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**Government
of South Australia**

DOG FENCE BOARD 2020-21 Annual Report

DOG FENCE BOARD

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2020-21 ANNUAL REPORT for the Dog Fence Board

To:

Hon David Basham MP

Minister for Primary Industries and Regional Development

This annual report will be presented to Parliament to meet the statutory reporting requirements of the *Dog Fence Act 1946* and the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.

This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.


Submitted on behalf of the Dog Fence Board by:

Mr Geoff Power

Chair, Dog Fence Board

Date: 5 October 2021

Signature:



A handwritten signature in black ink, appearing to read 'Geoff Power', is written over a horizontal line.

Under Section 34 of the *Dog Fence Act 1946*, this report was due to you on 30 September 2021. The reasons for late submission was the need to await the Auditor-General's Independent Audit Report (issued 29 September 2021) before finalising this report.

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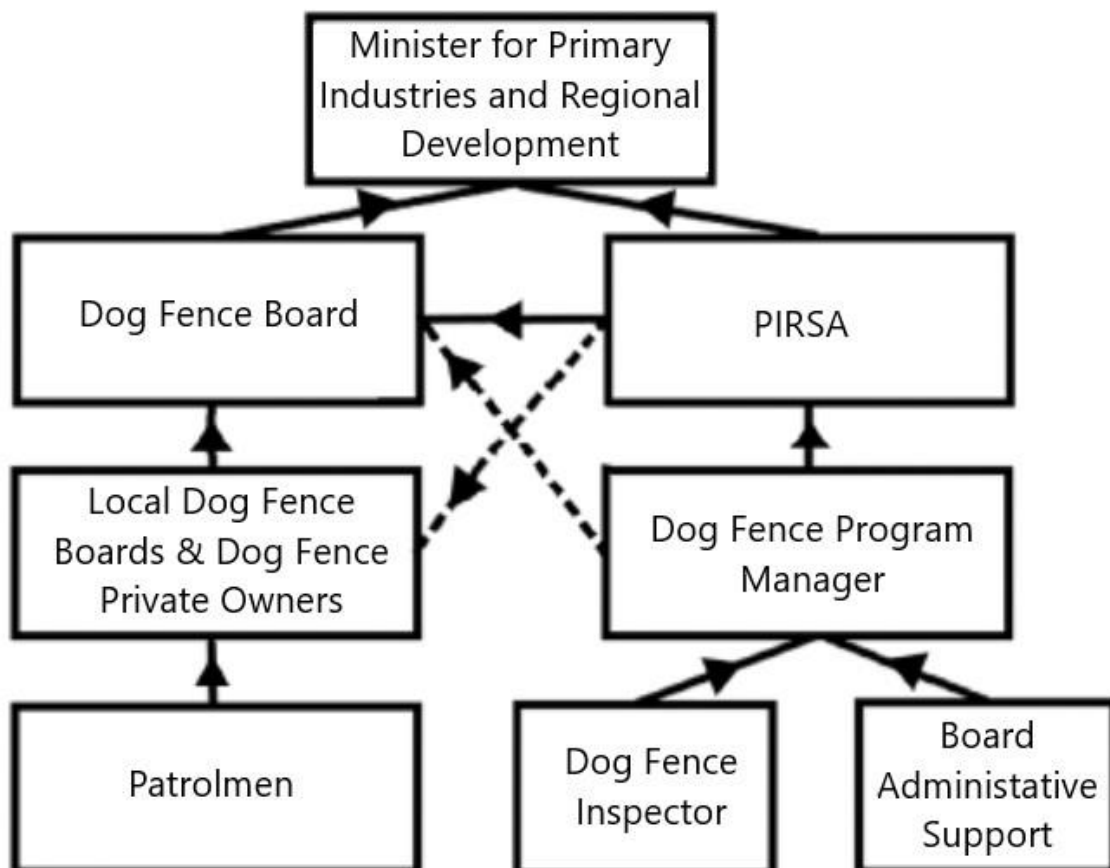
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Overview: about the Board

Our strategic focus

Our Purpose	The Dog Fence Board oversees the maintenance of the 2,150 kilometre long Dog Fence in order to prevent the entry of wild dogs into the pastoral sheep areas and for incidental purposes.
Our Vision	To increase the sustainability and profitability of South Australia’s \$4.5 billion livestock industry by preventing wild dog incursions into South Australia’s pastoral sheep zone.
Our functions, objectives and deliverables	The Dog Fence Board must ensure that the Dog Fence is properly inspected every 14 days and repaired by the owners of the Dog Fence so that it is maintained in a dog-proof condition. Owners must also ensure that wild dogs are destroyed in the vicinity of the Dog Fence.

Our organisational structure



Changes to the Board

During 2020-21 there were no changes to the Board's structure and objectives as a result of internal reviews or machinery of government changes. There were no changes to the Board's membership during 2020-21.

Our Board

During the reporting period the five-person Board membership was:

Geoff Power (Chair) - 1 July 2020 to 30 June 2021

Jock MacLachlan - 1 July 2020 to 30 June 2021

Christobel Treloar - 1 July 2020 to 30 June 2021

James Peter Lawrie - 1 July 2020 to 30 June 2021

Peter Whittlesea - 1 July 2020 to 30 June 2021

Legislation administered by the Board

The Dog Fence Act 1946

Other related Boards (within the Minister's area/s of responsibility)

The Pastoral Board of South Australia

The Board's performance

Employment opportunity programs

The Board does not employ staff. Those staff who undertake the work of the Board are employed through PIRSA in accordance with a Memorandum of Administrative Arrangement (MOAA).

Through the MOAA this is managed through PIRSA systems (refer PIRSA Annual Report 2020-21).

Board performance management and development systems

Through the MOAA this is managed through PIRSA systems (refer PIRSA Annual Report 2020-21).

Work health, safety and return to work programs

Through the MOAA this is managed through PIRSA systems (refer PIRSA Annual Report 2020-21).

Executive employment

The Board does not employ staff. Those staff who undertake the work of the Board are employed through PIRSA in accordance with a Memorandum of Administrative Arrangement.

The [Office of the Commissioner for Public Sector Employment](#) has a [workforce information](#) page that provides further information on the breakdown of executive gender, salary and tenure by Board.

Board meetings

During the reporting period a total of four Board meetings were held.

- Monday 28 September 2020
- Monday 21 December 2020
- Monday 15 February 2021
- Monday 17 May 2021

Financial performance

Financial performance at a glance

The following is a brief summary of the overall financial position of the Board. Full audited financial statements for 2020-21 are attached to this report.

In 2020-21, for the purposes of funding the operation of the Board and to fund those with ownership responsibilities under the *Dog Fence Act 1946* to meet their obligations, the Board received:

- \$248,000 through the South Australian Sheep Industry Fund, which is a portion of a levy paid by producers on sheep that are sold in South Australia.
- \$344,000 from land holders in the Dog Fence rateable area, who pay Dog Fence rates directly to the Board.
- \$579,000 from the SA Government in a \$:\$ subsidy on 2020-21 Dog Fence rates and the Sheep Industry Fund contribution.

In 2020-21, for the purposes of funding the Dog Fence Rebuild Project, the Board received:

- \$755,000 through the South Australian Sheep Industry Fund, which is a portion of a levy paid by producers on sheep that are sold in South Australia.
- \$274,000 from land holders in the Dog Fence rateable area, who pay Dog Fence rates directly to the Board.
- \$2,895,000 from the SA Government.
- \$3,000,000 from the Commonwealth Government through the SA Government as part of a joint Commonwealth/SA Government contractual agreement.

Consultants disclosure

The following is a summary of external consultants that have been engaged by the Board, the nature of work undertaken, and the actual payments made for the work undertaken during the financial year.

Consultancies with a contract value below \$10,000 each

There were no consultancies with a contract value below \$10,000 during the reporting period.

Consultancies with a contract value above \$10,000 each

There were no consultancies with a contract value above \$10,000 during the reporting period.

See also the [Consolidated Financial Report of the Department of Treasury and Finance](#) for total value of consultancy contracts across the South Australian Public Sector.

Contractors disclosure

The following is a summary of external contractors that have been engaged by the Board, the nature of work undertaken, and the actual payments made for work undertaken during the financial year.

Contractors with a contract value below \$10,000

There were no contractors with a contract value below \$10,000 during the reporting period.

Contractors with a contract value above \$10,000 each

Inspection and maintenance of the Dog Fence is the responsibility of fence adjoining land owners inside the fence. For all but 360 kilometres of the Dog Fence, this responsibility is vested by the Minister into four Local Dog Fence Boards:

- Frome Local Dog Fence Board
- Marree Local Dog Fence Board
- Central Local Dog Fence Board
- Penong Local Dog Fence Board

The remaining 360 kilometres are the responsibility of a private land owner in the North West Private.

Subsidies are paid by the Dog Fence Board, to the four Local Dog Fence Boards and the private land owner for the purpose of meeting their responsibility to inspect and maintain the Dog Fence in a dog-proof condition and destroy wild dogs in its vicinity.

In 2020-21 the following subsidies were paid:

Contractors	Purpose	\$ Actual payment
Frome Local Dog FenceBoard	Dog Fence inspection and maintenance. Wild dog destruction.	\$ 227,000
Marree Local Dog FenceBoard	Dog Fence inspection and maintenance. Wild dog destruction.	\$ 95,000
Central Local Dog FenceBoard	Dog Fence inspection and maintenance. Wild dog destruction.	\$ 141,000
Penong Local Dog FenceBoard	Dog Fence inspection and maintenance. Wild dog destruction.	\$ 157,000
North West Private	Dog Fence inspection and maintenance. Wild dog destruction.	\$ 111,000
	Total	\$ 732,000

The Commonwealth Government, State Government and the livestock industry have partnered to fund the rebuild of 1,600 kilometres of the 2,150 kilometre Dog Fence. The Dog Fence Rebuild Project has an estimated cost of \$25 million and the funding arrangement is Commonwealth Government (\$10m), State Government (\$10m) and Industry (\$5m).

The Dog Fence Board accumulate these project funds and provide reimbursements to PIRSA, who are project managing the rebuild. In accordance with the MOAA, in 2020-21 the Dog Fence Board reimbursed \$2,172,000 to PIRSA for committed contracts entered into for the rebuild of the Dog Fence.

The Dog Fence Rebuild Project commenced in 2019-20 and is expected to take 5 years to complete.

The details of South Australian Government-awarded contracts for goods, services, and works are displayed on the SA Tenders and Contracts website. [View the agency list of contracts.](#)

The website also provides details of [across government contracts.](#)

Risk management

Fraud detected by the Board

There were no actual or reasonably suspected incidents of fraud during 2020-21.

Strategies implemented to control and prevent fraud

Financial services are provided to the Board by the Department of Primary Industries and Regions. Strategies to detect instances of fraud are reported in the PIRSA Annual Report.

Public interest disclosure

Number of occasions on which public interest information has been disclosed to a responsible officer of the Board under the *Public Interest Disclosure Act 2018*:

Nil

Note: Disclosure of public interest information was previously reported under the *Whistleblowers Protection Act 1993* and repealed by the *Public Interest Disclosure Act 2018* on 1/7/2019.

Reporting required under any other act or regulation

Nil

Public complaints

Number of public complaints reported

Complaint categories	Sub-categories	Example	Number of Complaints 2020-21
Professional behaviour	Staff attitude	Failure to demonstrate values such as empathy, respect, fairness, courtesy, extra mile; cultural competency	0
Professional behaviour	Staff competency	Failure to action service request; poorly informed decisions; incorrect or incomplete service provided	0
Professional behaviour	Staff knowledge	Lack of service specific knowledge; incomplete or out-of-date knowledge	0
Communication	Communication quality	Inadequate, delayed or absent communication with customer	0
Communication	Confidentiality	Customer's confidentiality or privacy not respected; information shared incorrectly	0
Service delivery	Systems/technology	System offline; inaccessible to customer; incorrect result/information provided; poor system design	0
Service delivery	Access to services	Service difficult to find; location poor; facilities/ environment poor standard; not accessible to customers with disabilities	0
Service delivery	Process	Processing error; incorrect process used; delay in processing application; process not customer responsive	1
Policy	Policy application	Incorrect policy interpretation; incorrect policy applied; conflicting policy advice given	0
Policy	Policy content	Policy content difficult to understand; policy unreasonable or disadvantages customer	1

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2020-21 ANNUAL REPORT for the Dog Fence Board

Complaint categories	Sub-categories	Example	Number of Complaints 2020-21
Service quality	Information	Incorrect, incomplete, out dated or inadequate information; not fit for purpose	0
Service quality	Access to information	Information difficult to understand, hard to find or difficult to use; not plain English	0
Service quality	Timeliness	Lack of staff punctuality; excessive waiting times (outside of service standard); timelines not met	0
Service quality	Safety	Maintenance; personal or family safety; duty of care not shown; poor security service/ premises; poor cleanliness	0
Service quality	Service responsiveness	Service design doesn't meet customer needs; poor service fit with customer expectations	0
No case to answer	No case to answer	Third party; customer misunderstanding; redirected to another agency; insufficient information to investigate	0
		Total	2

Additional Metrics	Total
Number of positive feedback comments	≈ 55
Number of negative feedback comments	≈ 25
Total number of feedback comments	≈ 80
% complaints resolved within policy timeframes	100

Service Improvements

Following feedback received in previous reporting years and following a review of income and expenditure by the Board, in 2020-21 the Board consulted with the public on a proposal to increase the Dog Fence rateable area.

Further information on the Board’s proposal can be found on [YourSAy](#).

The majority of the feedback received in 2020-21 was in response to the Board’s request for public feedback during consultation on this proposal.

Compliance Statement

The Dog Fence Board is compliant with Premier and Cabinet Circular 039 – complaint management in the South Australian public sector	Y
The Dog Fence Board has communicated the content of PC 039 and the agency’s related complaints policies and procedures to employees.	Y

Appendix: Audited financial statements 2020-21



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To the Chair Dog Fence Board

Opinion

I have audited the financial report of the Dog Fence Board (the Board) for the financial year ended 30 June 2021.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Dog Fence Board as at 30 June 2021, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2021
- a Statement of Financial Position as at 30 June 2021
- a Statement of Changes in Equity for the year ended 30 June 2021
- a Statement of Cash Flows for the year ended 30 June 2021
- notes, comprising significant accounting policies and other explanatory information
- a Certificate from the Chair and the Executive Officer.

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the Dog Fence Board. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

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

Responsibilities of the Board for the financial report

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and the Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board is responsible for assessing the entity's ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 35(1) of the *Dog Fence Act 1946*, I have audited the financial report of the Dog Fence Board for the financial year ended 30 June 2021.

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Dog Fence Board's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board
- conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty

exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern

- 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 Chair of the Board about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Andrew Richardson
Auditor-General
29 September 2021

Dog Fence Board

Financial Statements

For the year ended 30 June 2021

Dog Fence Board
Certification of the Financial Statements
for the year ended 30 June 2021

We certify that the:

- financial statements of the Dog Fence Board:
 - are in accordance with the accounts and records of the Dog Fence Board;
 - comply with relevant Treasurer's Instructions;
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the Dog Fence Board at the end of the financial year and the result of its operation and cash flows for the financial year.
- internal controls employed by the Dog Fence Board for the financial year over its financial reporting and its preparation of financial statements have been effective.



Geoff Power
Chair
28 September 2021



Marty Bower
Executive Officer
28 September 2021

Dog Fence Board
Statement of Comprehensive Income
for the year ended 30 June 2021

Statement of Comprehensive Income

	Note	2021 \$'000	2020 \$'000
Income			
Rates, contribution and subsidies	2.1	5 095	2 114
Commonwealth revenue	2.2	3 000	3 000
Interest		2	3
Total income		8 097	5 117
Expenses			
Staffing and board costs	3.3	255	232
Fence maintenance		30	31
Supplies and services	4.1	130	96
Depreciation	5.4	16	17
Grants and subsidies	4.2	732	666
Auditor's remuneration		18	18
Lease financing cost		-	1
Total expenses		1 181	1 061
Net result		6 916	4 056
Total comprehensive result		6 916	4 056

The accompanying notes form part of these financial statements.

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

Dog Fence Board
Statement of Financial Position
as at 30 June 2021

Statement of Financial Position

	Note	2021 \$'000	2020 \$'000
Current assets			
Cash	5.1	8 789	4 018
Receivables	5.2	12	21
Inventories	5.3	216	219
Total current assets		9 017	4 258
Non-current assets			
Property, plant and equipment	5.4	4 410	258
Total non-current assets		4 410	258
Total assets		13 427	4 516
Current liabilities			
Payables	6.1	2 192	178
Financial liabilities	6.2	-	11
Other liabilities	6.3	-	2
Total current liabilities		2 192	191
Non-current liabilities			
Financial liabilities	6.2	-	6
Total non-current liabilities		-	6
Total liabilities		2 192	197
Net assets		11 235	4 319
Equity			
Retained earnings		11 185	4 269
Asset revaluation surplus		50	50
Total equity		11 235	4 319

The accompanying notes form part of these financial statements.

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

Dog Fence Board
Statement of Changes in Equity
for the year ended 30 June 2021

Statement of Changes in Equity

	Retained earnings	Asset Revaluation Surplus	Total equity
	\$'000	\$'000	\$'000
Balance at 1 July 2019	213	50	263
Net result for 2019-20	4 056	-	4 056
Total comprehensive result for 2019-20	4 056	-	4 056
Balance at 30 June 2020	4 269	50	4 319
Net result for 2020-21	6 916	-	6 916
Total comprehensive result for 2020-21	6 916	-	6 916
Balance at 30 June 2021	11 185	50	11 235

The accompanying notes form part of these financial statements.

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

Dog Fence Board
Statement of Cash Flows
for the year ended 30 June 2021

Flows

	2021	2020
	\$'000	\$'000
Cash flows from operating activities		
Cash inflows		
Interest received	2	3
Rates, contribution and subsidies	5 102	2 097
Commonwealth revenue received	3 000	3 000
Cash generated from operations	8 104	5 100
Cash outflows		
Grants and subsidies	(732)	(666)
Payments for staffing and board expenses	(257)	(232)
Fence Maintenance	(27)	(152)
Interest paid	-	(1)
Payments for supplies and services	(130)	(108)
Auditor's remuneration	(18)	(18)
Cash used in operating activities	(1 164)	(1 177)
Net cash provided by / (used in) operating activities	6 940	3 923
Cash flows from investing activities		
Cash outflows		
Purchase of property, plant and equipment	(2 169)	-
Cash used in investing activities	(2 169)	-
Net cash provided by / (used in) investing activities	(2 169)	-
Cash flows from financing activities		
Cash outflows		
Repayment of leases	-	(12)
Cash used in financing activities	-	(12)
Net cash provided by / (used in) financing activities	-	(12)
Net increase / (decrease) in cash and cash equivalents	4 771	3 911
Cash and cash equivalents at the beginning of the reporting period	4 018	107
Cash and cash equivalents at the end of the reporting period	8 789	4 018

The accompanying notes form part of these financial statements.

Dog Fence Board

Notes to and forming part of the financial statements

for the year ended 30 June 2021

1. About the Dog Fence Board

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

1.1. Basis of preparation

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

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

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

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.

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.

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

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

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

1.2. Objectives of the Dog Fence Board

The Board was established pursuant to the *Dog Fence Act 1946* (the Act), on 17 June 1947. The primary purpose of the Board is to increase the sustainability and profitability of South Australia's livestock industry through the establishment and maintenance of particular dog proof fences in South Australia, in order to prevent the entry of wild dogs into pastoral areas.

1.3. Impact of COVID-19 pandemic on the Board

The COVID-19 pandemic has not had a material impact on the operations of the Board in 2020-21.

Dog Fence Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

2. Income

2.1. Rates, contribution and subsidies

	2021	2020
	\$'000	\$'000
Rates, contribution and subsidies		
Rates, levies and penalties	618	632
SA Government contribution and subsidy	3 474	864
Transfer from SA Sheep Industry Fund	1 003	618
Total rates, contribution and subsidies	5 095	2 114

Income was attributed to:

Maintenance and obligations of the existing Fence

Rates, levies and penalties collected/collectable by Dog Fence Board	344	372
SA Government contribution and subsidy	579	575
Transfer from SA Sheep Industry Fund	248	243
Total income for maintenance and obligations of the existing fence	1 171	1 190

The Dog Fence Rebuild project

Rates, levies and penalties collected/collectable by Dog Fence Board	274	260
SA Government contribution and subsidy	2 895	289
Transfer from SA Sheep Industry Fund	755	375
Total income for the Dog Fence Rebuild project	3 924	940

Total rates, contribution and subsidies

5 095	2 130
--------------	--------------

Rates, levies and penalties are recognised upon raising invoices after the rates were declared each year. Revenue from SA Government and Sheep Industry Fund are recognised as revenue under AASB 1058 upon receipt.

Maintenance and obligations of the existing fence

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 2020-21 was \$2.00 per square kilometre (2020: \$2.00). The minimum charge was \$475 (2020: \$475).

The proportion of rates for 2020-21 amounting to \$248 000 (2020: \$243 000) which had been collected from the Local Government area included in the rating area on 11 September 1998, were collected by the SA Sheep Industry Fund (SIF) via a sheep transaction levy.

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

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

Dog Fence Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

2.1 Rates, contribution and subsidies (continued)

Funding for the Dog Fence Rebuild

The Commonwealth Government, State Government and the livestock industry have partnered to fund the rebuild of 1600 kilometres of the Dog Fence that are one hundred years old. The fence rebuild has an estimated cost of \$25 million and the funding arrangement is Commonwealth Government (\$10m), State Government (\$10m) and Industry (\$5m). The project commenced in 2019-20 and is expected to take 5 years to complete.

2.2. Commonwealth revenue

The Commonwealth revenue is for the Dog Fence Rebuild Project. Funds were paid to the Board through the State as part of a joint Commonwealth/State contractual agreement.

Under this joint Commonwealth/State agreement a secondary sub-contract between the State and the Board is not formed and the performance obligations required from the funding remains with the State.

Under AASB 1058 the income from the Commonwealth is recognized by the Board upon receipt.

Dog Fence Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

3. Board, committees and employees

3.1. Key management personnel

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

Total compensation for the Board's key management personnel was \$5 617 (2020: \$4 815) and excludes salaries and other benefits the Minister receives. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via the Department of Treasury and Finance) under section 6 the *Parliamentary Remuneration Act 1990*.

Transactions with key management personal and other related parties

Close family members of one of the board members have been provided subsidies as private fence owners, as disclosed in note 4.2. These payments are made in accordance with section 24 of the Act.

3.2. Board and committee members

Members during the 2021 financial year were:

G M Power (Chair)
 J P Lawrie
 J H MacLachlan
 C Treloar
 P J Whittlesea

Board and committee remuneration

	2021	2020
The number of members whose remuneration received or receivable falls within the following bands:		
\$0 - \$19 999	5	7
Total number of members	5	7

The total remuneration received or receivable by members was \$5 617 (2020: \$4 815). Remuneration of members reflects all costs of performing board/committee member duties, including sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax.

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

3.3. Staffing and board costs

	2021	2020
	\$'000	\$'000
Staffing costs ⁽¹⁾	246	227
Board fees and related on-costs	9	5
Total staffing and board costs	255	232

⁽¹⁾ Reimbursement of PIRSA staff allocated to assist with the maintenance operations and administration of the Board.

Dog Fence Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

4. Expenses

4.1. Supplies and services

	2021	2020
	\$'000	\$'000
Hire of motor vehicles	22	11
Minor equipment	21	11
Staff travel and accommodation	19	24
Office accommodation costs	18	19
Chemical purchases	12	2
Professional and technical services	9	2
Office supplies	8	5
Other	6	12
Courier, freight and postage	6	2
Insurance	4	4
Debt collection costs	4	1
Telecommunications and data access charges	1	3
Total supplies and services	130	96

4.2. Grants and subsidies

	2021	2020
	\$'000	\$'000
Local boards	621	586
Private fence owners	111	80
Total grants and subsidies	732	666

Grants and subsidies are paid to the owners of the Dog Fence (or to Local Boards with vested fence ownership where one is established) as per Sec 24 of the Dog Fence Act 1946 to enable them to maintain and inspect their part of the fence and to destroy wild dogs in the vicinity of that part of the fence.

Dog Fence Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

5. Assets

5.1. Cash and cash equivalents

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

5.2. Receivables

	2021	2020
	\$'000	\$'000
Rates revenue receivable ⁽¹⁾	12	21
Total current receivables	12	21
Total receivables	12	21

⁽¹⁾ Rates are imposed on occupiers of rateable land under Section 27 of the Act, and are payable within 28 days from which the rate notice is served. Any debt due to the Board may be recovered in any court of competent jurisdiction.

Impairment of Receivables

Loss allowances for receivables are measured at an amount equal to lifetime expected credit loss using the simplified approach in AASB 9.

To measure the expected credit losses, receivables are grouped based on shared risks characteristics and the days past due. When estimating expected credit loss, the Board considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Boards historical experience and informed credit assessment, including where practicable forward-looking information.

Loss rates are calculated based on the probability of a receivable progressing through stages to write off based on the common risk characteristics of the transaction and debtor.

The expected credit loss from ratepayers is considered to be nil based on the nature of the debtors and no history of debt writes offs.

5.3. Inventories

	2021	2020
	\$'000	\$'000
Current inventories ⁽¹⁾		
Raw materials and stores ⁽²⁾	216	219
Total inventories	216	219

⁽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.

Dog Fence Board

Notes to and forming part of the financial statements

for the year ended 30 June 2021

5.4. Property, plant and equipment

All non-current tangible assets with a value of \$10 000 or greater are capitalised, otherwise it is expensed.

Property, plant and equipment owned by the Board is recorded at fair value. Detail about the Board's approach to fair value is set out in note 8.1.

Dog Fence Rebuild

The dog fence is under the Board's care and control and is recognised as an asset of the Board. While ownership of the fence remains with the legal owners provided by s24A(3) of the Act, the Board retains operational control of the dog fence as it is responsible for ensuring the dog fence is properly maintained and operated in accordance with the specific purposes described in the Act. Improvements on the dog fence are recorded as asset.

The dog fence is recognised by rebuild stages and geographic sections when it is assessed to be fully functional and capable of operating in the manner intended by the Board.

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.

Impairment

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

Review of accounting estimates

Assets' residual values and useful lives and depreciation methods are reviewed and adjusted, if appropriate, on an annual basis. Changes in the expected life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate.

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.

Land is not depreciated.

Useful life

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

Class of asset	Useful life (years)
Buildings	20 – 40
Dog Fence	30 – 50
Plant and equipment	1 – 10
Right of use vehicles	Life of lease

Dog Fence Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

5.4. Property, plant and equipment (continued)

Reconciliation 2020-21

	Dog					Right	Total
	Land	Buildings	Construction in progress	Fence Rebuild	Plant & equipment	of use vehicle	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	1	78	157	-	6	16	258
Additions	-	-	4 184	-	-	-	4 184
Disposal	-	-	-	-	-	(16)	(16)
Transfer between asset classes	-	-	(2 390)	2 390	-	-	-
Depreciation	-	(3)	-	(12)	(1)	-	(16)
Carrying amount at the end of the period	1	75	1 951	2 378	5	-	4 410
Carrying amount							
Gross carrying amount	1	84	1 951	2 390	26	-	4 452
Accumulated depreciation	-	(9)	-	(12)	(21)	-	(42)
Total	1	75	1 951	2 378	5	-	4 410

Reconciliation 2019-20

	Dog				Right	Total
	Land	Buildings	Construction in progress	Plant & equipment	of use vehicle	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	1	81	-	7	-	89
First time recognition of AASB 16	-	-	-	-	29	29
Additions	-	-	157	-	-	157
Depreciation	-	(3)	-	(1)	(13)	(17)
Carrying amount at the end of the period	1	78	157	6	16	258
Carrying amount						
Gross carrying amount	1	84	157	26	29	297
Accumulated depreciation	-	(6)	-	(20)	(13)	(39)
Total	1	78	157	6	16	258

Dog Fence Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

6. Liabilities

6.1. Payables

	2021	2020
	\$'000	\$'000
Dog Fence Rebuild project costs, payable to PIRSA ^(a)	2 172	157
Audit fee payable to Auditor-General's Department	18	18
Trade creditors	2	3
Total payables	2 192	178

^(a) The Dog Fence rebuild Committee provides strategic direction on matters relating to the rebuild of the SA Dog Fence and through PIRSA project manages the award, supervision, and payment of contract sums for labour and material supplied by fencing contractors engaged on the fence rebuild project. Refer also to note 5.4.

6.2. Financial liabilities

	2021	2020
	\$'000	\$'000
Current		
Lease liabilities	-	11
Total current financial liabilities	-	11
Non-current		
Lease liabilities	-	6
Total non-current financial liabilities	-	6
Total financial liabilities	-	17

Lease liabilities are measured via discounting lease payments using either the interest rate implicit in the lease or Treasury's incremental borrowing rate. The borrowing costs was \$0 (\$1 000)

Lease liabilities are in relation to Right of Use vehicle assets. Motor vehicles are leased from South Australian Government Financing Authority (SAFA) through their agent LeasePlan, Leases are non-cancellable and vehicles are leased for a specified time period. The Board transferred all vehicle leases to PIRSA in 2020-21 and did not enter into any new lease agreement.

6.3. Other liabilities

	2021	2020
	\$'000	\$'000
Early payment of rate revenue	-	2
Total other liabilities	-	2

Dog Fence Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

7. Outlook

7.1. Unrecognised commitments

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

	2021	2020
	\$'000	\$'000
Capital commitments		
Within one year	5 480	165
Later than one year but no longer than five years	5	55
Total capital commitments	5 485	220

Amount to be reimbursed to PIRSA for committed contracts entered into for the rebuild of the Dog Fence. On behalf of the Board and Minister a Dog Fence rebuild Committee was established within PIRSA to project manage the award, supervision, and payment of contract sums for labour and material supplied by fencing contractors engaged on the fence rebuild project.

	2021	2020
	\$'000	\$'000
Expenditure commitments		
Within one year	-	4
Later than one year but no longer than five years	-	2
Total expenditure commitments	-	6

The expenditure commitment related to a vehicle which was transferred to PIRSA in 2020-21.

7.2. Contingent assets and liabilities

The Board has no known contingent assets or contingent liabilities.

7.3. COVID-19 pandemic outlook for the Board

The COVID-19 pandemic is not expected to have a material impact on the operations of the Board in 2021-22.

7.4. Events after the reporting period

No events have occurred after balance date that would affect the financial statements of the Board as at 30 June 2021.

7.5 Impact of standards not yet implemented

The Board has assessed the impact of the new and amended Australian Accounting Standards and Interpretations not yet implemented and changes to the Accounting Policy Statements issued by the Treasurer. The Board considers there will be no significant impact on the financial statements.

Dog Fence Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

8. Measurement and risk

8.1. Fair value

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

Initial recognition

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

Where assets are acquired at no value, or minimal value, they are recorded at their fair value in the Statement of Financial Position except when the fair value cannot be measured reliably. 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).

Revaluation

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

The revaluation process is reviewed each year.

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

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

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

Land and buildings

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

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

Plant and equipment

The carrying amount of plant and equipment owned by the Dog Fence Board that had a fair value at the time of acquisition less than \$1.5 million or had an estimated useful life that less than three years have not been revalued. The carrying value of these items is deemed to approximate fair value.

Dog Fence Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

8.2. Financial instruments

Financial risk management

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

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

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

Maturity analysis of financial instruments

Category of financial asset and financial liability	Note	Carrying amount / fair value \$'000	2021 Contractual maturities	
			Less than 1 year \$'000	1-5 years \$'000
Financial assets at amortised cost				
Cash	5.1	8 789	8 789	-
Total financial assets		8 789	8 789	-
Financial liabilities at amortised cost				
Payables	6.1	2 174	2 174	-
Total financial liabilities		2 174	2 174	-

Category of financial asset and financial liability	Note	Carrying amount / fair value \$'000	2020 Contractual maturities	
			Less than 1 year \$'000	1-5 years \$'000
Financial assets at amortised cost				
Cash	5.1	4 018	4 018	-
Total financial assets		4 018	4 018	-
Financial liabilities at amortised cost				
Payables	6.1	160	160	-
Lease liabilities	6.2	17	11	6
Other liabilities	6.3	2	2	-
Total financial liabilities		179	173	6

Receivables and payables

The receivables and payables amounts disclosed here exclude amounts relating to statutory receivables and payables (e.g. 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 etc., they would be excluded from the disclosure.