



CANEGROWERS
BURDEKIN

ANNUAL REPORT 2020/21





CANEGROWERS BURDEKIN

ABN 43 114 632 325

NOTICE OF ANNUAL GENERAL MEETING

Members of CANEGROWERS Burdekin Limited are invited to attend the 2021 Annual General Meeting:

Where: CANEGROWERS Hall, 68 Tenth Street HOME HILL

When: Wednesday 1st December, 2021 commencing at 5.30pm

RSVP: To 4790 3600 or bdk@canegrowers.com.au
by Friday 26 November for catering purposes

Business:

- 1. Receive the Chairman's Report**
- 2. Receive the Annual Financial Statements, Directors Report & Independent Audit Report**
- 3. Address by Guest Speaker – Alex Olsen, Managing Director, AutoWeed**
 - Paul Schembri, Chair, CANEGROWERS Qld
- 4. Attend to any other business.**

By Order of the Board

Gregory Watson
Company Secretary



ANNUAL GENERAL MEETING AGENDA

Date: Wednesday, 1st December 2021 commencing at 5:30 pm

Venue: CANEGROWERS HALL, 68 Tenth Street, HOME HILL

Estimated times	Actions	Presented by
10 minutes 5:30 to 5:40	1. ADMINISTRATION 1.1. Meeting Open and Welcome 1.2. Quorum and Apologies 1.3. Minutes Silence	Phil Marano Chair
10 minutes 5:40 to 5:50	2. MINUTES FROM PREVIOUS MEETING	Phil Marano Chair
10 minutes 5:50 to 6:00	3. CHAIRMAN'S REPORT	Phil Marano Chair
10 minutes 6:00 to 6:10	4. ANNUAL FINANCIAL REPORT 4.1. Financial Report 4.2. Directors Report and Declaration 4.3. Independent Audit Report	Greg Watson General Manager
30 minutes 6:10 to 6:40	6. GUEST SPEAKER Alex Olsen Managing Director, AutoWeed	Alex Olsen
20 minutes 6:40 to 7:00	7. GUEST SPEAKER Paul Schembri CANEGROWERS Qld	Paul Schembri
30 minutes 7:00 to 7:30	7. GENERAL BUSINESS 7.1. General Business 7.2. Lucky Door Prize <i>Guest Speaker to announce</i>	Phil Marano Chair
7:30 pm	8. CLOSE OF MEETING	Phil Marano Chair
	Meeting to be followed by light dinner and drinks	

Guest Speaker: Alex Olsen

Born and raised in North Queensland, Alex Olsen, holds a PhD in Electronics Engineering from James Cook University, where he conducted research showing the promise of deep learning for weed species detection and robotic weed control.

In addition to his research expertise, Dr Olsen has over five years' experience developing hardware and software solutions for marine, mining, and agricultural applications.

He and his colleagues have since formed their own company, AutoWeed Pty Ltd, to commercialise their pioneering weed detection research to realise benefits for today's growers.

Dr Olsen is passionate about developing machine vision and deep learning solutions for agriculture to improve productivity for Australian farmers.

Guest Speaker: Paul Schembri

Paul Schembri is the Chairman of CANEGROWERS Queensland, a role he has held since 2013. He is a member of the CANEGROWERS Queensland Policy Council and a Director of CANEGROWERS Mackay. He has held representative roles within the organisation for more than 35 years.

Mr Schembri is a cane farmer with more than 40 years practical experience. In partnership with his brother Joe, he owns and operates farms supplying Farleigh Mill, near Mackay, harvesting around 10,000 tonnes of cane annually. The business is accredited in the industry's Smartcane BMP program.

He is a Fellow of the Australian Institute of Company Directors and is Senior Vice President of the World Association of Beet and Cane Growers. Paul has served as a director of Queensland Sugar Limited and as Chairman of the Australian Sugar Industry Alliance.

Paul has travelled extensively in the interests of the Australian sugar industry, attending events and participating in delegations to Thailand, the United Kingdom, China, Indonesia and Brazil.

**MINUTES OF THE ANNUAL GENERAL MEETING OF
CANEGROWERS BURDEKIN LTD
ACN: 43 114 632 325**

HELD AT the Canegrowers Hall, Home Hill
68 Tenth Street, Home Hill Qld 4806

On Wednesday, 20th October 2020
Scheduled commencement time: 6:00 pm

1. Meeting Open, Apologies and Welcome

The Chairman, Mr Philip Marano, opened the meeting at 6:08 pm and declared that the meeting quorum of 10 has been met.

Apologies were received from Rian Swindley and Vince Papale.

The guest speaker Mr Paul Schembri, Chairman of CANEGROWERS and guest Mr Dan Galligan, CEO of CANEGROWERS were welcomed.

A minute's silence was held in respect of members who have passed since the last AGM.

2. Confirmation of Minutes of the previous AGM

MOTION

That the Minutes of the AGM of Canegrowers Burdekin Limited held 20th November 2019, be taken as read and confirmed.

Moved: Mr Greg Rossato

Seconded: Mr Glenn Betteridge

CARRIED

3. Chairman's Report

The Chairman presented his report and answered questions.

MOTION

That the Chairman's Report on organisation activities for the financial year ended 30 June 2020 and update on the current year be received.

Moved: Mr Paul Sgarbossa

Seconded: Mr Russell Jordan

CARRIED

4. Financial Report, Directors Report and Independent Audit Report

The Manager Mr Greg Watson presented and spoke to the Financial Report which included the Directors Report and the Independent Auditors Report.

Mr Watson advised the Report:

- has been independently audited by Certified Practicing Accountant William Smith from Cormack and Company;
- complies with the Accounting Standards and Corporations regulations; and
- gives a true and fair view of the financial position of the company as at 30 June 2020.

Mr Watson called for members' questions on the Financial Report. No questions were asked.

MOTION

"That the audited Financial Report for the financial year to 30 June 2019 together with the Directors' Report and the Independent Audit Report thereon be received."

Moved: Mr Richard Wall

Seconded: Mr Joe Linton

CARRIED

5. Guest Speakers Presentation

The Chairman welcomed to the floor the guest, Mr Paul Schembri. Mr Schembri thanked CBL for the invitation to speak and he provided an update on current issues CANEGROWERS is working on for members including the TV ad campaign for the upcoming Qld State Election and the WTO dispute lodged against India. He provided an update on sugar prices and that the sugar industry despite its challenges is still a good industry to be involved in and answered questions from the floor.

Mr Glenn Betteridge proposed a vote of thanks.

7. General Business

The Chairman asked the members if there was any general business they would like to raise and the following was discussed:

Mr Paul Sgarbossa raised the following:

- Water survey on Burdekin Dam – there appears to be a difference in questions from the online survey to what is downloaded. Dams being built is not the issue as Sunwater could make significant water savings. The price of water is the issue.
- LBW Water Supply Agreement – Growers should get the agreement vetted by their solicitor as it contains a caveat which is unwarranted and it has to go.
- We should be paying one body for water instead of two and we should only pay for water we pump. He does not want to damage LBW or CAENGROWERS, but he won't give up until we get a fair deal.

Mr Aaron Linton had a question in regard to reef regulations and asked what are we doing to change people's opinions? Responses were as follows:

- Mr Dan Galligan spoke about reef surveys and that the community want to hear from farmers. We are looking at getting information into schools through the Primary Industries Education Foundation.
- We need to turn the industry into something the greens want. Mr Greg Rossato advised we need to make the products they want from sugar cane which is nature's best source of energy conversion and we need to own the story.
- Mr Paul Schembri has advised that the mills have come to talk to growers as they are worried about the industry. South Africa worked out a master plan for their industry.

Lucky Door Prize

Mr Paul Schembri drew the lucky door prize. Mr Kent Fowler was the winner.

The Chairman called for any further questions. There were no additional questions.

8. The Meeting closed at 7:35 pm and attendees were invited to remain for a BBQ and refreshments.

Signed as a true and correct record of the meeting of the 2020 AGM of Canegrowers Burdekin Ltd.

Chairman

Date: _____

_____ Initials of the Chairman

CHAIRMAN'S REPORT

On behalf of the Board of CANEGROWERS Burdekin Ltd (CBL) I'm pleased to present the Annual Report for the financial year ended 30 June 2021.



The Future Looks Promising

If there is one lesson to take out of the last 12 months, it is how fortunate we are to be living and farming in the Burdekin. When you look around and see the stifling impact that COVID-19 has had on other communities in this great country, it was business as usual in the Burdekin, the sugar cane capital of Australia. The future also looks bright for the next generation and I genuinely believe that with the green economy we stand on the cusp of progressive change that will benefit growers and regional economies for decades to come as we gradually unlock the true value of what this wonderful sugar cane plant can do.

In the last year alone, I have never seen so much focus, policy announcements, funding, support and willingness to harness the green economy from both the private sector and Government to address climate change. The best thing is that we as growers have a renewable biomass asset that everyone will want and the only challenge will be to juggle the transition from the status quo into the bioeconomy, but you can see it coming.

So what did "business as usual" look like in 2020 – 2021 year? Like every year we had our measure of successes and also challenges and I would like to share these with you. CBL had a solid financial year and our member numbers were unchanged from the prior year. Your collective remains in a good financial position due to prudent and conservative management. A net profit of \$112,758 was achieved and CBL remains debt free. Due to our sound financial position, the Board decided to leave the CBL Administration levy for 2021 unchanged at 24.0¢/t and CANEGROWERS increased their levy by CPI to 19.00¢/t.



On the production side, the 2020 season commenced on 10 June 2020 and finished on 29 November 2020 with 13 days of wet weather. The crop was originally forecast at 8.04 million tonnes of cane and the district subsequently harvested 7.905 million tonnes. Coincidentally, this was the same tonnage delivered as in 2019, except it was achieved on a reduced production area by 1,623ha to 66,201ha under cane. The yield was 119.4 tonnes/ha with a CCS of 14.6 which were both above the long-term averages of 115.35 tonnes/ha and 14.55 CCS respectively.

The overall mill reliability rate had improved to 88% from 84% in the previous year, but it was a tale of two extremes with Invicta Mill achieving a reliability rate of 90% which was their best performance for many years, whereas Inkerman Mill had a troubled season with breakdowns and recorded a reliability rate of just 82%. As a result, under the CBL CSA this triggered a performance payment of 9.77 cents/tonne for our members who supply Inkerman Mill.

To be honest, we would rather see Wilmar deliver a good reliable milling performance and get the crop off as quickly and efficiently as possible than waiting to receive a performance payment. The most serious breakdown was the failure of Inkerman Mill's 9MW generator on 12/10/20 which we have disputed. How is our relationship with the mill at present? Any long-term relationship can go through turbulent times and this is where we are currently at with Wilmar, due primarily to the underperformance of Inkerman Mill which still continues. Both growers and contractors alike invest in their businesses to ensure their crops and machinery are ready year-in year-out to reliably supply the mill with cane and it is our expectation that the mill should reliably crush this cane. If mill performance is good, growers will be happy to grow cane as they have confidence that it will be crushed and this outcome will benefit the growers, the miller and the community. We all know that Inkerman Mill is capable of delivering better results than it has been of late and we call on Wilmar to commit and invest in this factory to get it back to a 90% reliability rate which it hasn't seen since 2014.



Solaris Insurance Brokers performed well and achieved a net profit of \$31,213 in what has been a hard insurance market. Most policies have seen an increase in premiums ranging from 30%-70% imposed by insurers with some risks. We have also seen the withdrawal of Vero Insurance from the intermediated market for domestic insurance which has created more pressure on the already hard to place market. The arrival of Sure Insurance to the market has helped fill the void created when Vero withdrew from the domestic market and Solaris Insurance has been granted access to this Insurer which is at times can be a more cost-effective option that can save clients' money. Our overarching goal is to try and secure the best possible outcome for the client even if it means a lower revenue result for the business as it is more important to do the right thing by the client. I would encourage members to contact Insurance Manager, Racheal Olsen who would be happy to conduct a free insurance review to see if we can achieve a better outcome for you.

What was perhaps the most welcome change in 2020 – 2021 was the return of good sugar prices for growers as displayed in the chart below. Nothing quite lifts a growers confidence as higher sugar prices. After several years of low prices at or below the cost of production in some cases, grower incomes are now at a level that provides positive cash flow to; repay debt, invest back into the farm or expand the business and buy another farm. Confidence to take risk combined with cheap debt has seen an increased demand for cane land which has increased prices for farms. We are seeing southern based farmers buying farms in the Burdekin who are attracted by the water security and abundant sunshine and the activity in farm sales is also a reflection of the aging demographic where farmers are selling to retire. The latter trend will impact on member numbers as farms will become aggregated under fewer but larger growers.

RAW SUGAR AUD/TONNE 20/21 FINANCIAL YEAR



Source: QSL

What was not so welcome was Ratoon Stunting Disease (RSD) that was detected on three of the approved seed cane plots which disrupted the distribution of approved seed cane. BPS worked hard to manage the issue and to ensure that growers had access to approved seed cane from other plots where needed. Approved seed cane plot protocols have been updated with additional procedures to minimise the risk of this happening again. The key to managing this risk is to use approved seed cane for planting material, make sure machinery is sterilised and the removal of volunteers.



For growers who are seeking to improve their business via irrigation improvements, the Great Barrier Reef Foundation approved funding for the Burdekin Irrigation Project (BIP) which is a collaborative project involving SRA, BPS, Farmacist, AgriTech Solutions, JCU, NQDT, BBIFMAC and DAF. It will run until June 2024 and will take 165 growers through the project which focuses on the use of technology to improve irrigation efficiency to bring about practice change, optimised energy use and enhanced record keeping across a range of different sites and business size. Growers are encouraged to participate in this project.



In terms of best management practice, there are now 335 Burdekin growers registered in the Smartcane BMP program and 328 growers benchmarked. This equates to 74,407 Ha of sugarcane land who have completed self-assessments. The Burdekin now has 67 growers accredited in the three key modules which accounts for just over 25,190 Ha and this will gradually grow over time.

In addition to supporting members with our core services, CBL arranged and/or participated in a number of events for the benefit our members:

- Reef regulations were a constant theme throughout the year and CBL presented at a public hearing in Brisbane at the Senate Committee Inquiry – Identification of leading practices in ensuring evidence-based regulation of farm practices that impact water quality outcomes in the Great Barrier Reef into evidence for reef regulations. CBL also attended a regional roadshow as part of public consultation on the updated draft standard conditions for new or expanded cropping and horticulture activities in the GBR catchments and we also participated in a workshop to understand Paddock2Reef modelling.
- CBL along with PCGO and Bundaberg CANEGROWERS sponsored an online forum titled Checks and Balances around Great Barrier Reef Marine Science and the 2017 Scientific Consensus Statement with Dr Peter Ridd as the guest speaker which directly addressed the checking of science in relation to the 2019 Reef Regulations Amendment Act.
- CBL were engaged in the process of identifying 20 sites for the installation of water quality monitoring equipment under the Fine Scale Water Quality Monitoring in the Lower Burdekin project. We were successful in lobbying Government to ensure that locations were approved to install monitoring equipment at the start and end of cane land on the Burdekin River in addition to other sites in the district.
- In a collaborative effort with the other Burdekin grower collectives, we met with the Burdekin Shire Council to request that Council cap rates on Sugar Cane Land which was more or less achieved in the 2021/22 budget. The subsequent rate increase on Sugar Cane Land was a relatively modest 0.46% with the rate in the dollar increasing on cane farms from 3.70 cents to 3.717 cents. That said, the Burdekin still has the highest level of rates on sugar cane land in Queensland and we want to see this gradually adjust over time.
- Due to government-driven electricity tariff reform in Queensland, a number of irrigation tariffs were classified as obsolete and were set up to expire on 30 June 2021. CBL arranged with Ergon to conduct several grower workshops in the Burdekin to explain the tariffs changes that came into effect from 1/7/21.



- Marketing Choice has enabled growers to self-determine their own revenue. To do this well, growers need to have a good understanding of sugar marketing and their cost of production. To help provide these skills, a TAFE Pricing Essentials Course was run over two days by CANEGROWERS in the Burdekin and was well received by industry participants.
- Dam infrastructure and safety is a focal point of Government investment and CBL provided input into several projects such as the Raising the Burdekin Falls Dam Wall with the key feedback being that if the Government want to sell new water to users they need to make it affordable to encourage people to invest and that costs are not passed onto existing users. We also raised our concerns to make sure that any feasibility studies consider what the aggregate impact of all proposed new water storages would be on downstream systems to manage the risk of reduced flows which is a risk the industry and the environment are wary of.
- CBL updated its website to be more user friendly experience with grower testimonials and I would encourage you to have a look via www.canegrowersburdekin.com.au. Further grower videos on changed farm management practices are planned for release.



CBL's point of differentiation when compared to other grower collectives is that we are the only CANEGROWERS affiliated collective for the Burdekin, which is a relationship we highly value. CANEGROWERS represents over 3,000 cane farmers from Mossman down to Rocky Point comprising 71% of cane tonnages and we choose to be part of it because we see the big picture and strength of working together. The amount and breadth of work CANEGROWERS does on behalf of the industry is outstanding and I would encourage members to read the CANEGROWERS Annual Report 2020/21 Year in Review section on pages 15 – 24 to fully comprehend what the industry's peak body does for you.

In terms of the self-development and ownership, 2022 is the year when elections to the CBL Board and CANEGROWERS are held and members will have the opportunity to run for Director positions on the CBL Board. I would strongly encourage members to put their hand up and run for positions, in particular; younger farmers, women and members from the North Bank so that we can create a diverse Board elected on merit. You can never be too busy to make a contribution to your industry and community and you will gain valuable skills out of the experience.

I would like to personally thank the Board and my fellow Directors; Owen Menkens, Roger Piva, Steven Pilla, Greg Rossato and Glenn Betteridge for their input, advice and robust debate. I would also like to thank the CBL staff; Greg Watson, Michelle Andrews, Tiffany Giardina and Racheal Olsen for their dedicated service to our members and the Board.

Most importantly of all, on behalf of the Board and staff we would like to thank you our members for your continued support and loyalty which we value. CBL would not exist without you and we are proud to serve you and look forward to continuing to be of service to you.

Yours sincerely

Phil Marano
Chairman



CBL Directors: Greg Rossato, Steve Pilla, Glenn Betteridge, Owen Menkens & Roger Piva

Insert: Phil Marano



15 Years Burdekin Crop History

Season	Tonnes Harvested	Ha Harvested	Yield cane per	
			CCS	Ha
2020	7,905,092	66,201	14.60	119.4
2019	7,909,756	67,824	14.97	116.6
2018	8,023,631	68,837	15.00	116.6
2017	8,120,702	68,686	14.00	118.0
2016	8,710,335	68,755	13.97	127.0
2015	8,278,390	70,473	14.92	117.5
2014	8,061,406	71,163	14.74	113.3
2013	7,292,861	71,403	14.61	102.1
2012	7,479,182	71,245	14.30	105.0
2011	9,551,172	79,668	13.63	119.9
2010	6,460,730	49,838	13.71	129.6
2009	7,233,504	67,457	15.31	107.2
2008	7,645,274	69,887	14.85	109.4
2007	8,225,415	69,849	14.88	117.8
2006	8,024,978	69,667	14.94	115.2
Average	7,928,116	68,730	14.55	115.35

Burdekin Crush Details	2016	2017	2018	2019	2020
Total Cane Harvested (tonnes)	8,710,335	8,120,702	8,023,631	7,909,756	7,905,092
Cane crushed at Invicta Mill	3.3m 38%	3.14m 37%	3.02m 38%	3.06m 38%	3.12m 40%
Cane crushed at Pioneer Mill	1.8m 21%	1.60m 22%	1.69m 21%	1.55m 20%	1.62m 20%
Cane crushed at Kalamia Mill	1.7m 20%	1.64m 20%	1.59m 20%	1.60m 20%	1.53m 19%
Cane crushed at Inkerman Mill	1.9m 22%	1.72m 21%	1.73m 21%	1.75m 22%	1.64m 21%
Average CCS	13.97	14.00	15.00	14.97	14.61
Average Fibre	15.52	15.6	15.44	15.52	15.37
Total Sugar produced (tonnes)	1.25m	1.17m	1.20m	1.20m	1.16m
Total Molasses (tonnes)	299k	264k	248k	231k	240k
Average hourly crushing rate of all Mills (tonnes)	2,471	2,584	2,561	2,553	2,833
Total Mill Reliability/Availability	88%	87%	87%	84%	88%
Reliability rate for Invicta Mill	85%	83%	83%	83%	91%
Reliability rate for Pioneer Mill	94%	91%	89%	79%	87%
Reliability rate for Kalamia Mill	91%	89%	91%	88%	90%
Reliability rate for Inkerman Mill	84%	85%	87%	85%	82%
Total Number of Farm Management units	469	558	550	536	539
Area of cane land harvested (hectares)	68,755	69,084	68,837	67,824	66,201
Number of Harvesting Groups	108	112	110	103	104
Lost time to wet weather	35 days	15 days	0.7 days	6 days	13 days

CANEGROWERS Burdekin Limited

(A company limited by guarantee)

Annual financial report

For the year ended 30 June 2021

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Corporate Information

ABN 43 114 632 325

BAS Agent 24762820

Directors	Philip Marano (Chair) Owen Menkens (Deputy Chair) Glenn Betteridge Steven Pilla Roger Piva Gregory Rossato
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Company Secretary	Gregory Watson
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Registered office and Principal place of business	141 Young Street Ayr, Qld 4807
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Auditors	Cormack & Company Certified Practising Accountants
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Directors Report

Your directors present this report to the members of CANEGROWERS Burdekin Limited (the company) for the year ended 30 June 2021.

Directors

The names of each person who has been a director during the year and to the date of this report are:

	Date appointed	Date of cessation	Board	
			A	B
Philip Mark Marano	7 Jun 2005	-	10	11
Owen Raymond Menkens	1 May 2010	-	11	11
Glenn Alan Betteridge	1 May 2019	-	11	11
Steven Robert Pilla	1 May 2013	-	8	11
Roger David Piva	1 May 2013	-	11	11
Gregory Alexander Rossato	1 May 2016	-	11	11

A – Number of meetings attended B – Number of meetings held during the time the director held office during the year

Details of directors' qualifications, experience and special responsibilities can be found on page 4 of this report.

Short and long-term objectives and strategy

The company's short and long-term objectives are to:

- > provide strong representation for members and advance their interests
- > enhance the profitability and sustainability of growers' businesses; and
- > be part of a strong state-wide organisation representing the interest of members.

The company's strategies for achieving these objectives include:

- > Mutually beneficial relationships with the Miller and other industry stakeholders
- > Providing a quality Cane Supply Agreement and contract after care
- > Helping growers increase revenue and reduce costs
- > Providing high quality service to members

Principal activities

The company's principal activities during the year were:

- > Providing a quality Cane Supply Agreement and contract after care
- > Fighting to retain growers' rights to access the marketer of their choice
- > Lobbying to increase revenue and reduce costs to growers including but not limited to insurance, rates and electricity
- > Providing services to growers
- > Keeping growers well informed of industry matters

These activities have assisted the company in achieving its objectives by enabling it to:

- > provide strong representation for members and advance their interests
- > reduce the increasing costs to members through its lobbying on insurance, rates and electricity
- > enhance the profitability and sustainability of members' businesses; and
- > be part of a strong state-wide organisation representing the interest of Members.

Members' guarantee

In accordance with the company's constitution, each Member of the Company undertakes to contribute to the assets of the Company in the event of its being wound up while a Member or within one year after ceasing to be a Member for the payment of the debts and liabilities of the Company contracted before ceasing to be a Member and of the costs charges and expenses of winding up and for adjustment of the rights of the contributors among themselves, such amount as may be required, not exceeding \$2.

Auditors' independence

The auditors' declaration appears on page 4 and forms part of the Directors' report for the year ended 30 June 2021.

Signed in accordance with a resolution of the directors made pursuant to s.298(2) of the Corporations Act.

On behalf of the directors:



Philip Marano (Chair)

Dated this 8th day of September 2021

Directors' qualifications, experience and special responsibilities

Name	Qualifications	Experience	Special responsibilities
Philip Mark Marano		Board member since 2005. Cane grower in the Inkerman area. Director BRP Co-op.	Chair, CSA negotiator, QCGO Policy Councillor
Owen Raymond Menkens	Bachelor of Commerce	Board member since 2010. Cane grower in the Inkerman area.	QCGO Vice Chairman, QCGO Policy Councillor, CSA negotiator
Glenn Alan Betteridge		Board member since 2019. Cane grower in the Inkerman area, Chair Inkerman Cane Growers Organisation Ltd. Harvesting Contractor	Harvest Management Grower Representative
Steven Robert Pilla		Board member since 2013. Cane grower in the Invicta area. SRA Grower Representative.	QCGO Policy Councillor, SRA Variety Selection Committee Member
Roger David Piva	Diploma of Tropical Agriculture	Board member since 2013. Cane grower in the Inkerman area. QSL Grower Representative Member.	QCGO Policy Councillor, CSA negotiator
Gregory Alexander Rossato	Electrical Fitter Mechanic	Board member since 2016. Cane grower in the Inkerman area. Director Inkerman Cane Growers Organisation Ltd, Chair Burdekin Renewable Fuels.	Harvest Management Grower Representative

* QCGO - Queensland Cane Growers Organisation

* CSA - Cane Supply Agreement

*SRA – Sugar Research Australia

Financial statements for the year ended 30 June 2021

Statement of comprehensive income

	Note	2021 \$	2020 \$
Revenues from Ordinary Activities	2a	662,208	748,435
Expenses from Ordinary Activities	2b	549,450	545,434
		<hr/>	<hr/>
Profit before income tax		112,758	137,372
Income tax		-	-
		<hr/>	<hr/>
Net profit from ordinary and extraordinary activities after income tax expense		112,758	203,001
		<hr/>	<hr/>
Total changes in equity		<u>112,758</u>	<u>203,001</u>

The statement of comprehensive income is to be read in conjunction with the attached notes

Financial statements for the year ended 30 June 2021

Statement of financial position

	Note	2021 \$	2020 \$
<u>CURRENT ASSETS</u>			
Cash Assets	3	2,244,515	2,101,446
Receivables	4	42,980	40,295
		<hr/>	<hr/>
TOTAL CURRENT ASSETS		2,287,495	2,141,741
<u>NON-CURRENT ASSETS</u>			
Property, Plant and Equipment	5	432,450	437,383
		<hr/>	<hr/>
TOTAL NON-CURRENT ASSETS		432,450	437,383
TOTAL ASSETS		2,719,945	2,579,124
<u>CURRENT LIABILITIES</u>			
Payables	6	146,790	125,460
Provisions	7	721,897	718,335
		<hr/>	<hr/>
TOTAL CURRENT LIABILITIES		868,687	843,795
<u>NON-CURRENT LIABILITIES</u>			
Provision for Long Service Leave	7	5,899	2,728
		<hr/>	<hr/>
TOTAL NON-CURRENT LIABILITIES		5,899	2,728
TOTAL LIABILITIES		874,586	846,524
NET ASSETS		<u>\$ 1,845,359</u>	<u>\$ 1,732,601</u>
<u>EQUITY</u>			
Accumulated Funds	8	1,445,359	1,332,601
Asset Revaluation Reserve	9	-	-
Water Perils Crop Compensation Reserve	10	400,000	400,000
		<hr/>	<hr/>
TOTAL EQUITY		<u>\$ 1,845,359</u>	<u>\$ 1,732,601</u>

The statement of financial position is to be read in conjunction with the attached notes

Financial statements for the year ended 30 June 2021

Statement of changes in funds

	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	Total 2021	Total 2020
Note	\$	\$	\$	\$	\$
Balance at the beginning of the financial year	-	-	-	1,732,601	1,572,265
Increase / decrease					
on revaluation of non-current assets	-	-	-	-	(42,665)
Transfers to Reserves	-	-	-	-	-
Transfers from Reserves	-	-	-	-	-
Net Results from Operations	112,758	-	-	112,758	203,001
Balance at the end of the financial year.	112,758	-	-	1,845,359	1,732,601

The statement of change in funds is to be read in conjunction with the attached notes

Financial statements for the year ended 30 June 2021

Statement of cash flows

	Note	2021 \$	2020 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest Received		14,772	17,334
Other Operating Revenues		645,167	735,779
Employee Expenses		(391,701)	(435,855)
Other Expenses		(79,025)	(185,728)
Net Cash provided by (used in) operating activities	11 (b)	<u>189,213</u>	<u>131,530</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment		(46,143)	(59,181)
Proceeds from Investments		-	-
Net Cash provided used in investing activities		<u>(46,143)</u>	<u>(59,181)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Dispute Resolution		-	-
Net Cash provided by financing activities		<u>-</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH HELD		143,069	72,350
Cash at the Beginning of the Financial Year		2,101,446	2,029,096
Cash at the End of the Financial Year	11 (a)	<u><u>2,244,515</u></u>	<u><u>2,101,446</u></u>

The statement of cash flows is to be read in conjunction with the attached notes

Financial statements for the year ended 30 June 2021

Notes to the financial statements

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING PRACTICES

The financial report is for CANEGROWERS Burdekin Limited as an individual entity. The entity is a “Not For Profit” public company limited by guarantee, incorporated and domiciled in Australia.

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, the interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The Financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Revenue

Revenue from the sale of goods is recognised upon delivery of goods to customers. Grant revenue is recognised in the income statement when it is controlled. When there are conditions attached to grant revenue relating to the use of those grants for specific purposes it is recognised in the balance sheet as a liability until such conditions are met or services provided.

Revenue from rendering a service is recognised upon delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

(b) Income Tax

In accordance with Section 50-40 of the Income Tax Assessment Act 1997, the Organisation is exempt from paying Income Tax.

(c) Stocks

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

(d) Fixed Assets

Fixed assets are measured on the cost basis less depreciation and impairment losses.

(e) Depreciation

Depreciation is provided on all fixed assets, other than land, using a 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 period, except for substantial gains or losses which are included as non-operating (extraordinary) income.

(f) Provisions

Provisions have been made for employees' long service and recreational leave, in a special reserve account. Sick pay is brought to account as incurred.

(g) Contingent Assets/Liabilities

There were no known contingent assets/liabilities of a significant nature at 30th June 2021.

Financial statements for the year ended 30 June 2021

Notes to the financial statements (continued)

	2021	2020
	\$	\$
NOTE 2: PROFIT FROM ORDINARY ACTIVITIES		
Profit from ordinary activities before income tax has been determined after:		
(a) Revenue:		
Operating Income - Membership Fees	507,066	544,021
Interest Income	14,772	17,334
Net Profit on Disposal of Property, Plant & Equipment	(416)	(987)
Administrative Services & Project Income	23,865	31,520
Fire Perils Surplus	5,572	3,259
Insurance Broker Service Surplus	31,213	24,381
Other Income	80,136	128,907
	<u>662,208</u>	<u>748,435</u>
(b) Expenses:		
Depreciation of Property, Plant and Equipment	<u>50,661</u>	<u>30,337</u>
Employee Expenses		
Superannuation	36,717	41,299
Wages	341,913	378,031
Other Employment Expenses	18,338	(22,481)
	<u>396,969</u>	<u>396,848</u>
Bad Debts and Doubtful Debts	80	-
Administration Expenses	24,719	19,497
Communication Expenses	25,244	23,902
Vehicle Expenses	6,932	9,832
Other Expenses	44,844	65,017
	<u>549,450</u>	<u>545,434</u>

Financial statements for the year ended 30 June 2021

Notes to the financial statements (continued)

NOTE 3: CASH ASSETS	2021	2020
	\$	\$
Cash on Hand	500	500
Undeposited Funds	30	61
Cash at Bank - General Account	65,656	94,980
Cash at Bank - Payroll Account	119,573	120,566
Move Credit Union - Investment Account (Water Perils)	417,709	416,204
Move Credit Union - Investment Account	261,856	300,550
Suncorp - Investment Account	401,256	200,052
Suncorp - Term Deposit	200,000	200,000
NAB - Term Deposit	201,906	200,000
QCCU - Term Deposit (Water Perils)	576,029	568,533
	<u>2,244,515</u>	<u>2,101,446</u>
NOTE 4: RECEIVABLES		
Trade Debtors	33,019	32,240
GST Paid	1,863	1,664
Prepayments	8,099	6,391
	<u>42,980</u>	<u>40,295</u>
NOTE 5: PROPERTY, PLANT AND EQUIPMENT		
Buildings	427,835	396,497
Less Accumulated Depreciation	<u>(169,075)</u>	<u>(155,013)</u>
	258,760	241,483
Motor Vehicles	89,347	89,347
Less Accumulated Depreciation	<u>(56,045)</u>	<u>(41,829)</u>
	33,302	47,518
Furniture & Fittings	60,598	57,417
Less Accumulated Depreciation	<u>(55,400)</u>	<u>(50,301)</u>
	5,198	7,116
Office & Computer Equipment	139,614	137,400
Less Accumulated Depreciation	<u>(124,337)</u>	<u>(116,048)</u>
	15,277	21,353
Property	119,913	119,913
Total Property, Plant and Equipment	<u>432,450</u>	<u>437,383</u>

Financial statements for the year ended 30 June 2021

Notes to the financial statements (continued)**NOTE 6: PAYABLES**

	2021	2020
	\$	\$
CURRENT		
Trade Creditors	35,458	25,778
GST Collected	3,066	3,007
Income Received in Advance	35,885	22,149
Other Creditors	72,381	74,527
	<u>146,790</u>	<u>125,460</u>

NOTE 7: PROVISIONS**CURRENT**

Provision for Annual Leave	52,935	49,593
Provision for Long Service Leave	62,915	64,160
Provision for Doubtful Debts	33,557	33,597
Water Perils Provision	572,491	570,985
Total Provisions	<u>721,897</u>	<u>718,335</u>

NON CURRENT

Provision for Long Service Leave	5,899	2,728
	<u>5,899</u>	<u>2,728</u>

NOTE 8: ACCUMULATED FUNDS

Retained Profits at the Beginning of the Financial Year	1,332,601	1,129,600
Net Profit attributable to members of the Company	112,758	203,001
	<u>1,445,359</u>	<u>1,332,601</u>

NOTE 9: AVAILABLE FOR SALE FINANCIAL ASSET REVALUATION RESERVE

Opening Reserve	-	42,665
Revaluation of Assets	-	(42,665)
	<u>-</u>	<u>-</u>

The available for sale financial assets revaluation reserve arises in the revaluation of available for sale financial assets. Where a revalued financial asset is sold that portion of the reserve which relates to that financial assets is effectively realised and recognised in the profit and loss. Where a revalued financial asset is impaired, that portion of the reserve which relates to that financial asset is recognised in profit and loss. A valuation was conducted this financial year on the land and buildings at 141 Young Street.

Financial statements for the year ended 30 June 2021

Notes to the financial statements (continued)

	2021	2020
NOTE 10: WATER PERILS CROP COMPENSATION RESERVE	\$	\$
Opening Reserve	400,000	400,000
Revaluation of Reserve	-	-
	<u>400,000</u>	<u>400,000</u>

The water perils crop compensation reserve combined with the water perils provision give a total of \$976,029 funds available to the water perils scheme.

NOTE 11: CASH FLOW INFORMATION**(a) RECONCILIATION OF CASH**

Cash on Hand	500	500
Undeposited Funds	30	61
Cash at Bank - General Account	65,656	94,980
Cash at Bank - Payroll Account	119,573	120,566
Move Credit Union - Investment Account (Water Perils)	417,709	416,204
Move Credit Union - Investment Account	261,856	300,550
Suncorp - Investment Account	401,256	200,052
Suncorp - Term Deposit	200,000	200,000
NAB - Term Deposit	201,906	200,000
QCCU - Term Deposit (Water Perils)	576,029	568,533
	<u>2,244,515</u>	<u>2,101,446</u>

**(b) RECONCILIATION OF NET CASH PROVIDED BY
OPERATING ACTIVITIES TO OPERATING PROFIT**

Profit after income tax	112,758	203,001
Non-Cash Flows in Operating Profit		
Depreciation	50,661	30,337
Losses (Gains) on disposal of assets	416	987
Changes in Assets and liabilities		
(Increase) / Decrease in Receivables	(2,685)	3,692
Increase / (Decrease) in Payables	21,330	(66,949)
Increase / (Decrease) in Accrued Expenses	1,465	(531)
Increase / (Decrease) in Employee Benefits Provisions	5,268	(39,007)
Net Cash provided by (used in) operating activities	<u>189,213</u>	<u>131,530</u>

Financial statements for the year ended 30 June 2021

Notes to the financial statements (continued)

NOTE 12: RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons.

NOTE 13: FINANCIAL RISK MANAGEMENT

a. Financial Risk Management Policies

The entity's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable. The entity does not have any derivative instruments at 30 June 2021.

i. Treasury Risk Management

Directors meet at least quarterly to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

ii. Financial Risk Exposures and Management

The main risks the entity is exposed to through its financial instruments are liquidity risk and credit risk. The entity is not exposed to any material commodity price risk, exchange rate risk, or interest rate risk.

Liquidity risk

The entity manages liquidity risk by monitoring forecast cash flows to ensure adequate cash reserves are maintained.

Credit Risk

The maximum exposure to credit risk is the carrying amount as disclosed in the balance sheet and notes to financial statements.

Credit risk is managed by the entity and reviewed at least quarterly by the Board of Directors. It arises from exposure to customers as well as through deposits with financial institutions. The entity monitors the credit risk by actively assessing the rating quality and liquidity of counterparties:

- * Only banks and financial institutions that hold a banking licence.
- * The credit standing of counterparties is reviewed quarterly for liquidity and credit risk.

Financial statements for the year ended 30 June 2021

Notes to the financial statements (continued)

NOTE 14: FINANCIAL RISK MANAGEMENT (continued)

b. Financial Instrument Composition and Maturity Analysis

	Weighted Average		Effective Interest Rate		Floating Interest Rate		Non Interest Bearing		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	%	%	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets										
Bank Investments	1.33	1.69	2,243,985	2,100,885	-	-	2,243,985	2,100,885		
Cash on Hand	-	-	-	-	500	500	500	500		
Trade and other receivables	-	-	-	-	42,980	40,259	42,980	40,259		
Total financial assets			2,243,985	2,100,885	43,480	40,795	2,287,465	2,141,680		
Financial Liabilities										
Trade and sundry payables			-	-	146,790	125,460	146,790	125,460		
Total financial liabilities			-	-	146,790	125,460	146,790	125,460		

Trade and sundry payables are expected to be paid as follows:

	2021	2020
	\$	\$
Trade and Sundry Payables		
Less than 6 months	146,790	125,460
6 months to 1 year	-	-
Total trade and sundry payable	146,790	192,409

Financial statements for the year ended 30 June 2021

Notes to the financial statements (continued)**Sensitivity Analysis**

Interest Rate Risk

The entity has performed a sensitivity analysis relating to its exposure to interest rate at balance date. This sensitivity analysis demonstrates the effect on current year results and equity which could result from a change in this risk.

As at 30 June 2021, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant, would be as follows:

	2021	2020
	\$	\$
Change in profit		
- Increase in interest rate by 2%	24,181	35,115
- Decrease in interest rate by 2%	(24,181)	(35,115)
Change in equity		
- Increase in interest rate by 2%	24,181	35,115
- Decrease in interest rate by 2%	(24,181)	(35,115)

Financial statements for the year ended 30 June 2021

Directors' declaration

The directors of the entity declare that:

1. The financial statements and notes are in accordance with the Corporations Act 2001:
 - a. Comply with Accounting Standards and the Corporations Regulations 2001
 - b. Give a true and fair view of the financial position as at 30 June 2021 and the performance for the year ended on that date of the entity.

2. In the director's opinion there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors



Philip Marano (Chair)

Dated this 8th day of September 2021

Independent audit report

INDEPENDENT AUDIT REPORT **CANEGROWERS BURDEKIN LIMITED**

Scope

The Financial Report and Director's Responsibility

The financial report comprises the statement of financial position, statement of financial performance, accompanying notes to the financial statements, and the directors' declaration for Canegrowers Burdekin Limited, for the year ended 30th June 2021.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report and have determined that the accounting policies used and described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the requirements of the Corporations Act 2001 and are appropriate to meet the needs of the members. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting requirements under the Corporations Act 2001. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it is prepared.

Audit Approach

We conducted an independent audit in order to express an opinion to the members of the company. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects, the financial report is presented fairly in accordance with the accounting policies as described in Note 1, so as to present a view which is consistent with our understanding of the company's financial position. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia. No opinion is expressed as to whether the accounting policies used and described in Note 1 are appropriate for the needs of the members.

We formed our audit opinion on the basis, information to provide evidence supporting the amounts and disclosures in the financial report, and assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In accordance with ASIC Class Order 05/83, we declare to the best of our knowledge and belief that the auditors' independence declaration set out on page 1 of the financial report has not changed as at the date of providing our audit opinion.

Audit Opinion

In our opinion, the financial report of Canegrowers Burdekin Limited is in accordance with:

- (a) The Corporations Act 2001, including:
 - i. giving a true and fair view of the company's financial positions as at 30th June 2021 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
 - ii. complying with Accounting Standards in Australia to the extent described in Note 1 and the Corporations Regulations 2001; and
- (b) Other mandatory professional reporting requirements to the extent described in Note 1.

Name of Firm: CORMACK & COMPANY
Certified Practising Accountants

Name of Partner:



William Brian Smith

Address: 96 MacMillan Street, AYR QLD 4807

Dated this: 5th October 2021

AUDITORS' INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
CANEGROWERS BURDEKIN LIMITED

We declare that, to the best of our knowledge and believe, during the year ended 30th June 2021 there have been:

- I. No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- II. No contraventions of any applicable code of professional conduct in relation to the audit.

Name of Firm:

CORMACK & COMPANY
Certified Practising Accountants

Name of Partner:



William Brian Smith

Address:

96 MacMillan Street, AYR QLD 4807

Dated this:

5th October 2021