



SOUTH AUSTRALIA

ANNUAL REPORT

OF THE

DOG FENCE BOARD

2016-2017



**Government
of South Australia**

ISSN 1832-0694

LETTER OF TRANSMITTAL

Hon Ian Hunter, MP
Minister for Sustainability, Environment and Conservation
Level 10
81-95 Waymouth Street
ADELAIDE SA 5000

Dear Minister

As Members of the Dog Fence Board appointed under Section 6 of the *Dog Fence Act 1946*, we are pleased to present the Annual Report and Statement of Accounts for the year ended 30 June 2017, as required under Section 34 of that *Act* and Section 12 of the *Public Sector Act 2009 (SA)*. In accordance with the Public sector act 2009 the annual report should be tabled in both houses of Parliament within 12 sitting days from when it was received.



Carolyn Ireland
Chair
Dog Fence Board

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Biosecurity SA
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1. CHAIR'S FOREWORD

The South Australian Dog Fence Board is pleased to present the 2016-2017 Annual Report on the condition of the Dog Fence and on work carried out this past year. It had been a relatively quiet year along much of the Dog Fence. The Board inspected the Western section of the fence from the Head of Bight to Roxby Downs in May this year. During that time, we met with members of the Penong Local Board and I thank them for their effort in making time to meet with the Board. The Board was delighted to find the Western Fence to be in excellent condition and essentially dog-proof as required under the *Dog Fence Act 1946*. The Board's inspection confirmed the exceptional care and attention paid to the Fence by Local Dog Fence Boards, the Private Fence Owner, Patrolmen and Staff, which protects the valuable sheep industry to the south. The Board will return in early winter of 2018 to inspect the Eastern section of the Fence from Roxby Downs to the NSW border.

Last year the Board received \$400,000 from the Commonwealth Government's drought funding for weed and pest animal control which was directed to an upgrade of 90 km of fence in the Eastern section. During this financial year the Board has been fortunate to receive a further \$200,000 from the same program. This money will enable the Board to upgrade another 60 km of the Dog Fence during the following financial year. The Board has been advised that the first 90 km of Fence has been finished to a very high standard.

The 2,153 km Dog Fence in South Australia is inspected fortnightly and repaired if required by a dedicated team of seven Patrolmen as per the *Dog Fence Act 1946*. Baits are placed along the fence and dogs are destroyed if sighted. The Fence is also inspected three times a year by the Supervisor of Fences. Any repairs required are effected swiftly.

My thanks go to fellow Dog Fence Board members, Local Board members, the Patrolmen, Manager Michael Balharry and Fence Inspector Bill Sandow for their support and dedication throughout the year.



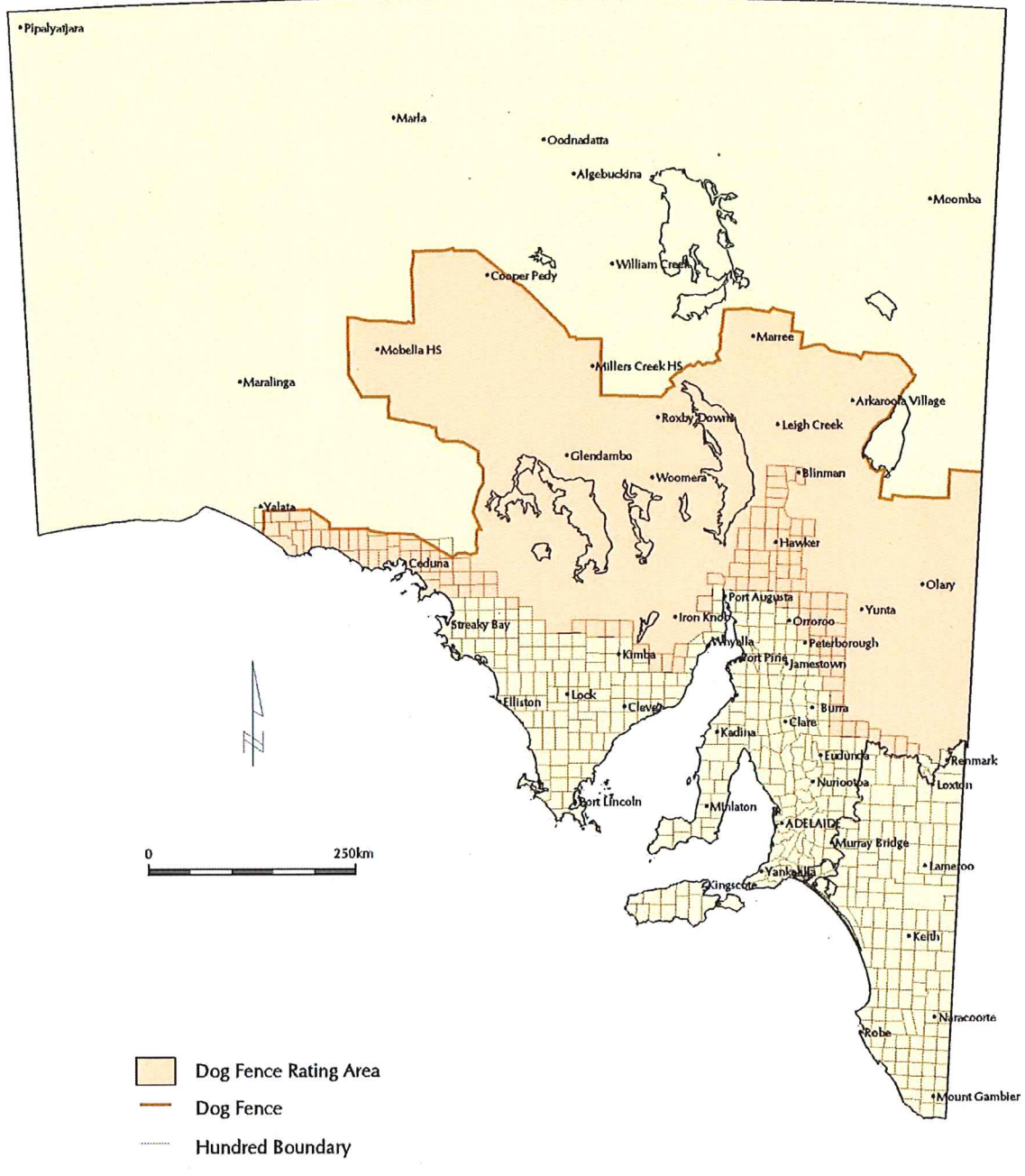
Dr Carolyn Ireland
Chair, Dog Fence Board

The Board and Staff 2016-2017



Top J P Lawrie, J MacLachlan, M J Balharry (Manager), B Sandow(Supervisor)
Bottom C Treloar, K Fargher, C Ireland(Chair), S Cotter(Admin)

SOUTH AUSTRALIA DOG FENCE



MAP PRODUCTION: Geographic Information Services,
Primary Industries and Resources, S.A.



Source: Department of Primary Industries and Resources, South Australia

2. BACKGROUND

2.1 The Dog Fence

The Dog Fence starts on the cliffs overlooking the Great Australian Bight and winds its way for more than 5,400 kilometres across three States - an unbroken barrier of wire netting, electric or combination of netting and electric fence, protecting Australia's sheep industry from the ravages of the dingo.

The Dog Fence Board administers the *Dog Fence Act 1946* and has responsibility to ensure that the Fence is properly maintained and is at all times dog proof, that it is properly inspected, and that wild dogs are destroyed in the vicinity of the Fence by the owners of the Fence. The Board is responsible for sound financial management including approval of collection of rates and budgets for Local Boards. The Board oversees the maintenance and replacement of the Dog Fence as required.

The Fence in South Australia is unique in that it is owned either by the Pastoral Lessees whose properties abut it on the inside or by a Local Dog Fence Board (Section 24A, *Dog Fence Act 1946*). Barrier fences in NSW and Queensland are owned by the State.

Section 22 (1) and (2) of the *Dog Fence Act 1946* establishes the duty of the owner to inspect and maintain the Dog Fence and to destroy wild dogs in the vicinity of the Fence.

Under the provisions of the *Pastoral Land Management and Conservation Act 1989* Section 22 (1)(a)(v)(B), it is also a condition of the relevant pastoral leases that the Lessees are obliged to comply with, amongst other things, the *Dog Fence Act 1946*.

New fence designs, including the use of electric fence and wider mesh sizes, will reduce the impact of the Dog Fence on the environment by allowing interchange of native animal populations while preventing movement of dingoes.

2.2 The Dog Fence Act

The *Dog Fence Act 1946* was assented to on 19 December 1946 and proclaimed on 17 June 1947. The *Act* is vested in the Minister for Environment and Conservation and provides for the establishment and maintenance of a dog-proof fence in the State of South Australia in order to prevent the entry of wild dogs into the pastoral areas and for incidental purposes.

Section 23 (1) (a) of the *Act* specifies that the Board must ensure that the Dog Fence is properly maintained and that it is at all times dog-proof. Section 23 (1) (b) specifies that the Board must ensure that the Dog Fence is properly inspected. Section 23 (1) (c) specifies that the Board must ensure that wild dogs are destroyed in the vicinity of the Dog Fence by the owners of the Dog Fence.

3. EVENTS – 2016-2017

3.1 Fence Events

Floods again hit the region along Cooper Pedy section. 4 Kilometres of fence on Mable Creek had to be replaced. The Millers Creek flooded again causing the patrolman to detour around 80 kilometres each patrol for around 3 months. 30 kilometres of Muloorina and 48 kilometres of Wooltana was upgraded from electric to 5' mesh fence.

3.2 Buffer Zone Baiting

The baiting of the buffer zone continued with the aid of the Patrolmen and Landholders.

Baits were distributed as required as along the entire Dog fence and in the buffer zone.

There was approximately 3 tonnes of meat injected by the Dog fence for use along the fence 2016-2017 excluding Commonwealth Hill and Mulgathing stations who do their own baiting.

The patrolman carry baits at all times for use if they see a dog or dog tracks.



Mulyungarie fence after rain

4. ACKNOWLEDGEMENTS

The Board appreciates the excellent co-operation it received from:

Private Fence Owners
Far West Dog Fence Boards Association
Local Boards
Local Board Patrolmen
Natural Resource Management (NRM), Biosecurity S.A.

The Board acknowledged working with the following agencies during 2016-2017

NRM, Biosecurity S.A.
Crown Solicitor's Office, Attorney General's Department.
The Department of Sustainability, Environment and Conservation.
Primary Industries and Regions S.A.
The Pastoral Board / Unit.
South Australian Farmers' Federation.
Livestock SA

The Board acknowledges the dedicated and professional efforts of Michael Balharry (Executive Officer of the Board / Manager, Administration), Bill Sandow (Fence Supervisor), without whose efforts, the Board would be much less effective and the role of Fence owners considerably more difficult.



Fence at the coast Fowlers Bay

5. REPORTING REQUIREMENTS

Section 12 of the *Public Sector Management Act 2009*, requires each public sector Agency to report according to the information required in the Regulations under that *Act*. The staff of the Board is now employed by the Primary Industries and Resources S.A. (PIRSA) under the terms and conditions of the *Public Sector Management Act 1995*. However, the Board, in accordance with Section 36 of the *Dog Fence Act 1946*, and with the approval of the Minister, makes use of the services of the staff. Consequently, the following human resource and safety issues will be covered in the relevant sections of the PIRSA Annual Report for 2016-2017

- executive employment in the agency;
- equal employment opportunity programs;
- workforce diversity information;
- voluntary flexibility working arrangements;
- fraud detection and fraud detection strategies;
- occupational health, safety and rehabilitation strategies;
- external consultants engaged;
- human resource and personnel matters;
- energy efficiency action plan reporting;
- triple bottom line reporting;
- account payment performance.

Overseas Travel

It is declared that no member of the Dog Fence Board has travelled overseas on the business of the Board during the reporting period.

Disability Action Plans

The Dog Fence Board uses the facilities and services of PIRSA. The members of the Board are aware of and abide by their obligations under the *Commonwealth Disability Discrimination Act 1992* and the *Australian Human Rights Commission Act 1986*
<https://www.humanrights.gov.au/our-work/disability-rights/guides/brief-guide-disability-discrimination-act>

Reporting on this matter is contained in the PIRSA Annual Report 2016-2017.

Greening of Government Operations Framework

The ongoing maintenance of the Dog Fence has no impact on the biodiversity of the area. All waste products are removed from the area and disposed of appropriately. As solar panels are used extensively on the fence, energy usage is very minimal.

Reconciliation Statement

The Dog Fence Board acknowledges all the traditional owners of the lands in which the Dog Fence operates. In fulfilling its functions, the Dog Fence Board is cognizant of the cultural and natural heritage of traditional owners and strives to achieve positive outcomes whenever these matters are concerned.

Regional Impact Assessment Statement

The Dog Fence Board undertook no Regional Impact Assessment Statements in 2016-2017.

All other reports required under the *Act* appear in this Report.

OBJECT OF THE ACT

The object of the *Dog Fence Act, 1946* is to provide for the establishment and maintenance of dog-proof fences in the State in order to prevent the entry of wild dogs into pastoral areas and for incidental purposes.

Late in 1998, the review of the *Dog Fence Act 1946* was initiated with public consultations. The *Dog Fence (Miscellaneous) Amendment Act 2006* has been proclaimed and came into operation on 10 November 2006.

ADMINISTRATION

Responsibility for administering the *Dog Fence Act 1946* is under the general control of the Minister for Sustainability, Environment and Conservation.

The *Act* allows for the purpose of defraying the costs of erecting and maintaining part of the Dog Fence, or a fence that the Board proposes to substitute as part of the Dog Fence, for the establishment of local dog fence boards.

As at 30 June 2017, there are six Local Dog Fence Boards proclaimed for that purpose. This organisational structure together with the assistance and technical advice provided by the Board and their staff, has streamlined the maintenance of the Dog Fence.

WARNING - ACCESS TO TRACK

The Maintenance track adjacent to the Dog Fence is not a public access route. The Local Dog Fence Boards maintain it for its employees.

Occupational health and safety, and public liability concerns give the Dog Fence Board no option but to ban all vehicles from the Maintenance Track other than authorised maintenance workers' vehicles.

7. THE DOG FENCE BOARD

7.1 MEMBERSHIP

The Board consists of five Members. One is a person nominated by the Minister; and two (each of whom is an occupier of rateable land and at least one of whom is an occupier of rateable land adjoining the Dog Fence) are appointed by the Governor on the nomination of Livestock SA Incorporated and one (who is an occupier of rateable land but not a Public Service Employee) is appointed by the Governor on the nomination of the Minister; and one is appointed by the Governor on the nomination of the Far West Dog Fence Boards Association Incorporated (FWDFBA). The Minister will appoint from amongst the Members of the Board a person to chair the meetings of the Board.

7.2 FUNCTIONS

The Board must ensure that the Dog Fence is properly maintained and, that it is at all times dog-proof, that the Fence is properly inspected, and that wild dogs are destroyed in the vicinity of the Dog Fence by the owners of the Dog Fence and the property owners.

7.3 MEETINGS

During 2016-2017, four formal Board Meetings were held in accordance with the *Act*, Section 14(1).

Meetings addressed general business, collection of rates, setting budgets, reports from the Manager and Supervisor on the condition of the fence and any other issues needed to be brought to the Board's attention.



Dingo cautious at the Iluka grid

8. LOCAL BOARDS

Under Section 35A of the *Dog Fence Act 1946*, local boards can be formed inside the Dog Fence.

Three Local Dog Fence Boards on the Far West Coast, Fowlers Bay, Penong and Pureba, own and maintain 460 km of the Dog Fence. They employ a contractor to patrol and keep the Fence in dog proof condition.

The Central Local Dog Fence Board is responsible for the section of fence from Mabel Creek/Commonwealth Hill boundary to Mulgaria/Witchelina boundary. The Board employs two contractors to patrol and maintain 608 km of fence, each doing approximately half of the fence in the Board area.

The Marree Local Dog Fence Board is responsible for the section of fence from Mulgaria/Witchelina boundary to Mt Freeling/Moolawatana boundary. The Board employs a contractor to patrol and maintain 284 km of fence.

The Frome Local Dog Fence Board is responsible for the section of fence starting at Moolawatana/Mt Freeling boundary and ending at the NSW border. The Board employs a contractor to patrol and maintain 441 km of fence.

The results of patrolling and maintenance of the Fence by these Boards were excellent with a high level of accountability.

In addition to the length of fence owned and managed by Local Dog Fence Boards, a total of 360 km is owned and managed by the Lessees of the Stations Mulgathing and Mobella/Commonwealth Hill. These owners also kept their fences in a dog-proof condition.

Annual General Meetings, for all the Local Dog Fence Boards, are held during July each year to comply with their Constitutions.

The SA Dog Fence Board will continue to give administrative and technical advice, and pay subsidies to Local Boards for projects to improve their sections of fence.

9. FENCE MAINTENANCE 2016-2017

9.1 LOCAL BOARD ACTIVITIES

Funding was available in the SA Dog Fence Board's budget for Local Boards to continue to upgrade and renew old fences. Activities undertaken by the Local Dog Fence Boards were:

West Coast Boards

(Fowlers Bay Penong Pureba)

Work has continued on strengthening the Penong and Pureba fences after the fires in recent years. Regrowth of the Mallee is causing a concern and spraying is continuing.

Central Local Dog Fence Board –

The patrolman continues to do battle with camels along the Mabel Creek section. It has all been electrified but still a concern. 4 kilometres of fence was washed away on Mabel Creek during December.

Marree Local Dog Fence Board –

Upgraded 30 kilometres of mesh fence on Muloorina from electric to mesh. Floodway's on Wilgina and Mt Lyndhurst were washed away again during the summer storms.

Frome Local Dog Fence Board -

48 kilometres of Wooltana was upgraded from electric to 5' mesh fence.

SPECIAL FUNDING FROM THE FEDERAL GOVERNMENT TO STRENGTHEN REGIONAL PEST CONTROL

The Dog Fence Board was able to secure another additional funding of \$200,000 to upgrade and strengthen the fence for 75 kilometres along Moolawatana in the Frome board. Any additional funds will be used to upgrade Balcanoona fence.

9.2 INSPECTIONS

Sections of the Fence were inspected by the Supervisor in an irregular timing pattern, with the objective of producing an audit of the fence condition along the whole length of the Fence.

Each year, the Dog Fence Board inspects half of the South Australian Dog Fence. This year the SA Dog Fence Board completed an inspection of the Western half of the fence. They travelled from the coast near Fowlers Bay to the Borefield road at Roxby Downs.



Fowlers Bay wombat fence along the Dog Fence

10. 2016-2017 FINANCE REPORT

10.1 THE DOG FENCE BOARD FUNDING

The financial arrangements of the Dog Fence Board are specified in Section 25 of the *Dog Fence Act 1946*. This Section provides for the imposition of rates on rateable land. Rateable land is any holding of more than 10 square kilometres of land inside the dog fence as gazetted on 30 June 2016. This land was rated in 2016-2017 at 124 cents per km² with a minimum of \$103.00 p.a. The South Australian Sheep Advisory Group collected rates from properties in the inner Local Government Area via a sheep transaction levy. The total income from the rates was matched \$1:\$1 by the South Australian Government. These funds provided a budget within which the Dog Fence Board must operate. (See section 6, Financial Reports)

10.2 FINANCIAL ARRANGEMENTS

The Dog Fence (Payments and Rates) Amendment Bill 2016 has been past and the changers are: -

Amendment of section 24-Payments to owners of the dog fence delete \$250 replace with \$400
Amendment of section 25-imposition of rates on ratale land delete \$1.20 replace with \$2.00.
Amendment of section 28(8) Charge to be payable by occupiers of land outside dog fence delete "South Australian Farmers Federation Inc" and substitute : Livestock SA Incorporated.

The Board must, in each financial year, pay to each private owner of part of the dog fence an amount (not exceeding \$400 for each kilometre of Fence owned) to assist them in the maintenance and inspection of the fence, and to destroy wild dogs in the vicinity. This year, the Board paid \$209 per kilometre.

An amount paid to a private owner, under this section, must be applied to the maintenance of the Fence during the Financial Year in respect of which it is paid or during such other period as may be directed in writing by the Board and in accordance with any other directions in writing given by the Board at the time of payment to the owner.

10.3 FINANCE AND ADMINISTRATION

The Dog Fence Administration processed and posted out 573 Invoices for Dog Fence rates.

The Dog Fence Board's database continues to save the staff time in preparing rate notices and answering enquiries from ratepayers.

The Dog Fence Administration staff co-ordinates the purchase of fence material for the repair and maintenance of the Dog Fence.

Dog Fence Board

Financial Statements

For the year ended 30 June 2017

Dog Fence Board
Certification of Financial Statements
for the year ended 30 June 2017

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 board
- present a true and fair view of the financial position of the board as at 30 June 2017 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.



Kathryn Fargher
DEPUTY CHAIR
Dog Fence Board
September 2017



Michael Balharry
EXECUTIVE OFFICER
Dog Fence Board
September 2017

Dog Fence Board
Statement of Comprehensive Income
for the year ended 30 June 2017

	Note	2017 \$'000	2016 \$'000
Expenses			
Staffing costs	5	218	212
Fence maintenance		290	63
Hire of motor vehicles		26	26
Supplies and services	6	40	43
Subsidies	7	818	631
Depreciation expense	8	3	3
Auditor's remuneration		18	18
Total expenses		1 413	996
Income			
Rates, levies and penalties	9	538	524
SA Government subsidies	9	523	509
Commonwealth revenue	10	50	400
Interest revenues		7	9
Total income		1 118	1 442
Net result		(295)	446
Total comprehensive result		(295)	446

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

The above statement should be read in conjunction with the accompanying notes.

Dog Fence Board
Statement of Financial Position
as at 30 June 2017

	Note	2017 \$'000	2016 \$'000
Current assets			
Cash		224	230
Receivables	11	1	8
Inventories	12	214	498
Total current assets		439	736
Non-current assets			
Property, plant and equipment	13	58	61
Total non-current assets		58	61
Total assets		497	797
Current liabilities			
Payables	14	19	24
Total current liabilities		19	24
Total liabilities		19	24
Net assets		478	773
Equity			
Retained earnings	15	468	763
Asset revaluation surplus	15	10	10
Total equity		478	773

Total equity is attributable to the SA Government as owner.

Unrecognised contractual commitments	16
Contingent assets and liabilities	17

The above statement should be read in conjunction with the accompanying notes.

Dog Fence Board
Statement of Changes in Equity
for the year ended 30 June 2017

	Retained earnings \$'000	Asset revaluation surplus \$'000	Total \$'000
Balance at 30 June 2015	317	10	327
Net result for 2015-16	446	-	446
Total comprehensive result for 2015-16	446	-	446
Balance at 30 June 2016	<u>763</u>	<u>10</u>	<u>773</u>
Net result for 2016-17	(295)	-	(295)
Total comprehensive result for 2016-17	<u>(295)</u>	<u>-</u>	<u>(295)</u>
Balance at 30 June 2017	<u>468</u>	<u>10</u>	<u>478</u>

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

The above statement should be read in conjunction with the accompanying notes.

Dog Fence Board
Statement of Cash Flows
for the year ended 30 June 2017

	2017	2016
	\$'000	\$'000
Cash flows from operating activities		
Cash outflows		
Subsidies paid	(818)	(631)
Payments for staffing expenses	(218)	(212)
Fence maintenance	(6)	(397)
Hire of motor vehicles	(24)	(26)
Payments for supplies and services	(40)	(43)
Auditor's remuneration	(18)	(18)
Cash used in operations	(1 124)	(1 327)
Cash inflows		
Interest received	7	8
Rates and levies received	538	522
SA Government subsidies	523	509
Commonwealth receipts	50	400
Cash generated from operations	1 118	1 439
Net cash provided by/(used in) operating activities	(6)	112
Net increase/(decrease) in cash held	(6)	112
Cash at the beginning of the period	230	118
Cash at the end of the period	224	230

All cash flows are attributable to the SA Government as owner.

The above statement should be read in conjunction with the accompanying notes.

Dog Fence Board
Notes to and forming part of the financial statements
for the year ended 30 June 2017

1 Objectives of the Dog Fence Board

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.

2 Significant accounting policies

a) Statement of compliance

The financial statements of the board have been prepared in compliance with section 23 of the *Public Finance and Audit Act 1987*.

The financial statements are general purpose financial statements. The accounts have been prepared in accordance with relevant Australian Accounting Standards (Reduced Disclosure Requirements) and 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.

b) Basis of preparation

The preparation of the financial statements requires:

- the use of certain accounting estimates and requires management to exercise its judgement in the process of applying the board's accounting policies. The areas involving a higher degree of judgement or where assumptions and estimates are significant to the financial statements, are outlined in the applicable notes
- accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events are reported
- compliance with accounting policy statements issued pursuant to section 41 of the *Public Finance and Audit Act 1987*.

The financial statements have been prepared based on a 12 month operating cycle and are presented in Australian currency.

c) Reporting entity

The board is a body corporate of the State of South Australia, established pursuant to the *Dog Fence Act 1946*. The financial statements and accompanying notes include all the controlled activities of the board.

d) Comparative information

The presentation and classification of items in the financial statements are consistent with prior periods except where specific accounting standards and/or accounting policy statements have required a change.

Where presentation or classification of items in the financial statements have been amended, comparative figures have been adjusted to conform to changes in presentation in these financial statements unless impracticable.

The restated comparative amounts do not replace the original financial statements for the preceding period.

e) Rounding

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

f) Taxation

The board is not subject to Income Tax. The board is liable for Payroll Tax, Fringe Benefits Tax, and Goods and Services Tax (GST). 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.

Dog Fence Board
Notes to and forming part of the financial statements
for the year ended 30 June 2017

2 Significant accounting policies (continued)

g) Events after the reporting period

Adjustments are made to amounts recognised in the financial statements, where an event occurs after 30 June 2017 and before the date the financial statements are authorised for issue, where those events provide information about conditions that existed at 30 June 2017.

Note disclosure is made about events between 30 June 2017 and the date financial statements are authorised for issue where the events relate to a condition which arose after 30 June 2017 and which may have a material impact on the results of subsequent years.

There were no events after the reporting period for 30 June 2017 requiring disclosure.

h) Current and non-current classification

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.

i) Cash

Cash in the Statement of Financial Position comprises deposits at call with the Department of Treasury and Finance.

For the purposes of the Statement of Cash Flows, cash consists of cash as defined above.

Cash is measured at nominal value.

j) Non-current assets

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

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 i.e. the amount recorded by the transferor public authority immediately prior to the restructure.

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

Depreciation

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. Depreciation is applied to tangible assets such as property, plant and equipment.

Assets' residual values and useful lives are reviewed and adjusted if appropriate, on an annual basis.

Land is not depreciated.

Depreciation is calculated on a straight line basis either over the estimated useful life of the asset, where this can be reasonably determined, or a class rate taken from the table below:

Class of asset	Useful life (years)
Buildings	20 – 70
Plant and equipment	3 – 20

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.

Revaluation of non-current assets

The land and buildings of the board were independently reviewed to fair value, by Liquid Pacific Pty Ltd, as at 30 June 2013. This was performed as part of the five year revaluation cycle undertaken by PIRSA.

Dog Fence Board
Notes to and forming part of the financial statements
for the year ended 30 June 2017

2 Significant accounting policies (continued)

Impairment

All non-current assets are tested for indication of impairment at each reporting date. Where there is an indication of impairment, the recoverable amount is estimated. An amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss. There were no indications of impairment for 2016-17.

Fair value measurement - non-financial assets

In determining fair value, the board has taken into account the characteristic of the asset (e.g. condition and location of the asset and any restrictions on the sale or use of the asset) and the asset's highest and best use (that is physically possible, legally permissible, financially feasible).

The board's current use is the highest and best use of the asset unless other factors suggest an alternative use is feasible. As the board did not identify any factors to suggest an alternative use, fair value measurement was based on current use.

The carrying amount of non-financial 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.

Fair value measurement - financial assets/liabilities

The board does not recognise any financial assets or financial liabilities at fair value.

k) Liabilities

Liabilities have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Payables

Payables include creditors.

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 related to the normal operations of the board.

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

Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement.

The board has entered into an operating lease for a motor vehicle.

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.

l) Unrecognised contractual commitments and contingent assets and liabilities

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

Unrecognised contractual commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to the Australian Taxation Office. If GST is not payable to, or recoverable from the Australian Taxation Office, the commitments and contingencies are disclosed on a gross basis.

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.

Dog Fence Board
Notes to and forming part of the financial statements
for the year ended 30 June 2017

3 New and revised accounting standards and policies

The board did not voluntarily change any of its accounting policies during 2016-17.

4 Financial risk management/financial instruments

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.

5 Staffing costs

	2017	2016
	\$'000	\$'000
Staffing costs ⁽¹⁾	210	203
Board fees and related on-costs	8	9
Total staffing costs	218	212

⁽¹⁾ The board has 2.4 FTE staff allocated from PIRSA to assist with the operations and administration of the Board.

6 Supplies and services

	2017	2016
	\$'000	\$'000
Staff travel and accommodation	20	17
Office accommodation costs	6	6
Insurance	5	5
Telecommunications and data access charges	3	2
Office supplies	1	2
Courier, freight and postage	2	1
Other	3	10
Total supplies and services	40	43

7 Subsidies

	2017	2016
	\$'000	\$'000
Local boards	743	525
Private fence owners	75	106
Total subsidies	818	631

Dog Fence Board
Notes to and forming part of the financial statements
for the year ended 30 June 2017

8 Depreciation expense

	2017	2016
	\$'000	\$'000
Plant and equipment	1	1
Buildings	2	2
Total depreciation expense	3	3

9 Rates, levies and penalties

	2017	2016
	\$'000	\$'000
Rates and penalties collected/collectable by Dog Fence Board	311	300
Levy collected by South Australian Sheep Advisory Group	219	215
Levies collected from occupiers of land outside of the dog fence	8	9
Total rates, levies and penalties	538	524
SA Government \$1 for \$1 subsidy	523	509

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 2016-17 was \$2.00 per square kilometre (\$1.20). The minimum charge was \$100.00 (\$89.00).

The proportion of rates for 2016-17 amounting to \$219 000 (\$215 000) 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.

10 Commonwealth revenue

	2017	2016
	\$'000	\$'000
Commonwealth revenue ⁽¹⁾	50	400
Total Commonwealth revenue	50	400

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

11 Receivables

	2017	2016
	\$'000	\$'000
Accrued interest - Department of Treasury and Finance	-	1
Other trade debtors	1	2
Prepayments	-	5
Total receivables	1	8

Dog Fence Board
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12 Inventories

	2017	2016
	\$'000	\$'000
Current inventories⁽¹⁾		
Raw materials and stores ⁽²⁾	208	491
Publications	6	7
Total inventories	<u>214</u>	<u>498</u>

⁽¹⁾ At the lower of cost and realisable value

⁽²⁾ Consists of fencing materials for the establishment and maintenance of dog proof fences, managed by the board.

13 Property, plant and equipment

	2017	2016
	\$'000	\$'000
Land and buildings		
Land at fair value	3	3
Buildings at fair value	54	54
Accumulated depreciation	(8)	(6)
Total land and buildings	<u>49</u>	<u>51</u>
Plant and equipment		
Plant and equipment at cost (deemed fair value)	24	24
Accumulated depreciation	(15)	(14)
Total plant and equipment	<u>9</u>	<u>10</u>
Total property, plant and equipment	<u>58</u>	<u>61</u>

Reconciliation of non-current assets

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

	Land	Buildings	Plant & equipment	Total
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning period	3	48	10	61
Additions				-
Depreciation	-	(2)	(1)	(3)
Carrying amount at the end of the period	<u>3</u>	<u>46</u>	<u>9</u>	<u>58</u>

Valuation of land and buildings

The valuation of land and buildings was performed by Liquid Pacific Pty Ltd, an independent valuer, as at 30 June 2013. 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.

Desktop reviews performed as at 30 June 2017 have resulted in minor movements in value that fall under the threshold that requires revaluation changes.

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

Building and plant and equipment assets are classified as Level 3 as there has been no subsequent adjustment to their value, except for management adjustments about the assets condition and remaining effective life.

Dog Fence Board
Notes to and forming part of the financial statements
for the year ended 30 June 2017

14 Payables

	2017	2016
	\$'000	\$'000
Audit fee payable to the Auditor-General's Department	18	18
Trade creditors	1	6
Total payables	19	24

Annual Leave, long service leave and skills and experience retention leave liabilities are recognised within PIRSA as the board does not directly employ staff.

15 Equity

	2017	2016
	\$'000	\$'000
Retained earnings	468	763
Asset revaluation surplus	10	10
Total equity	478	773

The asset revaluation surplus is used to record increments and decrements in the fair value of land and buildings to the extent that they offset one another. Relevant amounts are transferred to retained earnings when an asset is derecognised.

16 Unrecognised contractual commitments

	2017	2016
	\$'000	\$'000
Operating lease commitments		
Within one year	21	21
Later than one year but not longer than five years	4	25
Total operating lease contractual commitments	25	46

The board had a lease on a motor vehicle that ended in September 2016. This was replaced with a motor vehicle on a two year lease from September 2016. The motor vehicles are leased from South Australian Government Financing Authority through their agent LeasePlan and are non-cancellable. The lease is paid monthly.

17 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
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18 Remuneration of board and committee members

Members that were entitled to receive remuneration for membership during the financial year (other than a direct out-of-pocket reimbursement) are listed below in the following summary table:

	2017 \$'000	2016 \$'000
The number of members whose remuneration received or receivable falls within the following bands:		
\$0	-	1
\$1 - \$9,999	5	5
Total number of members	5	6

Remuneration of members reflects all costs of performing board/committee member duties including sitting fees, superannuation contributions, fringe benefits tax and any other salary sacrifice arrangements. The total remuneration received or receivable by members was \$6 178 (\$5 858).

Amounts paid to superannuation plan for board/committee members was \$25 (\$508).

Unless otherwise disclosed, transactions between members are on conditions no more favourable than those that it is reasonable to expect the entity would have adopted if dealing with the related party at arm's length in the same circumstances.

Members of the board during the 2016-17 financial year were:

Dog Fence Board

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

19 Related party transactions

The board is a body corporate established pursuant to the *Dog Fence Act 1946* and is a wholly owned and controlled entity of 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, the Chair and the four members who have responsibility for the strategic direction and management of the board.

Total compensation for the board's key management personnel was \$6 178. Salaries and other benefits the Minister receives are excluded from this total. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via the Department of Treasury and Finance) under section 6 of the *Parliamentary Remuneration Act 1990*.



Upgraded section of fence on Wooltana

APPENDIX 1: MEMBERS OF SA DOG FENCE BOARD

The Board Members appointed on 6th August 2015 until 13 July 2019 are:

Board Members:

Nominee:

Chair

Carolyn Ireland

Minister for Sustainability, Environment and Conservation

Members

Jock McLachlan

South Australian Farmers' Federation

Christobel Treloar

South Australian Farmers' Federation

Kathryn Fargher

Natural Resource Management Council

Peter Lawrie

Far West Dog Fence Boards Association

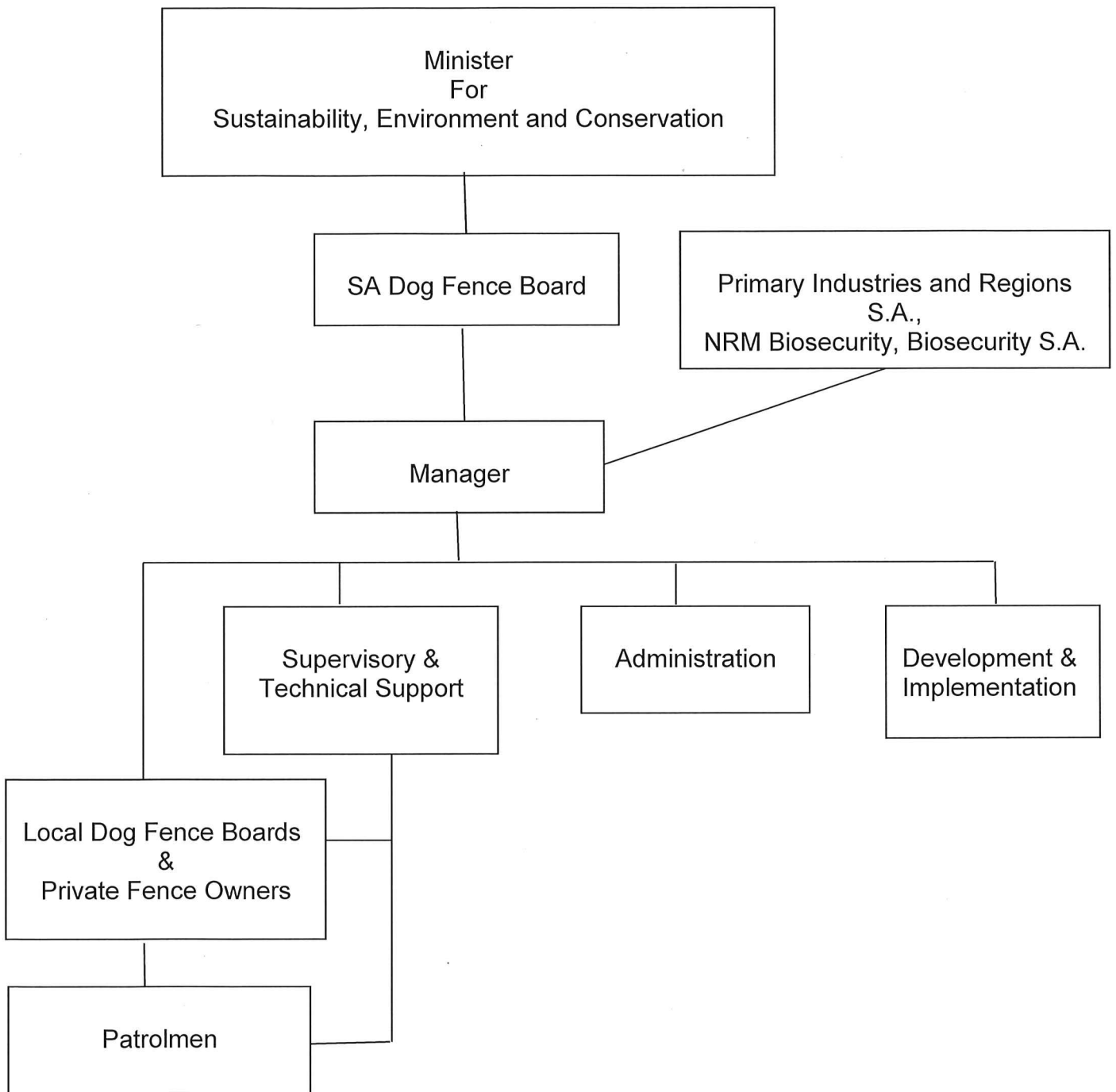
APPENDIX 2: STAFF OF THE DOG FENCE BOARD

At 30 June 2017, the Dog Fence Board funded 2.4 positions.

In accordance with Section 16 of the *Dog Fence Act 1946*, the following people were employed during 2014-2015 under the terms and conditions of the *Public Sector Management Act 1995 (SA)* on behalf of the Dog Fence Board:

Balharry, Michael J	Manager, Administration (1.0 FTE)
Sadow, William H	Supervisor (1.0 FTE)
Cotter, Sharon	Administration (0.4)

APPENDIX 3: FUNCTIONAL STRUCTURE OF THE SA DOG FENCE BOARD AT 30 JUNE 2017



APPENDIX: 4 MEMBERS OF LOCAL DOG FENCE BOARDS

FOWLERS BAY LOCAL DOG FENCE BOARD
PENONG LOCAL DOG FENCE BOARD
PUREBA LOCAL DOG FENCE BOARD

These three local West Coast boards are in the process of becoming one board to be known as the **Penong Local Dog Fence Board** in line with the Minister for Environment's recommendation to reduce the number of small local boards.

PENONG LOCAL DOG FENCE BOARD:

Members: Craig Trowbridge (Chairperson)
Brenton Bergman (Vice Chairperson)
Lynton Murray
Ricky Miller
Teresa Gurney
Brian Smith
Brian Dunn
Ryan Trewartha
Milton Chandler
Milton Tremaine
Anthony Nicholls
Nathan Warmington
Anthony Klook
Peter Lawrie (Main board appointee)
Michael Balharry (Secretary)

Patrolmen: Trent Trewartha

**APPENDIX 5: RELATIONSHIP OF THE DOG FENCE BOARD TO OTHER
AGENCIES RESPONSIBLE TO THE MINISTER FOR
SUSTAINABILITY ENVIRONMENT AND CONSERVATION.**

Pastoral Board
Natural Resources Management, Biosecurity S.A.
Department for Sustainability, Environment and Conservation.

CENTRAL LOCAL DOG FENCE BOARD:

Members: David Henderson (Chairperson)
Peter Whittlesea
Adam Willis
Ryan Rankin
Sharon Rankin
Matt Kerin
Michael Balharry (Secretary)

Patrolmen: Alan Walton (West side)
Manfred Zeptner (East side)

FROME LOCAL DOG FENCE BOARD:

Members: Richard Treloar (Chairperson)
Christobel Treloar
Maurice Francis
James Irwin
James Morgan
Hamish Bartholomaeus
Jim Treloar
Richard Ray
Nick Rasheed
Michael Balharry (Secretary)

Patrolman: Bill Reschke

MARREE LOCAL DOG FENCE BOARD:

Members: Peter Litchfield (Chairperson)
Graham Ragless
Geoff Mengersen
Leonard Nutt
Ian Ferguson
Geoff Fels
Kevin Dawes
Chris Renolds
Michael Balharry (Secretary)

Patrolman: Ron Ireland

APPENDIX: 6 FREEDOM OF INFORMATION

No requests for information under the *Freedom of Information Act, 1991*, were received during 2014-2015.

FREEDOM OF INFORMATION STATEMENT: SA DOG FENCE BOARD

The Dog Fence Board conforms to Section 9 of the *Freedom of Information Act, 1991*. This Statement also contains information relating to Local Dog Fence Boards.

Structure and functions

See earlier Sections in this Report.

Ways in which the functions of the Board affects the relevant public:

Members of the public have input into the formulation of policy as follows:

- a) All Members of the Dog Fence Board are primary producers and ratepayers except the Member nominated by the Minister and the Member nominated by the Far West Dog Fence Boards Association.
- b) Local Dog Fence Board Members are selected from their Local Board ratepayers except the Dog Fence Board Nominee.
- c) Members of the public may apply to attend a Meeting of the Dog Fence Board and, Local Dog Fence Boards to present a point of view.

Board documents

- i) Available for inspection:
Minutes of Dog Fence Board and, Local Dog Fence Boards Meetings,
Agenda Items for Dog Fence Board and, Local Dog Fence Boards Meetings,
Also available for inspection are the Dog Fence Board and Local Dog Fence Boards dockets and correspondence.
- ii) Available for purchase:
Annual Reports of the Dog Fence Board.

Arrangements for access

Documents can be inspected at the Dog Fence Board Office at Soil and Water Environs Centre, Entry Four, Waite Road, Urrbrae.

Applications for access to documents should be forwarded to: -

The Manager
Dog Fence Administration
Entry Four
Waite Road
URRBRAE SA 5064

Phone enquires: Manager - (08) 8303 9517