

ALINYTJARA WILURARA NATURAL RESOURCES MANAGEMENT BOARD

ANNUAL REPORT

1 July 2013 to 30 June 2014



**Government
of South Australia**

Alinytjara Wilurara
Natural Resources
Management Board

Alinytjara Wilurara Natural Resources Management Board
Annual Report 2013-14

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29 August 2014

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LETTER OF TRANSMITTAL

Hon Ian Hunter MLC
Minister for Sustainability, Environment and Conservation
GPO Box 1047
ADELAIDE
South Australia 5001

Dear Minister

In accordance with the *Natural Resources Management Act 2004*, I have pleasure in presenting the annual report of the Alinytjara Wilurara Natural Resources Management Board for the year ended 30 June 2014.

Yours sincerely



Parry Agius
Presiding Member
Alinytjara Wilurara Natural Resources Management Board

PLANS AND OBJECTIVES

The Alinytjara Wilurara Natural Resource Management (AW NRM) Board provides expert advice to the Minister for Sustainability, Environment and Conservation (the Minister) on management of natural resources within its region.

LINKS BETWEEN THE BOARD AND THE SA STRATEGIC PLAN

Table 1 below, illustrates where each theme area in the Regional NRM Plan contributed to achieving the visions and goals of the SA Strategic Plan.

Table 1: Links between Alinytjara Wilurara NRM Board Theme Areas and the SA Strategic Plan

Regional NRM Plan	SA Strategic Plan					
Theme Areas	Visions					
	<i>Our Community</i>	<i>Our prosperity</i>	<i>Our environment</i>	<i>Our health</i>	<i>Our education</i>	<i>Our ideas</i>
People						
Country						
Water						

Key Primary Alignment
 Secondary Alignment

**Refer to Alinytjara Wilurara NRM Board Strategic Plan*

LINKS BETWEEN THE BOARD AND THE SEVEN STRATEGIC PRIORITIES OF GOVERNMENT

Table 2 below, illustrates where each theme area in the Regional NRM Plan contributed to achieving the seven strategic priorities of Government.

Table 2: Links between AW NRM Board Theme Areas and the seven strategic priorities of Government

Regional NRM Plan	SA Strategic Plan						
Theme Areas	Visions						
	<i>Creating a vibrant city</i>	<i>Safe communities healthy neighbourhoods</i>	<i>Premium food and wine from our clean environment</i>	<i>An affordable place to live</i>	<i>Every chance for every child</i>	<i>Growing advanced manufacturing</i>	<i>Realising the benefits of the mining boom for all South Australians</i>
People			✓				
Country			✓				✓
Water							✓

LINKS BETWEEN THE BOARD AND THE STATE NRM PLAN

Table 3 below, illustrates the links between the State NRM Plan and the Alinytjara Wilurara Regional NRM Plan theme strategic priorities/targets (program areas).

Table 3: Links between the State NRM Plan and the AW Regional NRM Plan

State NRM Plan Guiding Targets	Regional NRM Board Strategic Priorities (or program areas)		
	People	Country	Water
1. Ensure people are better informed and improve capacity in NRM decision making	Strong contribution		
2. Involve more people in the sustainable management of natural resources	Strong contribution		
3. Improve institutional and organisational capacity to support people to manage natural resources	Strong Contribution		
4. Improve capacity of individuals and community to respond to climate change	Contribution	Contribution	Contribution
5. All NRM planning and investment decisions take into account ecological, social and production considerations	Contribution	Contribution	Contribution
6. Maintain the productive capacity of our natural resources	Contribution	Strong Contribution	Contribution
7. Improve soil and land condition		Strong Contribution	Strong Contribution
8. Increase extent and improve condition of native vegetation		Strong contribution	
9. Improve condition of terrestrial aquatic ecosystems			Strong contribution
10. Improve condition of coastal and marine ecosystems	Contribution	Strong contribution	Contribution
11. Increase understanding of the condition of landscapes (geological and culturally important features)	Strong Contribution	Strong contribution	Contribution
12. Improve the conservation status of species and ecological communities	Contribution	Contribution	Contribution
13. Limit the establishment of pests and diseases and reduce the impacts of existing pests	Contribution	Strong contribution	Strong contribution

OPERATIONS AND INITIATIVES

Although the period 2013-14 has been very challenging for the AW NRM Board there have been many successful outcomes. With the support of the Natural Resources Alinytjara Wilurara, the Board has effectively initiated and supported a number of major programs undertaken across AW NRM region. It has also built and strengthened partnerships with communities across the region through consultative of Memorandum of Understanding agreements resulting in a “Palya Kalkuni” (a promise to work together) Agreement expectation of more in the following 6 months. These clearly identify mutual responsibilities, opportunities and in managing future NRM, and provide the basis for greater engagement of Anangu from Communities within the Alinytjara Wilurara Region.



development
the signing of
with the
Agreements
expectations

A summary of achievements and operations of the Board during 2013-14 are below:

Signing the Yalata 'Palya

- Adoption of changes to the AW Regional NRM Plan that provide the ability to appropriately monitor and manage new water affecting activities.
- Community consultation played a major role in establishing processes and implementing the Board’s revised Regional NRM Plan, in particular the rules relating to water affecting activities.
- Development and adoption of the Awnrm Board Employment and Training Strategy, identifying a target to increase Aboriginal employment outcomes across the Board’s work, by a minimum of 5% p.a. over each of the next 4 years.
- Developed and signed a “Palya Kalkuni” (a Promise to Work Together) with Yalata Community Council to cooperatively deliver shared natural resources management responsibilities and visions. This is the first of a number of agreements the Board hopes to develop with the region’s land holding authorities.
- Met with APY Executive in April 2014 to also develop a “Palya Kalkuni” (a Promise to Work Together) has strong cultural links being the primacy of the relationships between AW NRM Board and APY Executive.
- The Board and the South Australian Government acknowledged two winners in the Premier’s NRM Awards, including Ms Sue Haseldine from the Far West Coast Traditional Lands Association who won the Indigenous Land Management Award for her work restoring and maintaining cultural sites. Sue was also first finalist for the Aboriginal Leadership Award, which was won by Ms Lorna Dodd from Mimili Community who has worked on AW land management programs for many years in the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands.
- Increased community focus on public land management delivery in the region, in particular co-management arrangements and building the relationship with the Far West Coast Aboriginal Corporation.
- The Board furthered its continuous improving program, strengthening Board member’s skills in strategic leadership and enabling them to address regional NRM issues with greater effect.
- The Presiding Member of the AW NRM Board, Parry Agius, and the Regional Manager, Natural Resources Alinytjara Wilurara Matthew Ward (DEWNR), travelled to Canberra to meet with various staff of the Department of the Environment, Department of Prime

Ms Sue Haseldine with her
Aboriginal Leadership Award



Minister and Cabinet and ministerial advisors to promote Natural Resources Management in the Alinytjara Wilurara region.

- The AWNRM Board administers a Land Management Program in area around Kanpi and Nyapari communities in Western APY Lands. The project supports local community members to maintain and protect cultural sites. The project also supports the local economy through the payment of wages for this work, with staff undertaking accredited training where possible.
- Ongoing support of the Warru Recovery Program
- Nine rockhole recovery projects have now been successfully implemented across the AW Region.
- The successful outcomes of the Dream Weaver project in 2012-13 attracted a further 3 years funding from the Australian Government to build on the project commenced in APY Lands.
- The AW NRM Board, through the Presiding Member, held a workshop with 24 people from South Australia and other States on ways to maximise possible opportunities from the Indigenous Carbon Farming Initiative (ICFI) and other direct action on climate change programs. The workshop was also aimed at ensuring that Aboriginal initiatives can be linked to Regional NRM Plans and finding the best available support to develop the initiatives.
- The Indulkana Community Council partnered with NR AW to submit a South Australian Government Community NRM Grant application for \$30,000 for materials and equipment to repair and upgrade some disused, but functional yards at Davey's Bore, to help control feral horses in Indulkana community. This was successful – all work on the project was carried out by Aboriginal people.
- The AW NRM Board supported, TAFE SA Horticulture and Conservation Land Management to provide a number of units from the Agriculture, Horticulture and Conservation Land Management training package Certificate III to staff of APY Land Management. The training included chemical control and chain saw use associated with weed control activities. These skills are important for local community involvement in the Central Corridors project as well as for ongoing activities in APY Pastoral business.
- Natural Resources Alinytjara Wilurara (NR AW) and Natural Resources Eyre Peninsula hosted a 2 day workshop for 12 Landcare Facilitators from across Australia in which a range of issues relating to community engagement, agricultural production and biodiversity conservation were discussed.
- The AW NRM Board initiated the paperless office program and including information delivery at Board meetings.



ROLE, LEGISLATION AND STRUCTURE

The AW NRM Board was established on 9 December 2004 under the auspices of the *Natural Resources Management Act 2004* (NRM Act). This report for the 2013-14 financial year fulfils the requirements of Section 38 of the NRM Act.

OBJECT OF THE NATURAL RESOURCES MANAGEMENT ACT

The objects of the NRM Act include to assist in the achievement of ecologically sustainable development in the State by establishing an integrated scheme to promote the use and management of natural resources in a manner that –

- (a) recognises and protects the intrinsic values of natural resources; and
- (b) seeks to protect biological diversity and, insofar as is reasonably practicable, to support and encourage the restoration or rehabilitation of ecological systems and processes that have been lost or degraded; and
- (c) provides for the protection and management of catchments and the sustainable use of land and water resources and, insofar as is reasonably practicable, seeks to enhance and restore or rehabilitate land and water resources that have been degraded; and
- (d) seeks to support sustainable primary and other economic production systems with particular reference to the value of agriculture and mining activities to the economy of the State; and
- (e) provides for the prevention or control of impacts caused by pest species of animals and plants that may have an adverse effect on the environment, primary production or the community; and
- (f) promotes educational initiatives and provides support mechanisms to increase the capacity of people to be involved in the management of natural resources.

ROLE OF THE AW NRM BOARD

Legislatively, the most important role for the Board is to develop a comprehensive natural resources management plan under Section S75(11) 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.



AW NRM Board members at the June 2013 meeting held in Adelaide

FUNCTIONS OF THE ALINYTJARA WILURARA NRM BOARD

Section 29 of the NRM Act describes the functions of the AW NRM Board.

- (1) The functions of a regional NRM Board are—
 - (a) to undertake an active role with respect to the management of natural resources within its region; and
 - (b) —
 - (i) to prepare a regional NRM plan in accordance with this Act; and

- (ii) to implement that plan; and
 - (iii) to keep the plan under review to ensure that the objects of this Act are being achieved; and
 - (c) to promote public awareness and understanding of the importance of integrated and sustainable natural resources management within its region, to undertake or support educational initiatives with respect to natural resources management, and to provide mechanisms to increase the capacity of people to implement programs or to take other steps to improve the management of natural resources; and
 - (d) to provide advice with respect to the assessment of various activities or proposals referred to the Board under this or any other Act; and
 - (e) to resolve any issues that may arise between any NRM groups that are relevant to the management of natural resources within its region; and
 - (ea) to undertake an active role in ensuring-
 - (i) that any Development Plan under the Development Act 1993 that applies within its region promotes the objects of this Act; and
 - (ii) insofar as is reasonably practicable, that those Development Plans and the Board's regional NRM plan form a coherent set of policies,
 and, in so doing, when a Development Plan amendment under the *Development Act 1993* that is relevant to the activities of the Board is under consideration under that Act, to work with-
 - (iii) in the case of a Development Plan amendment proposed by a council-the council; or
 - (iv) in the case of a Development Plan amendment proposed by a Minister-that Minister's department; and
 - (f) at the request of the Minister or the NRM Council, or on its own initiative, to provide advice on any matter relevant to the condition of natural resources within its region, or on the management of those resources, to conduct any inquiry or audit, or to provide any other advice or report that may be appropriate in the circumstances; and
 - (g) such other functions assigned to the Board by the Minister or by or under this or any other Act.
- (2) To avoid doubt, a regional NRM Board may act with respect to a particular matter despite the fact that the matter may not fall within the scope of its regional NRM plan.
- (3) However, if a regional NRM Board acts with respect to a particular matter in the circumstances described in subsection (2), the Board must furnish a report on the matter to the Natural Resources Committee of the Parliament (unless the matter is not, in the opinion of the Board, significant).
- (4) In performing its functions, a regional NRM Board should (as far as is reasonably practicable) seek to work collaboratively with—
- (a) the other regional NRM Boards whose regions adjoin the region of the Board; and
 - (b) other State agencies, agencies of the Commonwealth, and agencies of the other States and Territories, that have functions that are relevant to those of the Board; and
 - (c) NRM groups with areas that fall (wholly or partially) within the region of the Board; and
 - (d) the constituent councils for the region, and other councils as may be relevant; and
 - (e) relevant industry, environment and community groups and organisations; and
 - (f) persons who own or occupy land within the region of the Board (insofar as may be relevant).
- (5) A regional NRM Board will, with respect to the performance of its functions, report to the Minister.

- (6) If the Minister assigns a function to a regional NRM Board under subsection (1)—
- (a) the Minister must furnish a report on the matter to the Natural Resources Committee of the Parliament; and
 - (b) the regional NRM Board must cause a statement of the fact of the assignment to be published in its next annual report.

MEMBERSHIP

Section 25 of the NRM Act provides for the appointment of the AW NRM Board.

The Board comprises 9 members, appointed by the Governor on the recommendation of the Minister. Each of the appointed members of the Board is a person who, in the opinion of the Minister, meets the requirements of section 25(4) of the NRM Act for the appointment of members:

The membership of the Board during 2013-14 was:

Members

- Mr Parry Agius (Re-appointed 17 July 2014)
- Ms Maureen (Mima) Smart (Re-appointed 17 July 2014)
- Ms Rosemary Lester (Re-appointed 14 April 2013)
- Mr Brian Queama (Re-appointed 14 April 2013)
- Ms Janet Queama (Appointed 24 May 2012)
- Mr Sydney Chamberlain (Appointed 24 May 2012)
- Michael Haynes (Appointed 6 June 2013)
- Gary Lewis (Appointed 29 August 2013)

Government representatives authorised to attend meetings

Mr Ian Hopton – Department for Manufacturing, Innovation, Trade, Resources and Energy (now the Department of State Development)

MEETINGS: GENERAL AND SPECIAL

A total of six general Board meetings were held during the 2013-14 financial year.

Attendance by appointed members at meetings:

Member	Meetings attended	Reason for non-attendance
Parry Agius	6	
Sydney Chamberlain	6	
Michael Haynes	5	Had other meetings or conferences
Rosemary (Rose) Lester	4	Had other meetings or conferences
Brian Queama	6	
Janet Queama	1	Had other commitments
Maureen (Mima) Smart	6	
Gary Lewis	5	Newly appointed in August 2013

RELATIONSHIPS WITH OTHER AGENCIES

The AW NRM Board has a working relationship with various agencies throughout the State and Australian Government. The Board has regularly invited representatives to attend Board meetings from DEWNR, PIRSA, DMITRE, Department of Premier and Cabinet (Aboriginal Affairs and Reconciliation Division) and the Australian Government..

In addition to the Board representation, we have a working relationship through project delivery, the Memorandum of Understanding (MOU) and Service Level Agreement (SLA) with DEWNR. We work closely with a range of staff from various departments to assist knowledge gathering for the development of the comprehensive plan (DEWNR marine section, water section and PIRSA data collection).

The Board has developed integrated programs with Yalata, Maralinga Tjarutja (MT) and Anangu Pitjantjatjara Yankunytjatjara (APY) communities, the Maralinga Lands Unnamed Conservation Park Board and is building strong relationships with the Far West Aboriginal Corporation.

We have worked with the national camel program and four states of Australia to develop a multiple approach to camel control throughout the region. We have also worked with the Western Australian and Northern Territory and the APY Lands on a joint fire management program.

Key partners are the Australian Government that funds over 72 per cent of the Board's programs, the State provides over 27 per cent and other sources provide approximately 1 per cent of the funds.

GOVERNANCE ARRANGEMENTS

DEWNR provides support to the AW NRM Board by providing an Executive Officer and Secretary for administration and governance. Reporting on this matter is contained in the DEWNR Annual Report 2013-14.

ORGANISATIONAL STRUCTURE

The Natural Resources AW Region organisational structure during 2013-14 financial year is attached in Appendix 1.

MANAGEMENT OF HUMAN RESOURCES

The AW NRM Board members (other than government employees) received the following remuneration as determined by the Minister:

- Chair: \$64.50
- Member: \$51.50

EMPLOYEE NUMBERS, GENDER AND STATUS

The AW NRM Board has no staff of its own and utilises the services of DEWNR. Reporting on this matter is contained in the DEWNR Annual Report 2013-14.

Executive, administrative and project support were provided to AW NRM Board from existing DEWNR resources.

The following matters are also contained in the DEWNR annual report 2013-2014:

- Superannuation contribution by the AW NRM Board
- Executives
- Leave Management
- Workforce Diversity
- Voluntary Flexible Working Arrangements
- Performance Development
- Leadership and Management Development
- Accredited Training Packages
- Employment opportunity programs
- Work Health and Safety and Injury Management
- Financial Performance
- Account Payment Performance
- *Carers Recognition Act 1993*
- Disability Access and Inclusion Plans
- Energy Efficiency Action Plan Report
- Greening of Government Operations Framework

ACCOUNT PAYMENT PERFORMANCE

The AW NRM Board is a corporate entity and is responsible for the administration of its Board funds.

The AW NRM Board's financial reports and audited Financial Statements for 2013-14 are included in Appendix 4.

CONTRACTUAL ARRANGEMENTS

The AW NRM Board did not enter into any contractual arrangements during this reporting period.

FRAUD

It is declared that there were no instances of fraud detected in the activities undertaken by the AW NRM Board in this reporting period. Financial services are provided to the AW NRM Board by DEWNR. Strategies to detect instances of fraud are reported in the DEWNR Annual Report 2013-14.

CONSULTANTS

The AW NRM Board did not engage any consultants in this reporting period.

OVERSEAS TRAVEL

It is declared that no members of the AW NRM Board travelled overseas on Board business during this reporting period.

ASBESTOS MANAGEMENT IN GOVERNMENT BUILDINGS

The AW NRM Board does not own any buildings and is therefore not required to develop an asbestos risk reduction program.

URBAN DESIGN CHARTER

No events occurred in 2013-14 that required the AW NRM Board to consider the principles of urban design contained in the South Australian Urban Design Charter.

FREEDOM OF INFORMATION – INFORMATION STATEMENTS

Freedom of information applications can be made by contacting the AW NRM Board in writing, and should be addressed to AW NRM Board, PO Box 1047, Adelaide SA 5001. No freedom of information applications were received during 2013-14.

WHISTLEBLOWERS PROTECTION ACT 1993

Reporting requirements against *the Whistleblowers Protection Act 1993* require AW NRM Board to report on the number of occasions on which public interest information has been disclosed to a Responsible Officer of the agency. There were no disclosures made during the 2013-14 financial year.

REGIONAL IMPACT ASSESSMENT STATEMENTS

The AW NRM Board did not undertake any regional Impact Assessment Statements during the 2013-14 financial year, as the Board has no staff or premises of its own and utilises the services of DEWNR.

RECONCILIATION STATEMENT

The AW NRM Board would like to acknowledge the traditional owners of the land on which it meets. We meet in various locations throughout the state and the appropriate traditional owners are recognised. Further we respect their spiritual relationship with their country.

The AW NRM Board also acknowledges the traditional owners as the custodians of the AW region and that their cultural and heritage beliefs are still as important to the living people

today. In fulfilling its functions, the AW NRM Board is cognisant of the cultural and natural heritage of traditional owners and strives to achieve positive outcomes wherever these matters are concerned.

STATEMENT OF FACT FOR SIGNIFICANT MINISTERIAL DIRECTIVES

There were no Ministerial Directives issued to the AW NRM Board during 2013-14

STATEMENT OF FACT FOR SIGNIFICANT FUNCTIONS ASSIGNED BY MINISTER

There were no Ministerial functions assigned to the AW NRM Board in accordance with s29(6)(b) of the NRM Act during the reporting period.

STATEMENT OF FACT FOR FUNCTIONS OR POWERS DELEGATED TO THE BOARD

There were no functions or powers delegated to the AW NRM Board within the reporting period.

STATEMENT OF FACT FOR FUNCTIONS OR POWERS DELEGATED BY THE BOARD

The AW NRM Board has delegated appropriate procurement, finance and contracting powers to relevant members of staff assigned to the AW NRM Board in accordance with Regulation 9d of the NRM (General) Regulations 2005 and s36 of the NRM Act. This enables staff assigned to the AW NRM Board to undertake operational Board business.

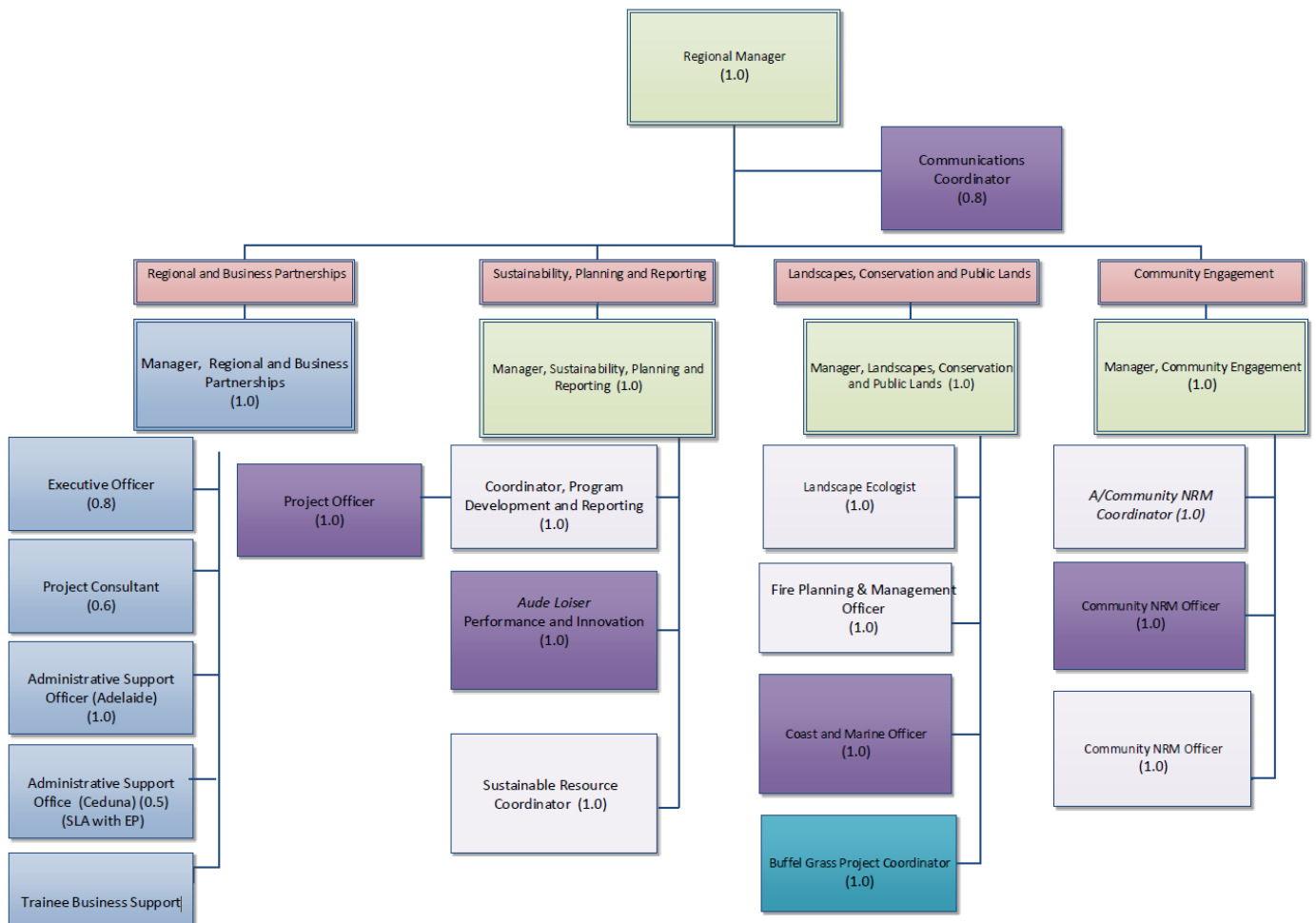
ACKNOWLEDGEMENTS

The Board acknowledges the financial assistance given to it from the Australian Government, without which there would be no ability to deliver natural resource management in the region.

The Board would like to thank the Minister and staff of DEWNR for the support and encouragement that it has received over the year.

APPENDICES

APPENDIX 1 – DEWNR NR AW ORGANISATIONAL STRUCTURE



APPENDIX 2

PUBLICATIONS RELEASED OR UPDATED DURING 2013-2014

Alinytjara Wilurara NRM Board Publications

1. Caring for Our Country Newsletters.
2. Collins, N; Feuerherdt, L; Donald, H; (October 2013), “Feral animal management on APY – Indulkana community meeting for feral animal management and new water laws”

Publications Produced on Behalf of AW by other consultants and contractors

1. Southgate, R (October 2013) – “An investigation of animal tracks in the Maralinga Tjarutja lands in the period 2007 – 2013”.
2. Read, J (November 2013) “ MT Lands feral predator monitoring and management project 2013”
3. Rogers, P. J., Barnes, T.C., Wolf, Y., Gregory, P., Williams, N., Madonna, A. and Loisier, A. (2014). On-site recreational fishery survey and research of mulloway (*Argyrosomus japonicus*) in the Yalata Indigenous Protected Area and Far West Coast Marine Park between 2009 and 2012. South Australian Research and Development Institute (Aquatic Sciences), Adelaide. SARDI Publication No. F2014/000000-1. SARDI Research Report Series No. ###. 32 pp.

APPENDIX 3 – GLOSSARY

AW NRM Board	Alinytjara Wilurara Natural Resource Management Board
NRM	Natural Resource Management
DEWNR	Department of Environment, Water and Natural Resources
APY	Anangu Pitjantjatjara Yankunytjatjara
RCT	Resource Condition Target
WONs	Weeds of National significance
MT	Maralinga Tjarutja
PIRSA	Primary Industries and Regions SA
TAFE	Department of Further Education, Employment, Science and Technology
IPA	Indigenous Protection Authority
GoGO	Greening of Government Operations
DAAR	Department for Aboriginal Affairs and Reconciliation
DAFF	Department of Agriculture, Fisheries and Forestry
DPC	Department of the Premier and Cabinet

APPENDIX 4 – FINANCIAL STATEMENTS 2013-2014

For Official Use Only



Government of South Australia
Auditor-General's Department

Our ref: A14/363

28 November 2014

Mr P Agius
Presiding Member
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Dear Mr Agius

The audit of the Alinytjara Wilurara Natural Resources Management Board for the year ended 30 June 2014

The audit of the accounts of the Alinytjara Wilurara Natural Resources Management Board for the year ended 30 June 2014 has been completed.

The scope of the audit covered the principal areas of the financial operations of the Alinytjara Wilurara Natural Resources Management Board and included the test review of systems and processes and internal controls and financial transactions.

The audit coverage and its conduct is directed to meeting statutory audit responsibilities under the *Public Finance and Audit Act 1987* and also the requirements of Australian Auditing Standards.

In essence, three important outcomes result from the annual audit process, notably the issue:

- of the Independent Auditor's Report (IAR) on the integrity of the Alinytjara Wilurara Natural Resources Management Board financial statements
- during the year or at the time of financial statement preparation and audit or close thereto, of an audit management letter advising of deficiencies/weaknesses in areas of governance, financial system and process and control and financial reporting, together with recommendations for improvement in controls
- of the opinion on the controls exercised by your agency.

In this regard, returned herewith are the financial statements of the Alinytjara Wilurara Natural Resources Management Board together with the IAR, which is unmodified.

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In addition, an audit management letter will be forwarded shortly to the Presiding Member. The letter will include the controls opinion and provide details of matters arising from the overall audit and will indicate, if applicable, those matters assessed as not meeting a sufficient standard of governance and financial control.

Finally, I would like to express my appreciation to the management and staff of Alinytjara Wilurara Natural Resources Management Board in providing assistance during the year to my officers in the conduct of the annual audit.

Yours sincerely



S O'Neill
AUDITOR-GENERAL

enc



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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 2014. The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2014
- a Statement of Financial Position as at 30 June 2014
- a Statement of Changes in Equity for the year ended 30 June 2014
- a Statement of Cash Flows for the year ended 30 June 2014
- Disaggregated Disclosures - Expenses and Income for the year ended 30 June 2014
- notes, comprising a summary of significant accounting policies and other explanatory information
- a Certificate from the Presiding Member, the Regional Manager and the Acting Chief Financial Officer.

The Board's Responsibility for the Financial Report

The members of the Board are 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 the members of the Board determine necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the requirements of the *Public Finance and Audit Act 1987* and Australian Auditing Standards. The auditing standards require that the auditor comply with relevant ethical requirements and that the auditor plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order

to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the members of the Board, as well as the overall presentation of the financial report.

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

Opinion

In my opinion, the financial report gives a true and fair view of the financial position of the Alinytjara Wilurara Natural Resources Management Board as at 30 June 2014, 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.



S O'Neill
AUDITOR-GENERAL
28 November 2014

Alinytjara Wilurara Natural Resources Management Board

Statement of Comprehensive Income

For the Year Ended 30 June 2014

	Note	2014 \$'000	2013 \$'000
Expenses			
Staff benefit expenses	5	-	(62)
Supplies and services	6	3 534	3 554
Other Expenses	7	67	48
Grants and subsidies	8	121	160
Depreciation expense	9	29	33
Board, Group and Committee expenses	19	109	70
Total expenses		3 860	3 803
Income			
Grants received	10	4 227	4 098
Interest revenues	11	59	76
Other revenues	12	82	39
Total income		4 368	4 213
Net result		508	410
Total comprehensive result		508	410

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

Alinytjara Wilurara Natural Resources Management Board

Statement of Financial Position

As at 30 June 2014

	Note	2014 \$'000	2013 \$'000
Current assets			
Cash and cash equivalents	13	2 833	2 232
Receivables	14	77	255
Total current assets		<u>2 910</u>	<u>2 487</u>
Non-current assets			
Property, plant and equipment	15	34	63
Total non-current assets		<u>34</u>	<u>63</u>
Total assets		<u>2 944</u>	<u>2 550</u>
Current liabilities			
Payables	16	650	764
Total current liabilities		<u>650</u>	<u>764</u>
Total liabilities		<u>650</u>	<u>764</u>
Net assets		<u>2 294</u>	<u>1 786</u>
Equity			
Retained earnings		<u>2 294</u>	<u>1 786</u>
Total equity		<u>2 294</u>	<u>1 786</u>

The total equity is attributable to the SA Government as owner

Unrecognised contractual commitments	17
Contingent assets and contingent liabilities	18

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

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Alinytjara Wilurara Natural Resources Management Board

Statement of Changes in Equity
For the Year Ended 30 June 2014

	Retained Earnings	Total
	\$'000	\$'000
Balance at 30 June 2012	1 361	1 361
Net result for 2012-13	410	410
Total comprehensive result for 2012-13	<u>410</u>	<u>410</u>
Balance at 30 June 2013	<u>1 771</u>	<u>1 771</u>
Error correction - payables	15	15
Restated balance at 30 June 2013	<u>1 786</u>	<u>1 786</u>
Net result for 2013-14	508	508
Total comprehensive result for 2013-14	<u>508</u>	<u>508</u>
Balance at 30 June 2014	<u>2 294</u>	<u>2 294</u>

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

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

Alinytjara Wilurara Natural Resources Management Board

Statement of Cash Flows

For the Year Ended 30 June 2014

	Note	2014 \$'000	2013 \$'000
Cash flows from operating activities			
Cash outflows			
Staff benefit, board, group and committee member payments		(109)	(172)
Payments for supplies and services		(3 715)	(3 401)
GST paid to the Australian Taxation Office		-	(382)
Payments of grants and subsidies		(121)	(160)
Cash used in operations		<u>(3 945)</u>	<u>(4 115)</u>
Cash inflows			
Grants received		4 386	4 424
Interest received		60	77
GST recovered from the Australian Taxation Office		63	248
Other receipts		37	39
Cash generated from operations		<u>4 546</u>	<u>4 788</u>
Net cash (used in) operating activities	20	<u>601</u>	<u>673</u>
Net increase in cash and cash equivalents		<u>601</u>	<u>673</u>
Cash and cash equivalents at the beginning of the period		2 232	1 559
Cash and cash equivalents at the end of the period	13	<u>2 833</u>	<u>2 232</u>

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

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Alinytjara Wilurara Natural Resources Management Board
Disaggregated disclosures - expenses and income
For the Year Ended 30 June 2014 (Refer Note 4 for activity descriptions)

	<i>People Asset</i>		<i>Country Asset</i>		<i>Water Asset</i>		TOTAL	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Expenses								
Staff benefit expenses	-	(62)	-	-	-	-	-	(62)
Supplies and services	1 680	1 154	1 748	2 195	106	205	3 534	3 554
Other expenses	45	48	22	-	-	-	67	48
Grants and subsidies	101	-	20	160	-	-	121	160
Depreciation expense	29	33	-	-	-	-	29	33
Board, Group and Committee expenses	109	70	-	-	-	-	109	70
Total Expenses	1 964	1 243	1 790	2 355	106	205	3 860	3 803
Income								
Grants received	1 777	1 048	2 450	2 675	-	375	4 227	4 098
Interest revenues	59	76	-	-	-	-	59	76
Other revenues	61	39	21	-	-	-	82	39
Total Income	1 897	1 163	2 471	2 675	-	375	4 368	4 213
Net result	(67)	(80)	681	320	(106)	170	508	410

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

Alinytjara Wilurara Natural Resources Management Board

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For the Year Ended 30 June 2014

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Alinytjara Wilurara Natural Resources Management Board
Notes to and forming part of the Financial Statements
For the Year Ended 30 June 2014

1 Board Objectives

(a) Establishment of the Board

The Alinytjara Wilurara Natural Resources Management Board (the Board) was established on 9 December 2004 pursuant to section 23(1) of the *Natural Resources Management Act 2004* (the NRM Act).

The Board operates under the Natural Resources Management Plan (NRM Plan) which was approved by the Minister for Sustainability, Environment and Conservation in October 2011.

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

(b) Board's Objectives

The Board has been operating under a 3-year investment plan, approved by the Minister for Sustainability, Environment and Conservation. The Board's Regional NRM plan was approved by the Minister in October 2011.

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.

2 Summary of significant accounting policies

(a) Statement of compliance

The Board has prepared these financial statements 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 relevant Australian accounting standards and comply with Treasurer's instructions and accounting policy statements promulgated under the provisions of the *Public Finance and Audit Act 1987*.

The Board has applied Australian Accounting Standards that are applicable to not-for-profit entities, as the Board 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 Board for the reporting period ending 30 June 2014. Refer to Note 3.

(b) Basis of preparation

The preparation of the financial statements requires:

- the use of certain accounting estimates and requires management to exercise its judgement in the process of applying the Board's accounting policies. The areas involving a higher degree of judgement or where assumptions and estimates are significant to the financial statements, these are outlined in the applicable notes;
- accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events are reported; and
- compliance with accounting policy statements issued pursuant to section 41 of the *Public Finance and Audit Act 1987*. In the interest of public accountability and transparency the accounting policy statements require the following note disclosures, which have been included in these financial statements:
 - (a) revenues, expenses, financial assets and liabilities where the counterparty/transaction is with an entity within the SA Government as at reporting date, classified according to their nature. A threshold of \$100 000 for separate identification of these items applies.
 - (b) expenses incurred as a result of engaging consultants (as reported in the Statement of Comprehensive Income);
 - (c) Board/committee member and remuneration information, where a Board/committee member is entitled to receive income from membership other than a direct out-of-pocket reimbursement.

The Board's Statement of Comprehensive Income, Statement of Financial Position and Statement of Changes in Equity have been prepared on an accrual basis and are in accordance with historical cost convention.

The Statement of Cash Flows has been prepared on a cash basis.

The financial statements have been prepared based on a twelve month period and presented in Australian currency.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2014 and the comparative information presented.

(c) Reporting entity

The Board was established on 9 December 2004 pursuant to the *Natural Resources Management Act 2004* (the NRM Act).

The Board operates under a Natural Resources Management Plan (NRM Plan) which was adopted by the Minister for Sustainability, Environment and Conservation in October 2011.

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

The financial statements include all the controlled activities of the Board. The Board has not established any NRM groups.

Regional NRM Integration

In May 2010, the Minister Environment at the time announced as part of the Machinery of Government changes that both the Board and the Department for Environment, Water and Natural Resources (DEWNR - formerly the Department of Environment and Natural Resources) would transition to a single delivery model so to improve the delivery of environment and natural resources management in South Australia. The changes place greater emphasis on the statutory role for the Board. Regional delivery for both DEWNR and the Board is taking place through a single regional delivery structure which is managed through an Annual Implementation Plan and a Service Level Agreement.

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

- Use the Department of Environment and Natural Resources 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

A Service Level Agreement was established during 2012-13 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.

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 DEWNR. As a consequence,

- As at 1 July 2012, DEWNR assumed responsibility for the staff previously employed under the *NRM Act* by the Board
- All staff are now employed by the Chief Executive, DEWNR under the *Public Sector Act 2009*
- DEWNR is responsible for the management, supervision, liability, Work Health and Safety and human resources management of the staff that will undertake services under the Service Level Agreement (SLA)
- Staff undertaking services on behalf of the Board will be assigned to the Board under the *NRM Act*
- The payment for staff salaries will be recharged to the Board under a Fee for Service Arrangement

Further progression of the integration continued in 2013-14 where all financial transactions were incorporated into DEWNR financial processes undertaken by Shared Services SA.

(d) Comparative information

The presentation and classification of items in the financial statements are consistent with prior periods except where specific accounting standards and/or accounting policy statements has required a change.

Where presentation or classification of items in the financial statements have been amended, comparative figures have been adjusted to conform to changes in presentation or classification in these financial statements unless impracticable.

The restated comparative amounts do not replace the original financial statements for the preceding period.

(e) Rounding

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

(f) Taxation

The Board is not subject to income tax. The Board is liable for payroll tax, goods and services tax (GST) and fringe benefits tax.

For 2013-14, DEWNR prepares a Business Activity Statement on behalf of the Board under the grouping provisions of the GST legislation. Under these provisions, DEWNR is liable for the payments and entitled to the receipts associated with GST.

Unrecognised contractual commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to the Australian Taxation Office. If GST is not payable to, or recoverable from the Australian Taxation Office, the commitments and contingencies are disclosed on a gross basis.

(g) Events after the reporting period

Adjustments are made to amounts recognised in the financial statements, where an event occurs after 30 June and before the date the financial statements are authorised for issue, where those events provide information about conditions that existed at 30 June.

Note disclosure is made about events between 30 June and the date the financial statements are authorised for issue where the events relate to a condition which arose after 30 June and which may have a material impact on the results of subsequent years.

(h) Income

Income is recognised to the extent that it is probable that the flow of economic benefits to the Board will occur and can be reliably measured.

Income has been aggregated according to its nature and has not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

The following are specific recognition criteria:

Grants received

Grants received includes contributions from the State toward Board operations and governance.

Grants 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 (i.e. the amount can be reliably measured and the flow of resources is probable).

Generally, the Board has obtained control or the right to receive for:

- Grants with unconditional stipulations - this will be when the agreement becomes enforceable i.e. the earlier of when the receiving entity has formally been advised that the grant (e.g. grant application) has been approved; agreement/contract is executed; and/or the grants is received.
- Grants with conditional stipulations - this will be when the enforceable stipulations specified in the agreement occur or are satisfied; that is income would be recognised for grants received or receivable under the agreement.

The Board receives operating grant funding from the Department of Environment, Water and Natural Resources. The continued existence of the Board in its present form is dependent on government funding.

The Board also receives grant funding (on behalf of the Indulkana Community Council) from the Department of Environment, Water and Natural Resources to support the community in delivering a Davey Bore project - a community response to feral herbivores.

The Board also receives grant funding from the Native Vegetation Council for the delivery of the buffel grass project.

Commonwealth Funding - Caring for Our Country

The State and the Board entered into a Regional Proponent Agreement for the implementation of the Commonwealth's Caring for Our Country initiative from 1 July 2013.

In order to ensure the continuity of regional base level funding from 1 July 2014 to 30 June 2018, this agreement was varied by both parties in September 2013 whilst a new multilateral National Partnership Agreement and a cross-jurisdictional implementation plan was finalised by the Commonwealth for the 2013-2018 regional base level funding.

The goal of Caring for Our Country is an environment that is healthy, better protected, well managed, resilient and provides essential ecosystem services in a changing climate. Caring for Our Country has six National Priority Areas for Investment.

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Under the Agreement to reflect the intent of the Commonwealth, the State and the Board work together as partners with the community and other stakeholders, in natural resource management for the Region. Pursuant to that commitment the Commonwealth agreed to fund programs undertaken by the Board.

Other Commonwealth Funding

The Board receives funding from the Department of Agriculture and the Department of the Environment for:

- A Regional NRM Planning for Climate Change to build resilience and maintaining the productive capacity of the Country's landscapes and natural ecosystems.
- An Indigenous Carbon Farming Fund
- A Biodiversity Fund - Central Corridor: act on threats, support cultural and unique SA landscapes
- A Bioregional assessment grant to provide a baseline of information for future phases of the bioregional assessments in the Alinytjara Wilurara region.
- The CFOC Targeted Area Grants: conserving Alinytjara Wilurara's coastline through enhanced indigenous capacity

Interest revenues

Interest income is recognised when earned.

Other income

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.

(i) Expenses

Expenses are recognised to the extent that it is probable that the flow of economic benefits from the Board will occur and can be reliably measured.

Expenses have been aggregated according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

The following are specific recognition criteria:

Staff benefit expenses

The 2013 staff benefit expenses represent a reversal of staff benefits and associated on-costs recognised as at 30 June 2012 for employees transferred to DEWNR who had not accumulated 7 or more years of service at the date of transfer (1 July 2012). Refer to Note 2(c) for further information on the transfer of employees to DEWNR.

Depreciation and amortisation of non-current assets

All non-current assets, having a limited useful life, are systematically depreciated over their useful lives in a manner that reflects the consumption of their service potential. Amortisation is used in relation to intangible assets such as software, while depreciation is applied to tangible assets such as property, plant and equipment.

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.

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

Class of Asset	Useful Life (years)
Computing equipment	3
Vehicles	3
Plant and equipment	5

Grants and subsidies

Grants are recognised as a liability and expense when the Board has a present obligation to pay the contribution and the expense recognition criteria are met.

The Board provided financial assistance to the Anangu Pitjantjatjara Yankunytjatjara (APY) Land Management and Adelaide Research innovation, the University of Adelaide during the year. Funds are paid by way of grants and all recipients are required to comply with conditions relevant to each grant. The details of amounts provided, organisations receiving grants and the purpose for each grant are shown in the Annual Report, as required under section 42 of the NRM Act.

(j) Current and non-current classification

Assets and liabilities are characterised as either current or non-current in nature. Assets and liabilities that are sold, consumed or realised as part of the normal operating cycle even when they are not expected to be realised within twelve months after the reporting date have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Where asset and liability line items combine amounts expected to be realised within twelve months and more than twelve months, the Board has separately disclosed the amounts expected to be recovered or settled after more than twelve months.

(k) Assets

Assets have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position includes cash at bank and on hand and in other short-term, highly liquid investments with maturities of three months or less that are readily converted to cash and which are subject to insignificant risk of changes in value.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

Cash is measured at nominal value.

Receivables

Receivables include amounts receivable from goods and services and other accruals.

Receivables arise in the normal course of selling goods and services to other government agencies and to the public. Receivables are generally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement.

Collectability of receivables is reviewed on an ongoing basis. An allowance for doubtful debts is raised when there is objective evidence that the Board will not be able to collect the debt. Bad debts are written off when identified.

Accrued revenue arises when goods and services have been provided but no invoice has been raised by the Board at the reporting date.

Non Current Assets

Acquisition and 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. Non-current assets are subsequently measured at fair value less accumulated depreciation.

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 ie the amount recorded by the transferor public authority immediately prior to the restructure.

All non-current tangible assets with a value equal to or in excess of \$10 000 are capitalised.

Revaluation of Non Current Assets

All non-current tangible assets are valued at fair value; and revaluation of non-current assets or group of assets is only performed when its fair value at the time of acquisition is greater than \$1 million and estimated useful life is greater than 3 years.

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

Impairment

All non-current tangible and non-tangible assets are tested for indication of impairment at each reporting date. Where there is an indication of impairment, the recoverable amount is estimated. An amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Fair Value measurement

AASB 13 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.

The Board classifies fair value measurement using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements, based on the data and assumptions used in the most recent revaluation.

- Level 1 - traded in active markets and is based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date.
- Level 2 - not traded in an active market and derived from inputs (inputs other than quoted prices included within level 1) that are observable for the asset, either directly or indirectly.
- Level 3 - not traded in an active market and are derived from unobservable inputs.

Non-financial assets

In determining fair value, the Board has taken into account the characteristic of the asset (e.g. condition and location of the asset and any restrictions on the sale or use of the asset); and the asset's highest and best use (that is physically possible, legally permissible, financially feasible).

The Board's current use is the highest and best use of the assets unless other factors suggest an alternative use is feasible. As the Board did not identify any factors to suggest an alternative use, fair value measurement was based on current use.

The carrying amount of non-financial assets with a 'fair value at the time of acquisition that was less than \$1 million or had an estimated useful life that was less than three years' are deemed to approximate fair value.

Refer to Note 15 for disclosure regarding fair value measurement techniques and inputs used to develop fair value measurements for non-financial assets.

(l) Liabilities

Liabilities have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Payables

Payables include creditors, accrued expenses and Board member remuneration on-costs.

Creditors represent the amounts owing for goods and services received prior to the end of the reporting period that are unpaid at the end of the reporting period. Creditors include all unpaid invoices received relating to the normal operations of the Board.

Accrued expenses represent goods and services provided by other parties during the period that are unpaid at the end of the reporting period and where an invoice has not been received.

All payables are measured at their nominal amount, are unsecured and are normally settled within 30 days from the date of the invoice or the date the invoice is first received.

Error Correction

An error correction of \$15 000 has been disclosed in the Statement of Changes in Equity. The error correction has been retrospectively restated in accordance with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, and comprises a net decrease to payables.

(m) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement.

The Board has only entered into an operating lease agreement in relation to office premises where the lessor effectively retain all of the risks and benefits incidental to ownership of the property held under the operating lease.

Operating Leases

Operating lease payments are recognised as an expense in the Statement of Comprehensive Income on a straight-line basis over the lease term. The straight-line basis is representative of the pattern of benefits derived from the leased assets.

(n) Staff benefits

From 1 July 2012 the Board has no employees. Services to the Board are provided by personnel employed by DEWNR, hence no employee benefits or related provisions are included in the Board's financial statements. Employee benefits relating to relevant employees are reflected in the financial statements of DEWNR.

(o) Insurance

The Board has arranged, through SA Government Captive Insurance Corporation (SAICORP), to insure all of its major risks. The excess payable under this arrangement is \$1 000 per claim.

(p) Financial Risk Management

The Board has non-interest bearing assets (receivables) and liabilities (payables). The Board's exposure to market risk and cash flow interest risk is minimal. The Board has no significant concentration of credit risk.

In relation to liquidity/funding risk, the continued existence of the Board in its present form and with its present programs, is dependent on State Government Policy.

(q) Unrecognised contractual commitments and contingent assets and liabilities

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

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.

3 New and revised accounting standards and policies

The Board did not voluntarily change any of its accounting policies during 2013-14.

In accordance with the new AASB 13 *Fair Value Measurement*, which became effective for the first time in 2013-14, the Board has:

- reviewed its fair value valuation techniques (both internal estimates and independent valuation appraisal) for non-financial assets to ensure they are consistent with the standard. Previously, the Board has used the cost approach or the market approach to determine fair value. The Board will continue to measure its non-financial assets using either the cost or market approach. The application of AASB 13 has not had a material impact on the fair value measurements; and
- included additional disclosures where required to assist users in assessing the valuation techniques and inputs used to ascertain fair value measurements used for asset and liability measurements.

The Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective, have not been adopted by the Board for the period ending 30 June 2014. The Board has assessed the impact of the new and amended standards and interpretations and considers there will be no impact on the accounting policies or the financial statements of the Board.

4 Activities of the Board

The Board operates solely in the portfolio area of natural resource management policy and planning. The Alinytjara Wilurara Natural Resources Management Board Plan was endorsed by the Minister for Sustainability, Environment and Conservation. The plan will guide the structure and how the activities are aggregated and as such the Board provides a range of services classified into the following activities:

Activity 1: 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.

Activity 2: 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.

Activity 3: 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 2014 and year ended 30 June 2013.

Alinytjara Wilurara Natural Resources Management Board

Notes to and forming part of the Financial Statements

For the Year Ended 30 June 2014

5 Staff benefit expenses	2014	2013
	\$'000	\$'000
Long Service Leave	-	(37)
Annual Leave	-	(2)
Oncosts - Superannuation	-	(10)
Oncosts - Other	-	(13)
Total Staff benefit expenses	<u>-</u>	<u>(62)</u>

The 2013 figures represent a reversal of staff benefits and associated on-costs recognised as at 30 June 2012 for employees transferred to DEWNR who had not accumulated 7 or more years of service at the date of transfer (1 July 2012). Refer to Note 2 (c) for further information on the transfer of employees to DEWNR.

6 Supplies and services	2014	2013
	\$'000	\$'000
Accommodation and property management	71	99
Contractors	7	22
Fee for service	2 495	2 443
General administration	70	162
Information technology and communication expenses	59	45
Minor works, maintenance and equipment	105	72
Motor vehicles	217	207
Staff development	62	77
Travel and accommodation	216	285
Other supplies and services	232	142
Total Supplies and services	<u>3 534</u>	<u>3 554</u>

Supplies and services provided by entities within the SA Government

The following supplies and services (included in the supplies and services expense amounts shown above) were provided by entities within the SA Government:

	2014	2013
	\$'000	\$'000
Fee for service	1 603	1 130
Total Supplies and services provided by entities within the SA Government	<u>1 603</u>	<u>1 130</u>

7 Other Expenses	2014	2013
	\$'000	\$'000
Audit fees paid/payable to the Auditor-General's Department	45	48
Unexpended grants returned	22	-
Total Other expenses	<u>67</u>	<u>48</u>

Auditors remuneration

Auditors remuneration (included in the Other expenses note above) represents amounts paid/payable to the Auditor-General's Department for the audit of financial statements. No other services were provided by the Auditor-General's Department.

8 Grants and subsidies	2014	2013
	\$'000	\$'000
Sundry grants	121	160
Total Grants and subsidies	<u>121</u>	<u>160</u>

9 Depreciation expense	2014	2013
	\$'000	\$'000
Computing equipment	2	7
Vehicles	12	13
Plant and equipment	15	13
Total Depreciation expense	<u>29</u>	<u>33</u>

10 Grants received	2014	2013
	\$'000	\$'000
Commonwealth Funding		
Caring for our country *	-	704
Biodiversity Fund - Central Corridor	790	-
Targeted Area Grants - Conserving AW's Coastline	313	-
Regional NRM Planning for Climate Change	327	-
Indigenous Carbon Farming Fund	46	-
Total Commonwealth Funding	<u>1 476</u>	<u>704</u>

Alinytjara Wilurara Natural Resources Management Board

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For the Year Ended 30 June 2014

Grants received from SA Government entities		
Caring for our country received through DEWNR *	1 751	2 290
State Government recurrent funding	970	850
Native Vegetation Council - East meets West/Buffel Grass Project	-	64
DEWNR - Waru Project	-	190
DEWNR - NRM Community Grants	30	-
Total Grants received - SA Government entities	2 751	3 394
Total Grants received	4 227	4 098

***Caring for our country - consists of the following programs:**

Community, Conservation & Culture: Building Indigenous Capacity to Deliver NRM	330	-
Culture and Conservation: Landscape Ecosystem Management in the AW NRM Region	896	-
Delivery of a Regional Landcare Facilitator in the Alinytjara Wilurara Region	150	-
Strong People, Strong Country: Balancing Culture, Caring for Country and Production	375	-
DAFF - Carbon Farming	-	15
DAFF - Pastoral Area APY	-	220
DEWNR - Bioregional Assessment	-	400
DEWNR - Yalata Comm FWC	-	50
Improving Management Practices/Sustainable Farm Practices	-	40
Increasing Native Habitat/Biodiversity and Natural Icons	-	1 591
Indigenous Participation/Community Skills, Knowledge and Engagement	-	120
Landcare Facilitator Program	-	240
SEWPAC - Dream Weaver	-	110
SEWPAC/DAFF - Climate Change	-	69
SEWPAC/DAFF - Innovative Mgmt of Invasive Species	-	139
Total Caring For Our Country Funding	1 751	2 994

11 Interest revenues

	2014	2013
	\$'000	\$'000
Interest revenues from entities within the SA Government	59	76
Total Interest revenues	59	76

12 Other revenues

	2014	2013
	\$'000	\$'000
Sale of professional services	45	-
Recoup of expenses and other recoveries	37	39
Total Other revenues	82	39

13 Cash and cash equivalents

	2014	2013
	\$'000	\$'000
Deposits with the Treasurer	2 833	2 232
Total Cash and cash equivalents	2 833	2 232

Interest rate risk

Cash on hand is non-interest bearing. Deposits at call and with the Treasurer earn a floating interest rate, based on daily bank deposit rates. The carrying amount of cash and cash equivalents represents fair value.

14 Receivables

	2014	2013
	\$'000	\$'000
Current		
Receivables	71	100
Accrued interest	6	7
Accrued revenue	-	85
GST input tax recoverable	-	63
Total Current receivables	77	255

Interest rate and credit risk:

Receivables are raised for all goods and services provided for which payment has not been received. Receivables are normally settled within 30 days. Receivables, prepayments and accrued revenues are non-interest bearing. It is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

(a) Maturity analysis of receivables - please refer to table 21.3 in Note 21.

(b) Categorisation of financial instruments and risk exposure information - please refer to Note 21.

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For the Year Ended 30 June 2014

15 Property, plant and equipment	2014	2013
	\$'000	\$'000
Computing equipment		
At cost (deemed fair value)	31	31
Less: Accumulated depreciation	(31)	(29)
Total Computing equipment	<u>-</u>	<u>2</u>
Vehicles		
At cost (deemed fair value)	108	108
Less: Accumulated depreciation	(108)	(96)
Total Vehicles	<u>-</u>	<u>12</u>
Plant and equipment		
At cost (deemed fair value)	78	78
Less: Accumulated depreciation	(44)	(29)
Total Plant and equipment	<u>34</u>	<u>49</u>
Total Property, plant and equipment	<u><u>34</u></u>	<u><u>63</u></u>

Carrying amount of property, plant and equipment

All items of property, plant and equipment had a 'fair value at the time of acquisition that was less than \$1 million or had an estimated useful life that was less than three years', and have not been revalued in accordance with APF III. The carrying value of these items are deemed to approximate fair value. These assets are classified in level 3 as there has been no subsequent adjustments to their value, except for management assumptions about the assets condition and remaining useful life. Refer to Note 2(i).

Impairment

There were no indications of impairment of property, plant and equipment as at 30 June 2014.

Reconciliation of Non-Current Assets

The following table shows the movement of non-current assets during 2013-14:

	Computing Equipment	Vehicles	Plant and Equipment	Total
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the start of period	2	12	49	63
Depreciation expense	(2)	(12)	(15)	(29)
Carrying amount at the end of period	<u>-</u>	<u>-</u>	<u>34</u>	<u>34</u>

Reconciliation of Non-Current Assets

The following table shows the movement of non-current assets during 2012-13:

	Computing Equipment	Vehicles	Plant and Equipment	Total
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the start of period	9	25	62	96
Depreciation expense	(7)	(13)	(13)	(33)
Carrying amount at the end of period	<u>2</u>	<u>12</u>	<u>49</u>	<u>63</u>

16 Payables	2014	2013
	\$'000	\$'000
Current		
Creditors	596	431
Accrued expenses	54	333
Total Current payables	<u>650</u>	<u>764</u>

Current payables to entities within the SA Government

The following payables (included in the payables shown above) were payable to entities within the SA Government:

	2014	2013
	\$'000	\$'000
Creditors	80	-
Accrued expenses	54	236
Total Current payables to entities within the SA Government	<u>134</u>	<u>236</u>

Interest rate and credit risk

Creditors and accruals are raised for all amounts billed but unpaid. Sundry creditors are normally settled within 30 days. All payables are non-interest bearing. The carrying amount of payables represents fair value due to the amounts being payable on demand.

- (a) Maturity analysis of payables - please refer to table 21.3 in Note 21.
(b) Categorisation of financial instruments and risk exposure information - please refer to Note 21.

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For the Year Ended 30 June 2014

17 Unrecognised contractual commitments

	2014	2013
	\$'000	\$'000
Operating lease commitments		
Commitments in relation to operating leases contracted for at the reporting date but not recognised as liabilities are payable as follows:		
Within one year	70	70
Later than one year but not later than five years	147	218
Total Operating lease commitments	<u>217</u>	<u>288</u>

Operating lease commitments comprise the following:

The Board has an Office Space Agreement with the Department of Environment, Water and Natural Resources and relates to offices located at 50B McKenzie Street, Ceduna and 1 Richmond Road, Keswick.

Expenditure commitments - Other

Other expenditure contracted for at the reporting date but not recognised as liabilities are payable as follows:

Not later than one year	389	212
Total Other commitments	<u>389</u>	<u>212</u>

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.

18 Contingent assets and contingent liabilities

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

19 Remuneration of Board, Group and Committee Members

The following members of the Board served during the course of the reporting period:

Board

Agius A P
Lester R H
Smart M J
Queama B
Queama J
Chamberlain S
Haynes M T
Lewis G (appointed 29/08/13)

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

	2014	2013
	No. of members	No. of members
\$1 - \$9 999	7	3
\$10 000 - \$19 999	-	2
\$20,000 - \$29,999	-	1
\$40 000 - \$49 999	1	-
	<u>8</u>	<u>6</u>

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 fringe benefits tax paid or payable in respect of those benefits. The total remuneration received or receivable by members was \$84 000 (2013: \$66 000).

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 expense amount to \$25 000 (2013: \$4 000).

Unless otherwise disclosed, transactions between members and the Board are on conditions no more favourable than those that it is reasonable to expect the board would have adopted if dealing with the related party at arm's length in the same circumstances.

20 Cash flow reconciliation

	2014	2013
	\$'000	\$'000
Reconciliation of cash and cash equivalents at the end of the reporting period:		
Cash and cash equivalents disclosed in the Statement of Financial Position	2 833	2 232
Balance as per the Statement of Cash Flows	2 833	2 232
Reconciliation of net cash provided by operating activities to net result		
Net cash provided by (used in) operating activities	601	673
Less non-cash items		
Depreciation expense of non-current assets	(29)	(33)
Movement in assets and liabilities		
(Decrease)/increase in receivables	(178)	55
Decrease/(increase) in payables	114	(438)
Decrease in staff benefits	-	145
Decrease in provisions	-	8
Net result	<u>508</u>	<u>410</u>

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21 Financial instruments/Financial risk management

Table 21.1 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 Note 2 "Summary of Significant Accounting Policies".

Statement of Financial Position line item	Note number	2014		2013	
		Carrying amount \$'000	Fair value \$'000	Carrying amount \$'000	Fair value \$'000
Financial assets					
Cash and cash equivalents	13	2 833	2 833	2 232	2 232
Receivables ⁽¹⁾	14	77	77	192	192
Financial liabilities					
Payables	16	601	601	711	711

(1) Receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables (eg Commonwealth, State and Local Govt taxes, fees and charges; audit fees payable to the Auditor-General's Dept etc). 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 levy receivables/payables, tax equivalents, commonwealth tax 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).

Credit risk

Credit risk arises when there is the possibility of the Board's debtors defaulting on their contractual obligations resulting in financial loss to the Board. The Board measures credit risk on a fair value basis and monitors risk on a regular basis.

The Board has minimal concentration of credit risk. The Board has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history. The Board does not engage in high risk hedging for its financial assets.

Table 21.2 Ageing analysis of Financial Assets

The following table discloses the ageing of financial assets and the ageing of impaired assets:

Financial assets item	Overdue for < 30 days \$'000	Overdue for 30-60 days \$'000	Overdue for > 60 days \$'000	Total \$'000
2014				
Not impaired				
Receivables	-	-	3	3
Impaired				
Receivables	-	-	-	-
2013				
Not impaired				
Receivables	-	-	3	3
Impaired				
Receivables	-	-	-	-

The amount of receivables stated above do not include those arising from statutory obligations, including levies and GST. They are carried at cost.

Table 21.3 Maturity analysis of financial assets and liabilities

The following table discloses the maturity analysis of financial assets and financial liabilities.

Financial statements item	Contractual maturities		
	< 1 year \$'000	1-5 years \$'000	Carrying amount \$'000
2014			
Financial assets			
Cash and cash equivalents	2 833	-	2 833
Receivables	77	-	77
<i>Total financial assets</i>	2 910	-	2 910
Financial liabilities			
Payables	601	-	601
<i>Total financial liabilities</i>	601	-	601
2013			
Financial assets			
Cash and cash equivalents	2 232	-	2 232
Receivables	192	-	192
<i>Total financial assets</i>	2 424	-	2 424
Financial liabilities			
Payables	711	-	711
<i>Total financial liabilities</i>	711	-	711

The amount of receivables and payables stated above do not include those arising from statutory obligations, including levies, workers compensation liability, employment on-costs, and GST. They are carried at cost.

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Liquidity risk

Liquidity risk arises where the board is unable to meet its financial obligations as they fall due. The Board is reliant on funding from the NRM Secretariat of DEWNR for its ongoing operation. The Board settles undisputed accounts within 30 days from the date of the invoice or date the invoice is first received. In the event of a dispute, payment is made 30 days from resolution.

The board's exposure to liquidity risk is insignificant based on past experience and current assessment of risk.

Market risk

The board has no interest bearing liabilities as at the end of the reporting period. There is no exposure to foreign currency or other price risks.

Sensitivity disclosure analysis

A sensitivity analysis has not been undertaken for the interest rate risk of the Board as it has been determined that the possible impact on profit and loss or total equity from fluctuations in interest rates is immaterial.

22 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.

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