

Eyre Peninsula
Natural Resources Management Board

Financial report
for the year ended
30 June 2018



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To the Presiding Member Eyre Peninsula 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 Eyre Peninsula 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 Eyre Peninsula Natural Resources Management Board as at 30 June, 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 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 Eyre Peninsula 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 'A Richardson', with a long horizontal flourish extending to the right.

Andrew Richardson

Auditor-General

28 November 2018

Eyre Peninsula Natural Resources Management Board

Financial Statements

For the year ended 30 June 2018

Eyre Peninsula Natural Resources Management Board
Statement of Comprehensive Income
for the year ended 30 June 2018

We certify that the attached general purpose financial statements for the Eyre Peninsula 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 Eyre Peninsula Natural Resources Management Board
- present a true and fair view of the financial position of the Eyre Peninsula 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 Eyre Peninsula 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.



Mark Whitfield
Presiding Member
22 November 2018



Jonathan Clark
Regional Director
22 November 2018



Shaun O'Brien
Chief Financial Officer
Department for Environment and Water
22 November 2018

Eyre Peninsula Natural Resources Management Board
Statement of Comprehensive Income
for the year ended 30 June 2018

	Note	2018 \$'000	2017 \$'000
Expenses			
Board, group and committee	3	74	52
Supplies and services	4	4 677	4 655
Grants and subsidies	5	622	1 092
Other	6	83	34
Total expenses		<u>5 456</u>	<u>5 833</u>
Income			
Regional NRM and Water Levies	7	3 183	3 079
Interest	8	33	34
Grant	9	1 690	2 953
Other	10	65	47
Total income		<u>4 971</u>	<u>6 113</u>
Net result		<u>(485)</u>	<u>280</u>
Total comprehensive result		<u><u>(485)</u></u>	<u><u>280</u></u>

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.

Eyre Peninsula Natural Resources Management Board
Statement of Financial Position
as at 30 June 2018

	Note	2018 \$'000	2017 \$'000
Current assets			
Cash and cash equivalents	11	2 447	2 845
Receivables	12	105	22
Total current assets		2 552	2 867
Non-current assets			
Property, plant and equipment	13	-	18
Total non-current assets		-	18
Total assets		2 552	2 885
Current liabilities			
Payables	14	463	311
Total current liabilities		463	311
Total liabilities		463	311
Net assets		2 089	2 574
Equity			
Retained earnings		2 089	2 574
Total equity		2 089	2 574

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

Unrecognised contractual commitments	15
Contingent assets and liabilities	16

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Eyre Peninsula 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	2 294	2 294
Net result for 2016-17	280	280
Total comprehensive result for 2016-17	280	280
Balance at 30 June 2017	2 574	2 574
Net result for 2017-18	(485)	(485)
Total comprehensive result for 2017-18	(485)	(485)
Balance at 30 June 2018	2 089	2 089

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 the accompanying notes.

Eyre Peninsula Natural Resources Management Board
Statement of Cash Flows
for the year ended 30 June 2018

		2018	2017
		(Outflows)	(Outflows)
		Inflows	Inflows
	Note	\$'000	\$'000
Cash flows from operating activities			
Cash outflows			
Payments for supplies and services		(4 541)	(4 655)
Payments of grants and subsidies		(622)	(1 092)
Board, group and committee member payments		(58)	(52)
Other payments		(38)	(34)
Cash used in operations		<u>(5 259)</u>	<u>(5 833)</u>
Cash inflows			
Grant and levy receipts		4 795	6 069
Interest received		33	36
Other receipts		60	29
Cash generated from operations		<u>4 888</u>	<u>6 134</u>
Net cash provided by / (used in) operating activities		<u>(371)</u>	<u>301</u>
Cash flows from investing activities			
Cash outflows			
Purchase of property, plant and equipment		(27)	(18)
Cash used in investing activities		<u>(27)</u>	<u>(18)</u>
Net cash provided / (used in) by investing activities		<u>(27)</u>	<u>(18)</u>
Net increase / (decrease) in cash and cash equivalents		<u>(398)</u>	<u>283</u>
Cash and cash equivalents at the beginning of the reporting period		2 845	2 562
Cash and cash equivalents at the end of the reporting period	11	<u>2 447</u>	<u>2 845</u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Eyre Peninsula 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

1.1 Reporting entity

The Board is a body corporate of the state of South Australia, established pursuant to section 23(1) of the *Natural Resources Management Act 2004* (NRM Act).

The Board operates under a Natural Resources Management Plan 2017-27 (NRM Plan) which was adopted 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.

Direction by the Minister

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

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

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.

Eyre Peninsula Natural Resources Management Board
Notes to and forming part of the financial statements
for the year ended 30 June 2018

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 Board 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.

Eyre Peninsula Natural Resources Management Board

Notes to and forming part of the financial statements

for the year ended 30 June 2018

2 Objectives and activities of the Board

2.1 Board's objectives

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

The Board operates under a Regional NRM Plan. The Plan includes a Business Plan for the 2017-20 period which was endorsed on 1 May 2017, and identifies strategies, management action targets and the Board's investment themes as detailed in note 2.2.

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 this 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.

2.2 Activities

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

Land Water and Wildlife

This program encompasses management of landscapes, water, native plants and animals, pest plants and animals and coastal and marine environments. Large landscape scale projects such as WildEyre work across land tenures and land systems. Actions in coastal areas are guided by the Boards' Coastal Action Plan and focus on reducing the impact of human activities on species and the integrity of coastal habitats.

Work to reduce the impact of pest plants and animals is prioritised based on species-specific management plans and the new water allocation plan provides a framework for the management of essential water resources.

Eyre Peninsula Natural Resources Management Board

Notes to and forming part of the financial statements

for the year ended 30 June 2018

2 Objectives and activities of the Board

2.2 Activities (continued)

Industry and Regional Collaboration

The Board has an extensive history of working in collaboration with regional partners, and this has been a key success factor in achieving resource management outcomes for the region. The Eyre Peninsula Integrated Climate Change Agreement and the recently completed Coastal Vehicle Access Strategy Framework are examples of this work, which were both delivered in partnership with the Eyre Peninsula Local Government Association and Regional Development Australia – Whyalla and Eyre Peninsula.

Our seafood, agriculture and tourism sectors rely on healthy and functioning ecosystems to be sustainable, especially in changing climate conditions and ever increasing demands for increased food and fibre production and visitation to the region. Improved practices that incorporate new technologies to protect and enhance natural resources whilst improving profitability and risk management strategies will contribute to the long term viability of the Eyre Peninsula.

Community Engagement

The Board has an extensive range of stakeholders. This program aims to communicate effectively, build community, Board and staff knowledge of NRM through knowledge and information exchange, and support volunteer groups to achieve their objectives. The Board uses a range of strategies to support participation of Aboriginal people in natural resources management projects.

This program includes a burgeoning citizen science program, which has potential for application across delivery programs and projects, particularly in the Land, Water and Wildlife Program. In this way, community members become involved in measuring resource condition and actively contributing to management.

Leadership and Accountability

The Board is the primary entity in the region with responsibilities for management of natural resources. It has a range of statutory requirements with respect to planning, monitoring, evaluation and reporting. The Board is guided by the principles of good governance to ensure it operates with integrity, openness, accountability, consideration of risks, efficiency and considers the views and aspirations of its community.

A proportion of project funds are invested in monitoring, evaluation and reporting. The Board is committed to refining its monitoring and evaluation strategy and reviewing targets to ensure they are measurable and relevant to desired outcomes. The Board is increasingly involving community groups and individuals in development of strategic plans and undertaking surveys to collect monitoring data information under the guidance of field staff.

The disaggregated disclosures schedules present expenses and income information attributable to each of the programs as reflected in the Board's NRM plan for the years ended 30 June 2018 and 30 June 2017.

Eyre Peninsula Natural Resources Management Board
Notes to and forming part of the financial statements
for the year ended 30 June 2018

2 Objectives and activities of the Board

2.2 Activities (continued)

Disaggregated Disclosures – Expenses and Income

	Land, Water & Wildlife		Industry and Regional Collaboration		Community Engagement		Leadership & Accountability		Total	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Expenses										
Supplies and services	2 000	2 324	615	373	929	904	1 133	1 054	4 677	4 655
Grants and subsidies	261	715	287	266	74	95	-	16	622	1 092
Board, group and committee	-	-	-	-	-	-	74	52	74	52
Other	53	9	3	2	4	3	23	20	83	34
Total expenses	2 314	3 048	905	641	1 007	1 002	1 230	1 142	5 456	5 833
Income										
Regional NRM and Water Levies	1 354	1 608	530	339	591	529	708	603	3 183	3 079
Interest	15	18	5	4	6	6	7	6	33	34
Grant	885	1 931	442	601	345	396	18	25	1 690	2 953
Other	27	8	19	2	5	21	14	16	65	47
Total income	2 281	3 565	996	946	947	952	747	650	4 971	6 113
Net result	(33)	517	91	305	(60)	(50)	(483)	(492)	(485)	280

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

Eyre Peninsula Natural Resources Management Board
Notes to and forming part of the financial statements
for the year ended 30 June 2018

3 Remuneration of board and committee members

Remuneration of Board members

Members during the 2017-2018 financial year were:

The Board

M K Whitfield
(Presiding member appointed 4 June 2018)
S R Clark
M M Dennis
D B Laube
(resigned as Presiding member
27 April 2018, remains as Board member)
J L S Major (appointed 14 April 2018)
W R Nosworthy
G A Ryan
H F Smith
M J Turner

Aboriginal Advisory Committee

S R Haseldine (resigned 5 March 2018)
W J Hubert (resigned 12 December 2017)
J J Miller
V H F Miller
L G Taylor
S Prideaux*
S R Clark
E Ware (appointed 24 April 2018)

Risk and Audit Committee

G P Dodd
D B Laube
JLS Major (appointed 26 June 2018)
M K Whitfield

* 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.

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

	2018	2017
\$0 - \$9 999	16	21
\$10 000 - \$19 999	1	-
\$20 000 - \$29 999	-	1
Total number of board and committee members	17	22

Remuneration of members reflects all costs of performing Board, Group and 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 \$46 000 (2017: \$36 000).

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 \$28 000 (2017: \$16 000).

Eyre Peninsula Natural Resources Management Board
Notes to and forming part of the financial statements
for the year ended 30 June 2018

4 Supplies and services

	2018	2017
	\$'000	\$'000
Fee for service - Board funded DEW salaries	2 669	2 558
Fee for service	747	609
Fee for service - Corporate fee	442	445
Accommodation and property management	177	171
Motor vehicles	158	193
General administration	106	86
Fee for service - Shared Services SA	92	99
Travel and accommodation	67	92
Information technology and communication	38	28
Minor works, maintenance and equipment	31	69
Staff development	29	33
Transport	5	3
Other supplies and services	116	269
Total supplies and services	4 677	4 655

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.

5 Grants and subsidies

	2018	2017
	\$'000	\$'000
Recurrent grants	622	1 092
Total grants and subsidies	622	1 092

The Board provided financial assistance to local government, State Government agencies and private bodies during the year. Funds are paid by way of grants and all recipients are required to comply with conditions relevant to each grant. The details of amounts provided, organisations receiving grants and the purpose for each grant are shown in the annual report, as required by section 42 of the NRM Act.

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

6 Other expenses

	2018	2017
	\$'000	\$'000
Donated assets	45	-
Audit fees paid/payable to the Auditor-General's Department	38	34
Total other expenses	83	34

Eyre Peninsula Natural Resources Management Board
Notes to and forming part of the financial statements
for the year ended 30 June 2018

7 Regional NRM and water levies

	2018	2017
	\$'000	\$'000
Regional NRM Levy collected through Councils and DEW	2 764	2 702
Water Levy collected through DEW	419	377
Total Regional NRM and Water Levies	3 183	3 079

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

The Regional NRM Levy is collected by constituent councils and DEW from ratepayers and is a fixed charge of the same amount on all rateable land, based on section 95(3)(a)(ii) of the NRM Act. Councils can seek to recover any outgoing costs associated with the collection of the Levy.

Contributions from constituent councils and DEW collected from ratepayers are recognised as income following determination of the share of each council by the Minister and publications of those amounts in the Government Gazette. Contributions are required to be paid on a quarterly basis to the Board. Levies are recognised as revenue when the Board obtains control of the funding.

The water based levy is collected by DEW which it collects from licensed water users. This levy is based on water allocated and water used. This income is recorded as revenue when the Board has gained control of the funds, or obtains the right to receive the funds.

8 Interest revenues

	2018	2017
	\$'000	\$'000
Interest revenues from entities within the SA Government	33	34
Total interest revenues	33	34

Eyre Peninsula Natural Resources Management Board
Notes to and forming part of the financial statements
for the year ended 30 June 2018

9 Grant revenues

	2018 \$'000	2017 \$'000
Commonwealth funding		
Wildevre Conservation	-	1 081
Action on the Ground	-	135
Threatened species grant	75	-
Total Commonwealth funding	<u>75</u>	<u>1 216</u>
Grant revenues from SA Government		
National Landcare Program received through DEW *	1 474	1 474
Other State Government funding	116	186
Total grant revenues from SA Government	<u>1 590</u>	<u>1 660</u>
Other grant revenues		
Sundry grants	25	77
Total other grant revenues	<u>25</u>	<u>77</u>
Total grant revenues	<u><u>1 690</u></u>	<u><u>2 953</u></u>
* National Landcare Program - consists of the following programs:		
Ecosystems and Coastal Management on Eyre Peninsula	1 032	1 032
Sustainable Agriculture - Eyre Peninsula	442	442
Total National Landcare Program funding	<u>1 474</u>	<u>1 474</u>

Contributions are recognised as an asset and income when the Board obtains control of the contributions or obtains the right to receive the contributions and the income recognition criteria are met.

Contributions which have conditions still to be met as at reporting date were \$62 000 (2017: 82 000).

National Landcare Program received through DEW

On 18 May 2015, the Board entered into an agreement with the State, for the continued implementation of the National Landcare Program.

The goal of the National Landcare Program is an environment that is healthy, better protected, well managed, resilient and provides essential ecosystem services in a changing climate. This funding spans the period 1 January 2015 to 30 June 2018, and covers two broad areas: Sustainable Environment and Agriculture.

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

Eyre Peninsula Natural Resources Management Board
Notes to and forming part of the financial statements
for the year ended 30 June 2018

10 Other revenues

	2018	2017
	\$'000	\$'000
Sale of goods and services	24	7
Recoup of expenses	13	4
Other revenue	28	36
Total other income	65	47

Other income includes revenue generated through the contracting of animal and plant control services conducted on Crown or private land as well as sale of merchandise such as fox baits and minor on-ground works undertaken. All income relates to the operating activities of the Board. Other income is recognised when the service has been performed.

11 Cash and cash equivalents

	2018	2017
	\$'000	\$'000
Deposits with the Treasurer	2 447	2 845
Total cash and cash equivalents	2 447	2 845

Cash is measured at nominal value.

Deposits at call and with the Treasurer earn a floating interest rate, based on daily bank deposit rates. The carrying amount of cash and cash equivalents represents fair value.

12 Receivables

	2018	2017
	\$'000	\$'000
Current		
Receivables	102	19
Accrued interest	3	3
Total current receivables	105	22
Total receivables	105	22

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, prepayments and accrued revenues 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.

Eyre Peninsula Natural Resources Management Board
Notes to and forming part of the financial statements
for the year ended 30 June 2018

13 Property, plant and equipment

	2018 \$'000	2017 \$'000
Capital works in progress		
Capital works in progress at cost	-	18
Total capital works in progress	<u>-</u>	<u>18</u>
Total property, plant and equipment	<u>-</u>	<u>18</u>

Property, plant and equipment movement reconciliation

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

	Plant and equipment \$'000	Capital work in progress \$'000	Total \$'000
Carrying amount at the beginning of the period	-	18	18
Acquisitions	-	27	27
Disposals - transfers for nil consideration	(45)	-	(45)
Transfers to/(from) capital works in progress	45	(45)	-
Carrying amount at the end of the period	<u>-</u>	<u>-</u>	<u>-</u>

The Board has transferred 3 Felixer Cat Grooming Trap assets to DEW for nil consideration.

Property, plant and equipment movement reconciliation

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

	Plant and equipment \$'000	Capital work in progress \$'000	Total \$'000
Carrying amount at the beginning of the period	-	-	-
Acquisitions	-	18	18
Carrying amount at the end of the period	<u>-</u>	<u>18</u>	<u>18</u>

Eyre Peninsula Natural Resources Management Board
Notes to and forming part of the financial statements
for the year ended 30 June 2018

14 Payables

	2018	2017
	\$'000	\$'000
Current		
Creditors	343	214
Accrued expenses	120	97
Total current payables	<u>463</u>	<u>311</u>
Total payables	<u><u>463</u></u>	<u><u>311</u></u>

Payables include creditors, accrued expenses and Board member remuneration on-costs.

Creditors represent the amounts owing for goods and services received prior to the end of the reporting period that are unpaid at the end of the reporting period. Creditors include all unpaid invoices received relating to the normal operations of the Board.

Accrued expenses represent goods and services provided by other parties during the period that are unpaid at the end of the reporting period and where an invoice has not been received.

All payables are measured at their nominal amount and are normally settled within 30 days from the date of the invoice or the date the invoice is first received.

15 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 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
No later than one year	21	24
Later than one year but not later than five years	1	5
Total operating lease commitments	<u><u>22</u></u>	<u><u>29</u></u>

Operating lease commitments comprise the following:

The property leases are non-cancellable. Rental is payable monthly with reviews indexed annually, alternating between market value and CPI indexation. Options exist to renew the lease at the end of the current term.

The equipment leases are non-cancellable. Lease payments are payable monthly and options exist to renew or cancel the lease at the end of the current term.

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15 Unrecognised contractual commitments (continued)

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
No later than one year	169	236
Later than one year but not later than five years	40	73
Total other commitments	209	309

The Board's commitments relate to non-cancellable contracts at the reporting date which have not been recognised in the Statement of Comprehensive Income and Statement of Financial Position.

16 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 any contingent assets or liabilities.

17 Related party transactions

The Eyre Peninsula Natural Resources Management 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.

Key management personnel

Key management personnel of the Board include the Minister for Environment and Water, the Presiding Member and the other members of the Board who have responsibility for the strategic direction and management of the Board. Total compensation for the Board's key management personnel was \$124 000 (2017: \$112 000). 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 the *Parliamentary Remuneration Act 1990*.

Eyre Peninsula Natural Resources Management Board
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18 Financial risk management / financial instruments

Financial risk management

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

The Board's exposure to financial risk (liquidity, credit and market) is insignificant based on past experience and current assessment of 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.

Categorisation of financial instruments

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed in the respective financial asset / financial 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		2 447	2 845
Loans and receivables			
Receivables	(1)	105	22
Total financial assets		2 552	2 867
Financial liabilities			
Financial liabilities at cost			
Payables	(1)	425	274
Total financial liabilities		425	274

(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; 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).

19 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.