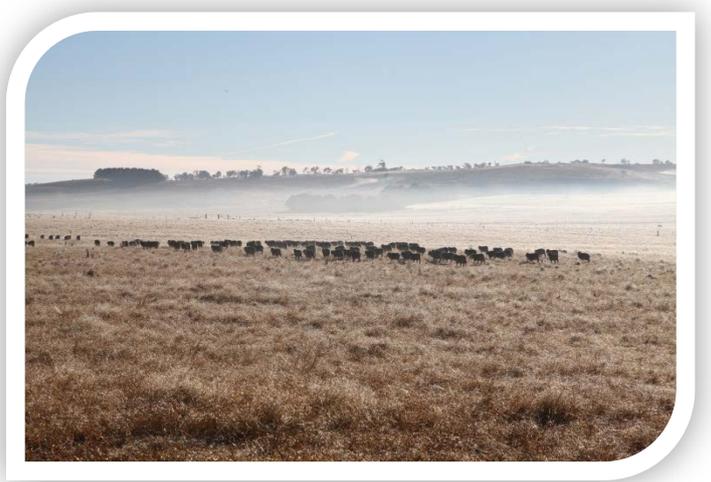




New England Weeds Authority

Annual Report 2018 - 2019



Adopted 6/11/19



Our Environment
Our Community
Our Council
Our Responsibility

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ABBREVIATIONS	
BASP	Business Activity Strategic Plan
CAP	Catchment Action Plan
CLR	Councillor
DPI	Department of Primary Industries
DWO	District Weeds Officer
EEO	Equal Employment Opportunity
GIPA	Government Information (Public Access Act) 2009
GM	General Manager
LLS	Local Land Services
NEWA	New England Weeds Authority
NIWAC	Northern Inland Weeds Advisory Committee
PO	Project Officer
SOE	State of the Environment
SBO	Senior Biosecurity Officer Weeds
UNE	University of New England
BO	Biosecurity Officer Weeds

1. CHAIRMAN'S MESSAGE

It has been both a pleasure and an honour to have represented the New England Tablelands (Noxious Plants) County Council as Chairman during 2018/2019 and I am pleased to present Council's Annual Report for that period.

Our success is measured on how well Council achieves the objectives and operational tasks set out in the Business Activity Strategic Plan, Delivery Program and Annual Operational Plan, together with the importance of community engagement.



We have also managed to maintain our strong financial position with a positive operating result once more this year. These continued positive results maintains councils ability to address any incursions as they arise in the future.

This year has seen poorer weather conditions with some lower than expected rainfall resulting in limited growth periods. In implementing the final year of our 4 Year Delivery Program and Annual Operational Plan I am pleased to report that our Council has preformed very well, being proactive in approaching and meeting the objectives of the programs for weed management and control in the New England region.

Our Council continues to be a leader in regard to weed management and control not only across the region but is also recognised State wide for its initiative, innovation and hard work. We continue to be a major innovator and participant in the north and north wester regions and in state wide priority weed management.

In meeting the challenges of the past year I would like to thank Council's General Manager and our staff for their support of Council, and for their dedication and commitment to their work in delivering the outcomes in weed management and control services to Council's area.

Finally, I extend my sincere appreciation to the Deputy Chairman, Councillor Scott Kermode and the other Councillors for their support and hard work both within this and their constituent Councils, as well as in the community.

I consider it a privilege to introduce the New England Tablelands (Noxious Plants) County Council Annual Report for 2018 – 2019.

A handwritten signature in black ink, which appears to read "Mark Dusting". The signature is written in a cursive style and is underlined with a horizontal line.

Clr Mark Dusting
Chairperson

2. GENERAL MANAGER'S MESSAGE

I am pleased to present the 2018-2019 Annual Report on behalf of the New England Tablelands (Noxious Plants) County Council trading as New England Weeds Authority (NEWA).

NEWA's Annual Operational Plan 2018-2019 identified the actions outlined in the 4 Year Delivery Program of Council's 10 Year Business Activity Strategic Plan 2013 – 2023. This Plan highlights Council's commitment to carrying out effective and efficient weed management programs on behalf of our constituent member Councils of Armidale Regional, Uralla Shire and Walcha, covering an area of some 18,255 km.²



The Plan highlights Council's commitment to the main priorities and aspirations of the community, by taking action to address weeds on behalf of our member Councils to improve agricultural sustainability, primary industry productivity and to deliver broad environmental outcomes for the New England region.

The reporting year has been a busy time and not without its challenges. The continued implementation of the new Biosecurity Act 2015 and Biosecurity Regulation 2017 has required new processes and procedures to be established and extensive consultation with the Department of Primary Industries to ensure compliance.

A further matter arose during the reporting period as a result of changes to the NSW Weeds Action Program 2015-2020 (WAP1520), Amended Guidelines May 2017, whereby Council as of 1 July 2017 is no longer the lead organisation for the North West Local Land Services WAP1520 program. However, Council has retained the lead organisation role on behalf of the Northern Tablelands Local Land Services.

Council has adopted a new Business Activity Strategic Plan 2017-2027 and Resourcing Strategy (incorporating the Long Term Financial Plan, Workforce Strategy and Asset Management Plan) together with the 4 Year Delivery Plan 2018-2022 and Annual Operational Plan. The plans reflect the communities' main priorities and aspirations for the future, by taking action to address scheduled priority and invasive weeds on behalf of its member Councils to improve agricultural sustainability, primary industry productivity and to deliver broad environmental outcomes for the New England region.

From an operational point of view the region has experienced lower than average rainfall during the reporting period, limiting seasonal growth of pastures and accompanying invasive weeds, resulting in a less active year for staff in weed control programs but a more active role in our inspection and extension programs. This result can be attributed to the professionalism and commitment of staff, which is one of the reasons why NEWA is so highly regarded throughout the region.

Concentrated efforts have continued in relation to a number of priority weeds found in our area with a focus on Tropical Soda Apple, particularly in the Macleay Valley and Serrated Tussock in the northern and southern regions of Council's area, as well as Blackberries and St Johns Wort. These invasive priority weeds pose a significant threat to the agricultural viability of the region. The extensive control program has been supplemented by planned extension and education programs through field days, attending local agricultural shows and workshops which have been well received by landholders and the wider community.

We have again taken an active approach to carrying out weed management and control programs outside our area for other local control authorities and agencies. This work has complimented our weed control programs particularly on the boundaries of adjoining Councils. These activities together with a proactive approach to seeking additional funding has seen for example the continuation of grant funds for the Tropical Soda Apple control program in the Upper Macleay Valley as well as new projects for Priority Weeds such as Serrated Tussock and Black Knapweed.

This approach together with a business like attitude to managing resources has resulted in a very sound financial outcome for the reporting year, as evidenced in the Financial Statements.

NEWA works closely with other like Authorities including the Local Land Services (LLS) authorities of the North West and Northern Tablelands as well as the National Parks and Wildlife Service and Landcare, covering our region. NEWA with a reputation for achieving targeted outcomes through good management, as well as getting the job done on time and within budget, has been able to secure further funds from these organisations.

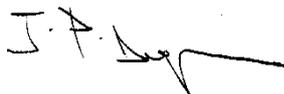
We are now entering into the fourth year of the Agreement with Glen Innes Severn Council to carry out their responsibilities for weed management and control under the provisions of the Noxious Weeds Act 1993. This has seen benefits for both our Authority and Glen Innes Severn Council through economies of scale, better utilisation of resources and the ability to enhance a regional strategic approach to weed management and control across our respective areas. Work has been undertaken during the year to formally incorporate Glen Innes into the Council.

As an organisation we continue to seek improvement in our administration and operational areas with further efforts in the past twelve months in regard to reviewing, updating and preparing new policies and procedures. In addition a review has been undertaken of our risk management action program that further enhances the co-ordination of activities in taking an enterprise wide approach to risk management.

The Authority's staff structure has remained stable over the reporting period with Weeds officers operating in each of the constituent Council areas. My appreciation is extended to Council's officers for their continued hard work, dedication and professional approach to their many duties.

The Authority continues to be recognized as a leader in the management and control of noxious and invasive weeds not only in the region in which it operates but throughout the State, and all looks well for the future viability of the organization.

In conclusion, I would like to express my gratitude to Councillors for their strategic direction and leadership as well as the staff for their professionalism, valued efforts and commitment that have made the 2018-2019 year achievements possible.



John Duggan
Acting General Manager

3. INTRODUCTION – ANNUAL REPORTING ON PROGRESS

Annual reporting to the community is an important part of transparent and accountable local government. Council is required under the legislation to prepare an Annual Report as one of the key points of accountability between Council, its member Councils and the community.

The Annual Report focuses on Council's implementation of the Delivery Program and Operational Plan. The report also includes information that is prescribed by the Local Government (General) Regulation 2005, including provisions relating to the content of Council's annual statement of revenue policy.

The Business Activity Strategic Plan must be reviewed every four years. From 2012, each newly elected Council must complete the review by 30 June in the year following the local government elections and roll the planning period forward by at least 4 years so that it is always a 10 year minimum plan.

A report on the progress on implementation of the Business Activity Strategic Plan must be presented at the final meeting of an outgoing Council, relating to the effectiveness of the Plan in achieving its environmental, economic, social and civic leadership/governance objectives over the past four years.

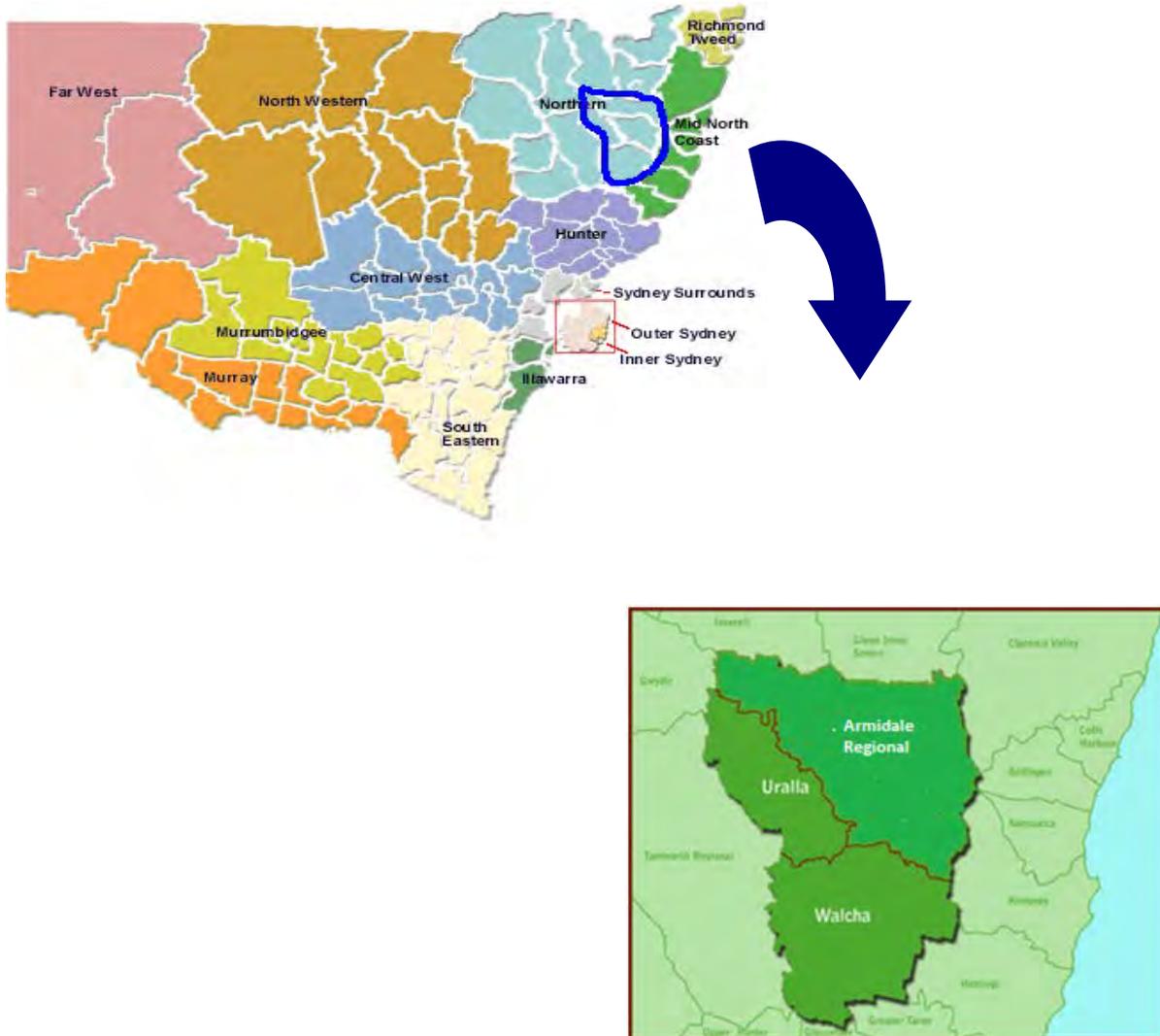


Walcha township

4. NEW ENGLAND WEEDS AUTHORITY REGION – PROFILE

The New England Tablelands (Noxious Plants) County Council trading as the New England Weeds Authority area comprises the constituent member local government areas of Armidale Regional Council, Uralla Shire Council and Walcha Council which forms part of the Great Dividing Range and New England Plateau.

The following Map 1 indicates the County Council's member councils and adjoining council areas.



Map 1: NSW Local Government regions and Member Councils of the New England Tablelands (Noxious Plants) County Council

a. Area

The New England Tablelands (Noxious Plants) County Council area covers some 18,255 km² (Armidale Regional 8,630km², Uralla 3,215 km², and Walcha 6,410 km²) stretching from Ben Lomond in Armidale Regional Council in the north to Nowendoc in the Walcha Council in the south, west to Bundara in Uralla Shire and east to Ebor in the Armidale Regional Council area.

b. Climate

Climatic conditions in the region range from sub humid temperate to cool temperate climates with snow falling on some occasions. Elevation ranges from just below 1,000m to just over 1,300m above sea level, with pleasant warm summers, extended spring and autumn seasons and a long cold winter period.

Rainfall in the region averages from 700mm to 1,200mm annually with approximately 60% falling in the summer and 40% falling in the winter, however the previous year has yielded much lower than average rainfalls.

c. Population breakdown

The total population for the County Council's area is 38,589¹ which is broken down into member Council areas of Armidale Regional 29,449, Uralla 6,048 and Walcha 3,092.

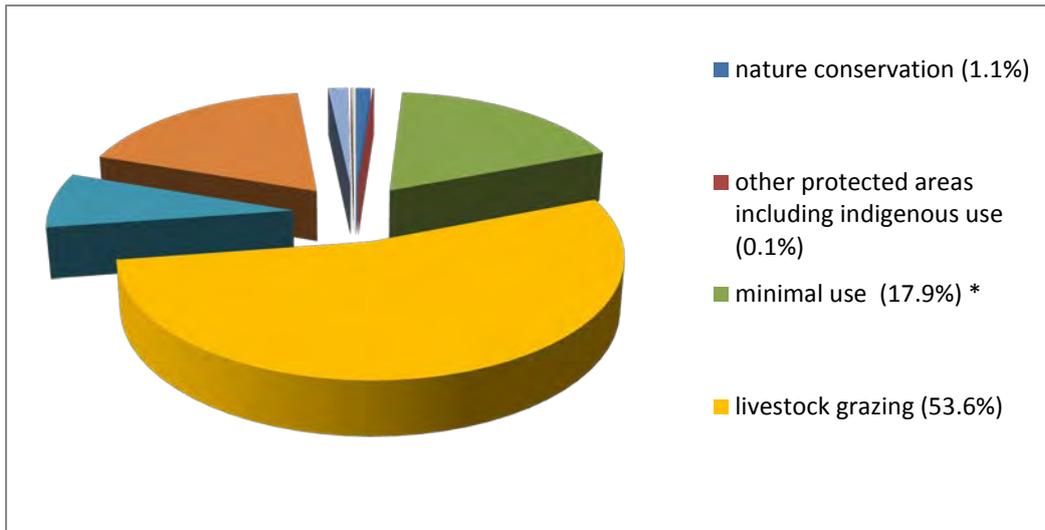


Armidale city

¹ 2016 Census

d. Landuse patterns

The following chart summarises the landuse patterns according to the Australian Natural Resources Atlas for the County Council region. The majority is devoted to livestock grazing (53.6%) and dryland agriculture (18%), reinforcing the significance of the regions economy being based on agricultural pursuits and highlighting the importance to the area of weed management and control. Only a small portion of this land area (0.1%) is devoted to urban and residential use.



**Minimal use: encompasses reserved crown land (stock routes, defence reserves and mine reserves) and vacant and institutional crown land. Also includes private land with open or closed native forest with unknown use (most likely remnant native cover).*

Chart 1: Land use patterns in the New England Weeds Authority area.



5. COUNCIL'S VISION, MISSION AND VALUES

a. Council's Vision

To protect the natural environment, agricultural activities, the economy and community from the impacts of priority and invasive weeds within the New England and Northern Tablelands region of NSW.

b. Council's Mission

To be recognised as a leader in the weed management and control industry by our member Councils and the community.

c. Council's Corporate Values

Our Business & Partnerships – managing all aspects of our business in a transparent and sustainable manner while providing best value for money to our member Councils, the community and partners.

Our Community – providing a weed management and control service in a way that is accountable to the community/stakeholders and supports our constituent Councils' regional community plans in natural resource management.

Our Employees – developing staff committed to quality, professional team work and safety, while striving for continuous improvement and accepting personal responsibility.

Our Customers – meeting the needs and expectations of our customers.

Our Relationships – being open, supportive and constructive in all our relationships.

Our Environment – conserving resources, protecting and enhancing our agricultural and natural environment.



A regional rapid response to Tropical Soda control work in the Macleay, 2016.

6. COUNCIL'S RESPONSIBILITIES

As an organisation the County Council is constituted under the Local Government Act 1993 and is specified as a local control authority under the *Biosecurity Act 2015*. It is a single purpose authority formed to administer and control declared priority and invasive weeds, and has been operating since 1947. The County Council is fundamentally responsible for weed control of gazetted or priority weeds including:

- Ensuring landholders/occupiers of private land fulfil their obligations under the *Biosecurity Act 2015*.
- inspection of land within their area in connection with priority and invasive weeds;
- enforcing the control of priority weeds as per the legislative requirements;
- weed management on land occupied by the council and on roads in their area;
- publicity about weeds declared in the area;
- proposing changes to priority weed declarations;
- developing, implementing and co-ordinating local strategies and policies;
- providing on-going approved training and professional development for weed staff and
- providing adequate resources to implement priority and invasive weed programs.



NSW DPI Weed 2019 campaign

In addition, the County Council is the lead agency on behalf of the Northern Tablelands Regional Weed Committee for the implementation of the NSW Weeds Action Program 2015 – 2020 (WAP1520) funded by the State Government through the NSW Department of Primary Industries (NSW DPI), for the reporting period.

The Regional Weed Committee covers the four (4) member local government areas of Tenterfield, Glen Innes Severn, Inverell and NEWA [Armidale Regional Council, Uralla Shire and Walcha Council] in the Northern Tablelands (NT) region, comprising some 40,000 km² of the New England region of NSW, as detailed in the NT Weed Action Business Plan 2015 -2020, these duties have been extended within the region to build a capacity to:

- identify and manage high risk weed species and entry pathways;
- develop and implement early weed detection capabilities;
- assist in the timely detection of new weed incursions;

- affect a quick response to eradicate or contain new weeds;
- identify and prioritise weed management programs to where benefits are greatest;
- provide effective and targeted on-ground weed control;
- increase community acceptance of, and involvement in effective weed management;
- integrate weed management into education programs;
- improve the knowledge base for weed management Officers by providing current educational material and opportunities and by setting a public example;
- monitor progress of the NSW Invasive Species Plan's implementation and
- encourage the use of cost-sharing arrangements.

Central to meeting the abovementioned duties and responsibilities is the implementation of a consistent, co-ordinated and co-operative approach to regional weed inspection and control programs.



Dry conditions continued throughout the year.

7. MEMBERS OF COUNCIL 2018-2019

The New England community is represented by five (5) Councillors from the constituent Councils of Armidale Regional (3 members), Uralla Shire (1 member) and Walcha Council (1 member), under the leadership of an annually elected Chairperson.

The Councillors have provided strong leadership in the advancement of the County Council's Business Activity Strategic Plan 2017 - 2027 as part of their commitment towards achieving the strategic objectives contained within the Plan.

Councillor Representatives from 1 July 2018 to 30 June 2019



Chairperson
Clr Mark Dusting
Uralla Shire Council



Deputy Chairperson
Clr Scott Kermode
Walcha Council



Clr Andrew Murat
Armidale Regional Council



Clr Libby Martin
Armidale Regional Council



Clr John Galletly
Armidale Regional Council

a. Facilities provided to Councillors

The following fees and expenses with regard to the Chairperson and Councillors were paid during 2018 -2019:

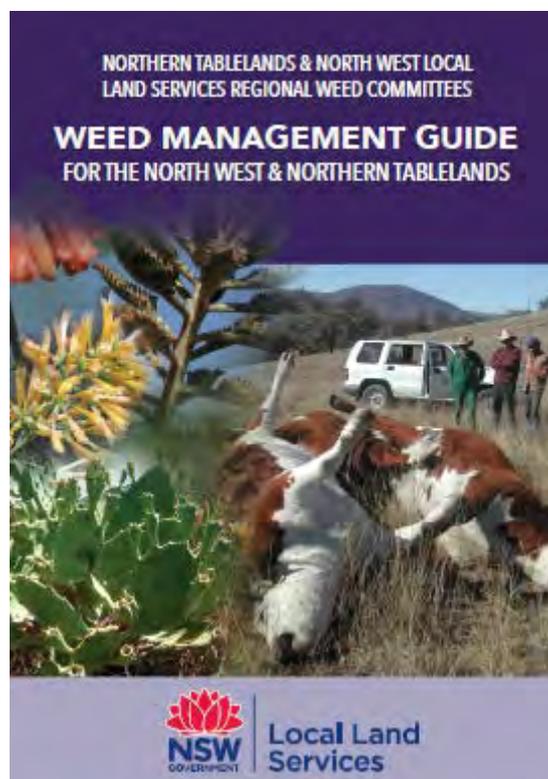
Fees and Expenses	Amount
Chairpersons Allowance	\$6,090
Councillor Fees	\$12,555.72
Miscellaneous expenses (conferences, accommodation & catering)	\$2,468.96
Interstate and Overseas Travel	Nil
Total	\$21,114.68

All costs associated with attendance at conferences and seminars were in accordance with Council's adopted Payment of Expenses Policy.

No vehicle, equipment or communication expenses were incurred by the Chairperson or Councillors during the reporting period.

b. Councillor attendance at Council Meetings 2018-2019

Councillor	Ordinary Meetings (5 held)
Clr Mark Dusting	5/5
Clr Scott Kermode	4/5
John Galletly	5/5
Libby Martin	4/5
Andrew Murat	4/5



The Weed Management Guide was revised and printed for the third time during 2018/19

8. OUR ORGANISATION

New England Tablelands (Noxious Plants) County Council trades as the New England Weeds Authority (NEWA). The General Manager, whose position is part-time, is the most senior employee of Council. The General Manager is selected and appointed by Councillors on a renewable fixed-term performance based contract for a maximum of five years.

The following chart shows the organisational structure from 1 July 2018 to 30 June 2019.

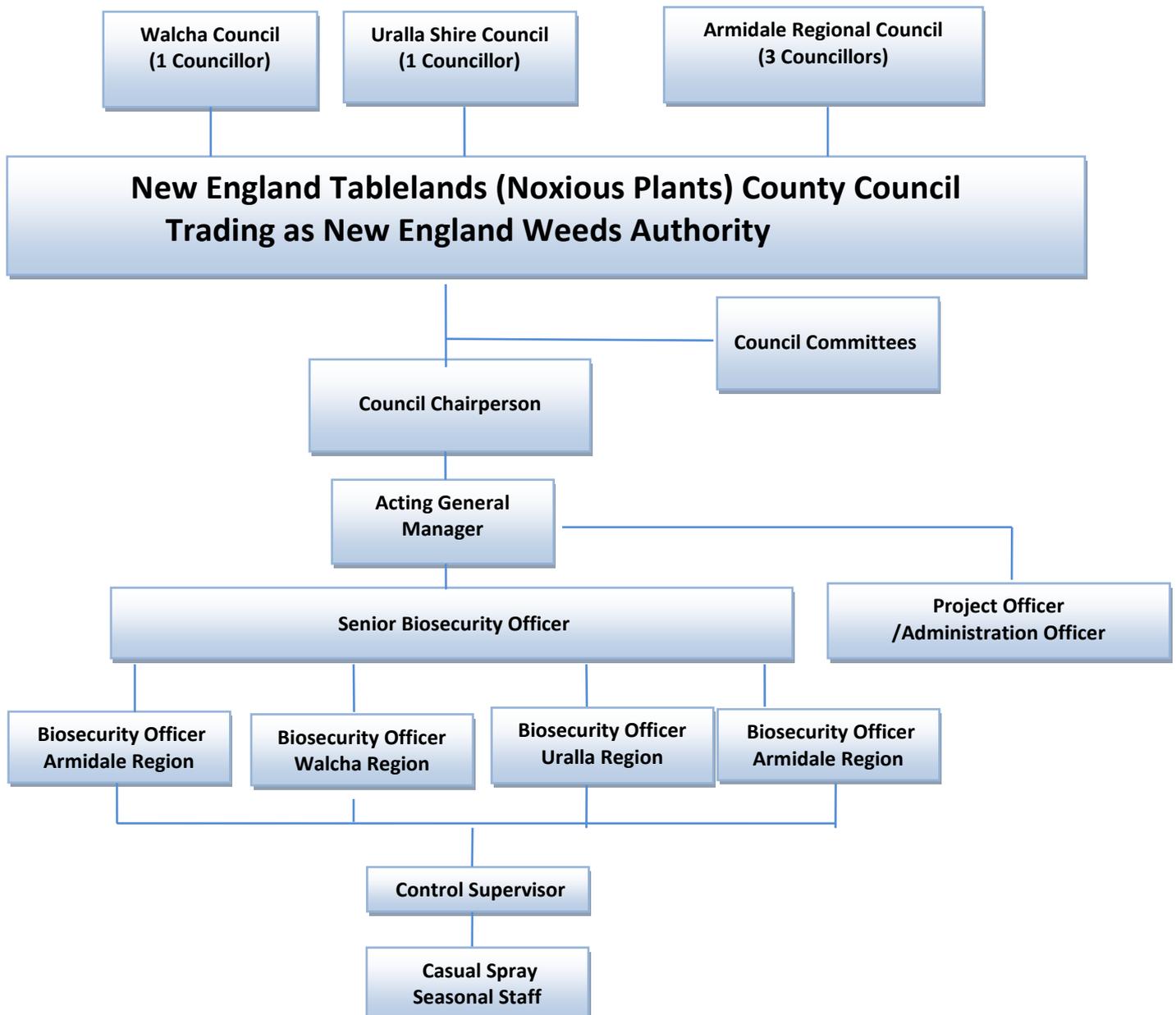


Chart 2: NEWA Organisational Structure

9. THE BUSINESS ACTIVITY STRATEGIC PLAN 2017 – 2027 OVERVIEW

The Business Activity Strategic Plan (the Plan) identifies Council’s and the communities main priorities and aspirations for the future, addressing strategies for achieving the objectives in relation to priority and invasive weeds management and control across our constituent member Council areas, so as to improve agricultural sustainability, primary industry productivity and to deliver broad environmental outcomes for the New England region for the next ten years.

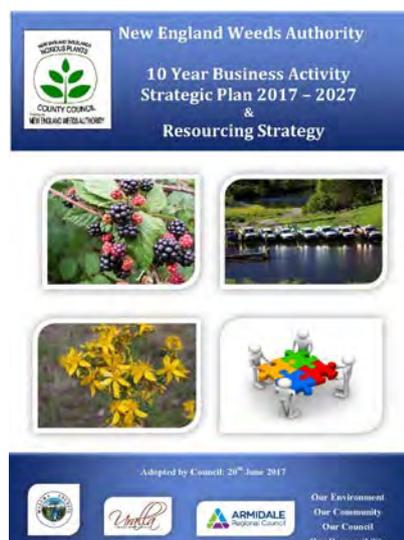
The Plan is the foundation for the Annual Operational Plan, Four Year Delivery Program and Resourcing Strategy comprising the Ten Year Financial Plan, Workforce Strategy and the Asset Management Plan.

In meeting the outcomes of our Plan, Council has a long term focus that addresses issues about environmental, economic, social and civic leadership objectives as well as reflecting the community engagement processes that have been undertaken by our constituent Councils.

Early on in their processes, formal approaches were made to each Council to be involved in their respective community engagement activities and appropriate input to the environment sections in the development of their Community Strategic Plans. This partnering in the community engagement process has been most helpful in developing Council’s Business Activity Strategic Plan.

Council, as a small single purpose organisation has been mindful of its resource capacity and has acted prudently to deliver the outcomes identified in the current year of its plan.

Annual reporting to the community is an important part of transparent and accountable Local Government. Council is required under the legislation to prepare an Annual Report as one of the key points of accountability between Council, its member Councils and the community.



New England Weeds Authority 10 Year Business Activity Strategic Plan 2017 - 2027

10. THE DELIVERY PROGRAM REPORT 2018-2022

The dynamic nature of priority and invasive weed species means that Council's approach to weed management and control is constantly evolving. Through its strategic objectives and principal activities, Council will continue to improve the services it provides to the community in a range of ways including effective governance, strategic planning, environmental management and economic sustainability.

Council's approach to weed management and control also reflects the objectives of the NSW Invasive Species Plan 2015 – 2022 and NSW Weed Action Program 2015 -2020. As a result, the Business Activity Strategic Plan provides the following direction as to how our resources will be employed to achieve the following four strategic objectives:

STRATEGIC OBJECTIVE S.O.1

PREVENTING THE ESTABLISHMENT OF NEW WEED SPECIES IN OUR REGION - EXCLUDE

STRATEGIC OBJECTIVE S.O.2

ELIMINATE OR PREVENT THE SPREAD OF EXISTING AND NEW WEED SPECIES IN OUR REGION – ERADICATE OR CONTAIN

STRATEGIC OBJECTIVE S.O.3

REDUCE THE IMPACTS OF WIDESPREAD INVASIVE WEED SPECIES – EFFECTIVELY MANAGE

STRATEGIC OBJECTIVE S.O.4

ENSURE COMMUNITY, INDUSTRY AND GOVERNMENT STAKEHOLDERS HAVE THE ABILITY AND LONG-TERM COMMITMENT TO MANAGE INVASIVE SPECIES – BUILD CAPACITY

To achieve these strategic objectives our actions are centered on the following strategies:

- identification and management of high-risk weed species and the pathways they utilize within our region;
- formulation of weed detection systems to improve our capacity to find new weeds early;
- ensuring we have the resources and procedures in place to undertake strategic weed control measures and rapid response against new weed incursions;
- continual analysis of our weed management programs to ensure we are directing resources to where benefits will be the greatest and
- increasing the community commitment and involvement in proactive weed management and control approaches.

Our approach to weed management and control has strong linkages with the Australian Weeds Strategy, the NSW Biodiversity Strategy, NSW Invasive Species Strategy and the NSW Weeds Action Program.

At a regional level our Business Activity Strategic Plan is interconnected with the Northern Tablelands Local Land Services Regional Weed Committee Business Plan 2015 – 2020 and regional Management Plans developed for specific weeds.

Through negotiations with the respective LLS's, an agreement was reached whereby NEWA remained the Lead Organisation for the Northern Tablelands Local Land Services region for funding under the NSW DPI NSW Weeds Action Program 2015 – 2020 (WAP 1520).

Our Council acted as the lead agency for the Northern Tablelands Regional Weed Committee in the implementation of the NSW Weed Action Program for the reporting period.

Successful weed management relies on co-ordinated effort, strong partnerships and pro-active approaches. Our Council is working in unison with other organisations to ensure our limited resources are utilized more efficiently and effectively. Leading this approach are our staff who are committed towards achieving success in a wide range of integrated weed management and control programs.

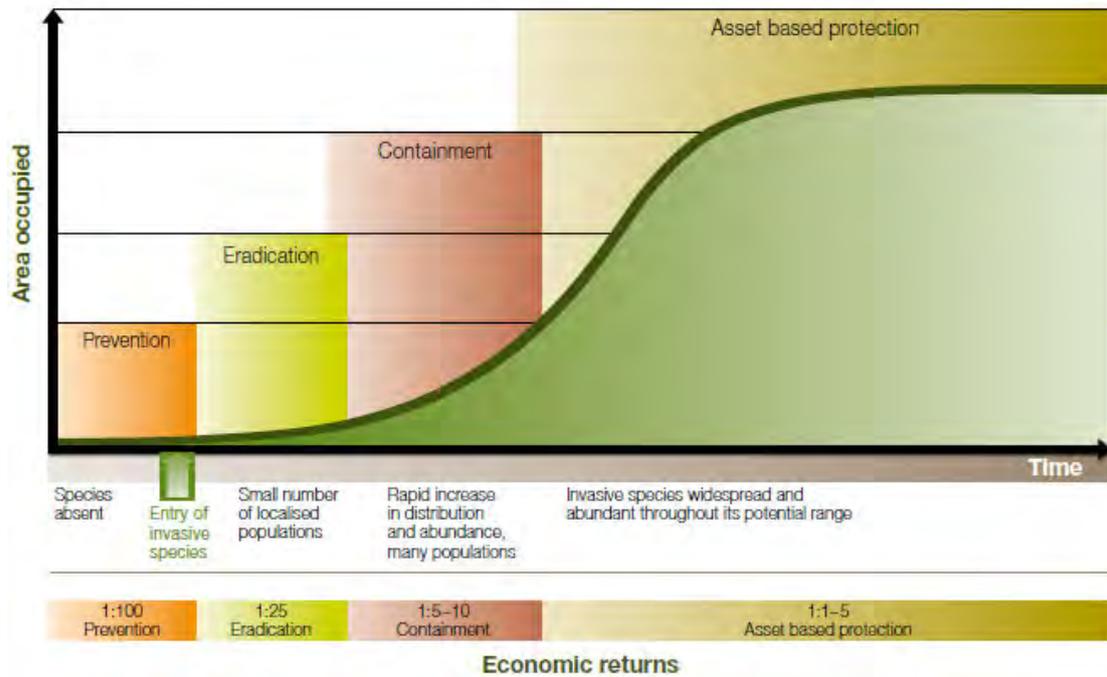


Chart 3: Weed Invasion Curve²

The diagram above shows the application of these goals to a stylised weed invasion curve, demonstrating that return for investment is highest in the early stages of weed invasion when management is focussed on prevention and eradication. For example, there is an estimated return on investment of \$100 for every \$1 spent in the prevention stage of management.



Prohibited Matter, Black Knapweed was found in the Tenterfield Shire during 2018/19. NEWA Staff were key members of the Rapid Response team to control and delimit the weed spread.

² NSW DPI



Serrated Tussock



St Johns Wort



Nodding Thistle



Blackberry



Chilean Needle Grass



Tropical Soda Apple



Salvinia



Bridal Creeper

Some of the priority weeds in the NEWA region

11. PRINCIPAL ACTIVITIES

The Business Activity Strategic Plan principal activities provide a framework for the co-ordinated and co-operative management and control of priority and invasive weeds across our County Council area for the ten year period of the Plan 2018 – 2028.

The Strategic Objectives are translated into actions through the principal activities to be undertaken by the Council to implement the strategies established by the Plan within the resources available under the Resourcing Strategy.

A summary of principle activities undertaken by Council and the objective/s under each are detailed as follows.

PRINCIPAL ACTIVITY - P.A.1. CIVIC LEADERSHIP/GOVERNANCE / ADMINISTRATION / FINANCE / RISK MANAGEMENT

Civic Leadership/Governance

To provide effective, relevant civic leadership and local governance through community consultation, availability of information to the public and Council, public access to Councillors and liaison with member Councils and relevant government agencies.

Administration

To implement financial and administrative policies and procedures to allow the management of all Council activities in a manner that ensures the economic sustainability of the Council and protects Council and community assets.

Finance

To provide the framework for Council to undertake its activities in a financially responsible and economically sustainable manner that protects Council and community assets.

Risk Management

To minimise Council's exposure to risk and provide a safe working environment for staff, contractors and for county landholders.

PRINCIPAL ACTIVITY- P.A.2 ENVIRONMENT - PRIORITY WEED MANAGEMENT AND CONTROL

Priority Weed Management and Control

To act in a regulatory and advisory role to stakeholders and landholders to improve the agricultural and natural environment through a reduction in priority and invasive weeds species.

PRINCIPAL ACTIVITY- P.A 3 ECONOMIC AFFAIRS – PRIVATE WORKS AND OTHER BUSINESS UNDERTAKINGS

Private Works

To provide a contract spraying and inspectorial service to generate revenue and to assist landholders and government agencies to control priority and invasive weeds.

Other Business Undertakings

To promote the interests of County Council stakeholders through active interaction and participation with other authorities (such as the Northern Tablelands Regional Weed Committee, North West Regional Weed Committee, Local Government NSW and Local Land Services) through advocacy and political pursuits.

PRINCIPAL ACTIVITY- P. A 4 NSW WEEDS ACTION PROGRAM

To act as the lead agency for the implementation of the NSW Weeds Action Program for the member Councils of the Northern Tablelands Regional Weed Committee (including NEWA).



Angus Cattle near Walcha

DELIVERY PROGRAM 2017 - 2021

Principal Activity - P.A.1. Civic Leadership/Governance / Administration / Finance / Risk Management

Functional Objective: (Civic Leadership/Governance)

To provide Council with the knowledge, skills, information and opportunity to make informed, relevant and timely decisions.

Strategic Tasks: To assist and inform the Chair and Councillors so that they can be proactive spokespeople on priority and invasive weed issues affecting the Council and community.

Summary of Measurable Outcomes achieved 2018 - 2019

- Reports for Council's consideration prepared in a concise and timely manner with recommendations.
- All statutory financial plans and returns completed and lodged by due date.
- Councillors informed of legislative changes in a timely manner.
- Media releases and invitations to public events circulated to Councillors.

Functional Objective: (Administration)

To promote and improve public awareness of Council's activities and operations.

Strategic Tasks: To increase the public use of Council's office in Armidale and contact with property owners/ stakeholders.

Summary of Measurable Outcomes achieved 2018 - 2019

- Target contact with new property owners achieved.
- Attendance at field days, agricultural shows, Landcare and regional events achieved.
- Council office in Armidale manned during business hours.
- Media release targets exceeded.
- Staff directly involved in implementing regional Local Land Services and Landcare projects with the community.

Functional Objective: (Administration)

To work with elected members and staff to ensure the development and effective implementation of Council's Business Activity Strategic Plan, policies and decision making.

Strategic Tasks: To provide well informed Councillors, Council staff and community in relation to Council's business activities, policies and strategic directions.

Summary of Measurable Outcomes achieved 2018 - 2019

- Review of Council's policies undertaken and reaffirmed by Council.
- Annual Operational Plan, Four Year Delivery Program and Long Term Resourcing Strategy reviewed and updated.
- New Business Activity Strategic Plan 2018 – 2028 and Resourcing Strategy , Four Delivery Plan 2018 - 2022 and 10 year Financial Plan adopted by Council.
- Public notification of new Business Activity Strategic Plan, Four Delivery Plan, Annual Operational Plan and relevant policies.

Functional Objective: (Administration)

To maintain a stable, secure administrative structure with supporting internal controls, reporting systems, training plans, record keeping and documentation to ensure that human and physical resources needed to deliver Council's services are available and accountable.

Strategic Tasks: To provide ongoing training for Council staff to raise the standard of service provided to the community and to enhance their working experience.

Summary of Measurable Outcomes achieved 2018 - 2019

- Corporate Training Plan reviewed, updated and implemented.
- Monthly staff meetings held.
- Work Health and Safety Procedures and systems reviewed and updated.
- Work Health and Safety Management Policy and handbook reviewed and updated.
- Council's Workforce Strategy reviewed and updated.

Functional Objectives: (Finance)

To ensure finance, accounting and administration requirements are performed in a professional and timely manner.
To ensure the provision of finances to the Council are received from relevant sources.

Strategic Tasks: Accounting practices carried out to meet statutory requirements and relevant accounting standards.
Ongoing financial support is provided from member Councils and other appropriate agencies.

Summary of Measurable Outcomes achieved 2018 - 2019

- Statutory Financial Plans and returns completed and lodged by due date in accordance with accounting standards and Code of Accounting Practice.
- Constituent member Councils provided with Annual Report and Financial Statements - audit undertaken by Audit Office of NSW.
- Constituent member Councils provided with Annual Operational Plan.
- Annual grant funding secured from NSW Department of Primary Industries (DPI) under the NSW Weeds Action Program 2015 -2020.
- Annual Financial Statement and Acquittal documents provided to NSW DPI within set time frame.

Functional Objectives: (Risk Management)

To minimise the risk associated with all functions of Council.

Strategic Tasks: Management of Council's risks in order to control, minimise or eliminate all forms of potential loss.

Summary of Measurable Outcomes achieved 2018 - 2019

- Enterprise Risk Management Policy and Strategy reaffirmed by Council and Enterprise Risk Management Matrix reviewed and updated.
- Council's Investment and Long Term Financial Strategies reviewed and updated.
- Risk Management Action Plan reviewed in consultation with Council's insurer's Statewide Mutual.

DELIVERY PROGRAM 2017 – 2021

Principal Activity- P.A.2 Environment - Priority Weed Management and Control

Functional Objective: Priority Weed Management & Control

To inspect private properties for priority and invasive weeds and support property owners and managers to encourage them to work with Council to identify and control priority weeds.

Strategic Tasks: To improve natural resource management within the region relating to priority and invasive weeds and maintain the viability of agricultural and high conservation value land.

Summary of Measurable Outcomes achieved 2018 - 2019

- Annual inspection figures were not reached this year due to the ongoing drought conditions. Privet inspections in urban areas were targeted during this incredibly dry period. The weed control program targets were however achieved.
- As part of the Authority's three year rolling inspection program inspections of high risk sites, high risk pathways and high risk areas were carried out over one third of the Authority's area. As a result no new weed incursions were found, however, new infestations of high risk species already present within the Authority's area were the subject of ongoing control programs (eg Tropical Soda Apple in the Macleay Valley).
- Chairman's Annual tour postponed due to drought conditions.

Functional Objective: (Priority Weed Management & Control)

To ensure that property owners appreciate the importance of weed control and reinforce Council's resolve to achieve property owner support for weed control.

Strategic Tasks: Through compliance with the provisions of the Biosecurity Act 2015 be proactive in reducing the threat of priority weeds to agricultural land and high conservation areas.

Summary of Measurable Outcomes achieved 2018 - 2019

- Council again adopted a policy of engagement, education and co-operation with landholders and land managers to have work carried out on their land to manage weeds, this has resulted in there being no requirement to issue Biosecurity Directions, on the spot fines or instigate legal proceeding. During the period Council legislative requirements transferred from the Noxious Weeds Act 1993 to the Biosecurity Act 2015
- There were 16 Voluntary Compliance requests issued during the reporting period and 28 Section 64 Certificates were issued.

Functional Objective: (Priority Weed Management & Control)

To use efficient record keeping and reporting techniques that support Council's weed inspection and control operations and fulfill Council's grant performance-target obligations.

Strategic Tasks: To maximise the use of current and new software and IT hardware to record and map weed inspections.

Summary of Measurable Outcomes achieved 2018 - 2019

- Council continued to use Intramap software to record electronically weed management, inspections and control data, which is compliant with NSW DPI Biosecurity Information System reporting requirements.

Functional Objective: (Priority Weed Management & Control)

To raise the skill & knowledge base of land owners so that they understand the importance of weed control and are more competent in the identification and control of priority weeds.

To find effective ways to manage and control priority weeds.

To investigate and develop better ways to manage and control priority weeds.

Strategic Tasks: To increase landowner knowledge and awareness of priority weed issues in the region through extension based activities.

Summary of Measurable Outcomes achieved 2018 - 2019

NEWA staff carried out landholder capacity building and extension activities at:

- 4 agricultural shows in the area;
- 6 field days;
- 6 Landcare events;
- Presentations to University of New England and School students;
- Agquip.

There were 325 contacts made with Landholders to give advice and information in relation to weed management and control matters.

Functional Objective: (Priority Weed Management & Control)

To develop plans, policies, procedures and guidelines for priority weed management and control that are in keeping with industry best practice, meet State Government requirements and provide staff with a standard and consistent process for weed management.

Strategic Tasks: To identify areas of Council's operation and processes that need to be reviewed or where documentation needs to be written.

Summary of Measurable Outcomes achieved 2018 - 2019

- A review of Council's weed management plans, policies and procedures manual was undertaken, with updating of safety data sheets, engagement of contractors and safe workplace method statements.
- Compliance with pesticide notification plan obligations under the NSW Pesticides Regulation 2009 was met.

Functional Objective: (Noxious Weed Management & Control)

To treat weeds on Council controlled or managed land in a programmed manner.

Strategic Tasks: To improve the natural environment and agricultural viability of land through a reduction in noxious weeds.

Summary of Measurable Outcomes achieved 2018 - 2019

The following activities were carried out within the Authority's area:

- The inspection of 54 High Risk Sites;
- 988 High Risk Private Property Inspections completed covering 34,306 hectares;
- 1279 Private Property Inspections completed covering 165,023 hectares;
- 990 kms of High Risk Roadside inspections completed covering 4,680 hectares;
- 8 High Risk Waterway inspections completed covering 157 hectares;
- 3,000 kms of Roadside inspections completed covering 6,000 hectares and
- 43 inspections of National Parks, Railways, Travelling Stock Routes, Recreational areas were carried out covering 380 hectares.

The Authority's regional inspection program fully supported the NSW Weeds Action Program to eradicate or contain high risk species within the Authority's area.

The following highlights the ongoing weed control activities carried out within the Authority's area during the period:

- All known Nodding Thistle sites treated in November;
- All known Chilean Needle Grass roadways treated in November;
- All known St Johns Wort roadways treated in November/ December;
- 4,000 kms of roadways treated for Blackberries;
- The Macleay Valley, Tropical Soda Apple roadways treated every three months;

Very dry weather conditions during the reporting period had a significant influence on the lack of growth, density and germinations of priority weeds.

DELIVERY PROGRAM 2017 - 2022

Principal Activity - P.A 3 Economic Affairs – Private Works and Other Business Undertakings

Functional Objectives: (Private Works)

- To generate additional revenue.
- To maximise the use of Council's resources when not required for core business activity.
- To provide owners of small holdings with an affordable option for noxious weed control.

Strategic Tasks:

To carry out control works that reduces priority and invasive weeds on private property.

To investigate and develop ways to increase the revenue of Council from sources other than the annual State Government Grants.

Summary of Measurable Outcomes achieved 2018 - 2019

- During 2018 – 2019 the Authority was successful in funding applications to the Northern Tablelands Local Land Services amounting to a total of \$115,000. (refer Other Projects page 29 for a detailed breakdown).
- Private works were carried out on behalf of Constituent member Councils, National Parks and Wildlife Service and smaller property owners who are not otherwise equipped to carry out the spray control programs. The total of private works for 2018 – 2019 period amounted to \$197,564.70.

Functional Objective: (Other Business Activities)

To facilitate inter-governmental relations to ensure maximum cooperation between the County Council, Federal, State and Local Governments and their agencies.

Strategic Tasks: Promote and develop relationships with constituent Councils, Federal, State and other agencies and comply with statutory requirements.

Summary of Measurable Outcomes achieved 2018 - 2019

- Constituent member Councillors provided with Council Business Papers, Agendas and Minutes.
- General Manager's of each constituent Council provided with minutes of Council meetings.
- Constituent Councils provided with draft Annual Operational Plan for comment.
- Constituent Councils provided with Annual Report.
- Constituent member Councillors provided with Business Activity Strategic Plan 2017-2027, and Four Year Delivery Plan 2017 -2021.
- Applications to Local Land Services Authorities for natural resource management projects.
- Letters to State and Federal Members on weed management and control issues.
- Input to Constituent member Councils State of Environment reports.
- Participated in joint staff training activities with Constituent Councils where appropriate.

DELIVERY PROGRAM 2017 - 2021

Principal Activity- P. A 4 NSW Weeds Action Program – Northern Tablelands Regional Weed Committee (NTRWC)

Functional Objectives: (NSW WAP)

To work with inter and intra regional organisations that are involved in weed management and control to minimise the impact of priority and invasive weeds within the region.

Strategic Tasks: Implement the NTRWC Business Plan and Participant Agreement, NSW Weeds Action Program 2015 – 2020 as it relates to Council's responsibility.

Summary of Measurable Outcomes achieved 2018 - 2019

- Meetings with Northern Tablelands Local Land Services (NTLLS) as regional coordinator for the NSW Weeds Action Program 2015 – 2020 (WAP 1520).
- All functional activities and objectives of the Weeds Action Program and responsibilities of the Regional Weed Coordinator were completed in accordance with the outcomes set during the reporting period.
- Active participation in the NTRWC.

Functional Objectives: NSW WAP 1520

To act as WAP regional coordinator in the implementation of the NSW Weeds Action Program 2015 – 2020 for member councils for the NTRWC Region

Strategic Tasks: Oversee the operation and implementation of the NSW Weeds Action Program in the NTRWC region.

- **As part of the NTRWC Weeds Action Program 2015 – 2020 all high risk weeds species and high risk pathways have been documented and inspected within the New England Weeds Authority area.**

The following activities were carried out within the NT LLS region:

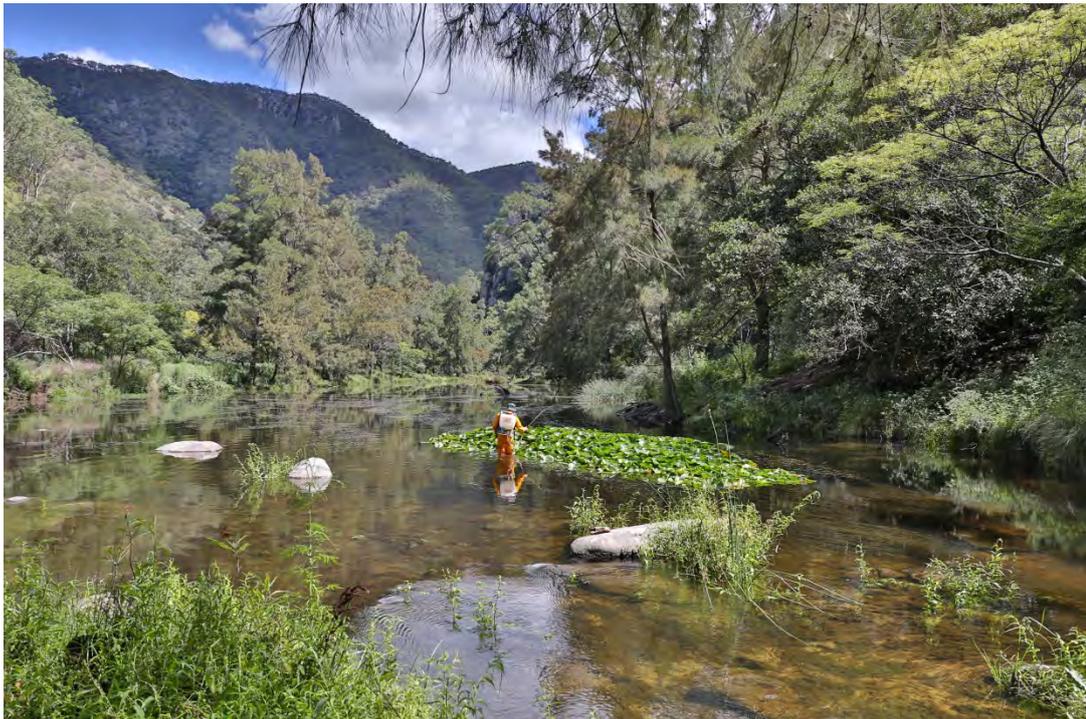
- 1,218 High Risk Private Property Inspections completed covering 66,999 hectares;
- 1,712 Private Property Inspections completed covering 275,969 hectares;
- 6,656 kms of High Risk Roadside inspections completed covering 29,768 hectares;
- 44 High Risk Waterway inspections completed covering 1,152 hectares;
- 5,393 kms roadside inspections completed covering 15,741 hectares;
- 208 inspections of high risk sites including nurseries, pet shops, gravel quarries, machinery dealers, wash down bays, roadside truck stops and
- 400 inspections of other priority sites including National Parks, Railways, Travelling Stock Routes and Recreational areas.

12. OTHER PROJECTS

The New England Weeds Authority continues to work closely with the NSW Department of Primary Industries, local Landcare and Local Land Services Authorities in regards to weed control projects within the region.

During 2018 – 2019 the following projects were carried out to the value of \$194,890;

- Northern Tablelands LLS widespread weeds project no. 2 - \$23,530
- Northern Tablelands & North West LLS review, update and print the Weed Management Guide \$30,000
- Northern Tablelands LLS Containment of Tropical Soda Apple within the Upper Macleay Valley \$90,000
- Northern Tablelands LLS Mexican water lily project- -\$25,000
- Northern Tablelands LLS management of Travelling Stock Reserves \$26,360



Mexican water lily control as part of NSW Environmental Trust project.

13. EQUAL EMPLOYMENT OPPORTUNITY (EEO)

Council is committed to the principles of equal opportunity for all of its employees and this is reflected in its Equal Employment Opportunity Policy (EEO Policy).

The EEO Policy recognises the right of employees to be treated fairly and without discrimination in the workplace. This includes situations such as applying for a position, selection for a position, training, promotion, transfers and dismissal. It provides that people should be selected on merit, regardless of race sex, marital status, disability or sexual preference.

14. EMPLOYEE RELATIONS

New England Weeds Authority seeks to encourage a co-operative and harmonious working environment for its staff. Interactive staff meetings deal with a wide cross section of issues relating to work and management practices, risk management, education and extension programs, and matters arising from the implementation of the Local Government State Award and the Work Health and Safety Act.

The Corporate Training Program was reviewed in 2018 so as to allow staff to continue to develop to a highly competent and professional standard.

Staff training included risk assessment, advanced quad bike training, recognising grasses, biological weed control, Chemcert refresher course, senior first aid and traffic control programs.



Staff member with local graziers and landholders

15. MISCELLANEOUS REPORTING REQUIREMENTS

a. Major Contracts and Tenders awarded by Council 2018 - 2019

There were no contracts of service or contracts awarded by Council during the reporting year.

b. Legal costs incurred by Council

There were no legal proceedings either taken by or against the Council in 2018 – 2019.

c. Work carried out on Private Land

Council undertook various private works in relation to weed control on private land in 2018 – 2019, with all costs being borne by the property owner.

Council sets out separate charges for private works that are outlined in Council's fees and charges schedules. These rates are generally similar to contractor rates as Council does not wish to unfairly compete with private enterprise.

d. External Bodies exercising functions delegated by Council

Council did not delegate the exercise of functions to any external body during the reporting year.

NOTE

Glen Innes Severn Council - Delegation of Weed Functions to New England Weeds Authority Memorandum of Understanding.

Following a request from Glen Innes Severn Council in February 2015 to carry out their responsibilities for weed management and control under the provisions of the *Biosecurity Act 2015*, a Memorandum of Understanding has been entered into whereby NEWA has assumed these responsibilities from 1 July 2015. This continues to see benefits for both Glen Innes Severn Council and NEWA through economies of scale, better utilisation of resources and the ability to enhance a regional strategic approach to weed management and control in the region.

e. Partnerships, Corporations, Trusts or other Joint Ventures

Council did not participate in or hold any controlling interests during the year in any Corporation, Partnerships, Trust or Joint Venture.

f. Remuneration of General Manager

The General Manager, whose position is part-time, is the only senior staff member and remuneration for the period 2018 – 2019 was \$64,023

The General Manager's responsibilities include:

- Efficient and effective operation of the Council organisation and day to day management. This includes ensuring Council's decisions and policies are implemented;
- Appointing, directing and dismissing staff in accordance with the organisation structure and resources approved by the Council;
- Exercising other functions as delegated by the Council and

- The General Manager may, in turn, delegate functions to other staff.

g. Requests made to Council under the Government Information (Public Access) Act 2009

Council received one request for the release of information under the Government Information (Public Access) Act 2009 (GIPA) during the 2018 – 2019 reporting period.

h. Public Interest Disclosures Report

The six monthly and annual reports were provided to the NSW Ombudsman in accordance with the Public Interest Disclosures Act 1994.

There were no public interest disclosures either made or received during the reporting period 2018 – 2019.

i. Code of Conduct

Council adopted a new Model Code of Conduct and Procedures in October 2016 based on the Division of Local Government's new Model Code of Conduct.

There were no Code of Conduct complaints made about Councillors or the General Manager during the reporting period 2018 – 2019.



Tropical Soda Apple control

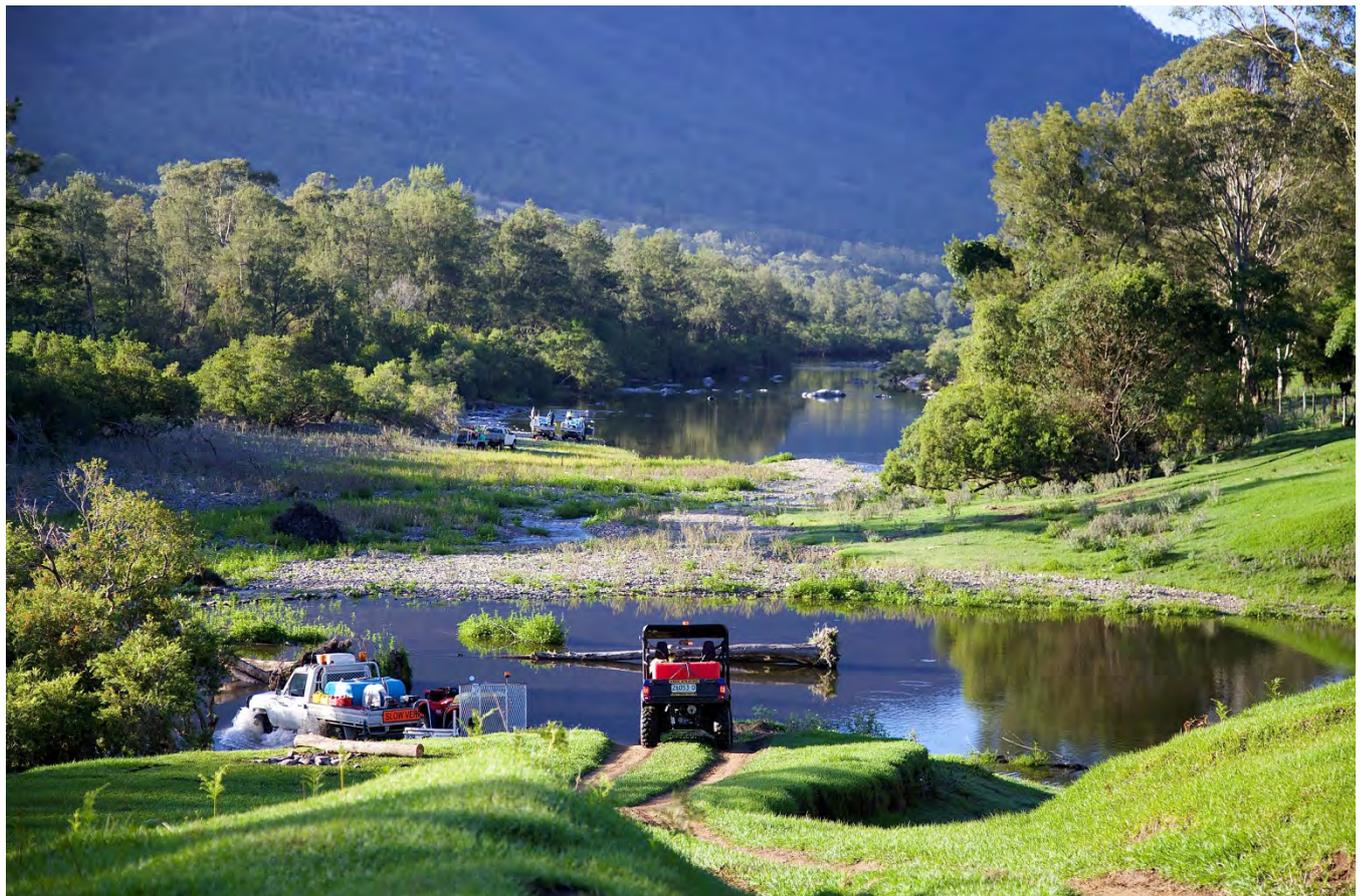
16. STATE OF THE ENVIRONMENT REPORT

State of the Environment (SoE) reporting is a key mechanism for assessing progress towards sustainability and implementing Ecologically Sustainable Development Principles, as Councils play an important role in environmental management.

Our Council in its 10 Year Business Activity Strategic Plan has recognised the importance of ecologically sustainable development principles in its principle activities relating to the management and control of priority and invasive weed species.

As required by legislation, each of our constituent Councils has prepared a comprehensive SoE report addressing the eight environmental sectors of land, air, water, biodiversity, waste, noise, Aboriginal heritage and non-Aboriginal heritage on a four year basis with supplementary SoE reports in intervening years.

Whilst our Council does not prepare a comprehensive SoE report, it does however, have direct connections with each of our constituent member Council's SoE reports and provides information on an annual basis for their reporting requirements in relation to the management of priority and invasive weed species.

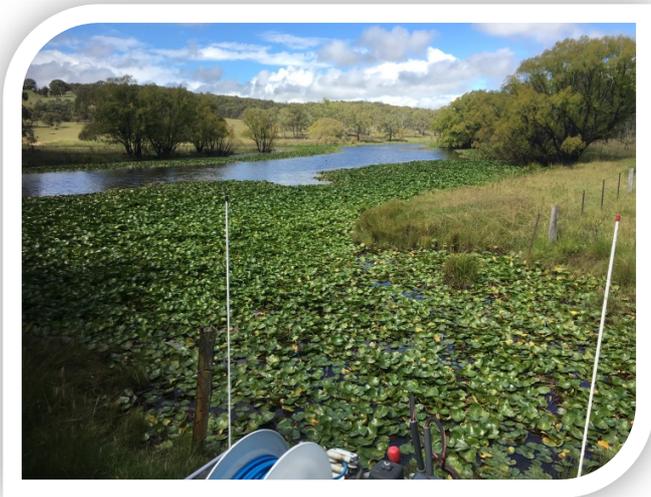


Macleay Valley, Armidale Regional Council



New England Weeds Authority

Annual Financial Statements 2018 - 2019



Our Environment
Our Community
Our Council
Our Responsibility

General Purpose Financial Statements

for the year ended 30 June 2019

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New England Weeds Authority

General Purpose Financial Statements

for the year ended 30 June 2019

Understanding Council's Financial Statements

Introduction

Each year, individual Local Governments across NSW are required to present a set of audited financial statements to their council and community.

What you will find in the Statements

The financial statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2019.

The format of the financial statements is standard across all NSW Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and requirements as set down by the Office of Local Government.

About the Councillor/Management Statement

The financial statements must be certified by senior staff as 'presenting fairly' the Council's financial results for the year and are required to be adopted by Council – ensuring both responsibility for and ownership of the financial statements.

About the Primary Financial Statements

The financial statements incorporate five "primary" financial statements:

1. The Income Statement

Summarises Council's financial performance for the year, listing all income and expenses. This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

2. The Statement of Comprehensive Income

Primarily records changes in the fair value of Council's Infrastructure, property, plant and equipment.

3. The Statement of Financial Position

A 30 June snapshot of Council's financial position indicating its assets, liabilities and "net wealth".

4. The Statement of Changes in Equity

The overall change for the year (in dollars) of Council's "net wealth".

5. The Statement of Cash Flows

Indicates where Council's cash came from and where it was spent. This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

About the Notes to the Financial Statements

The Notes to the Financial Statements provide greater detail and additional information on the five primary financial statements.

About the Auditor's Reports

Council's financial statements are required to be audited by the NSW Audit Office.

In NSW the auditor provides 2 audit reports:

1. an opinion on whether the financial statements present fairly the Council's financial performance and position, and
2. their observations on the conduct of the audit, including commentary on the Council's financial performance and financial position.

Who uses the Financial Statements?

The financial statements are publicly available documents and must be presented at a Council meeting between seven days and five weeks after the date of the audit report.

The public can make submissions to Council up to seven days subsequent to the public presentation of the financial statements.

Council is required to forward an audited set of financial statements to the Office of Local Government.

General Purpose Financial Statements
for the year ended 30 June 2019

Statement by Councillors and Management made pursuant to Section 413(2)(c) of the Local Government Act 1993 (NSW) (as amended)

The attached General Purpose Financial Statements have been prepared in accordance with:

- the *Local Government Act 1993* (NSW) (as amended) and the regulations made thereunder,
- the Australian Accounting Standards and professional pronouncements, and
- the *Local Government Code of Accounting Practice and Financial Reporting*.

To the best of our knowledge and belief, these statements:

- present fairly the Council's operating result and financial position for the year
- accord with Council's accounting and other records.

We are not aware of any matter that would render these statements false or misleading in any way.

Signed in accordance with a resolution of Council made on 20 August 2019.



Clr Mark Dusting
Chairperson
20 August 2019



Clr Scott Kermode
Deputy Chairperson
20 August 2019



John Duggan
General Manager
20 August 2019



John Duggan
Responsible Accounting Officer
20 August 2019

Income Statement

for the year ended 30 June 2019

Original unaudited budget 2019	\$ '000	Notes	Actual 2019	Actual 2018 ¹
Income from continuing operations				
<u>Revenue:</u>				
100	User charges and fees	3a	230	332
27	Interest and investment revenue	3b	33	34
2	Other revenues	3c	15	62
923	Grants and contributions provided for operating purposes	3d, 3e	1,043	974
<u>Other income:</u>				
(5)	Net gains from the disposal of assets	5	26	32
1,047	Total income from continuing operations		1,347	1,434
Expenses from continuing operations				
614	Employee benefits and on-costs	4a	760	822
174	Materials and contracts	4b	183	183
89	Depreciation and amortisation	4c	96	96
169	Other expenses	4d	169	156
1,046	Total expenses from continuing operations		1,208	1,257
1	Operating result from continuing operations		139	177
1	Net operating result for the year		139	177
1	Net operating result attributable to council		139	177
1	Net operating result for the year before grants and contributions provided for capital purposes		139	177

(¹) The Council has not restated comparatives when initially applying AASB 9. The comparative information has been prepared under AASB 139 *Financial Instruments: Recognition and Measurement*

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

Statement of Comprehensive Income

for the year ended 30 June 2019

\$ '000	2019	2018 ¹
Net operating result for the year (as per Income Statement)	139	177
Total comprehensive income for the year	139	177
Total comprehensive income attributable to Council	139	177

(1) The Council has not restated comparatives when initially applying AASB 9. The comparative information has been prepared under *AASB 139 Financial Instruments: Recognition and Measurement*

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

as at 30 June 2019

\$ '000	Notes	2019	2018 ¹
ASSETS			
Current assets			
Cash and cash equivalent assets	6(a)	1,832	1,611
Receivables	7	55	71
Inventories	8	10	14
Total current assets		<u>1,897</u>	<u>1,696</u>
Non-current assets			
Infrastructure, property, plant and equipment	9	354	329
Total non-current assets		<u>354</u>	<u>329</u>
TOTAL ASSETS		<u>2,251</u>	<u>2,025</u>
LIABILITIES			
Current liabilities			
Payables	10	170	52
Provisions	11	157	188
Total current liabilities		<u>327</u>	<u>240</u>
TOTAL LIABILITIES		<u>327</u>	<u>240</u>
Net assets		<u>1,924</u>	<u>1,785</u>
EQUITY			
Accumulated surplus	12	1,924	1,785
Council equity interest		<u>1,924</u>	<u>1,785</u>
Total equity		<u>1,924</u>	<u>1,785</u>

(1) The Council has not restated comparatives when initially applying AASB 9. The comparative information has been prepared under *AASB 139 Financial Instruments: Recognition and Measurement*

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

Statement of Changes in Equity
for the year ended 30 June 2019

\$ '000	2019		2018 ¹	
	Accumulated surplus	Total equity	Accumulated surplus	Total equity
Opening balance	1,785	1,785	1,608	1,608
Net operating result for the year	139	139	177	177
Total comprehensive income	139	139	177	177
Equity – balance at end of the reporting period	1,924	1,924	1,785	1,785

(1) The Council has not restated comparatives when initially applying AASB 9. The comparative information has been prepared under *AASB 139 Financial Instruments: Recognition and Measurement*

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

for the year ended 30 June 2019

Original unaudited budget 2019	\$ '000	Notes	Actual 2019	Actual 2018
Cash flows from operating activities				
<u>Receipts</u>				
100	User charges and fees		230	332
27	Investment and interest revenue received		37	27
923	Grants and contributions		1,043	974
2	Other		27	69
<u>Payments</u>				
(614)	Employee benefits and on-costs		(815)	(789)
(174)	Materials and contracts		(174)	(188)
(168)	Other		(32)	(146)
96	Net cash provided (or used in) operating activities	13b	<u>316</u>	<u>279</u>
Cash flows from investing activities				
<u>Receipts</u>				
117	Sale of investment securities		–	–
51	Sale of infrastructure, property, plant and equipment		53	51
<u>Payments</u>				
(136)	Purchase of investment securities		–	–
(117)	Purchase of infrastructure, property, plant and equipment		(148)	(113)
(85)	Net cash provided (or used in) investing activities		<u>(95)</u>	<u>(62)</u>
11	Net increase/(decrease) in cash and cash equivalents		<u>221</u>	<u>217</u>
1,402	Plus: cash and cash equivalents – beginning of year	13a	1,611	1,394
1,413	Cash and cash equivalents – end of the year	13a	<u>1,832</u>	<u>1,611</u>
Additional Information:				
1,413	Total cash, cash equivalents and investments		<u>1,832</u>	<u>1,611</u>

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

Notes to the Financial Statements

for the year ended 30 June 2019

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New England Weeds Authority

Notes to the Financial Statements

for the year ended 30 June 2019

Note 1. Basis of preparation

These financial statements were authorised for issue by Council on 20 August 2019. Council has the power to amend and reissue these financial statements.

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, the *Local Government Act 1993 (NSW)* and Regulations, and the Local Government Code of Accounting Practice and Financial Reporting.

Council is a not for-profit entity.

The financial statements are presented in Australian dollars and are rounded to the nearest thousand dollars.

Unless otherwise indicated, all amounts disclosed in the financial statements are actual amounts. Specific budgetary amounts have been included for comparative analysis (to actuals) in the following reports and notes:

- Income statement
- Statement of cash flows
- Note 15 – Material budget variations

and are clearly marked.

(a) Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities and certain classes of infrastructure, property, plant and equipment and investment property.

(b) Significant accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Council and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future.

The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- (i) estimated fair values of infrastructure, property, plant and equipment – refer Note 9
- (ii) employee benefit provisions – refer Note 11.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to the taxation authority is included with other receivables or payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities that are recoverable from, or payable to, the taxation authority are presented as operating cash flows.

New England Weeds Authority

Notes to the Financial Statements

for the year ended 30 June 2019

Note 1. Basis of preparation (continued)

New accounting standards and interpretations issued not yet effective

New accounting standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2019 reporting periods (and which have not been early adopted by Council).

As at the date of authorisation of these financial statements, Council considers that the standards and interpretations listed below will have an impact upon future published financial statements ranging from additional and/or revised disclosures to actual changes as to how certain transactions and balances are accounted for.

Effective for annual reporting periods beginning on or after July 1 2018.

- *AASB 9 Financial Instruments*
This replaces AAS139 Financial instruments: Recognition and Measurement and addresses the classification, measurement and disclosure of financial assets and liabilities.
The Standard introduces a new impairment model that requires impairment provisions to be based on expected credit losses rather than incurred credit losses.
Based on assessments to date, Council expects a small increase to impairment losses however the standard is not expected to have a material impact overall.

Effective for annual reporting periods beginning on or after July 1 2019.

- *AASB 15 Revenue from contracts with customers, AASB 1058 Income of Not-for-profit entities and AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-profit Entities.*

AASB15 will replace AASB118 Revenue, AASB 111 Construction Contracts and a number of interpretations. AASB 2016-8 provides Australian requirements and guidance for not-for-profit entities in applying AASB 9 and AASB 15 and AASB 1058 will replace AASB 1004 Contributions.

Together they contain a comprehensive and robust framework for the recognition, measurement and disclosure of income including revenue from contracts with customers.

While Council is still reviewing the way that income is measured and recognised to identify whether that will be any material impacts arising from these standards, the standards may affect the timing of the recognition of some grants.

AASB15 applies where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations which will result in income being recognised when (or as) the performance obligations are satisfied under AAS15, as opposed to immediate income recognition under AAS1058.

Council has identified various contracts of service that meet the new recognition criteria and considers approximately \$220,000 of grant revenue for the year ended 30 June 2019 related to incomplete service contributions. This would have been treated as deferred income in the statement of financial position.

Following the adoption of the standard, the Council's net profit is expected to decrease by approximately \$220,000 and contract liabilities to increase by the same amount as at 30 June 2020.

AASB 16 Leases

Council is currently a party to a property lease that is not recognised in the Statement of Financial Position.

Given current terms of the property lease and the strategic decisions being made by the lessor, Council does not consider the lease will have a material impact on the financial statements for the year ended 30 June 2020.

Notes to the Financial Statements
for the year ended 30 June 2019

Note 2(a). Council functions/activities – financial information

Income, expenses and assets have been directly attributed to the following functions or activities. Details of those functions or activities are provided in Note 2(b).

\$ '000	Income from continuing operations		Expenses from continuing operations		Operating result from continuing operations		Grants included in income from continuing operations		Total assets held (current and non-current)	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Functions or activities										
Civic Leadership	66	116	507	622	(441)	(506)	–	–	1,279	818
Environment	732	698	432	425	300	273	278	259	354	329
Economic Affairs	343	389	230	108	113	281	–	–	55	71
NSW Weeds Action Program	206	231	39	102	167	129	306	275	563	807
Total functions and activities	1,347	1,434	1,208	1,257	139	177	584	534	2,251	2,025

Notes to the Financial Statements

for the year ended 30 June 2019

Note 2(b). Council functions/activities - component descriptions

Details relating to the Council's functions/activities as reported in Note 2(a) are as follows:

Civic Leadership

Covers Key Civil Leadership activities including governance, administration, finance and risk management.

Environment

Includes activities regarding priority weeds management and control.

Economic Affairs

Includes activities of a private works nature.

NSW Weeds Action Program

Supports NSW wide programs specifically through the Northern Tablelands Regional Weed Committee.

Notes to the Financial Statements

for the year ended 30 June 2019

Note 3. Income from continuing operations

\$ '000	2019	2018
(a) User charges and fees		
Other user charges and fees		
(i) Fees and charges – statutory and regulatory functions (per s.608)		
Private works	227	327
Regulatory fees	3	5
Total fees and charges – statutory/regulatory	230	332
TOTAL USER CHARGES AND FEES	230	332

Accounting policy for user charges and fees

User charges and fees are recognised as revenue when the service has been provided.

(b) Interest and investment revenue (including losses)**Interest on financial assets measured at amortised cost**

– Cash and investments	33	34
TOTAL INTEREST AND INVESTMENT REVENUE	33	34

Interest revenue is attributable to:**Unrestricted investments/financial assets:**

General Council cash and investments	33	34
Total interest and investment revenue	33	34

Accounting policy for interest and investment revenue

Interest income is recognised using the effective interest rate at the date that interest is earned.

(c) Other revenues

Other	15	62
TOTAL OTHER REVENUE	15	62

Accounting policy for other revenue

Council recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Council and specific criteria have been met for each of the Council's activities as described below. Council bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Miscellaneous sales are recognised when physical possession has transferred to the customer which is deemed to be the point of transfer of risks and rewards.

Other income is recorded when the payment is due, the value of the payment is notified, or the payment is received, whichever occurs first.

Notes to the Financial Statements

for the year ended 30 June 2019

Note 3. Income from continuing operations (continued)

\$ '000	Operating 2019	Operating 2018	Capital 2019	Capital 2018
(d) Grants				
Specific purpose				
Priority weeds	584	534	–	–
Total specific purpose	584	534	–	–
Total grants	584	534	–	–
Grant revenue is attributable to:				
– State funding	494	534	–	–
– Other funding	90	–	–	–
	584	534	–	–

\$ '000	Notes	Operating 2019	Operating 2018	Capital 2019	Capital 2018
(e) Contributions					
Other contributions:					
Cash contributions					
Other councils – joint works/services		450	440	–	–
Other		9	–	–	–
Total other contributions – cash		459	440	–	–
Total other contributions		459	440	–	–
Total contributions		459	440	–	–
TOTAL GRANTS AND CONTRIBUTIONS		1,043	974	–	–

Accounting policy for grants and contributions

Control over grants and contributions is normally obtained upon their receipt (or acquittal) and is valued at the fair value of the granted or contributed asset at the date of transfer.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner, or used over a particular period, and those conditions were un-discharged at reporting date, the unused grant or contribution is disclosed above.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided at reporting date.

Notes to the Financial Statements

for the year ended 30 June 2019

Note 3. Income from continuing operations (continued)

\$ '000	2019	2018
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(f) Unspent grants and contributions

Certain grants and contributions are obtained by Council on condition that they be spent in a specified manner:

Operating grants

Unexpended at the close of the previous reporting period	807	713
Add: operating grants recognised in the current period but not yet spent	–	685
Add: operating grants received for the provision of goods and services in a future period	126	129
Less: operating grants recognised in a previous reporting period now spent	(479)	(720)
Unexpended and held as restricted assets (operating grants)	454	807

Notes to the Financial Statements

for the year ended 30 June 2019

Note 4. Expenses from continuing operations

\$ '000	2019	2018
(a) Employee benefits and on-costs		
Salaries and wages	685	706
Travel expenses	2	1
Employee leave entitlements (ELE)	(31)	23
Superannuation	64	65
Workers' compensation insurance	16	14
Training costs (other than salaries and wages)	10	5
Other	14	8
Total employee costs	760	822
<u>TOTAL EMPLOYEE COSTS EXPENSED</u>	<u>760</u>	<u>822</u>
Number of 'full-time equivalent' employees (FTE) at year end	9	9
Number of 'full-time equivalent' employees (FTE) at year end (incl. vacancies)	9	9

Accounting policy for employee benefits and on-costs

Employee benefit expenses are recorded when the service has been provided by the employee.

\$ '000	2019	2018
(b) Materials and contracts		
Raw materials and consumables	171	165
Contractor and consultancy costs	2	8
Auditors remuneration ¹	10	10
Total materials and contracts	183	183
<u>TOTAL MATERIALS AND CONTRACTS</u>	<u>183</u>	<u>183</u>

1. Auditor remuneration

During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms

Auditors of the Council - NSW Auditor-General:**(i) Audit and other assurance services**

Audit and review of financial statements	10	10
Remuneration for audit and other assurance services	10	10
Total Auditor-General remuneration	10	10
Total Auditor remuneration	10	10

Notes to the Financial Statements

for the year ended 30 June 2019

Note 4. Expenses from continuing operations (continued)

\$ '000	2019	2018
(c) Depreciation, amortisation and impairment of intangible assets and IPP&E		
Depreciation and amortisation		
Plant and equipment	89	90
Office equipment	7	6
Total depreciation and amortisation costs	96	96
<u>TOTAL DEPRECIATION, AMORTISATION AND IMPAIRMENT / REVALUATION DECREMENT FOR INTANGIBLES AND IPP&E</u>	<u>96</u>	<u>96</u>

Accounting policy for depreciation, amortisation and impairment expenses of intangibles and IPP&E**Depreciation and amortisation**

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives. Useful lives are included in Note 10 for IPPE assets.

\$ '000	2019	2018
(d) Other expenses		
Advertising	7	4
Bank charges	–	1
Contributions/levies to other levels of government		
Councillor expenses – Chairpersons fee	6	6
Councillor expenses – councillors' fees	6	5
Councillors' expenses (incl. mayor) – other (excluding fees above)	1	2
Electricity and heating	2	2
Insurance	22	22
Office expenses (including computer expenses)	6	5
Postage	3	1
Printing and stationery	3	3
Rent	13	13
Subscriptions and publications	4	3
Telephone and communications	8	7
Biennial Weeds Conference	–	60
Other	88	22
Total other expenses	169	156
<u>TOTAL OTHER EXPENSES</u>	<u>169</u>	<u>156</u>

Accounting policy for other expenses

Other expenses are recorded on an accruals basis as the Council receives the goods or services.

Notes to the Financial Statements

for the year ended 30 June 2019

Note 5. Gains or losses from the disposal, replacement and de-recognition of assets

\$ '000	Notes	2019	2018
Plant and equipment	9		
Proceeds from disposal – plant and equipment		53	51
Less: carrying amount of plant and equipment assets sold/written off		(27)	(19)
Net gain/(loss) on disposal		26	32
NET GAIN/(LOSS) ON DISPOSAL OF ASSETS		26	32

Accounting policy for disposal of assets

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Income Statement.

The gain or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer and the asset is de-recognised.

Note 6(a). Cash and cash equivalent assets

\$ '000	2019	2018
Cash and cash equivalents		
Cash on hand and at bank	19	30
Cash-equivalent assets		
– Deposits at call	856	618
– Short-term deposits	957	963
Total cash and cash equivalents	1,832	1,611

Accounting policy for cash and cash equivalents

For Statement of Cash Flow presentation purposes, cash and cash equivalents include: cash on hand; deposits held at call with financial institutions; other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value; and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

Note 6(b). Restricted cash, cash equivalents and investments – details

\$ '000	2019 Current	2019 Non-current	2018 Current	2018 Non-current
Total cash, cash equivalents and investments	1,832	–	1,611	–
attributable to:				
External restrictions	454	–	807	–
Internal restrictions	352	–	380	–
Unrestricted	1,026	–	424	–
	1,832	–	1,611	–

Notes to the Financial Statements

for the year ended 30 June 2019

Note 6(b). Restricted cash, cash equivalents and investments – details

\$ '000	2019	2018
Details of restrictions		
External restrictions – other		
Specific purpose unexpended grants	454	807
External restrictions – other	<u>454</u>	<u>807</u>
Total external restrictions	<u>454</u>	<u>807</u>
Internal restrictions		
Plant and vehicle replacement	195	192
Employees leave entitlement	157	188
Total internal restrictions	<u>352</u>	<u>380</u>
TOTAL RESTRICTIONS	<u>806</u>	<u>1,187</u>

Notes to the Financial Statements

for the year ended 30 June 2019

Note 7. Receivables

\$ '000	2019 Current	2019 Non-current	2018 Current	2018 Non-current
Purpose				
Accrued revenues				
– Interest on investments	5	–	9	–
Other debtors	50	–	62	–
Total	<u>55</u>	<u>–</u>	<u>71</u>	<u>–</u>
<u>TOTAL NET RECEIVABLES</u>	<u>55</u>	<u>–</u>	<u>71</u>	<u>–</u>

Accounting policy for receivables

Recognition and measurement

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Receivables are generally due for settlement within 30 days.

Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Accounting policy under AASB 9 applicable from 1 July 2018

Impairment of financial assets measured at amortised cost is recognised on an expected credit loss (ECL) basis.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, and when estimating ECL, the Council 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 Council's historical experience and informed credit assessment, and including forward-looking information.

For non-rates debtors, Council uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Council uses the presentation that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Council in full, without recourse by the Council to actions such as realising security (if any is held) or
- the financial assets (for non-rates debtors) are more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the entity in accordance with the contract, and the cash flows expected to be received. This is applied using a probability weighted approach.

On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Council writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the receivables are over 1 year past due, whichever occurs first.

None of the receivables that have been written off are subject to enforcement activity.

Where the Council renegotiates the terms of receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Council does not have any doubtful debts at year end.

Accounting policy under AASB 139 – applicable for 2018 comparatives only

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at

Notes to the Financial Statements

for the year ended 30 June 2019

Note 7. Receivables (continued)

the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss.

Collectability of receivables is reviewed on an ongoing basis. Debts that are known to be uncollectable are written off by reducing the carrying amount directly. An allowance account (provision for impairment of receivables) is used when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the receivable is impaired. When a receivable for which an impairment allowance had been recognised becomes uncollectable in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the Income Statement.

Note 8. Inventories and other assets

\$ '000	2019 Current	2019 Non-current	2018 Current	2018 Non-current
Inventories				
(i) Inventories at cost				
Stores and materials	10	–	14	–
Total inventories at cost	10	–	14	–
<u>TOTAL INVENTORIES</u>	<u>10</u>	<u>–</u>	<u>14</u>	<u>–</u>

Accounting policy

Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Notes to the Financial Statements
for the year ended 30 June 2019

Note 9. Infrastructure, property, plant and equipment

\$ '000	as at 30/6/2018			Asset movements during the reporting period			as at 30/6/2019		
	Gross carrying amount	Accumulated depreciation	Net carrying amount	Additions renewals ¹	Carrying value of disposals	Depreciation expense	Gross carrying amount	Accumulated depreciation	Net carrying amount
Plant and equipment	589	(277)	312	139	(27)	(89)	628	(293)	335
Office equipment	69	(52)	17	9	–	(7)	77	(58)	19
Total Infrastructure, property, plant and equipment	658	(329)	329	148	(27)	(96)	705	(351)	354

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

\$ '000	as at 30/6/2017			Asset movements during the reporting period				as at 30/6/2018		
	Gross carrying amount	Accumulated depreciation	Net carrying amount	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	Gross carrying amount	Accumulated depreciation	Net carrying amount
Plant and equipment	576	(264)	312	109	–	(19)	(90)	589	(277)	312
Office equipment	65	(46)	19	–	4	–	(6)	69	(52)	17
Total Infrastructure, property, plant and equipment	641	(310)	331	109	4	(19)	(96)	658	(329)	329

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

Notes to the Financial Statements

for the year ended 30 June 2019

Note 9. Infrastructure, property, plant and equipment (continued)

Accounting policy for infrastructure, property, plant and equipment

Infrastructure, property, plant and equipment are held at cost.

Depreciation for assets is calculated using the straight line method to allocate their cost, net of their residual value, over their estimated useful lives as follows:

Plant and equipment	Years
Office equipment	5 to 10
Office furniture	10 to 20
Computer equipment	4
Vehicles	5 to 8

New England Weeds Authority

Notes to the Financial Statements for the year ended 30 June 2019

Note 10. Payables and borrowings

\$ '000	2019 Current	2019 Non-current	2018 Current	2018 Non-current
Payables				
Goods and services – operating expenditure	11	–	6	–
Accrued expenses:				
– Salaries and wages	5	–	29	–
– Other expenditure accruals	7	–	7	–
GST payable	37	–	10	–
DPI Weeds Capacity Building	110	–	–	–
Total payables	170	–	52	–
Comment re: Weeds Capacity liability	–	–	–	–
Council has received monies from DPI related to a weed capacity building project. These funds have not been included as revenue nor any monies transferred to other entities as expenses. The council has acted merely as an agent.				
TOTAL PAYABLES AND BORROWINGS	170	–	52	–

(a) Payables and borrowings relating to restricted assets

There are no restricted assets (external or internal) applicable to the above payables and borrowings

\$ '000	2019	2018
(b) Financing arrangements		
(i) Unrestricted access was available at balance date to the following lines of credit:		
Credit cards/purchase cards	5	5
Total financing arrangements	5	5
Undrawn facilities as at balance date:		
– Credit cards/purchase cards	10	5
Total undrawn financing arrangements	10	5

Accounting policy for payables and borrowings

Council measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Council comprise trade payables.

Payables

These amounts represent liabilities for goods and services provided to the council prior to the end of financial year that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Notes to the Financial Statements

for the year ended 30 June 2019

Note 11. Provisions

\$ '000	2019 Current	2019 Non-current	2018 Current	2018 Non-current
Provisions				
Employee benefits				
Annual leave	46	–	60	–
Long service leave	92	–	105	–
ELE on-costs	19	–	23	–
Sub-total – aggregate employee benefits	157	–	188	–
TOTAL PROVISIONS	157	–	188	–

\$ '000	2019	2018
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Current provisions not anticipated to be settled within the next twelve months

The following provisions, even though classified as current, are not expected to be settled in the next 12 months.

Provisions – employees benefits	89	88
	89	88

Employee benefits**Short-term obligations**

Liabilities for wages and salaries (including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service) are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Other long-term employee benefit obligations

The liability for long-service leave and annual leave that is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

On-costs

The employee benefit provisions include the aggregate on-cost liabilities that will arise when payment of current employee benefits is made in future periods.

These amounts include superannuation, payroll tax and workers compensation expenses which will be payable upon the future payment of certain leave liabilities which employees are entitled to at the reporting period.

The obligations are presented as current liabilities in the Statement of Financial Position if the Council does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur.

Notes to the Financial Statements

for the year ended 30 June 2019

Note 12. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors

Nature and purpose of reserves

Infrastructure, property, plant and equipment revaluation reserve

Council has no revaluation reserves.

Notes to the Financial Statements

for the year ended 30 June 2019

Note 13. Statement of cash flows - additional information

\$ '000	Notes	2019	2018
(a) Reconciliation of cash assets			
Total cash and cash equivalent assets	6(a)	1,832	1,611
Balance as per the Statement of Cash Flows		1,832	1,611
(b) Reconciliation of net operating result to cash provided from operating activities			
Net operating result from Income Statement		139	177
Adjust for non-cash items:			
Depreciation and amortisation		96	96
Net losses/(gains) on disposal of assets		(26)	(32)
+/- Movement in operating assets and liabilities and other cash items:			
Decrease/(increase) in receivables		16	-
Decrease/(increase) in inventories		4	1
Increase/(decrease) in payables		5	(6)
Increase/(decrease) in other accrued expenses payable		(24)	9
Increase/(decrease) in other liabilities		137	10
Increase/(decrease) in provision for employee benefits		(31)	24
Net cash provided from/(used in) operating activities from the Statement of Cash Flows		316	279

Notes to the Financial Statements

for the year ended 30 June 2019

Note 14. Commitments

\$ '000	2019	2018
Operating lease commitments (non-cancellable)		
a. Commitments under non-cancellable operating leases at the reporting date, but not recognised as liabilities are payable:		
Within the next year	14	14
Later than one year and not later than 5 years	14	28
Total non-cancellable operating lease commitments	28	42

b. Non-cancellable operating leases include the following assets:

Rental of office and depot from Armidale Regional Council

Contingent rentals may be payable depending on the condition of items or usage during the lease term.

Conditions relating to finance and operating leases:

– All finance agreements are secured only against the leased asset.

– No lease agreements impose any financial restrictions on Council regarding future debt etc.

Notes to the Financial Statements

for the year ended 30 June 2019

Note 15. Financial risk management

Risk management

Council's activities expose it to a variety of financial risks including (1) price risk, (2) credit risk, (3) liquidity risk and (4) interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by Council's General Manager under policies approved by the Council.

The fair value of Council's financial assets and financial liabilities approximates their carrying amount.

\$ '000	Carrying value 2019	Carrying value 2018	Fair value 2019	Fair value 2018
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	1,832	1,611	1,832	1,611
Receivables	55	71	55	71
Total financial assets	1,887	1,682	1,887	1,682
Financial liabilities				
Payables	170	52	55	53
Total financial liabilities	170	52	55	53

Fair value is determined as follows:

- **Cash and cash equivalents, receivables, payables** – are estimated to be the carrying value that approximates market value.

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital.

Council has an investment policy which complies with the Local Government Act 1993 and Minister's investment order 625. This policy is regularly reviewed by Council and it's staff and an investment report is tabled before Council on a quarterly basis setting out the portfolio breakup and its performance as required by Local Government regulations.

The risks associated with the investments held are:

- **Interest rate risk** – the risk that movements in interest rates could affect returns and income.
- **Credit risk** – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.

Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

Notes to the Financial Statements

for the year ended 30 June 2019

Note 15. Financial risk management (continued)

(a) Market risk – price risk and interest rate risk

The impact on result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date.

\$ '000	Increase of values/rates		Decrease of values/rates	
	Profit	Equity	Profit	Equity
2019				
Possible impact of a 1% movement in interest rates	18	18	(18)	(18)
2018				
Possible impact of a 1% movement in interest rates	16	16	(16)	(16)

(b) Credit risk

Council's major receivables comprise user charges and fees.

The major risk associated with these receivables is credit risk – the risk that debts due and payable to Council may not be repaid in full.

Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

The level of outstanding receivables is reported to Council regularly and benchmarks are set and monitored for acceptable collection performance.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

A profile of Council's receivables credit risk at balance date follows:

Receivables - non-rates and annual charges

Council applies the simplified approach for non-rates and annual charges debtors to provide for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision. To measure the expected credit losses, non-rates and annual charges debtors have been grouped based on shared credit risk characteristics and the days past due as follows.

Council does not believe there is sufficient risk of losses at reporting date.

	Not yet overdue	0 - 30 days overdue	31 - 60 days overdue	61 - 90 days overdue	> 91 days overdue	Total
2019						
Gross carrying amount	–	23	7	20	5	55
Expected loss rate (%)	–	–	–	–	–	–
2018						
Gross carrying amount	8	–	19	10	34	71
Expected loss rate (%)	–	–	–	–	–	–

Notes to the Financial Statements

for the year ended 30 June 2019

Note 15. Financial risk management (continued)

(c) Liquidity risk

Payables and borrowings are both subject to liquidity risk – the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

Payment terms can (in extenuating circumstances) also be extended and overdraft facilities utilised as required.

The contractual undiscounted cash outflows of Council's payables are set out in the maturity table below:

\$ '000	Weighted average interest rate	Subject to no maturity	payable in: ≤ 1 Year	1 - 5 Years	> 5 Years	Total cash outflows	Actual carrying values
2019							
Trade/other payables	–	55	110	–	–	165	170
Total financial liabilities		55	110	–	–	165	170
2018							
Trade/other payables	–	52	–	–	–	52	52
Total financial liabilities		52	–	–	–	52	52

Notes to the Financial Statements

for the year ended 30 June 2019

Note 16. Material budget variations

Council's original financial budget for 18/19 was adopted by the Council on 19/06/2018 and is unaudited.

While the Income Statement included in this General Purpose Financial Statements must disclose the original budget adopted by Council, the Local Government Act 1993 requires Council to review its financial budget on a quarterly basis, so that it is able to manage the various variations between actuals versus budget that invariably occur throughout the year.

This note sets out the details of **material variations** between Council's original budget and its actual results for the year as per the Income Statement – even though such variations may have been adjusted for during each quarterly budget review.

Material variations represent those variances between the original budget figure and the actual result that amount to **10%** or more.

Variation Key: **F** = Favourable budget variation, **U** = Unfavourable budget variation.

\$ '000	2019 Budget	2019 Actual	2019 ----- Variance* -----	
REVENUES				
User charges and fees Council has been fortunate this year to provide increased private works meaning a significant increase in user charges.	100	230	130	130% F
Interest and investment revenue Investment returns have been better than expected as additional funds were received.	27	33	6	22% F
Other revenues Additional rebates were received from Councils insurers.	2	15	13	650% F
Operating grants and contributions An additional unexpected grant for 110k for the eradication of Trappical Soda Apple was received.	923	1,043	120	13% F
Net gains from disposal of assets Council is obtaining better than expected returns on its vehicle sales. Council will be reviewing its depreciation rates moving forward.	(5)	26	31	(620)% F
EXPENSES				
Employee benefits and on-costs Councils original budget had an incorrect split between employee costs and materials on contracts. The additional employee costs would normally have been offset by reduced materials costs, however the additional private works increased both employee costs and materials costs.	614	760	(146)	(24)% U
STATEMENT OF CASH FLOWS				
Net cash provided from (used in) operating activities Improved cashflows resulted from the increased private works income as detailed above.	96	316	220	229% F
Net cash provided from (used in) investing activities The improved investing returns are the result of better resale values for Council vehicles as detailed above.	(85)	(95)	(10)	12% U

Notes to the Financial Statements
for the year ended 30 June 2019

Note 17. Related Party Transactions

(a) Key management personnel

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly.

The aggregate amount of KMP compensation included in the Income Statement is:

\$ '000	2019	2018
Compensation:		
Short-term benefits	166	147
Post-employment benefits	15	13
Termination benefits	11	–
Total	192	160

(b) Other transactions with KMP and their related parties

Council has determined that transactions at arm's length between KMP and Council as part of Council delivering a public service objective (e.g. access to library or Council swimming pool by KMP) will not be disclosed.

\$ '000	Value of transactions during year	Outstanding balance (incl. loans and commitments)	Terms and conditions	Provisions for impairment of receivables outstanding	Expense recognised for impairment of receivables
2019					
Financial Management Contract	2		– 14 days	–	–

Council contracted a business to assist in financial matters. The owner of the business became a KMP during the year.

Notes to the Financial Statements

for the year ended 30 June 2019

Note 18(a). Statement of performance measures – consolidated results

\$ '000	Amounts 2019	Indicator 2019	Prior periods		Benchmark
			2018	2017	
1. Operating performance ratio					
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	113				
Total continuing operating revenue excluding capital grants and contributions ¹	1,321	8.55%	10.34%	2.75%	>0.00%
2. Own source operating revenue ratio					
Total continuing operating revenue excluding all grants and contributions ¹	278				
Total continuing operating revenue ¹	1,321	21.04%	30.53%	22.27%	>60.00%
3. Unrestricted current ratio					
Current assets less all external restrictions	1,443				
Current liabilities less specific purpose liabilities	238	6.06x	5.85x	5.66x	>1.5x
4. Cash expense cover ratio					
Current year's cash and cash equivalents plus all term deposits	1,832				
Monthly payments from cash flow of operating and financing activities	85	21.53 mths	17.21 mths	14.9 mths	>3 mths
5. Debt service cover ratio					
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	209				
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	-	∞	∞	∞	>2x

(1) Excludes fair value adjustments, reversal of revaluation decrements, net gain on sale of assets, and net loss of interests in joint ventures and associates.

(2) Excludes impairment/revaluation decrements, net loss on sale of assets, and net loss on share of interests in joint ventures and associates

Notes to the Financial Statements

for the year ended 30 June 2019

End of audited financial statements

End of audited financial statements

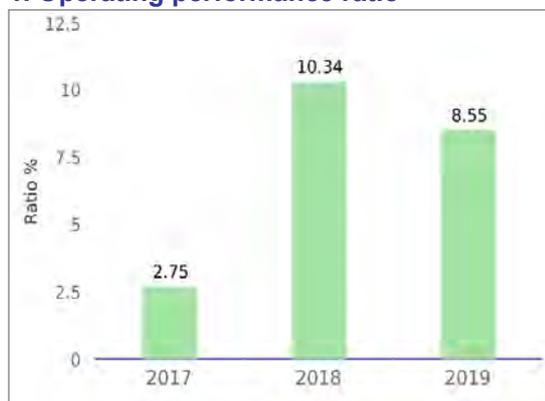
Notes 19(b) and 20 which follow this page are not audited

Notes to the Financial Statements

for the year ended 30 June 2019

Note 18(b). Statement of performance measures – consolidated results (graphs)

1. Operating performance ratio



Purpose of operating performance ratio

This ratio measures Council's achievement of containing operating expenditure within operating revenue.

Commentary on 2018/19 result

2018/19 ratio 8.55%

A position above or equal to break even is considered to be optimal, so this result is above benchmark.

Benchmark: — > 0.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting #27

Ratio achieves benchmark

Ratio is outside benchmark

2. Own source operating revenue ratio



Purpose of own source operating revenue ratio

This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions.

Commentary on 2018/19 result

2018/19 ratio 21.04%

A benchmark of 60% has been established. The authority received most of its revenue from grants and contributions.

Benchmark: — > 60.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting #27

Ratio achieves benchmark

Ratio is outside benchmark

3. Unrestricted current ratio



Purpose of unrestricted current ratio

To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.

Commentary on 2018/19 result

2018/19 ratio 6.06x

A benchmark above 1.5 is recommended. The Authority is above benchmark.

Benchmark: — > 1.5x

Source of benchmark: Code of Accounting Practice and Financial Reporting #27

Ratio achieves benchmark

Ratio is outside benchmark

Notes to the Financial Statements
for the year ended 30 June 2019

Note 18(b). Statement of performance measures – consolidated results (graphs)

4. Cash expense cover ratio



Purpose of cash expense cover ratio

This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.

Commentary on 2018/19 result

2018/19 ratio 21.53 mths

A benchmark figure of greater than 3 has been established. The Authority exceeds this benchmark

Benchmark: — > 3mths

Source of benchmark: Code of Accounting Practice and Financial Reporting #27

Ratio achieves benchmark

Ratio is outside benchmark

5. Debt service cover ratio



Purpose of debt service cover ratio

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments

Commentary on 2018/19 result

2018/19 ratio ∞

The authority has no Borrowings

Benchmark: — > 2x

Source of benchmark: Code of Accounting Practice and Financial Reporting #27

Ratio achieves benchmark

Ratio is outside benchmark

New England Weeds Authority

Notes to the Financial Statements

for the year ended 30 June 2019

Note 19. Council information and contact details

Principal place of business:

2/129 Rusden Street
ARMIDALE NSW 2350

Contact details**Mailing Address:**

129 Rusden Street
ARMIDALE NSW 2350

Opening hours:

7.30am to 4.30pm
Monday to Friday
Except Public Holidays

Telephone: 02 6770 3602

Facsimile: 02 6771 1893

Internet: www.newa.com.au

Email: newa@newa.nsw.gov.au

Officers**General Manager**

John Duggan

Responsible Accounting Officer

John Duggan

Public Officer

John Duggan

Auditors

Audit Office of New South Wales
Level 19, Darling Park Tower 2,
201 Sussex Street
SYDNEY NSW 2000.

Elected members**Chairperson**

Clr Mark Dusting

Councillors

Mark Dusting
Jon Galletly
Scott Kermode
Libby Martin
Andrew Murat

Other information

ABN: 35 514 070 354



Our Environment
Our Community
Our Council
Our Responsibility