the production of sugar cane and the preservation and enhancement of the capacity of land to sustain cropping.
- (f) Provide advice and information to growers to enable them to operate with minimum environmental impact.
- (g) To assist the B.S.E.S. with experimental work and in evaluating new varieties.
- (h) To provide productivity information to growers in conjunction with the Rocky Point Sugar Mill and the B.S.E.S.
- (i) To foster relations with research organisations in the provision of data, collection of samples, evaluation of research sites and monitoring projects of benefit to the sugar industry.
- (j) Co-operate with Mr. Duncan McGregor, Rocky Point Development Officer and Northern Wastewater Reuse Co-ordinator, in extension work and the establishment and maintenance of trials associated with the environment, irrigation, productivity and expansion issues.

REVIEW OF OPERATIONS

The wet conditions of the 1999 harvest and late finish (22nd January 2000) severely affected the yield potential of the subsequent ratoon crop. In addition, conditions were too dry for optimum growth of the standover. As a result, the 2000 season yielded a disappointing 331,727 tonnes at an average CCS of 13.64. The damaged and late cut ratoons from the 1999 season were left stand over for harvest in 2001, with the potential for higher prices an added incentive.

Plants distributed from the Mother Plot and Q124 Secondary Increase Plot at Darlington totalled 96 tonnes. Unfortunately, plants retained for late distribution were badly frosted by unexpected extremely cold weather at the end of May. This reduced availability of plants for farm nucleus planting in 2001. As the likely impact of Orange Rust was unknown at the time, 0.4 ha of Q124 was planted in the Secondary Increase Plot.

The new variety, Q188 was distributed to growers during Autumn and Spring. The seedling 85S7329 showed sufficient promise to plant a small plot for distribution, should it be released. Milling trials were conducted on it and 85S7327. In order to facilitate the flow of varieties with Plant Breeders Rights, the Board entered into an agreement with BSES to become a Distributor.

Although Fiji disease was found on one more farm (now twenty-four with known infection), the estimated number of diseased stools has been reduced to 2,000, due to the fact that heavily infected blocks in the hot area have been ploughed out.

The detection of Orange Rust on one farm in May meant that its arrival was too late to affect the 2000 crop. However this threat, combined with the susceptibility of Q124 to Fiji disease, has increased the swing to alternative varieties. Common Rust has also appeared in Q138. As it is the main replacement for Q124, its effects are being closely monitored.

Owing to the wet conditions of 1999 season, Chlorotic Streak has become a problem to the extent that crop losses will occur. The problem was compounded by the extra demand for varieties to replace Q124, combined with the shortage of nucleus plants which meant that poorer quality plants had to be approved for use to ensure that available land was planted.

Random inspections for Ratoon Stunting Disease continue, with extra attention paid to "at risk" farms (eg. farms with a history of infection, growers who use a commercial cane harvester for cutting billet plants).

In order to maintain clean plant sources in the Mother Plot and new variety propagations, 2.25 tonnes were hot water treated.

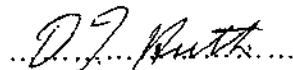
Monitoring for pests continues. Grub numbers are currently low, and other pests are only causing isolated minor crop losses.

Pre-season monitoring of one year cane continues to build a data base to facilitate the prediction of early season CCS. The provision of extension advice to growers on pesticide selection and application and nutritional advice continues.

The appointment of Mr. Duncan McGregor as Rocky Point Development Officer / Northern Wastewater Co-ordinator has provided an opportunity to assist in the implementation of the Rocky Point Strategic Plan, through involvement in extension, trial establishment and maintenance, the environment, irrigation, productivity and expansion issues.

Mr. Peter Downes, Cane Supply Manager, from the Maryborough Sugar Factory addressed a well attended Productivity Awards Function on 12 May.

The Cane Protection and Productivity Board continues its mutually beneficial relationship with BSES in the areas of variety trials, distribution of PBR plants, pests and diseases, nutrition and the production of the Productivity Report.


D.J. Huth
Chairman

Rocky Point Cane Protection and Productivity Board
Profit and Loss Statement
for the Year Ended 31 December 2000

	Note	2000 \$	1999 \$
<u>OPERATING REVENUES</u>			
Cane Levies		64,293	26,970
Sale of Cane Plants		9,178	14,741
Bank Interest		1,207	1,197
Productivity Awards		3,347	4,420
Other Income		0	629
TOTAL OPERATING REVENUES		78,025	47,957
<u>OPERATING EXPENSES</u>			
Wages & Allowances	2	45,436	43,554
Administrative Expenses	3	12,596	14,999
Mother Plot Expenses		10,083	9,771
Motor Vehicle Expenses		3,604	2,352
Slick Harvester Expenses		125	5,695
Loss on Disposal of Fixed Assets		199	228
Depreciation		2,946	916
TOTAL OPERATING EXPENSES		74,989	77,515
Resulting in an operating profit (loss) for the year of		3,036	(29,558)



Rocky Point Cane Protection and Productivity Board

Balance Sheet

as at 31 December 2000

	Note	2000 \$	1999 \$
<u>CURRENT ASSETS</u>			
Cash		1,101	767
Investments	4	53,014	35,000
Receivables		0	1,278
TOTAL CURRENT ASSETS		54,115	37,045
<u>NON CURRENT ASSETS</u>			
Property Plant & Equipment	5	10,563	2,783
TOTAL ASSETS		64,678	39,828
<u>CURRENT LIABILITIES</u>			
Current Accrued Expenses	6	1,839	675
Provision for Employee Entitlement		9,951	3,500
Net GST Payable		3,274	0
TOTAL LIABILITIES		15,064	4,175
<u>NET ASSETS</u>		49,614	35,653
<u>EQUITY (NET ASSETS)</u>			
Revaluation Increment	7	10,925	0
Retained Profits	8	38,689	35,653
		49,614	35,653



Rocky Point Cane Protection and Productivity Board
Statement of Cash Flows
for the Reporting Year Ended 31 December 2000

	2000 \$ Inflows/(Outflows)	2000 \$ Inflows/(Outflows)	1999 \$ Inflows/(Outflows)	1999 \$ Inflows/(Outflows)
Cash Flows from Operating Activities:				
Payments				
Wages and Board Members Fees	(37,062)		(38,165)	
Suppliers	(23,893)		(34,031)	
Receipts				
User Charges	73,471		40,432	
Interest Received	1,207		1,198	
Other Income	3,347		5,049	
1999 Receivables Collected	1,278		0	
Net Cash (used in) provided by Operating Activities (Note 9)	18,348		(25,517)	
Cash Flows from Investing Activities				
Payment for Purchase of Plant & Equipment	0		509	
Net Cash Used in Investing Activities	<u>0</u>		<u>509</u>	
Net Increase/(Decrease) in Cash Held	18,348		(26,026)	
Cash at the Beginning of the Reporting Period	<u>35,767</u>		<u>61,793</u>	
Cash at the End of the Reporting Period (Notes Attached)	<u><u>54,115</u></u>		<u><u>35,767</u></u>	



Rocky Point Cane Protection and Productivity Board
Notes to and Forming Part of the Accounts

1) Statement of Accounting Policy

(a) Basis of Accounts

Other than the assets revalued per note 7, the accounts have been prepared on a historical cost basis, consistent with the basis applied in the previous financial year. The accounts are prepared on a full accrual basis.

(b) Non Current Assets

Non current assets are included in the accounts at cost less accumulated depreciation.

(c) Depreciation

Depreciation is provided on all fixed assets, other than land using a straight line method or diminishing value method at rates based on the estimated useful life of the various classes of assets. Motor vehicles are depreciated using the diminishing value method.

Gains or losses arising from the sale or disposal of fixed assets are brought to account in the determination of profit for the year, except for substantial gains or losses which are included as non-operating (extraordinary) income.

(d) Repairs & Maintenance

No provisions are made. Expenditure for repairs and maintenance is charged to the accounts.

(e) Investments

Investments are included at cost.

(f) Contingent Assets/ Liabilities

There were no known contingent assets or liabilities of a significant nature as at 31 December 2000.

(g) Tax Status

The activities of the entity are exempt from taxation under s50-25 of the Income Tax Assessment Act 1997.

	2000	1999
	\$	\$
2) Wages and Allowances		
Salaries & Wages	33,028	32,680
Fees & Expenses of Members	4,034	5,484
Superannuation	1,785	1,754
WorkCover Qld	138	136
Leave Expenses	6,451	3,500
	<u>45,436</u>	<u>43,554</u>

QAO
CERTIFIED
STATEMENTS

Rocky Point Cane Protection and Productivity Board
Notes to and Forming Part of the Accounts

	2000	1999
	\$	\$
3) Administrative Expenses		
Stationery & Postage	694	730
Telephone Costs	2,604	2,917
Insurances	1,412	1,347
Audit Fees	745	1,350
Bank Charges	125	168
Office Rental	300	300
Conferences & Training	1,025	1,806
Chemicals	374	33
Computing Expenses	300	300
Productivity Awards	4,003	5,080
RSD Samples sent to Tully	211	38
Trailer Hire	171	238
Work Expenses	98	10
Sundry Expenses	385	397
Subscriptions	149	285
	<u>12,596</u>	<u>14,999</u>
4) Investments		
Harvest Account	53,014	35,000
5) Property Plant & Equipment		
Motor Vehicle at Valuation (1999 at Original Cost)	6,000	19,779
Less Provision for Depreciation	<u>1,350</u>	<u>18,759</u>
	<u>4,650</u>	<u>1,020</u>
Plant & Equipment at Cost/ Valuation	11,695	6,195
Less Provision for Depreciation	<u>5,782</u>	<u>4,783</u>
	<u>5,913</u>	<u>1,412</u>
Office Furniture & Equipment at Cost	833	833
Less Provision for Depreciation	<u>833</u>	<u>482</u>
	<u>0</u>	<u>351</u>
Total	<u>10,563</u>	<u>2,783</u>
6) Accrued Expenses		
Audit Fees	700	675
PAYG Withholding Tax	<u>1,139</u>	<u>0</u>
	<u>1,839</u>	<u>675</u>
7) Revaluation Increment		
Valuations of plant and equipment were performed as at 1st January 2000 by the Rocky Point Cane Protection and Productivity Board on a fair value basis in accordance with AAS 10 and AAS 38. As a result the following assets were revalued to reflect their current market value:		
Motor Vehicle from W D V \$1020 to \$6000	4,980	0
Stick Harvester from W D V \$55 to \$6000	5,945	0
	<u>10,925</u>	<u>0</u>



Rocky Point Cane Protection and Productivity Board
Notes to and Forming Part of the Accounts

	2000	1999
	\$	\$
8) Retained Profits		
Balance at the beginning of the Year	35,653	65,211
Less Operating profit/(loss) for the Year	3,036	(29,558)
Balance at end of Year	<u>38,689</u>	<u>35,653</u>

9) Notes to the Statement of Cash Flows

(i) Reconciliation of Cash

For the purposes of the statement of cash flows, the entity considers cash to include cash on hand and in the banks and investments in money market instruments. Cash at the end of the reporting period as shown in the statement of cash flows is reconciled to the related items in the Balance Sheet as follows:

Cash	1,101	767
Deposits at Call	53,014	35,000
	<u>54,115</u>	<u>35,767</u>

(ii) Reconciliation of Net Cash (used in)/ provided by Operating Activities to the Operating Result

Operating Result	3,036	(29,558)
Depreciation	3,145	1,144
(Increase)/ Decrease in Receivables	1,278	(1,278)
(Decrease)/ Increase in accrued expenses	1,164	675
(Decrease)/ Increase in provision for Employee Entitlements	6,451	3,500
Other Amounts Payable included in Cash Balances	3,274	0
Net Cash Used in Operating Activities	<u>18,348</u>	<u>(25,517)</u>



CERTIFICATE OF OFFICERS OF
ROCKY POINT CANE PROTECTION AND PRODUCTIVITY BOARD

We have prepared the foregoing annual financial statements pursuant to the provisions of the Financial Administration and Audit Act 1977 and other prescribed requirements and certify that in our opinion:-

- (i) The prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects and
- (ii) The foregoing annual financial statements have been drawn up so as to present a true and fair view, in accordance with prescribed accounting standards and other prescribed requirements of the transactions of the Rocky Point Cane Protection and Productivity Board for the financial year ended 31 December 2000 and of the financial position as at the close of that year.

J. J. Smith
Chairman

K. Kachala
Principal Accounting Officer

Dated this TWENTY - FIRST day of MARCH 2001



INDEPENDENT AUDIT REPORT

To the Rocky Point Cane Protection and Productivity Board

Scope

I have audited the general purpose financial statements of Rocky Point Cane Protection and Productivity Board for the year ended 31 December 2000 in terms of section 46F of the *Financial Administration and Audit Act 1977*. The financial statements comprise the Profit and Loss Statement, Balance Sheet, Statement of Cash Flows, Notes to and forming part of the financial statements and certificates given by the Chairperson and person responsible for financial administration.

The Board is responsible for the preparation and the form of presentation of the financial statements and the information they contain. I have audited the financial statements in order to express an opinion on them.

The audit has been conducted in accordance with *QAO Auditing Standards*, which incorporate the Australian Auditing Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included the examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with prescribed requirements which include Australian Accounting Standards so as to present a view which is consistent with my understanding of the entity's financial position and the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In accordance with section 46G of the *Financial Administration and Audit Act*, I certify that I have received all the information and explanations I have required and, in my opinion -

- the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
- the statements have been drawn up so as to present a true and fair view in accordance with prescribed accounting standards and other prescribed requirements of the transactions of Rocky Point Cane Protection and Productivity Board for the financial year 1 January 2000 to 31 December 2000 and of the financial position as at the end of that year.


A.R. Murphy
A/Audit Manager
(Delegate of the Auditor-General)



Queensland Audit Office
Brisbane