



**Government  
of South Australia**

South Australian Arid  
Lands Natural Resources  
Management Board

# South Australian Arid Lands Natural Resources Management Board **2016-17 Annual Report**

South Australian Arid Lands Natural Resources Management Board

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**Date presented to Minister:** 3 January 2018

To:  
Minister Hunter

Minister for Sustainability Environment and Conservation

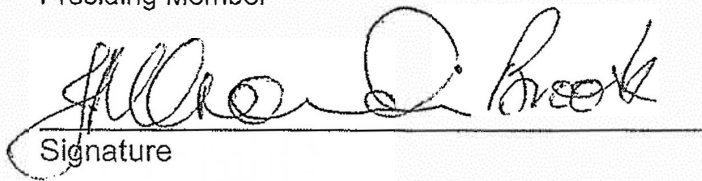
This annual report is presented to Parliament to meet the statutory reporting requirements of *Natural Resources Management Act 2004* and meets the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.

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

Submitted on behalf of the South Australian Arid Lands Natural Resources Management Board by:

Janet Crommelin-Brook

Presiding Member

  
Signature

  
Date

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

### **Agency purpose or role**

The South Australian Arid Lands Natural Resources Management Board (the Board) was established on 9 December 2004 under the provisions of the *Natural Resources Management Act 2004*. The Board undertakes an active role in managing natural resources through the preparation and implementation of a regional NRM plan which is the principal document guiding the management of natural resources in the South Australian Arid Lands Region.

The Board promotes public awareness and understanding of integrated and sustainable natural resources management and provide mechanisms to increase the capacity of people to improve the management of natural resources.

The Board acts as the community interface, and has a role of encouraging the involvement of informed communities in Natural Resources Management.

### **Objectives**

The objectives of the Board are to help achieve ecologically sustainable development in the State by contributing to the establishment of an integrated scheme to promote the use and management of natural resources in a manner that:

- recognises and protects the intrinsic values of natural resources
- 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
- 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
- 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
- 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
- promotes educational initiatives and provides support resources mechanisms to increase the capacity of people to be involved in the management of natural resources.

## Key SA Arid Lands strategies and their relationship to SA Government objectives

Key strategy (SAAL NRM Plan Goals)	SA Government objective
Adaptive landscape-scale management, which maintains and strengthens the natural functioning of the region's ecological systems	<p>Priority 1: Unlocking the full potential of SA's resources, energy and renewable energy</p> <p>Priority 2: Premium food and wine produced in our clean environment and exported to the world</p>
Vibrant communities and industries using and managing natural resources within ecologically sustainable limits	<p>Priority 1: Unlocking the full potential of SA's resources, energy and renewable energy</p> <p>Priority 2: Premium food and wine produced in our clean environment and exported to the world</p> <p>Priority 5: SA – a growing destination choice for international and domestic travellers</p> <p>Priority 7: South Australia – the best place to do business</p>
Vibrant communities, governments and industries working together with the capability, commitment and connections to manage resources in an integrated way	<p>Priority 1: Unlocking the full potential of SA's resources, energy and renewable energy</p> <p>Priority 2: Premium food and wine produced in our clean environment and exported to the world</p> <p>Priority 5: SA – a growing destination choice for international and domestic travellers</p> <p>Priority 7: South Australia – the best place to do business</p>

## SA Arid Lands programs and initiatives and their effectiveness and efficiency

Program name	Indicators of performance / effectiveness / efficiency	Comments (status)
<b>NRM Planning and Evaluation</b>	<ul style="list-style-type: none"> <li>SAAL Strategic and Business Plan completed and adopted by Minister</li> <li>Far North Prescribed Wells Area Water Allocation Plan re-write commenced</li> <li>Collaboration with Region Development Australia Far North to complete Climate Change Adaptation Plan</li> <li>Final Achievements Report for SAAL NRM Plan (2010-17) commenced</li> </ul>	<ul style="list-style-type: none"> <li>Adopted 15/5/2017</li> <li>Commenced June 2017</li> <li>Completed</li> <li>Commenced May 2017</li> </ul>
<b>Sustainable Water Use</b>	<ul style="list-style-type: none"> <li>Water compliance program articulated and implementation commenced</li> <li>Water Affecting Activities (WAA) enquiries and applications addressed</li> </ul>	<ul style="list-style-type: none"> <li>Articulated and implementation commenced</li> <li>WAA's addressed</li> </ul>

Program name	Indicators of performance / effectiveness / efficiency	Comments (status)
	<ul style="list-style-type: none"> <li>• Delivery of all National Landcare Program projects, meeting contracted requirements               <ul style="list-style-type: none"> <li>○ Channel country aquatic ecosystem assessment, and management plans completed</li> <li>○ GAB mound springs fire and grazing trials established</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Requirements met</li> </ul>
<b>Sustainable Industries</b>	<ul style="list-style-type: none"> <li>• Sustainable industries program reviewed, clearly articulated, and approved by the Board</li> <li>• Delivery of all NLP projects, meeting contracted requirements               <ul style="list-style-type: none"> <li>○ Community capacity built (participation and outcomes from workshops and communications supporting sustainable pastoralism, soil conservation, decision tools uptake, diversification, business development and carbon feasibility case studies)</li> <li>○ Delivery of the Regional Landcare Facilitator role (extent of network development, supporting land managers)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Program reviewed, not yet approved</li> <li>• Requirements met</li> </ul>
<b>Biosecurity</b>	<ul style="list-style-type: none"> <li>• Biteback (wild dog control) program implemented south of the fence (participation and capacity building outcomes, population and distribution monitoring)</li> <li>• Delivery of all National Landcare Program projects, meeting contracted requirements               <ul style="list-style-type: none"> <li>○ Buffel grass (and other weeds) demonstration site (participation, capacity building outcomes)</li> <li>○ Cat trapping workshop attendance and ongoing participation (control and research)</li> <li>○ Fox baiting coverage of areas of high biodiversity (Gawler and Flinders Ranges)</li> <li>○ Weeds of National Significance managed (degree of prevention, containment, eradication, depending on species)</li> <li>○ Participation in district weed management plan implementation and outcomes</li> <li>○ Coongie Lakes Ramsar and Channel Country pest animal and weed (extent of prevention and containment)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing activities</li> <li>• Requirements met</li> </ul>

Program name	Indicators of performance / effectiveness / efficiency	Comments (status)
<b>Functional ecosystems</b>	<ul style="list-style-type: none"> <li>• Improve condition and status of biodiversity (threatened species monitoring – population distribution, abundance, trends, response to threat mitigation)</li> <li>• Delivery of all National Landcare Program projects, meeting contracted requirements                             <ul style="list-style-type: none"> <li>○ Improve awareness of biodiversity presence and status (number of property information packs developed)</li> <li>○ Number of property action plans developed and implemented (threat mitigation)</li> <li>○ Number, participation and outcomes of community-based field trips</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing</li> <li>• Requirements met</li> </ul>
<b>Community engagement</b>	<ul style="list-style-type: none"> <li>• Community engagement (number, participation and outcomes from field days, presentations, community events, workshops)</li> <li>• Delivery of all National Landcare Program projects, meeting contracted requirements                             <ul style="list-style-type: none"> <li>○ Traditional ecological projects delivered in collaboration with Indigenous groups</li> <li>○ On-ground threat mitigation in collaboration with District groups</li> <li>○ Successful delivery of community grants projects</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing</li> <li>• Requirements met</li> </ul>

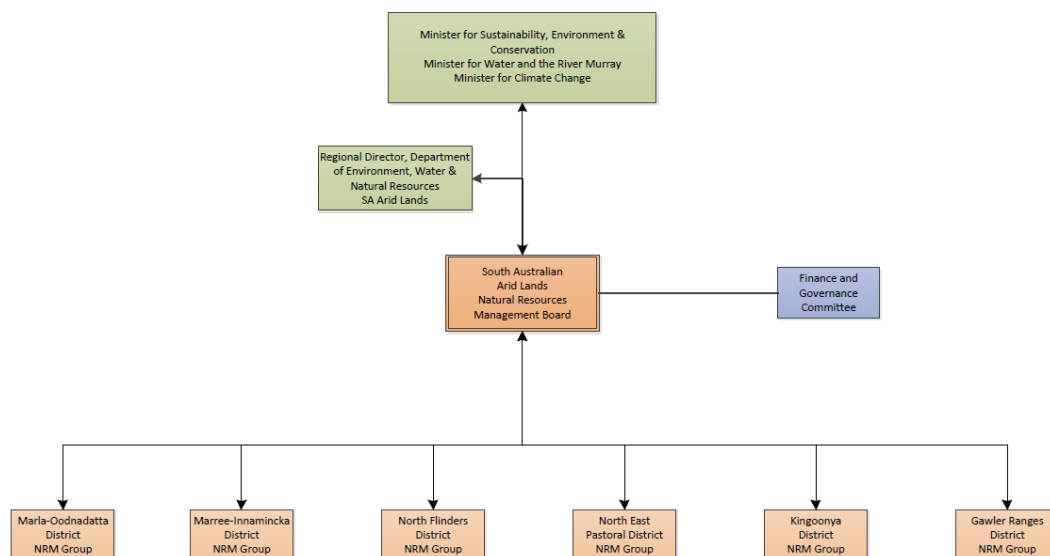
### Legislation administered by the agency

*Natural Resources Management Act 2004*

### Organisation of the agency

Section 25 of the NRM Act provides for the appointment of the South Australian Arid Lands Natural Resources Management Board. The Board comprises of nine 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. Groups and subcommittees of the Board are detailed below:

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### Meetings of the Board : general and special

A total of six general Board meetings and three special Board meetings were held during the 2016–17 financial year. The table below details attendance by board members at meetings.

Member	Meetings attended	Reason for non attendance
Janet Crommelin-Brook	9	
Catherine Hollingsworth	5	Other commitment/s
Glenise Coulthard	5	Other commitment/s
Leonard Nutt	6	Other commitment/s
Malcolm Pridham	9	Other commitment/s
Mark Sutton	7	Other commitment/s
Murray Tyler	8	Other commitment/s
Rick Barratt	8	Other commitment/s
Ross Sawers	4	Other commitment/s
John Virtue	8	Other commitment/s
Michael Malavazos	8	Other commitment/s
Neil Power	8	Other commitment/s

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

Department of Environment, Water and Natural Resources  
 Adelaide and Mount Lofty Natural Resources Management Board  
 Alinytjara Wilurara Natural Resources Management Board  
 Eyre Peninsula Natural Resources Management Board  
 Kangaroo Island Natural Resources Management Board  
 Northern and Yorke Natural Resources Management Board  
 South Australian Murray-Darling Basin Natural Resources Management Board  
 South East Natural Resources Management Board  
 Environment Protection Authority  
 SA Water



## Employment opportunity programs

The Board does not employ staff. Those staff who undertake the work of the Board are employed through the Department of Environment, Water and Natural Resources (DEWNR) in accordance with a Service Level Agreement (SLA).

## Agency performance management and development systems

Performance management and development system	Assessment of effectiveness and efficiency
Service Level Agreement	Not assessed during this reporting period.
Australian Government Performance Framework	The Board received a positive assessment in the self-assessment phase of the Australian Government's Performance Framework review. No issues had been raised in this phase.
Annual Board Performance Evaluation	In November 2016 a Review of the Strategic Operation of the Board was conducted and results were assessed and analysed. Recommendations were provided to the Board for consideration, and a further evaluation will occur each year. In addition, a short review of the outcomes of the meeting is undertaken at each meeting.
Review of DEWNR and Board Policies	The Governance and Finance Committee review DEWNR and Board Policies and recommend to the Board whether they are suitable for use.

## Occupational health, safety and rehabilitation programs of the agency and their effectiveness

Through the Service Level Agreement, the Board uses the Department of Environment, Water and Natural Resources safety management system, and the department's policy and procedures.

## Fraud detected in the agency

Category/nature of fraud	Number of instances
There were no instances of fraud detected in the activities undertaken by the Board in this reporting period.	0

## Strategies implemented to control and prevent fraud

Financial services are provided to the Board by the Department of Environment, Water and Natural Resources (DEWNR). Strategies to detect instances of fraud are reported in the DEWNR Annual Report 2016-17.

## Whistle-blowers' disclosure

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

Executive classification	Number of executives
SAES	0

The Board does not employ staff. Those staff who undertake the work of the Board are employed through the Department of Environment, Water and Natural Resources in accordance with a service level agreement.

## Consultants

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

## Financial performance of the agency

The following is a brief unaudited summary of the overall financial position of the agency. Full audited financial statements for 2016-17 are attached to this report.

Income sources to fund Board Expenditure for 2016/17	
<b>NRM levies</b>	
Regional NRM levy <sup>1</sup>	\$461,000
NRM water levy <sup>23</sup>	\$1,733,000
<b>State Government</b>	
State recurrent allocation -NRM Fund	\$362,000 <sup>4</sup>
<b>Commonwealth Government</b>	
Caring for Our Country – Regional Delivery funding	\$1,327,000
Caring for Our Country – Target Area Grants <sup>5</sup>	\$232,000
Clean Energy Futures - Biodiversity Fund <sup>5</sup>	\$335,000
Clean Energy Futures-Other <sup>5</sup>	\$128,000
Drought funding	\$275,000
<b>Other</b>	
Industry Partnerships Program <sup>6</sup>	\$138,000
Interest	\$30,000
<b>Total Income</b>	<b>\$5,021,000</b>

1 Inside Council Areas will increase by standard CPI estimate (1.2%). Outside council areas will be levied based on property size; a standard CPI increase (1.2%) applies to these levies annually.

2 Increased by Standard CPI estimate (1.2%).

3 Subject to variation through licence application and approval.

4 Reduced by expected contribution for co-produced water as directed by Treasury. The Natural Resources

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Management (NRM) Fund is a statutory fund established by the Natural Resources Management Act.

- 5 Current Grants will be finalised in 2016/17 financial year.
- 6 Includes Sheep industry Funds for Wild dog control.
- 7 It is anticipated that the Australian Government will continue to invest in Natural Resource Management through the NRM structure. The targets of funding and the quantum of that investment is unknown at this point. Future revisions of the Business Plan will include details of an investment by the Australian Government.

### Other financial information

Grants are made to third parties such as community groups, industry, state and local government, land owners and individuals for various projects and programs under the Regional NRM Plan. During 2016-17, the Board provided \$54,625 in grants to the following:

- Land Owners
  - Mooloolooloo Pastoral Company \$2,750 for predator control
  - Yarramba Pastoral Company \$2,475 for predator control
  - Gum Creek Station \$7,000 for survey work, cactus control and rabbit warren ripping
  - Arkaba Trust \$7,500 for predator monitoring, cat traps and weed mapping and control
- Volunteer Groups
  - Great Tracks Clean Up \$2,700 for support in rubbish removal
  - Olary Progress Association \$10,000 for Noogoora Burr control
- Industry Groups
  - Arkaroola Wildness Sanctuary \$15,000 for jumping cholla cactus control
  - Yellow Footed Rock Wallaby Association \$7,200 for fauna monitoring and spraying of horehound on Bunkers Conservation Reserve

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

#### Statement of fact for significant ministerial directives

In accordance with s10(5) of the *Natural Resources Management Act 2004* (the NRM Act), the board advises that no ministerial directives were received during this reporting period.

#### Statement of fact for significant functions assigned by the Minister

The Minister did not assign to the Board any significant functions in accordance with section 29 of the NRM Act.

#### Statement of fact for functions or powers delegated to the Board

The Minister did not assign to the Board any significant additional functions or powers under the NRM Act or any other act in accordance with regulation 9e of the *NRM (General) Regulations 2005*.

#### Statement of fact for functions or powers delegated by the Board

The Board operates pursuant to the provisions in, and functions and powers delegated under, the NRM Act.

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

## **NORTH FLINDERS DISTRICT GROUP**

The membership of the North Flinders District Group during 2016-17 was:

### Members

- Brendon Bevan (Chair)
- Ian Ferguson
- Dion Robins
- Kate Blackmore
- Lesley Nicholls (appointed 24/8/16)
- Cheryl Waye (Deputy)
- Keith Slade (retired 2/8/16)
- Glenys Aird (resigned 27/4/17)
- Ivan McKenzie (resigned 9/2/17)

## **MEETINGS: GENERAL AND SPECIAL**

A total of four general District Group meetings were held during the 2016-17 financial year. Two special District Group meetings were held during the 2016-17 financial year.

Attendance by appointed members at meetings:

Member	Meetings attended	Reason for non attendance
Brendon Bevan (Chair)	5	Other commitments
Ian Ferguson	6	
Dion Robins	4	Other commitments
Kate Blackmore	6	
Lesley Nicholls	4	Appointed 24/8/16
Cheryl Waye	0	Proxy attendance only
Keith Slade	1	Retired 2/8/16
Glenys Aird	3	Resigned 27/4/17
Ivan McKenzie	4	Resigned 9/12/17

Key Achievements and focus for the North Flinders NRM Group during the 2016-17 financial year include the hosting a cat trapping workshop at Mount Little Station, investigating options on-ground cat control programs and staying informed of the Leigh Creek coal mine rehabilitation.

## **MARREE-INNAMINCKA DISTRICT GROUP**

The membership of the Marree-Innamincka District Group during 2016-17 was:

### Members

- Raylene Ogilvy (Chair)
- Gina Reick

- Valerie Fuschtei
- Arthur Ah Chee
- Brooke McKenzie-Warren
- Alex Nankivell
- Frank Warren (appointed 28/8/16)
- Patricia Waye-Hill (Deputy – appointed 24/8/16)

### MEETINGS: GENERAL AND SPECIAL

A total of six general District Group meetings were held during the 2016-17 financial year.

Attendance by appointed members at meetings:

Member	Meetings attended	Reason for non attendance
Raylene Ogilvy	6	
Gina Reick	5	Other commitments
Valerie Fuschtei	5	Other commitments
Arthur Ah Chee	3	Other commitments
Brooke McKenzie-Warren	3	Other commitments
Alex Nankivell	4	Other commitments
Frank Warren	3	Appointed 28/8/16
Patricia Waye-Hill	0	Deputy – Appointed 24/8/16

The District Action Plan has been continuously developed as a living document to help identify key priorities for the group. Some of the major discussions have been around excessive populations of wild dogs and tourism impacts (waste, unauthorised access/camping and education).

Engagement with the Native Title owners of the district has been ongoing interaction with each group including Wangkangurru Yarluyandi, Yandruwandha Yawarrarrka, Deiri, Arabana and Adnyamathanha. This was achieved through the Community Engagement Officer attending the Native Title Group meeting and introducing the Marree Innamincka NRM Group and discussing the *Community Engagement and awareness of NRM and responsible travel* signage. This also presented the opportunity to talk about the possibility of acknowledgement of their country to be included on the signage.

### KINGOONYA DISTRICT GROUP

The membership of the Kingoonya District Group during 2016-17 was:

#### Members

- Ashley Williams (Chair)
- Jasmine Richards
- Ian Matheson
- Stephen Lyons
- Matthew Kerin (resigned 8/9/16)
- Jessica Barry
- David Hunter (appointed 14/12/16)
- Leighton Randall (Deputy – appointed 14/12/16)
- Megan Henderson (Deputy - resigned 5/12/16)
- James Barry (Deputy to Jessica Barry)
- Edwina Bowie (Deputy to Ian Matheson)

- Michael Chuk (resigned 31/3/17)

### MEETINGS: GENERAL AND SPECIAL

A total of 4 general District Group meetings were held during the 2016-17 financial year.

Attendance by appointed members at meetings:

Member	Meetings attended	Reason for non attendance
Ashley Williams	3	Other commitments
Jasmine Richards	3	Other commitments
Ian Matheson	2	Other commitments
Stephen Lyons	3	Other commitments
Matthew Kerin	1	Resigned 8/9/16
Jessica Barry	3	Other commitments
David Hunter	1	Other commitments
Leighton Randell	2	Appointed 14/12/16
Megan Henderson	1	Resigned 5/12/16
James Barry	1	Deputy
Edwina Bowie	2	Deputy
Michael Chuk	2	Resigned 31/3/17

At the start of 2016-17, the Kingoonya NRM Group filled all member positions, with an additional three deputy members, and had its first actionable meeting for that financial year on 5 July 2016.

### GAWLER RANGES DISTRICT GROUP

The membership of the Gawler Ranges District Group during 2016-17 was:

#### Members

- Greg Johnston (term end 26/2/17)
- Joel Venables
- Kate Greenfield
- Carla Markadonatos (resigned 23/5/17)

### MEETINGS: GENERAL AND SPECIAL

A total of four general District Group meetings were held during the 2016-17 financial year.

Attendance by appointed members at meetings:

Member	Meetings attended	Reason for non attendance
Greg Johnston	3	Term end 26/2/17
Joel Venables	3	Other commitments
Kate Greenfield	2	Other commitments
Carla Markadonatos	1	Resigned 23/5/17

The Gawler Ranges NRM Group has been recruiting for new members in the second part of the year. The majority of this period has focussed on planning priorities and activities for

the future. They have initiated discussions around weed management in Iron Knob and the surrounding catchment and have held a Weed and Plant Identification training day.

### **NORTH EAST PASTORAL DISTRICT GROUP**

The membership of the North East Pastoral District Group during 2016-17 was:

#### Members

- Richard Williams (Chair)
- Terrence Coulthard
- Nick Rasheed
- Sanchia Treloar
- Alistair Dermer (resigned 7/4/17)

### **MEETINGS: GENERAL AND SPECIAL**

A total of four general District Group meetings were held during the 2016-17 financial year.

Attendance by appointed members at meetings:

Member	Meetings attended	Reason for non attendance
Richard Williams	4	
Terrence Coulthard	2	Other commitments
Nick Rasheed	4	
Alistair Dermer	1	Resigned 7/4/17
Sanchia Treloar	4	

Over the 2016-17 period, the Group have focused on their main profile raising and training event NEP-Fest in May 2017. This was a very successful engagement and community day. Further weed control work through the District Weed Strategy has been undertaken and had multiple discussions on the increase in kangaroo numbers.

### **MARLA OODNADATTA DISTRICT GROUP**

The membership of the Marla Oodnadatta District Group during 2016-17 was:

#### Members

- Jacqueline Williams (Chair)
- Mark Fennell
- Caroline Thomas
- Joel Kowald
- Francesca Lumb
- Alice Taysom
- Dion Khan (appointed 24/8/16)

### **MEETINGS: GENERAL AND SPECIAL**

A total of five general District Group meetings were held during the 2016-17 financial year.

Attendance by appointed members at meetings:

Member	Meetings attended	Reason for non attendance
Jacqueline Williams	5	

Mark Fennell	2	Other commitments (also an OCA and
Caroline Thomas	5	
Dion Khan	0	Work demands
Joel Kowald	5	
Francesca Lumb	5	
Alice Taysom	4	Other commitments

Achievements of the Marla Oodnadatta NRM Group during 2016-17 include their two day Field Day on 9<sup>th</sup> and 10<sup>th</sup> of March which had over 100 people attend to great success. Following this the group has been continuing their work raising the profile of NRM in the region and supporting NRM events such as workshops with Trees for Life and the work of the local Landcare Group (Landcare Outback) with weed control around Coober Pedy.

## Section B: Reporting required under any other act or regulation

Development Act 1993
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## **Appendix: Audited financial statements 2016-17**

## KPMG Annual Reporting Model

### Word Update Status

Note_DPLTABLE1	Statement of Comprehensive Income	22/11/2017 10:34:58 AM	ruotov01
Note_DBSTABLE1	Statement of Financial Position	22/11/2017 10:34:59 AM	ruotov01
Note_CEQTABLE1	Changes in Equity	21/11/2017 4:12:35 PM	ruotov01
Note_DCFTABLE1	Statement of Cash Flows	21/11/2017 4:20:01 PM	ruotov01
Note_DDPTABLE1	Disaggregated Disclosures Expenses and Income	21/11/2017 4:12:38 PM	ruotov01
Note_DDPTABLE2	Disaggregated Disclosures Expenses and Income	21/11/2017 4:12:40 PM	ruotov01
Note_SXPTABLE1	Note 2: Supplies and services	21/11/2017 4:12:41 PM	ruotov01
Note_OEXTABLE1	Note 3: Other expenses	21/11/2017 4:12:44 PM	ruotov01
Note_GRXTABLE1	Note 4: Grants and subsidies	21/11/2017 4:12:42 PM	ruotov01
Note_DAATABLE1	Note 5: Depreciation expense	21/11/2017 4:12:43 PM	ruotov01
Note_WDATABLE1	Working Note: Board, group and committee expenses		
Note_LSATABLE1	Working Note: Net loss from disposal of non-current assets		
Note_FACTABLE1	Note 6: Regional NRM and Water Levies	22/11/2017 1:46:00 PM	ruotov01
Note_OGATABLE1	Note 8: Grant revenues	22/11/2017 10:51:24 AM	ruotov01
Note_IRVTABLE1	Note 7: Interest revenues	21/11/2017 4:12:46 PM	ruotov01
Note_ORVTABLE1	Note 9: Other revenues	22/11/2017 8:58:29 AM	ruotov01
Note_CSHTABLE1	Note 10: Cash and cash equivalents	21/11/2017 4:12:49 PM	ruotov01
Note_RECTABLE1	Note 11: Receivables	21/11/2017 4:12:50 PM	ruotov01
Note_IPETABLE1	Note 12: Property plant and equipment	21/11/2017 4:12:51 PM	ruotov01
Note_PPRTABLE1	Note 12: Reconciliation of property, plant and equipment	21/11/2017 4:12:52 PM	ruotov01
Note_PPRTABLE2	Working Note: Reconciliation of property, plant and equipment	9/06/2016 10:28:57 AM	Raman Katyal
Note_SPATABLE1	Note 13: Payables	21/11/2017 4:12:53 PM	ruotov01
Note_SOCTABLE1	Note 14: Unrecognised contractual commitments	21/11/2017 4:12:54 PM	ruotov01
Note_SOCTABLE2	Note 14: Unrecognised contractual commitments	21/11/2017 4:12:55 PM	ruotov01
Note_RTCTABLE1	Note 16: Remuneration of Board, Group and Committee Members	22/11/2017 9:08:41 AM	ruotov01
Note_CFRTABLE1	Working Note: Cash flow reconciliation	9/06/2016 10:29:06 AM	Raman Katyal
Note_GOVTABLE1	Working Note: Transactions with SA Government	9/06/2016 10:29:27 AM	Raman Katyal
Note_FIATABLE1	Note 17: Categorisation of financial instruments	22/11/2017 9:13:21 AM	ruotov01
Note_FICTABLE1	Working Note: Ageing analysis of financial assets	9/06/2016 10:29:33 AM	Raman Katyal



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## To the Presiding Member South Australian Arid Lands Natural Resources Management Board

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 37(2) of the *Natural Resources Management Act 2004*, I have audited the financial report of the South Australian Arid Lands Natural Resources Management Board for the financial year ended 30 June 2017.

### Opinion

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the South Australian Arid Lands Natural Resources Management Board as at 30 June 2017, its financial performance and its cash flows for the year then ended in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2017
- a Statement of Financial Position as at 30 June 2017
- a Statement of Changes in Equity for the year ended 30 June 2017
- a Statement of Cash Flows for the year ended 30 June 2017
- Disaggregated Disclosures – Expenses and Income for the year ended 30 June 2017
- notes, comprising significant accounting policies and other explanatory information
- a Certificate from the Presiding Member of the South Australian Arid Lands Natural Resources Management Board and the Regional Director, South Australian Arid Lands and the Chief Financial Officer of the Department of Environment, Water and Natural Resources.

### Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the South Australian Arid Lands Natural Resources Management Board. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 Code of Ethics for Professional Accountants have been met. I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinion.

## **Responsibilities of the Regional Director, South Australian Arid Lands and the Board for the financial report**

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

The Members of the Board are responsible for overseeing the entity's financial reporting process.

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

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Regional Director, South Australian Arid Lands
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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



Ian McGlen

**Acting Auditor-General**

30 November 2017

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

**Financial Statements**

For the year ended 30 June 2017

**South Australian Arid Lands Natural Resources Management Board**  
**Certification of the Financial Statements**  
*for the year ending 30 June 2017*

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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
- present a true and fair view of the financial position of the Board as at 30 June 2017 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

29 /11/2017

Stuart Paul  
Regional Director  
South Australian Arid Lands  
Department of Environment,  
Water and Natural Resources  
29 /11/2017



Michelle Griffiths  
Chief Financial Officer  
Department of Environment,  
Water and Natural Resources

29 /11/2017

**South Australian Arid Lands Natural Resources Management Board**  
**Statement of Comprehensive Income**  
*for the year ending 30 June 2017*

	Note	2017 \$'000	2016 \$'000
<b>Expenses</b>			
Supplies and services	5	4 640	5 423
Grants and subsidies	6	56	53
Depreciation	7	5	5
Board, group and committee		105	90
Other	8	46	39
<b>Total expenses</b>		<b>4 852</b>	<b>5 610</b>
<b>Income</b>			
Regional NRM and Water Levies	9	2 067	1 119
Interest	10	22	37
Grants	11	2 816	4 102
Other	12	135	47
<b>Total income</b>		<b>5 040</b>	<b>5 305</b>
<b>Net result</b>		<b>188</b>	<b>( 305)</b>
<b>Total comprehensive result</b>		<b>188</b>	<b>( 305)</b>

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.



**South Australian Arid Lands Natural Resources Management Board**  
**Statement of Financial Position**  
*as at 30 June 2017*

	Note	2017 \$'000	2016 \$'000
<b>Current assets</b>			
Cash and cash equivalents	13	1 248	1 529
Receivables	14	275	58
<b>Total current assets</b>		<b>1 523</b>	<b>1 587</b>
<b>Non-current assets</b>			
Property, plant and equipment	15	16	21
<b>Total non-current assets</b>		<b>16</b>	<b>21</b>
<b>Total assets</b>		<b>1 539</b>	<b>1 608</b>
<b>Current liabilities</b>			
Payables	16	269	526
<b>Total current liabilities</b>		<b>269</b>	<b>526</b>
<b>Total liabilities</b>		<b>269</b>	<b>526</b>
<b>Net assets</b>		<b>1 270</b>	<b>1 082</b>
<b>Equity</b>			
Retained earnings		1 270	1 082
<b>Total equity</b>		<b>1 270</b>	<b>1 082</b>

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

Unrecognised contractual commitments	17
Contingent assets and liabilities	18

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

**South Australian Arid Lands Natural Resources Management Board**  
**Statement of Changes in Equity**  
*for the year ended 30 June 2017*

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	Retained Earnings \$'000	Total \$'000
Balance at 30 June 2015	1 387	1 387
Net result for 2015-16	( 305)	( 305)
Total comprehensive result for 2015-16	( 305)	( 305)
Balance at 30 June 2016	1 082	1 082
Net result for 2016-17	188	188
Total comprehensive result for 2016-17	188	188
Balance at 30 June 2017	1 270	1 270

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

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

**South Australian Arid Lands Natural Resources Management Board**  
**Statement of Cash Flows**  
*for the year ended 30 June 2017*

	Note	2017 \$'000	2016 \$'000
<b>Cash flows from operating activities</b>			
<b>Cash outflows</b>			
Board member payments		( 105)	( 90)
Payments for supplies and services		(4 814)	(5 635)
Payments of grants and subsidies		( 56)	( 53)
Other payments		( 46)	( 39)
<b>Cash used in operations</b>		<b>(5 021)</b>	<b>(5 817)</b>
<b>Cash inflows</b>			
Grant and levy receipts		4 658	5 278
Interest received		23	37
Other receipts		59	47
<b>Cash generated from operations</b>		<b>4 740</b>	<b>5 362</b>
<b>Net cash used in operating activities</b>		<b>( 281)</b>	<b>( 455)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>( 281)</b>	<b>( 455)</b>
Cash and cash equivalents at the beginning of the period		1 529	1 984
<b>Cash and cash equivalents at the end of the period</b>	13	<b>1 248</b>	<b>1 529</b>

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

**South Australian Arid Lands Natural Resources Management Board**  
**Disaggregated Disclosures – Expenses and Income**  
*for the year ended 30 June 2017*

	National program implementation - CFOC		Dingo management		Catchment water management		NRM regional plan	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
<b>Expenses</b>								
Supplies and services	1 890	2 429	441	548	603	422	38	148
Grants and subsidies	48	46	5	4	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-
Board, group and committee expenses	-	-	-	-	-	-	-	-
Other	19	22	1	6	6	2	1	1
<b>Total expenses</b>	<b>1 957</b>	<b>2 497</b>	<b>447</b>	<b>558</b>	<b>609</b>	<b>424</b>	<b>39</b>	<b>149</b>
<b>Income</b>								
Regional NRM and Water								
Levies	-	-	-	-	610	242	50	102
Interest	5	7	-	-	-	-	-	-
Grants	2 017	2 484	398	665	-	-	-	50
Other	2	5	2	12	-	-	-	-
<b>Total income</b>	<b>2 024</b>	<b>2 496</b>	<b>400</b>	<b>677</b>	<b>610</b>	<b>242</b>	<b>50</b>	<b>152</b>
<b>Net result</b>	<b>67</b>	<b>( 1)</b>	<b>( 47)</b>	<b>119</b>	<b>1</b>	<b>( 182)</b>	<b>11</b>	<b>3</b>

	District group projects and operations		Regional governance		TOTAL	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
<b>Expenses</b>						
Supplies and services	551	521	1 117	1 355	4 640	5 423
Grants and subsidies	-	-	3	3	56	53
Depreciation	-	-	5	5	5	5
Board, group and committee expenses	31	15	74	75	105	90
Other	6	4	13	4	46	39
<b>Total expenses</b>	<b>588</b>	<b>540</b>	<b>1 212</b>	<b>1 442</b>	<b>4 852</b>	<b>5 610</b>
<b>Income</b>						
Regional NRM and Water						
Levies	390	197	1 017	578	2 067	1 119
Interest	-	-	17	30	22	37
Grants	80	240	321	663	2 816	4 102
Other	55	19	76	11	135	47
<b>Total income</b>	<b>525</b>	<b>456</b>	<b>1 431</b>	<b>1 282</b>	<b>5 040</b>	<b>5 305</b>
<b>Net result</b>	<b>( 63)</b>	<b>( 84)</b>	<b>219</b>	<b>( 160)</b>	<b>188</b>	<b>( 305)</b>

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

**South Australian Arid Lands Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2017*

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**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). The Board is a body corporate.

The Board operates under a Natural Resources Management Plan (NRM Plan) which was approved by the Minister for Sustainability, Environment and Conservation (the Minister) on 25 May 2010. The NRM 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 Business Plan for the period 2016/17 to 2017/18 was approved by the Minister on 6 April 2016.

**(b) Board objectives**

The objectives of the Board as defined in the NRM Act are:

- to undertake an active role with respect to the management of natural resources within its region
- to prepare a regional NRM plan in accordance with the NRM Act, to implement the plan and to keep the plan under review to ensure the objects of the NRM Act are being achieved
- to promote public awareness and understanding of the importance of integrated and sustainable natural resources management within its region, to undertake or support educational activities 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
- to provide advice with respect to the assessment of various activities or proposals referred to the Board under the NRM Act or any other Act
- to resolve any issues that may arise between the NRM groups that are relevant to the management of natural resources within its region
- at the request of the Minister or the NRM Council, or of 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
- any other functions assigned to the Board by the Minister by or under the NRM Act or any other Act.

**2 Significant accounting policies**

**(a) Statement of compliance**

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

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

The Board has applied Australian Accounting Standards that are applicable to not-for-profit entities, as the Board is a not for profit entity.

**(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, are outlined in the applicable notes

**South Australian Arid Lands Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2017*

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**2 Significant accounting policies (continued)**

**(b) Basis of preparation (continued)**

- the selection and application of accounting policies 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
- 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 this financial report:
  - (a) expenses incurred as a result of engaging consultants
  - (b) 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 financial statements have been prepared based on a 12 month period and presented in Australian currency.

**(c) Reporting entity**

The Board is a body corporate established pursuant to the NRM Act.

The Board operates under the NRM Plan which was approved by the Minister on 25 May 2010.

The Board's financial statements include all the controlled activities of the Board.

NRM Groups

The Board has established six 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). 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 Group's activities and the related financial information has been incorporated in the accounts and financial statements of the Board for financial reporting purposes.

The Board's financial statements include the figures for the NRM Groups being: Gawler Ranges, Kingoonya, Marla-Oodnadatta, Marree-Innamincka, North East Pastoral and North Flinders. Due to their immateriality they are not separately disclosed.

Direction by the Minister

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

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

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

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

- 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*

**South Australian Arid Lands Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2017*

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**2 Significant accounting policies (continued)**

**(c) Reporting entity (continued)**

- 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.

**(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 have required a change.

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 Goods and Services Tax (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 (ATO). If GST is not payable to, or recoverable from the ATO, the commitments and contingencies are disclosed on a gross basis.

**(g) Events after the end of the reporting period**

Adjustments are made to amounts recognised in the financial statements, where an event occurs after 30 June 2017 and before the date the financial statements are authorised for issue, where those events provide information about conditions that existed at 30 June 2017.

Note disclosure is made about events between 30 June 2017 and the date the financial statements are authorised for issue where the events relate to a condition which arose after 30 June 2017 and which may have a material impact on the results of subsequent years.

**(h) Current and non-current classification**

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle even when they are not expected to be realised within 12 months after the reporting date have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

**(i) Non-current Assets**

Acquisition and recognition

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

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

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.

**South Australian Arid Lands Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2017*

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**2 Significant accounting policies (continued)**

**(i) Non-current Assets (continued)**

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:

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

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 three years.

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

Impairment

The Board holds its property, plant and equipment and intangible assets for their service potential (value in use).

All non-current tangible assets are valued at cost (deemed fair value). Specialised assets would rarely be sold and typically any costs of disposal would be negligible, accordingly the recoverable amount will be close to or greater than fair value.

The Board also expects for all other non-current tangible assets that any costs of disposal will be negligible and the recoverable amount to be close to or greater than fair value.

**(j) Liabilities**

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.

Staff benefits

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.

**(k) 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 2016-17.



**South Australian Arid Lands Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2017*

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#### **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 - Australian Government (Caring for our Country/National Landcare Program, Biodiversity Fund)**

Integrating engagement with priority on-ground actions for a range of natural resource assets to provide multiple benefits including aquatic ecosystem management, biodiversity conservation, and sustainable production:

- 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 and 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 buffer zone north of the dog fence, improving landholder capacity to effectively control dingos

##### **Activity 3: 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 healthy aquatic ecosystem
- incorporation of community and stakeholder values and knowledge into management plans.

##### **Activity 4: NRM regional plan**

Preparation, consultation and printing of the NRM Regional Plan.

##### **Activity 5: 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
- boards contribution to drought assistance for affected landholders
- pest flora & fauna activities.

##### **Activity 6: 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.

**South Australian Arid Lands Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2017*

**4 Activities of the Board (continued)**

The disaggregated disclosures schedule present expenses and income attributable to each of the activities for the years ended 30 June 2017 and 30 June 2016.

**5 Supplies and services**

	2017	2016
	\$'000	\$'000
Fee for service - Board funded DEWNR salaries	2 301	2 652
Fee for service	1 050	1 364
Fee for service - Corporate fee	549	621
Travel and accommodation	140	118
Minor works, maintenance and equipment	125	162
Vehicles and aircraft	125	177
General administration	108	80
Accommodation and property management	63	67
Staff development	42	45
Information technology and communication	31	50
Contractors	15	12
Transport	10	8
Other supplies and services	81	67
<b>Total supplies and services</b>	<b>4 640</b>	<b>5 423</b>

**6 Grants and subsidies**

	2017	2016
	\$'000	\$'000
Pest management	49	-
Sustainable land management	-	18
Sundry grants	7	35
<b>Total grants and subsidies</b>	<b>56</b>	<b>53</b>

**7 Depreciation expense**

	2017	2016
	\$'000	\$'000
Plant and equipment	3	3
Vehicles	1	1
Furniture	1	1
<b>Total depreciation expense</b>	<b>5</b>	<b>5</b>

**8 Other expenses**

	2017	2016
	\$'000	\$'000
Audit fees paid/payable to the Auditor-General's Department	46	39
<b>Total other expenses</b>	<b>46</b>	<b>39</b>

No other services were provided by the Auditor-General's Department.

**South Australian Arid Lands Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2017*

**9 Regional NRM and water levies**

	2017	2016
	\$'000	\$'000
Regional NRM levies collected through Councils and DEWNR	355	324
Water levies collected through DEWNR	1 712	795
<b>Total Regional NRM and Water Levies</b>	<b>2 067</b>	<b>1 119</b>

Under the NRM Act the Board receives two forms of levies, being the Regional NRM levy and the NRM Water levy.

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.

**10 Interest revenues**

	2017	2016
	\$'000	\$'000
Interest revenues from entities within the SA Government	22	37
<b>Total interest revenues</b>	<b>22</b>	<b>37</b>

**11 Grant revenues**

	2017	2016
	\$'000	\$'000
<b>Commonwealth Funding</b>		
Clean Energy Future	459	696
National Landcare Program*	232	462
<b>Total Commonwealth funding</b>	<b>691</b>	<b>1 158</b>
<b>Grant revenues from SA Government</b>		
National Landcare Program received through DEWNR*	1 326	1 326
State Government recurrent funding	363	953
Other State Government funding	386	390
<b>Total grant revenues from SA Government</b>	<b>2 075</b>	<b>2 669</b>
<b>Other grant revenues</b>		
Sundry grants	50	275
<b>Total other grant revenues</b>	<b>50</b>	<b>275</b>
<b>Total grants revenue</b>	<b>2 816</b>	<b>4 102</b>

**\*National Landcare Program - consists of the following components:**

South Australian Arid Lands - National Landcare Programme Regional Investment 2015-2018	1 326	1 326
Ranges Riches - Flinders Olary	232	236
Desert Jewels	-	226
<b>Total National Landcare Program Funding</b>	<b>1 558</b>	<b>1 788</b>

**South Australian Arid Lands Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2017*

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**11 Grant revenues (continued)**

*Grants received*

Grants received predominantly represent contributions from Commonwealth Government and State Government agencies toward various activities of the Board.

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.

*Commonwealth Funding – Caring for Our Country/National Landcare Program*

In September 2013, the Board entered into an 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.

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.

During 2014-15 the Caring for our Country funding stream ceased and was replaced by the National Landcare Program (NLP). On 2 June 2015, the Board entered into an agreement for the implementation of the NLP, which continues the work commenced under the Caring for our Country program. This funding spans the period 1 January 2015 to 30 June 2018.

**12 Other revenues**

	2017	2016
	\$'000	\$'000
Forgiveness of liabilities	76	-
Support Services	27	4
Sale of goods	25	39
Other revenue	7	4
<b>Total other income</b>	<b>135</b>	<b>47</b>

**13 Cash and cash equivalents**

	2017	2016
	\$'000	\$'000
Deposits with the Treasurer	1 248	1 529
<b>Total cash and cash equivalents</b>	<b>1 248</b>	<b>1 529</b>

Cash is measured at nominal amounts.

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

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

	2017	2016
	\$'000	\$'000
<b>Current</b>		
Receivables	273	48
Accrued interest	2	3
Prepayments	-	7
<b>Total current receivables</b>	<u>275</u>	<u>58</u>

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. Receivables and prepayments are non-interest bearing.

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.

**15 Property, plant and equipment**

	2017	2016
	\$'000	\$'000
<b>Plant and equipment</b>		
At cost (deemed fair value)	119	119
Less accumulated depreciation	( 107)	( 104)
<b>Total plant and equipment</b>	<u>12</u>	<u>15</u>
<b>Furniture</b>		
At cost (deemed fair value)	15	15
Less accumulated depreciation	( 12)	( 11)
<b>Total furniture</b>	<u>3</u>	<u>4</u>
<b>Vehicles</b>		
At cost (deemed fair value)	11	11
Less accumulated depreciation	( 10)	( 9)
<b>Total vehicles</b>	<u>1</u>	<u>2</u>
<b>Total property, plant and equipment</b>	<u><u>16</u></u>	<u><u>21</u></u>

**Impairment**

There were no indications of impairment of property, plant and equipment as at 30 June 2017.

**Reconciliation of non-current assets**

The following table shows the movement of non-current assets during 2016-17:

South Australian Arid Lands Natural Resources Management Board  
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15 Property, plant and equipment (continued)

	Plant and equipment \$'000	Furniture \$'000	Vehicles \$'000	Total \$'000
Carrying amount at the beginning of the period	15	4	2	21
Depreciation expense	(3)	(1)	(1)	(5)
Carrying amount at the end of the period	12	3	1	16

16 Payables

	2017 \$'000	2016 \$'000
<b>Current</b>		
Creditors	178	429
Accrued expenses	91	97
<b>Total current payables</b>	<b>269</b>	<b>526</b>

17 Unrecognised contractual commitments

Operating lease commitments

Commitments in relation to operating leases contracted for at the reporting date but not recognised as liabilities are payable as follows:

	2017 \$'000	2016 \$'000
Within one year	34	34
<b>Total operating lease commitments</b>	<b>34</b>	<b>34</b>

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

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

	2017 \$'000	2016 \$'000
Not later than one year	567	683
<b>Total expenditure commitments</b>	<b>567</b>	<b>683</b>

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

18 Contingent assets and contingent liabilities

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

**South Australian Arid Lands Natural Resources Management Board**  
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**19 Remuneration of board, group and committee members**

Members of the South Australian Arid Lands Natural Resources Management Board during the 2016-17 financial year were:

J M Crommelin (Presiding member)	M L Pridham
R R Barratt	R B Sawers
G M Coulthard	M R Sutton*
C Hollingsworth	M H Tyler
L S Nutt	

Members of groups and committees during the 2016-17 financial year were:

**Kingoonya NRM Group**

A A Williams (Chair)  
 J L Barry  
 E E H Bowie (deputy)  
 M Chuk (retired 8 September 2016)  
 D J Hunter (appointed 14 December 2016)  
 M K Kerin (retired 8 September 2016)  
 S G Lyons  
 I C Matheson  
 J A Richards

**Northern Flinders NRM Group**

B L Bevan (Chair)  
 G J Aird (retired 27 April 2017)  
 C M Blackmore  
 I C Ferguson  
 I C McKenzie (retired 9 February 2017)  
 L J Nicholls (appointed 24 August 2016)  
 D Robins  
 K L Slade (retired 2 August 2016)

**Marree-Innamincka NRM Group**

R P Ogilvy (Chair)  
 A Ah Chee  
 V T N Fuschtei  
 B McKenzie-Warren  
 A Nankivell  
 G C Rieck  
 F Warren (appointed 28 August 2016)

**Marla-Oodnadatta NRM Group**

J R Williams\* (Chair)  
 M A Fennell  
 J M Kowald  
 F Lumb  
 A Taysom  
 C M Thomas

**Gawler Ranges NRM**

K M Greenfield  
 G R Johnston  
 J W Venables

**North East Pastoral NRM Group**

R J Williams (Chair)  
 T C Coulthard  
 A Dermer (retired 7 April 2017)  
 N S Rasheed  
 S J Treloar

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

	<b>2017</b>	<b>2016</b>
Nil	12	29
\$1 - \$9 999	34	27
\$20 000 - \$29 999	1	1
<b>Total number of board, group and committee members</b>	<b>47</b>	<b>57</b>

**South Australian Arid Lands Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
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**19 Remuneration of board and committee members (continued)**

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 \$56 000 (2016: \$53 000).

For the purposes of this table, travel allowances and other out-of-pocket expenses paid to members, and employment on-costs have not been included as remuneration as it is considered to be reimbursement of direct out-of-pocket expenses incurred by relevant members, or form other costs of employment. These expenses amount to \$49 000 (2016: \$37 000).

\* 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.

**20 Related party transactions**

The Board is a body corporate and was established pursuant to the NRM Act and is wholly owned and controlled by the Crown.

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

**Key management personnel**

Key management personnel of the Board comprise the Minister, the Presiding Member and the other members of the Board and the Regional Director. The compensation of the Board's key management personnel was \$136 000. Salaries and other benefits the Minister for Sustainability, Environment and Conservation receives are excluded from this total. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via the Department of Treasury and Finance) under section 6 of the *Parliamentary Remuneration Act 1990*.



**South Australian Arid Lands Natural Resources Management Board**  
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**21 Financial risk management/financial instruments**

**Financial risk management**

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

The Board's exposure to financial risk (liquidity, credit and market) is low due to the nature of the financial instruments held.

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

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

**Categorisation of financial information**

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 or the respective financial asset/liability note.

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

	Note	2017 Carrying amount / Fair value \$'000	2016 Carrying amount / Fair value \$'000
<b>Financial assets</b>			
Cash and cash equivalents	13	1 248	1 529
Receivables <sup>(1) (2)</sup>	14	251	51
<b>Total financial assets</b>		<b>1 499</b>	<b>1 580</b>
<b>Financial liabilities</b>			
Financial liabilities at cost			
Payables <sup>(1)</sup>	16	223	481
<b>Total financial liabilities</b>		<b>223</b>	<b>481</b>

<sup>(1)</sup> Receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables (e.g. Commonwealth, State and Local Government taxes, fees and charges; Auditor-General's Department audit fees). In government, certain rights to receive or pay cash may not be contractual and therefore in these situations, the requirements will not apply. Where rights or obligations have their source in legislation such as levies, tax and equivalents etc they would be excluded from the disclosure. The standard defines contract as enforceable by law. All amounts recorded are carried at cost (not materially different from amortised cost).

<sup>(2)</sup> Receivables amount disclosed here excludes prepayments. Prepayments are presented in note 14 as prepayments in accordance with paragraph 78(b) of AASB 101 *Presentation of Financial Statements*. However, prepayments are not financial assets as defined in AASB 132 *Financial Instruments: Presentation* as the future economic benefit of these assets is the receipt of goods and services rather than the right to receive cash or another financial asset.

**22 Events after the reporting period**

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