

**HOUSE OF ASSEMBLY
LAID ON THE TABLE**

26 Mar 2015

**SOUTH AUSTRALIAN ARID LANDS
NATURAL RESOURCES
MANAGEMENT BOARD**

ANNUAL REPORT

1 July 2013 to 30 June 2014



Government of South Australia

South Australian Arid Lands Natural
Resources Management Board

South Australian Arid Lands Natural Resources Management Board
Annual Report 2013-14

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ABN: 94 986 769 005

ISSN: 2202-4565

ISBN: 978-1-925111-01-9

31 October 2014

TABLE OF CONTENTS

LETTER OF TRANSMITTAL	5
PLANS AND OBJECTIVES	6
LINKS BETWEEN THE BOARD AND THE SA STRATEGIC PLAN	6
LINKS BETWEEN THE BOARD AND THE SEVEN STRATEGIC PRIORITIES OF GOVERNMENT	7
LINKS BETWEEN THE BOARD AND THE STATE NRM PLAN	8
OPERATIONS AND INITIATIVES	11
ROLE, LEGISLATION AND STRUCTURE.....	15
OBJECT OF THE <i>NATURAL RESOURCES MANAGEMENT ACT</i>	16
FUNCTIONS OF THE SOUTH AUSTRALIAN ARID LANDS NATURAL RESOURCES MANAGEMENT BOARD	16
MEMBERSHIP	17
MEETINGS: GENERAL AND SPECIAL	18
RELATIONSHIPS WITH OTHER AGENCIES	19
GOVERNANCE ARRANGEMENTS.....	19
ORGANISATIONAL STRUCTURE.....	19
NRM GROUP ACTIVITIES	20
NORTHERN FLINDERS DISTRICT GROUP	21
MEETINGS: GENERAL AND SPECIAL	21
MARLA OODNADATTA DISTRICT GROUP.....	21
MEETINGS: GENERAL AND SPECIAL	22
KINGOONYA DISTRICT GROUP	22
MEETINGS: GENERAL AND SPECIAL	23
MARREE-INNAMINCKA DISTRICT GROUP.....	23
MEETINGS: GENERAL AND SPECIAL	23
GAWLER RANGES DISTRICT GROUP.....	24
MEETINGS: GENERAL AND SPECIAL	24
NORTH EAST PASTORAL DISTRICT GROUP	25
MEETINGS: GENERAL AND SPECIAL	25
MANAGEMENT OF HUMAN RESOURCES	25
EMPLOYEE NUMBERS, GENDER AND STATUS	25
CONTRACTUAL ARRANGEMENTS AND GRANTS	26
FRAUD	28
CONSULTANTS	28
OVERSEAS TRAVEL	28
ASBESTOS MANAGEMENT IN GOVERNMENT BUILDINGS	28
URBAN DESIGN CHARTER.....	28
FREEDOM OF INFORMATION – INFORMATION STATEMENTS	28
PUBLICATION OF INFORMATION STATEMENT	28
WHISTLEBLOWERS PROTECTION ACT 1993.....	29
REGIONAL IMPACT ASSESSMENT STATEMENTS	29
GLOSSARY.....	29
RECONCILIATION STATEMENT	30
STATEMENT OF FACT FOR SIGNIFICANT MINISTERIAL DIRECTIVES	30
STATEMENT OF FACT FOR SIGNIFICANT FUNCTIONS ASSIGNED BY MINISTER.....	30

STATEMENT OF FACT FOR FUNCTIONS OR POWERS DELEGATED TO THE BOARD..... 30
ACKNOWLEDGEMENTS..... 31

LETTER OF TRANSMITTAL

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

Dear Minister

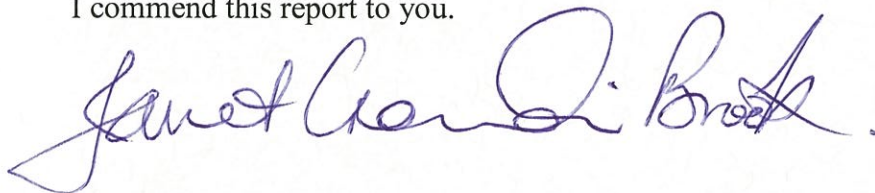
In accordance with section 38 of the *Natural Resources Management Act 2004*, I have pleasure in presenting the annual report of the South Australian Arid Lands Natural Resources Management Board for the year ended 30 June 2014.

This report covers the ninth year of operation of the Board. The Board continues to work with stakeholders and agencies to improve our natural resources in the Region.

The Board supports the communities, townships and industries (pastoral, mining, tourism etc) through programs to protect valuable ground and surface waters; improve pastoral land management; conserve natural ecosystems; and encourage community participation in NRM across the landscape.

I thank the Board, NRM groups and community members for their continued commitment to meeting the natural resource challenges throughout the region.

I commend this report to you.



Janet Crommelin-Brook
Presiding Member
South Australian Arid Lands Natural Resources Management Board

31 October 2014

PLANS AND OBJECTIVES

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 SAAL 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>
Adaptive landscape-scale management, which maintains and strengthens the natural functioning of the region's ecological systems			✓			
Vibrant communities and industries using and managing natural resources within ecologically sustainable limits	✓	✓	✓		✓	
Vibrant communities, governments and industries working together with the capability, commitment and connections to manage resources in an integrated way	✓	✓	✓		✓	✓

**Refer to SAAL 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 SAAL NRM Board Theme Areas (goals) and the seven strategic priorities of Government

Theme Areas (goals)	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>
Adaptive landscape-scale management, which maintains and strengthens the natural functioning of the region's ecological systems			✓				✓
Vibrant communities and industries using and managing natural resources within ecologically sustainable limits			✓				✓
Vibrant communities, governments and industries working together with the capability, commitment and connections to manage resources in an integrated way			✓				✓

LINKS BETWEEN THE BOARD AND THE STATE NRM PLAN

Table 3 below, illustrates the links between the State NRM Plan and the South Australian Arid Lands NRM Board's strategic priorities/targets (program areas).

Table 3: Links between the State NRM Plan and the SAAL NRM Board program areas and Resource Condition Targets (RCTs) from the SAAL Regional NRM Plan

State NRM Plan Guiding Targets		Regional NRM Board Program Areas				
Guiding Targets	Active communities	Sustainable landscapes	Functional ecosystems	Water	Planning and Evaluation	
Key	Strong contribution (> 75% alignment)	Contribution (40-75% alignment)	Low contribution (< 40% alignment)			
1. Ensure people are better informed and improve capacity in NRM decision making (links with SAAL RCT 9 and 10)						
2. Involve more people in the sustainable management of natural resources (links with SAAL RCT 9 and 10)						
3. Improve institutional and organisational capacity to support people to manage natural resources						
4. Improve capacity of individuals and community to respond to climate change (links with SAAL RCT 9 and 10)						

State NRM Plan Guiding Targets	Regional NRM Board Program Areas					
Guiding Targets	Active communities	Sustainable landscapes	Functional ecosystems	Water	Planning and Evaluation	
Key	Strong contribution (> 75% alignment)	Contribution (40-75% alignment)	Low contribution (< 40% alignment)			
5. All NRM planning and investment decisions take into account ecological, social and production considerations (links with SAAL RCT 6)						
6. Maintain the productive capacity of our natural resources (links with SAAL RCT 6)						
7. Improve soil and land condition (links with SAAL RCT 5)						
8. Increase extent and improve condition of native vegetation (links with SAAL RCT 1)						
9. Improve condition of terrestrial aquatic ecosystems (includes groundwater and surface water) (links with SAAL RCT 3, 7, 8)						

State NRM Plan Guiding Targets	Regional NRM Board Program Areas					
Guiding Targets	Active communities	Sustainable landscapes	Functional ecosystems	Water	Planning and Evaluation	
Key	Strong contribution (> 75% alignment)	Contribution (40-75% alignment)	Low contribution (< 40% alignment)			
10. Improve condition of coastal and marine ecosystems (n/a –no coast and marine in SAAL region)	n/a	n/a	n/a	n/a	n/a	
11. Increase understanding of the condition of landscapes (geological and culturally important features) (links with SAAL RCT 4)						
12. Improve the conservation status of species and ecological communities (links with SAAL RCT 2)						
13. Limit the establishment of pests and diseases and reduce the impacts of existing pests (links with SAAL RCT 1, 2)						

RCT – Resource Condition Targets (10-year targets from the SA Arid Lands Regional NRM Plan)

OPERATIONS AND INITIATIVES

The SAAL NRM Board reports the following operations and achievements for the 2013-14 financial year. With regard to 'effectiveness and efficiency', most of the activities below require monitoring and evaluation as part of contractual external funding agreements. This includes an assessment of effectiveness and efficiency, as well as the impact and appropriateness of activities. This year marks the beginning of a new round of projects, so there is limited information available. However, early indications show projects are being delivered effectively and efficiently, with a good level of participation for most activities, and good to excellent feedback received on formal sessions such as workshops, field days and training activities.

Sustainable landscapes

Pest animal control

The *Biteback* program continued its efforts at the control of wild dogs with seven bait injection services held throughout the region, as well as aerial baiting efforts covering 97 properties and delivering 50 000 dried baits in collaboration with Biosecurity SA. Also, a draft Wild Dog Management Plan has been instigated and developed largely by community members but facilitated and coordinated by Natural Resources SA Arid Lands staff. The draft is being reviewed through a series of seven workshops to offer the community a final opportunity for input. An evaluation will be conducted of the planning process to determine its effectiveness and efficiency. Fox baiting – aerial and ground – was undertaken on Hiltaba Station, Gawler Ranges National Park (NP) and the Flinders Ranges NP, covering a total of 511 811 hectares. Feral herbivore (goats, rabbits) control was carried out across 340 200 hectares, including Hiltaba Station, Gawler Ranges NP and Flinders Ranges NP. Aerial pig control was carried out in Coongie Lakes Ramsar, covering 74 124 hectares and, removing 134 individuals.

These activities contribute to State NRM Plan Guiding Target 1: *Ensure people are better informed and improve capacity in NRM decision making*; Target 2: *Involve more people in the sustainable management of natural resources*; Target 6: *Maintain the productive capacity of our natural resources*; Target 12: *Improve the conservation status of species and ecological communities*; and 13: *Limit the establishment of pests and diseases and reduce the impacts of existing pests*

Pest plant control

Pest plant management (*Acacia farnesiana* and *Xanthium strumarium*) was delivered on Innamincka Regional Reserve and nearby properties, covering 6 883 hectares. Other pest plant management (boxthorn and cactus), covering 19 346 hectares was undertaken on 14 properties in the North East Pastoral, North Flinders, Gawler Ranges, Marla Oodnadatta & Kingoonya Districts. Additional cactus control work was carried out in the Flinders Ranges NP, covering 5 000 hectares.

A demonstration site was set-up to showcase techniques over the next four years for the management of buffel grass, woody weeds and cactus. The aim is to improve awareness of the impacts of key species on pastures and native plants and animals, as well as improving management practises in the longer-term.

Finally, the review of three existing district-scale weed strategies developed in previous projects commenced this year, and three new district-scale weed strategies commenced development for the remaining three districts.

These activities contribute to State NRM Plan Guiding Target 1: *Ensure people are better informed and improve capacity in NRM decision making*; Target 2: *Involve more people in the sustainable management of natural resources*; Target 6: *Maintain the productive capacity of our natural resources*; Target 8: *Increase extent and improve condition of native vegetation*; Target 12: *Improve the conservation status of species and ecological communities*; and Target 13: *Limit the establishment of pests and diseases and reduce the impacts of existing pests*.

Integrated property planning and management

The EMU™ program continued, with two new properties expressing interest in commencing this year; the initial mapping phase being undertaken by three new properties; five properties continuing their planned on-ground works program; and follow-up/maintenance work continuing on 15 properties. The current funded project concludes at the end of this financial year and will be evaluated to identify outcomes achieved during the past three years.

Related to integrated property management is a new project, commencing this year, which aims for multiple outcomes including improvements in grazing management (supported by decision support tools such as cover assessment and other monitoring approaches), and to explore diversification options for the region.

Also commencing this year was a renewed focus on developing the Landcare network of land managers, supported by a Regional Landcare Facilitator to help maximise knowledge-sharing, skills-building opportunities, building participation and capacity building overall. This will be achieved through attendance at NRM events and formal training.

Other property planning activities include the development of two property information packs for land managers in the Gawler Ranges and Marla-Oodnadatta districts identifying and mapping Environment Protection and Biodiversity Conservation (EPBC) listed species' habitat as well as associated management implications. Three property action plans were developed for properties in the North Flinders district, which identify threat mitigation priorities to benefit EPBC species in the Flinders Ranges, including the yellow footed rock wallaby. Finally, a landscape action planning project is also in its early stages this year. This will involve the development of a region-wide action plan to inform priority on-ground management activities at a landscape scale, such as weed and pest control.

These property planning and management activities contribute to State NRM Plan Guiding Target 1: *Ensure people are better informed and improve capacity in NRM decision making*; Target 2: *Involve more people in the sustainable management of natural resources*; Target 6: *Maintain the productive capacity of our natural resources*; Target 7: *Improve soil and land condition*; Target 8: *Increase extent and improve condition of native vegetation*; Target 12: *Improve the conservation status of species and ecological communities*; and Target 13: *Limit the establishment of pests and diseases and reduce the impacts of existing pests*.

Community engagement

General

The SAAL NRM region had a presence at nine regional events, including races and gymkhanas at Copley, Oodnadatta, Marree and Yunta. A stall was attended by staff who provided information and advice to over 200 visitors across all events. Evaluations were carried out by staff at four of these events to help build a better understanding of the target audience and their interests in different locations. Information from these evaluations is used for planning attendance, and to continually refine the types of information offered in response to stated community interests.

A total of 108 volunteers from nine volunteer groups were supported in delivering 9 745 hours (approximately 1 299 FTE days) of work across the region. Activities included rubbish clean-up, cactus control, monitoring quolls and bronzeback legless lizard populations, rabbit control, restoration of historical buildings, fence maintenance, and revegetation. An annual Presidents and Coordinators meeting was organised to address the concerns and improve the region's relationship with its volunteer groups.

An extension project based around carbon farming continued this year, developing tools to support decision making around potential diversification options and undertaking broad engagement across the region to raise awareness and understanding about climate change adaptation and mitigation through meetings and workshops.

Aboriginal engagement

The Boards' Aboriginal Partnerships Strategy "Everybody's Land" was launched during NAIDOC week in July 2013. It recognises the central role of the regions' traditional owners and the importance of meaningful partnerships to maximise opportunities for NRM in the region.

Reflecting this goal, Aboriginal participation in NRM has been bolstered through the engagement of Aboriginal membership in all six NRM district groups, which provide valuable input and guidance to priority setting and delivery of management activities on-ground.

The new round of projects commencing this year offer a range of opportunities for meaningful engagement and participation in activities across the region, including program and regional planning; learning new skills through informal and formal training opportunities; development and implementation of traditional ecological knowledge (TEK) protocols; wild dog management; and development of a skills register for potential employees interested in becoming more involved with NRM service delivery. Specific capacity building activities have occurred through chemical accreditation training (Umoona, Leigh Creek and Gawler Ranges), participation in buffel grass management and monitoring of threatened species in the Flinders Ranges. Partnership arrangements over the management of buffel grass have been initiated with the Umoona community, Natural Resources Alinytjara Wilurara and the District Council of Coober Pedy.

Specific Aboriginal communities are also intrinsic to the delivery of several complex, longer-term projects, such as involvement with the Channel Country and GAB Springs projects (see Water section for more information) which both aim to improve understanding and management of key aquatic ecosystems; Teyon waterholes clean-up (Tjayiwara Unmurru Aboriginal Corporation) project which focuses on rehabilitation and maintenance of culturally and environmentally significant rockholes; vegetation management at Hookina Creek / Pungka Pudanha waterhole and the development of the Arabana communities healthy country plan.

Collectively, these engagement activities contribute to State NRM Plan Guiding Target 1: *Ensure people are better informed and improve capacity in NRM decision making*; Target 2: *Involve more people in the sustainable management of natural resources*; Target 3: *Improve institutional and organisational capacity to support people to manage natural resources*; Target 4: *Improve the capacity of individuals and community to respond to climate change*; Target 6: *Maintain the productive capacity of our natural resources*; Target 8: *Increase extent and improve condition of native vegetation*; Target 12: *Improve the conservation status of species and ecological communities*; and Target 13: *Limit the establishment of pests and diseases and reduce the impacts of existing pests*.

Water program

The Water Affecting Activities permit process completed its first year of operation this year, with a total of 36 enquiries, one freedom of information process and two applications, one of which was successful, while the other is still being investigated. Most applications were related to mining, particularly around the Cooper Basin, and many were referred to the region via DMITRE (now the Department of State Development). A preliminary review was commenced to identify early implementation issues, refine criteria and determine the extent of dissemination.

The Coal Seam Gas project continued through the national partnership agreement. The initial phase of vulnerability assessment and information scoping is complete, and work has commenced on bioregional assessment to fill knowledge gaps and develop a full coverage of robust, baseline information for the SAAL region that are of interest to the mining industry for future development (ie Arckaringa Basin, Pedirka Basin and Lake Eyre Basin).

A new four-year project commenced this year investigating the characteristics and condition of the Channel Country – encompassing the Diamantina River and adjacent Ramsar wetlands at Coongie Lakes. Initial field trips have been undertaken in collaboration with, and informed by, Aboriginal Native Title holders, land managers, volunteers, academic staff and project staff. The project aims to improve connectivity and condition of the area, through addressing key risks arising from industry, pests and weeds and climate change.

A new three-year project commenced this year which focuses on investigating key threats to the EPBC-listed GAB Springs ecological communities. The project aims to reduce threats and improve condition of the springs through general awareness-raising/information sharing activities, conducting grazing/fire trials to manage phragmites encroachment across spring surfaces, and addressing other key threats such as pests and weeds, in collaboration with Aboriginal Native Title holders, land managers and the wider community.

Liaison has taken place regarding the development of a five-year forward work plan to prioritise Water Allocation Plan (WAP) timetabling according to risk. This process is almost complete, with SAAL's Far North Prescribed Wells Area WAP listed to commence its review at the beginning of the next financial year.

Collectively, water program activities contribute to State NRM Plan Guiding Target 1: *Ensure people are better informed and improve capacity in NRM decision making*; Target 2: *Involve more people in the sustainable management of natural resources*; Target 3: *Improve institutional and organisational capacity to support people to manage natural resources*; Target 4: *Improve the capacity of individuals and community to respond to climate change*; Target 6: *Maintain the productive capacity of our natural resources*; Target 8: *Increase extent and improve condition of native vegetation*; Target 9: *Improve condition of terrestrial aquatic ecosystems*; Target 11: *Increase understanding of the condition of landscapes (geologically and culturally important features)*; Target 12: *Improve the conservation status of species and ecological communities*; and Target 13: *Limit the establishment of pests and diseases and reduce the impacts of existing pests*.

NRM Planning

The SAAL Regional NRM Plan was reviewed on schedule this year, with the SAAL NRM Board agreeing to a full re-write, based on there being a wide range of new information which has changed understanding of key natural resources, there has been widespread organisational, legislative and policy changes since the current plan was adopted in mid-2010 and, finally, because most of the short-term management action targets which leverage external funding are nearing completion. The plan re-write commenced early this year and is expected to be completed at the end of 2015, until which time activities will continue to be delivered against the current plan. The re-write process is partly funded through the Australian Government's planning for climate change program which requires all funded Regional NRM Plans around Australia to be spatially explicit and climate change-ready. The planning for climate change program also included a complementary program which has been developing regionally-relevant climate change projection data as well as adaptation and mitigation information in consultation with regional staff around Australia.

NRM Planning activities undertaken this year have focused on initial, widespread engagement with community, and developing new data. Many SAAL NRM Board and NRM Group members and regional staff have been strongly focused on implementing and participating in engagement activities to identify key values held by the community. A range of new projects were commenced to bring existing datasets up-to-date, such as updating the Biological Database of South Australia with recent reports from mining companies and other ecological data. Other projects focused on the development of new data, such as identifying trends in condition (eg vegetation productivity, extent and timing of soil exposure) across the region and developing conceptual diagrams on landscape function.

This year, values data from community will be combined with the science to identify key priorities and management targets. This will then be taken to the community in a second engagement phase.

Collectively, NRM Planning program activities contribute to State NRM Plan Guiding Target 1: *Ensure people are better informed and improve capacity in NRM decision making*; Target 2: *Involve more people in the sustainable management of natural resources*; Target 3: *Improve institutional and organisational capacity to support people to manage natural resources*; Target 4: *Improve the capacity of individuals and community to respond to climate change*; Target 5: *All NRM planning and investment decisions take into account ecological, social and production considerations*; Target 6: *Maintain the productive capacity of our natural resources*; and Target 11: *Increase understanding of the condition of landscapes (geologically and culturally important features)*.

ROLE, LEGISLATION AND STRUCTURE

The South Australian Arid Lands Natural Resources Management 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.

FUNCTIONS OF THE SOUTH AUSTRALIAN ARID LANDS NATURAL RESOURCES MANAGEMENT BOARD

Section 29 of the NRM Act describes the functions of the South Australian Arid Lands Natural Resources Management 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 South Australian Arid Lands Natural Resources Management 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

- Janet Crommelin-Brook
- Daryl Bell
- Ross Sawers
- Leonard Nutt
- Catherine Hollingsworth
- Rick Barratt
- Murray Tyler
- Mark Sutton
- Pauline Coulthard (appointed 5 December 2013)

Government representatives authorised to attend meetings

- Michael Malavazos, Department of State Development
- Neil Power, Department of Environment, Water and Natural Resources
- John Virtue, Primary Industries and Regions South Australia

MEETINGS: GENERAL AND SPECIAL

A total of 6 general Board meetings were held during the 2013-14 financial year.

A total of 2 special Board meetings were held during the 2013-14 financial year.

Attendance by appointed members at meetings:

Member	Meetings attended	Reason for non attendance
Janet Crommelin-Brook	8	
Daryl Bell	8	
Ross Sawers	6	Personal and Work Reasons
Leonard Nutt	7	Work Reasons
Catherine Hollingsworth	6	Work Reasons
Rick Barratt	7	Personal Reasons
Murray Tyler	8	
Mark Sutton	8	
Pauline Coulthard	3	Appointed 5 December 2013
Michael Malavazos	5	Work Reasons
Neil Power	6	Work Reasons
John Virtue	8	
Paul DeLonno	1	Proxy for Michael Malavazos

RELATIONSHIPS WITH OTHER AGENCIES

The South Australian Arid Lands NRM Board has a good working relationship with a number of agencies to deliver services across the region. Agencies include:

- Department of Environment, Water and Natural Resources (DEWNR)
- Primary Industries and Regions South Australia (PIRSA)
- Department of Planning, Transport, and Infrastructure (DPTI)
- Outback Communities Australia (OCA)
- Regional Development Australia (Far North)
- Great Artesian Basin Coordinating Committee (GABCC)
- Lake Eyre Basin Community Advisory Committee (LEBCAC)
- Australian Government representatives through Caring for our Country (CfoC)

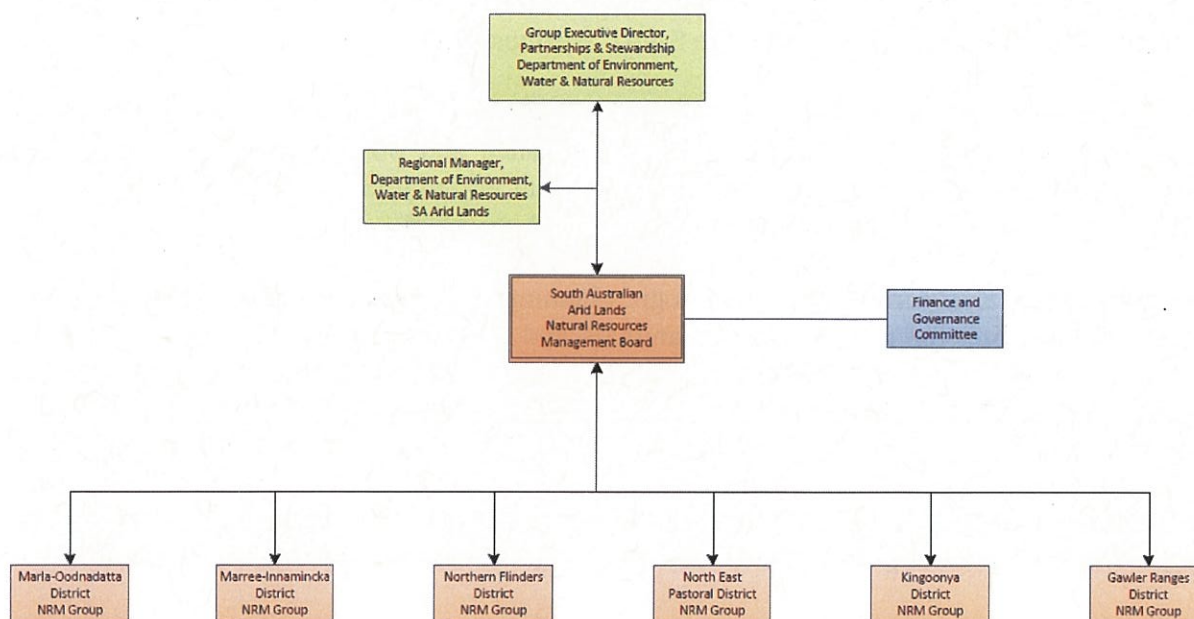
GOVERNANCE ARRANGEMENTS

The business of the SAAL NRM Board delivers a diverse NRM investment program that is supported by a robust governance framework including planning, corporate and administrative functions. The Board is assisted by a Finance and Governance Committee.

The Board is supported by six regional NRM Groups and actively develops capacity to provide on-ground outcomes by engaging land managers at the local level through increased community ownership. The NRM Group members provide a social and local context for delivery of programs by encouraging community engagement and monitoring performance.

Board members are accountable to the community for the governance of the Board area. The Regional Manager is accountable to the Board for managing its resources efficiently and effectively. In preparation of the Annual Report, the Board prepares its financial statements and submits them for audit by the Auditor General.

ORGANISATIONAL STRUCTURE



NRM GROUP ACTIVITIES

- (1) The functions of an NRM group are—
- (a) to be actively involved in the development and implementation of any relevant regional NRM plan at the local level (to the extent specified or envisaged by that plan or specified by the relevant board or boards); and
 - (b) to develop, implement or participate in programs associated with natural resources management at the local level; and
 - (c) to promote public awareness of the importance of integrated and sustainable natural resources management within its area and to undertake or support educational initiatives with respect to natural resources management; and
 - (d) to provide advice to regional NRM boards, and other bodies and agencies, with respect to the assessment of various activities, proposals, situations or circumstances within its area; and
 - (e) such other functions prescribed by the regulations or assigned to the NRM group by a regional NRM board, or by or under this or any other Act.

The six District Groups in the SAAL Region have continued to play an active role in increasing the NRM profile in their districts and providing leadership for participatory NRM. They have further strengthened their roles as important partners of the regional NRM Board at the district level, while facilitating local engagements and partnerships for NRM planning and implementation.

Activities and achievements:

The district groups have increasingly played a central role in the development of regional NRM strategies and plans. They are often invited to contribute to or provide valuable feedback on proposed policies and plans. These include the regional NRM plan (review currently underway), the Dingo Management Plan, and Landscape Action Planning (LAP). The groups have been engaged in values mapping exercises for the NRM plan and are expected to provide that community link in the process. They have also provided feedback to the Board during the annual review of the SAAL Business Plan.

District Groups have played an important role in facilitating review and adoption of regional NRM projects in their districts, and provided guidance and on-ground support to project officers in project roll-out and engagement with local communities. These projects include EMU, Carbon Farming, dingo baiting and the Biteback program.

The groups have also participated in strategic planning processes for district level priorities and plans, including for pest plants and animals and tourism management, and most have further developed their own NRM projects and sought funding for their implementation. Among these projects are the *Acacia farnesiana* project and purchase of a spray unit in Marla Oodnadatta; a biological survey to collect data from 'boom' seasons, and the production of the second version of the Great Tracks brochure in Marree Innamincka; the partnership with the Cultana Defence training site in Gawler Ranges; the Stuart Highway signage project in Kingoonya; and the setting up of a trial wild dog incentive scheme in Northern Flinders.

NORTHERN FLINDERS DISTRICT GROUP

The membership of the Northern Flinders District Group during 2013-14 was:

Members

- Keith Slade (chair)
- Ian Ferguson
- Glenys Aird
- Stony Steiner
- Keith Bellchambers
- Nicki de Preu
- Ivan McKenzie

MEETINGS: GENERAL AND SPECIAL

A total of four general District Group meetings were held during the 2013-14 financial year. Two special District Group meeting was held during the 2013-14 financial year.

Attendance by appointed members at meetings:

Member	Meetings attended	Reason for non attendance
Keith Slade (chair)	5	Other commitments
Ian Ferguson	6	
Glenys Aird	5	Other commitments
Stony Steiner	5	Other commitments
Keith Bellchambers	3	Other commitments
Nicki de Preu	5	Other commitments
Ivan McKenzie	2	Other commitments

Key Achievements for the Northern Flinders District Group during the 2013-14 financial year include an exotic breeds of sheep discussion with the attendance of extra community members. The Group submitted comment for the Declared Plant Review. A trial for the establishment of a wild dog incentive scheme for the district (based on the ideas of a community member being brought to the group) was discussed with broader community and Local Action Planning (LAP) groups for wild dogs and then funding was sought to go with in-kind funds from land managers.

MARLA OODNADATTA DISTRICT GROUP

The membership of the Marla Oodnadatta District Group during 2013-14 was:

Members

- Mark Fennell (Chair)
- Tony Williams
- Douglas Lillecrapp
- Caroline Thomas
- Christine Jones
- Peter Watts (appointed 27 February 2014)
- Marthinus (Jack) Hamman (appointed 27 February 2014 and resigned 25 May 2014)
- Simon Hilder (resigned 13 December 2013)
- Tina Boyd (resigned 17 January 2014)

MEETINGS: GENERAL AND SPECIAL

A total of four general District Group meetings were held during the 2013-14 financial year. No special District Group meetings were held during the 2013-14 financial year.

Attendance by appointed members at meetings:

Member	Meetings attended	Reason for non attendance
Mark Fennell	4	
Tony Williams	2	Other commitments
Douglas Lillecrapp	3	Other commitments
Caroline Thomas	3	Other commitments
Christine Jones	4	
Peter Watts	0	Appointed 27 February 2014
Marthinus (Jack) Hamman	0	Appointed 27 February 2014 / Resigned 25 May 2014
Simon Hilder	1	Resigned 13 December 2013
Tina Boyd	2	Resigned 17 January 2014

Achievements of the Marla Oodnadatta NRM Group during 2013-14 include providing feedback to the District Weed Strategy, Draft NRM Business Plan, NRM Strategy Plan Review, Wild Dog Management Plan, Wabma Kadarbu Mound Springs Conservation Park and Kati Thanda – Lake Eyre National Park Management Plan Discussion Paper, and development of a Management Toolkit for small mammal refuges.

The Group continue to provide support and on-going commitment to the community approach to *Acacia farnesiana* Control in The Peake catchment. Contractors were engaged to respray regrowth and conduct complementary landscape rehabilitation works. The Group also received regular updates on the National Coal Seam Gas Agreement.

KINGOONYA DISTRICT GROUP

The membership of the Kingoonya District Group during 2013-14 was:

Members

- Graeme Noll (Chair)
- Katie Hulmes
- Michael Chuk
- Julia Harris
- Brenton McRae (appointed 27 February 2014)
- Chris Larkin (appointed 27 February 2014)

MEETINGS: GENERAL AND SPECIAL

A total of 4 general District Group meetings were held during the 2013-14 financial year. No special District Group meetings were held during the 2013-14 financial year. Attendance by appointed members at meetings:

Member	Meetings attended	Reason for non attendance
Graeme Noll	3	Other commitments
Katie Hulmes	2	Other commitments
Michael Chuk	4	Other commitments
Julia Harris	4	Other commitments
Brenton McRae	1	Appointed 27 February 2014
Chris Larkin	0	Appointed 27 February 2014

Achievements of the NRM District Group during the 2013-14 period include continued support of the EMU™ program. The group participated in aerial and ground baiting of wild dogs. The group assisted with the management of a spray unit located in the region and available for landholders use. A district weed workshop was hosted by the group for landholders, and the group was involved in completing the Stuart Highway signage project.

MARREE-INNAMINCKA DISTRICT GROUP

The membership of the Marree-Innamincka District Group during 2013-14 was:

Members

- Raylene Ogilvy (Chair)
- Maree Morton
- Gina Reick
- Jacqueline Ogilvy
- Valerie Fuschtei
- Arthur Ah Chee
- Brooke McKenzie-Warren (appointed 27 February 2014)
- Peter Paisley (resigned 16 August 2013)

MEETINGS: GENERAL AND SPECIAL

A total of five general District Group meetings were held during the 2013-14 financial year. One special District Group meeting was held during the 2013-14 financial year. Attendance by appointed members at meetings:

Member	Meetings attended	Reason for non attendance
Raylene Ogilvy	6	
Maree Morton	5	Work Scheduling
Jacqueline Ogilvy	2	Work Scheduling
Gina Reick	5	
Valerie Fuschtei	5	Private
Arthur Ah Chee	4	Private
Brooke McKenzie-Warren	0	Appointed 27 February 2014
Peter Paisley	1	Resigned 16 August 2013

The Group has participated in several consultation sessions to assist in the development of the Dingo Management Plan for the north dog fence region, as well as contributing to the review and development of the Board's strategic plan. Advice on timing and locations has also been provided to assist with the Cooper Creek Pig Management project.

Continued liaison has taken place with the Department of Planning, Transport and Infrastructure in relation to:

- improving the structure at the Innamincka Causeway to allow for better environmental flow (in conjunction with SARDI and Santos)
- waste management issues along the Strzelecki Track (being both an environmental and health concern for the region);

GAWLER RANGES DISTRICT GROUP

The membership of the Gawler Ranges District Group during 2013-14 was:

Members

- Alexander (Sandy) Morris (Chair)
- Jane Anderson
- Catherine Hollingsworth
- Joanne Lee
- Michael Starkey (appointed 27 February 2014)
- Greg Johnston (appointed 27 February 2014)
- Michael Freak (resigned 6 February 2014)

MEETINGS: GENERAL AND SPECIAL

A total of four general District Group meetings were held during the 2013-14 financial year. one special District Group meeting was held during the 2013-14 financial year.

Attendance by appointed members at meetings:

Member	Meetings attended	Reason for non attendance
Alexander (Sandy) Morris	5	
Jane Anderson	4	Illness
Catherine Hollingsworth	3	Work Scheduling
Joanne Lee	1	Work Scheduling
Michael Starkey	0	Appointed 27 February 2014
Greg Johnston	1	Appointed 27 February 2014
Michael Freak	4	Resigned 6 February 2014

The Gawler Ranges District Group have been active in the promotion and development of the Biteback program in the district by leading local groups and making operational suggestions that have increased productivity.

A relationship has been formed with environmental staff working on the management of the Cultana Defence training site expansion, allowing information to be disseminated to the region via the District Group.

The group have been working on a community signage project whereby signs will be erected at main points in the Gawler Ranges Region advising of the unique and fragile landscape of the Gawler Ranges; whilst promoting safe and responsible travel tips for the region. This project will be developed in association with the Outback Communities Authority.

The group reviewed the district weed strategy for the Gawler Ranges region, and has been working with Natural Resources SA Arid Lands staff on the review and development of the Board's strategic plan.

NORTH EAST PASTORAL DISTRICT GROUP

The membership of the North East Pastoral District Group during 2013-14 was:

Members

- Glen Norris (Chair)
- Terrence Coulthard
- Carina Staer (resigned 12 June 2014)

MEETINGS: GENERAL AND SPECIAL

Four general District Group meetings were held during the 2013-14 financial year.

No special District Group meetings were held during the 2013-14 financial year.

Attendance by appointed members at meetings:

Member	Meetings attended	Comments
Glen Norris	4	
Carina Staer	4	Resigned 12 June 2014
Terrence Coulthard	4	

Achievements for the North East Pastoral District Group during the 2013-14 financial year include drafting a District Weed Strategy and increasing the NRM profile in the district, given the group was established on 3 June 2013.

MANAGEMENT OF HUMAN RESOURCES

EMPLOYEE NUMBERS, GENDER AND STATUS

The South Australian Arid Lands 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 the South Australian Arid Lands NRM Board from existing DEWNR resources.

Sitting fees and travel allowances are paid to members of the SA Arid Lands NRM Board and SA Arid Lands NRM Groups. There are members of the Board and Groups who do not claim sitting fees and travel allowances as their employers support their participation and attendance. For those who do claim, His Excellency the Governor in Executive Council determined the following rates of remuneration in November 2008:

SA Arid Lands NRM Board

Chair: \$258 per four hour session + \$64.50 per hour for out of session duties; plus \$10,000 per annum A/R allowance.

Members: \$206 per four hour session + \$51.50 per hour for out of session duties.

SA Arid Lands NRM Groups

Chair: \$129 per four hour session + \$32.50 per hour for out of session duties.

Members: \$103 per four hour session + \$26.00 per hour for out of session duties.

Travel allowance

In addition to the reimbursement of travel costs, the chair and members are to be remunerated at \$26.00 per hour for every hour of travel between two and eight hours in a single journey.

Gender balance of community representatives on the SA Arid Lands NRM Board and SA Arid Lands NRM Groups as at 30 June 2014 is detailed in the table below:

Name	Male	Female
SA Arid Lands NRM Board	6	3
Northern Flinders NRM Group	5	2
Marla Oodnadatta NRM Group	4	2
Kingoonya NRM Group	4	2
Marree-Innamincka NRM Group	1	6
Gawler Ranges NRM Group	3	3
North East Pastoral NRM Group	2	1

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

- Superannuation contribution by the South Australian Arid Lands 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

CONTRACTUAL ARRANGEMENTS AND GRANTS

The South Australian Arid Lands NRM Board did not enter into any contractual arrangements during this reporting period.

Grants were provided to a number of organisations for a variety of works during this reporting period. Below is a list of grants provided by the South Australian Arid Lands NRM Board:

Supplier Name	Total ex GST	Service Description
SA Native Title Service Ltd	\$ 6,000.00	Cleaning of Culturally significant rock hole by members of Tjayiwara Unmurru Aboriginal Corporation
University of South Australia	\$ 2,990.00	To investigate the relationships between ground water resources, water quality and host rock units that inform the development of sustainable management plans for domestic pastoral & other users
Williams Cattle Company	\$ 20,050.00	Soil conservation work on Hamilton Station
Blinman Parachilna Progress Association	\$ 20,000.00	Grant for support of volunteers undertaking ground weed control for opuntoid species
PIRSA Biosecurity	\$ 65,000.00	Grant offered to support aerial baiting for wild dogs
Martins Well Pastoral	\$ 5,500.00	EMU Project - Buffel Grass Control
University of Adelaide	\$ 10,000.00	Provide a suite of indicators and where possible threshold values that indicate what parts of the aquatic environment most strongly represent aboriginal water values
Bush Heritage Australia	\$ 10,000.00	African boxthorn & Pepper tree control works in the Oonatra Flood out area at Boolcoomatta Station Reserve
MJ and S Parker	\$ 2,000.00	African boxthorn control on Bindarra Station
Nature Foundation SA Inc	\$ 15,000.00	Grant to landholder to engage contractor to carry out feral goat control
John Warwick Pty Ltd.	\$ 12,000.00	Rabbit warren ripping
R Warwick Pty Ltd.	\$ 12,000.00	Rabbit warren ripping
Wirrealpa & Partners	\$ 9,000.00	Rabbit warren ripping at Wirrealpa Station
Umoona Community Council Inc	\$ 9,460.00	Buffel Grass control in Coober Pedy
Viliwarinha Yura Aboriginal Corporation	\$ 9,300.00	Hookina Creek Project planning and preliminary survey
Arkaroola Wilderness Sanctuary	\$ 10,000.00	Control of Opuntia cactus at Arkaroola
Great Tracks Clean-up Crew Pty Ltd	\$ 2,700.00	Sponsorship grant for catering and medical supplies re 2014 Clean-up Trek
P.W & L.A Simpson	\$ 10,958.00	The removal of boxthorns in the Olary Creek on Wiawera, Eringa Park & Maldorky stations
DEWNR - Science Monitoring & Knowledge	\$ 2,500.00	2013/14 Annual funding to assist the NRM Research & Innovation network
Department of Agriculture, Fisheries & Forestry	\$ 1,719.94	CFIC35 Return of unspent monies
Department of Agriculture, Fisheries & Forestry	\$ 10,153.37	Regional Landcare Fund unexpected funds return - SALFI06
CR & CM Blackmore	\$ 7,320.00	EMU Project - Contract bulldozing and grading work
TOTAL GRANTS	\$ 253,651.31	

FRAUD

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

CONSULTANTS

The South Australian Arid Lands NRM Board did not engage any consultants in this period.

OVERSEAS TRAVEL

No member of the South Australian Arid Lands NRM Board has travelled overseas on Board business during this reporting period.

ASBESTOS MANAGEMENT IN GOVERNMENT BUILDINGS

The South Australian Arid Lands 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 requiring the South Australian Arid Lands NRM Board to consider principles of urban design contained in the South Australian Urban Design Charter.

FREEDOM OF INFORMATION – INFORMATION STATEMENTS

PUBLICATION OF INFORMATION STATEMENT

It is the responsibility of the Board to ensure it complies with the *Freedom of Information Act 1991*. The Regional Manager is the designated Freedom of Information Officer for the South Australian Arid Lands NRM Board.

Documents available free of charge:

The following documents are available by contacting the Board on 08 8648 5300:

- Brochures and Fact Sheets
- Policy documents
- Management Plans
- Meeting Minutes

Effect of Board Functions on members of the public

The Board is committed to undertaking extensive public consultation prior to the formulation of any major policies relating to the Board's functions. Any Board policy may be viewed by contacting the Board's offices between 9:00am and 5:00pm Monday to Friday (excluding public holidays). Instructions on how to make an application under the *Freedom of Information Act 1991* can also be obtained from the Board's offices.

Information Summary

The types of documents held by the South Australian Arid Lands NRM Board include:

- Administration files
- Tender and Contract information
- Policy Documents and Procedure Manuals
- Research Reports and Publications
- Brochures, Fact Sheets, Newsletters, Photos and Posters.

Accessing Documents

Access to documents of requests for information under the *Freedom of Information Act 1991* is via the Freedom of Information Officer.

Contact Officer

The Regional Manager is the Board's designated Principal Officer for Freedom of Information purposes. Freedom of Information requests should be addressed to:

Freedom of Information Officer

South Australian Arid Lands Natural Resources Management Board

PO Box 78

PORT AUGUSTA SA 5700

WHISTLEBLOWERS PROTECTION ACT 1993

Reporting requirements against the *Whistleblowers Protection Act 1993* require the South Australian Arid Lands 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 South Australian Arid Lands NRM Board did not undertake any regional Impact Assessment Statements during the 2013-14 financial year.

GLOSSARY

CFOC	Caring For Our Country
DENR	Department of Environment and Natural Resources
DEWNR	Department of Environment, Water and Natural Resources
DPTI	Department of Planning Transport and Infrastructure
EMU TM	Ecosystem Management Understanding
EPBC	Environmental Protection and Biodiversity Conservation
GAB	Great Artesian Basin
GABCC	Great Artesian Basin Coordinating Committee
GABSI	Great Artesian Basin Sustainability Initiative
LAP	Landscape Action Planning
LEBCAC	Lake Eyre Basin Community Advisory Committee
NRM	Natural Resources Management
PIRSA	Primary Industries and Regions SA
SAAL NRM	South Australian Arid Lands Natural Resources Management
SEB	Significant Environmental Benefit

RECONCILIATION STATEMENT

The South Australian Arid Lands NRM Board acknowledges and respects the traditional custodians whose ancestral lands on which it meets. The Board acknowledges the deep feelings of attachment and relationships of Aboriginal peoples to country. The Board pays respect to the cultural authority of Aboriginal people visiting/attending from other areas of South Australia/Australia.

In fulfilling its functions, the South Australian Arid Lands 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

A Ministerial directive was issued on 16 April 2012 directing the Board to:

- Use the Department of Environment and Natural Resources (DENR)¹ to provide the Board's business support and NRM services in the region;
- Enter into an agreement with DENR for these services. This agreement will include 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 will detail the services, projects and funds to deliver the board's annual work plan; and
- Fund the services and projects set out in the agreement.

This notification also advised that the Government had made a decision to transfer the employment of staff from the NRM Act to the *Public Sector Act 2009* and for these staff to be brought into the administrative unit of DEWNR.

Included in this directive, was the expectation that existing DEWNR systems will be used and adapted to integrate corporate services, including financial, technology and human resource management systems. Where a Government service is mandated, the Board would be required to use these services.

STATEMENT OF FACT FOR SIGNIFICANT FUNCTIONS ASSIGNED BY MINISTER

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

STATEMENT OF FACT FOR FUNCTIONS OR POWERS DELEGATED TO THE BOARD

There were no significant additional functions or powers delegated to the Board under the NRM Act or any other Act in accordance with Regulation 9e of the NRM (General) Regulations 2005.

¹ Now the Department of Environment, Water and Natural Resources which was created on 1 July 2012, by amalgamating the former Department for Water and DENR.

STATEMENT OF FACT FOR FUNCTIONS OR POWERS DELEGATED BY THE BOARD

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

On 29 February 2012, the Board signed the delegation of its powers and functions pertaining to the administration of water affecting activities to the Regional Manager, South Australian Arid Lands, under s127(3)(e). (3) Subject to this Act, a person must not undertake any of the following activities unless authorised to do so by a water management authorisation or permit granted by the relevant authority: (e) an activity of a kind referred to in subsection (5) that is identified in an NRM plan that applies to the region in which the activity is to be undertaken as being an activity for which a permit is required under this subsection.

ACKNOWLEDGEMENTS

The Board would like to thank the Minister and staff of the Department of Environment, Water and Natural Resources for the support and encouragement that it has received over the year. Particular acknowledgement is made to the management and staff of the SA Arid Lands Region of the Department of Environment, Water and Natural Resources for their commitment and contribution to achieving positive outcomes in the region.

**South Australian Arid Lands
Natural Resources Management Board**

Annual Financial Statements

For the Year Ended 30 June 2014

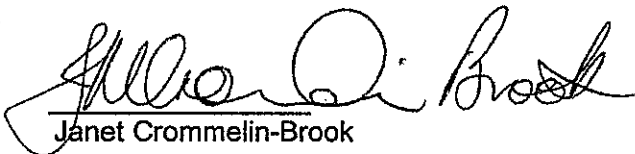
**South Australian Arid Lands
Natural Resources Management Board**

Certification of the Financial Statements

We certify that the attached general purpose financial statements for the South Australian Arid Lands Natural Resources Management Board:

- comply with relevant Treasurer's Instructions issued under Section 41 of the *Public Finance and Audit Act 1987*, and relevant Australian Accounting Standards;
- are in accordance with the accounts and records of the Board; and
- present a true and fair view of the financial position of the Board as at 30 June 2014, and the results of its operations and cash flows for the financial year.

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



Janet Crommelin-Brook

Presiding Member

South Australian Arid Lands Natural Resources Management Board

4 December 2014



Stuart Paul

Regional Manager

South Australian Arid Lands Natural Resources Management Board

4 December 2014



Michelle Griffiths

Chief Financial Officer

Department of Environment, Water and Natural Resources

9 December 2014

**South Australian Arid Lands
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	-	(111)
Supplies and services	6	5 471	5 209
Other Expenses	7	51	51
Grants and subsidies	8	394	520
Depreciation expense	9	8	25
Board, Group and Committee expenses	20	137	66
Total expenses		<u>6 061</u>	<u>5 760</u>
Income			
Regional NRM and Water Levies	10	1 060	984
Interest revenues	11	58	94
Grants received	12	4 865	3 996
Other revenues	13	61	104
Total income		<u>6 044</u>	<u>5 178</u>
Net result		<u>(17)</u>	<u>(582)</u>
Total comprehensive result		<u>(17)</u>	<u>(582)</u>

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

Jacob
JP

**South Australian Arid Lands
Natural Resources Management Board**

Statement of Financial Position

As at 30 June 2014

	Note	2014 \$'000	2013 \$'000
Current assets			
Cash and cash equivalents	14	2 385	2 244
Receivables	15	99	306
Total current assets		<u>2 484</u>	<u>2 550</u>
Non-current assets			
Property, plant and equipment	16	18	26
Total non-current assets		<u>18</u>	<u>26</u>
Total assets		<u>2 502</u>	<u>2 576</u>
Current liabilities			
Payables	17	770	827
Total current liabilities		<u>770</u>	<u>827</u>
Total liabilities		<u>770</u>	<u>827</u>
Net assets		<u>1 732</u>	<u>1 749</u>
Equity			
Retained earnings		<u>1 732</u>	<u>1 749</u>
Total equity		<u>1 732</u>	<u>1 749</u>

The total equity is attributable to the SA Government as owner

Unrecognised contractual commitments	18
Contingent assets and contingent liabilities	19

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



**South Australian Arid Lands
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	2 331	2 331
Net result for 2012-13	(582)	(582)
Total comprehensive result for 2012-13	<u>(582)</u>	<u>(582)</u>
Balance at 30 June 2013	<u>1 749</u>	<u>1 749</u>
Net result for 2013-14	(17)	(17)
Total comprehensive result for 2013-14	<u>(17)</u>	<u>(17)</u>
Balance at 30 June 2014	<u>1 732</u>	<u>1 732</u>

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

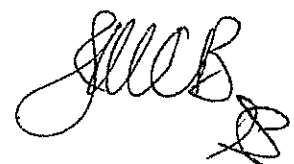
The above statement should be read in conjunction with the accompanying notes



**South Australian Arid Lands
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 and board member payments		(137)	(68)
Payments for supplies and services		(5 528)	(5 161)
Payments of grants and subsidies		(394)	(520)
Other payments		(51)	(48)
Cash used in operations		(6 110)	(5 797)
Cash inflows			
Grant and levy receipts		6 130	4 816
Interest received		60	100
Other receipts		61	104
Cash generated from operations		6 251	5 020
Net cash provided by/(used in) operating activities	21	141	(777)
Cash flows from investing activities			
Cash outflows			
Purchase of property, plant and equipment		-	(11)
Net cash used in investing activities		-	(11)
Cash flows from financing activities			
Cash outflows			
Cash transferred as a result of restructuring activities		-	(280)
Net cash used in financing activities		-	(280)
Net increase/(decrease) in cash and cash equivalents		141	(1 068)
Cash and cash equivalents at the beginning of the period		2 244	3 312
Cash and cash equivalents at the end of the period	14	2 385	2 244

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



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

	National program implementation - CFOC		Dingo management		State complementary funding		Catchment water management		Allocating water and maintaining springs		NRM regional plan		District group projects and operations		Regional governance		TOTAL	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	
Expenses																		
Staff benefit expenses	3 240	3 041	316	373	-	7	-	443	26	-	150	99	-	-	-	(111)	-	(111)
Supplies and services	32	24	3	4	-	-	4	1	-	-	2	2	1	2	8	15	51	6 209
Other expenses	294	462	65	-	11	-	19	6	-	-	-	-	-	29	5	23	394	520
Grants and subsidies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8	25	8	25
Depreciation expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25
Board, Group and Committee expenses	-	-	-	-	-	-	-	-	-	-	-	-	33	19	104	47	137	66
Total Expenses	3 566	3 527	384	377	11	7	466	442	27	20	152	101	161	253	1 294	1 033	6 061	5 760
Income																		
Regional NRM & Water Levies	-	-	66	66	-	-	480	-	70	-	57	-	32	-	355	918	1 060	984
Interest revenues	-	49	5	5	-	-	-	7	-	-	-	-	-	3	53	30	58	94
Grants received	3 631	2 290	214	346	-	18	-	276	-	-	76	154	111	259	833	653	4 865	3 996
Other revenues	19	-	6	12	-	-	-	-	24	-	-	-	-	-	12	92	61	104
Total Income	3 650	2 339	291	429	-	18	480	283	94	-	133	154	143	262	1 253	1 693	6 044	5 178
Net result	84	(1 188)	(93)	52	(11)	11	14	(159)	67	(20)	(19)	53	(18)	9	(41)	660	(17)	(562)

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

**South Australian Arid Lands
Natural Resources Management Board**

Note Index

For the Year Ended 30 June 2014

Note Contents

Objectives and policies notes

- 1 Board Objectives
- 2 Summary of significant accounting policies
- 3 New and revised accounting standards and policies

Activities note

- 4 Activities of the Board

Expense notes

- 5 Staff benefit expenses
- 6 Supplies and services
- 7 Other Expenses
- 8 Grants and subsidies
- 9 Depreciation expense

Income notes

- 10 Regional NRM and Water Levies
- 11 Interest revenues
- 12 Grants received
- 13 Other revenues

Asset notes

- 14 Cash and cash equivalents
- 15 Receivables
- 16 Property, plant and equipment

Liability notes

- 17 Payables

Other notes

- 18 Unrecognised contractual commitments
- 19 Contingent assets and contingent liabilities
- 20 Remuneration of Board and Committee Members
- 21 Cash flow reconciliation
- 22 Financial instruments/Financial risk management
- 23 Events after the reporting period



**South Australian Arid Lands
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 South Australian Arid Lands Natural Resources Management Board (the Board) was established pursuant to the *Natural Resources Management Act 2004* (the NRM Act) on 9 December 2004. The Board is a body corporate.

(b) Board's Objectives

The objectives of the Board are to undertake 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 South Australian Arid Lands NRM Board Regional NRM Plan was adopted by the Minister for Sustainability, Environment and Conservation on 25 May 2010. The Plan contains two volumes. Volume One is the ten year strategic plan and details the resource condition targets which provide the direction for the Board's programs and activities. Volume Two is the annual Business Plan which articulates the Board's forward planned revenue and expenditure for the following three financial years.

The 2013-14 Business Plan was approved on 29 April 2013 by the Minister for Sustainability, Environment and Conservation.

In addition, the Board promotes public awareness and understanding of the importance of integrated and sustainable natural resources management within its region, undertakes and supports educational initiatives with respect to natural resources management and provides mechanisms to increase the capacity of people to implement programs or to take other steps to improve the management of natural resources.

The Board provides advice on any matter relevant to the condition or management of natural resources within its region and can conduct any inquiry or audit with regard to those natural resources.

The principal source of funds for the Board during the 2013-14 year was grant funding.

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 cumulative 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 is a body corporate of the State of South Australia, established pursuant to 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 on 25 May 2010.

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.

NRM Groups

The Board has established five NRM Groups to operate within its region. The function of the NRM Groups is defined by the NRM Act, (section 52) and the NRM Group Charter. The Act provides that the NRM Groups are subject to the direction of the Board (section 47 (3)(b)). In accordance with a direction issued by the Board and the NRM Groups' Charter the NRM Groups do not have the power to enter into contracts or procure goods or services in their own right. The Board has ensured that proper accounts have been kept of the NRM Groups activities and the related financial information has been incorporated in the accounts and financial statements of the Board for financial reporting purposes.



**South Australian Arid Lands
Natural Resources Management Board
Notes to and forming part of the Financial Statements
For the Year Ended 30 June 2014**

The financial statement includes the figures for the NRM Groups being: Gawler Ranges, Kingoonya, Marla-Oodnadatta, Marree-innamincka and North Flinders. Due to their immateriality they are not separately disclosed in the financial statements.

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.

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 fringe benefits tax and emergency services levy.

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.

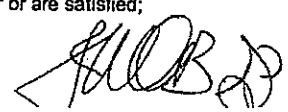
The following are specific recognition criteria:

Grants received

Grants 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.



**South Australian Arid Lands
Natural Resources Management Board
Notes to and forming part of the Financial Statements
For the Year Ended 30 June 2014**

All grants received by the Board have been grants with unconditional stipulations attached and have been recognised as an asset and income upon receipt.

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 2008.

In order to ensure the continuity of regional base level funding from 1 July 2009 to 30 June 2013, this agreement was varied by both parties in January 2010 whilst a new multilateral National Partnership Agreement and a cross-jurisdictional implementation plan was finalised by the Commonwealth for the 2009-2013 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.

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.

In September 2013, the Board entered into a new proponent agreement with the State, for the continued implementation of the Caring for Our Country program. This funding spans five financial years - 1 July 2013 to 30 June 2018, and covers two broad areas: Sustainable Environment and Agriculture.

Regional NRM and Water Levies

The Board collects Land NRM Levies through District Councils at Roxby Downs and Coober Pedy, and through DEWNR (for areas outside of council boundaries). Water Levies are received through DEWNR towards the costs of the Board performing its functions under the NRM Act. This income is recognised as an asset and income when the Board obtains control of the contribution, or obtains the right to receive the funds.

Interest revenues

Interest income is recognised when earned.

Disposal of non-current assets

Income from the disposal of non-current assets is recognised when the control of the asset has passed to the buyer and has been determined by comparing proceeds with carrying amount.

(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

Staff benefit expenses include all costs related to employment including wages and salaries, non-monetary benefits and leave entitlements. These are recognised when incurred.

Board member expenses

Board member expenses include all board fees and related on-costs including superannuation. These are recognised when incurred.

Superannuation

The amount charged to the Statement of Comprehensive Income represents the contributions made by the Board to the superannuation plan in respect of current services of current Board members. The Department of Treasury and Finance centrally recognises the superannuation liability in the whole of government financial statements.

Depreciation

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.

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 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)
Plant and equipment	5-7
Furniture and Fittings	10
Vehicles	10

Grants and subsidies

For contributions payable, the contribution will be recognised as a liability and expense when the Board has a present obligation to pay the contribution and the expense recognition criteria are met.

All contributions paid by the Board have been contributions with unconditional stipulations attached.

(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.



**South Australian Arid Lands
Natural Resources Management Board
Notes to and forming part of the Financial Statements
For the Year Ended 30 June 2014**

(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.

The Board has determined that there is currently no need for an allowance for doubtful debts.

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 i.e. 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 16 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.

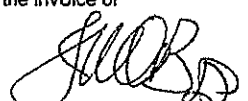
Payables

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.



**South Australian Arid Lands
Natural Resources Management Board
Notes to and forming part of the Financial Statements
For the Year Ended 30 June 2014**

(m) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement. The Board has entered into operating leases for office accommodation and storage facilities.

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 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

In achieving its objectives the Board provides a range of services classified into the following activities:

Activity 1: National program implementation – Caring for our Country (CFOC)

Integrating priority on-ground actions for a range of natural resource assets to provide multiple benefits including water quality and quantity, land systems, sustainable production and biodiversity:

- Improving land management practices
- Improving knowledge and skills of land managers
- Increasing community knowledge, skills and participation
- Develop and implement resource condition monitoring programs
- Engagement of indigenous communities & incorporation of traditional knowledge into plans
- Implement the MERI (Monitoring, Evaluation, Reporting, Improvement) framework as part of adaptive management
- Increasing native habitat and reducing pest flora and fauna impacts

Activity 2: Dingo management

Addressing management of dingos south of the dog fence and improving landholder capacity to effectively control dingos

Activity 3: State complementary funding

Industry engagement activities:

- Research into dingo impacts on pastoral productivity north of the dog fence in the Arid lands region
- Investigating opportunities for industry partnerships

Activity 4: Catchment water management

Addressing key management action targets specifically about water resource management:

- Develop an understanding of ecosystem values process and functions
- Identify hydrological drivers of a health aquatic ecosystem
- Incorporation of community and stakeholder values and knowledge into management plans

Activity 5: Allocating water and maintaining springs in the Greater Artesian Basin (GAB)

Investigating major surface and ground water quantity and quality issues including resource assessment and management for the GAB:

- Collect information relating to diffuse and point discharge for water resource planning
- Add to the current information on surface and groundwater resources
- Conceptual model report on spring behaviour

**South Australian Arid Lands
Natural Resources Management Board
Notes to and forming part of the Financial Statements
For the Year Ended 30 June 2014**

Activity 6: NRM regional plan

Preparation, consultation and printing of the NRM Regional Plan

Activity 7: District Group projects and operations

Work in partnership with government, business and the community to build knowledge, inform and improve decision making, influence behaviour throughout the community to conserve, protect and sustainably manage the regions natural resources:

- Support NRM training programs
- Assist district groups to undertake NRM activities
- Build networks to assist in NRM activities

Activity 8: Regional governance

Addressing organisational goals to become a credible, efficient and effective organisation that supports its staff and is responsive to the community:

- Build and maintain a work environment that is conducive to high staff and organisational performance and growth
- Develop and communicate the strategic directions of the Board

The disaggregated disclosures schedule present expenses and income to each of the activities for the year ended 30 June 2014 and year ended 30 June 2013.



**South Australian Arid Lands
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	-	(98)
Oncosts - Superannuation	-	(4)
Oncosts - Other	-	(9)
Total Staff benefit expenses	-	(111)

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
Travel and accommodation	192	189
Contractors	49	91
Fee for service	4 241	3 865
Minor works, maintenance and equipment	264	249
Vehicles and aircraft	185	217
Transport	10	9
General administration	175	265
Monitoring	-	11
Information technology and communication expenses	71	61
Accommodation and property management	81	80
Staff development	55	57
Other supplies and services	148	115
Total Supplies and services	5 471	5 209

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	3 245	2 389
Total Supplies and services provided by entities within the SA Government	3 245	2 389

7 Other Expenses

	2014	2013
	\$'000	\$'000
Audit fees paid/payable to the Auditor-General's Department	51	51
Total Other Expenses	51	51

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
CE NRM support	-	102
Desert Jewels	140	-
Pest management	65	14
Improve native habitat - cactus	-	47
Improving NRM in arid lands	-	140
NRM group project support	-	44
Sustainable land management	103	62
Weed management - skills and knowledge	-	50
Sundry grants	86	61
Total Grants and subsidies	394	520

9 Depreciation expense

	2014	2013
	\$'000	\$'000
Plant and equipment	5	23
Vehicles	1	1
Furniture	2	1
Total Depreciation expense	8	25

10 Regional NRM and Water Levies

	2014	2013
	\$'000	\$'000
Regional NRM and Water levies collected through other entities	1 060	984
Total Regional NRM and Water Levies	1 060	984

AWB

**South Australian Arid Lands
Natural Resources Management Board**
Notes to and forming part of the Financial Statements
For the Year Ended 30 June 2014

11 Interest revenues	2014	2013
	\$'000	\$'000
Interest revenues from entities within the SA Government	58	94
Total Interest revenues	58	94

12 Grants received	2014	2013
	\$'000	\$'000
Commonwealth Funding		
Caring for our country*	634	160
Clean Energy Future	1 334	-
Other Commonwealth funding	-	217
Total Commonwealth Funding	1 968	377
Grants received from SA Government entities		
Caring for our country received through DEWNR*	1 659	2 154
State Government recurrent funding	970	1 020
Other State Government funding	139	171
Total Grants received - SA Government entities	2 768	3 345
Grants received/receivable from entities external to the SA Government		
Sundry grants	129	274
Total Grants received - Non SA Government entities	129	274
Total Grants received	4 865	3 996

*Caring for our country funding in 2013-14 consists of the following components

Desert Jewels	421	-
Ranges Riches - Flinders Olary	213	-
Regional Landcare facilitator stream	167	-
Sustainable Agriculture stream	331	-
Sustainable environment stream - Capacity Building	579	-
Sustainable environment stream - Ongoing Action	582	-
BP Regional base-level investments	-	407
Diamantina pigs project	-	100
Improving Natural Resources Management in the Arid Lands of SA Landcare	-	753
On ground control of Athel Pine in Lake Frome Regional Reserve	-	160
Phase 1 of the Bioregional assessments - SA Arid Lands	-	45
Valuing people and building capacity for managing functioning ecosystems in the arid lands	-	350
	-	499
Total Caring For Our Country Funding	2 293	2 314

13 Other revenues	2014	2013
	\$'000	\$'000
Support Services	12	8
Recoup of expenses	2	19
Sale of goods	6	30
Other revenue	41	47
Total Other revenues	61	104

14 Cash and cash equivalents	2014	2013
	\$'000	\$'000
Deposits with the Treasurer	2 385	2 244
Total Cash and cash equivalents	2 385	2 244

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.

15 Receivables	2014	2013
	\$'000	\$'000
Current		
Receivables	93	298
Accrued interest	6	8
Total Current receivables	99	306

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 22.3 in Note 22.

(b) Categorisation of financial instruments and risk exposure information - please refer to Note 22.

The Board has not recognised a bad or doubtful debts expense in the Statement of Comprehensive Income.



**South Australian Arid Lands
Natural Resources Management Board**
Notes to and forming part of the Financial Statements
For the Year Ended 30 June 2014

16 Property, plant and equipment

	2014	2013
	\$'000	\$'000
Plant and equipment		
At cost (deemed fair value)	108	123
Less: Accumulated depreciation	(100)	(110)
Total Plant and equipment	8	13
Vehicles		
At cost (deemed fair value)	11	11
Less: Accumulated depreciation	(6)	(5)
Total Vehicles	5	6
Furniture		
At cost (deemed fair value)	14	14
Less: Accumulated depreciation	(9)	(7)
Total Furniture	5	7
Total Property, plant and equipment	18	26

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:

	Plant and equipment	Vehicles	Furniture	Total
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the start of period	13	6	7	26
Depreciation expense	(5)	(1)	(2)	(8)
Carrying amount at the end of period	8	5	5	18

Reconciliation of Non-Current Assets

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

	Plant and equipment	Vehicles	Furniture	Total
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the start of period	36	7	8	51
Depreciation expense	(23)	(1)	(1)	(25)
Carrying amount at the end of period	13	6	7	26

17 Payables

	2014	2013
	\$'000	\$'000
Current		
Creditors	697	775
Accrued expenses	73	52
Total Current payables	770	827

Interest rate and credit risk

Creditors and accruals are raised for all amounts billed but unpaid. Sundry creditors are normally settled within 30 days. Employment on-costs are settled when the respective employee benefit that they relate to is discharged. 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 22.3 in Note 22.

(b) Categorisation of financial instruments and risk exposure information - please refer to Note 22.

18 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	67	2
Later than one year but not later than five years	34	-
Total Operating lease commitments	101	2

**South Australian Arid Lands
Natural Resources Management Board
Notes to and forming part of the Financial Statements
For the Year Ended 30 June 2014**

Operating lease commitments comprise the following:

The Board's operating leases are for office accommodation and storage facilities. Office accommodation is leased from the Department of Planning, Transport and Infrastructure. The leases are non-cancellable with rights of renewal attached. Rental is payable in advance.

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	1 660	1 621
Total Other commitments	1 660	1 621

The Board's other commitments are for non-cancellable contracts relating to grant payments or services.

19 Contingent assets and contingent liabilities

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

20 Remuneration of Board and Committee Members

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

Barratt R	Power N *
Bell D W	Sawers R B
Crommelin-Brook J M	Sutton M R *
Hollingsworth C	Tyler M H
Malavazos M *	Coulthard P J (appointed 05/12/13)
Nutt L S	Virtue J *

The following members of the NRM Groups served during the course of the reporting period:

Gawler Ranges NRM Group

Anderson J M
Freak M (retired 06/02/14) *
Hollingsworth C
Lee J V
Morris A
Johnston G R (appointed 27/02/14)
Starkey M J (appointed 27/02/14) *

Kingoonya NRM Group

Chuk M
Harris J F
Hulmes K M
Noll G I
McRae B A (appointed 27/02/14)
Larkin C (appointed 27/02/14)

Marla-Oodnadatta NRM Group

Boyd K (retired 17/01/14)
Fennell M A
Hilder S (retired 13/12/13)
Jones C S
Lillecraap D G
Thomas C *
Williams A J
Hamman J (appointed 27/02/14; retired 25/05/14)
Watts P R P (appointed 27/02/14) *

Marree-Innaminka NRM Group

Morton J M
Ogilvy J M
Ogilvy R P
Paisley P (retired 16/08/13)
Rieck G C
Fuschtei V T
Ah Chee A
McKenzie-Warren B (appointed 27/02/14)

Northern Flinders NRM Group

Aird G J
Bellchambers K M
De Preu N D
Ferguson I C
McKenzie I C
Slade K L
Steiner S

North East Pastoral NRM Group

Norris G B
Coulthard T C
Staer C (retired 12/06/14)

The following members of the Water Advisory Committee served during the course of the reporting period:

The committee was disbanded on 27/02/14

Bell D
Brake L
Oldfield S
Scholz G D
Sibenaler Z
Sawers R
Good M

The following members of the Pest Advisory Committee served during the course of the reporting period:

The committee was disbanded on 27/02/14

Arnold B K
Bird P L
Fuller K
Moseby K E
Nutt L S
Pitt J L
Turner C

**South Australian Arid Lands
Natural Resources Management Board
Notes to and forming part of the Financial Statements
For the Year Ended 30 June 2014**

The following members of the Biodiversity Advisory Committee served during the course of the reporting period:

The committee was disbanded on 27/02/14

Baulderstone C S
Bell S
Brandle R *
Ireland C
Mills G
Read J
Sawers R

* Denotes government employees

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

	2014 No. of members	2013 No. of members
\$1 - \$9 999	28	24
\$10 000 - \$19 999	-	2
\$40 000 - \$49 999	1	-
Total number of members	29	26

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 \$90 000 (2013: \$50 000).

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 \$47 000 (2013: \$16 000).

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

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.

21 Cash flow reconciliation

	2014 \$'000	2013 \$'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	2 385	2 244
Balance as per the Statement of Cash Flows	2 385	2 244
Reconciliation of net cash provided by operating activities to net result		
Net cash provided by/(used in) operating activities	141	(777)
Less non-cash items		
Depreciation expense of non-current assets	(8)	(25)
Movement in assets and liabilities		
(Decrease)/increase in receivables	(207)	158
Decrease/(increase) in payables	57	(40)
Decrease in staff benefits	-	98
Decrease in provisions	-	4
Net result	(17)	(582)

22 Financial instruments/Financial risk management

Table 22.1 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	Fair value	Carrying amount	Fair value
		\$'000	\$'000	\$'000	\$'000
Financial assets					
Cash and cash equivalents	14	2 385	2 385	2 244	2 244
Receivables ⁽¹⁾	15	52	52	159	159
Financial liabilities					
Payables	17	720	720	776	776

(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).

**South Australian Arid Lands
Natural Resources Management Board**
Notes to and forming part of the Financial Statements
For the Year Ended 30 June 2014

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 22.2 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	Overdue for 30-60 days	Overdue for > 60 days	Total
	\$'000	\$'000	\$'000	\$'000
2014				
Not Impaired Receivables	-	-	-	-
Impaired Receivables	-	-	-	-
2013				
Not impaired Receivables	-	-	-	-
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 22.3 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	2 385	-	2 385
Receivables	52	-	52
<i>Total financial assets</i>	2 437	-	2 437
Financial liabilities			
Payables	720	-	720
<i>Total financial liabilities</i>	720	-	720
2013			
Financial assets			
Cash and cash equivalents	2 244	-	2 244
Receivables	159	-	159
<i>Total financial assets</i>	2 403	-	2 403
Financial liabilities			
Payables	776	-	776
<i>Total financial liabilities</i>	776	-	776

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.

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.

23 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.