

# Alinytjara Wilurara Natural Resources Management Board

Financial report  
for the year ended  
30 June 2019



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## To the Presiding Member Alinytjara Wilurara Natural Resources Management Board

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 37(2) of the *Natural Resources Management Act 2004*, I have audited the accompanying financial report of the Alinytjara Wilurara Natural Resources Management Board for the financial year ended 30 June 2019.

### Opinion

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Alinytjara Wilurara Natural Resources Management Board as at 30 June 2019, its financial performance and its cash flows for the year then ended in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2019
- a Statement of Financial Position as at 30 June 2019
- a Statement of Changes in Equity for the year ended 30 June 2019
- a Statement of Cash Flows for the year ended 30 June 2019
- notes, comprising significant accounting policies and other explanatory information
- a Certificate from the Presiding Member, the Regional Manager and the Chief Financial Officer of the Department for Environment and Water.

### Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the Alinytjara Wilurara Natural Resources Management Board. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants* have been met.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinion.

### **Responsibilities of the Regional Manager and the board for the financial report**

The Regional Manager is responsible for the preparation of the financial report that gives a true and fair view in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and that is free from material misstatement, whether due to fraud or error.

The members of the board are responsible for overseeing the entity's financial reporting process.

### **Auditor's responsibilities for the audit of the financial report**


My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 Board's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Regional Manager
- 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.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.

A handwritten signature in black ink, appearing to read 'Richardson', with a long horizontal stroke extending to the right.

Andrew Richardson

**Auditor-General**

26 November 2019

**Alinytjara Wilurara Natural Resources Management  
Board**

**Financial Statements**

For the year ended 30 June 2019


**Alinytjara Wilurara Natural Resources Management Board**  
**Certification of the Financial Statements**  
*for the year ended 30 June 2019*

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We certify that the attached general purpose financial statements for the Alinytjara Wilurara Natural Resources Management Board:

- comply with relevant Treasurer's Instructions issued under Section 41 of the *Public Finance and Audit Act 1987*, and relevant Australian Accounting Standards
- are in accordance with the accounts and records of the Alinytjara Wilurara Natural Resources Management Board
- present a true and fair view of the financial position of the Alinytjara Wilurara Natural Resources Management Board as at 30 June 2019 and the results of its operations and cash flows for the financial year.

We certify that the internal controls employed by the Alinytjara Wilurara Natural Resources Management Board for the financial year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period.



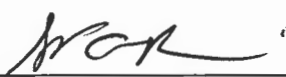
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M Haynes  
Presiding Member  
19 November 2019



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L Feuerherdt  
Regional Manager  
19 November 2019



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S O'Brien  
Chief Financial Officer  
Department for Environment and Water  
19 November 2019

**Alinytjara Wilurara Natural Resources Management Board**  
**Statement of Comprehensive Income**  
*for the year ended 30 June 2019*

	Note	2019 \$'000	2018 \$'000
<b>Expenses</b>			
Board and committee	2.2	83	100
Supplies and services	3.1	2 379	2 399
Grants and subsidies	3.2	-	120
Depreciation	3.3	6	6
Other expenses	3.4	48	47
<b>Total expenses</b>		<b>2 516</b>	<b>2 672</b>
<b>Income</b>			
Commonwealth funding	4.1	1 689	1 401
Grants	4.2	1 392	1 178
Interest	4.3	51	53
Other income	4.4	21	40
<b>Total income</b>		<b>3 153</b>	<b>2 672</b>
<b>Net result</b>		<b>637</b>	<b>-</b>
<b>Total comprehensive result</b>		<b>637</b>	<b>-</b>

The accompanying notes form part of these financial statements. The net result and total comprehensive result are attributable to the SA Government as owner.

**Alinytjara Wilurara Natural Resources Management Board**  
**Statement of Financial Position**  
*as at 30 June 2019*

	Note	2019 \$'000	2018 \$'000
<b>Current assets</b>			
Cash and cash equivalents	6.1	3 138	3 374
Receivables	6.2	980	16
<b>Total current assets</b>		<b>4 118</b>	<b>3 390</b>
<b>Non-current assets</b>			
Property, plant and equipment	5.1	18	24
<b>Total non-current assets</b>		<b>18</b>	<b>24</b>
<b>Total assets</b>		<b>4 136</b>	<b>3 414</b>
<b>Current liabilities</b>			
Payables	7.1	524	439
<b>Total current liabilities</b>		<b>524</b>	<b>439</b>
<b>Total liabilities</b>		<b>524</b>	<b>439</b>
<b>Net assets</b>		<b>3 612</b>	<b>2 975</b>
<b>Equity</b>			
Retained earnings		3 612	2 975
<b>Total equity</b>		<b>3 612</b>	<b>2 975</b>

The accompanying notes form part of these financial statements. The total equity is attributable to the SA Government as owner.



**Alinytjara Wilurara Natural Resources Management Board**  
**Statement of Changes in Equity**  
*for the year ended 30 June 2019*

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	Retained earnings \$'000	Total equity \$'000
<b>Balance at 1 July 2017</b>	2 975	2 975
Net result for 2017-18	-	-
<b>Total comprehensive result for 2017-18</b>	-	-
<b>Balance at 30 June 2018</b>	2 975	2 975
Net result for 2018-19	637	637
<b>Total comprehensive result for 2018-19</b>	637	637
<b>Balance at 30 June 2019</b>	<b>3 612</b>	<b>3 612</b>

The accompanying notes form part of these financial statements. All changes in equity are attributable to the SA Government as owner.

**Alinytjara Wilurara Natural Resources Management Board**  
**Statement of Cash Flows**  
*for the year ended 30 June 2019*

		2019	2018
		(Outflows)	(Outflows)
		Inflows	Inflows
	Note	\$'000	\$'000
<b>Cash flows from operating activities</b>			
<b>Cash outflows</b>			
Board, group and committee member payments		(83)	(100)
Payments for supplies and services		(2 295)	(2 366)
Payments of grants and subsidies		-	(117)
Other payments		(47)	(46)
<b>Cash used in operating activities</b>		<b>(2 425)</b>	<b>(2 629)</b>
<b>Cash inflows</b>			
Commonwealth funding received		714	1 401
Receipts from grants		1 392	1 178
Interest received		51	53
Other receipts		32	45
<b>Cash generated from operating activities</b>		<b>2 189</b>	<b>2 677</b>
<b>Net cash provided by / (used in) operating activities</b>		<b>(236)</b>	<b>48</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>(236)</b>	<b>48</b>
Cash and cash equivalents at the beginning of the reporting period		3 374	3 326
<b>Cash and cash equivalents at the end of the reporting period</b>	6.1	<b>3 138</b>	<b>3 374</b>

The accompanying notes form part of these financial statements.

**Alinytjara Wilurara Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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**NOTES TO THE FINANCIAL STATEMENTS**

<b>1.</b>	<b>About the Alinytjara Wilurara Natural Resources Management Board.....</b>	<b>10</b>
1.1.	Basis of preparation.....	11
1.2.	Objectives and programs.....	11
<b>2.</b>	<b>Board, committees and employees .....</b>	<b>13</b>
2.1.	Key management personnel .....	13
2.2.	Board and committee members .....	13
<b>3.</b>	<b>Expenses .....</b>	<b>14</b>
3.1.	Supplies and services.....	14
3.2.	Grants and subsidies.....	15
3.3.	Depreciation and amortisation .....	15
3.4.	Other expenses.....	15
<b>4.</b>	<b>Income .....</b>	<b>16</b>
4.1.	Commonwealth funding.....	16
4.2.	Grant revenues.....	17
4.3.	Interest.....	17
4.4.	Other income.....	17
<b>5.</b>	<b>Non-financial assets.....</b>	<b>18</b>
5.1.	Property, plant and equipment.....	18
<b>6.</b>	<b>Financial assets.....</b>	<b>19</b>
6.1.	Cash and cash equivalents.....	19
6.2.	Receivables.....	19
<b>7.</b>	<b>Liabilities .....</b>	<b>19</b>
7.1.	Payables .....	19
<b>8.</b>	<b>Changes in accounting policy .....</b>	<b>20</b>
8.1.	Treasurer's Instructions (Accounting Policy Statements).....	20
8.2.	AASB 9 Financial instruments.....	20
<b>9.</b>	<b>Outlook .....</b>	<b>21</b>
9.1.	Unrecognised contractual commitments .....	21
9.2.	Contingent assets and contingent liabilities.....	21
9.3.	Events after the reporting period.....	21
<b>10.</b>	<b>Measurement and risk.....</b>	<b>22</b>
10.1.	Fair Value.....	22
10.2.	Financial instruments.....	22

# Alinytjara Wilurara Natural Resources Management Board

## Notes to and forming part of the financial statements

for the year ended 30 June 2019

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### 1. About the Alinytjara Wilurara Natural Resources Management Board

The Alinytjara Wilurara Natural Resources Management Board (the Board) was established pursuant to section 23(1) of the *Natural Resources Management Act 2004* (the NRM Act). The Board operates under a Regional Natural Resources Management Plan (NRM Plan). The Plan includes a 3 year business plan (2017-2020), approved by the Minister for Environment and Water in May 2017.

The Board's financial statements include the use of income, expenses, assets and liabilities controlled or incurred by the Board in its own right.

On 16 April 2012, the Minister for Environment and Water, pursuant to sub-section 24(3) of the NRM Act, directed the Board to:

- use the Department for Environment and Water (DEW) to provide the Board's business support and NRM services to the region
- enter into an agreement for these services
- fund the services and projects set out in the agreement.

The Board entered into a three year Service Level Agreement (SLA) during 2016-17 which includes the delivery of support services to the Board to ensure it is able to meet its statutory requirements under the NRM Act and an annual work plan for the delivery of the Board's Business Plan. This agreement details the services, projects and funds to deliver the annual work plan. This SLA is reviewed and updated on an annual basis.

In accordance with notice published in the Government Gazette on 21 June 2012, all Board staff were transferred from employment under the NRM Act to the *Public Sector Act 2009*. This was effective from 1 July 2012 at which date staff were brought into the administrative unit of DEW. As a consequence:

- DEW assumed responsibility for the staff previously employed under the *NRM Act* by the Board
- all staff are employed by the Chief Executive, DEW under the *Public Sector Act 2009*
- DEW is responsible for the management, supervision, liability, Work Health and Safety and human resources management of the staff that undertake services under the SLA
- staff undertaking services on behalf of the Board are assigned to the Board under the *NRM Act*
- the payment for staff salaries is recharged to the Board under a Fee for Service Arrangement.

On March 20, 2019 the government introduced new legislation - the Landscape South Australia Bill, to drive a significant and enduring reform agenda for natural resources management in South Australia. If enacted, this will replace the current *Natural Resource Management (NRM) Act*. The current NRM arrangements remained unchanged for the 2018-19 financial year. The impact of the proposed Landscapes SA legislation to the operations of the Board during 2019-20 remain unknown.

# **Alinytjara Wilurara Natural Resources Management Board**

## **Notes to and forming part of the financial statements**

### *for the year ended 30 June 2019*

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#### **1.1. Basis of preparation**

The financial statements are general purpose financial statements prepared in compliance with:

- section 23 of the *Public Finance and Audit Act 1987*
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*
- relevant Australian Accounting Standards with reduced disclosure requirements.

For the 2018-19 financial statements the Board adopted *AASB 9 – Financial Instruments* and is required to comply with new *Treasurer's Instructions (Accounting Policy Statements)* issued on 22 March 2019. Further information is provided in note 8.

The financial statements are prepared based on a 12 month reporting period and presented in Australian currency. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

DEW prepares a Business Activity Statement on behalf of the Board under the grouping provisions of the Goods and Services Tax (GST) legislation. Under these provisions, DEW is liable for the payments and entitled to the receipts associated with GST. Therefore the Board's net GST receivable/payable is recorded in DEW's Statement of Financial Position. GST cash flows applicable to the Board are recorded in DEW's Statement of Cash Flows.

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

#### **1.2. Objectives and programs**

The Board serves the Government and the people of South Australia by achieving excellence in the provision of Natural Resources Management.

##### **Board objectives**

Legislatively, the most important role for the Board is to develop a comprehensive natural resources management plan under section 75(1) of the NRM Act. The Board undertakes an active role with respect to the management of natural resources within its region, to prepare and implement a Regional Natural Resources Management Plan and review that Plan to ensure that the objectives of the NRM Act are being achieved.

The Board's role also includes building awareness about NRM programs and projects in the Region, and increasing understanding about the regional challenges and opportunities for NRM within state and federal agencies, non-government organisations, communities and individuals.

The Board sees effective and long-term communication with communities as a high priority task. Engagement is essential to encourage community members to work together in partnerships to lessen the Region's environmental problems and care for the country.

**Alinytjara Wilurara Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

**1.2. Objectives and programs (continued)**

**Board programs**

The Board operates solely in the portfolio area of natural resource management policy and planning. The Board's Plan guides the structure and how the programs are aggregated. As such the Board provides a range of services classified into the following programs:

**People asset**

This theme is to continue to build regional capacity in NRM with a focus on partnerships and 'working together' to manage country and water in the region. Capacity building activities can include awareness raising, knowledge sharing, increasing skills through training, and facilitation and support. It can also include education.

**Country asset**

This theme is to have a strong and healthy country, looking after itself with a helping hand. The strategic directions for the country asset have been influenced by a number of other plans and strategies relating to pest management, fire management, threatened species management, coast and marine planning biodiversity.

**Water asset**

The water asset goal reflects the importance of water being used sustainably and with care to meet the needs of people and country into the future.

The disaggregated disclosures schedule present expenses and income information attributable to each of the activities as reflected in the Board's NRM Plan for the year ended 30 June 2019 and year ended 30 June 2018.

**Disaggregated Disclosures – Expenses and Income**

	People Asset		Country Asset		Water Asset		Total	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Expenses</b>								
Board and committee	83	100	-	-	-	-	83	100
Supplies and services	1 186	1 235	1 193	1 164	-	-	2 379	2 399
Grants and subsidies	-	40	-	80	-	-	-	120
Depreciation	6	6	-	-	-	-	6	6
Other expenses	48	47	-	-	-	-	48	47
<b>Total expenses</b>	<b>1 323</b>	<b>1 428</b>	<b>1 193</b>	<b>1 244</b>	<b>-</b>	<b>-</b>	<b>2 516</b>	<b>2 672</b>
<b>Income</b>								
Commonwealth funding	513	1 401	1 176	-	-	-	1 689	1 401
Grants	1 143	108	249	1 070	-	-	1 392	1 178
Interest	51	53	-	-	-	-	51	53
Other income	13	40	8	-	-	-	21	40
<b>Total income</b>	<b>1 720</b>	<b>1 602</b>	<b>1 433</b>	<b>1 070</b>	<b>-</b>	<b>-</b>	<b>3 153</b>	<b>2 672</b>
<b>Net result</b>	<b>397</b>	<b>174</b>	<b>240</b>	<b>(174)</b>	<b>-</b>	<b>-</b>	<b>637</b>	<b>-</b>

The Board has determined that assets and liabilities cannot be reliably attributed to individual programs.

**Alinytjara Wilurara Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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**2. Board, committees and employees**

**2.1. Key management personnel**

Key management personnel of the Board include the Minister for Environment and Water, the Presiding Member, the Regional Director and the other members of the Board who have responsibility for the strategic direction and management of the Board.

The total compensation for the Board's key management personnel was \$129,000 in 2018-19 and \$154,000 in 2017-18.

The compensation disclosed in this note excludes salaries and other benefits the Minister for Environment and Water receives. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via the Department of Treasury and Finance) under section 6 the *Parliamentary Remuneration Act 1990*.

***Transactions with key management personnel and other related parties***

The Board has a service agreement totalling \$28,755 with an Aboriginal organisation, Far West Mining and Civil (a commercial arm of the Far West Coast Aboriginal Corporation (FWCAC)) during 2018-19 to access the Aboriginal labour workforce to support the delivery of the Board's projects. The chair of the FWCAC is a member of the Alinytjara Wilurara Natural Resources Management Board.

Two members of the Board are also members of the Executive Management of APY Lands with which the Board have some service agreements with for delivering the Regional Land Partnership program. The total value of these service fees is \$248,000.

The Board has an agreement totalling \$45,000 with A.M.Y Environmental Services (a commercial arm of AMYAC Nominees) for the buffel grass project. A board member of the Board is a member of AMYAC nominees.

The Board also has a service agreement of \$24,000 with Yalata Community Inc. to support the Board in delivering the National Landcare Program. A member of the Board is also a member of the Yalata Community Council.

**2.2. Board and committee members**

Members during the 2018-19 financial years were:

**The Board**

A P Agius (Presiding member, retired February 2019)  
A W Baker (appointed June 2019)  
D Hansen  
M T Haynes (Presiding member, appointed February 2019)  
P P Miller (appointed April 2019)  
J O'Toole  
K M Richards  
S Scales (appointed June 2019)  
M J Smart

**Audit and Risk Management Committee**

A P Agius (Chair, retired February 2019)  
M T Haynes (Chair, appointed February 2019)  
D Hansen  
S Scales  
P P Miller (appointed June 2019)  
L Feuerherdt\* (appointed March 2019)  
M Healy\* (retired February 2019)

\* In accordance with the Department of the Premier and Cabinet's Circular Number PC016, government employees did not receive any remuneration for board/committee duties during the financial year.

**Alinytjara Wilurara Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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**2.2. Board and committee members (continued)**

The number of members whose remuneration received or receivable falls within the following bands

	2019	2018
\$0 - \$19 999	10	10
\$20 000 - \$39 999	1	1
<b>Total number of members</b>	<b>11</b>	<b>11</b>

Remuneration of members reflects all costs of performing board/committee member duties including sitting fees, superannuation contributions, salary sacrifice benefits and fringe benefits, and any FBT paid or payable in respect of those benefits. The total remuneration received or receivable by members was \$58 000 (2018: \$75 000).

For the purposes of this table, travel allowances and other out-of-pocket expenses paid to members have not been included as remuneration as it is considered to be reimbursement of direct out-of-pocket expenses incurred by relevant members. These expenses in addition to Payroll Tax amount to \$25 000 (2018: \$25 000).

**3. Expenses**

**3.1. Supplies and services**

	2019	2018
	\$'000	\$'000
Fee for service - Board funded DEW salaries	959	1 143
Fee for service	786	566
Fee for service - corporate services fee	188	62
Travel and accommodation	118	168
Accommodation and property management	71	79
Motor vehicles	56	109
Fee for service - Shared Services SA fee	40	40
Minor works, maintenance and equipment	34	44
Information technology and communication	24	27
Staff development	23	36
General administration	18	38
Other	62	87
<b>Total supplies and services</b>	<b>2 379</b>	<b>2 399</b>

**Operating leases payments**

Operating lease payments (less any lease incentives) are recognised on a straight-line basis over the lease term.



**Alinytjara Wilurara Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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**3.2. Grants and subsidies**

	2019	2018
	\$'000	\$'000
Recurrent grants	-	120
<b>Total grants provided</b>	<b>-</b>	<b>120</b>

**3.3. Depreciation and amortisation**

	2019	2018
	\$'000	\$'000
<b>Depreciation</b>		
Vehicles	4	4
Plant and equipment	2	2
<b>Total depreciation and amortisation</b>	<b>6</b>	<b>6</b>

All non-current assets, having a limited useful life, are systematically depreciated/amortised over their useful lives in a manner that reflects the consumption of their service potential.

***Review of accounting estimates***

Assets' residual values, useful lives and depreciation methods are reviewed and adjusted if appropriate, on an annual basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate, which is a change in accounting estimate.

***Useful life***

Depreciation is calculated on a straight line basis over the estimated useful life of the following classes of assets as follows:

<b>Class of asset</b>	<b>Useful life (years)</b>
Vehicles	5
Plant and equipment	5 - 10

**3.4. Other expenses**

	2019	2018
	\$'000	\$'000
Audit fees paid/payable to the Auditor-General's Department	48	47
<b>Total other expenses</b>	<b>48</b>	<b>47</b>

**Alinytjara Wilurara Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

**4. Income**

**4.1. Commonwealth funding**

	2019	2018
	\$'000	\$'000
<b>Commonwealth funding</b>		
Regional Land Partnerships Program*	1 689	-
National Landcare Program received through DEW**	-	1 401
<b>Total Commonwealth funding</b>	<b>1 689</b>	<b>1 401</b>

	2019	2018
	\$'000	\$'000
<b>* Regional Land Partnerships Program funding consists of the following components</b>		
Nganamara (Malleefowl) Adaptive Management in the Great Victorian Desert, South Australia	666	-
Core services	514	-
Improving Vegetation Cover for Soil Erosion and Biodiversity Outcomes in APY Pastoral Areas, South Australia	349	-
Undertaking Management Interventions to Maintain the Hooded Plover Population Along the Remote Yalata Coastline, South Australia	150	-
Translocation and Population Management of Warru (Black-Footed Rock-Wallaby) into Former Habitats within the APY Lands, South Australia	5	-
Sustainable Pastoral Development in APY Pastoral Areas, South Australia	5	-
<b>Total Regional Land Partnership funding</b>	<b>1 689</b>	<b>-</b>

	2019	2018
	\$'000	\$'000
<b>** National Landcare Program funding consists of the following components</b>		
Culture and Conservation: Landscape Ecosystem Management in the AW NRM Region	-	718
Strong People, Strong Country: Balancing Culture, Caring for Country and Production	-	270
Community, Conservation & Culture: Building Indigenous Capacity to Deliver NRM	-	263
Delivery of a Regional Landcare Facilitator in the Alinytjara Wilurara Region	-	150
<b>Total National Landcare Program funding</b>	<b>-</b>	<b>1 401</b>

Contributions are recognised as an asset and income when the Board obtains control of the contributions or obtains the right to receive the contributions and the income recognition criteria are met.

There are no contributions received that have conditions of expenditure still to be met as at reporting date.

The National Landcare Program (Phase 1) was funded by the Australian Government over four years from 2014-15 to 2017-18. Commonwealth funding was provided to ensure that on-ground works on important national environmental issues continued with the help of local communities.

From 1 July 2018, the Australian Government has commenced the Regional Land Partnership (National Landcare Program Phase 2). The funding will support vital on-ground environment and agricultural projects that offer benefits to the environment, farms and communities.

**Alinytjara Wilurara Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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**4.2. Grant revenues**

	2019 \$'000	2018 \$'000
<b>Grant revenues from SA Government</b>		
State Government recurrent funding	1 144	1 113
Desert Support Services (DSS)	192	-
Native Vegetation Council - SEB/Bufel Grass Project	56	65
<b>Total grant revenues from SA Government</b>	<u>1 392</u>	<u>1 178</u>
<b>Total grant revenues</b>	<u><u>1 392</u></u>	<u><u>1 178</u></u>

Contributions are recognised as an asset and income when the Board obtains control of the grants or obtains the right to receive the grants and the income recognition criteria are met.

Contributions that have conditions of expenditure still to be met as at reporting date were \$73 000 (2018: nil).

*State Government recurrent funding*

Recurrent grant funding is provided to the Board via the NRM Fund, to deliver core operational and governance requirements, in accordance with the NRM Act and the Board's Business Plan. The continued existence of the Board in its present form is dependent on government funding.

*Native Vegetation Council*

The Board also receives grant funding from the Native Vegetation Council (NVC) for the significant environmental benefit (SEB) grant to destroy buffel grass south of APY lands in the AW region.

*Desert Support Services*

The Board received a grant funding from Deserts Support Services (DSS) Pty Ltd from 2018-19 to 2022-23 to facilitate the involvement of Aboriginal Organisations in the AW regions to participate in the project and deliver on-ground works.

**4.3. Interest**

	2019 \$'000	2018 \$'000
Interest revenues from entities within the SA Government	51	53
<b>Total Interest revenues</b>	<u>51</u>	<u>53</u>

**4.4. Other income**

	2019 \$'000	2018 \$'000
Recoup of expenses and other recoveries	13	40
Sale of professional services	8	-
<b>Total other income</b>	<u>21</u>	<u>40</u>

Other income includes reimbursement income related to the operating activities of the Board and sales of professional services. Other income is recognised when the service has been performed.

**Alinytjara Wilurara Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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**5. Non-financial assets**

**5.1. Property, plant and equipment**

	2019 \$'000	2018 \$'000
<b>Vehicles</b>		
Vehicles at cost (deemed fair value)	17	37
Accumulated depreciation	(11)	(27)
<b>Total vehicles</b>	<u>6</u>	<u>10</u>
<b>Plant and equipment</b>		
Plant and equipment at cost (deemed fair value)	77	77
Accumulated depreciation	(65)	(63)
<b>Total plant and equipment</b>	<u>12</u>	<u>14</u>
<b>Total property, plant and equipment</b>	<u><u>18</u></u>	<u><u>24</u></u>

Property, plant and equipment with a value equal to or in excess of \$10 000 is capitalised, otherwise it is expensed.

Property, plant and equipment is recorded at fair value. Detail about the Board's approach to fair value is set out in note 10.1.

The Board has donated 1 John Deere asset to Oak Valley (Maralinga) Aboriginal Corporation for nil consideration.

***Impairment***

There were no indications of impairment of property, plant and equipment as at 30 June 2019.

***Reconciliation 2018-19***

	Vehicles \$'000	Plant and equipment \$'000	Total \$'000
Carrying amount at 1 July 2018	10	14	24
Depreciation expense	(4)	(2)	(6)
<b>Carrying amount at 30 June 2019</b>	<u><u>6</u></u>	<u><u>12</u></u>	<u><u>18</u></u>

**Alinytjara Wilurara Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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**6. Financial assets**

**6.1. Cash and cash equivalents**

	2019	2018
	\$'000	\$'000
Deposits with the Treasurer	3 138	3 374
<b>Total cash and cash equivalents</b>	<b>3 138</b>	<b>3 374</b>

Cash is measured at nominal value.

Deposits at call and with the Treasurer earn a floating interest rate, based on daily bank deposit rates.

**6.2. Receivables**

	2019	2018
	\$'000	\$'000
<b><u>Current</u></b>		
Receivables from non-government entities	1	12
Accrued revenues	979	4
<b>Total current receivables</b>	<b>980</b>	<b>16</b>
<b>Total receivables</b>	<b>980</b>	<b>16</b>

Receivables arise in the normal course of selling goods and services to other government agencies and to the public. Receivables are normally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement. Receivables, prepayments and accrued revenues are non-interest bearing.

Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

**7. Liabilities**

**7.1. Payables**

	2019	2018
	\$'000	\$'000
<b><u>Current</u></b>		
Trade payables	435	360
Accrued expenses	89	79
<b>Total current payables</b>	<b>524</b>	<b>439</b>
<b>Total payables</b>	<b>524</b>	<b>439</b>

Payables and accruals are raised for all amounts owing but unpaid. Sundry payables are normally settled within 30 days from the date the invoice is first received. All payables are non-interest bearing. The carrying amount of payables represents fair value due to their short-term nature.

**Alinytjara Wilurara Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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**8. Changes in accounting policy**

**8.1. Treasurer's Instructions (Accounting Policy Statements)**

On 22 March 2019 the *Treasurer's Instructions (Accounting Policy Statements) 2019* were issued by the Treasurer under the *Public Finance and Audit Act 1987*. The Accounting Policy Statements replaced the following Accounting Policy Frameworks:

- Purpose and Scope
- General Purpose Financial Statements Framework
- Asset Accounting Framework
- Financial Asset and Liability Framework
- Income Framework
- Definitions.

The new Accounting Policy Statements have largely been prepared on a no-policy change basis. Changes that impact on these financial statements are:

- removal of the additional requirement to report transactions with the SA Government
- removal of the additional requirement to report a statement of equity for administered items
- increasing the bands from \$10,000 to \$20,000 for employee and board member reporting.

These changes, however, do not impact on the amounts reported in the financial statements.

**8.2. AASB 9 Financial instruments**

AASB 9 Financial Instruments replaces the provisions of AASB 139 that relate to recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. The adoption of AASB 9 from 1 July 2018 resulted in changes in accounting policies and adjustments to the amounts recognised in financial statements.

The adoption of AASB 9 has not had a significant effect on the recognition, measurement or classification of financial liabilities.

**Alinytjara Wilurara Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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**9. Outlook**

**9.1. Unrecognised contractual commitments**

Commitments include operating arrangements arising from contractual or statutory sources and are disclosed at their nominal value.

***Expenditure commitments***

The Board's expenditure contracted for at the reporting date but not recognised as liabilities are payable as follows:

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Within one year	189	64
<b>Total other commitments</b>	<b>189</b>	<b>64</b>

Contracts have been entered into for the completion of various projects. The value of these projects is not reflected in the Statement of Comprehensive Income and Statement of Financial Position.

**9.2. Contingent assets and contingent liabilities**

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

The Board is not aware of the existence of any contingent assets or liabilities.

**9.3. Events after the reporting period**

There were no events occurring after the end of the reporting period that have material financial implications on these financial statements.

**Alinytjara Wilurara Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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**10. Measurement and risk**

**10.1. Fair Value**

AASB 13 Fair Value Measurement defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, in the principal or most advantageous market, at the measurement date.

***Initial recognition***

Non-current assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition.

Where assets are acquired at no value, or minimal value, they are recorded at their fair value in the Statement of Financial Position. However, if the assets are acquired at no or nominal value as part of a restructure of administrative arrangements, then the assets are recognised at book value (i.e. the amount recorded by the transferor public authority immediately prior to the restructure).

***Revaluation***

Property, plant and equipment are subsequently measured at fair value after allowing for accumulated depreciation.

The revaluation process is reviewed by the Regional Director and audit committee each year.

Non-current tangible assets are valued at fair value and revaluation of a non-current asset, or group of assets, is only performed when its fair value at the time of acquisition is greater than \$1.5 million and estimated useful life is greater than 3 years.

As the Board does not hold assets that meet these criteria, assets have not been revalued.

**10.2. Financial instruments**

***Financial risk management***

Risk management is managed by the Board's corporate services section and Board risk management policies are in accordance with the *Risk Management Policy Statement* issued by the Premier and Treasurer and the principles established in the Australian Standard *Risk Management Principles and Guidelines*.

The Board's exposure to financial risk (liquidity, credit and market) is insignificant based on past experience and current assessment of risk.

***Liquidity risk***

The Board is funded principally from contributions from Commonwealth government and State government agencies toward various activities of the Board.

There have been no changes in risk exposure since the last reporting period.

***Categorisation of financial instruments***

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed the respective financial asset/financial liability note.



**Alinytjara Wilurara Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

**10.2. Financial instruments (continued)**

***Classification applicable until 30 June 2018 under AASB 139 Financial Instruments: Recognition and Measurement***

The carrying amounts are detailed below of each of the following categories of financial assets and liabilities:

- Loan and receivables
- Financial liabilities measured at cost.

***Classification applicable from 1 July 2018 under AASB 9 Financial Instruments***

On initial recognition, a financial asset is classified as measured at amortised cost, fair value through other comprehensive income (FVOCI) – debt instrument, FVOCI – equity instrument or fair value through profit or loss.

A financial asset is measured at amortised cost if it meets both of the following conditions:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest only on the principal amount outstanding.

The Board measures all financial instruments at amortised cost.

	2019	2018
	Carrying amount	Carrying amount
Category of financial asset and financial liability	\$'000	\$'000
<b><u>Financial assets</u></b>		
<b>Cash and cash equivalents</b>		
Cash and cash equivalents	3 138	3 374
<b>Financial assets at amortised cost</b>		
Receivables	980	16
<b>Total financial assets</b>	<b>4 118</b>	<b>3 390</b>
<b><u>Financial liabilities</u></b>		
<b>Financial liabilities at amortised cost</b>		
Payables	471	392
<b>Total financial liabilities</b>	<b>471</b>	<b>392</b>

The receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables (for example, Commonwealth, State and Local Government taxes, fees and charges; Auditor-General's Department audit fees). In government, certain rights to receive or pay cash may not be contractual and therefore in these situations, the requirements will not apply. Where rights or obligations have their source in legislation such as levies, tax and equivalents, they would be excluded from the disclosure. The standard defines contract as enforceable by law. All amounts recorded are carried at amortised cost.