

ANNUAL REPORT 2019



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#GULFFUTURE

Our Vision

Northern Gulf Resource Management Group is dedicated to cultivating living landscapes that support local livelihoods for current and future generations.

Company Ethos

The Northern Gulf Resource Management Group is a “bottom up” organisation, in that our ideas and projects emanate from ordinary residents and community members of our region and are carried out by the organisation.

We are a leader, in that we strive forward and blaze trails, we make decisions and get runs on the board in a manner that champions the organisation’s integrity, respect and trust.

Acknowledgment of Country

The First Peoples of Australia have called the Northern Gulf region home for millennia.

We would like to to acknowledge in particular:

Bar Barrum, Mbabaram, Wokamin, Olkola, Djungan and Muluridji people;

Mareeba Tribe, Ewamian, Tagalaka and Western Yalanji people; and Gkuuthaarn, Kukatj,

Kurtijar, Koko Berrin, Yir Yoront and Kunjen people.

We acknowledge these groups, the traditional custodians of the land within the Northern Gulf NRM Region, and pay our respects to their Elders past, present, and emerging.



Welcome

The Northern Gulf Resource Management Group facilitates community owned outcomes, which balance economic activity, social and cultural interest, and environmental values, within the context of maintaining and managing healthy ecosystem functions.

Living landscapes – Local Livelihoods

OUR REGION



GULF COAST

Includes the coastal strip and Gulf Plains of the Carpentaria coastline and includes the towns of Kowanyama, Karumba & Normanton.



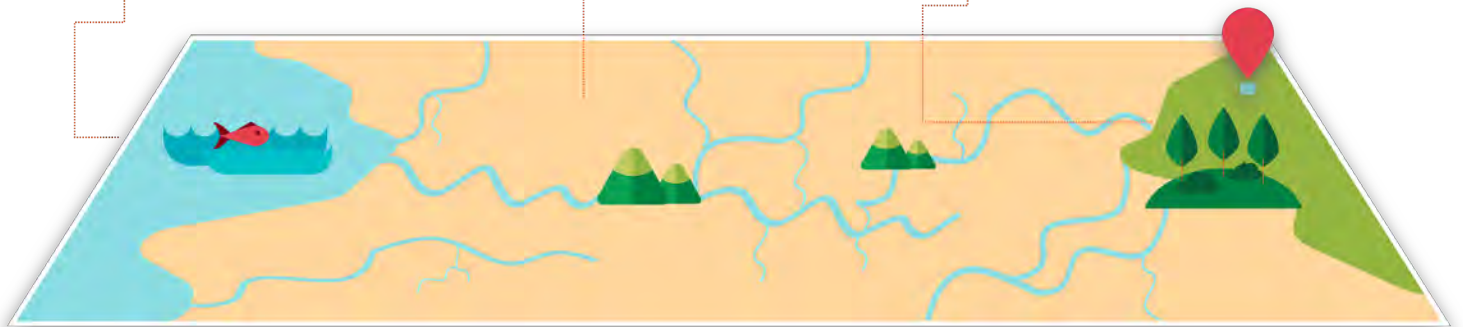
GRAZINGLANDS

Vast expansive area of the dry tropical Savannah, stretching from the Palmer River Catchment in the North-East to the Claraville Plains in the South-East.



NORTHERN TABLELANDS

A more densely populated part of the region, straddling the Western Shed of the Great Dividing Range and includes many small towns. This area is a mixed area including small acreage, lifestyle blocks, farming and crops.



Gulf Coast

Land area (km2)	13,041
Population	2,877
Density (people/100 km2)	21
% Indigenous	59
Top industry	Fishing

Grazing Lands

Land area (km2)	179,687
Population	1,990
Density (people/100 km2)	1
% Indigenous	11
Top industry	Grazing

Northern Tablelands

Land area (km2)	1,330
Population	3,716
Density (people/km2)	279
% Indigenous	5
Top industry	Farming



Chair's Message, John Brisbin



Over the past 12 months your regional NRM organisation has continued to grow its foundations and get on with the job of delivering on-ground NRM outcomes across the Gulf. This marks our first year with a full-time CEO since 2013, and the improvement is encouraging. This is also the first full year that we have operated with administrative staff and services being delivered through Corporate Nature, our joint venture with neighbours Terrain and Cape York NRM. All up, we are travelling well and trending toward the positive.

As always, survival in this landscape requires close cooperation and support with partners, industry bodies, local government, agencies, Indigenous organisations, and Landcare groups. We extend our thanks to you all for committing to a shared future in the region.

There are some big challenges ahead. We need to be alert to the opportunities and challenges that will surface in the next two years in particular. Northern Gulf's operational context is definitely going to evolve in the next few years. For a start, consider the local and State elections next year (2020), and then the State and Federal review of all regional NRM funding a year later. What will regional NRM look like in 2025? Fortunately, we are lining up to make the most of what comes our way.

We are connected to the local and we are also connected to the broad currents that sweep along at state, national, and global scale. Perhaps the most profound issue is how our culture, with its colonial history and habits, will be reconciled with the land we call home. What will finally prompt us to start living like locals instead of transient speculators? Certainly it looks like the age of easy profits is coming to an end. Current headlines are dominated by strident division over climate policy, drought policy, reef regulations, science activism, radical vegans, land rights, property rights, animal welfare, biosecurity, privatised water infrastructure, and the list goes on.

While that might sound like a whole lot of click-bait, irrelevant to your regional NRM group, let me assure you that it all connects to a common thread: the scarcity of money. Our organisation is, like everyone else, gasping for sufficient budget to make any headway on the huge healing that needs to take place in our communities and in our landscapes. We all want to do more, but we have allowed ourselves to be stifled by the question: who pays? I believe the nature of economic logic has to change.

There are plenty of new ideas rising up, including stewardship and Natural Capital accounting, beneficial carbon projects, reef credits, social impact investing, cooperative farming, regen and syntropic agriculture...all driven from a new attitude, especially among younger leaders. We are (slowly) moving toward a more respectful and humble role in relation to the living world. We are in transition to a new era. Regional NRM is a beautiful expression of what we can do to hasten that process.

Transitions are the norm, of course. Change is the name of the game. Here are some highlights from this past year.

Fresh Directors Jessica Fealy and Brian Muirhead are now 12 months into their roles and are really starting to contribute productively on the Board. They are reaching out through their networks to build Northern Gulf's stakeholder relationships and are pushing forward with ideas to improve our financial foundation. And of course they are doing

their part to steer a steady course at governance level.

Thanks to our brilliant independent Chair of the Independent Selection Committee, Prof Peter Valentine, we have run another successful recruitment process for this year's incoming Directors. Special thanks go to the three randomly-selected members of the Committee, James Hughes, Bill Bray, and Russell Boswell. With Peter's facilitation, these folks worked through a matrix of skills and capabilities to get the best alignment possible with our continuing Directors. We welcome new Director Anne Clarke to the Board and congratulate Riki Gunn on her re-appointment.

This year has been another good one for collaboration between Northern Gulf and the Gulf Cattleman's Association.

Barry Hughes and the Gulf Cattlemen's Association (GCA) have been staunch supporters, collaborators, and constructive critics of Northern Gulf for many years now. Barry's leadership in the region has been outstanding. His integrity, intelligence, and passion for the country make him a model for many. Personally, and on behalf of our organisation, I'd like to offer him and the GCA many thanks. It has been a privilege to walk along with this gentleman, and I wish him and the GCA all the best in years ahead.

One of the many contributions Barry has made is a commitment to the Noeline Ikin Foundation. The NIF is now set up and finding its feet with its inaugural event set for March of 2020. This will be themed around Community, Leadership, and Industry. Special thanks to Martine Care of Preston Law who is guiding the NIF as Independent Chair.

This year marks a full cycle of service for our CEO, Zoe Williams. She and the CEO of our northerly neighbours, John Gavin at Cape York NRM, have put their energies to good use over the past 12 months. It's early days yet, but I expect these guys are going to deliver big ideas and innovations in the NRM sector across our regions and beyond.

This year also marks the end of a stellar run by the legendary Carole Sweatman at Terrain NRM, our coastal neighbours. Congratulations to Carole for her incredible leadership and determination. She has done a remarkable job, growing that organisation for the benefit of the amazing Terrain region and its people. We welcome incoming CEO Stewart Christie as he takes the reins of one of the finest regional NRM organisations in the country.

Northern Gulf has the great good fortune to be in partnership with our neighbours through the North Queensland NRM Alliance and our shared administrative service venture, Corporate Nature.

Corporate Nature is moving through changes as well. This year saw the retirement of start-up specialist Michelle Nusse. Corporate Nature is now positioned to make great strides forward into its core business model. Steve Edwards has stepped into the General Manager's role with a great thanks to Michelle and with the support of the Corporate Nature team. Steve has plenty of experience and has already proven himself to be ready for the journey ahead.

Finally, I am in transition too. 2019 marks the conclusion of my second elected term as Chair, a significant four years for me in a role that demands much and yet offers even more in return. I am satisfied that I leave the organisation in as good or a bit better condition as when I came in. And I am confident that our governance processes will serve the organisation well as Northern Gulf finds a path to thrive into the future.

I acknowledge that much remains to be done, at every scale of endeavour. Perhaps the most obvious starting point is developing a more conversational and humble relationship with the region's first peoples. I see this as a starting point for all our diverse, historical cultures to grow into a new family of cultures, re-formed and re-grounded in deep gratitude and reciprocity with country and with ourselves.

From Georgetown to Croydon, Forsyth to Kowanyama, Chillagoe to Karumba, the Upper Palmer to the Oasis...this is a magnificent region that is home to a brilliant diversity of people.

We all face challenges, from the sustainability of the local butcher shop to the resilience of the region in the face of global climate change. Across this spectrum, Northern Gulf works to earn its reputation as a valued, trusted, and useful organisation.

We are owned and directed by the people of the Northern Gulf. We work for living landscapes that support local livelihoods. We would not be here without you.

On behalf of the Board and staff, thank you for your support over the years.

Kind regards,





Chief Executive Officer, Zoe Williams



The penning of this report marks one year since I commenced as CEO of Northern Gulf and what a year it has been!

Since my appointment the team has been joined by five new staff members, effectively doubling the staff numbers in Mareeba, and revitalising the Savannah House office in Georgetown.

We finalised contracts, which have seen us delivering projects in grazing, intensive agriculture and biodiversity program areas. In addition, we continued to deliver environmental education activities, supported Traditional Owners to work on-country, and helped our communities through the effects of both drought and flood.

In February, staff, directors and stakeholder representatives gathered to workshop an updated Corporate Strategic Plan for Northern Gulf. The new Corporate Strategic Plan identifies strategies to deliver on seven long term goals for the company around natural resource management, stakeholder relations and corporate operations. This document will help to guide the organisation for the next four years.

As 2019 draws to a close it marks the end of an era for Northern Gulf with long-serving Chair, John Brisbin, finishing his time as a director. I want to thank John for his commitment to the organisation, and dedication to the people and places of the region. John leaves the organisation in a strong position, with a stable board providing good governance and strategic policy and a hard-working team of talented, enthusiastic staff to deliver on the organisation's objectives.

2020 will see even more new programs commencing and continued growth for the company.

We continue to respond to the changing needs of the community, with new programs in flood recovery, digital connectivity and a bigger and better rural women's event all planned for the coming year.

As always, we will continue to advocate at all levels for the people and communities of the Northern Gulf region as we cultivate living landscapes that support local livelihoods for current and future generations.

Kind regards,





Directors 2019 Highlights



Riki Gunn, *Director*

“Visiting Karumba in August with a team of researchers from the Northern Environmental Science Program I learnt about what has caused the mangrove die back and how water flows in the Gilbert River system effect prawn harvests”.

Riki is a familiar face both in the Gulf and internationally for her extraordinary achievements with the Ghost Nets project (2002-2015) and for being involved with Northern Gulf right from its formation. Riki’s strong sense of community drives her passion to help people not only manage their own natural resources but also be a part of the decision making process that affects them. Her experience in fisheries was during the very tumultuous time when fisheries in Australia were evolving from a resource focus style of management to one promoting ecological sustainability.

She knows first-hand how management decisions can affect livelihoods. Riki is currently a member of the Global Marine Litter Network hosted by the UNEP; on the Steering committee for the Global Ghost Gear Initiative hosted by World Animal Protection; Director of FISHI International; and Secretary of the Ravenshoe Community Centre



Jessica Fealy, *Director*

“My first year as a board director with Northern Gulf has been one of much learning regarding the complexities of Natural Resource Management in our region, and I am very proud of the hard work achieved by the small, but dedicated team led by Zoe, with the highlight for me being able to see the positive impacts in our community thanks to the Healthy Farming Futures, Bush Business, Golden Shouldered Parrot, and E-Beef Programs delivered by passionate and skilled people in our organisation”.

Jess farms with her husband and four children at Blue Sky Produce, a 153 acre lime, mango and avocado orchard located just outside Mareeba, Far North Queensland. Jess is an experienced Chartered Accountant and Community Engagement practitioner and is the founder of Back Paddock Business, which provides business and communications support to rural enterprises. She also sits on the Agrifutures Australia Advisory Panel, as well as the Regional Economies Centre of Excellence Advisory Panel and has extensive experience working in the regional start-up and innovation space. Jess is passionate about the fact that the Northern Gulf area is one of the best places in Australia to raise a family, do business and enjoy the pristine environment in which we live.



Brian Muirhead, *Director*

“The recent opportunity to meet with the NQLIRA team provided a good opportunity to better understand the machines of government, and to present the trials and tribulations of natural resource management in the Northern Gulf region”.

Brian is a Geospatial Specialist with a degree in Hydrology obtained locally from James Cook University and recent experience performing scientific research in the field of agricultural and climate sustainability. Brian first joined the Northern Gulf team as a Sustainable Industries Officer, working on multiple projects aimed at improving efficiencies and minimising impacts before upskilling as a Geospatial Analyst for the Department of Defence. Currently Brian works for the Native Title Tribunal and has returned to Northern Gulf to continue advocating for the region in his capacity as Director. Having been born and raised in a small town in western Queensland he is familiar with the particular challenges that come with a rural lifestyle, along with the benefits. With this combination of experiences he hopes to encourage a positive and inclusive environment that supports the long term sustainability of the Northern Gulf region.



Ellen Weber, *Director*

“A personal highlight during 2018-19 was securing 5-years of base funding from the Australian Government. This will enable Northern Gulf continue our work helping communities care for the environment”.

Ellen joined Northern Gulf as the Conservation Director in November 2014. Ellen is Secretary of Cairns and Far North Environment Centre (CAFNEC), an organization she first joined in 1997. She completed her science degree from James Cook University in Townsville in 1994, graduating with a first class Honors in Botany.

She moved to the JCU Cairns campus in 1996, and with three other lecturers, established the School of Tropical Biology. During this time she also undertook a higher research degree studying rainforest plants in the Daintree lowlands. Her day job is at the Wet Tropics Management Authority, working on vegetation mapping, threatened species, climate change, heritage conservation issues and building research partnerships with other organizations.

Northern Alliance Report, *Provided By Director, Ellen Weber*

Northern Gulf remains committed to the NQ NRM Alliance, which is a collaboration between NG, Terrain and Cape York NRM. Through this entity we trade as Corporate Nature which provides centralised corporate services across the three NRMs. Inaugural General Manager Michelle Nusse retired in June 2019, giving directors over 6 months to recruit to her vacancy.

Directors recruited Mr Steve Edwards the new General Manager in April 2019, ensuring a comprehensive handover.

During 2018-19 members of the Alliance discussed the need for a strategic plan to drive a vision. One of the first outputs of this during 2019-20 will be a refreshed service level agreement that continues to provide important HRM, finance, audit and WHS services to Northern Gulf.



2019 Projects

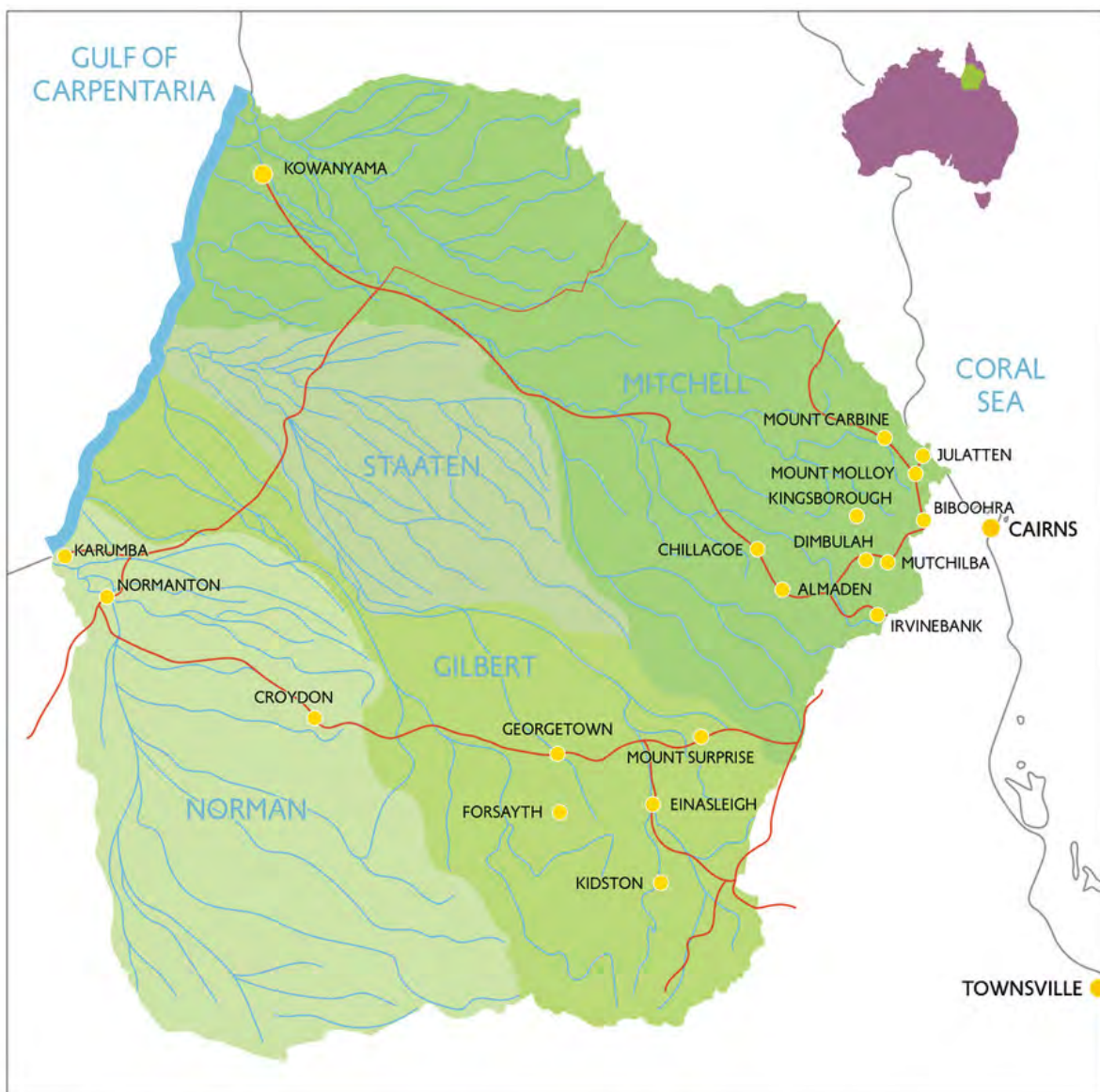


FIGURE 1: The Northern Gulf Region is dominated by dry tropical savanna rangelands, with four river catchments as shown. The region is very sparsely populated, with most small townships clustered to the east.



James Donaldson, *Biodiversity Officer*



Biodiversity

Our new Biodiversity Officer James Donaldson started with us in December 2018 and jumped in the deep end with a 5-year National Landcare Program project entitled Biodiversity Bright Spots: Golden-shouldered parrots.

James has a background in aquatic ecology research, fish passage construction, wetland management and various other natural resource management projects, but he also has a soft spot for feathered animals.

The first six months of the project (to June 2019) was a busy time with lots of negotiations with stakeholders and project partners and planning for the entire five years of the project. We also collaborated with CSIRO to investigate the feasibility of using remote sensing technologies (drones) to detect suitable nesting sites (termite mounds) for golden-shouldered parrots. The pilot study demonstrated the utility of the approach for detecting suitable mounds although for large areas fixed wing aircraft mounted with LiDAR systems are likely to be more effective.



One of the significant threats to the endangered golden-shouldered parrot is changing fire regimes. This is a focus of the project with two Indigenous fire workshops being run in collaboration with Ewamian Aboriginal Corporation, Cape York NRM, Kuku Thaypan People and Victor Steffensen from Mulong. The three-day workshops involved learning and burning on country with other indigenous ranger groups from across Cape York and Northern Gulf. There was a particular focus on how traditional burning can be used to improve the health of the country, not just for golden-shouldered parrots, but for the ecosystem more broadly.

The majority of the known population of golden-shouldered parrots in the northern gulf region occur within the Staaten River National Park. This population was last surveyed five years ago but was re-surveyed in June this year in partnership with Queensland Parks and Wildlife Service. The week-long survey involved eight people, four side-by-side vehicles and a helicopter to access the remote park, where there are no access roads. During the study, we searched an area of more than 2,500 ha, sighting a total of 69 Golden-shouldered parrots and observing 48 nests from the current breeding season.



We also conducted the first aquatic surveys of wetlands at Littleton National Park, just east of Croydon, with the Tagalaka Rangers and QPWS staff. The team surveyed five wetlands across the national park and used a range of different net types as well as baited underwater video cameras (in clear water sites) to study the aquatic animals on the park. In total the team recorded nineteen species of fish, one species of freshwater turtle, freshwater crocodiles and of course, red claw.





Vickie Mylrea, *Indigenous Partnerships Officer*



Community Education Program

This year Northern Gulf has moved away from its Big Futures program and has diversified the delivery of environmental education in our community. All Northern Gulf's project team have had a hand in delivering portions of the program with some of them branching into new territory.

The major project for this program is the School Kitchens Garden, which was initially funded in 2018 by the Primary Health Network and run in four schools – Chillagoe, Croydon, Georgetown and St Anthony's. This year has bought an increase in funding and a request from the funders to extend the program. It has now been re-branded the Remote Food Network Program and runs in seven schools and a community garden.

As of February 2019, Northern Gulf Resource Management Group has been involved in a STEM Professionals in Schools partnership with Georgetown State School. STEM Professionals in Schools is a national volunteer program led by CSIRO that facilitates partnerships between schools and industry to bring real STEM (Science, Technology, Engineering and Maths) into the classroom. Project Officers from the Georgetown office attend the school every few weeks to teach the students about key issues and challenges related to Natural Resource Management, with a specific focus on agriculture and the grazing industry.

Northern Gulf celebrated Youth Week in April with events hosted by Gulf Christians College in Normanton and Dimbulah State School. Pathways to employment in environmental and agriculture roles was the theme.

Gulf Kids Environment Day was held during August as a part of Science Week celebrations. The first of two events was hosted by Croydon State School on Wednesday 14th August with students from Gulf Christian College, Normanton State School, and Croydon State School attending.

Georgetown State School hosted the second day on the 15th August, which was attended by students from Mt Surprise State School, Forsayth State School, and Georgetown State School.

In total over 130 students enjoyed activities from 5 different instructors covering science-based activities about bugs and critters.

In August, Queensland Parks and Wildlife hosted a school camp at Littleton National Park for students from Croydon State School. Northern Gulf and the Tagalaka Rangers spent the morning with the kids and talked about aquatic biodiversity in the area, checked fish-nets, and watched underwater video collected by the rangers in a nearby wetland.

In September, the Agriculture Officer facilitated two sessions at Dimbulah School with Year Five and Year Nine about regenerative agriculture and the connection between nutrient dense food and healthy soils.





NAIDOC 2019

IN RECOGNITION OF YOUR VALUABLE
CONTRIBUTIONS TO CARING FOR COUNTRY
WITHIN THE NORTHERN GULF REGION.

Indigenous Partnerships

The Department of Environment and Science funded the major Indigenous Partnership project for 2019 through the Looking after Country program. This project, Capacity Building of Tagalaka Traditional Owners, was delivered through a partnership between Northern Gulf, Tagalaka Aboriginal Corporation, and Qld Parks and Wildlife service. It is currently in the final stages of reporting and has achieved some excellent outcomes for all parties.

The major outcomes of this project have been:

- The delivery of a rock art workshop and two field trips by leading archaeologist Lynley Wallis to traditional owners, rangers and aspiring rangers which built on Tagalaka's existing skills to better manage their rock art preservation for future generations. It also provides an extensive report for the better management of two cultural sites.
- Tagalaka rangers employed to deliver on country outcomes such as pest & weed control on Littleton National Park for 500 hours.
- An aquatic survey of the Littleton wetlands.

This year marks the first-ever Northern Gulf Resource Management Group NAIDOC awards held. Four recipients Mark Owens Tagalaka Ranger, Marciel Lawrence, Watsonville Aboriginal Corporation, and Ewamian Aboriginal Corporation all received awards in recognition of their contribution to Caring for Country at a luncheon on the 10th of July.

The Northern Gulf Cultural Fire Management workshop was held in the second last week of May this year. This event was hosted by Ewamian at Tallaroo and was attended by four traditional owner groups from the region and one invited ranger group from the wet tropic's region.



2019 has seen the formation of a Statewide Indigenous Participation Community of Practice network group. Network members attended monthly teleconferences and recently held a face to face meeting in Brisbane in August. Through this group's efforts, a state-wide Indigenous Participation Plan has been drafted. Northern Gulf, Terrain, and Cape York also produced an alliance level Indigenous Participation Plan to guide our efforts to ensure traditional owners are meaningfully engaged in Natural Resource Management activities under the Regional Land Partnerships Program.



Laura Miller, *Regional Agricultural Landcare Facilitator*

RALF Report

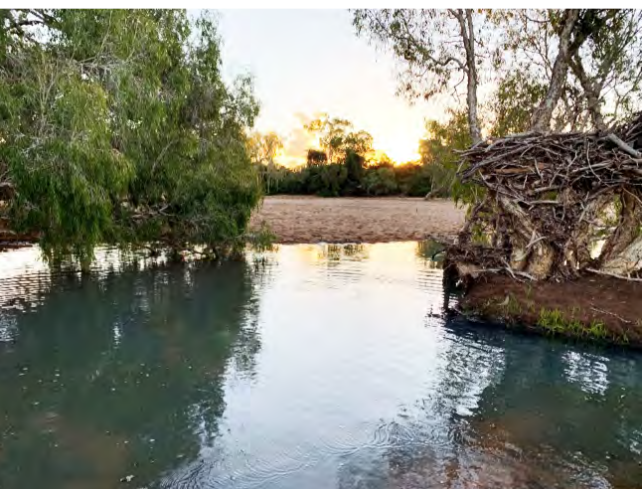
The Regional Agricultural Landcare Facilitator (RALF) position engages landholders and community groups within the region and promotes sustainable agricultural principles by providing new information and coordinating capacity building events. In 2019 we have broadened our reach and engagement with more graziers and community groups in the far ends of the Northern Gulf region.

In March our RALF, Laura Miller, held a Graziers Day in Georgetown where speakers including Meat & Livestock Australia, Animal Health Australia, Department of Agriculture and Fisheries, and the University of Queensland spoke on various topics relevant to the northern grazing industry. Graziers from the region had the opportunity to ask questions, win lucky door prizes (including two tonnes of lick!), and network with others in the industry.

Laura assists landholders with soil testing, grant applications, provides information on land clearing regulations, and connects land-holders with industry experts.

Laura also organises events for the community and supports the other Northern Gulf project officers.

The 2019 floods were the worst the region has seen since 1974. Laura supported our graziers through this time by assisting in the coordination of fodder drops and providing information to landholders about government assistance available. Northern Gulf has recently engaged land monitoring specialists to assess riparian zones and begin looking at ways to repair our flood-impacted areas. There is still much work needed in recovering from the flooding and our RALF and the Northern Gulf team will continue to support these graziers.



In partnership with CRCNA, University of Queensland and GRDC, Laura has been assisting with the De-risking North Queensland Cropping Project. This project will establish trials of varieties and systems suited to our landscape and, climate to support land-holders who are interest in diversifying their businesses into broadacre agriculture. The trial sites being developed are aimed at identifying grain crops that will flourish in the northern climate and withstand our variable seasons.

Northern Gulf values our partnerships with researchers, government, and land-holders to establish sustainable industries within the region.





Natural Resource Investment Program

As a part of the Natural Resources Investment Program (NRIP) Gulf Rivers Riparian Improvement Project, Project Officer Laura Miller is working with six local stations along the Einasleigh River and its tributaries to improve riparian condition.

Primary outcomes for this project are to improve the health and stability of soils, reduce sediment loss, stabilise river banks, and to manage vegetation in the riparian zone. Specific project works include fencing of priority areas along the riparian zone, installation of off stream watering points for livestock, eradication of feral animals and weeds, and improved management of native pastures.



Tarwyn Park Training founder, Stuart Andrews, visited the region for a field day and spoke to Northern Gulf graziers on natural sequence farming techniques. Stuart spoke to graziers about regenerative agriculture and three fundamental principles: rehabilitation, re-hydration, and regeneration.

Attendees on the day heard about contouring the land to slow and divert water to allow the country to increase its water intake and rehydrate the land.

Graziers also heard about the importance of regeneration through biodiversity and fertility in soils by increasing the production of organic matter, erosion management, and reducing run-off.



The day was practical and hands-on with attendees having the opportunity to ask questions specific to their properties.





Sally Fields, *Intensive Agricultural Officer*

Healthy Farming Futures Program

The Healthy Farming Futures program is funded by the Department of Energy and Environment through the Regional Landcare Partnership. The project runs until June 2023 and aims to work with farmers to improve and protect the condition of soil, biodiversity and vegetation.

The major outcomes of this project have been:

- Increasing awareness and adoption of land management practices through workshops and one on one agronomic technical interactions.
- Soil and leaf testing and assisting farmers with interpreting the results of their tests as a guide to better on farm nutrition decisions.
- Establishing baseline soil carbon levels to measure and evaluate increases in soil health over time.
- Field days, workshops and seminars to raise awareness and support the adoption of recommended soil management practices. In 2019 these included What lies Beneath, a soil microbiome sell out event held at Skybury, and a Soil Regeneration Forum at the Mareeba Rotary Field Days, with many guest speakers focusing on soil health.
- Formation of a Healthy Soil, Healthy Plants, Healthy People network to keep local farmers informed on upcoming events, programs and all things soil.

Northern Gulf Healthy Farming Futures participants have also attended some Digging Deeper events, run by Terrain NRM run as part of their Soil Health program. Promoting NQ Alliance soil events to the soil health network allows farmers to have the opportunity to attend a broad range of events and have access to multiple visiting experts, building their soil health knowledge and networks so we can all learn from each other.





Kathy Rowling, *Community Engagement Officer*



Community Participation Report

Community participation across our region has been quite busy during 2019. We have hosted numerous workshops and information days covering all projects, as well as attending community events and were successful in obtaining small grants for specific topics.

The Women of Micro-Enterprises workshop series gave us the opportunity to deliver workshops at Pinnarendi, Georgetown and Croydon. Held as a part of Queensland Women's Week the workshops covered financial security and business start up which was aimed at building confidence and equality for women from rural and remote communities.

Engagement through schools (Mt Surprise, Georgetown, Croydon, Forsayth, Mutchilba, Dimbulah & Chillagoe) has been effective in the School Kitchen Gardens and Remote Food Gardens Network program. Students have become passionate about sustainability and building edible landscapes through regular visits, information and assistance from Northern Gulf staff.

Attending FNQ Rotary Field Days provided an opportunity for Northern Gulf Staff to engage with a large volume of people over three days. Running a series of workshops and information sessions brought awareness to NGRMG projects and included topics covering soil health, climate tools and grazing. The Soil Your Undies Challenge was an excellent drawcard giving us the opportunity to make people aware of Northern Gulf's role in the community, and the importance of the soil health message in a fun way.

Basalt Bash & Beauty was successful for its 3rd year. Funded this year by TRAIC, key workshop topics included business assistance, health, wellbeing and networking through craft sessions. This event was pivotal in building stronger social cohesion, reducing the sense of isolation, improving mental health and well-being, plus bringing together relevant service providers to a rural community providing an increased understanding of support pathways.

In September, Community Engagement Officer, Kathy Rowling attended the Regional Development Australia Conference on the Sunshine Coast to present. Kathy spoke about our very successful Bush Business program, which attracted plenty of interest from conference attendees.

Community events prove to be an ideal place to distribute newsletters, information and updates on current Northern Gulf projects, while receiving feedback from the community and suggestions. This year Kathy attended events Chillagoe Rodeo, Forsayth Turnout and Nugget Of The North, Chillagoe Markets and Terrestrial Markets.

In 2019 Northern Gulf partnered with the Be Connected Network to deliver digital literacy workshops in Dimbulah, Almaden, Chillagoe and Croydon. These workshops help people to get the most out of the internet and stay up to date with digital technology.





John McLaughlin, *Rangelands Project Officer*

E-Beef Smart Farming Project

The E-Beef Project kicked off in 2019 in an effort to bring new and emerging technologies to the North Queensland Grazing Industry. The activity is funded through the National Landcare Program and is in fact a partnership between the Queensland Department of Agriculture & Fisheries (QDAF) and three regional NRM organizations: Southern Gulf Natural Resource Management Group, Northern Gulf Resource Management Group and Desert Channels Queensland.

The goal of the project is to implement grazing best management practice by demonstrating how timely management decisions can enhance pastures, groundcover, soils, land condition, business profitability and adaptability. In 2019, Northern Gulf established on-ground Smart Farm Demonstration Properties to trial Remote Walk-over-Weigh (WoW) Systems. These systems allow landholders to track and process livestock from anywhere in the world.

Remote WOW systems are placed near a watering trough, and cattle are weighed and drafted while moving through the system. Cattle walk through the weighbridge structure and the electronic ear tags are scanned and algorithms work out the animal's live weight. The data is processed and delivered through our online software, MiHub Livestock Management that generates a weekly report, viewable anywhere in the world. The graziers weighing data is transformed into clearly presented graphs, generating powerful insights to help them identify trends and better manage their livestock.

The first demonstration property selected was Mt Surprise Station, managed by Matthew McClymont. Following the installation of the WoW system in May, new infrastructure was built close to water points within a target paddock, and cattle were trained to use the system appropriately. The second demonstration property, Scardons Hill station, managed by James and Janelle O'shea, was selected in August and the WoW System will be installed sometime in October.

In addition to the Smart Farm Demonstration Properties, Northern Gulf has been coordinating the development of Innovation Hubs, or producer learning groups. These learning groups are involved in unique activities and gain special insights from each of the respective demonstration properties.



The innovation hub groups form the basis of a comprehensive extension program that aims to accelerate the uptake of whole-of-business grazing best management that when adopted will improve the natural resource base and profitability of beef enterprises.

Moving into 2020, graziers will have the opportunity to see, touch and discuss the application of new and innovative technologies that will improve their grazing and land management, profitability and adaptability as part of the broader project.

A major highlight for 2019 was the inaugural E-Beef Smart Farming Field Day in Mt Surprise. The event showcased all things innovation in the Australian Grazing Industry, and more than 50 attendees turned out to visit a real-life demonstration of a walk-over-weigh system in action and listen to speakers from all around Australia explore the cutting edge of agtech.

As 2020 approaches, Northern Gulf aims to finalize two Innovation Groups in the region with up to 7 properties in each. These properties will have the opportunity to:

- Assess and analyze cattle liveweight data from demonstration properties.
- Use the Farmecco online business management tool.
- Be provided with property-specific remote satellite datasets.
- Receive assistance with land condition monitoring by project staff.
- Undertake additional technology trials of their choosing.

Additionally, ongoing efforts will be made to work out the most effective, efficient and useful methods by which to apply WoW systems to breeder production systems in Far North Queensland. If we are able to demonstrate successful examples of technological implementation and ongoing adoption, we hope to encourage greater innovation across the entire region.





Directors' Report

Directors for the period from 1st July 2018 to 30 June 2019;

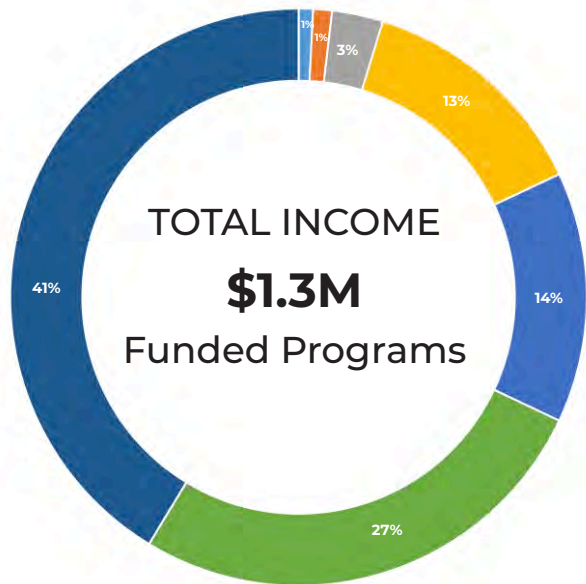
- John Brisbin (Chair)
- Erica (Riki) Gunn
- Ellen Weber
- Ian Adcock (finished term on 13 November)
- Will Attwood (finished term on 13 November)
- Jessica Fealy (started term on 13 November)
- Brian Muirhead (started term on 13 November)

Meeting Attendance

Name	No. of eligible meetings	No. attended
John Brisbin	8	8
Riki Gunn	8	7
Ellen Weber	8	8
Ian Adcock	4	4
William Attwood	4	4
Jessica Fealy	4	4
Brian Muirhead	4	4

Financial Performance

INCOME BY PROJECT TYPE - FY2019

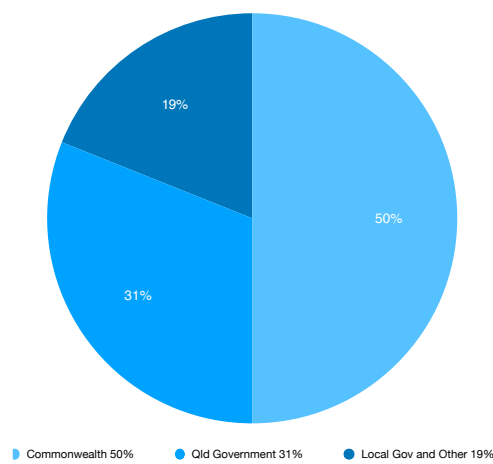


EXPENSES BY ITEM - FY2019



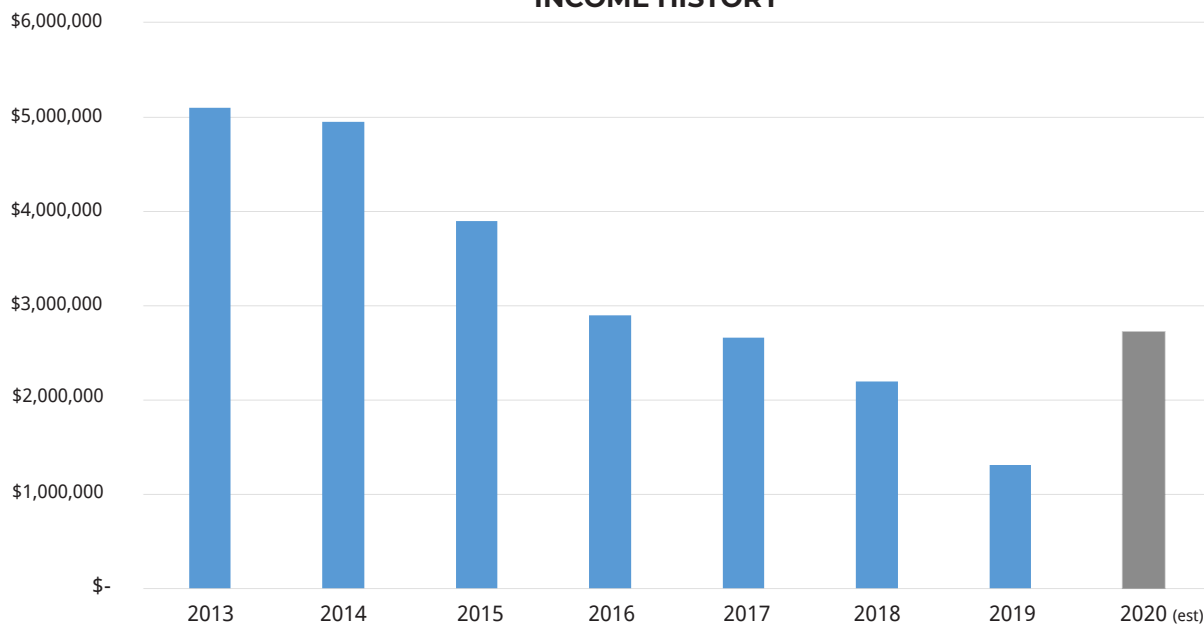
- CORPORATE
- EDUCATION
- INDIGENOUS PARTNERSHIPS
- BIODIVERSITY
- DROUGHT SUPPORT
- AGRICULTURE
- COMMUNITY

FUNDING SOURCES - FY2019



- PROJECT
- PROJECT OFFICERS
- MATERIALS & GRANTS
- SUB-CONTRACTS
- NON-PROJECT OVERHEADS
- GENERAL ADMIN
- BOARD

INCOME HISTORY



Northern Gulf Resource Management Group Ltd

ABN: 94 106 450 355

Financial Statements

For the Year Ended 30 June 2019

Northern Gulf Resource Management Group

ABN: 94 106 450 355

Auditors Independence Declaration under Section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012.

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2019, there have been:

- (i) no contravention of the auditor independence requirements of the 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Crowe NQ

Crowe NQ



Jason Taylor
Partner

Cairns, 15 / 10 / 2019.

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The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Northern Gulf Resource Management Group Ltd

ABN: 94 106 450 355

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2019

	Note	2019 \$	2018 \$
Revenue	4	1,336,961	2,204,133
Gain on sale of assets		-	24,835
General administration costs		(388,010)	(252,245)
Employee benefits expense		(600,762)	(900,743)
Board and directors expenses		(97,789)	(123,123)
Direct project costs		(194,264)	(759,994)
Direct project costs (Motor vehicles)		(48,713)	(67,007)
Surplus before income tax		7,423	125,856
Income tax expense		-	-
Total comprehensive income for the year		7,423	125,856

The accompanying notes form part of these financial statements.

Northern Gulf Resource Management Group Ltd

ABN: 94 106 450 355

Statement of Financial Position

As At 30 June 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		562,510	415,385
Trade and other receivables	5	426,044	25,809
TOTAL CURRENT ASSETS		988,554	441,194
NON-CURRENT ASSETS			
Property, plant and equipment	6	97,022	120,544
TOTAL NON-CURRENT ASSETS		97,022	120,544
TOTAL ASSETS		1,085,576	561,738
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	160,796	114,120
Borrowings		-	5,106
Loans from other related parties	13	100,000	-
Employee benefits	9	33,522	26,227
Other financial liabilities	8	567,794	202,318
TOTAL CURRENT LIABILITIES		862,112	347,771
NON-CURRENT LIABILITIES			
Employee benefits	9	17,629	15,555
TOTAL NON-CURRENT LIABILITIES		17,629	15,555
TOTAL LIABILITIES		879,741	363,326
NET ASSETS		205,835	198,412
EQUITY			
Retained surplus		205,835	198,412
TOTAL EQUITY		205,835	198,412

The accompanying notes form part of these financial statements.

Northern Gulf Resource Management Group Ltd

ABN: 94 106 450 355

Statement of Changes in Equity For the Year Ended 30 June 2019

2019

	Retained Surplus	Total
	\$	\$
Balance at 1 July 2018	198,412	198,412
Net surplus for the year	7,423	7,423
Balance at 30 June 2019	205,835	205,835

2018

	Retained Surplus	Total
	\$	\$
Balance at 1 July 2017	72,556	72,556
Net surplus for the year	125,856	125,856
Balance at 30 June 2018	198,412	198,412

The accompanying notes form part of these financial statements.

Northern Gulf Resource Management Group Ltd

ABN: 94 106 450 355

Statement of Cash Flows For the Year Ended 30 June 2019

	2019	2018
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers and government grants	1,300,329	2,448,343
Payments to suppliers and employees	(1,249,438)	(2,711,784)
Interest received	1,872	7,916
Finance costs	(532)	-
Net cash provided by/(used in) operating activities	<u>52,231</u>	<u>(255,525)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of plant and equipment	-	50,921
Net cash used by investing activities	<u>-</u>	<u>50,921</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from related party loan	100,000	-
Repayment of borrowings	(5,106)	(54,697)
Net cash used by financing activities	<u>94,894</u>	<u>(54,697)</u>
Net increase/(decrease) in cash and cash equivalents held	147,125	(259,301)
Cash and cash equivalents at beginning of year	<u>415,385</u>	<u>674,686</u>
Cash and cash equivalents at end of financial year	<u><u>562,510</u></u>	<u><u>415,385</u></u>

The accompanying notes form part of these financial statements.

Northern Gulf Resource Management Group Ltd

ABN: 94 106 450 355

Notes to the Financial Statements For the Year Ended 30 June 2019

The financial report covers Northern Gulf Resource Management Group Ltd as an individual entity. Northern Gulf Resource Management Group Ltd is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The principal activities of the Company for the year ended 30 June 2019 were to plan and advise on issues and best practice for natural resources in the Northern Gulf Region.

The functional and presentation currency of Northern Gulf Resource Management Group Ltd is Australian dollars.

The financial report was authorised for issue by the Directors on the date the Responsible Persons' Declaration was signed.

Comparatives are consistent with prior years, except for where changes have been made due to new accounting standard impacts.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-Profits Commissions Act 2012*.

2 Summary of Significant Accounting Policies

(a) Income Tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

(c) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Grant revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the Company obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When grant revenue is received whereby the Company incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Northern Gulf Resource Management Group Ltd receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Notes to the Financial Statements For the Year Ended 30 June 2019

2 Summary of Significant Accounting Policies

(c) Revenue and other income

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

(d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(e) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Plant and Mapping Equipment	20-30%
Computer equipment	25%
Motor Vehicles	19%
Office Equipment	25%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(f) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

On initial recognition, other financial assets are measured at fair value plus transaction costs and subsequent measured at amortised cost in accordance with *AASB 9 Financial Instruments*.

Notes to the Financial Statements For the Year Ended 30 June 2019

2 Summary of Significant Accounting Policies

(g) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled .

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

(h) Adoption of new and revised accounting standards

AASB 9 Financial Instruments

The Company has adopted all standards which became effective for the first time at 30 June 2019, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company. The Company has adopted AASB 9 from 1 July 2018. The standard introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading or contingent consideration recognised in a business combination) in other comprehensive income ('OCI'). Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch. For financial liabilities designated at fair value through profit or loss, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch).

New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity.

New impairment requirements use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

Impact of adoption

With the exception of changes to classification, (per note 7), the adoption of AASB 9 Financial Instruments did not have any significant impact on the financial performance or position of the Company.

(i) New accounting standards for application in future periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The directors have decided against early adoption of these Standards, but does not expect the adoption of these standards to have any impact on the reported position or performance of the Company.

Notes to the Financial Statements

For the Year Ended 30 June 2019

2 Summary of Significant Accounting Policies

(i) New accounting standards for application in future periods

AASB 15 Revenue from Contracts and Customers

The Company will adopt AASB 15 from 1 July 2019. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

AASB 1058 Income for Not-for-profit entities

AASB 1058 will apply for transactions where the consideration to acquire an asset is significantly less than its fair value, principally to enable a not-for-profit entity to further its objectives. The main impact is that the timing of income recognition will depend on whether there is any performance obligation or other liability and will assist in better matching of income with related expenditure.

Impact of adoption

Management have assessed these standards and concluded that they will be materially impacted by the change in accounting standards. The Company will recognise the cumulative effect of initially applying these standards as an adjustment to the statement of changes in equity from 1 July 2019.

AASB 16 Leases

AASB 16 will cause the majority of leases of an entity to be brought onto the statement of financial position. There are limited exceptions relating to short-term leases and low value assets which may remain off-balance sheet. The calculation of the lease liability will take into account appropriate discount rates, assumptions about lease term and increases in lease payments. A corresponding right to use the asset will be amortised over the term of the lease. Rent expense will no longer be shown, the profit and loss impact of the leases will be through amortisation and interest charges.

Impact of adoption

Management have assessed this standard and have identified a number of lease arrangements which will fall under the scope of AASB 16 and recognition and measurement principles will need to be updated in line with the new standard. This will result in recognition of a right to use asset and liability in the Company's financial statements.

3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Northern Gulf Resource Management Group Ltd

ABN: 94 106 450 355

Notes to the Financial Statements

For the Year Ended 30 June 2019

4 Revenue

	2019	2018
	\$	\$
Revenue		
Grant funding	1,330,353	2,166,065
Interest received	1,872	7,916
Other trading revenue	4,736	30,152
Total revenue	1,336,961	2,204,133

5 Trade and Other Receivables

	2019	2018
	\$	\$
CURRENT		
Trade receivables	426,044	25,809
Total current trade and other receivables	426,044	25,809

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

Trade and other receivables are recognised at amortised cost, less any allowances for expected credit losses, in accordance with *AASB 9 Financial Instruments*.

Northern Gulf Resource Management Group Ltd

ABN: 94 106 450 355

Notes to the Financial Statements For the Year Ended 30 June 2019

6 Property, plant and equipment

	2019	2018
	\$	\$
Motor vehicles		
At cost	352,709	352,709
Accumulated depreciation	(270,126)	(250,803)
Total motor vehicles	82,583	101,906
Office equipment		
At cost	7,240	7,240
Accumulated depreciation	(6,934)	(6,832)
Total office equipment	306	408
Computer equipment		
At cost	20,467	20,467
Accumulated depreciation	(18,775)	(18,211)
Total computer equipment	1,692	2,256
Plant and equipment		
At cost	121,169	121,169
Accumulated depreciation	(108,728)	(105,195)
Total plant and equipment	12,441	15,974
Total property, plant and equipment	97,022	120,544

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Motor Vehicles	Office Equipment	Computer Equipment	Plant and Mapping Equipment	Total
	\$	\$	\$	\$	\$
Year ended 30 June 2019					
Balance at the beginning of the year	101,906	408	2,256	15,974	120,544
Depreciation expense	(19,323)	(102)	(564)	(3,533)	(23,522)
Balance at the end of the year	82,583	306	1,692	12,441	97,022

Northern Gulf Resource Management Group Ltd

ABN: 94 106 450 355

Notes to the Financial Statements

For the Year Ended 30 June 2019

7 Trade and Other Payables

	2019	2018
	\$	\$
Current		
Trade payables	39,388	32,296
GST payable	85,466	23,009
Accrued wages	13,167	27,227
Sundry payables and accrued expenses	22,775	31,588
Total trade and other payables	160,796	114,120

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

8 Other Financial Liabilities

	2019	2018
	\$	\$
CURRENT		
Unexpended grants	410,011	202,318
Prepaid Income	157,783	-
Total other financial liabilities	567,794	202,318

9 Employee Benefits

	2019	2018
	\$	\$
Current liabilities		
Long service leave	-	271
Annual leave	33,522	25,956
Total current employee benefits	33,522	26,227
Non-current liabilities		
Long service leave	17,629	15,555
Total non-current employee benefits	17,629	15,555

Northern Gulf Resource Management Group Ltd

ABN: 94 106 450 355

Notes to the Financial Statements

For the Year Ended 30 June 2019

10 Leasing Commitments

(a) Finance leases

	2019	2018
	\$	\$
Minimum lease payments:		
- not later than one year	-	5,106
Minimum lease payments	<u>-</u>	<u>5,106</u>

Finance leases are in place for Motor Vehicles and normally have a term between 5-7 years. The leases have terms of renewal but no purchase option or escalation clauses. Renewals are at the option of the entity holding the lease.

(b) Operating leases

	2019	2018
	\$	\$
Minimum lease payments under non-cancellable operating leases:		
- not later than one year	34,123	32,400
- between one year and five years	118,025	32,400
Total operating lease	<u>152,148</u>	<u>64,800</u>

The Company leases one building under an operating lease. The leases typically run for a period of three years, with an option to renew the lease for a further three years. The lease does not include a contingent rental.

11 Key Management Personnel Remuneration

The totals of remuneration paid to the key management personnel of Northern Gulf Resource Management Group Ltd during the year are as follows:

	2019	2018
	\$	\$
Short-term employment benefits	152,026	143,384
Long-term benefits	1,324	-
Post-employment benefits	13,346	7,112
Total key management personnel remuneration	<u>166,696</u>	<u>150,496</u>

12 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2019 (30 June 2018: None).

Northern Gulf Resource Management Group Ltd

ABN: 94 106 450 355

Notes to the Financial Statements

For the Year Ended 30 June 2019

13 Related Parties

Transactions with related parties

Key management personnel - refer to Note 10.

Northern Gulf Resource Management Group Ltd aligned with FNQ NRM Ltd trading as Terrain NRM and Cape York Natural Resource Management Ltd and created a new entity, NQ NRM Alliance Ltd to perform the corporate services role for all 3 NRMs centrally. NQ NRM Alliance has also performed some grant coordination services for the 3 NRMs. Board members from Northern Gulf Resource Management Group Ltd are present on the board of NQ NRM Alliance Ltd. Due to this relationship, The NQ NRM Alliance Ltd, FNQ NRM Ltd trading as Terrain NRM and Cape York Natural Resource Management Ltd are noted as a related parties to Northern Gulf Resource Management Group Ltd.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

	Purchases	Sales	Owed to the company	Owed by the company
	\$	\$	\$	\$
Related parties				
NQ NRM Alliance	204,001	833,239	403,760	40
FNQ NRM Ltd	5,144	-	-	3,067
Cape York NRM Ltd	-	51,700	-	-

(a) Loans from related parties

An unsecured loan was received from FNQ NRM Ltd Trading as Terrain NRM during the year ended 30 June 2019. This is on an arms length basis and is interest free.

	Opening balance	Closing balance
Loans from related parties		
2019	-	100,000

14 Events after the end of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Northern Gulf Resource Management Group Ltd

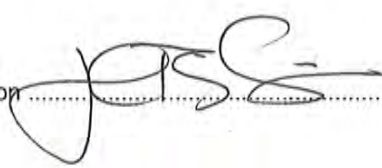
ABN: 94 106 450 355

Responsible Persons' Declaration

The responsible persons declare that in the responsible persons' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Responsible person 

Responsible person 

Dated: 14th October 2019

Independent Auditor's Report to the Members of Northern Gulf Resource Management Group Ltd

Opinion

We have audited the financial report of Northern Gulf Resource Management Group Ltd (the Company), which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible persons' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2019 and of its financial performance and cash flows for the year then ended; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report

to the Members of Northern Gulf Resource Management Group Ltd (cont.)

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- Conclude on the appropriateness of those charged with governance's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

Crowe NQ

CROWE NQ



Jason Taylor
Partner

Cairns, 15 / 10 / 2019.



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