

Catchers Trust Group

Annual Financial Report

For

The Year Ended

30 June 1999

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 – (02) 4379-1449
	Region 6	Mr Joe Greco - (02) 4455-1371
	Region 7	Mr John Symonds - (02) 6496-1959

Registered office Catchers Trust
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159 Kent Street
SYDNEY NSW 2000

All correspondence should be sent to this address

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Secretary &
contact for all
enquiries Mr Ted Bell

**CATCHERS TRUST
AND CONTROLLED ENTITIES**

BALANCE SHEET AS AT 30 JUNE 1999

	Note	CONSOLIDATED		PARENT ENTITY	
		1999 \$	1998 \$	1999 \$	1998 \$
CURRENT ASSETS					
Cash	2	259,179	292,150	259,178	292,149
Total current assets		<u>259,179</u>	<u>292,150</u>	<u>259,178</u>	<u>292,149</u>
NON - CURRENT ASSETS					
Investments	3	1,711,287	1,419,864	2	2
		<u>1,711,287</u>	<u>1,419,864</u>	<u>2</u>	<u>2</u>
Total assets		<u>1,970,466</u>	<u>1,712,014</u>	<u>259,180</u>	<u>292,151</u>
CURRENT LIABILITIES					
Accounts Payable	4	21,013	38,683	21,013	38,683
Borrowings	5	-	-	80,000	50,000
Distribution payable to Unit Holders		157,167	202,468	157,167	202,468
Total current liabilities		<u>178,180</u>	<u>241,151</u>	<u>258,180</u>	<u>291,151</u>
Total liabilities		<u>178,180</u>	<u>241,151</u>	<u>258,180</u>	<u>291,151</u>
Net assets		<u>1,792,286</u>	<u>1,470,863</u>	<u>1,000</u>	<u>1,000</u>
TRUST FUNDS					
Settled sum		1,000	1,000	1,000	1,000
Retained profits		1,791,286	1,469,863	-	-
Trust funds		<u>1,792,286</u>	<u>1,470,863</u>	<u>1,000</u>	<u>1,000</u>

The above Balance Sheet is to be read in conjunction with the accompanying notes.

**CATCHERS TRUST
AND CONTROLLED ENTITIES**

**PROFIT & LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 1999**

	Note	CONSOLIDATED		PARENT ENTITY	
		1999 \$	1998 \$	1999 \$	1998 \$
Gross Revenue		<u>545,466</u>	<u>507,607</u>	<u>224,043</u>	<u>256,197</u>
Operating profit before tax		478,590	453,878	157,167	202,468
Income tax expense	1	-	-	-	-
Operating profit after tax		<u>478,590</u>	<u>453,878</u>	<u>157,167</u>	<u>202,468</u>
Retained profits at the start of the year		1,469,863	1,218,453	-	-
		<u>1,948,453</u>	<u>1,672,331</u>	<u>157,167</u>	<u>202,468</u>
Distribution to Unit Holders		<u>157,167</u>	<u>202,468</u>	<u>157,167</u>	<u>202,468</u>
Retained profits at the end of the year		<u><u>1,791,286</u></u>	<u><u>1,469,863</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

The above Profit & Loss Statement is to be read in conjunction with the accompanying notes.

**CATCHERS TRUST
AND CONTROLLED ENTITIES**

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 1999

	Note	CONSOLIDATED		PARENT ENTITY	
		1999 \$	1998 \$	1999 \$	1998 \$
Cash flows from operating activities					
Dividends received		250,000	250,000	220,000	250,000
Interest received		4,043	6,197	4,043	6,197
Payments to suppliers		(86,970)	(95,065)	(86,970)	(95,065)
Net cash flows from operations	7	<u>167,073</u>	<u>161,132</u>	<u>137,073</u>	<u>161,132</u>
Cash flows from financing activities					
Loan from subsidiary company		0	0	30,000	0
Distribution to Unit Holders		(200,044)	(388,270)	(200,044)	(388,270)
Net cash flows from financing activities		<u>(200,044)</u>	<u>(388,270)</u>	<u>(170,044)</u>	<u>(388,270)</u>
Total cash flows		(32,971)	(227,138)	(32,971)	(227,138)
Cash at the start of the year		292,150	519,288	292,149	519,287
Cash at the end of the year	2	<u><u>259,179</u></u>	<u><u>292,150</u></u>	<u><u>259,178</u></u>	<u><u>292,149</u></u>

The above Statement of Cash Flows is to be read in conjunction with the accompanying notes.

**CATCHERS TRUST
AND CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

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

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 1999 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.

(f) Trade and Other Creditors

These amounts represent liabilities for goods and services provided to the economic entity prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

2. CASH

	CONSOLIDATED		PARENT ENTITY	
	1999	1998	1999	1998
	\$	\$	\$	\$
Cash at bank	259,179	290,294	259,178	290,293
Cash at bank - Petty cash account	-	1,856	-	1,856
	<u>259,179</u>	<u>292,150</u>	<u>259,178</u>	<u>292,149</u>

The cash at bank is in an interest bearing cheque account that bears interest at floating rates. The applicable rate at 30 June 1999 was 3.90% (1998: 4.15%)

**CATCHERS TRUST
AND CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1999**

	CONSOLIDATED		PARENT ENTITY	
	1999	1998	1999	1998
	\$	\$	\$	\$
3. INVESTMENTS				
Non-current				
NSW Fishermen's Holding Company Pty Ltd	-	-	2	2
Sydney Fish Market Pty Limited	1,711,287	1,419,864	-	-
	<u>1,711,287</u>	<u>1,419,864</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	7,374,535	6,310,251
Total Liabilities	(3,951,962)	(3,470,524)
Net Assets	<u>3,422,573</u>	<u>2,839,727</u>
50% share of equity	<u>1,711,287</u>	<u>1,419,864</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	1,419,864	1,168,454
Less: dividends received this year	(250,000)	(250,000)
Plus: share of operating profit before tax	852,070	806,568
Less: share of income tax expense	(310,647)	(305,158)
Carrying value of investment at end of year	<u>1,711,287</u>	<u>1,419,864</u>

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

4. ACCOUNTS PAYABLE

Current				
Sundry Creditors	<u>21,013</u>	<u>38,683</u>	<u>21,013</u>	<u>38,683</u>

5. BORROWINGS

Current				
Loans, related entities				
NSW Fishermen's Holding Company P/L	-	-	80,000	50,000
	<u>-</u>	<u>-</u>	<u>80,000</u>	<u>50,000</u>

**CATCHERS TRUST
AND CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1999**

CONSOLIDATED		PARENT ENTITY	
1999	1998	1999	1998
\$	\$	\$	\$

5. UNITS ISSUED

At 30 June 1999, there were 1,416 (1998-1,604) units on issue. Unit Holders pay no consideration to take up units in the Catchers Trust.

6. 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	2,625	2,625	2,625
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7. RECONCILIATION OF CASH FLOWS FROM OPERATIONS

Cash flows from operations are calculated as follows:

Operating profit after tax	478,590	453,878	157,167	202,468
Less: equity accounted profit	(541,423)	(501,410)	-	-
Plus: dividends received	250,000	250,000	-	-
Less: decrease in Sundry creditors	(20,094)	(41,336)	(20,094)	(41,336)
Cash flows from operations	167,073	161,132	137,073	161,132

8. 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 1999 were:

W D Baker	J Greco	N R Peterson	B A Bollinger
J S Symonds	W J Gallagher	E J Byrnes	

Income received, or due and receivable by directors from entities in the economic entity and related bodies corporate	5,400	3,194	5,400	3,194
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Directors were also entitled to receive reimbursement of travel and other out-of-pocket expenses.

CATCHERS TRUST
AND CONTROLLED ENTITIES

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

In the opinion of the directors of the trustee:

(a) the accompanying financial statements and notes give a true and fair view of the trust's and the economic entity's financial position as at 30 June 1999 and their performance for the financial year ended on that date as represented by their results and cashflows; 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.

Director

N D BAKER



Director

J SYMONDS

4 August 1999



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

To the members of the Catchers Trust

Scope

We have audited the financial report of the Catchers Trust for the financial year ended 30 June 1999 consisting of the Profit and Loss Statement, Balance Sheet, Statement of Cash Flows, accompanying notes and Directors Declaration. The financial report includes 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 report. We have conducted an independent audit of the financial report in order to express an opinion on it 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 report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, 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 report is presented fairly in accordance with Accounting Standards, other mandatory professional reporting requirements and statutory 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 1999 and the results of its operations and its cash flows for the year then ended.

**Lismore
19 August 1999**

**WAPPETT & PARTNERS
Chartered Accountants**



**Trevor W Graham - Partner
Registered Company Auditor**

CATCHERS TRUST INFORMATION FOR UNIT HOLDERS – 1999

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 SFM 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.

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

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 Unit Holder in 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 a NSW boat license, or a NSW boat registration license or a 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 1999, there were just over 1,400 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 hold office for 3 years, and every 18 months elections are held for half of the Board.

At 30 June 1999, the directors were:

Region 1 – John Gallagher
Region 3 – Ted Byrnes
Region 5 – Neil Peterson
Region 7 – John Symonds

Region 2 - George Baker (Chairman)
Region 4 - Brett Bollinger
Region 6 - Joe Greco

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 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.

**CATCHERS TRUST
INFORMATION FOR UNIT HOLDERS – 1999**

I didn't receive the distribution payment until September, why does it have to go in my 1999 tax return?

It is a requirement of the Tax Act.

We processed the distribution payment as quickly as we could, but we simply couldn't get the cheque to you any quicker.

I've already lodged my 1999 tax return. What should I do?

You should consult your tax adviser. The distribution should be included in your 1999 tax return.

Why isn't my cheque equal to my taxable income from the Trust?

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 dividend from Sydney Fish Market, it also received tax credits on those dividends.

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

If your Co-op supplier code 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 situations is where several members of a family or crew each have a Unit in the Trust, but the actual fish sales are in the name of one person only. In these cases, we give the whole payment to the Unit Holder whose name is on the Sydney Fish Market (SFM) system.

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

**CATCHERS TRUST
INFORMATION FOR UNIT HOLDERS – 1999**

In both these cases, we have 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 1999. Applications that were received after that date are not eligible for a share in the 1999 distribution. This rule may seem harsh, but it is 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 make payments to those fishermen who advised us of their Sydney Fish Market supplier codes.

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.

IMPORTANT REMINDER

Have you told us your SFM supplier number?

If you supply fish to SFM and you have an SFM supplier number, then you **MUST** tell us. Likewise, if you get a new SFM supplier number or you change your SFM supplier number, you **MUST** tell us. Also, if you have more than one SFM supplier number, then you **MUST** tell us.

If we don't know your SFM supplier number, then your fish sales won't be taken into account when we calculate your Trust distribution at the end of each year.

It's up to YOU to tell us if you have an SFM number. If you don't tell us, then we won't know.

If you only supply fish through a co-operative, then don't worry – you don't have to tell us! At the end of each year, we check with each co-op and ask them to tell us how to allocate their fish sales among all the Unit Holders. You only need to tell us if you sell fish direct through SFM.

Contacting the Catchers Trust

You can write, call, fax or e-mail the Catchers Trust at any time during business hours. Ted Bell is the Secretary of the Trust, and you can reach him and his team on any of the following numbers.

Phone (02) 9251-7711 (office) or 0412-235-505 (mobile)

Fax (02) 9251-7648

E-mail catchers@hlbnsw.com.au

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