

Catchers Trust Group

Annual Financial Report

For

The Year Ended

30 June 1998

IMPORTANT DETAILS

Directors	Region 1	Mr W J (John) Gallagher - (02) 6686-2533
	Region 2	Mr W D (George) Baker - 018028533
	Region 3	Mr E J (Ted) Byrnes - (02) 6566-6311
	Region 4	Mr Brett Bollinger - (02) 4965-4221
	Region 5	Mr Neil Peterson
	Region 6	Mr Joe Greco - (02) 4455-1371
	Region 7	Mr John Symonds - (02) 6496-1959

Registered office Catchers Trust
C/- HLB Mann Judd
159 Kent Street
SYDNEY NSW 2000

All correspondence should be sent to this address

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E-mail	Catchers@hlbnsw.com.au
Contact	Mr Ted Bell

**CATCHERS TRUST
AND CONTROLLED ENTITIES**

BALANCE SHEET AS AT 30 JUNE 1998

	Note	CONSOLIDATED		PARENT ENTITY	
		1998 \$	1997 \$	1998 \$	1997 \$
CURRENT ASSETS					
Cash	2	292,150	519,288	292,149	519,287
Sundry Debtors	3	-	2,152	-	2,152
Total current assets		<u>292,150</u>	<u>521,440</u>	<u>292,149</u>	<u>521,439</u>
NON - CURRENT ASSETS					
Investments	4	1,419,864	1,168,454	2	2
		<u>1,419,864</u>	<u>1,168,454</u>	<u>2</u>	<u>2</u>
Total assets		<u>1,712,014</u>	<u>1,689,894</u>	<u>292,151</u>	<u>521,441</u>
CURRENT LIABILITIES					
Creditors and loans	5	38,683	80,019	88,683	130,019
Distribution payable to Unit Holders		202,468	390,422	202,468	390,422
Total current liabilities		<u>241,151</u>	<u>470,441</u>	<u>291,151</u>	<u>520,441</u>
Total liabilities		<u>241,151</u>	<u>470,441</u>	<u>291,151</u>	<u>520,441</u>
Net assets		<u>1,470,863</u>	<u>1,219,453</u>	<u>1,000</u>	<u>1,000</u>
TRUST FUNDS					
Settled sum		1,000	1,000	1,000	1,000
Retained profits		1,469,863	1,218,453	-	-
Trust funds		<u>1,470,863</u>	<u>1,219,453</u>	<u>1,000</u>	<u>1,000</u>

The accompanying notes form part of these financial statements.

**CATCHERS TRUST
AND CONTROLLED ENTITIES**

**PROFIT & LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 1998**

	Note	CONSOLIDATED		PARENT ENTITY	
		1998 \$	1997 \$	1998 \$	1997 \$
Gross Revenue		<u>507,607</u>	<u>558,791</u>	<u>256,197</u>	<u>514,528</u>
Operating profit before tax		453,878	456,887	202,468	412,624
Income tax expense	1	-	-	-	-
Operating profit after tax		<u>453,878</u>	<u>456,887</u>	<u>202,468</u>	<u>412,624</u>
Retained profits/(accumulated losses) at the start of the year		1,218,453	1,151,988	-	-22,202
		<u>1,672,331</u>	<u>1,608,875</u>	<u>202,468</u>	<u>390,422</u>
Distribution to Unit Holders		202,468	390,422	202,468	390,422
Retained profits at the end of the year		<u><u>1,469,863</u></u>	<u><u>1,218,453</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

The accompanying notes form part of these financial statements.

**CATCHERS TRUST
AND CONTROLLED ENTITIES**

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 1998

	Note	CONSOLIDATED		PARENT ENTITY	
		1998	1997	1998	1997
		\$	\$	\$	\$
Cash flows from operating activities					
Dividends received		250,000	550,000	250,000	500,000
Interest received		6,197	12,383	6,197	12,383
Payments to suppliers	-	95,065	26,393	95,065	26,393
Net cash flows from operations	8	<u>161,132</u>	<u>535,990</u>	<u>161,132</u>	<u>485,990</u>
Cash flows from financing activities					
Loan received from:					
NSW Fishermen's Holding Company P/L		-		-	50,000
Loan repaid to:					
NSW Fishermen's Co-op Association		-	20,000	-	20,000
Distribution to Unit Holders	-	388,270		388,270	
Net cash flows from financing activities		<u>- 388,270</u>	<u>20,000</u>	<u>- 388,270</u>	<u>30,000</u>
Total cash flows		- 227,138	515,990	- 227,138	515,990
Cash at the start of the year		519,288	3,298	519,287	3,297
Cash at the end of the year	2	<u>292,150</u>	<u>519,288</u>	<u>292,149</u>	<u>519,287</u>

The accompanying notes form part of these financial statements.

**CATCHERS TRUST
AND CONTROLLED ENTITIES**

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 1998**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

This general purpose financial report has been drawn up in accordance with Accounting Standards, other mandatory professional reporting requirements and the Corporations Law.

It is prepared in accordance with the historical cost convention, except for certain assets which, as noted, are at valuation.

The accounting policies adopted are consistent with those of the previous financial year. Comparative information is reclassified where appropriate to enhance comparability.

(b) Principles of Consolidation

The consolidated accounts incorporate the assets and liabilities of all entities controlled by the Catchers Trust ("parent entity") as at 30 June 1998 and the results of all controlled entities for the year then ended. The Catchers Trust and its controlled entities together are referred to in its financial report as the economic entity. The effects of all transactions between entities in the economic entity are eliminated in full.

(c) Income tax

The Trust does not pay income tax. Taxable income is fully distributed to Unit Holders each year.

(d) Cash

For the purposes of the statement of cash flows, cash includes deposits at call which are readily convertible to cash on hand and which are used in the cash management function on a day-to day basis, net of outstanding bank overdrafts.

(e) Recoverable amount of non-current assets

In determining the recoverable amount of non-current assets, expected net cash flows have not been discounted to their present values.

	CONSOLIDATED		PARENT ENTITY	
	1998	1997	1998	1997
	\$	\$	\$	\$
2. CASH				
Cash at bank	290,294	517,414	290,293	517,413
Cash at bank - Petty cash account	1,856	1,874	1,856	1,874
	<u>292,150</u>	<u>519,288</u>	<u>292,149</u>	<u>519,287</u>
3. RECEIVABLES				
Current				
Sundry Debtors	<u>-</u>	<u>2,152</u>	<u>-</u>	<u>2,152</u>

**CATCHERS TRUST
AND CONTROLLED ENTITIES**

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 1998**

	CONSOLIDATED		PARENT ENTITY	
	1998	1997	1998	1997
	\$	\$	\$	\$
4. INVESTMENTS				
Non-current				
NSW Fishermen's Holding Company Pty Ltd	-	-	2	2
Sydney Fish Market Pty Limited	1,419,864	1,168,454	-	-
	<u>1,419,864</u>	<u>1,168,454</u>	<u>2</u>	<u>2</u>

The investment in the Sydney Fish Market Pty Limited represents a 50% equity ownership in that associated company. The carrying amount of the investment is represented in the following extract from the balance sheet of Sydney Fish Market Pty Limited:

Total Assets	6,310,251	6,293,603
Total Liabilities	- 3,470,524	- 3,956,696
Net Assets	<u>2,839,727</u>	<u>2,336,907</u>
50% share of equity	<u>1,419,864</u>	<u>1,168,454</u>

The movement in the carrying amount of the investment in Sydney Fish Market Pty Limited is calculated as follows:

Carrying value of investment at start of year	1,168,454	1
Share of closing balance of 1997 ret. profits	-	1,174,190
Dividends received during the year	- 250,000	- 550,000
Share of operating profit before income tax	806,568	869,458
Share of income tax expense	- 305,158	- 325,195
Carrying value of investment at end of year	<u>1,419,864</u>	<u>1,168,454</u>

The principal activity of the Sydney Fish Market Pty Limited was the marketing of fish and property management.

5. CREDITORS AND LOANS

Current				
Sundry Creditors	38,683	80,019	38,683	80,019
Loans, related entities				
NSW Fishermen's Holding Company P/L	-	-	50,000	50,000
	<u>38,683</u>	<u>80,019</u>	<u>88,683</u>	<u>130,019</u>

**CATCHERS TRUST
AND CONTROLLED ENTITIES**

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 1998**

CONSOLIDATED		PARENT ENTITY	
1998	1997	1998	1997
\$	\$	\$	\$

6. UNITS ISSUED

At 30 June 1998, there were 1,604 (1996-1,535) units on issue. Unit Holders pay no consideration to take up units in the Catchers Trust.

7. REMUNERATION OF AUDITORS

Amounts received, or due and receivable, by the auditors for auditing the consolidated accounts of the Catchers Trust and the accounts of its controlled entities.

Wappett & Partners	2,625	2,500	2,625	2,500
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8. RECONCILIATION OF CASH FLOWS FROM OPERATIONS

Cash flows from operations are calculated as follows:

Operating profit after tax	453,878	456,887	202,468	412,624
Equity accounted profit	- 501,410	- 544,263	-	-
Dividends received	250,000	550,000	-	-
(Increase) in Sundry debtors	-	2,145	-	2,145
Decrease in Sundry creditors	- 41,336	75,511	- 41,336	75,511
Cash flows from operations	161,132	535,990	161,132	485,990

9. DIRECTORS HOLDING OFFICE

The names of the directors of the trustee company (NSW Fishermen's Holding Company Pty Limited) who held office during the financial year ended 30 June 1998 were:

W D Baker	J Greco	E B Allen(1)	G K Owen(1)	N R Peterson(2)
G E Fidden(1)	J S Symonds	W J Gallagher	E J Byrnes(2)	B A Bollinger(2)

Income received, or due and receivable by directors from entities in the economic entity and related bodies corporate

	3,194	12,156	3,194	12,156
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(1) = (Retired May 1998) (2) = (Appointed May 1998)

**CATCHERS TRUST
AND CONTROLLED ENTITIES**

**STATEMENT BY DIRECTORS OF THE TRUSTEE
NSW FISHERMEN'S COMPANY PTY LIMITED**

In the opinion of the directors of the trustee:

- (a) the financial statements give a true and fair view of the trust's and the economic entity's state of affairs as at 30 June 1998 and the trust's and the economic entity's results and cash flows for the financial year ended on that date; and
- (b) at the date of this statement, there are reasonable grounds to believe that the trust will be able to pay its debts as and when they fall due.

Signed in accordance with a resolution of the directors of the NSW Fishermen's Company Pty Limited.



Joe Greco



William D Baker

6 August 1998

**CATCHERS TRUST
AND CONTROLLED ENTITIES
INDEPENDENT AUDIT REPORT**

To the members of the Catchers Trust

Scope

We have audited the financial statements of the Catchers Trust for the financial year ended 30 June 1998 as set out on pages 1 to 7. The financial statements include the consolidated accounts of the economic entity comprising the trust and entities it controlled at the year's end or from time to time during the financial year. The trustee company's directors are responsible for the financial statements. We have conducted an independent audit of these financial statements in order to express an opinion on them to the members of the trust.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether or not the financial statements are free of material misstatement. Our procedures included 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 financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether or not, in all material respects, the financial statements are presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements, so as to present a view which is consistent with our understanding of the trust's and the economic entity's financial position, the results of their operations and their cash flows.

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

Audit Opinion

In our opinion the financial report presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements the financial position of the Catchers Trust as at 30 June 1998 and the results of its cash flows for the year then ended.

**WAPPETT & PARTNERS
Chartered Accountants**



**Trevor W Graham
Registered Company Auditor**

Sydney
6 August 1998

**CATCHERS TRUST
FOR THE INFORMATION OF UNIT HOLDERS – AUGUST 1998**

What does the Catchers Trust do and how does it earn income?

The Catchers Trust owns one half of Sydney Fish Market Pty Limited (SFM) and represents the commercial fishermen and aquaculturists of NSW who sell fish products through the Sydney market. The other half of SFM is owned by another company representing merchants and tenants.

From time to time, SFM pays dividends to its shareholders and the Trust uses this money to make distributions to Unit Holders. SFM paid its first dividends in 1997 and the Trust paid this on to Unit Holders. SFM paid a dividend again in 1998, and the Trust is using this money to pay a distribution to Unit Holders.

What has the Sydney Fish Market got to do with me?

As a member of the Catchers Trust, you own part of Sydney Fish Market Pty Limited (SFM).

SFM provides two important benefits. First, the market sells your catch on its auction floor with bidding from 170 very competitive buyers, and payment guaranteed on the Friday following the week of sale. Second, as a member of the Catchers Trust, your share of the annual SFM dividend is calculated on the value of the product you place on the auction floor.

In simple terms, the more you sell through SFM, the better your dividend.

With the deregulation of fish marketing, members of the Catchers Trust should remember that they will profit more from selling their catch through SFM.

Who can own a unit in the Catchers Trust?

Any person who holds a NSW fishermen's license, or NSW boat license, or NSW boat registration license or NSW aquaculture license can apply for a unit in the Trust. There is no application fee payable, but you must send in a signed application form. Application forms can be obtained from the Catchers Trust, any NSW registered fishermen's co-op, or Sydney Fish Market.

At the end of June 1998, there were just over 1,600 Unit Holders.

Who manages the Catchers Trust?

The Catchers Trust is run by a Board of Directors who are elected by the Unit Holders. Each director represents a fishing region; there are seven regions (based on the old CFAC regions). Directors stand for election every 3 years, and every 18 months elections are held for half of the Board members.

At 30 June 1998, the directors were:

Region 1 - John Gallagher	Region 2 - George Baker (Chairman)
Region 3 - Ted Byrnes	Region 4 - Brett Bollinger
Region 5 - Neil Peterson	Region 6 - Joe Greco
Region 7 - John Symonds	

During the year, Graham Owen (Region 3), Geoff Fidden (Region 4), and Ted Allen (Region 5) retired as Directors.

**CATCHERS TRUST
FOR THE INFORMATION OF UNIT HOLDERS – AUGUST 1998**

Who works out how much money each Unit Holder gets?

Basically, you get paid according to the value of product that you sold through Sydney Fish Market. The more fish you sold through Sydney Fish Market, the bigger your share of the distribution.

Why is my cheque less than last year?

Your cheque was less than last year because we have less money to give you.

Last year we received dividends totalling more than \$500,000 from Sydney Fish Market (these were the first dividends after 2½ years of trading). This year, we have received an interim dividend of \$250,000 from Sydney Fish Market (coming from only 12 months of trading).

Why did you deduct tax from my payment?

If you didn't tell us your Tax File Number (TFN), then we are required by law to deduct tax at the rate of 48.5%. This tax is shown on your distribution statement (in the box marked "R"), and you will get credit for it when you lodge your tax return.

Also, the Tax Office contacted us after last year's distribution and told us that about 350 TFNs needed to be changed and a further 100 deleted. Apparently, they ran a cross check and found that many Unit Holders had advised their Sales Tax number instead of their TFN, and in other cases the TFN was just wrong.

We have made the changes required by the Tax Office and this would explain why you had tax deducted this year, but no tax deducted last year. If you want to tell us your TFN, then drop us a line.

I didn't receive the distribution payment until September, why does it have to go in my 1998 tax return?

We can't help that. It is a requirement of the Tax Act.

We processed the distribution payment as quickly as we could, and it just wasn't possible to get it to you earlier.

I've already lodged my 1998 tax return. What should I do?

You should consult your tax adviser. The distribution should be included in your 1998 tax return.

Why is my cheque less than my share of the taxable income?

The difference is due mainly (but not solely) to imputation credits (a type of tax credit). These credits increase taxable income on the one hand, but on the other hand they also work as a tax rebate – reducing your tax bill when you lodge your tax return.

Your distribution statement shows how to report this distribution in your tax return. Check with your tax adviser if you need more information.

What is an imputation credit?

An imputation credit is a credit for tax paid by someone else (in this case, Sydney Fish Market). When the Trust received its dividends from Sydney Fish Market, it also received tax credits on those dividends.

**CATCHERS TRUST
FOR THE INFORMATION OF UNIT HOLDERS – AUGUST 1998**

I fish with another fisherman and sell the fish under my name . Why didn't the other fisherman get a cheque too?

If your Co-op or Sydney Fish Market supplier code is in your name, then we have given you 100% of those sales. You'll need to work out the other person's share of your sales so that you can give them their share of the cash payment, taxable income, imputation credit and tax credits.

You should also consult your tax adviser.

My fish is sold under someone else's name. Where is my cheque?

You'll need to contact that other person and work the matter out with them. You should also consult your tax adviser.

I'm a member of the Trust and I sold fish during the year. Why didn't I get a cheque?

There could be several reasons.

One of the most common problems is where several members of a family or crew applied for a Unit in the Trust, but the actual fish sales are in the name of one person only. In these cases, we have given the whole payment to the person whose name was on the Sydney Fish Market (SFM) system.

Another problem was where an SFM supplier code was in joint names, but there was no Unit in the joint names. In these cases, we gave the whole payment to the person whose name is the first of the joint names on the SFM system.

In both these cases, we had no way of knowing whether and how the sales should be split among the fishermen. This is a private matter between the fishermen and it is up to them to sort it out.

I sold fish direct through Sydney Fish Market, but I didn't get a cheque? Why not?

There could be a couple of reasons:

First, you must have been a member of the Catchers Trust on 30 June 1998. Applications that were received after that date are not eligible for a share in the 1998 distribution. This rule may seem harsh, but it was applied consistently to all fishermen.

Second, if you didn't tell us your Sydney Fish Market supplier code, then we had no way of knowing what fish you sold. We only made payments to those fishermen who advised us of their Sydney Fish Market supplier codes.

**CATCHERS TRUST
FOR THE INFORMATION OF UNIT HOLDERS – AUGUST 1998**

How does the Trust know how much fish I sold at Sydney Fish Market?

We get that information from two places.

First, if you have your own Sydney Fish Market supplier code, **and you told us what it was**, then we gave you credit for fish sold under that code.

Second, we asked each NSW Fishermen's Co-operative (as well as other big group suppliers such as Eden Fish Packing, Southland Fish Supplies and Lakes Entrance co-op) to tell us how much of their fish sales could/should be allocated to Unit Holders.

Should I tell the Trust if I change my address or SFM supplier number?

Yes!! While we work closely with Sydney Fish Market and Fisheries, we do not (and, because of privacy laws, cannot) exchange name and address information. This means that if you change your address **or** your SFM supplier number, then please tell us. If you don't tell us, then really we have no other way of finding out.

How can I contact someone at the Catchers Trust?

The Catchers Trust is administered by HLB Mann Judd, a firm of accountants and business advisers based in Sydney. Mr Ted Bell is the Company Secretary for the Trust; he and his staff can be contacted at:

Phone 02 9251-7711
Fax 02 9251-7648
E-mail catchers@hlbnsw.com.au