

Maintained  
Finance Rec 24/1/11

Howard  
Clapham

**Current statement of position**

	<b>Assets</b>	<b>Liabilities</b>
<b>Land and water</b>		
3000 acres @ \$1,000/ acre	\$ 3,000,000	Bank Debt \$ 2,500,000
2500 ml Water @ \$750	\$ 1,875,000	Bank O/D \$ 275,000
<b>Plant &amp; Equipment</b>	\$ 1,250,000	P/E Debt \$ 400,000
<b>Equities Debentures Pools etc</b>	\$ 500,000	Creditors \$ 250,000
<b>Standing Crops</b>	\$ 2,000,000	
Total	\$ 8,625,000	\$ 3,425,000
Equity	\$ 5,200,000	
<b>Equity</b>	<b>60.29%</b>	

**Post water statement of position**

Sale of 2,000 ml water @ \$750/ml	\$ 1,000,000		
		<b>Assets</b>	<b>Liabilities</b>
<b>Land and water</b>			
2500 acres @ \$400/ acre	\$ 1,000,000	Bank Debt	\$ 1,500,000
500 acres @ \$1,000/acre	\$ 500,000	Bank O/D	\$ 275,000
500 ml Water @ \$750	\$ 375,000		
		P/E Debt	\$ 400,000
<b>Plant &amp; Equipment</b>	\$ 1,250,000	Creditors	\$ 250,000
<b>Equities Debentures Pools etc</b>	\$ 500,000		
<b>Standing Crops</b>	\$ 2,000,000		
Total	\$ 5,625,000		\$ 2,425,000
Equity	\$ 3,200,000		
<b>Equity</b>	<b>56.89%</b>		
<b>Net cash loss</b>	\$ 2,000,000		

Submission No: <u>523-1</u>
Date Received: <u>24/1/11</u>
Secretary: <u>SC</u>

There are so many practical solutions to the existing conundrum;

- 1 The introduction of an Australian Water Pricing Standard – AAA Water user based upon efficiency, recycling, environment standards pay a lesser charge. BBB water users pay a higher charge.
- 2 The introduction of a National Standard for future water development projects taking into consideration the same accountability standards applied to the pricing mechanism.
- 3 The development of a system of tax credits and incentives for the transfer of water from commercial use to the environment.
- 4 A more appropriate tax treatment of water delivery infrastructure and usage developments.
- 5 Creation greater regional ground water catchments for environmental usage.
- 6 The development of agricultural and environmental partnerships for the creation of specific regional projects.
- 7 A standard for water usage accountability to be applied to environmental flows on the same basis as commercial use.

- 8 An appropriate environmental water accounting standard.
- 9 A process that provides for commercial access on commercial terms to unused environmental flows during years of excess water.
- 10 I have endeavored to stay away from purely political issues but there must be a review and strategic analysis of the current water buy back scheme. It is well intentioned has been in place under both sides of politics but is poorly targeted, not fully transparent and would fail every commercial accountability standard applicable.