

Pig Industry Fund

2022-23 Annual Report

Introduction

The *Primary Industry Funding Schemes Act 1998* was established to provide South Australian primary industries with a legislative based ability to raise funds within their sector to fund projects and services for the benefit of their sector.

Section 4 of the Act allows the Governor to make regulations establishing a fund for a particular sector of primary industry. All existing regulations are administered by the Minister for Primary Industries and Regional Development.

This is the Pig Industry Fund Annual Report for the year ended 30 June 2022, prepared under section 11 of the Act.

Overview

The Pig Industry Fund is established by the *Primary Industries Funding Schemes (Pig Industry Fund) Regulations 2016*.

The contribution rate for this Fund is outlined in regulation 5 and is as follows:

Contribution rate	\$0.20 per pig sold for \$20 or more by the producer
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Contributors may seek a refund of their contributions as provided for in regulation 5.

The purposes for which the Fund can be applied by the Minister are outlined in regulation 6. Payments from the Fund may be made to a body that, in the opinion of the Minister, represents South Australian pig producers.

Operation of the Fund

The Department of Primary Industries and Regions (PIRSA) manages the operations of the Fund on behalf of the Minister.

The Fund management plan current for the year ended 30 June 2023 was prepared in accordance with section 9 of the Act. The plan was formally endorsed by Pork SA. This plan was presented at a public meeting held 19 August 2022 and was made publicly available on the PIRSA website. It is attached to this report.

Two applications were received from Pork SA, an initial application of \$109,713 and a subsequent application for \$175,000. Both applications met the requirements of the regulations and were approved by the Minister.

Where requested, refunds of contributions were paid in accordance with regulation 5.

In accordance with regulation 6(c), the Fund was applied to administration expenses.

The Fund accounts for the year ended 30 June 2023 have been audited by the Auditor General's Department. The audited financial statements and audit report are attached.

Prof Mehdi Doroudi PSM
CHIEF EXECUTIVE

/ /2023

Pig Industry Fund

Management Plan 2022-23 to 2026-27

Primary Industry Funding Schemes (Pig Industry Fund) Regulations 2016



Government
of South Australia

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Further information:

https://pir.sa.gov.au/primary_industry/livestock/pig_industry_fund

Document History

Version	Date
Revised plan released for consultation	5 May 2022
Approved by Minister	21 June 2022
Presented at public meeting	19 August 2022 (TBC)

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Contents

Introduction 4

Estimate of contributions to the fund 5

Investment of the fund 5

Purposes of the fund 6

Funding Guidelines 7

 Eligible organisations 7

 Eligible activities 7

 Application process 7

 Application approval 7

 Amount available for payment 8

 Payment Terms 8

 Reporting requirements 8

Fund administration 9

 Refunds 9

 Changing the contribution rate 9

 Updating the management plan 9



Government
of South Australia

Introduction

The [Primary Industry Funding Schemes Act 1998](#) (the Act) provides South Australian primary industries with a legislative based ability to raise money within their sector to deliver activities and services that support the sector.

Section 4 allows the Governor to make regulations to establish a fund for a particular primary industry sector.

The Minister for Primary Industries and Regional Development (the Minister) is the Administrator for funds established under the Act, which ensures appropriate accountability for the application of funds for the benefit of those industries. The Department of Primary Industries and Regions (PIRSA) manages the operations of the funds for the Minister. The Minister is required to report annually to Parliament on the operation of each fund and its accounts.

The Pig Industry Fund (the fund) is established by the [Primary Industry Funding Schemes \(Pig Industry Fund\) Regulations 2016 \(the regulations\)](#).

Contributions are payable at the rate prescribed in the regulations, which is 20 cents per pig sold for \$20 or more whether within or outside South Australia. Contributions are payable by the pig producer either directly, or via a collection agent (stock agent or abattoir operator) as a deduction from the amount payable to the producer. Contributions are paid into the fund account and managed by PIRSA on behalf of the Minister.

Contributions are to be remitted by collection agents on a monthly basis and producers on a quarterly basis.

Contributors may seek a refund of their contributions. If a refund is paid to a contributor, they are deemed to be 'in default of the regulations' and not entitled to receive benefits or services funded by payments from the fund.

Payments are made from the fund for purposes defined in the regulations.

In accordance with section 9 of the Act, this management plan has been developed in consultation with the South Australian pig industry via Pork SA. It covers a five-year period and must be updated annually but may be updated at any time.

This management plan guides the operation of the fund and helps contributors understand how their contributions are to be used.

This management plan should be read in conjunction with the Act and regulations.

Estimate of contributions to the fund

The regulations require pig producers to contribute to the fund.

The contribution rate for this fund is set in regulation 5 and is 20 cents per pig sold for \$20 or more by a pig producer, whether within or outside South Australia.

The regulations state contributions are collected by collection agents which means:

- For a pig that is sold by a stock agent – the stock agent
- For a pig that is sold to a person who operates an abattoir by a person other than a stock agent – the person who operates the abattoir

Where there is no collection agent, or the collection agent does not deduct the contribution, the producer, is required to pay the contribution.

Collection agents are required to pay contributions to PIRSA within 14 days of the end of each month, while producers are required pay contributions within 14 days of the end of each quarter.

The estimated contribution income for the most recent and the next five financial years is provided in Table 1. Estimates have been derived in consultation with the industry.

	2022-23	2023-24	2024-25	2025-26	2026-27
Contribution rate	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20
Estimated number of pigs sold	875,000	880,000	880,000	885,000	885,000
Estimated income	\$175,000	\$176,000	\$176,000	\$177,000	\$177,000

Investment of the fund

PIRSA administers the financial operations of the fund on behalf of the Minister in accordance with the regulations and the [Public Finance and Audit Act 1987](#).

Contributions are invested in an interest-bearing account in accordance with the Department of Treasury and Finance. Interest paid on monies held is treated as income to the fund consistent with the regulations.

Purposes of the fund

Payments from the fund must be made in accordance with the regulations:

6—Application of Fund

- (1) Subject to this regulation, the Fund may be applied by the Minister for any of the following purposes:
 - (a) carrying out research, or investigative or other programs, relating to pigs, pig products or any other aspect of the pig industry recommended to the Minister by a body—
 - (i) that, in the opinion of the Minister, represents the pig industry; and
 - (ii) that has a membership base comprised predominantly of pig producers who are not in default in relation to contributions to the Fund;
 - (b) repayment of contributions to the Fund under regulation 5;
 - (c) payments to a body that, in the opinion of the Minister, represents pig producers for 1 or more of the following purposes:
 - (i) promoting the pig industry;
 - (ii) carrying out programs to investigate health problems in pigs;
 - (iii) carrying out or facilitating any other research and development, or collecting and disseminating information to pig producers, in relation to the improvement of practices in the pig industry or any other aspect of the pig industry;
 - (iv) fees for affiliation of the body with regional, State or national bodies representing or promoting the interests of the pig producers;
 - (v) participation of the body in regional, State or national pig industry forums;
 - (vi) the reasonable operating and management expenses of the body;
 - (vii) other purposes of the body;
 - (d) payment of the expenses of administering the Fund.
- (2) The Fund must not be applied for the purpose of subregulation (1)(c)(ii) if another funding source is available for that purpose.

Funding Guidelines

Eligible organisations

An eligible organisation is a body which, in the opinion of the Minister, represents the South Australian pig industry. It is characterised by having a membership base comprised predominantly of pig producers who are not in default in relation to contributions to the Fund.

The Minister has recognised Pork SA as an organisation eligible to receive payments from the Pig Industry Fund.

Eligible activities

Eligible activities are those consistent with Regulation 6. An eligible organisation may deliver projects or services to the industry directly or engage service providers to deliver those activities on their behalf.

Pork SA provides information on its project program at <https://www.porksa.com.au/pig-industry-fund>.

Application process

Eligible organisations are invited to submit applications to the Minister in May each year. Under extenuating circumstances, the Minister may consider applications for funds at other times.

Eligible organisations are encouraged to liaise with the Responsible Officer in the development of any application.

The application should be in the form of a letter to the Minister which:

- demonstrates how the organisation represents the pig industry
- requests a payment from the fund
- attaches an operational plan, which includes for each activity:
 - the name of the activity and service provider
 - a brief description of the activity and intended outcome
 - alignment to purpose outlined in regulation 6(1)(c)
 - budgeted cost for each program activity.

To be eligible for consideration, applicants must ensure that they have completed all reporting requirements of any previous agreement with the Minister.

Application approval

The Minister will assess applications in line with the regulations and this management plan. This will include checking that the proposed activities comply with regulation 6 and verifying that the requested amount is within the Expenditure Authority for the fund.

Approval for payment from the fund to the eligible organisation is deemed to be an agreement with the Minister that the eligible organisation will undertake the activities outlined in the application and comply with any requirements in the regulations and this management plan.

The organisation will be required to sign and return an acknowledgement of these conditions, provided with the letter of approval from the Minister, prior to payment being made.

Once approved, details of each activity/project to be funded by payments from the fund should be posted on the organisation's website so that it is publicly available for contributors to view.

Amount available for payment

To ensure prudent management of the fund, industry has agreed to:

- Always retain a minimum of two years annual contributions to ensure appropriate moneys are available for refund requests
- Retain an additional \$1,000,000 in funds for extreme animal disease outbreak activities.

As a result, the amount available for payment under regulation 6(1)(c) = fund balance at the time less:

- 2 years annual contributions (see Table 1) less \$1,000,000 for disease outbreak activities minus less an amount which is considered sufficient to cover audit and administrative costs (regulation 6.1.d).

Payment Terms

Payments from the fund to the eligible organisation may be made in accordance with the schedule in Table 2.

Table 2 – Payment Terms	
July	January
70%	30%

Reporting requirements

At the end of each financial year the fund recipient is required to provide an annual report. The second payment will be contingent on receipt of this report.

The annual report should be aligned to the approved operational plan and should articulate activities undertaken and outcomes achieved. The annual report should also include a statement of acquittal to demonstrate that all moneys provided to the fund recipient were expended and/or committed. The report should also explain any deviations from the original submission; and be posted on the Pork SA website for communication to contributors.

In addition to the above reports, the applicant organisation may be required to provide the following information under section 14 of the Act:

- a) a copy of the financial statements of the organisation and
- b) a copy of the annual report of the organisation and
- c) a copy of the business plan of the organisation
- d) any other information reasonably required for the purposes of the fund.

Fund administration

Refunds

A pig producer may, by notice in writing to the Minister, within the 12 months following a financial year in respect of which contributions have been paid, make a claim for a refund in respect of those contributions using the process outlined in [Regulation 6](#).

A person claiming a refund is declared to be in default of the Fund and is not entitled to receive direct benefits or services funded by payments from the Fund ([Regulation 6](#)). The Minister may provide the fund recipient with information identifying pig producers in default.

Changing the contribution rate

The contribution rate is established in the regulations.

A change to the contribution rate may be initiated by the Minister or by industry but can only be made following consultation with the industry. Consultation is expected to be coordinated by the eligible organisation. Acceptable evidence of support for a variation to the contribution rate includes results of any contributor survey held for the purpose and any other consultation conducted with industry. The evidence must demonstrate a genuine attempt to engage with the majority of contributors.

The new contribution rate would normally be implemented at the start of the financial year or at another appropriate point in the production cycle. Sufficient notice will be provided to the industry of the new rate.

Updating the management plan

Section 9 of the Act requires that this management plan is updated annually; that industry is consulted when preparing the management plan; that the revised plan is presented at a public meeting at least once per year; that it is available for public inspection; and that it may be updated at any time.

The updated management plan will be presented at a public meeting, which will be advertised and facilitated by PIRSA, and can be attended by all fund contributors. The management plan will then be posted on the PIRSA website to meet the requirements of section 9 (7) of the Act, in a manner permitted by section 51 of the [Acts Interpretation Act 1915](#), which provides for 'production of records kept by computer or other process.'



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To the Minister for Primary Industries and Regional Development – South Australian Pig Industry Fund

Qualified opinion

I have audited the financial report of the Minister for Primary Industries and Regional Development – South Australian Pig Industry Fund (the Fund) for the financial year ended 30 June 2023.

In my opinion, except for the effects of the possible matter described in the 'Basis for qualified opinion' section of my report, the accompanying financial report gives a true and fair view of the financial position of the Minister for Primary Industries and Regional Development – South Australian Pig Industry Fund as at 30 June 2023, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards – Simplified Reporting Requirements.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2023
- a Statement of Financial Position as at 30 June 2023
- a Statement of Changes in Equity for the year ended 30 June 2023
- a Statement of Cash Flows for the year ended 30 June 2023
- notes, comprising material accounting policies and other explanatory information
- a Certificate from the Chief Executive, Department of Primary Industries and Regions (the Chief Executive), signed for and on behalf of the Minister for Primary Industries and Regional Development (the Minister) and the Chief Financial Officer, Department of Primary Industries and Regions.

Basis for qualified opinion

As referred to in note 2.1 to the financial statements, pursuant to regulation 5 of the Primary Industry Funding Schemes (Pig Industry Fund) Regulations 2016, under the *Primary Industry Funding Schemes Act 1998*, contributions are required to be paid into the fund by pig producers or collection agents for each pig sold for \$20 or more during the period. While there are adequate internal controls over contributions actually received, there are insufficient controls in place to ensure the contributions received represent all pigs sold for \$20 or more during the period. Consequently, I am unable to express an opinion on whether income recognised as contributions from industry of \$177,570 (\$176,281) is complete.

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

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

Responsibilities of the Minister and the Chief Executive for the financial report

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

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

The Minister is responsible for overseeing the entity's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987*, I have audited the financial report of the Minister for Primary Industries and Regional Development – South Australian Pig Industry Fund for the financial year ended 30 June 2023.

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

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

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive
- conclude on the appropriateness of the Chief Executive's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Chief Executive about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.

A handwritten signature in black ink, appearing to read 'D O', with a long horizontal flourish extending to the right.

Daniel O'Donohue

Acting Deputy Auditor-General

27 November 2023

**Minister for Primary Industries and Regional
Development**

South Australian Pig Industry Fund

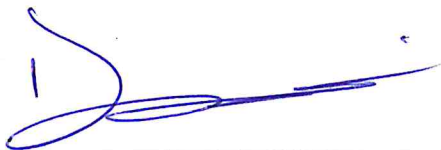
Financial Statements

For the year ended 30 June 2023

Minister for Primary Industries and Regional Development – South Australian Pig Industry Fund
Certification of Financial Statements
for the year ended 30 June 2023

We certify that the:

- financial Statements of the Minister for Primary Industries and Regional Development – South Australian Pig Industry Fund:
 - are in accordance with the accounts and records of the South Australian Pig Industry Fund;
 - comply with relevant Treasurer’s Instructions;
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the South Australian Pig Industry Fund at the end of the financial year and the result of its operation and cash flows for the financial year.
- internal controls employed by the Minister for Primary Industries and Regional Development - South Australian Pig Industry Fund for the financial year over its financial reporting and its preparation of financial statements have been effective.



Prof Mehdi Doroudi PSM
Chief Executive
Department of Primary Industries and Regions
For and on behalf of the Minister for Primary
Industries and Regional Development
Per authorisation dated 27 June 2023

22 November 2023



Will Kent
Chief Financial Officer
Department of Primary Industries and Regions

27 November 2023

Minister for Primary Industries and Regional Development – South Australian Pig Industry Fund
Statement of Comprehensive Income
for the year ended 30 June 2023

	Note	2023 \$	2022 \$
Income			
Contributions from industry	2.1	177 570	176 281
Interest	2.2	80 573	-
Total income		258 143	176 281
Expenses			
Transfers to industry	4.1	284 713	1 005 943
Supplies and services	4.2	5 284	5 372
Auditor's remuneration		7 900	7 700
Refund of contributions		-	6 466
Total expenses		297 897	1 025 481
Net result		(39 754)	(849 200)
Total comprehensive result		(39 754)	(849 200)

The accompanying notes form part of these financial statements.

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

Minister for Primary Industries and Regional Development – South Australian Pig Industry Fund
Statement of Financial Position
as at 30 June 2023

	Note	2023 \$	2022 \$
Current assets			
Cash and cash equivalents	5.1	2 789 188	2 839 364
Receivables	5.2	32 973	22 343
Total current assets		2 822 161	2 861 707
Total assets		2 822 161	2 861 707
Current liabilities			
Payables	6.1	8 468	8 260
Total current liabilities		8 468	8 260
Total liabilities		8 468	8 260
Net assets		2 813 693	2 853 447
Equity			
Retained earnings		2 813 693	2 853 447
Total equity		2 813 693	2 853 447

The accompanying notes form part of these financial statements.

Total equity is attributable to the SA Government as owner.

Minister for Primary Industries and Regional Development – South Australian Pig Industry Fund
Statement of Cash Flows
for the year ended 30 June 2023

	2023	2022
	\$	\$
Cash flows from operating activities		
Cash inflows		
Contributions from industry	175 962	177 710
Interest received	71 551	-
Cash generated from operating activities	<u>247 513</u>	<u>177 710</u>
Cash outflows		
Transfers to industry	(284 713)	(1 005 943)
Refund of contributions	-	(6 466)
Payments for supplies and services	(5 276)	(5 362)
Auditor's remuneration	(7 700)	(15 500)
Cash used in operating activities	<u>(297 689)</u>	<u>(1 033 271)</u>
Net cash provided by / (used in) operating activities	<u>(50 176)</u>	<u>(855 561)</u>
Net increase / (decrease) in cash and cash equivalents	<u>(50 176)</u>	<u>(855 561)</u>
Cash and cash equivalents at the beginning of the reporting period	2 839 364	3 694 925
Cash and cash equivalents at the end of the reporting period	<u>2 789 188</u>	<u>2 839 364</u>

The accompanying notes form part of these financial statements.

Minister for Primary Industries and Regional Development – South Australian Pig Industry Fund
Statement of Changes in Equity
for the year ended 30 June 2023

	Retained earnings	Total equity
Balance at 1 July 2021	3 702 647	3 702 647
Net result for 2021-22	(849 200)	(849 200)
Total comprehensive result for 2021-22	(849 200)	(849 200)
Balance at 30 June 2022	2 853 447	2 853 447
Net result for 2022-23	(39 754)	(39 754)
Total comprehensive result for 2022-23	(39 754)	(39 754)
Balance at 30 June 2023	2 813 693	2 813 693

The accompanying notes form part of these financial statements.

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

Minister for Primary Industries and Regional Development – South Australian Pig Industry Fund

Notes to and forming part of the financial statements

for the year ended 30 June 2023

1. About the South Australian Pig Industry Fund

The South Australian Pig Industry Fund (the Fund) is established pursuant to the *Primary Industry Funding Schemes (Pig Industry Fund) Regulations 2016* (Regulations), administered by the Minister for Primary Industries and Regional Development and is controlled by the Crown. The Department of Primary Industries and Regions (PIRSA) provides administrative support services to the Fund.

1.1. Basis of preparation

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

- section 23 of the *Public Finance and Audit Act 1987*;
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*; and
- relevant Australian Accounting Standards applying simplified disclosures.

The financial statements are prepared based on a 12 month reporting period and presented in Australian currency. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

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

The Fund is not subject to Income Tax. The Fund is liable for Goods and Services Tax (GST). GST collections and payments are carried out by PIRSA on behalf of the Fund. GST in relation to the Fund is reported in the PIRSA Controlled Financial Statements.

1.2. Objectives of the Fund

The Fund was established by Regulations under the *Primary Industry Funding Schemes Act 1998*.

The primary purposes of the Fund are to:

undertake research, investigations or other programs relating to pigs, pig products or any other aspect of the pig industry

- promote the pig industry
- collect and disseminate to pig producers information relevant to the pig industry
- pay the expenses of administering the Fund

2. Income

2.1. Contributions from industry

Contributions payable to the Minister for payment into the Fund are made pursuant to Regulation 5.

Contributions are recognised as revenue when the Fund obtains control of the contributions or obtains the right to receive the contributions (that is, when information becomes available to the Fund regarding contributions due for the prescribed period).

Minister for Primary Industries and Regional Development – South Australian Pig Industry Fund
Notes to and forming part of the financial statements
for the year ended 30 June 2023

2.2 Interest

The Fund's deposit account earns a floating interest rate based on daily bank deposit rates. There was no interest earned during 2022 due to Treasury advising public authorities that given interest rates were approximately 0%, no interest would be paid on any interest bearing accounts held with the Treasurer. Interest recommenced being paid in 2023 on cash balances from May 2022.

3. Key management personnel

3.1. Key management personnel

Key management personnel of the Fund includes the Minister for Primary Industries and Regional Development who has responsibility for the strategic direction and management of the Fund.

The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via the Department of Treasury and Finance) under section 6 of the *Parliamentary Remuneration Act 1990*.

Transactions with key management personnel and other related parties

There were no transactions with key management personnel and other related parties entered into by the Fund.

4. Expenses

4.1. Transfers to industry

	2023	2022
	\$	\$
Pork SA	284 713	1 005 943
Total transfers to industry	284 713	1 005 943

Regulations provide that the Fund may be applied for a number of specific purposes and that payments from the Fund may be made to an industry body established to represent its membership. The amounts transferred enable projects and activities to be delivered by the industry to meet its management plan.

For transfers payable, the payments will be recognised as a liability and expense when the Fund has a present obligation to pay the transfer and the expense recognition criteria are met.

All payments from the Fund are made in accordance with the Fund's Regulations and the management plan developed in consultation with the industry.

4.2. Supplies and services

	2023	2022
	\$	\$
Administrative and operating costs ⁽¹⁾	5 284	5 372
Total supplies and services	5 284	5 372

⁽¹⁾ Includes fees for administration and preparation of the financial statements.

Minister for Primary Industries and Regional Development – South Australian Pig Industry Fund

Notes to and forming part of the financial statements

for the year ended 30 June 2023

5. Financial assets

5.1. Cash and cash equivalents

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

5.2. Receivables

	2023	2022
	\$	\$
Receivables – Contributions from industry	23 951	22 343
Accrued interest - Department of Treasury and Finance	9 022	-
Total receivables	32 973	22 343

Receivables – Contributions from industry are recognised as statutory receivables when information becomes available to the Fund regarding contributions due for the prescribed period.

6. Liabilities

6.1. Payables

	2023	2022
	\$	\$
Audit fee payable to the Auditor-General's Department	7 900	7 700
Other payables	568	560
Total payables	8 468	8 260

Goods and services provided and unpaid at the end of the reporting period are recognised as other payables.

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

7. Outlook

7.1. Contingent liabilities

Refunds of contributions

Under Regulation 5(5) a pig producer may, by notice in writing to the Minister, within the 12 months following a financial year in respect of which contributions have been paid by or on behalf of the producer, make a claim for a refund in respect of those contributions.

At the reporting date the possible emergence of valid refund requests within the following 12 month period is present. However, as uncertainty exists as to the number of refund requests that will be received, and their timing and amount, these potential obligations cannot be reliably estimated and therefore represent a contingent liability for the Fund.

Once a valid refund request has been received from a past contributor and it is approved by the Minister or delegate, a present obligation to pay the refund arises. The refund amount is then recognised as a liability and expense of the Fund.

7.2. Events after the reporting period

No events have occurred after balance date that are expected to materially affect the Fund in subsequent years.

Minister for Primary Industries and Regional Development – South Australian Pig Industry Fund
Notes to and forming part of the financial statements
for the year ended 30 June 2023

8. Measurement and risk

8.1. Financial instruments

Liquidity risk

The Fund's revenue comes from contributions received from industry members at rates prescribed in the Regulations for the Fund. All payments from the Fund are made in accordance with the Fund's Regulations and the management plan developed in consultation with the industry.

The continued existence of the Fund in its present form, and with its present programs, is dependent on State Government policy and the industry's on-going support for the Fund.