



**Government
of South Australia**

HOUSE OF ASSEMBLY
LAID ON THE TABLE

14 Nov 2018



Native Vegetation Council

Native Vegetation Council 2017-18 Annual Report

Native Vegetation Council

Level 9, 81-95 Waymouth Street, Adelaide SA 5000

www.the Council .sa.gov.au

Contact phone number +61 8 8207 7728

Contact email the Council @sa.gov.au

ISSN 1838-4390 (print)
1838-4404 (online)

Date presented to Minister: 31 October 2018

To:
David Speirs MP
Minister for Environment and Water

This annual report is presented to Parliament to meet the statutory reporting requirements of the *Public Sector Act 2009*, the *Public Sector Regulations 2010*, the *Public Finance and Audit Act 1987* and section 17 of the *Native Vegetation Act 1991* and meets the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.

This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.

Submitted on behalf of the Native Vegetation Council by:

Emily Jenke

Presiding Member



Signature

16/10/18

Date

Contents

Contents.....	3
Section A: Reporting required under the <i>Public Sector Act 2009</i>, the <i>Public Sector Regulations 2010</i> and the <i>Public Finance and Audit Act 1987</i>.....	4
Native Vegetation Council purpose or role.....	4
Objectives	4
Key strategies and their relationship to SA Government objectives	5
Agency programs and initiatives and their effectiveness and efficiency	5
Legislation administered by the agency	10
Organisation of the agency	10
Other agencies related to this agency (within the Minister's area/s of responsibility)	10
Employment opportunity programs	10
Agency performance management and development systems	11
Work health, safety and return to work programs of the agency and their effectiveness ...	11
Work health, safety and return to work performance.....	11
Fraud detected in the agency	12
Strategies implemented to control and prevent fraud.....	12
Whistle-blowers' disclosure	12
Executive employment in the agency	12
Consultants.....	13
Financial performance of the Native Vegetation Council.....	13
Other financial information.....	14
Other information requested by the Minister(s) or other significant issues affecting the agency or reporting pertaining to independent functions.....	16
Section B: Reporting required under any other act or regulation	18
Section C: Reporting of public complaints as requested by the Ombudsman. 18	
Summary of complaints by subject	18
Complaint outcomes.....	18
Appendix: Audited financial statements 2016-17	19

Section A: Reporting required under the *Public Sector Act 2009*, the *Public Sector Regulations 2010* and the *Public Finance and Audit Act 1987*

Native Vegetation Council purpose or role

A primary function of Native Vegetation Act 1991 (the Act) is to protect and enhance the natural environment of South Australia, to contribute to a healthy economy by being a place where people want to visit, live and enjoy; and to honour the legacy of the traditional custodians of the land.

The Native Vegetation Council (the Council) provides a valuable mechanism for government to connect with communities and industry where consultation, engagement and decisions on complex clearance matters are made. Importantly, the government can obtain professional and unbiased advice from the Council on the contemporary issues facing communities who actively manage native vegetation.

Since the first Native Vegetation Management Act was introduced in South Australia in 1985, the way the Act is administered has significantly evolved. The legislation was the first of its kind in Australia and has had general bipartisan support.

The Act was designed to prevent broad scale clearance of native vegetation and associated landscape degradation. Through incremental changes and modernisation of the Act over time, the way the Council conducts its business in the year 2018 is focussed on engaging with people, corporates, and government agencies involved in vegetation management and large scale projects.

The key role of the Council is in finding the right balance between facilitating economic growth for South Australia, through engaging with clearance proponents and stakeholder groups. The challenge for the Council is in ensuring that the values being lost in the environment are being replaced elsewhere in the State by facilitating the offsetting process.

Objectives

The Council provides decisions that seek to further the objects of the Act, this includes the following.

- Review the condition of the native vegetation of the State.
- Advise the Minister in relation to—
 - (a) the preservation, enhancement and management of existing native vegetation
 - (b) the re-establishment of native vegetation on land where native vegetation has been cleared or degraded
 - (c) research into the preservation, enhancement and management of native vegetation and the re-establishment of native vegetation on cleared land.
- Keep the principles of clearance of native vegetation under review and to advise the Minister of any changes to the principles that it considers are necessary or desirable.
- Determine applications for consent to clear native vegetation under Part 5 of the Act.
- Assess and respond to applications referred to Council under the *Development Act 1993*.
- Encourage research into the preservation, enhancement and management of existing native vegetation.
- Encourage the re-establishment of native vegetation on land from which native vegetation has been cleared.
- Administer the Native Vegetation Fund pursuant to Division 3 of the Act.
- Such other functions as are assigned to the Council under this or any other Act.

Key strategies and their relationship to SA Government objectives

Key strategy	SA Government Election Commitments
Establish and maintain strong partnerships with land managers, industry and non-government organisations to ensure mutual understanding and acceptance of issues and their resolutions.	Community satisfaction with government services.
Reinvigorate community leadership, utilise local knowledge and expertise in the management of the states unique landscape.	Reforming natural resource management.

Agency programs and initiatives and their effectiveness and efficiency

Program name	Indicators of performance/effectiveness/efficiency	Outcome for South Australia
Offsetting native vegetation loss (Significant Biodiversity Offset Program)	<p>4,111 hectares of native vegetation has been cleared through approved activities. To offset this loss 1,446 hectares of direct on-ground works has been delivered by the private sector throughout regional South Australia. A further \$1.2 million has been invested, across six regions to deliver on-ground projects to re-establish native vegetation to offset the vegetation that was removed.</p> <p>Further offset outcomes were achieved through the purchase of high quality native vegetation within a 57 hectare property adjacent to Charleston Conservation Park and a 31 hectare property adjacent to Kaiserstuhl Conservation Park in the Adelaide Hills.</p> <p><i>The Native Vegetation (Credit for Environmental Benefits) Regulations 2015</i> became fully operational on 1 July 2017. This enabled a new private sector biodiversity offset program as a market based solution to offsetting native vegetation clearance in South Australia. In</p>	<p>Environmental impacts are offset which will maintain and improve South Australia's native vegetation.</p> <p>The purchase of the properties will provide more access for the community to enjoy their parks while improving South Australia's environmental assets.</p> <p>The private sector biodiversity offset program provides an opportunity to expand their business by providing environmental services for public and private sectors who require offsets.</p> <p>The private sector biodiversity offset program provides them with opportunities to expand their business by providing environmental services for public and private sectors who require offsets.</p>

	<p>April 2018, the Council endorsed the Nature Foundation South Australia (NFSA), the first to be accredited, as Third Party Provider.</p> <p>Additional clarity has also been provided to the minerals and petroleum Industry through the release of the 'Guide for Significant Environmental Benefit (SEB) for clearance of native vegetation associated with the Minerals and Petroleum Industry July 2017.' This was released in August 2017 to the Department of the Premier and Cabinet (Minerals and Petroleum Division) in relation to Regulation 14 - Clearance for mining and petroleum activities and Regulation 15 - Clearance for exploratory operations.</p>	
<p>Private Land Conservation Program (Native Vegetation Heritage Agreements)</p>	<p>During 2017-18, 10 new heritage agreements applications were received. 15 requests for variations and subdivisions to existing heritage agreements were received. Two heritage agreements were registered by the Minister or his delegate. Over 1 million hectares of vegetation are protected through heritage agreements.</p> <p>In 2017-18 the Council expended \$24,678 on reinstating 16.3 kms of fencing across three Heritage Agreements and in doing so contributed to the ongoing conservation and protection of a total of 419.5 hectares.</p>	<p>The Heritage Agreement program provides land valuation reduction for those South Australian's who have voluntarily entered into conservation agreements.</p> <p>Supporting landholders in managing the impacts of bushfires through reinstating fences to maintain property boundaries.</p>

<p>Native Vegetation Change Detection Program (CDP)</p>	<p>Satellite imagery is obtained over each region of the State at regular intervals providing a series of geographically and spectrally calibrated images of the same location across a period of time. On an average, 20-30% of alleged native vegetation clearances annually are detected via the Native Vegetation Change Detection Program (CDP).</p> <p>Analysis of satellite and aerial imagery detected 2,250 hectares of vegetation change over the agricultural areas of the state. Further examination was undertaken to eliminate any legitimate clearance including approved or exempt clearance as well as natural events like wildfires which reduced the area to 177 hectares, the largest single clearance event detected was 60 hectares within a Heritage Agreement Area.</p>	<p>Environmental sustainability is promoted in regional South Australia by ensuring people wishing to clear native vegetation seek approval and provide an offset when required. For those that do not seek approval and have breached the Native Vegetation Act, that they are treated fairly and equitably through a compliance process.</p>
---	---	--

<p>Environmental approvals (Native Vegetation Assessments)</p>	<p>The Native Vegetation Assessments program provides certainty to the community and business who require to clear vegetation by providing timely and practical advice. The process has been improved by implementing the <i>Native Vegetation Regulations 2017</i> which commenced operation on 1 July 2017.</p> <p>The new regulations consolidated 39 clearance activities into four major approval pathways:</p> <ol style="list-style-type: none"> 1. Permitted clearance (self-assessment approach) – 16 activities. 2. Fire Hazard Reduction – 5 activities. 3. Vegetation Management plans – 4 activities. 4. Risk assessment – 14 activities (including major Developments and Projects, and mining and exploration activities). <p>Several regulations have also been combined, and are now covered by regulation 11(24) <i>'Maintenance of existing Agriculture, Forestry or Farming'</i>.</p> <p>Additional guidance to land managers is also available in the Guideline for <i>'Maintenance of existing Agriculture'</i>, which was released in February 2018.</p> <p>Since October 2017 the process for applying to clear native vegetation is through an online application portal and interactive guide to native vegetation clearance.</p>	<p>Quick and simple assessment, improved clarity for the public and streamline administration of the Act.</p> <p>Transparency has improved for the community with the ability for interested organisations or members of the public to make comment on proposed 'level 4' (high impact) clearances.</p> <p>The changes to maintaining agriculture, forestry or farming has reduced costs for South Australian's as they do not require to provide an offset or application fee to lodge the management plan.</p> <p>The public is now equipped with more tools to assist in determining the information required and the pathway that applies. This allows the public a quicker process of obtaining approval. The portal https://apps.environment.sa.gov.au/nvmu/ helps users navigate their way through the application process.</p>
--	---	---

	<p>The Council endorsed the Cooper Basin Rangeland Desktop Assessment Tool. This will assist petroleum related companies operating within the Cooper-Eromanga Basin in assessing and determining the SEB requirements in a more efficient and cost effective manner.</p> <p>As part of the SEB Policy and Guide, a quantitative vegetation assessment method was developed for the arid region of the State. The <i>'Rangelands Assessment Manual'</i> was released August 2017. The rangeland region of South Australia includes the South Australia Arid Lands and the Alinytjara Wilurara NRM regions. The assessment method is equivalent to the Bushland Assessment Method for the agricultural regions of the State.</p> <p>The Council recognised the need for developing a method for calculating SEB offsets for marine environments. This has been achieved through the adoption of the <i>'Marine Methodology for a Significant Environmental Benefit'</i> which was endorsed by the Council in February 2018.</p> <p>The Council approved clearance for a renewable energy plant near Port Augusta. The clearance of native vegetation across 1,111 hectares and a proposed offset payment of \$2,439,061 will be the largest non-mining related clearance approved in the past 5 years.</p>	<p>The new assessment method improves efficiency and lowers costs for industry.</p> <p>The Rangelands Assessment Manual provides for a consistent vegetation assessment method for the rangelands, opportunities for regular pastoral assessments to include monitoring of SEB area and a more rapid and suitable assessment method.</p> <p>Provides the community and industry a robust and transparent process in calculating native vegetation impacts within marine environments.</p> <p>The project will create 250 jobs for South Australia.</p>
--	--	--

Strategic Engagement	<p>Following the successful accreditation of consultants and training in May 2017, the Council supported further training over three days for 20 new consultants and nine previously trained consultants. Training was conducted in:</p> <ul style="list-style-type: none"> - Assessment and Application Process - Bushland Assessment Method - Scattered Tree Assessment Method - Rangeland Assessment Method 	<p>Accreditation and training are important for providing greater clarity and certainty for clearance proponents, Third Party SEB providers and the general public through the native vegetation management process. The training involved consultants, non-government staff, regional staff and local government staff.</p>
----------------------	--	--

Legislation administered by the agency

The Native Vegetation Council is responsible for complying with the *Native Vegetation Act 1991*, *Native Vegetation Regulations 2017* and *Native Vegetation (Credit for Environmental Benefit) Regulations 2015*.

Organisation of the agency

In accordance with section 8 of the Act, the Council consists of seven members appointed by the Minister.

The current membership of the Council has been appointed for a two-year period, expiring on 13 September 2019. The Council membership, meeting attendance and remuneration details are recorded by the Boards and Committee Unit, DPC and can be view at <http://www.dpc.sa.gov.au/what-we-do/services-for-government/boards-and-committees-administration>

Other agencies related to this agency (within the Minister's area/s of responsibility)

Department for Environment and Water (DEW)

Employment opportunity programs

The Council has no staff of its own and utilises the services of DEW. Reporting on this matter is contained in the DEW Annual Report 2017-18.

Executive, administrative and project support were provided to the Council from existing DEW resources.

Agency performance management and development systems

Performance management and development system	Assessment of effectiveness and efficiency
The Council undertakes a performance review every two years, including evaluation of its effectiveness and governance responsibilities.	Effectively undertaken 6 November 2017
Government employees supporting the Council operations undertake a performance review and development program with their managers.	Two sessions are held on an annual basis. This is considered to be effective

Work health, safety and return to work programs of the agency and their effectiveness

Occupational health, safety and rehabilitation programs	Effectiveness
The Council abides by the relevant health and safety policies and procedures that have been adopted by DEW to meet whole of Government and legislative requirements.	Reporting on this matter is contained within the DEW Annual Report 2017-18

Work health, safety and return to work performance

Workplace injury claims	2017-18	2016-17	% Change (+ / -)
Reporting on this matter is contained within the DEW Annual Report 2017-18			
Total new Workplace injury claims	0	0	0
Fatalities	0	0	0
Seriously injured workers*	0	0	0
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	0	0	0
Work health and safety regulation			
Reporting on this matter is contained within the DEW Annual Report 2017-18			
Number of notifiable incidents (<i>WHS Act 2012, Part 3</i>)	0	0	0
Number of provisional improvement, improvement and prohibition notices (<i>WHS Act 2012 Sections 90, 191 and 195</i>)	0	0	0

Workplace injury claims	2017-18	2016-17	% Change (+ / -)
Reporting on this matter is contained within the DEW Annual Report 2017-18			
Return to work Costs**			
Reporting on this matter is contained within the DEW Annual Report 2017-18.			
Total Gross workers compensation expenditure (\$)	0	0	0
Income support payments – gross (\$)	0	0	0

*number of claimants assessed during the reporting period as having a whole person impairment of 30% or more under the *Return to Work Act 2014* (Part 2 Division 5)

**before third party recovery

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/native-vegetation-council-annual-report-data>

Fraud detected in the agency

Category/nature of fraud	Number of instances
It is declared that there were no instances of fraud detected in the activities undertaken by the Council in this reporting period.	0

Strategies implemented to control and prevent fraud

Strategies to detect instances of fraud are reported in the DEW Annual Report 2017-18.

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/native-vegetation-council-annual-report-data>

Whistle-blowers' disclosure

Disclosure	Number of instances
Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the <i>Whistle-blowers' Protection Act 1993</i>	0

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/native-vegetation-council-annual-report-data>

Executive employment in the agency

Executive classification	Number of executives
SAES Level 1	0

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/native-vegetation-council-annual-report-data>

The [Office of the Commissioner for the Public Sector Employment](#) has a [data dashboard](#) for further information on the breakdown of executive gender, salary and tenure by agency.

Consultants

The following is a summary of external consultants that have been engaged by the agency, the nature of work undertaken and the total cost of the work undertaken.

Consultants	Purpose	Value
Consultancies below \$10,000 each		
Kerri Muller NRM Pty Ltd	Kangaroo Island Native Vegetation Roadside Management Plan	\$2000.00
	Subtotal	\$2000.00
Consultancies above \$10,000 each		
Nil	Nil	0
Total all consultancies		\$2000.00

Data is available at: <https://data.sa.gov.au/data/dataset/native-vegetation-council-annual-report-data>

See also the Consolidated Financial Report of the Department of Treasury and Finance <http://treasury.sa.gov.au/> for total value of consultancy contracts across the SA Public Sector.

Contractors

The following is a summary of external contractors that have been engaged by the agency, the nature of work undertaken and the total cost of the work undertaken.

Contractor	Purpose	Value
Hays Recruitment	Shared Services SA temporary labour hire – Native Vegetation Council Incentives Program	\$143,000.00

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/native-vegetation-council-annual-report-data>

The details of all South Australian Government-awarded contracts for goods, services and works are displayed on the SA Tenders and Contracts website at:

<https://www.tenders.sa.gov.au/tenders/contract/list.do?showSearch=false&action=contract-search-submit&issuingBusinessId=191>

The website also provides details of Across Government Contracts at: <http://extra.dpc.sa.gov.au/StrategicContracts/Pages/Strategic-Contracts.aspx>

Financial performance of the Native Vegetation Council

The Native Vegetation Fund (the Fund), established by the Act, consists of an annual allocation appropriated by Parliament, plus clearance application fees, SEB payments, penalties from civil and summary enforcement proceedings. Monies are made available for fencing of heritage agreement areas following bushfire destruction, research into the preservation, large scale conservation, restoration and management of native vegetation once established or reinstated on cleared land.

The following is a brief summary of the overall financial position of the Fund. The information is unaudited. Refer to the Appendix for 2017-18 audited financial statements.

Native Vegetation Fund 30 June 2018

	2018
	\$'000
Expenses	
Supplies and services	234
Grants and subsidies	1 655
Other	660
Total expenses	2 079
Income	
Fees and charges	2 063
Interest	85
Other Income	-
Total income	2 148
Net benefit from / (cost of) providing services	(401)
Revenue from / (payments to) SA Government	
Revenues from SA Government	1 138
Total revenues from SA Government	1 138
Net result	737
Total comprehensive result	737

Other financial information

Clearance of native vegetation

During 2017-18, under the Native Vegetation Act, 18 clearance applications were approved with clearance consent being granted over 42.99 hectares of native vegetation and 62 trees.

For the financial year 2017-18, SEB's established to offset the above clearance included the management or restoration of 776 hectares of native vegetation and agreed payments into the Native Vegetation Fund of \$111 019.

Consistent with the Native Vegetation Regulations, 176 clearance matters were approved. The total of approved clearance of native vegetation, under the Regulations, for this reporting period was 4 069 hectares and 735 trees.

A number of the Regulations required the establishment of an SEB. During the 2017-18 financial year, agreed payments into the Native Vegetation Fund totalled \$8 497 684. Clearance requirement of an on ground SEB offset totalled 1 500.78 hectares.

It should be noted that there is an ability to clear under the Regulations that does not require consultation with the Council, for example clearance within 10 metres around a prescribed building or structure, clearance to establish or maintain a walking track no more than 0.5 metres in width for private use. Hence the amount of such clearances is unknown.

In addition to the above, DEW conducted 34 prescribed burns, totalling a burn area of 959.8 hectares, to strategically reduce fire fuel hazards in areas of South Australia's parks and reserves.

To mitigate the risk of inappropriate fire regimes or bushfire impacting on life, property, culture and cultural and/or environmental values and assets, the Witjira Waru Pulka Fire Management Strategy was approved in June 2018.

The reports below can be viewed at: <https://data.sa.gov.au/data/dataset/native-vegetation-council-annual-report-data>

Clearance	Financial Year 2016-17	Financial Year 2017-18
Clearance Application under section 28	34	18
Hectares under section 28	260.31	42.99
Trees under section 28	242	62
Clearances under Regulations	175	176
Hectares under Regulations	2145.05	4069
Trees under Regulations	808	735
\$ SEB under Regulations	2 989 082.43	8 497 684.77
\$ SEB under section 28	156 268.50	111 018.91
Hectares SEB offset under Regulations	3330.41	1500.78
Hectares SEB offset under section 28	987.33	774.08

Table 1: Clearance statistics for comparison of financial year 2016-17 and 2017-18

Organisation with delegated officers	No of clearance decisions	Ha Native Vegetation cleared	Trees Removed	Committed SEB \$
DSD Mining	10	3090.58	9	566 467.45
DSD Energy	3	178.23	0	0
SA Water	19	529.08	8	20 440.50
DPTI	48	292.15	546	446 849.69
Forestry SA	4	122.2	0	0
ElectraNet	0	0	0	0
SA CFS	15	151.7	15	0

Table 2: Clearance decisions under Regulations by delegation 2017-18

Note: DSD Energy achieved 711ha on-ground payment to a third party provider.

NRM Region	No of Clearance Decisions	Ha Native Vegetation cleared	Trees Removed	Committed SEB \$	Committed SEB ha
Adelaide & Mount Lofty Ranges	62	90.78	341	913 418	195.88
Alinytjara Wilurara	2	1.5	0	1626.4	0
Eyre Peninsula	13	528.61	300	1 422 724.48	87.0
Kangaroo Island	8	1.34	0	130 133.63	18.91
Northern and Yorke	21	1166.74	13	2 547 047.71	0
SA Murray Darling Basin	51	1332.26	70	2 508 496.56	361.47
South Australian Arid Lands	13	863.78	0	952 765.74	63.44
South East	6	83.99	11	21,472.25	0

Table 3: Clearance decisions under Regulation by NRM Region 2017-18

NRM Region	No of Clearance Decisions	Ha Native Vegetation Cleared	Trees Removed	Committed SEB \$	Committed SEB Ha
Adelaide and Mount Lofty Ranges	8	3.23	27	16 740.65	31.76
Alinytjara Wilurara	0	0	0	0	0
Eyre Peninsula	2	1	24	6037.17	740
Kangaroo Island	0	0	0	0	0
Northern and Yorke	1	0	0	0	0
SA Murray Darling Basin	3	38.76	2	82 130.14	0
South Australian Arid Lands	0	0	0	0	0
South East	4	0	9	6110.95	2.32

Table 4: Clearance decisions under section 28 by NRM Region 2017-18

Other information requested by the Minister(s) or other significant issues affecting the agency or reporting pertaining to independent functions

Reports received in 2017-18 for alleged illegal clearance

During the 2017-18 financial year the Compliance Unit received 143 reports of potential clearance of native vegetation contrary to the *Native Vegetation Act 1991*. The reports are presented according to each NRM Region, alongside data for the five preceding financial years and can be view at: <https://data.sa.gov.au/data/dataset/native-vegetation-council-annual-report-data>

NRM Region *Total includes CDP	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Adelaide & Mount Lofty Ranges	61	60	21	29	30	38 (2%)
Alinytjara Wilurara		1			0	0 (0%)
Eyre Peninsula	17	22	34	11	32	26 (48%)
Kangaroo Island	10	11	4	8	13	19 (11%)
Northern & Yorke	24	25	8	14	21	12 (7%)
SA Arid Lands	2	1	0	0	1	3 (0%)
SA Murray Darling Basin	34	34	22	25	21	29 (4%)
South East	26	23	13	22	20	16 (28%)
Sub Total	215	199	130	140	138	143
* Change Detection Program	41	22	28	31	40	54 (27%)
TOTAL	256	221	158	171	178	197

The outcome for each incident can be view at: <https://data.sa.gov.au/data/dataset/native-vegetation-council-annual-report-data>

The total incident reports received for 2017-18 (197) is within the average number recorded over the past five years. Of this total, 54 matters (27%) were detected through the Change Detection CDP and 143 reports were actioned. The majority of the CDP reports were within the Eyre Peninsula NRM region and are included in the NRM distribution for this year.

Of the 197 reports received, a total of 72 (37%) were considered to be either 'Exempt' and required no further action or were issued an education letter under the *Native Vegetation Regulations 2017*. This resulted in a closure letter with a web-link to the Native Vegetation website, outlining the provisions of the Act and the clearance approval process requirements for permissible native vegetation clearance. The majority of the educational letters related to fence line clearance and bushfire protection around dwellings and associated structures. Serious breaches include 21 reports (11%) resulting in Enforcement Notices and/or Expiation Notices sent to the offender/s. The majority of these offences related to excessive unapproved clearances. Make Good or Stop Work orders were issued to the offenders.

Average of the actions taken for alleged illegal clearance, as shown below, can be viewed at: <https://data.sa.gov.au/data/dataset/native-vegetation-council-annual-report-data>



Figure 1: Summary of the actions of alleged illegal clearance

Criminal Prosecutions

For the financial year 2017-18 there was one matter where the offender pleaded guilty. The parties agreed to an adjournment in the civil proceedings to await criminal sentencing outcomes.

There are a further three matters awaiting court judgements.

Civil Enforcement Proceedings

For the financial year 2017-18 there were two civil matters settled in the Adelaide Magistrates Court. Civil enforcement proceedings were finalised for a Court Order pursuant to section 31B (9) of the *Native Vegetation Act 1991*. The second matter was finalised with a sum of \$210 993.00 paid into the Native Vegetation Fund.

Two matters were listed for settlement in 2017-18 that have been carried over to the next financial year. In the first matter, the civil settlement commenced between the parties however the Council 'in principle' resolved the matter in an out of session to accept an SEB payment calculated at \$232 601.00 plus \$11 630.00 admin fee and 77 hectares for an alternate area payable into the Fund.

The second matter was referred to the Crown Solicitors Office (CSO) for civil enforcement proceedings, however the CSO advised there is insufficient evidence to institute civil enforcement proceedings.

A further matter was withdrawn after the Court was advised that the Council had withdrawn civil enforcement proceedings.

Two civil matters are awaiting CSO consideration.

Section B: Reporting required under any other act or regulation

Native Vegetation Council does not report under any other Act or Regulation.

Reporting required under the Carers' Recognition Act 2005

The *Carers' Recognition Act 2005* is deemed applicable for the following: Department of Human Services, Department for Education, Department for Health and Wellbeing, Department of State Development, Department of Planning, Transport and Infrastructure, South Australia Police and TAFE SA.

Section 7: Compliance or non-compliance with section 6 of the Carers Recognition Act 2005 and (b) if a person or body provides relevant services under a contract with the organisation (other than a contract of employment), that person's or body's compliance or non-compliance with section 6.

Section C: Reporting of public complaints as requested by the Ombudsman

Summary of complaints by subject

Public complaints received by the Native Vegetation Council	
Category of complaints by subject	Number of instances
Clearance of native vegetation	1

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/native-vegetation-council-annual-report-data>

Complaint outcomes

Nature of complaint or suggestion	Services improved or changes as a result of complaints or consumer suggestions
Rates and taxes associated with a Heritage Agreement	Sought advice from State Valuation Office, advised complainant of the advice

Appendix: Audited financial statements 2016-17



Level 9
State Administration Centre
200 Victoria Square
Adelaide SA 5000
DX 56208
Victoria Square
Tel +618 8226 9640
Fax +618 8226 9688
ABN 53 327 061 410
audgensa@audit.sa.gov.au
www.audit.sa.gov.au

To the Presiding Member Native Vegetation Council

As required by section 22(2) of the *Native Vegetation Act 1991*, I have audited the financial report of the Native Vegetation Fund for the financial year ended 30 June 2018.

Opinion

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Native Vegetation Fund as at 30 June 2018, its financial performance and its cash flows for the year then ended in accordance with the Treasurer's Instructions issued 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 2018
- a Statement of Financial Position as at 30 June 2018
- a Statement of Changes in Equity for the year ended 30 June 2018
- a Statement of Cash Flows for the year ended 30 June 2018
- notes, comprising significant accounting policies and other explanatory information
- a Certificate from the Presiding Member of the Native Vegetation Council and the Chief Executive and 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 Native Vegetation Fund. 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 Chief Executive and the Native Vegetation Council for the financial report

The Chief Executive is responsible for the preparation of the financial report that gives a true and fair view in accordance with the Treasurer's Instructions issued 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 Native Vegetation Council are responsible for overseeing the entity's financial reporting process.

Auditor's responsibilities for the audit of the financial report

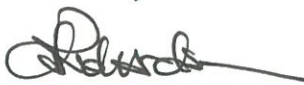
My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an 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
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive
- 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 Chief Executive and the Presiding Member, Native Vegetation Council about, 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 'Andrew Richardson', with a long horizontal stroke extending to the right.

Andrew Richardson

Auditor-General

31 October 2018

Native Vegetation Fund

Financial Statements

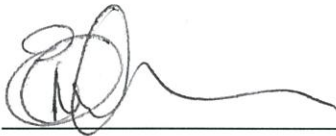
For the year ended 30 June 2018

Native Vegetation Fund
Certification of the Financial Statements
for the year ended 30 June 2018

We certify that the attached general purpose financial statements for the Native Vegetation Fund:

- 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 Native Vegetation Fund
- present a true and fair view of the financial position of the Native Vegetation Fund as at 30 June 2018 and the results of its operations and cash flows for the financial year.

We certify that the internal controls employed by the Native Vegetation Fund for the financial year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period.



Emily Jenke
Presiding Member
Native Vegetation Council
26 October 2018



Shaun O'Brien
Chief Financial Officer
Department for Environment and Water
26 October 2018



John Schutz
Chief Executive
Department for Environment and Water
26 October 2018

Native Vegetation Fund
Statement of Comprehensive Income
for the year ended 30 June 2018

		2018	2017
	Note	\$'000	\$'000
Expenses			
Supplies and services	4	234	196
Grants and subsidies	5	1 655	1 873
Other expenses	6	660	10
Total expenses		2 549	2 079
Income			
Fees and charges	7	2 063	2 533
Interest	8	85	67
Other income	9	-	37
Total income		2 148	2 637
Net benefit from / (cost of) providing services		(401)	558
Revenues from / (payments to) SA Government			
Revenues from SA Government	10	1 138	1 108
Total net revenues from SA Government		1 138	1 108
Net result		737	1 666
Total comprehensive result		737	1 666

The net result and total comprehensive result are attributable to the SA Government as owner.

The above statement should be read in conjunction with the accompanying notes.

Native Vegetation Fund
Statement of Financial Position
as at 30 June 2018

	Note	2018 \$'000	2017 \$'000
Current assets			
Cash and cash equivalents	11	6 280	4 844
Receivables	12	286	1 038
Total current assets		6 566	5 882
Non-current assets			
Property, plant and equipment	13	-	-
Total non-current assets		-	-
Total assets		6 566	5 882
Current liabilities			
Payables	14	55	108
Total current liabilities		55	108
Total liabilities		55	108
Net assets		6 511	5 774
Equity			
Retained earnings		6 511	5 774
Total equity		6 511	5 774

The total equity is attributable to the SA Government as owner.

Unrecognised contractual commitments	15
Contingent assets and liabilities	16

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Native Vegetation Fund
Statement of Changes in Equity
for the year ended 30 June 2018

	Retained earnings \$'000	Total equity \$'000
Balance at 30 June 2016	4 108	4 108
Net result for 2016-17	1 666	1 666
Total comprehensive result for 2016-17	1 666	1 666
Balance at 30 June 2017	5 774	5 774
Net result for 2017-18	737	737
Total comprehensive result for 2017-18	737	737
Balance at 30 June 2018	6 511	6 511

All changes in equity are attributable to the SA Government as owner.

The above statement should be read in conjunction with the accompanying notes.

Native Vegetation Fund
Statement of Cash Flows
for the year ended 30 June 2018

		2018 (Outflows) Inflows \$'000	2017 (Outflows) Inflows \$'000
Cash flows from operating activities	Note		
Cash outflows			
Payments for supplies and services		(223)	(219)
Payments of grants and subsidies		(1 719)	(1 812)
Other payments		(10)	(9)
Cash used in operations		(1 952)	(2 040)
Cash inflows			
Fees and charges		2 816	1 822
Interest received		84	67
Other receipts		-	37
Cash generated from operations		2 900	1 926
Cash flows from SA government			
Receipts from SA government		1 138	1 108
Cash generated from SA government		1 138	1 108
Net cash provided by / (used in) operating activities		2 086	994
Cash flows from investing activities			
Cash outflows			
Purchase of property, plant and equipment		(650)	-
Cash used in investing activities		(650)	-
Net cash provided by / (used in) investing activities		(650)	-
Net increase / (decrease) in cash and cash equivalents		1 436	994
Cash and cash equivalents at the beginning of the period		4 844	3 850
Cash and cash equivalents at the end of the period	11	6 280	4 844

The above Statement of Cash Flows should be read in conjunction with the accompanying notes

Native Vegetation Fund
Notes to and forming part of the financial statements
for the year ended 30 June 2018

1 Basis of financial statements

1.1 Reporting entity

The financial activities of the Native Vegetation Fund (the Fund) are primarily conducted through an interest bearing deposit account established pursuant to section 8 of the *Public Finance and Audit Act 1987* and held with the Department of Treasury and Finance (DTF). The Fund's sources of revenue include:

- money appropriated by Parliament for the purposes of the Fund
- fees payable in respect of applications to the Council to clear native vegetation
- expiation fees and penalties recovered in respect of offences against the Act
- interest from investment of the Fund.

1.2 Statement of compliance

These financial statements have been prepared in compliance with section 23 of the *Public Finance and Audit Act 1987*.

The financial statements are general purpose financial statements. The accounts have been prepared in accordance with Australian Accounting Standards (Reduced Disclosure Requirements), and comply with Treasurer's Instructions and Accounting Policy Statements promulgated under the provisions of the *Public Finance and Audit Act 1987*.

The Fund has applied Australian Accounting Standards that are applicable to not-for-profit entities, as the Fund is a not-for-profit entity. Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective, have not been adopted by the Fund for the period ending 30 June 2018.

1.3 Basis of preparation

The financial statements have been prepared based on a 12 month 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 on a different basis.

All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000).

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.

Significant accounting policies are set out in the notes.

Native Vegetation Fund
Notes to and forming part of the financial statements
for the year ended 30 June 2018

1 Basis of financial statements (continued)

1.4 Taxation

The Fund is not subject to Income Tax. The Fund is liable for Fringe Benefits Tax (FBT) and Goods and Services Tax (GST).

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

2 Objectives and activities

2.1 Objectives

The Fund is established under section 21 of the *Native Vegetation Act 1991* (the Act). The major purpose of the Fund is to provide funds to be applied for research, preservation, enhancement and management of native vegetation in South Australia and encouraging the re-establishment of native vegetation on land from which it has been previously cleared.

The Native Vegetation Council (the Council) is responsible for the administration of the Fund in accordance with the Act.

In accordance with the provisions of the Act, the Council has delegated certain functions to officers within DEW, who provide technical and administrative support including the use of certain plant and equipment, office accommodation and various administrative services. These services are provided by DEW at no charge to the Council and have not been recognised in the financial statements of the Fund as it is impractical to determine the value of these services.

2.2 Activities

In achieving its objectives, the Fund conducts all of its activities through the one program - to provide funds to be applied for research, preservation, enhancement and management of native vegetation in South Australia and encouraging the re-establishment of native vegetation on land from which it has been previously cleared.

Native Vegetation Fund
Notes to and forming part of the financial statements
for the year ended 30 June 2018

3 Remuneration of council and committee members

Members during 2017-18 financial year were:

Native Vegetation Council

E C Jenke (Presiding Member)
M D G Adcock (retired 15 June 2018) *
R M Chown (retired 13 September 2017)
J L Keynes
P A Morgan (deputy)
K L Muller (deputy)
J H Neal (appointed 14 September 2017)
P A Paton
M C Roche
N P P Sommerville

Native Vegetation Assessment Panel

R M Chown (retired 13 September 2017)
J L Keynes
M C Roche
J H Neal (appointed 14 September 2017)

* In accordance with the Premier and Cabinet's Circular No. 016, government employees did not receive any remuneration for board/committee duties during the financial year.

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

	2018	2017
\$nil - \$9 999	8	7
\$10 000 - \$19 999	1	-
\$20 000 - \$29 999	1	-
\$40 000 - \$49 999	-	1
Total number of members	10	8

Remuneration of members reflects all costs of performing board 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 \$52 000 (2017: \$63 000) and has not been recognised in these financial statements. The remuneration of members is provided by DEW.

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.

4 Supplies and services

	2018	2017
	\$'000	\$'000
Contractors	147	32
Fee for service	36	61
Minor works	34	48
Accommodation and property	11	12
General administration	3	40
Travel and accommodation	3	3
Total supplies and services	234	196

Native Vegetation Fund
Notes to and forming part of the financial statements
for the year ended 30 June 2018

5 Grants and subsidies

	2018	2017
	\$'000	\$'000
Research grants	626	561
Contribution to DEW Investigations and Compliance Unit	196	196
Contribution to the Native Vegetation Council Secretariat for Biodiversity Assessment Function	166	205
Contribution to DEW for Manager Native Vegetation Management Unit	138	136
Contribution to the Native Vegetation Council Secretariat for NVC Administrative Support	121	174
Contribution to DEW for Coordinator, Governance and Administration	109	111
Contribution to DEW for Change Detection Program	106	101
Contribution to the Native Vegetation Council for Council Operating Costs	90	90
Contribution to DEW for Coordinator, Assessment and Stakeholder Liaison	61	125
Contribution to DEW for Operating Costs NVMU	42	60
Contribution to the Native Vegetation Council Secretariat for contract positions - NV Incentives Program Management	-	110
Payment of Heritage Agreement Grant Schemes	-	4
Total grants and subsidies	1 655	1 873

For contributions payable, the contribution will be recognised as a liability and expense when the entity has a present obligation to pay the contribution and the expense recognition criteria are met. All contributions paid by the Fund have been contributions with unconditional stipulations attached.

Native Vegetation Fund
Notes to and forming part of the financial statements
for the year ended 30 June 2018

6 Other expenses

	2018	2017
	\$'000	\$'000
Assets transferred for nil consideration *	650	-
Audit fees paid/payable to the Auditor-General's Department	10	10
Total other expenses	660	10

- * During the current year, assets to the value of \$650 000 were transferred to the Crown. Refer note 13 for further information.

7 Revenues from fees and charges

	2018	2017
	\$'000	\$'000
Significant environmental benefits *	1 843	2 520
Fees, fines and penalties	220	13
Total revenues from fees and charges	2 063	2 533

- * The owner of land on which native vegetation is growing or is situated, may apply for consent to clear the vegetation under section 28 of the Act. In consenting to the clearance of native vegetation under section 29 of the Act, the Council may attach a condition requiring the applicant to make a payment into the Fund of an amount considered by the Council to be sufficient to achieve a significant environmental benefit. The monies paid into the Fund must as far as practicable, be used to establish or regenerate native vegetation on land that is within the same region of the state as the cleared land and that has been selected by the Council for that purpose having regard to the Regional Biodiversity Plans approved by the Minister for that region.

Revenues from fees and charges are recognised on an accrual basis.

8 Interest revenues

	2018	2017
	\$'000	\$'000
Interest from entities within the SA Government	85	67
Total interest revenues	85	67

9 Other income

	2018	2017
	\$'000	\$'000
Refund of unspent grant funds	-	37
Total other income	-	37

Native Vegetation Fund
Notes to and forming part of the financial statements
for the year ended 30 June 2018

10 Revenues from / (payments to) SA Government

	2018	2017
	\$'000	\$'000
Revenues from SA Government		
Grants from SA Government	1 138	1 108
Total revenues from SA Government	1 138	1 108
Net revenues from SA Government	1 138	1 108

Grants from SA Government for program funding are recognised as revenues when the Fund obtains control over the funding. Control over Grants from SA Government is normally obtained upon receipt.

11 Cash and cash equivalents

	2018	2017
	\$'000	\$'000
Deposits with the Treasurer	6 280	4 844
Total cash and cash equivalents	6 280	4 844

Cash is measured at nominal value.

The Fund invests surplus funds with the Treasurer. Interest is earned on the average monthly balance at rates based on the DTF 90 day average overnight cash interest rate and interest is paid at the end of each quarter.

12 Receivables

	2018	2017
	\$'000	\$'000
Current		
Receivables	279	1 032
Accrued interest	7	6
Total current receivables	286	1 038
Total receivables	286	1 038

Interest rate and credit risk

Receivables arise from fees and penalties and compensation payments in respect to offences against the Act. 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 are non-interest bearing. Collectability of receivables is reviewed on an ongoing basis.

Native Vegetation Fund
Notes to and forming part of the financial statements
for the year ended 30 June 2018

13 Property, plant and equipment

	2018	2017
	\$'000	\$'000
Land		
Land at fair value	-	-
Total land	-	-
Total property, plant and equipment	-	-

Movement reconciliation of property, plant and equipment

2018	Land
	\$'000
Carrying amount at the start of the period	-
Acquisitions	650
Assets transferred for nil consideration	(650)
Carrying amount at the end of the period	-

During the year land adjacent to Charleston Conservation Park was purchased through the Native Vegetation Fund. The land parcel was subsequently transferred to the Crown, followed by its reversion to unalienated Crown land, pursuant to the *Crown Lands Management Act 2009*. Crown Land is under the care and control of the Minister for Environment and Water and reported in the DEW Administered financial statements.

14 Payables

	2018	2017
	\$'000	\$'000
Current		
Creditors	45	98
Accrued expenses	10	10
Total current payables	55	108
Total payables	55	108

Interest rate and credit risk

Payables are measured at nominal amounts. Creditors and accruals are raised for all amounts owing but unpaid. Sundry creditors are normally settled within 30 days from the date the invoice is first received.

Native Vegetation Fund
Notes to and forming part of the financial statements
for the year ended 30 June 2018

15 Unrecognised contractual commitments

The Fund has no unrecognised contractual commitments as at 30 June 2018.

16 Contingent assets and 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.

As at the reporting date, criminal proceedings have commenced against several landowners who have been alleged to have breached the Act. Civil proceedings had also commenced against landowners who have been convicted of breaching the Act.

The potential amount of fines and/or damages to be received should the proceedings be successful are not quantifiable and as such no estimate of the potential financial effect can be made. There is also the potential for costs to be awarded against the Council for any unsuccessful prosecutions.

17 Restrictions on contributions received

The Council is restricted on its use of monies in the Fund according to the provisions of the Act. Section 21(6) of the Act specifies that the Council must as far as practicable, use monies paid into the Fund to achieve a significant environmental benefit to offset the approved clearance of native vegetation. Expiation fees, penalties handed down by the Magistrates Court, financial benefits (as determined by the Environment, Resources and Development Court (ERD)) gained from illegal clearance and exemplary damages (as determined by the ERD Court), must be spent within the same region of the State as the land cleared.

Fines, penalties and charges of significant environmental benefit are to be utilised in the following areas:

	2018	2017
	\$'000	\$'000
Mount Lofty Ranges Greater Basin	1 751	1 303
SA Murray Darling Basin	1 422	1 117
Northern & Yorke Agricultural District	944	895
SA Arid Lands	746	231
South East	321	291
Alinytjara Wilurara	299	296
Kangaroo Island	273	271
Eyre Peninsula	246	249
Total restrictions on contributions received	6 002	4 653

Native Vegetation Fund
Notes to and forming part of the financial statements
for the year ended 30 June 2018

18 Related party transactions

The Native Vegetation Fund was established pursuant to the *Native Vegetation Act 1991* and is wholly owned and controlled by the Crown. The Council is responsible for the administration of the Fund.

Related parties of the Council include all key management personnel and their close family members; all Cabinet Ministers and their close family members; and all public authorities that are controlled and consolidated into the whole of government financial statements and other interests of the Government.

Key management personnel

Key management personnel of the Council include the Minister for Environment and Water. The compensation of the Council's key management personnel was \$52 000 (2017: \$63 000). Salaries and other benefits the Minister for Environment and Water receives are excluded from this total. 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 of the *Parliamentary Remuneration Act 1990*.

19 Financial risk management / financial instruments

Financial risk management

Risk management is managed by DEW's corporate services section and DEW's 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 Fund's exposure to financial risk (liquidity, credit and market) is low due to the nature of the financial instruments held.

Liquidity risk

The Fund is funded principally by grants from the SA Government. The Fund works with DTF to determine the cash flows associated with its government approved program of work and to ensure funding is provided through SA Government budgetary processes to meet the expected cash flows.

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 in the respective financial asset/financial liability note.

Native Vegetation Fund
Notes to and forming part of the financial statements
for the year ended 30 June 2018

19 Financial risk management / financial instruments (continued)

The carrying amounts of each of the following categories of financial assets and liabilities: receivables and payables measured at cost are detailed below:

Category of financial asset and financial liability	Note	2018 Carrying amount \$'000	2017 Carrying amount \$'000
<u>Financial assets</u>			
Cash and cash equivalents			
Cash and cash equivalents		6 280	4 844
Loans and receivables			
Receivables	(1)	286	1 038
Total financial assets		6 566	5 882
<u>Financial liabilities</u>			
Financial liabilities at cost			
Payables	(1)	45	98
Total financial liabilities		45	98

- ⁽¹⁾ 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, etc. they would be excluded from the disclosure. The standard defines contract as enforceable by law. All amounts recorded are carried at cost (not materially different from amortised cost).

20 Events after the reporting period

There are no known events after balance date that affect these financial statements in a material manner.