

**Alinytjara Wilurara
Natural Resources Management Board**

Financial report
for the year ended
30 June 2020



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To the Presiding Member Alinytjara Wilurara Natural Resources Management Board

Opinion

I have audited the financial report of the Alinytjara Wilurara Natural Resources Management Board (the Board) for the financial year ended 30 June 2020.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Alinytjara Wilurara Natural Resources Management Board as at 30 June 2020, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2020
- a Statement of Financial Position as at 30 June 2020
- a Statement of Changes in Equity for the year ended 30 June 2020
- a Statement of Cash Flows for the year ended 30 June 2020
- notes, comprising significant accounting policies and other explanatory information
- a Certificate from the Presiding Member and Chief Financial Officer of the Department for Environment and Water.

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the Alinytjara Wilurara 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* (including Independence Standards) have been met.

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

Responsibilities of the Board for the financial report

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued 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.

Auditor's responsibilities for the audit of the financial report

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* (repealed 1 July 2020), I have audited the financial report of the Alinytjara Wilurara Natural Resources Management Board for the financial year ended 30 June 2020.

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, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board
- 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 about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.

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

Andrew Richardson
Auditor-General
27 November 2020

**Alinytjara Wilurara Natural Resources Management
Board**

Financial Statements

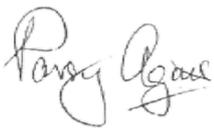
For the year ended 30 June 2020

Alinytjara Wilurara Natural Resources Management Board
Certification of the Financial Statements
for the year ended 30 June 2020

We certify that the attached general purpose financial statements for the Alinytjara Wilurara 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 Alinytjara Wilurara Natural Resources Management Board
- present a true and fair view of the financial position of the Alinytjara Wilurara Natural Resources Management Board as at 30 June 2020 and the results of its operations and cash flows for the financial year.
- the certifiers acknowledge that these financial statements are not fully completed and further amendments are required

We certify that the internal controls employed by the Alinytjara Wilurara 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.



Parry Agius
Presiding Member
26 November 2020



Shaun O'Brien
Chief Financial Officer
Department for Environment and Water
26 November 2020

Alinytjara Wilurara Natural Resources Management Board
Statement of Comprehensive Income
for the year ended 30 June 2020

	Note	2020 \$'000	2019 \$'000
Income			
Commonwealth funding	2.1	1 668	1 689
Grants	2.2	1 370	1 392
Interest	2.3	21	51
Other income	2.4	116	21
Total income		3 175	3 153
Expenses			
Board and committee	3.2	82	83
Supplies and services	4.1	2 622	2 379
Depreciation	4.2	6	6
Other expenses	4.3	50	48
Total expenses		2 760	2 516
Net result		415	637
Total comprehensive result		415	637

The accompanying notes form part of these financial statements. The net result and total comprehensive result are attributable to the SA Government as owner.

Alinytjara Wilurara Natural Resources Management Board
Statement of Financial Position
as at 30 June 2020

	Note	2020 \$'000	2019 \$'000
Current assets			
Cash and cash equivalents	6.1	3 484	3 138
Receivables	6.2	802	980
Total current assets		4 286	4 118
Non-current assets			
Property, plant and equipment	5.1	12	18
Total non-current assets		12	18
Total assets		4 298	4 136
Current liabilities			
Payables	7.1	271	524
Total current liabilities		271	524
Total liabilities		271	524
Net assets		4 027	3 612
Equity			
Retained earnings		4 027	3 612
Total equity		4 027	3 612

The accompanying notes form part of these financial statements. The total equity is attributable to the SA Government as owner.

Alinytjara Wilurara Natural Resources Management Board
Statement of Changes in Equity
for the year ended 30 June 2020

	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2018	2 975	2 975
Net result for 2018-19	637	637
Total comprehensive result for 2018-19	637	637
Balance at 30 June 2019	3 612	3 612
Net result for 2019-20	415	415
Total comprehensive result for 2019-20	415	415
Balance at 30 June 2020	4 027	4 027

The accompanying notes form part of these financial statements. All changes in equity are attributable to the SA Government as owner.

Alinytjara Wilurara Natural Resources Management Board
Statement of Cash Flows
for the year ended 30 June 2020

		2020	2019
		Inflows (outflows)	Inflows (outflows)
	Note	\$'000	\$'000
Cash flows from operating activities			
Cash inflows			
Commonwealth funding received		1 871	714
Receipts from grants		1 370	1 392
Interest received		25	51
Other receipts		87	32
Cash generated from operating activities		3 353	2 189
Cash outflows			
Board, group and committee member payments		(82)	(83)
Payments for supplies and services		(2 877)	(2 295)
Other payments		(48)	(47)
Cash used in operating activities		(3 007)	(2 425)
Net cash provided by / (used in) operating activities		346	(236)
Net increase / (decrease) in cash and cash equivalents		346	(236)
Cash and cash equivalents at the beginning of the reporting period		3 138	3 374
Cash and cash equivalents at the end of the reporting period	6.1	3 484	3 138

The accompanying notes form part of these financial statements.

Alinytjara Wilurara Natural Resources Management Board
Notes to and forming part of the financial statements
for the year ended 30 June 2020

NOTES TO THE FINANCIAL STATEMENTS

1.	About the Alinytjara Wilurara Natural Resources Management Board.....	8
1.1.	Basis of preparation.....	9
1.2.	Objectives and programs.....	9
1.3.	Impact of COVID-19 pandemic on the Board.....	11
2.	Income	11
2.1.	Commonwealth funding.....	11
2.2.	Grant revenues.....	12
2.3.	Interest.....	12
2.4.	Other income.....	12
3.	Board, committees and employees	13
3.1.	Key management personnel.....	13
3.2.	Board and committee members.....	13
4.	Expenses	14
4.1.	Supplies and services.....	14
4.2.	Depreciation.....	15
4.3.	Other expenses.....	15
5.	Non-financial assets	16
5.1	Property, plant and equipment by asset class.....	16
5.2	Property, plant and equipment owned by the Board.....	16
6	Financial assets	17
6.1	Cash and cash equivalents.....	17
6.2	Receivables.....	17
7.	Liabilities	17
7.1.	Payables.....	17
8.	Changes in accounting policy.....	18
8.1.	AASB 15 Revenue from Contracts with Customers.....	18
8.2.	AASB 1058 Income of Not-for-Profit Entities.....	18
8.3.	Presentation of Financial Statements.....	18
9.	Outlook	19
9.1.	Unrecognised contractual commitments.....	19
9.2.	Contingent assets and liabilities.....	19
9.3.	COVID-19 pandemic outlook for the Board.....	19
9.4.	Events after the reporting period.....	19
10.	Measurement and risk.....	20
10.1.	Fair Value.....	20
10.2.	Financial instruments.....	20

Alinytjara Wilurara Natural Resources Management Board

Notes to and forming part of the financial statements

for the year ended 30 June 2020

1. About the Alinytjara Wilurara Natural Resources Management Board

The Alinytjara Wilurara Natural Resources Management Board (the Board) was established pursuant to section 23(1) of the *Natural Resources Management Act 2004* (the NRM Act). The Board operates under a Regional Natural Resources Management Plan (NRM Plan). The Plan includes a 3 year business plan (2017-2020), approved by the Minister for Environment and Water in May 2017.

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

On 1 July 2020, the NRM Act was repealed and the Board was abolished.

By way of a Notice in the Government Gazette on 25th June 2020, the property, assets, rights and liabilities of the Alinytjara Wilurara Natural Resources Management (NRM) Board, from 1 July 2020 are vested in or attached to the Alinytjara Wilurara Landscape Board.

On 16 April 2012, the Minister for Environment and Water, 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 one year Service Level Agreement (SLA) during 2019-20 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 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 undertake services under the 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.

Alinytjara Wilurara Natural Resources Management Board

Notes to and forming part of the financial statements

for the year ended 30 June 2020

1.1. Basis of preparation

The financial statements are general purpose financial statements prepared in compliance with:

- section 23 of the *Public Finance and Audit Act 1987*
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*
- relevant Australian Accounting Standards with reduced disclosure requirements.

For the 2019-20 financial statements the Board adopted *AASB 15 – Revenue from Contracts with Customers* and *AASB 1058 – Income of Not-for-Profit Entities*. Further information is provided in note 8.

The financial statements are prepared based on a 12 month reporting 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.

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. Therefore the Board's net GST receivable/payable is recorded in DEW's Statement of Financial Position. GST cash flows applicable to the Board are recorded in DEW's Statement of Cash Flows.

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

1.2. Objectives and programs

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

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 increase the capacity of communities 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
- 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 under the NRM Act or any other Act.

Alinytjara Wilurara Natural Resources Management Board
Notes to and forming part of the financial statements
for the year ended 30 June 2020

1.2. Objectives and programs (continued)

Board programs

The Board operates solely in the portfolio area of natural resource management policy and planning. The Board's Plan guides the structure and how the programs are aggregated. As such the Board provides a range of services classified into the following programs:

People asset

This theme is to continue to build regional capacity in NRM with a focus on partnerships and 'working together' to manage country and water in the region. Capacity building activities can include awareness raising, knowledge sharing, increasing skills through training, and facilitation and support. It can also include education.

Country asset

This theme is to have a strong and healthy country, looking after itself with a helping hand. The strategic directions for the country asset have been influenced by a number of other plans and strategies relating to pest management, fire management, threatened species management, coast and marine planning biodiversity.

The disaggregated disclosures schedule below presents expenses and income attributable to each of the programs in the Board's NRM Plan for the year ended 30 June 2020 and year ended 30 June 2019.

Disaggregated Disclosures – Expenses and Income

	People Asset		Country Asset		Total	
	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income						
Commonwealth funding	522	513	1 146	1 176	1 668	1 689
Grants	1 171	1 143	199	249	1 370	1 392
Interest	21	51	-	-	21	51
Other income	-	13	116	8	116	21
Total income	1 714	1 720	1 461	1 433	3 175	3 153
Expenses						
Board and committee	82	83	-	-	82	83
Supplies and services	1 331	1 186	1 291	1 193	2 622	2 379
Depreciation	6	6	-	-	6	6
Other expenses	50	48	-	-	50	48
Total expenses	1 469	1 323	1 291	1 193	2 760	2 516
Net result	245	397	170	240	415	637

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

Alinytjara Wilurara Natural Resources Management Board
Notes to and forming part of the financial statements
for the year ended 30 June 2020

1.3. Impact of COVID-19 pandemic on the Board

The COVID-19 pandemic impacted from March 2020. DEW on behalf of the NRM Board managed the move of a significant number of staff to work from home arrangements where feasible. DEW also ensured precautions were taken for staff and the public where sites and facilities remained open, adopting best practice advice to ensure personal safety at those sites. The key impacts in 2019-20 were:

- Majority of staff were working from home
- Some projects could not be completed within planned timeframes due to travel and other restrictions

2. Income

2.1. Commonwealth funding

	2020	2019
	\$'000	\$'000
Commonwealth funding		
Regional Land Partnerships Program*	1 668	1 689
Total Commonwealth funding	1 668	1 689

	2020	2019
	\$'000	\$'000
* Regional Land Partnerships Program funding consists of the following components		
Nganamara (Malleefowl) Adaptive Management in the Great Victorian Desert, South Australia	500	666
Core services	522	514
Improving Vegetation Cover for Soil Erosion and Biodiversity Outcomes in APY Pastoral Areas, South Australia	371	349
Undertaking Management Interventions to Maintain the Hooded Plover Population Along the Remote Yalata Coastline, South Australia	-	150
Translocation and Population Management of Warru (Black-Footed Rock-Wallaby) into Former Habitats within the APY Lands, South Australia	275	5
Sustainable Pastoral Development in APY Pastoral Areas, South Australia	-	5
Total Regional Land Partnership funding	1 668	1 689

Assets arising from Commonwealth funding in scope of AASB 1058 are recognised at their fair value when an asset is received. Commonwealth funding is paid in arrears, subject to an approved declaration of claim. The Board has determined that it has an unconditional contractual right to receive a portion of the funding under AASB 9 when a claim is submitted, as it has satisfied the eligibility criteria and expects that the claim will be accepted. Accordingly, revenue and a receivable are recognised when the claim is submitted.

Alinytjara Wilurara Natural Resources Management Board
Notes to and forming part of the financial statements
for the year ended 30 June 2020

2.2. Grant revenues

	2020	2019
	\$'000	\$'000
Grant revenues from SA Government		
State Government recurrent funding	1 171	1 144
Native Vegetation Council - SEB/Bufel Grass Project	-	56
Total grant revenues from SA Government	1 171	1 200
Other Grant revenue		
Desert Support Services (DSS)	199	192
Total other grant revenue	199	192
Total grant revenues	1 370	1 392

Income from grants without sufficiently specific performance obligations is recognised when the entity obtains control over the assets. This is when the cash is received.

State Government recurrent funding

Recurrent grant funding is provided to the Board via the NRM Fund, to deliver core operational and governance requirements, in accordance with the NRM Act and the Board's Business Plan. The continued existence of the Board in its present form is dependent on government funding.

Desert Support Services

The Board received grant funding from Deserts Support Services (DSS) Pty Ltd to facilitate the involvement of Aboriginal Organisations in the AW regions to participate in the project and deliver on-ground works. This grant arrangement expires in 2022-23.

Native Vegetation Council

In 2018-19 the Board received grant funding from the Native Vegetation Council (NVC) for the significant environmental benefit (SEB) grant to destroy buffel grass south of the APY lands in the AW region.

2.3. Interest

	2020	2019
	\$'000	\$'000
Interest revenues from entities within the SA Government	21	51
Total Interest revenues	21	51

2.4. Other income

	2020	2019
	\$'000	\$'000
Recoup of expenses and other recoveries	86	13
Sale of professional services	30	8
Total other income	116	21

Other income includes reimbursement income related to the operating activities of the Board and sales of professional services. Other income is recognised upon the delivery of the service to the customer, which is in arrears, therefore no contract liability is recognised.

Alinytjara Wilurara Natural Resources Management Board

Notes to and forming part of the financial statements

for the year ended 30 June 2020

3. Board, committees and employees

3.1. Key management personnel

Key management personnel of the Board include the Minister for Environment and Water, the Presiding Member, the Regional Natural Resources Management (NRM) Manager and the other members of the Board who have responsibility for the strategic direction and management of the Board.

The total compensation for the Board's key management personnel was \$137 000 in 2019-20 and \$129 000 in 2018-19.

The compensation disclosed in this note excludes salaries and other benefits the Minister for Environment and Water receives. 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 the *Parliamentary Remuneration Act 1990*.

Related party transactions

The Board is a body corporate and was established pursuant to the *Natural Resources Management Act 2004* 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.

Transactions with key management personnel and other related parties

The Board has a service agreement totalling \$38 000 with an Aboriginal organisation, Far West Mining and Civil (a commercial arm of the Far West Coast Aboriginal Corporation (FWCAC) during 2019-20 to access the Aboriginal labour workforce to support the delivery of the Board's projects. The chair of the FWCAC is a member of the Alinytjara Wilurara Natural Resources Management Board.

Two members of the Board are also members of the Executive Management of APY Lands with which the Board have service agreements with for delivering the Regional Land Partnership program. The total value of these service fees is \$487 000.

The Board has an agreement totalling \$56 000 with A.M.Y Environmental Services (a commercial arm of AMYAC Nominees) for supporting the establishment of the Ranger team. A board member of the Board is a member of AMYAC nominees.

3.2. Board and committee members

Members during the 2019-20 financial year were:

The NRM Board

A P Agius (Presiding Member, re-appointed February 2020)
M T Haynes (Presiding Member until February 2020)
A W Baker
D Hansen
P P Miller
J O'Toole
K M Richards
S Scales
M J Smart

Audit and Risk Management Committee

M T Haynes (Chair)
D Hansen
S Scales
P P Miller
L Feuerherdt*

* In accordance with the Department of the Premier and Cabinet's Circular Number 016, government employees did not receive any remuneration for board/committee duties during the financial year.

Alinytjara Wilurara Natural Resources Management Board
Notes to and forming part of the financial statements
for the year ended 30 June 2020

3.2. Board and committee members (continued)

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

	2020	2019
\$0 - \$19 999	9	10
\$20 000 - \$39 999	1	1
Total number of members	10	11

Remuneration of members includes 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 \$60 000 (2019: \$58 000).

For the purposes of this table, travel allowances and other out-of-pocket expenses paid to members have not been included as remuneration as it is considered to be reimbursement of direct out-of-pocket expenses incurred by relevant members. These expenses in addition to Payroll Tax amount to \$22 000 (2019: \$25 000).

4. Expenses

4.1. Supplies and services

	2020	2019
	\$'000	\$'000
Fee for service - Board funded DEW salaries	1 317	959
Fee for service	668	786
Fee for service - corporate services fee to DEW	228	188
Travel and accommodation	171	189
Motor vehicles	57	56
Fee for service - Shared Services SA fee	42	40
Information technology and communication charges	32	24
General administration	20	18
Staff development	11	23
Minor works, maintenance and equipment	9	34
Other	67	62
Total supplies and services	2 622	2 379

Alinytjara Wilurara Natural Resources Management Board
Notes to and forming part of the financial statements
for the year ended 30 June 2020

4.2. Depreciation

	2020	2019
	\$'000	\$'000
Vehicles	4	4
Plant and equipment	2	2
Total depreciation	6	6

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.

Review 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.

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)
Vehicles	5
Plant and equipment	5 - 10

4.3. Other expenses

	2020	2019
	\$'000	\$'000
Audit fees paid/payable to the Auditor-General's Department	50	48
Total other expenses	50	48

Alinytjara Wilurara Natural Resources Management Board
Notes to and forming part of the financial statements
for the year ended 30 June 2020

5. Non-financial assets

5.1 Property, plant and equipment by asset class

	2020	2019
	\$'000	\$'000
Vehicles		
Vehicles at cost (deemed fair value)	17	17
Accumulated depreciation	(15)	(11)
Total vehicles	2	6
Plant and equipment		
Plant and equipment at cost (deemed fair value)	77	77
Accumulated depreciation	(67)	(65)
Total plant and equipment	10	12
Total property, plant and equipment	12	18

5.2 Property, plant and equipment owned by the Board

Reconciliation 2019-20

	Vehicles	Plant and equipment	Total
	\$'000	\$'000	\$'000
Carrying amount at 1 July 2019	6	12	18
Depreciation expense	(4)	(2)	(6)
Carrying amount at 30 June 2020	2	10	12

Property, plant and equipment with a value equal to or in excess of \$10 000 is capitalised, otherwise it is expensed.

Property, plant and equipment is recorded at fair value. Detail about the Board's approach to fair value is set out in note 10.1.

Impairment

There were no indications of impairment of property, plant and equipment as at 30 June 2020.

Alinytjara Wilurara Natural Resources Management Board
Notes to and forming part of the financial statements
for the year ended 30 June 2020

6 Financial assets

6.1 Cash and cash equivalents

	2020	2019
	\$'000	\$'000
Deposits with the Treasurer	3 484	3 138
Total cash and cash equivalents	3 484	3 138

Cash is measured at nominal value.

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

6.2 Receivables

	2020	2019
	\$'000	\$'000
<u>Current</u>		
Receivables from non-government entities	30	1
Accrued revenues	772	979
Total current receivables	802	980
Total receivables	802	980

Receivables arise in the normal course of selling goods and services to other government agencies and to the public. Receivables are normally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement. Receivables, prepayments and accrued revenues are non-interest bearing.

Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

The expected credit loss of receivables is considered to be nil.

7. Liabilities

7.1. Payables

	2020	2019
	\$'000	\$'000
<u>Current</u>		
Trade payables	185	435
Accrued expenses	86	89
Total current payables	271	524
Total payables	271	524

Payables and accruals are raised for all amounts owing but unpaid. Sundry payables are normally settled within 30 days from the date the invoice is first received. All payables are non-interest bearing. The carrying amount of payables represents fair value due to their short-term nature.

Alinytjara Wilurara Natural Resources Management Board
Notes to and forming part of the financial statements
for the year ended 30 June 2020

8. Changes in accounting policy

8.1. AASB 15 Revenue from Contracts with Customers

AASB 15 Revenue from Contracts with Customers establishes a revenue recognition model for revenue arising from contracts with customers. It requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

AASB 15 supersedes *AASB 111 Construction contracts*, *AASB 118 Revenue* and related Interpretations and applies to all revenue arising from contracts with customers.

Impact on retained earnings

The total impact on the Board's retained earnings as at 1 July 2019 was \$ nil.

8.2. AASB 1058 Income of Not-for-Profit Entities

AASB 1058 Income of Not-for-Profit Entities establishes new income recognition requirements for not-for-profit entities. Its requirements apply where the consideration to acquire an asset, including cash, is significantly less than fair value principally to the entity to further its objectives. AASB 1058 also contains requirements for the receipt of volunteer services. AASB 1058 supersedes income recognition requirements in *AASB 1004 Contributions*, *AASB 118 Revenue* and *AASB 111 Construction Contracts*. However, elements of AASB 1004 remain in place, primarily in relation to restructures of administrative arrangements and other contributions and distributions by owners.

Accounting policies on transition

The total impact on the Board's retained earnings as at 1 July 2019 was \$ nil.

8.3. Presentation of Financial Statements

Treasurer's Instructions (Accounting Policy Statements) issued on 1 June 2020 removed the previous requirement for financial statements to be prepared using the net cost of services format. The net cost of services is the total cost of services less any revenue retained by public authorities involved in the provision of services but does not include items classified as revenues from and payments to the South Australian Government.

Presentation of the Statement of Comprehensive Income on an 'income and expense' basis allows information to be presented in such a way that eliminates potential confusion as to the source of funding for the Board. As well as changes to the format of the Statement of Comprehensive Income, there are presentational changes to remove the net cost of services format from the Statement of Cash Flows. These statements now show income before expenses, and cash receipts before cash payments. Related disclosures also reflect this changed format.

Alinytjara Wilurara Natural Resources Management Board
Notes to and forming part of the financial statements
for the year ended 30 June 2020

9. Outlook

9.1. Unrecognised contractual commitments

Commitments include operating 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).

Expenditure commitments

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

	2020	2019
	\$'000	\$'000
Within one year	267	189
Total expenditure commitments	267	189

Contracts have been entered into for the completion of various projects.

9.2. Contingent assets and liabilities

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

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

9.3. COVID-19 pandemic outlook for the Board

The COVID-19 pandemic will continue to impact on the forward commitments transferred to the Alinytjara Wilurara Landscape Board in 2020-21. The key expected impacts are:

- Delays to works specified in the business plan due to travel restrictions
- Changes to working arrangements for staff, facilitating working from home

9.4. Events after the reporting period

On 1 July 2020, the *Natural Resources Management Act 2004* was repealed and the Alinytjara Wilurara Natural Resources Management (NRM) Board was abolished.

The Alinytjara Wilurara NRM Board has ceased operations, and the management of land, water, pest, plants and animals, and biodiversity across the region is now managed by the Alinytjara Wilurara Landscape Board.

Alinytjara Wilurara Natural Resources Management Board
Notes to and forming part of the financial statements
for the year ended 30 June 2020

10. Measurement and risk

10.1. Fair Value

AASB 13 Fair Value Measurement defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, in the principal or most advantageous market, at the measurement date.

Initial recognition

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

Where assets are acquired at no value, or minimal value, they are recorded at their fair value in the Statement of Financial Position. However, if the assets are acquired at no or nominal value as part of a restructure of administrative arrangements, then the assets are recognised at book value (i.e. the amount recorded by the transferor public authority immediately prior to the restructure).

Revaluation

Property, plant and equipment are subsequently measured at fair value after allowing for accumulated depreciation.

The revaluation process is reviewed by the Regional Director and audit committee each year.

Non-current tangible assets are valued at fair value and revaluation of a non-current asset, or group of assets, is only performed when its fair value at the time of acquisition is greater than \$1.5 million and estimated useful life is greater than 3 years.

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

10.2. 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.

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

Alinytjara Wilurara Natural Resources Management Board
Notes to and forming part of the financial statements
for the year ended 30 June 2020

10.2 Financial instruments (continued)

Categorisation of financial instruments

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed the respective financial asset/financial liability note.

Classification of financial instruments

The Board measures all financial instruments at amortised cost.

Category of financial asset and financial liability	Note	2020	2019	2020 Contractual maturities		
		Carrying amount \$'000	Carrying amount \$'000	Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000
Financial assets						
Cash and cash equivalents						
Cash and cash equivalents	6.1	3 484	3 138	n/a	n/a	n/a
Financial assets at amortised cost						
Receivables	6.2	802	980	n/a	n/a	n/a
Total financial assets		4 286	4 118	-	-	-
Financial liabilities						
Financial liabilities at amortised cost						
Payables	7.1	214	471	214	-	-
Total financial liabilities		214	471	214	-	-

Receivable and Payables

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