

# Northern and Yorke Natural Resources Management Board

Financial report  
for the year ended  
30 June 2019



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## To the Presiding Member Northern and Yorke 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 Northern and Yorke Natural Resources Management 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 Northern and Yorke Natural Resources Management 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 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 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 Presiding Member, the Acting Interim NRM Manager 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 Northern and Yorke 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 Acting Interim NRM Manager and the board for the financial report**

The Acting Interim NRM Manager 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, 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 Acting Interim NRM Manager
- 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**

26 November 2019

**Northern and Yorke Natural Resources Management  
Board**

**Financial Statements**

For the year ended 30 June 2019

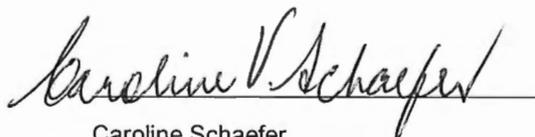
**Northern and Yorke Natural Resources Management Board**  
**Certification of the Financial Statements**  
*for the year ended 30 June 2019*

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We certify that the attached general purpose financial statements for the Northern and Yorke 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 Northern and Yorke Natural Resources Management Board
- present a true and fair view of the financial position of the Northern and Yorke Natural Resources Management Board as at 30 June 2019 and the results of its operations and cash flows for the financial year.

We certify that the internal controls employed by the Northern and Yorke 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.



Caroline Schaefer  
Presiding Member  
21 November 2019



Anthony Fox  
Acting Interim NRM Manager  
21 November 2019



Shaun O'Brien  
Chief Financial Officer  
Department for Environment and Water  
21 November 2019

**Northern and Yorke Natural Resources Management Board**  
**Statement of Comprehensive Income**  
*for the year ended 30 June 2019*

	Note	2019 \$'000	2018 \$'000
<b>Expenses</b>			
Board and committee	2.2	72	69
Supplies and services	3.1	4 741	4 271
Grants and subsidies	3.2	713	748
Other expenses	3.3	50	47
<b>Total expenses</b>		<b>5 576</b>	<b>5 135</b>
<b>Income</b>			
Regional NRM and water levies	4.1	4 207	4 024
Commonwealth funding	4.2	1 386	1 254
Grants	4.3	200	51
Interest	4.4	33	27
Other income	4.5	404	79
<b>Total income</b>		<b>6 230</b>	<b>5 435</b>
<b>Net result</b>		<b>654</b>	<b>300</b>
<b>Total comprehensive result</b>		<b>654</b>	<b>300</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.

**Northern and Yorke Natural Resources Management Board**  
**Statement of Financial Position**  
*as at 30 June 2019*

	Note	2019 \$'000	2018 \$'000
<b>Current assets</b>			
Cash and cash equivalents	5.1	3 010	2 601
Receivables	5.2	969	125
<b>Total current assets</b>		<b>3 979</b>	<b>2 726</b>
<b>Total assets</b>			
		<b>3 979</b>	<b>2 726</b>
<b>Current liabilities</b>			
Payables	6.1	1 058	459
<b>Total current liabilities</b>		<b>1 058</b>	<b>459</b>
<b>Total liabilities</b>			
		<b>1 058</b>	<b>459</b>
<b>Net assets</b>			
		<b>2 921</b>	<b>2 267</b>
<b>Equity</b>			
Retained earnings		2 921	2 267
<b>Total equity</b>		<b>2 921</b>	<b>2 267</b>

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

**Northern and Yorke Natural Resources Management Board**  
**Statement of Changes in Equity**  
*for the year ended 30 June 2019*

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	Retained earnings \$'000	Total equity \$'000
<b>Balance at 1 July 2017</b>	1 967	1 967
Net result for 2017-18	300	300
<b>Total comprehensive result for 2017-18</b>	<b>300</b>	<b>300</b>
<b>Balance at 30 June 2018</b>	<b>2 267</b>	<b>2 267</b>
Net result for 2018-19	654	654
Total comprehensive result for 2018-19	654	654
<b>Balance at 30 June 2019</b>	<b>2 921</b>	<b>2 921</b>

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

**Northern and Yorke Natural Resources Management Board**  
**Statement of Cash Flows**  
*for the year ended 30 June 2019*

	Note	2019 \$'000	2018 \$'000
<b>Cash flows from operating activities</b>			
<b>Cash outflows</b>			
Payments to board and committee members		(32)	(70)
Payments for supplies and services		(4 347)	(4 227)
Payments of grants and subsidies		(551)	(822)
Other payments		(47)	(46)
<b>Cash used in operating activities</b>		<b>(4 977)</b>	<b>(5 165)</b>
<b>Cash inflows</b>			
NRM levy receipts		4 018	3 961
Commonwealth funding received		685	1 254
Grant receipts		241	51
Interest received		32	27
Other receipts		410	79
<b>Cash generated from operating activities</b>		<b>5 386</b>	<b>5 372</b>
<b>Net cash provided by operating activities</b>		<b>409</b>	<b>207</b>
<b>Net increase in cash and cash equivalents</b>		<b>409</b>	<b>207</b>
Cash and cash equivalents at the beginning of the reporting period		2 601	2 394
<b>Cash and cash equivalents at the end of the reporting period</b>	5.1	<b>3 010</b>	<b>2 601</b>

The accompanying notes form part of these financial statements.

**Northern and Yorke Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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# Northern and Yorke Natural Resources Management Board

## Notes to and forming part of the financial statements

for the year ended 30 June 2019

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### 1. About the Northern and Yorke Natural Resources Management Board

The Northern and Yorke 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 the Northern and Yorke Natural Resources Management Plan 2009-2018 (the Plan) which was adopted by the Minister for Environment and Water on 6 May 2009. The Plan guides the implementation of all natural resources management programs and policies in the Northern and Yorke region and consists of 4 volumes: Volume A State of the Region Report, Volume B Strategic Plan, Volume C Business Plan, and Volume D Regulatory Framework. In accordance with division 3/section 81 of the NRM Act, the Board completes an annual review of the Plan.

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 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.

On March 20, 2019 the government introduced new legislation - the Landscape South Australia Bill, to drive a significant and enduring reform agenda for natural resources management in South Australia. If enacted, this will replace the current *Natural Resource Management (NRM) Act*. The current NRM arrangements remained unchanged for the 2018-19 financial year. The impact of the proposed Landscapes SA legislation to the operations of the Board during 2019-20 remains unknown.

**Northern and Yorke Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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**1. About the Northern and Yorke Natural Resources Management 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*
- 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.

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's 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
- mechanisms 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.

**Northern and Yorke Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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**1. About the Northern and Yorke Natural Resources Management Board**

**1.2. Objectives and programs (continued)**

**Programs**

In achieving its objectives the Board has defined a series of strategies to manage the region's natural resources, these areas of activity are:

***Healthy soils***

Extension services to landholders focused on 'best practice land management' to reduce land degradation and improve farm sustainability. Strong links exist between healthy functioning ecosystems and sustainable primary production. The maintenance of both is fundamental to social, environmental and economic wellbeing.

***Viable water resources***

Water is vital to support life and livelihoods. This theme is directed towards managing our water resources to ensure a balance between the consumptive uses of water and providing water for environments and ecosystems that depend on it. This theme also aims to maintain water quality and ensure the best use of water is achieved.

***Healthy coastal estuarine and marine (CEM) ecosystems***

Protection, rehabilitation and management of sensitive coastal ecosystems with project support to councils and community groups. Incentive payments to landholders for on-ground works along the coast lines of the region and studies to establish baseline monitoring conditions.

***Healthy terrestrial ecosystems***

Conservation of threatened plant and animal species, community education, extension services to landholders and incentive payments to landholders and project support to councils and community groups for on ground works directed at protection of high value biodiversity areas and revegetation.

***Minimal pest impact***

Statutory responsibilities related to declared pest animals and plants through monitoring and control works of infestations and issuing of compliance notices to landholders and provision of technical advice to landholders to limit the impact of existing and to prevent the establishment of new pests.

***Community driven NRM***

Awareness, knowledge, education and capacity building activities to support communities through extension, training and the promotion of improved natural resources management for informed communities.

The Board has statutory responsibilities under the NRM Act to monitor and report on change in resource condition to its partners and the community. It also has a responsibility to ensure that levy funds collected from the community are invested wisely in works that produce measurable natural resources management benefits.

The table on the following page presents expenses and income attributable to each program.

**Northern and Yorke Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

**1. About the Northern and Yorke Natural Resources Management Board**

**1.2. Objectives and programs (continued)**

*Expenses and income by program*

	Healthy soils		Viable water resources		Healthy CEM Ecosystems		Healthy Terrestrial Ecosystems	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Expenses</b>								
Supplies and services	384	293	439	473	81	75	1 678	1 694
Grants and subsidies	195	20	-	7	-	2	53	35
Board and committee	-	-	-	-	-	-	-	-
Other expenses	4	4	5	5	1	1	25	23
<b>Total expenses</b>	<b>583</b>	<b>317</b>	<b>444</b>	<b>485</b>	<b>82</b>	<b>78</b>	<b>1 756</b>	<b>1 752</b>
<b>Income</b>								
Regional NRM and water levies	366	350	417	398	93	89	2 081	1 992
Commonwealth funding	136	109	-	124	-	28	221	620
Grants	20	14	-	-	-	-	32	-
Interest	3	2	3	3	1	1	16	13
Other income	32	-	-	-	-	-	53	-
<b>Total income</b>	<b>557</b>	<b>475</b>	<b>420</b>	<b>525</b>	<b>94</b>	<b>118</b>	<b>2 403</b>	<b>2 625</b>
<b>Net result</b>	<b>(26)</b>	<b>158</b>	<b>(24)</b>	<b>40</b>	<b>12</b>	<b>40</b>	<b>647</b>	<b>873</b>

	Minimal Pest Impact		Community Driven NRM		Total	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Expenses</b>						
Supplies and services	1 416	754	743	982	4 741	4 271
Grants and subsidies	78	138	387	546	713	748
Board and committee	-	-	72	69	72	69
Other expenses	8	7	7	7	50	47
<b>Total expenses</b>	<b>1 502</b>	<b>899</b>	<b>1 209</b>	<b>1 604</b>	<b>5 576</b>	<b>5 135</b>
<b>Income</b>						
Regional NRM and water levies	648	620	602	575	4 207	4 024
Commonwealth funding	919	194	110	179	1 386	1 254
Grants	132	37	16	-	200	51
Interest	5	4	5	4	33	27
Other income	293	77	26	2	404	79
<b>Total income</b>	<b>1 997</b>	<b>932</b>	<b>759</b>	<b>760</b>	<b>6 230</b>	<b>5 435</b>
<b>Net result</b>	<b>495</b>	<b>33</b>	<b>(450)</b>	<b>(844)</b>	<b>654</b>	<b>300</b>

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

**Northern and Yorke Natural Resources Management 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 Environment and Water, the Presiding Member, all other members of the Board and the Regional Director who have responsibility for the strategic direction and management of the Board.

The total compensation for the Board's key management personnel was \$163 000 in 2018-19 and \$160 000 in 2017-18.

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*.

**2.2. Board and committee members**

Members during the 2019 financial year were:

**The Board**

E M Sommerville (Presiding Member - retired April 2019)  
 C V Schaefer (Presiding Member appointed April 2019; appointed as Board member March 2019)  
 D M Greig (retired April 2019)  
 K Matthias  
 K L Murdock  
 N P P Sommerville  
 P A Stockings  
 L J Thomas  
 H M Vandeleur (retired February 2019)  
 I R Whittle

**Governance and Finance Committee**

N P P Sommerville  
 P A Stockings  
 L J Thomas  
 I R Whittle

**Planning and Performance Committee**

K Matthias  
 K L Murdock  
 I R Whittle  
 H M Vandeleur (retired February 2019)

**Aboriginal Engagement Committee**

D M Greig (retired April 2019)  
 P A Stockings  
 N P P Sommerville  
 L J Thomas

**Board and committee remuneration**

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

	2019	2018
\$0 - \$19 999	9	10
\$20 000 - \$39 999	1	1
<b>Total number of members</b>	<b>10</b>	<b>11</b>

**Northern and Yorke Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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**2.2. Board and committee members (continued)**

The total remuneration received or receivable by members was \$46 000 (2018: \$46 000). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax.

For the purposes of this table, travel allowances, 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 \$26 000 (2018: \$23 000).

**3. Expenses**

**3.1. Supplies and services**

	2019	2018
	\$'000	\$'000
Fee for service - Board funded DEW salaries	2 500	2 427
Fee for service	1 032	618
Fee for service - Corporate services fee	534	448
Motor vehicles	158	152
Minor works, maintenance and equipment	107	103
Fee for service - Shared Services SA fee	95	92
Accommodation and property management	87	85
Information technology and communication	49	75
General administration	31	71
Staff development	31	38
Travel and accommodation	21	24
Contractors	6	48
Other supplies and services	90	90
<b>Total supplies and services</b>	<b>4 741</b>	<b>4 271</b>

**Operating leases**

Operating lease payments (less any lease incentives) are recognised as an expense on a straight-line basis over the lease term.

**3.2. Grants and subsidies**

	2019	2018
	\$'000	\$'000
Recurrent grants	713	748
<b>Total grants and subsidies</b>	<b>713</b>	<b>748</b>

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 under 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.

**Northern and Yorke Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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**3.3. Other expenses**

	2019	2018
	\$'000	\$'000
Audit fees paid/payable to the Auditor-General's Department	50	47
<b>Total other expenses</b>	<b>50</b>	<b>47</b>

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

**4. Income**

**4.1. Regional NRM and water levies**

	2019	2018
	\$'000	\$'000
NRM levies collected through Councils	4 035	3 843
Water levies collected through DEW	172	181
<b>Total regional NRM and water Levies</b>	<b>4 207</b>	<b>4 024</b>

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 from ratepayers and is based on the value of rateable land. Councils can seek to recover any outgoing costs associated with the collection of the levy.

Contributions from constituent councils 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.

The water based levy is collected from licensed water users by DEW and is recorded as revenue when the Board has gained control of the funds, or obtains the right to receive the funds.

**Northern and Yorke Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

**4.2. Commonwealth funding**

	2019 \$'000	2018 \$'000
<b>Commonwealth funding</b>		
Regional Land Partnerships Program*	1 386	-
National Landcare Program received through DEW**	-	1 254
<b>Total Commonwealth funding</b>	<b>1 386</b>	<b>1 254</b>

	2019 \$'000	2018 \$'000
<b>* Regional Land Partnerships Program funding consists of the following components</b>		
Great Southern Ark: Building a Landscape-Scale Safe Haven for Australia's Most Threatened Species on Southern Yorke Peninsula	516	-
Core services	439	-
Living Flinders: Building Community Leadership in Landscape Management	431	-
<b>Total Regional Land Partnership funding</b>	<b>1 386</b>	<b>-</b>

	2019 \$'000	2018 \$'000
<b>** National Landcare Program - Regional component consists of the following components</b>		
Living Flinders: Maintaining Ecological Integrity in Southern Flinders Ranges	-	355
Conserving the Biodiversity Assets of the Northern & Yorke Agricultural District	-	273
Increasing Sustainability in the Northern and Yorke Agricultural Sector	-	249
Improving Ecological Integrity and Resilience on the Southern Yorke Peninsula	-	205
Improving Networks and Access to Sustainable Agricultural Practice: Landcare Facilitator	-	142
Northern and Yorke - National Landcare Program Regional Investment 2015 - 2018	-	30
<b>Total National Landcare Program funding</b>	<b>-</b>	<b>1 254</b>

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.

There are no contributions received that have conditions of expenditure still to be met as at reporting date.

The National Landcare Program (Phase 1) was funded by the Australian Government over four years from 2014-15 to 2017-18. Commonwealth funding was provided to ensure that on-ground works on important national environmental issues continued with the help of local communities.

From 1 July 2018, the Australian Government has commenced the Regional Land Partnership (National Landcare Program Phase 2). The funding will support vital on-ground environment and agricultural projects that offer benefits to the environment, farms and communities.

**Northern and Yorke Natural Resources Management Board**  
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**4.3. Grant revenues**

	2019 \$'000	2018 \$'000
<b>Grant revenues from SA Government</b>		
Great Southern Ark contribution received from DEW	200	-
Other State Government funding	-	51
<b>Total grant revenues from SA Government</b>	<u>200</u>	<u>51</u>
<b>Total grant revenues</b>	<u><u>200</u></u>	<u><u>51</u></u>

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

There are no grant contributions received that have conditions of expenditure still to be met as at the reporting date.

**4.4. Interest**

	2019 \$'000	2018 \$'000
Interest revenues from entities within the SA Government	33	27
<b>Total interest revenues</b>	<u>33</u>	<u>27</u>

**4.5. Other income**

	2019 \$'000	2018 \$'000
Provision of Services	329	-
Sale of goods	74	77
Other revenue	1	2
<b>Total other income</b>	<u>404</u>	<u>79</u>

Provision of services relates to the 2018-19 Rangelands Partnership Agreement between the Northern & Yorke (NY) and South Australian Murray Darling Basin (SAMDB) NRM Boards, for the NY NRM Board to deliver landscape management outcomes in the SAMDB Rangelands district that align with SAMDB NRM Board priorities. Other income includes revenues generated through contracting of animal and plant control services conducted on Crown or private land, and sale of merchandise such as fox baits. All income relates to the operating activities of the Board. Other income is recognised when the service has been performed.

**Northern and Yorke Natural Resources Management Board**  
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**5. Financial assets**

**5.1. Cash and cash equivalents**

	2019	2018
	\$'000	\$'000
Deposits with the Treasurer	3 010	2 601
<b>Total cash and cash equivalents</b>	<b>3 010</b>	<b>2 601</b>

Cash is measured at nominal value.

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

**5.2. Receivables**

	2019	2018
	\$'000	\$'000
<b><u>Current</u></b>		
Receivables from government entities	29	70
Receivables from non-government entities	236	53
Accrued revenues	704	2
<b>Total current receivables</b>	<b>969</b>	<b>125</b>
<b>Total receivables</b>	<b>969</b>	<b>125</b>

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.

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

**6. Liabilities**

**6.1. Payables**

	2019	2018
	\$'000	\$'000
<b><u>Current</u></b>		
Trade payables	925	338
Accrued expenses	133	121
<b>Total current payables</b>	<b>1 058</b>	<b>459</b>
<b>Total payables</b>	<b>1 058</b>	<b>459</b>

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.

**Northern and Yorke Natural Resources Management Board**  
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**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:

- removal of the additional requirement to report transactions with the SA Government.
- 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.

**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 resulted in changes in accounting policies and adjustments to the amounts recognised in financial statements.

The adoption of AASB 9 has not had a significant effect on the recognition, measurement or classification of financial liabilities.

**Northern and Yorke Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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**8. Outlook**

**8.1. Unrecognised contractual commitments**

Commitment arising from contractual or statutory sources and are disclosed at their nominal value.

**Operating lease commitments**

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

	2019	2018
	\$'000	\$'000
Within one year	62	31
Later than one year but not later than five years	83	82
<b>Total operating lease commitments</b>	<b>145</b>	<b>113</b>

The Board's operating leases are for office accommodation in Minlaton, Orroroo and Clare and a storage facility in Kadina.

**Expenditure commitments**

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

	2019	2018
	\$'000	\$'000
Within one year	5	-
Later than one year but not later than five years	9	-
<b>Total other commitments</b>	<b>14</b>	<b>-</b>

**8.2. 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 any contingent assets or liabilities.

**8.3. 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.

**Northern and Yorke Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
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**9. Measurement and risk**

**9.1. 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.

***Liquidity risk***

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

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

***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.

***Classification applicable until 30 June 2018 under AASB 139 Financial Instruments: Recognition and Measurement***

The carrying amounts are detailed below of each of the following categories of financial assets and liabilities:

- Loan and receivables
- Financial liabilities measured at cost.

**Northern and Yorke Natural Resources Management Board**  
**Notes to and forming part of the financial statements**  
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**9.1. Financial instruments (continued)**

**Classification applicable from 1 July 2018 under AASB 9 Financial Instruments**

On initial recognition, a financial asset is classified as measured at amortised cost, fair value through other comprehensive income (FVOCI) – debt instrument, FVOCI – equity instrument or fair value through profit or loss.

A financial asset is measured at amortised cost if it meets both of the following conditions:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest only on the principal amount outstanding.

The Board measures all financial instruments at amortised cost.

Category of financial asset and financial liability	2019 Carrying amount \$'000	2018 Carrying amount \$'000
<b>Financial assets</b>		
<b>Cash and cash equivalents</b>		
Cash and cash equivalents	3 010	2 601
<b>Financial assets at amortised cost</b>		
Receivables	744	125
<b>Total financial assets</b>	<b>3 754</b>	<b>2 726</b>
<b>Financial liabilities</b>		
<b>Financial liabilities at amortised cost</b>		
Payables	996	412
<b>Total financial liabilities</b>	<b>996</b>	<b>412</b>

**Receivables and payables**

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.