

# Dog Fence Board

Financial report  
for the year ended  
30 June 2019



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## To the Chair Dog Fence Board

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 35 of the *Dog Fence Act 1946*, I have audited the financial report of the Dog Fence Board for the financial year ended 30 June 2019.

### Opinion

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Dog Fence Board as at 30 June 2019, its financial performance and its cash flows for the year then ended in accordance with the 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 2019
- a Statement of Financial Position as at 30 June 2019
- a Statement of Changes in Equity for the year ended 30 June 2019
- a Statement of Cash Flows for the year ended 30 June 2019
- notes, comprising significant accounting policies and other explanatory information
- a Certificate from the Chair, Dog Fence Board and the Executive Officer.

### 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 Dog Fence 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 Dog Fence Board for the financial report**

The Dog Fence Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with the 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**

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 Dog Fence Board's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Dog Fence 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 Dog Fence 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**

10 October 2019

**Dog Fence Board**  
**Certification of Financial Statements**  
*for the year ended 30 June 2019*

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We certify that the attached general purpose financial statements for the Dog Fence Board:

- comply with any relevant Treasurer's Instructions issued under section 41 of the *Public Finance and Audit Act 1987*, and any relevant Australian Accounting Standards
- are in accordance with the accounts and records of the Dog Fence Board
- present a true and fair view of the financial position of the Dog Fence Board as at 30 June 2019 and the results of its operation and cash flows for the financial year.

We certify that the internal controls employed by the Dog Fence 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.



Geoff Power  
Chair

4 ~~September~~ 2019  
October



Marty Bower  
Executive Officer

4 ~~September~~ 2019  
October

**Dog Fence Board**  
**Statement of Comprehensive Income**  
*for the year ended 30 June 2019*

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	Note	2019 \$'000	2018 \$'000
<b>Expenses</b>			
Staffing and Board costs	2.3	215	219
Fence maintenance		240	285
Hire of motor vehicles		30	30
Supplies and services	3.1	64	51
Grants & Subsidies	3.3	874	822
Depreciation	3.2	4	3
Auditor's remuneration		18	18
Write down of inventory		6	-
Revaluation of assets		-	2
<b>Total expenses</b>		<b>1 451</b>	<b>1 430</b>
<b>Income</b>			
Rates, levies and penalties	4.1	581	570
SA Government subsidies	4.1	563	552
Commonwealth revenue	4.2	200	150
Interest		4	6
<b>Total income</b>		<b>1 348</b>	<b>1 278</b>
<b>Net result</b>		<b>(103)</b>	<b>(152)</b>
<b>Other comprehensive income</b>			
Changes in property, plant and equipment asset revaluation surplus		-	40
<b>Total comprehensive income</b>		<b>-</b>	<b>40</b>
<b>Total comprehensive result</b>		<b>(103)</b>	<b>(112)</b>

The accompanying notes form part of these financial statements.

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

**Dog Fence Board**  
**Statement of Financial Position**  
*as at 30 June 2019*

	Note	2019 \$'000	2018 \$'000
<b>Current assets</b>			
Cash and cash equivalents		107	164
Receivables		2	3
Inventories	5.2	98	138
<b>Total current assets</b>		<u>207</u>	<u>305</u>
<b>Non-current assets</b>			
Property, plant and equipment	5.1	89	93
<b>Total non-current assets</b>		<u>89</u>	<u>93</u>
<b>Total assets</b>		<u>296</u>	<u>398</u>
<b>Current liabilities</b>			
Payables	6.1	33	32
<b>Total current liabilities</b>		<u>33</u>	<u>32</u>
<b>Total liabilities</b>		<u>33</u>	<u>32</u>
<b>Net assets</b>		<u>263</u>	<u>366</u>
<b>Equity</b>			
Retained earnings		213	316
Asset revaluation surplus		50	50
<b>Total equity</b>		<u>263</u>	<u>366</u>
Unrecognised contractual commitments	8.1		
Contingent assets and liabilities	8.2		

The accompanying notes form part of these financial statements.

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

**Dog Fence Board**  
**Statement of Changes in Equity**  
*for the year ended 30 June 2019*

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	Retained earnings	Asset revaluation surplus	Total equity
	\$'000	\$'000	\$'000
<b>Balance at 30 June 2017</b>	468	10	478
Net result for 2017-18	(152)	-	(152)
Gain on revaluation of buildings 2017-18	-	40	40
<b>Total comprehensive result for 2017-18</b>	<b>(152)</b>	<b>40</b>	<b>(112)</b>
<b>Balance at 30 June 2018</b>	<b>316</b>	<b>50</b>	<b>366</b>
Net result for 2018-19	(103)	-	(103)
<b>Total comprehensive result for 2018-19</b>	<b>(103)</b>	<b>-</b>	<b>(103)</b>
<b>Balance at 30 June 2019</b>	<b>213</b>	<b>50</b>	<b>263</b>

The accompanying notes form part of these financial statements.

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

**Dog Fence Board**  
**Statement of Cash Flows**  
*for the year ended 30 June 2019*

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	2019	2018
	(Outflows)	(Outflows)
	Inflows	Inflows
	\$'000	\$'000
<b>Cash flows from operating activities</b>		
<b>Cash outflows</b>		
Grants & Subsidies	(864)	(822)
Payments for staffing and board expenses	(228)	(206)
Fence maintenance	(206)	(209)
Hire of motor vehicles	(27)	(30)
Payments for supplies and services	(63)	(51)
Auditor's remuneration	(18)	(18)
<b>Cash used in operations</b>	<u>(1 406)</u>	<u>(1 336)</u>
<b>Cash inflows</b>		
Interest received	4	6
Rates and levies received	582	568
SA Government subsidies	563	552
Commonwealth receipts	200	150
<b>Cash generated from operations</b>	<u>1 349</u>	<u>1 276</u>
<b>Net cash provided by / (used in) operating activities</b>	<u>(57)</u>	<u>(60)</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<u>(57)</u>	<u>(60)</u>
Cash and cash equivalents at the beginning of the reporting period	164	224
<b>Cash and cash equivalents at the end of the reporting period</b>	<u>107</u>	<u>164</u>

The accompanying notes form part of these financial statements.

**Dog Fence Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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# **Dog Fence Board**

## **Notes to and forming part of the financial statements**

*for the year ended 30 June 2019*

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### **1. About the Dog Fence Board**

The Dog Fence Board (the Board) is a body corporate of the state of South Australia, established pursuant to the *Dog Fence Act 1946* and is controlled by the Crown. The financial statements and accompanying notes include all the controlled activities of the Board.

#### **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*; and
- relevant Australian Accounting Standards with reduced disclosure requirements.

For the 2018-19 financial statements the Board adopted *AASB 9 – Financial Instruments* and is required to comply with new *Treasurer's Instructions (Accounting Policy Statements)* issued on 22 March 2019. Further information is provided in note 7.

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.

Income, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- receivables and payables, which are stated with the amount of GST included.

GST collections and payments are carried out by the Department of Primary Industries and Regions (PIRSA) on behalf of the Board. GST in relation to the Board is reported in the PIRSA Controlled Financial Statements.

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.

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

#### **1.2. Objectives of the Dog Fence Board**

The Board was established pursuant to the *Dog Fence Act 1946* (the Act), on 17 June 1947. The primary purpose of the Board is to provide for the establishment and maintenance of particular dog proof fences in South Australia, in order to prevent the entry of wild dogs into pastoral areas, and for incidental purposes.

#### **1.3. Significant transactions with government related entities**

Significant transactions with the SA Government are identifiable throughout this financial report.

**Dog Fence Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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**2. Board, committees and employees**

**2.1. Key management personnel**

Key management personnel of the Board include the Minister for Primary Industries and Regional Development, the Chair and the four members.

Total compensation for the Board's key management personnel was \$7 223 (2018: \$4 013).

The compensation disclosed in this note excludes salaries and other benefits the Minister 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*.

***Transactions with key management personal and other related parties***

Close family members of one of the board members have been provided subsidies as private fence owners, as disclosed in note 3.3. These payments are made in accordance with section 24 of the Act

**2.2. Board and committee members**

Members during the 2019 financial year were:

C Ireland (Chair)  
K J Fargher  
J P Lawrie  
J H MacLachlan  
C Treloar

***Board and committee remuneration***

	2019	2018
The number of members whose remuneration received or receivable falls within the following bands:		
\$0 - \$19 999	5	5
<b>Total number of members</b>	<b>5</b>	<b>5</b>

The total remuneration received or receivable by members was \$7 223 (2018: \$4 013). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax.

**Dog Fence Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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**2.3. Staffing and Board costs**

	2019	2018
	\$'000	\$'000
Staffing costs <sup>(1)</sup>	207	214
Board fees and related on-costs	8	5
<b>Total staffing costs</b>	<b>215</b>	<b>219</b>

<sup>(1)</sup> The Board has 2.4 FTE (2018: 2.4) staff allocated from PIRSA to assist with the operations and administration of the Board. PIRSA charges the Board for the costs of these staff.

**3. Expenses**

Staffing and Board costs are disclosed in note 2.3.

**3.1. Supplies and services**

	2019	2018
	\$'000	\$'000
Staff travel and accommodation	24	18
Office accommodation costs	17	17
Professional and technical services	10	-
Insurance	4	5
Office supplies	2	1
Courier, freight and postage	1	2
Telecommunications and data access charges	1	1
Other	5	7
<b>Total supplies and services</b>	<b>64</b>	<b>51</b>

**3.2. Depreciation**

	2019	2018
	\$'000	\$'000
Plant and equipment	1	1
Buildings	3	2
<b>Total depreciation</b>	<b>4</b>	<b>3</b>

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.

Land is not depreciated.

**Review of accounting estimates**

Assets' residual values and useful lives and depreciation methods are reviewed and adjusted, if appropriate, on an annual basis. Changes in the expected 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.

**Dog Fence Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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**3.2. Depreciation (continued)**

**Useful life**

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

<b>Class of asset</b>	<b>Useful life (years)</b>
Buildings	20 – 40
Plant and equipment	1 – 10

**Fence maintenance**

As per section 21 of the Act, the Board may carry out work for the construction, alteration or replacement of the fence. Maintenance expenses are recognised when incurred.

**3.3. Grants and subsidies**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Local boards	797	744
Private fence owners	77	78
<b>Total subsidies</b>	<b>874</b>	<b>822</b>

**4. Income**

**4.1. Rates, levies and penalties**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Rates and penalties collected/collectable by Dog Fence Board	333	327
Levy collected by South Australian Sheep Advisory Group	233	226
Levies collected from occupiers of land outside of the dog fence	15	17
<b>Total rates, levies and penalties</b>	<b>581</b>	<b>570</b>
<b>SA Government \$1 for \$1 subsidy</b>	<b>563</b>	<b>552</b>

The Board receives funding via annual rates charged to occupiers of property whose land is south of the dog fence, and whose land is more than 10 square kilometres in size. As per section 25 of the Act, the rate in 2018-19 was \$1.33 per square kilometre (2018: \$1.28). The minimum charge was \$110.80 (2018: \$106.50).

The proportion of rates for 2018-19 amounting to \$233 000 (2018: \$226 000) which had been collected from the Local Government area included in the rating area on 11 September 1998, were collected by the South Australian Sheep Advisory Group via a sheep transaction levy.

The collection of the sheep transaction levy by the South Australian Sheep Advisory Group is supported by the South Australian Government Gazette dated 12 June 2008.

Additionally, under section 31 of the Act, the Treasurer pays the Board a subsidy at the rate of \$1 for every dollar of the rates and contributions by councils declared by the Board for each financial year.

**Dog Fence Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

**4.2. Commonwealth revenue**

	2019	2018
	\$'000	\$'000
Commonwealth revenue <sup>(1)</sup>	200	150
<b>Total Commonwealth revenue</b>	<b>200</b>	<b>150</b>

<sup>(1)</sup> Funds were provided from the Commonwealth (through PIRSA) during the year for the upgrade of the Dog Fence in drought affected areas.

**5. Non-financial assets**

**5.1. Property, plant and equipment**

	2019	2018
	\$'000	\$'000
<b>Land and buildings</b>		
Land at fair value	1	1
Buildings at fair value	84	84
Accumulated depreciation	(3)	-
<b>Total land and buildings</b>	<b>82</b>	<b>85</b>
<b>Plant and equipment</b>		
Plant and equipment at cost (deemed fair value)	25	25
Accumulated depreciation	(18)	(17)
<b>Total plant and equipment</b>	<b>7</b>	<b>8</b>
<b>Total property, plant and equipment</b>	<b>89</b>	<b>93</b>

All non-current tangible assets with a value of \$10 000 or greater are 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 9.1.

**Impairment**

Property, plant and equipment have not been assessed for impairment as they are non-cash generating assets, that are specialised in nature and held for continual use of their services capacity and are subject to regular revaluation.

**Reconciliation 2018-19**

	Land	Buildings	Plant & equipment	Total
	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July 2018	1	84	8	93
Depreciation	-	(3)	(1)	(4)
<b>Carrying amount at 30 June 2019</b>	<b>1</b>	<b>81</b>	<b>7</b>	<b>89</b>

**Dog Fence Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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**5.2. Inventories**

	2019	2018
	\$'000	\$'000
<b>Current inventories <sup>(1)</sup></b>		
Raw materials and stores <sup>(2)</sup>	98	132
Publications	-	6
<b>Total inventories</b>	<b>98</b>	<b>138</b>

<sup>(1)</sup> At the lower of cost and realisable value

<sup>(2)</sup> Consists of fencing materials for the establishment and maintenance of dog proof fences, managed by the Board.

**6. Liabilities**

**6.1. Payables**

	2019	2018
	\$'000	\$'000
Audit fee payable to the Auditor-General's Department	18	18
Trade creditors	15	1
Other payables	-	13
<b>Total payables</b>	<b>33</b>	<b>32</b>

**7. Changes in accounting policy**

**7.1. Treasurer's Instructions (Accounting Policy Statements)**

On 22 March 2019 the *Treasurer's Instructions (Accounting Policy Statements) 2019* were issued by the Treasurer under the *Public Finance and Audit Act 1987*. The Accounting Policy Statements replaced the following Accounting Policy Frameworks:

- Purpose and Scope
- General Purpose Financial Statements Framework
- Asset Accounting Framework
- Financial Asset and Liability Framework
- Income Framework
- Definitions.

The new Accounting Policy Statements have largely been prepared on a no-policy change basis. Changes that impact on these financial statements are:

- increasing the bands from \$10,000 to \$20,000 for employee and board member reporting.

These changes, however, do not impact on the amounts reported in the financial statements.

**Dog Fence Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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**7.2. AASB 9 Financial instruments**

AASB 9 *Financial Instruments* replaces the provisions of AASB 139 that relate to recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. The adoption of AASB 9 from 1 July 2018 did not have a material impact on these financial statements.

Trade and other receivables that were classified as loans and receivables under AASB 139 are now classified at amortised cost as they meet the appropriate criteria under AASB 9.

**8. Outlook**

**8.1. Unrecognised contractual commitments**

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

	2019 \$'000	2018 \$'000
<b>Operating lease commitments</b>		
Within one year	15	3
Later than one year but not longer than five years	14	-
<b>Total operating lease contractual commitments</b>	<u>29</u>	<u>3</u>

	2019 \$'000	2018 \$'000
<b>Expenditure commitments</b>		
Within one year	4	1
Later than one year but not longer than five years	5	-
<b>Total expenditure contractual commitments</b>	<u>9</u>	<u>1</u>

The Board has a lease on a motor vehicle. The motor vehicle is leased from South Australian Government Financing Authority (SAFA) through their agent LeasePlan and is non-cancellable. The lease is paid monthly. The 2018 comparative has been updated to only include the financial components of the lease arrangement that will be recognised under AASB16, effective from 1 July 2019. Payments to LeasePlan for the provision of lease management arrangements have been re-recognised in the 2018 comparative for 'Expenditure commitments'.

**8.2. Contingent assets and liabilities**

The Board has no known contingent assets or contingent liabilities.

## **Dog Fence Board**

### **Notes to and forming part of the financial statements**

#### **for the year ended 30 June 2019**

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### **8.3. Events after the reporting period**

#### ***Replacement of South Australia's Dog Fence***

In the 2019-20 State Budget the State Government announced that it will deliver a multi-generational investment of \$25m by replacing 1600km of South Australia's dog fence. The State and Commonwealth Governments will both contribute \$10 million with the livestock industry contributing \$5 million. The additional revenue raisings from industry will come from an increase in the existing dog fence levy rates and a number of new levy proposals still to be approved between industry and the Minister. The additional revenue contributions from increases in the dog fence levy rates and from industry will be levied for five years.

Pursuant to the provisions of Section 25 of the Dog Fence Act 1946, gazetted on 1 August 2019 for the financial year ending 30 June, 2020, were the following changes to the dog fence levy rates, that recognise the additional revenue collectable from that source –

\$2.00 per square kilometre (2019: \$1.33) with a minimum charge of \$475.00 (2019: \$110.80) for all separate holdings of more than 10 square kilometres of land situated inside the dog fence.

The capital expenditure will result in future recognition of the dog fence construction cost as a long term asset with associated depreciation being recognised over its effective useful life.

#### ***Board membership***

The term of all existing board members expired on 13 July 2019. A new board has been established for the four year term 14 July 2019 – 14 July 2023. Membership comprises -

G Power (Chair)

J P Lawrie

J H MacLachlan

C Treloar

P Whittlesea

## **9. Measurement and risk**

### **9.1. 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 restructuring of administrative arrangements then assets are recognised at book value, that is the amount recorded by the transferor public authority immediately prior to the restructure.

#### ***Revaluation***

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

Revaluation is undertaken on a 5 year cycle. If at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amounts of the assets and the net amounts are restated to the revalued amounts of the asset.

**Dog Fence Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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**9.1. Fair value (continued)**

***Land and buildings***

The valuation of land and buildings was performed by Liquid Pacific Pty Ltd, an independent valuer, as at 30 June 2018. The valuer arrived at the fair value based on recent market transactions for similar land and buildings in the area taking into account zoning and restricted use.

Land, buildings and improvements and plant and equipment acquired since the last formal revaluation are deemed to be at fair value.

***Plant and equipment***

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

**9.2. Financial instruments**

***Financial risk management***

The Board has cash, non-interest bearing assets (receivables) and liabilities (payables). The Board's exposure to market risk and cash flow interest risk is minimal.

The Board has no significant concentration of credit risk. The Board has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history.

In relation to liquidity/funding risk, the continued existence of the Board in its present form, is dependent on the funding provisions of the Act.