

**HOUSE OF ASSEMBLY
LAID ON THE TABLE**

12 Feb 2019



**Government
of South Australia**

South Australian Arid
Lands Natural Resources
Management Board

South Australian Arid Lands Natural Resources Management Board **2017-18 Annual Report**

South Australian Arid Lands Natural Resources
Management Board

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ISSN 2202-4565

Date presented to Minister: [Click to enter a date.](#)

2017-18 ANNUAL REPORT for the South Australian Arid Lands Natural Resources
Management Board

To:

The Hon David Speirs MP

Minister for Environment and Water

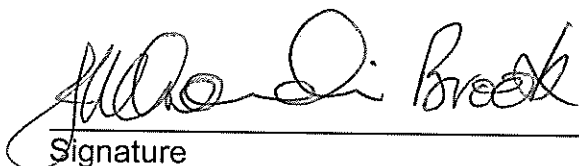
This annual report is to be presented to Parliament to meet the statutory reporting requirements of the *Public Sector Act 2009*, *Public Finance and Audit Act 1987*, and the *Natural Resources Management Act 2004* and meets the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.


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 purpose of the South Australian Arid Lands Natural Resources Management Board (the Board) is to enable integrated and sustainable management of natural resources. The Board was established on 9 December 2004 under the provisions of the *Natural Resources Management Act 2004*. The Board prepares and implements a regional NRM plan which guides the management of natural resources in the South Australian Arid Lands region.

The Board promotes public awareness and understanding of the importance of integrated and sustainable NRM, and works with the community and stakeholders to increase involvement in, and capacity to undertake natural resources management through a range of mechanisms.

Objectives

The Board's objective is to help achieve ecologically sustainable development in the State by establishing 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 across the region
- 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 provide support mechanisms to increase the capacity of people to be involved in the management of natural resources.

Key strategies and their relationship to SA Government objectives

Key strategy (SAAL NRM Plan Goals)	SA Government objective
Landscapes: Functioning, healthy environment with connected ecosystems that are understood, valued and protected	Outcome: Vibrant biodiversity 2036 Priority 7 - Protecting our environment
Livelihoods: Diverse industries that innovate, adapt and support local economies within ecologically sustainable limits	Outcome: Sustainable economy 2036 Priority 1 - Growing our economy
Lifestyles: People who have the capacity, commitment and connections to manage natural resources	Outcome: Resilient communities 2036: Priority 4 – Strengthening communities

Agency programs and initiatives and their effectiveness and efficiency

Program name	Indicators of performance/effectiveness/efficiency	Outcome for South Australia
NRM Planning and Evaluation	<ul style="list-style-type: none"> Final Achievements Report for SAAL NRM Plan (2010-17) completed Far North Prescribed Wells Area Water Allocation Plan review; community consultation Implementation of SAAL Strategic NRM Plan 2017-2027 (delivery against key strategy areas) 	<ul style="list-style-type: none"> Completed Phase 1 Commenced Nov 2017 On-going
Sustainable Water Use	<ul style="list-style-type: none"> Water compliance program articulated and implementation commenced Water Affecting Activities (WAA) enquiries and applications addressed Great Artesian Basin (GAB) mound springs prescribed cultural burn delivered 	<ul style="list-style-type: none"> Implementation commenced and targeted property visits undertaken. WAA's addressed Completed

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Program name	Indicators of performance/effectiveness/efficiency	Outcome for South Australia
Sustainable Industries	<ul style="list-style-type: none"> • Sustainable industries program reviewed, articulated, and implementation commenced • Delivery of all NLP projects, meeting contracted requirements <ul style="list-style-type: none"> ○ Community capacity built (participation and knowledge/skills outcomes from workshops and communications, supporting sustainable grazing management, grader practices for soil conservation, animal health and management, climate forecasting, diversification and eco-certification, enterprise management) ○ Delivery of the Regional Landcare Facilitator role (extent of network development, supporting land managers) 	<ul style="list-style-type: none"> • Articulated and implementation commenced • Project completed; requirements met
Biosecurity	<ul style="list-style-type: none"> • Biteback (wild dog control) program implemented south of the fence (participation and capacity building outcomes, wild dog population and distribution monitoring) • Delivery of all National Landcare Program projects, meeting contracted requirements <ul style="list-style-type: none"> ○ Priority weed management workshops (participation, capacity building outcomes) ○ Fox baiting to protect biodiversity values in the Gawler and Flinders Ranges (extent of threat reduction) ○ Weeds of National Significance managed (degree of prevention, containment, eradication, depending on species) ○ District weed management strategy meetings and implementation (participation and threat mitigation outcomes) ○ Coongie Lakes Ramsar pest animal and weed control (extent of prevention and containment) 	<ul style="list-style-type: none"> • On-going activities; annual targets met • Projects completed; requirements met

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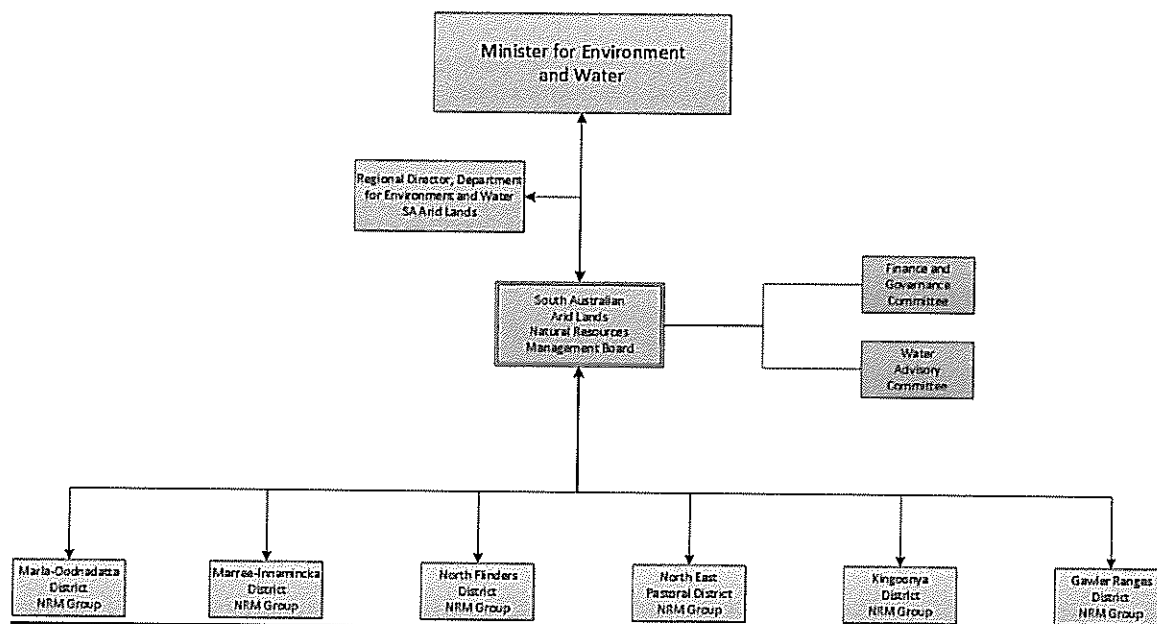
Program name	Indicators of performance/effectiveness/efficiency	Outcome for South Australia
Functional Ecosystems	<ul style="list-style-type: none"> • Improve condition and status of biodiversity (threatened species monitoring – population distribution, abundance, trends, response to threat mitigation) • Delivery of all National Landcare Program projects, meeting contracted requirements <ul style="list-style-type: none"> ○ Improve awareness of biodiversity presence and status (number of Property Information Packs delivered) ○ Community-based threatened species monitoring field trips (number of trips, participants) 	<ul style="list-style-type: none"> • On-going activities • Projects completed; requirements met
Community engagement	<ul style="list-style-type: none"> • Community engagement (number, participation and outcomes from field days, presentations, community events, workshops) • Delivery of all National Landcare Program projects, meeting contracted requirements (participation and increased skills and knowledge) <ul style="list-style-type: none"> ○ On-ground threat mitigation actions in collaboration with district NRM Groups ○ Training and skills development for Indigenous land managers and volunteers ○ Capacity building activities focused on Traditional Ecological Knowledge ○ Delivery of community grants ○ NRM group support 	<ul style="list-style-type: none"> • On-going activities • Projects completed; requirements met

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:



Meetings of the Board: general and special

A total of six general Board meetings and four special Board meetings were held during the 2017–18 financial year. The table below details attendance by board members at meetings. Note: J Virtue (PIRSA), M Malavazos (DEM) and N Power (DEW) are government agency representatives only (non-voting members) who attend meetings on behalf of their department and where possible have proxies attend if they are unavailable for scheduled meetings.

Member Name	No. attended	Reason for non-attendance
Richard Barratt	10	
Janet Crommelin Brook	10	
Glenise Coulthard	6	Other commitment/s
Janice Ferguson	2	Appointed 14/4/18
Catherine Hollingsworth	3	Administrative clarification for attendance sought – did not attend until finalised.
Leonard Nutt	9	Other commitment/s
Malcolm Pridham	8	Other commitment/s
Ross Sawers	5	Retired 13/4/18
Mark Sutton	9	Other commitment/s
Murray Tyler	8	Other commitment/s
John Virtue (proxy Philip Gee)	6	Other commitment/s
Michael Malavazos (proxy Paul De Ionno)	5	Other commitment/s
Neil Power (proxy Lisien Loan)	7	Other commitment/s

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

Department for Environment and Water
 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 for Environment and Water (DEW) 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	Not assessed during this reporting period.
Annual Board Performance Evaluation	Strategic Operation of the Board was reviewed in November 2017, 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 DEW and Board Policies	The Governance and Finance Committee review DEW and Board Policies and recommend to the Board whether they are suitable for use.

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

Through the Service Level Agreement, the Board uses the Department for Environment and Water safety management system, and the department's policy and procedures, with detail provided in the DEW Annual Report 2017-18.

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 for Environment and Water (DEW). Strategies to detect instances of fraud are reported in the DEW Annual Report 2017-18.

Data for the past five years is available at: <https://data.sa.gov.au/data/dataset/sa-arid-lands-nrm-board-annual-report-data>

Whistle-blowers' disclosure

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Whistle-blowers' Protection Act 1993* 0

Data for the past five years is available at: <https://data.sa.gov.au/data/dataset/sa-arid-lands-nrm-board-annual-report-data>

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 for Environment and Water in accordance with a service level agreement.

Data for the past five years is available at: <https://data.sa.gov.au/data/dataset/sa-arid-lands-nrm-board-annual-report-data>

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

Consultants

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

SC Lennon & Associates Pty Ltd - \$16,800 - NRM SAAL Outback Investment Priorities Project

Data for the past five years is available at: <https://data.sa.gov.au/data/dataset/sa-arid-lands-nrm-board-annual-report-data>

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

Contractors

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

Contractor	Purpose	Value
Agserv Pty Ltd (SA)	Feral animal control product	\$11,901.64
Animal Control Technologies	Feral animal control product	\$33,296.00
Creation Care Pty Ltd	Pest weed control	\$44,200.00
Elevenacross	Publications & Design	\$22,226.31
Environmental & Science Media	Video Production Services	\$10,135.60
Frank Bernhardt Feral Pest & Animal Control	Pest weed control	\$29,986.81
Glenbarr Weed & Pest Control	Pest weed control	\$29,017.27
Helifarm Aerial Agriculture	Feral animal control aerial	\$43,290.00
Graham Miller	Feral animal control	\$19,950.00
Primary Industries & Resources	Coordination Services for the SA Aerial Wild Dog Baiting Program 2018 & Sheep Connect Pastoral Program & Managing Priority Weeds in the Coongie Lakes RAMSAR Project	\$177,696.82
Productive Nutrition Pty Ltd	Livestock Nutrition, Health & Productivity Workshops	\$21,200.00
Riverland Rural Contractors Pty Ltd	Pest weed control	\$26,871.62
The Australian Rangelands Society	Rangelands Conference	\$19,727.27
The Right Mind	Training	\$17,599.49
Wildpest Management Pty Ltd	Wild Dog Trapper Training	\$10,960.00
Wrights Air Pty Ltd	Feral animal control aerial	\$29,459.00

Data for the past five years is available at: <https://data.sa.gov.au/data/dataset/sa-arid-lands-nrm-board-annual-report-data>

The details of all South Australian Government-awarded contracts for goods, services, and works are displayed on the SA Tenders and Contracts website [here](#).

The website also provides details of Across government contracts [here](#).

Financial performance of the agency

The following is a brief summary of the overall financial position of the agency. The information is unaudited. Full audited financial statements for 2017-18 are attached to this report.

Income sources to fund Board Expenditure for 2017/18	
NRM levies	
Regional NRM levy ¹	\$502,000
NRM water levy ²³	\$1,736,000
State Government	
State recurrent allocation -NRM Fund	\$332,000 ⁴
Commonwealth Government	
Caring for Our Country – Regional Delivery funding	\$1,327,000
Caring for Our Country – Target Area Grants ⁵	\$232,000
Other State Government funding	\$50,000
Other	
Industry Partnerships Program ⁶	\$208,000
Cost recovery	\$92,000
Interest	\$25,000
Total Income	\$4,272,000

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 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 and Australian Wool Industry Funds for Wild dog control.

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 2017-18, the Board provided \$196,899 in grants to organisations under the following grant programs.

- Community Grant Program
 - Andamooka Progress & Opal Association \$9,400 for an Arid Explorers Garden
 - Drovers Run Tourist Park \$7,800 for Athel Pine removal
 - Andamooka Primary School \$10,000 for Community revegetation

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- Trees for Life Inc \$4,419 for Community Workshops
- Arkaba Trust \$9,963 for Feral predator control
- Arid Recovery Ltd \$5,000 for Feral predator & impacts
- Measurement Engineering Aust \$8,430 to fund a regional weather station
- Wirrealpa & Partners \$9,400 for the Little Balcoracana Catchment project
- Marree Hotel \$10,000 for a native vegetation integration project
- Billa Kalina Pastoral Company \$4,000 for Pest animal control
- Commercial Helicopters \$10,000 for pest animal control
- Arkaroola Wilderness Sanctuary \$9,950 for Pest weed control
- Blinman Progress Association Inc \$10,000 for pest weed control
- Olary Progress Association \$10,000 for pest weed control
- University of Adelaide \$10,000 for Vegetation monitoring
- Friends of Parks Inc \$6,500 for Vegetation monitoring and control
- Stewardship Grant Program
 - Billa Kalina Pastoral Company \$6,142 for fencing
- Wild Dog Trapper Rebate
 - Curnamona Pastoral Company \$4,200
 - Inglewood Proprietors Pty Ltd \$2,250
 - Ingomar Pastoral Company \$5,250
 - Kokatha Pastoral Pty Ltd \$11,455
 - Mooleulooloo Pastoral Company \$7,700
 - Mutooroo Pastoral Company \$8,600
 - Rawnsley Park Station \$2,690
 - SJ & NA Smyth \$1,925
 - Yarramba Pastoral \$11,825

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 2017-18 was:

- Brendon Bevan (Chair)
- Ian Ferguson
- Kate Blackmore
- Lesley Nicholls
- Reg Wilton - appointed 1/7/17
- Cheryl Waye (Proxy) - term end 30/6/18
- Dion Robins - resigned 11/1/18

MEETINGS: GENERAL AND SPECIAL

A total of five general District Group meetings were held during the 2017-18 financial year.

Attendance by appointed members at meetings:

Member	Meetings attended	Reason for non-attendance
Brendon Bevan (Chair)	3	Other commitments
Ian Ferguson	5	
Kate Blackmore	5	
Lesley Nicholls	4	Other commitments
Reg Wilton	4	Appointed 1/7/17, other commitments
Cheryl Waye	0	Proxy – term end 30/6/18
Dion Robins	0	Resigned 11/1/18, other commitments

Key Achievements and focus for the North Flinders NRM Group during the 2017-18 financial year include the development of the top 10 travel tips poster, setting up a cat trap loan system in the North Flinders and Marree areas and touring the rehabilitation works at the Leigh Creek Coal Mine.

MARREE-INNAMINCKA DISTRICT GROUP

The membership of the Marree-Innamincka District Group during 2017-18 was:

- Raylene Ogilvy (Chair)
- Gina Reick
- Valerie Fuschtei
- Arthur Ah Chee
- Alex Nankivell
- Frank Warren
- Patricia Waye-Hill (Proxy)
- Jayne-Marie Barnes (Proxy) – appointed 1/7/17
- Brooke McKenzie-Warren - resigned 22/9/17

MEETINGS: GENERAL AND SPECIAL

A total of six general District Group meetings were held during the 2017-18 financial year.

Attendance by appointed members at meetings:

Member	Meetings attended	Reason for non-attendance
Raylene Ogilvy	6	
Gina Reick	6	
Valerie Fuschtei	5	Other commitments
Arthur Ah Chee	5	Other commitments
Alex Nankivell	4	Other commitments
Frank Warren	5	Other commitments
Patricia Waye-Hill	0	Proxy
Jayne-Marie Barnes	0	Proxy – appointed 1/7/17
Brooke McKenzie-Warren	0	Resigned 22/9/17

The district participated in a Livestock Nutrition, Health and Productivity Workshop in October 2017 at Marree learning more about total grazing pressure, productive nutrient and importance of plant diversity. Industry and landholders were brought together at a Kangaroo forum at Yunta in November 2017 to work through options to better use the new tag system to manage high kangaroo numbers on pastoral leases.

The district held a field day event at Marree in June 2017 which attracted over 120 people including from pastoral properties, Marree Township, stall holders, demonstrators, DEW staff and tourists. The aim was to provide a platform through which local red meat producers could access information, tools, and support around land management.

KINGOONYA DISTRICT GROUP

The membership of the Kingoonya District Group during 2017-18 was:

- Ashley Williams (Chair) – resigned 30/6/18
- Jasmine Richards
- Jessica Barry
- David Hunter
- Clint Taylor – appointed 1/7/17
- Tricia Williams (Proxy) – appointed 1/7/17
- Kate Taylor (Proxy) – appointed 1/7/17
- Leighton Randall (Proxy)
- James Barry (Proxy)
- Ian Matheson – resigned 8/8/17
- Stephen Lyons – resigned 6/6/18
- Edwina Bowie (Proxy) – resigned 8/8/17

MEETINGS: GENERAL AND SPECIAL

A total of 6 general District Group meetings were held during the 2017-18 financial year.

Attendance by appointed members at meetings:

Member	Meetings attended	Reason for non-attendance
Ashley Williams	5	Other commitments
Jasmine Richards	5	Other commitments
Jessica Barry	6	Other commitments
David Hunter	4	Other commitments
Clint Taylor	5	Other commitments, Appointed 1/7/17
Tricia Williams	4	Proxy – appointed 1/7/17
Kate Taylor	0	Proxy – appointed 1/7/17
Leighton Randell	1	Proxy
James Barry	2	Proxy
Ian Matheson	0	Resigned 8/8/17
Stephen Lyons	3	Other commitments, Resigned 6/6/18
Edwina Bowie	0	Proxy – resigned 8/8/17

Key achievements of the Kingoonya District Group included the facilitation of the Telemetry day at Wirraminna Station, and the successful North West Pastoral Field Day which incorporated 20 topics including butchery, wildlife management, adapting new technology on properties, climate forecasting, mental well-being, animal health, industry outlook and commodities, sheep dog training soil erosion, and battery solar storage. Total attendance was approximately 260 people, including 54 landholders.

GAWLER RANGES DISTRICT GROUP

The membership of the Gawler Ranges District Group during 2017-18 was:

- Kate Greenfield (Chair)
- Joel Venables
- Lesley Koch – appointed 1/7/17
- Josephine Drennan – appointed 1/7/17

MEETINGS: GENERAL AND SPECIAL

A total of three general District Group meetings were held during the 2017-18 financial year.

Attendance by appointed members at meetings:

Member	Meetings attended	Reason for non-attendance
Kate Greenfield	3	
Joel Venables	1	Other commitments
Lesley Koch	3	
Josephine Drennan	2	Other commitments

Focus for the Gawler Ranges NRM Group during the 2017-18 financial year included discussion about weedy plant species, particularly buffel grass and cactus species. The Group discussed activities around the management of kangaroos, goats and wild dogs, as

well as the proposed Landscapes SA Act. Several meetings allocated planning time to hold a Comedy Night with the aim of providing respite for landholders in tough times. The evening would bring Gawler Ranges Pastoralists together with an NRM focus as well as to serve as a show of NRM support for the Community.

NORTH EAST PASTORAL DISTRICT GROUP

The membership of the North East Pastoral District Group during 2017-18 was:

- Richard Williams (Chair)
- Terrence Coulthard
- Nick Rasheed
- Sanchia Treloar
- Byron Crawford – appointed 1/7/17
- Katheryn Levingstone – appointed 1/7/17 – resigned 19/4/18

MEETINGS: GENERAL AND SPECIAL

A total of three general District Group meetings were held during the 2017-18 financial year.

One special District Group meeting was held during the 2017-18 financial year.

Attendance by appointed members at meetings:

Member	Meetings attended	Reason for non-attendance
Richard Williams	4	
Terrence Coulthard	1	Other commitments
Nick Rasheed	3	Other commitments
Sanchia Treloar	2	Other commitments
Byron Crawford	1	Other commitments, Appointed 1/7/17
Katheryn Levingstone	1	Appointed 1/7/17 – Resigned 19/4/18

Over the 2017-18 period, the Group have focused on the cactus infestations in the western part of the district, wild dog management, kangaroo management and planning for a community bus trip to look at NRM issues.

MARLA OODNADATTA DISTRICT GROUP

The membership of the Marla Oodnadatta District Group during 2017-18 was:

- Jacqueline Williams (Chair)
- Caroline Thomas
- Joel Kowald
- Francesca Lumb
- Alice Taysom
- Mark Fennell – resigned 31/1/18
- Dion Khan – term end 30/6/18

MEETINGS: GENERAL AND SPECIAL

A total of five general District Group meetings were held during the 2017-18 financial year.

Attendance by appointed members at meetings:

Member	Meetings attended	Reason for non-attendance
Jacqueline Williams	6	Other commitments
Caroline Thomas	5	Other commitments
Joel Kowald	5	Other commitments
Francesca Lumb	5	Other commitments
Alice Taysom	6	Other commitments
Mark Fennell	0	Other commitments, Resigned 31/1/18
Dion Khan	0	Other commitments, Term end 30/6/18

Achievements during 2017-18 include a Best Practice Bootcamp training and skill building event at William Creek. The Group facilitated the planning and delivery of digital story telling workshops at Coober Pedy, Roxby Downs, Andamooka and Hawker. They secured funding and partnered with Outback Communities Authority to install a weather station at William Creek, and subsequently held a Weather and Climate workshop. The Group conducted a Recycled Art Competition in Coober Pedy, held two 'science in the pub' style events at Oodnadatta and Coober Pedy, and supported local Science Week activities including a science fair with the Coober Pedy Area School and Oodnadatta Aboriginal School.

Section B: Reporting required under any other act or regulation

Nil to report

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

Summary of complaints by subject

Public complaints received by SAAL NRM Board	
Category of complaints by subject	Number of instances
Nil to report	0

Data for the past five years is available at: <https://data.sa.gov.au/data/dataset/sa-arid-lands-nrm-board-annual-report-data>

Complaint outcomes

Nature of complaint or suggestion	Services improved or changes as a result of complaints or consumer suggestions
Not applicable	Not applicable

Appendix: Audited financial statements 2017-18



Level 9
State Administration Centre
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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 accompanying financial report of the South Australian Arid Lands Natural Resources Management Board for the financial year ended 30 June 2018.

Opinion

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the South Australian Arid Lands Natural Resources Management Board as at 30 June 2018, 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 2018
- a Statement of Financial Position as at 30 June 2018
- a Statement of Changes in Equity for the year ended 30 June 2018
- a Statement of Cash Flows for the year ended 30 June 2018
- notes, comprising significant accounting policies and other explanatory information
- a Certificate from the Presiding Member, the A/Regional Director, and the Chief Financial Officer of the Department for Environment and Water.

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the 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 and the Board for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

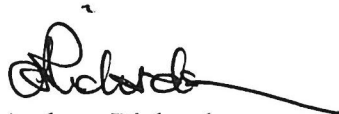
My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an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

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

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

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

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

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

Andrew Richardson

Auditor-General

29 November 2018

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

Financial Statements

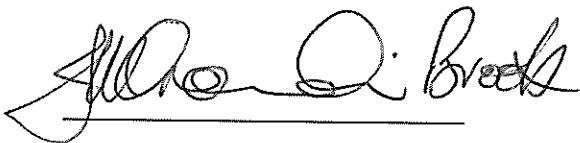
For the year ended 30 June 2018

South Australian Arid Lands Natural Resources Management Board
Certification of the Financial Statements
for the year ending 30 June 2018

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

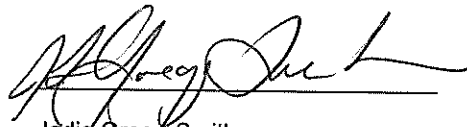
- comply with relevant Treasurer's Instructions issued under section 41 of the *Public Finance and Audit Act 1987*, and relevant Australian Accounting Standards
- are in accordance with the accounts and records of the South Australian Arid Lands Natural Resources Management Board
- present a true and fair view of the financial position of the South Australian Arid Lands Natural Resources Management Board as at 30 June 2018 and the results of its operations and cash flows for the financial year.

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



Janet Crommelin-Brook
Presiding Member

29 November 2018

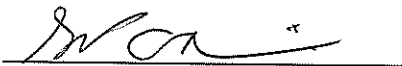


Jodie Gregg-Smith
a/Regional Director

South Australian Arid Lands

Department for Environment and Water

29 November 2018



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

29 November 2018

South Australian Arid Lands Natural Resources Management Board
Statement of Comprehensive Income
for the year ending 30 June 2018

	Note	2018 \$'000	2017 \$'000
Expenses			
Board, group and committee	3	95	105
Supplies and services	4	4 313	4 640
Grants and subsidies	5	197	56
Depreciation	6	5	5
Other expenses	7	44	46
Total expenses		4 654	4 852
Income			
Regional NRM and Water Levies	8	2 238	2 067
Interest	9	25	22
Grants	10	1 917	2 816
Other income	11	92	135
Total income		4 272	5 040
Net result		(382)	188
Total comprehensive result		(382)	188

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

The above Statement of Comprehensive Income 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 2018

	Note	2018 \$'000	2017 \$'000
Current assets			
Cash and cash equivalents	12	940	1 248
Receivables	13	118	275
Total current assets		1 058	1 523
Non-current assets			
Property, plant and equipment	14	11	16
Total non-current assets		11	16
Total assets		1 069	1 539
Current liabilities			
Payables	15	181	269
Total current liabilities		181	269
Total liabilities		181	269
Net assets		888	1 270
Equity			
Retained earnings		888	1 270
Total equity		888	1 270

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

Unrecognised contractual commitments	16
Contingent assets and liabilities	17

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 2018

	Retained earnings \$'000	Total equity \$'000
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
Net result for 2017-18	(382)	(382)
Total comprehensive result for 2017-18	(382)	(382)
Balance at 30 June 2018	888	888

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

The above Statement of Changes in Equity 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 2018

		2018 (Outflows) Inflows \$'000	2017 (Outflows) Inflows \$'000
Cash flows from operating activities	Note		
Cash outflows			
Board member payments		(95)	(105)
Payments for supplies and services		(4 420)	(4 814)
Payments of grants and subsidies		(178)	(56)
Other payments		(44)	(46)
Cash used in operations		<u>(4 737)</u>	<u>(5 021)</u>
Cash inflows			
Grant and levy receipts		4 312	4 658
Interest received		25	23
Other receipts		92	59
Cash generated from operations		<u>4 429</u>	<u>4 740</u>
Net cash provided by / (used in) operating activities		<u>(308)</u>	<u>(281)</u>
Net increase / (decrease) in cash and cash equivalents		<u>(308)</u>	<u>(281)</u>
Cash and cash equivalents at the beginning of the reporting period		1 248	1 529
Cash and cash equivalents at the end of the reporting period	12	<u><u>940</u></u>	<u><u>1 248</u></u>

The above Statement of Cash Flows 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 2018

1 Basis of financial statements

1.1 Reporting entity

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

The Board operates under a Natural Resources Management Plan (NRM Plan) which was approved by the Minister for Environment and Water (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.

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

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

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

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

During 2018, the government announced it is introducing new legislation to replace the current NRM Act. The current NRM arrangements are expected to remain largely unchanged for the 2018-19 financial year.

South Australian Arid Lands Natural Resources Management Board
Notes to and forming part of the financial statements
for the year ended 30 June 2018

1 Basis of financial statements (continued)

1.2 Statement of compliance

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

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. Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective, have not been adopted by the Department for the period ending 30 June 2018.

1.3 Basis of preparation

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

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

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle 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.

Significant accounting policies are set out in the notes.

1.4 Taxation

The Board is not subject to Income Tax. The Board is liable for Fringe Benefits Tax (FBT) and Emergency Services Levy (ESL).

DEW prepares a Business Activity Statement on behalf of the Board under the grouping provisions of the Goods and Services Tax (GST) legislation. Under these provisions, DEW is liable for the payments and entitled to the receipts associated with GST.

South Australian Arid Lands Natural Resources Management Board
Notes to and forming part of the financial statements
for the year ended 30 June 2018

2 Objectives and activities

2.1 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.

2.2 Activities

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

Lifestyles – People who have the capacity, commitment and connections to manage natural resources

The purpose of the Lifestyles program in the South Australian Arid Lands (SAAL) is to support people to have the capacity connection and commitment to manage natural resources.

Livelihoods – Diverse industries that innovate, adapt and support local economies within ecologically sustainable limits

The purpose of the Livelihoods program in the SAAL is to support the Regions diverse industries, to innovate and adapt to existing and emerging threats and opportunities. It includes knowledge sharing, training and on ground action.

Landscapes – Functioning, healthy environment with connected ecosystems that are understood, valued and protected

The purpose of the Landscapes programme is to support capacity building and on ground delivery of threat abatement and ecological restoration programs that support functioning, healthy ecosystems that are understood, valued and protected.

The disaggregated disclosures schedule present expenses and income attributable to each of the activities for the years ended 30 June 2018 and 30 June 2017.

South Australian Arid Lands Natural Resources Management Board
Notes to and forming part of the financial statements
for the year ended 30 June 2018

2 Objectives and activities (continued)

Disaggregated Disclosures – Expenses and Income

	Lifestyles Program		Livelihoods Program		Landscapes Program		Total	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Expenses								
Board, group and committee	39	42	56	63	-	-	95	105
Supplies and services	1 088	1 107	1 860	1 800	1 365	1 733	4 313	4 640
Grants and subsidies	34	3	70	5	93	48	197	56
Depreciation	-	-	-	-	5	5	5	5
Other expenses	15	12	14	16	15	18	44	46
Total expenses	1 176	1 164	2 000	1 884	1 478	1 804	4 654	4 852
Income								
Regional NRM and Water Levies	647	748	733	604	858	715	2 238	2 067
Interest	23	19	1	1	1	2	25	22
Grants	423	393	952	1 318	542	1 105	1 917	2 816
Other income	15	10	46	104	31	21	92	135
Total income	1 108	1 170	1 732	2 027	1 432	1 843	4 272	5 040
Net result	(68)	6	(268)	143	(46)	39	(382)	188

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 2018

3 Remuneration of board, group and committee members

Members of the South Australian Arid Lands Natural Resources Management Board during the 2017-18 financial year were:

J M Crommelin (Presiding Member)	L S Nutt
R R Barratt	M L Pridham
G M Coulthard*	R B Sawers (retired 13 April 2018)
J D Ferguson (appointed 14 April 2018)	M R Sutton*
C Hollingsworth*	M H Tyler

Members of groups and committees during the 2017-18 financial year were:

Kingoonya NRM Group

A A Williams (Chair) (retired 30 June 2018)
J L Barry
D Hunter
S G Lyons
I C Matheson (retired 08 August 2017)
J A Richards
C Taylor (appointed 01 July 2017)
T A Williams* (Deputy, appointed 01 July 2017)

Northern Flinders NRM Group

B L Bevan (Chair)
C M Blackmore
I C Ferguson
L J Nicholls
D Robins (retired 11 January 2018)
R J Wilton (appointed 01 July 2017)

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

Marla-Oodnadatta NRM Group

J R Williams* (Chair)
M A Fennell (retired 31 January 2018)
J M Kowald
F Lumb
A Taysom
C M Thomas

Gawler Ranges NRM

K Greenfield (Chair)
J K Drennan (appointed 01 July 2017)
L G Koch (appointed 01 July 2017)
J W Venables

North East Pastoral NRM Group

R J Williams (Chair)
T C Coulthard
B W Crawford (appointed 01 July 2017)
K H Levingstone (retired 19 April 2018)
N S Rasheed
S J Treloar

* 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.

South Australian Arid Lands Natural Resources Management Board
Notes to and forming part of the financial statements
for the year ended 30 June 2018

3 Remuneration of board, group and committee members (continued)

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

	2018	2017
\$0 - \$9 999	46	46
\$10 000 - \$19 999	1	-
\$20 000 - \$29 999	-	1
Total number of board, group and committee members	47	47

Remuneration of members reflects all costs of performing board/committee member duties including sitting fees, superannuation contributions, salary sacrifice benefits and fringe benefits, and any FBT paid or payable in respect of those benefits. The total remuneration received or receivable by members was \$58 000 (2017: \$56 000).

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 \$37 000 (2017: \$49 000).

4 Supplies and services

	2018	2017
	\$'000	\$'000
Fee for service - Board funded DEW salaries	2 243	2 301
Fee for service	920	1 050
Fee for service - Corporate fee	457	549
Travel and accommodation	171	140
Vehicles and aircraft	100	125
General administration	81	108
Accommodation and property management	70	63
Minor works, maintenance and equipment	60	125
Staff development	43	42
Information technology and communication	30	31
Consultants	17	-
Transport	10	10
Contractors	-	15
Other supplies and services	111	81
Total supplies and services	4 313	4 640

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.

South Australian Arid Lands Natural Resources Management Board
Notes to and forming part of the financial statements
for the year ended 30 June 2018

4 Supplies and services (continued)

Consultants

The number and dollar amount of consultancies paid/payable (included in supplies and services expenses) fell within the following bands:

	2018 \$'000	2018 Number	2017 \$'000	2017 Number
Above \$10 000	17	1	-	-
Total paid or payable to consultants	17	1	-	-

5 Grants and subsidies

	2018 \$'000	2017 \$'000
Pest management	123	49
Community grant	68	-
Sundry grants	6	7
Total grants and subsidies	197	56

6 Depreciation

	2018 \$'000	2017 \$'000
Plant and equipment	3	3
Vehicles	1	1
Furniture	1	1
Total depreciation	5	5

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.

Useful life

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	5-10
Furniture and furnishings	10
Vehicles	10

Revision of accounting estimates

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

South Australian Arid Lands Natural Resources Management Board
Notes to and forming part of the financial statements
for the year ended 30 June 2018

7 Other expenses

	2018	2017
	\$'000	\$'000
Audit fees paid/payable to the Auditor-General's Department	44	46
Total other expenses	<u>44</u>	<u>46</u>

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

8 Regional NRM and water levies

	2018	2017
	\$'000	\$'000
Regional NRM levies collected through Councils and DEW	502	355
Water levies collected through DEW	1 736	1 712
Total Regional NRM and Water Levies	<u>2 238</u>	<u>2 067</u>

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 DEW (for areas outside of council boundaries). Water Levies are received through DEW 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.

9 Interest revenues

	2018	2017
	\$'000	\$'000
Interest	25	22
Total interest revenues	<u>25</u>	<u>22</u>

South Australian Arid Lands Natural Resources Management Board
Notes to and forming part of the financial statements
for the year ended 30 June 2018

10 Grant revenues

	2018 \$'000	2017 \$'000
Commonwealth funding		
Clean Energy Future	-	459
National Landcare Program *	-	232
Total Commonwealth funding	<u>-</u>	<u>691</u>
Grant revenues from SA Government		
National Landcare Program received through DEW *	1 327	1 326
State Government recurrent funding	332	363
Other State Government funding	188	386
Total grant revenues from SA Government	<u>1 847</u>	<u>2 075</u>
Other grant revenues		
Sundry grants	70	50
Total other grant revenues	<u>70</u>	<u>50</u>
Total grants revenue	<u><u>1 917</u></u>	<u><u>2 816</u></u>

* National Landcare Program - consists of the following components:

South Australian Arid Lands - National Landcare Programme Regional Investment 2015-2018	1 327	1 326
Ranges Riches - Flinders Olary	-	232
Total National Landcare Program funding	<u>1 327</u>	<u>1 558</u>

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.

Funding deeds between the Board and the Australian Government for the National Landcare Program Phase 2 (NLP2) are currently being negotiated.

South Australian Arid Lands Natural Resources Management Board
Notes to and forming part of the financial statements
for the year ended 30 June 2018

11 Other revenues

	2018	2017
	\$'000	\$'000
Support Services	40	27
Sale of goods	33	25
Forgiveness of liabilities	-	76
Other revenue	19	7
Total other income	92	135

12 Cash and cash equivalents

	2018	2017
	\$'000	\$'000
Deposits with the Treasurer	940	1 248
Total cash and cash equivalents	940	1 248

Cash is measured at nominal amounts.

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

13 Receivables

	2018	2017
	\$'000	\$'000
Current		
Receivables	116	273
Accrued interest	2	2
Total current receivables	118	275
Total receivables	118	275

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.

South Australian Arid Lands Natural Resources Management Board
Notes to and forming part of the financial statements
for the year ended 30 June 2018

14 Property, plant and equipment

	2018 \$'000	2017 \$'000
Plant and equipment		
Plant and equipment at cost (deemed fair value)	119	119
Accumulated depreciation	(110)	(107)
Total plant and equipment	<u>9</u>	<u>12</u>
Furniture		
Furniture at cost (deemed fair value)	15	15
Accumulated depreciation	(13)	(12)
Total furniture	<u>2</u>	<u>3</u>
Vehicles		
Vehicles at cost (deemed fair value)	11	11
Accumulated depreciation	(11)	(10)
Total vehicles	<u>-</u>	<u>1</u>
Total property, plant and equipment	<u><u>11</u></u>	<u><u>16</u></u>

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.

Revaluation

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.

There were no indications of impairment of property, plant and equipment as at 30 June 2018.

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

Reconciliation of non-current assets

The following table shows the movement of non-current assets during 2017-18:

	Plant and equipment	Furniture	Vehicles	Total
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	12	3	1	16
Depreciation	(3)	(1)	(1)	(5)
Carrying amount at the end of the period	9	2	-	11

Property, plant and equipment movement reconciliation

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

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

15 Payables

	2018	2017
	\$'000	\$'000
Current		
Creditors	93	178
Accrued expenses	88	91
Total current payables	181	269
Total payables	181	269

Interest rate and credit risk

Payables are measured at nominal amounts. Creditors and accruals are raised for all amounts owing but unpaid.

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16 Unrecognised contractual commitments

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

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.

Operating lease commitments

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

	2018	2017
	\$'000	\$'000
Within one year	-	34
Total operating lease commitments	<u>-</u>	<u>34</u>

The Board's operating leases are for office accommodation and storage facilities. Office accommodation is leased from the Department of Planning, Transport and Infrastructure (DPTI). 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:

	2018	2017
	\$'000	\$'000
Not later than one year	58	567
Total expenditure commitments	<u>58</u>	<u>567</u>

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

South Australian Arid Lands Natural Resources Management Board
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17 Contingent assets and liabilities

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

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

18 Related party transactions

The South Australian Arid Lands Natural Resources Management 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 for Environment and Water, the Presiding Member and the other members of the Board and the Regional Director. The compensation of the Board's key management personnel was \$133 000 (2017: \$143 000). Salaries and other benefits the Minister receives are excluded from this total. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via the Department of Treasury and Finance) under section 6 of the *Parliamentary Remuneration Act 1990*.

19 Financial risk management / financial instruments

19.1 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.

19.2 Liquidity risk

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.

South Australian Arid Lands Natural Resources Management Board
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19 Financial risk management / financial instruments (continued)

19.3 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 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.

Category of financial asset and financial liability	Note	2018 Carrying amount \$'000	2017 Carrying amount \$'000
Financial assets			
Cash and cash equivalents			
Cash and cash equivalents		940	1 248
Loans and receivables			
Receivables	(1)	118	251
Total financial assets		1 058	1 499
Financial liabilities			
Financial liabilities at cost			
Payables	(1)	125	223
Total financial liabilities		125	223

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

20 Events after the reporting period

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