

Citrus Growers Fund

2018-19 Annual Report

Introduction

The *Primary Industry Funding Schemes Act 1998* was established to provide South Australian primary industries with a legislatively 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 Citrus Growers Fund Annual Report for the year ended 30 June 2019, prepared under section 11 of the Act.

Overview

The Citrus Industry Fund is established by the *Primary Industries Funding Schemes (Citrus Growers Fund) Regulations 2017*.

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

Contribution rate	\$1.00 per tonne
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Contributors may seek a refund of their contributions as provided for in regulation 6.

The purposes for which the fund can be applied by the Minister are outlined in regulation 7.

Payments from the fund may be made to a body that, in the opinion of the Minister, represents citrus growers.

Operation of the fund

Primary Industries and Regions SA manages the operations of the fund on behalf of the Minister.

The fund management plan current for the year ended 30 June 2019 was prepared in accordance with section 9 of the Act. The plan was presented at a public meeting held on 3 May 2018 and was publicly available on the PIRSA website. It is attached to this report.

No payments from the fund were made in 2018-19. Contributions received remain available in future years.

Where requested, refunds of contributions were paid in accordance with regulation 6.

In accordance with regulation 7(c), the fund was also applied to administration expenses.

The fund accounts for the year ended 30 June 2019 have been audited by the Auditor-General's Department. The audited financial statements and audit report are attached.



Scott Ashby
CHIEF EXECUTIVE
PRIMARY INDUSTRIES AND REGIONS SA

24 / 1 / 2020

Citrus Growers Fund

PRIMARY INDUSTRY FUNDING SCHEMES (CITRUS GROWERS FUND) REGULATIONS 2017

MANAGEMENT PLAN 2018-19 TO 2022-23



Enquiries

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Presented at a public meeting on 3 May 2018.

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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 activities that support their sector.

Section 4 of the *Primary Industry Funding Schemes Act 1998* allows the Governor to make regulations establishing a fund for a particular sector of primary industry. Funds are in place for the grains, wine, pig, citrus, sheep, cattle and apiary industries.

The Minister for Primary Industries and Regional Development is the Administrator for all the funds, which ensures appropriate accountability for the application of funds for the benefit of those industries. Primary Industries and Regions SA (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 Citrus Growers Fund (the Fund) commenced in 2005, and is currently governed by the *Primary Industry Funding Schemes (Citrus Growers Fund) Regulations 2017*, which came into effect on 19 January 2018.

South Australian citrus growers contribute to the Fund by paying the contribution rate set in the regulations, which is currently \$1 for each tonne of citrus fruit sold by the grower.

The regulations require contributions to be remitted to the Minister for payment into the Fund. Growers are responsible for paying contributions unless the fruit is sold to a packer or processor, in which case the packer or processor pays the contribution. The packer or processor then deducts the contributions from the purchase price paid to the grower.

Contributors may seek a refund of their contributions made in a financial year during the following month of July. A citrus grower that has received a full or part refund, or has not paid all contributions to the Fund is deemed to be 'in default' and is not entitled to receive benefits or services supported by the Fund. Regulation 9(2) enables the Minister to provide the industry body with information identifying citrus growers in default.

Payments from the Fund are made to Citrus Australia – South Australia Region, as the body recognised as representing citrus growers, to deliver projects or activities for the benefit of contributors to the Fund in accordance with regulation 7.

This management plan aligns with the Act and regulations, which are available at www.legislation.sa.gov.au. The management plan helps contributors to understand how their contributions are to be used for their benefit. Section 9 of the Act describes the requirements of a management plan.

This management plan has been developed in consultation with the South Australian citrus industry in accordance with the *Primary Industry Funding Schemes Act 1998*. It covers a five-year period and must be updated annually, but may be updated at any time.

Estimate of contributions to the Fund

The contribution rate for this Fund is prescribed by regulation 5(1)(a) and is currently \$1 per tonne of citrus fruit sold. The rate may be changed to some other amount specified by a Ministerial Notice in the South Australian Government Gazette.

Contributions are payable on a quarterly basis or as otherwise approved under regulation 5(1)(b).

The estimated contributions for the coming five financial years is provided in Table 1.

Industry production estimates have been provided by the Citrus Australia SA Region committee and are based on the current South Australian crop forecast and knowledge of current and new plantings.

Table 1 Estimated contribution income to the Citrus Growers Fund

Financial year	2018-19	2019-20	2020-21	2021-22	2022-23
Contribution rate (per tonne of citrus)	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Estimated production volume (Tonnes)	185,000	185,000	185,000	185,000	185,000
Estimated income	\$185,000	\$185,000	\$185,000	\$185,000	\$185,000

Estimate of payments from the Fund

Payments may be made from the Fund in accordance with regulation 7. The amount available for payment to Citrus Australia SA Region, as the organisation recognised by the Minister as representing citrus growers, will be determined each year using the best estimates available, in the manner shown in Table 2:

Table 2 Estimate of the amount available for payment to industry

Income from contributions	\$185,000
<i>Plus interest earned</i>	\$2,000
<i>Less allowance for refunds</i>	-\$20,000
<i>Less allowance for administration and audit costs</i>	-\$15,000
<i>Adjustment for higher or lower income or costs in previous years</i>	0
Amount available for payment	\$152,000

Adjustments may be made where income, refunds or expenses were higher or lower than anticipated in previous years.

The allowance for refunds is an estimate based on refund requests in previous years. Administrative costs are transaction based, and will vary depending on the number of contributions received and number of refunds processed.

Refunds

A citrus grower may, within a month following a financial year (July), make a claim for a refund in respect of contributions paid by the grower in the previous financial year (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 7).

In accordance with regulation 9, a citrus grower that has been refunded, or has not paid all contributions payable to the Fund at any time in the preceding two financial years is deemed to be 'in default'. They are then not entitled to receive benefits or services directly funded by payments from the Fund. The Minister may also provide the industry body with information identifying citrus growers in default.

Investment of the Fund

PIRSA administers the financial operations the Fund on behalf of the Minister for Primary Industries and Regional Development and in accordance with prescribed regulations.

Contributions are held in a separate interest bearing account at the Department of Treasury and Finance. Interest is paid quarterly on the balance of the Fund, and is treated as income to the Fund in accordance with regulation 4(c).

Application of the Fund

The fund is to be applied according to regulation 7 – Application of Fund, of the *Primary Industries Fund Schemes (Citrus Growers Fund) Regulations 2017*:

- 7 The Fund may be applied by the Minister for any of the following purposes:
- (a) payments to a body that, in the opinion of the Minister, represents citrus growers for 1 or more of the following purposes:
 - (i) the reasonable operating and management expenses of the body;
 - (ii) fees for affiliation of the body with regional, State or national citrus or horticulture industry bodies;
 - (iii) promoting the South Australian citrus industry, including through industry field days, conferences and other events;
 - (iv) the collection and dissemination to citrus growers of information relevant to the citrus industry;
 - (v) representation of citrus growers, or participation of the body, in regional, State or national citrus or horticulture industry forums;
 - (vi) programs designed to encourage communication and cooperation between citrus growers, citrus packers, citrus processors and persons marketing citrus fruit or citrus fruit products;
 - (vii) other purposes of the body;
 - (b) payments for other purposes for the benefit of citrus growers;
 - (c) payment of the expenses of administering the Fund;
 - (d) repayment of contributions to the Fund under regulation 6.

Funding guidelines

Eligible organisations

Payments may be made from the fund to 'a body that, in the opinion of the Minister, represents citrus growers' (regulation 7(1)(a)). The Minister currently recognises Citrus Australia (South Australia Region) as the body that represents South Australian citrus growers.

Application process

Applications for payment from the Fund are to be received in or around September each year, when contributions to the Fund can be reasonably estimated. Applications are to be submitted to the Responsible Officer noted at the start of this management plan.

Application specifications

Applications must include:

1. A covering letter to the Minister for Primary Industries and Regional Development requesting a payment from the Fund, noting the amount of funding requested.
2. The proposed operational plan detailing the project elements or activities for which the payment will be used. The proposed project elements or activities in the operational plan should so far as possible align with Citrus Australia's strategic objectives, and may extend over multiple years.

The Operational Plan should include the following details for each project element or activity proposed for funding:

- a. name of the activity
 - b. a brief description of the activity
 - c. alignment to the purpose (as defined in regulation 7) and/or industry objective
 - d. budgeted cost
3. Collaborative projects are encouraged. Payments from the Fund may be used as industry co-contribution in many other grant programs.

Application approval

Applications will be reviewed and approved by the Minister. The applicant will be advised when the operational plan has been approved and sufficient contributions received. The applicant must then return an acknowledgement of any conditions.

Payments to Fund recipients

Subject to sufficient contributions being received, payments should be made in or around the months shown in Table 3.

Table 3 Proposed payment schedule

October	February	May
33.3%	33.3%	33.3%

The position of the Fund over the course of the financial year will be monitored in order to maintain the financial integrity of the Fund.

Reporting requirements

A detailed annual report covering each project identified in the Operational Plan is to be provided by 31 July following the completion of the financial year. This report is to include a statement of acquittal of funds for the financial year.

Fund administration

Process for changing the contribution rate

The contribution rate is set in regulation 5, and currently stands at \$1 per tonne of citrus fruit sold by a grower. The Minister may vary the contribution rate by publishing a Ministerial Notice in the South Australian Government Gazette.

CASAR may write to the Minister requesting the contribution rate be varied.

Any variation to the rate will only be made following consultation with the citrus industry. Consultation is expected to be coordinated through Citrus Australia SA Region (CASAR) as the recognised citrus industry representative body in South Australia.

Acceptable evidence of support for a variation to the contribution rate is anticipated to include the results of any contributor survey held for the purpose and may include outcomes of any other consultation with industry.

Any changes to the contribution rate should be made at a time that provides sufficient notice of the rate change to collection agents and growers.

Process for reviewing the management plan

This management plan is the Minister's plan for the management of the Fund.

Section 9 of the Act outlines the requirements for the management plan, including that:

- The industry is consulted when preparing the management plan
- It is revised and presented at a public meeting at least once per year
- It is available for public inspection
- It may be updated at any time

PIRSA manages the process of updating the plan, normally commencing in January each year. A draft plan will be made available for industry consultation, normally around February and March. Any comments on the draft management plan can be sent to, or discussed with, the responsible officer on page 2 of this management plan.

The Minister will approve the revised management plan, which will then be presented at a public meeting, normally by the end of April each year and made available on the PIRSA website www.pir.sa.gov.au.

Should any significant amendments be required at any other time, the plan will be updated using the same process as noted above.

Annual calendar

Table 4 is a guide to the timing of key activities relating to the management of the Fund.

Table 4 Calendar of key activities

Month	Activity
January	Commence review of the management plan <i>Second quarter contributions received from industry (due 28 January)</i>
February	Draft management plan released for consultation Second payment to industry body
March	
April	Minister approves updated management plan <i>Third quarter contributions received from industry (due 28 April)</i>
May	Public meeting held to present updated management plan Management plan posted on PIRSA website Third payment to industry body.
June	
July	Refund requests for previous financial year received (1 - 31 July) <i>Fourth quarter contributions received from industry (due 28 July)</i>
August	Industry body prepares operational plan
September	Applications for funding received and assessed Minister approves payment from the Fund
October	First payment to industry body <i>First quarter contributions received from industry (due 28 October)</i>
November	
December	



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To the Minister for Primary Industries and Regional Development – Citrus Growers Fund

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 – Citrus Growers Fund (the fund) for the financial year ended 30 June 2019.

Qualified opinion

In my opinion, except for the possible effects of the 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 – Citrus Growers Fund as at 30 June 2019, its financial performance and its cash flows for the year then ended in accordance with the Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2019
- a Statement of Financial Position as at 30 June 2019
- a Statement of Changes in Equity for the year ended 30 June 2019
- a Statement of Cash Flows for the year ended 30 June 2019
- notes, comprising significant accounting policies and other explanatory information
- a Certificate from the 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 Acting Chief Financial Officer, Department of Primary Industries and Regions.

Basis for qualified opinion

As referred to in note 4.1 to the financial statements, pursuant to regulation 5 of the Primary Industry Funding Schemes (Citrus Growers Fund) Regulations 2017, under the *Primary Industry Funding Schemes Act 1998*, contributions are required to be paid into the fund for each tonne of citrus fruit produced and sold by a citrus grower. While there are adequate internal controls over contributions actually received, there are no procedures in place to ensure contributions received represent the actual tonnage of citrus fruit produced and sold for the period. Consequently, I am unable to express an opinion on whether income recognised as contributions from industry of \$183 413 (\$186 511) 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* have been met.

I believe that the audit evidence 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 the Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards, 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.

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

Auditor's responsibilities for the audit of the financial report

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

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

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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
- 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 and the Minister about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Andrew Richardson

Auditor-General

19 December 2019

**Minister for Primary Industries and Regional
Development**

Citrus Growers Fund

Financial Statements

For the year ended 30 June 2019

Minister for Primary Industries and Regional Development – Citrus Growers Fund
Certification of Financial Statements
for the year ended 30 June 2019

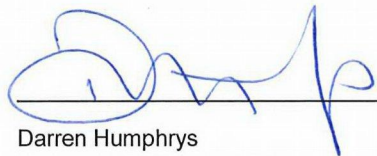
We certify that the attached general purpose financial statements for the Minister for Primary Industries and Regional Development – Citrus Growers Fund:

- comply with relevant Treasurer's Instructions issued under section 41 of the *Public Finance and Audit Act 1987*, and relevant Australian Accounting Standards
- are in accordance with the accounts and records of the Citrus Growers Fund
- present a true and fair view of the financial position of the Citrus Growers Fund as at 30 June 2019 and the results of its operation and cash flows for the financial year.

We certify that the internal controls employed by the Minister for Primary Industries and Regional Development – Citrus Growers Fund for the financial year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period.



Scott Ashby
Chief Executive
Department of Primary Industries and Regions
For and on behalf of the Minister for Primary
Industries and Regional Development
Per authorisation dated 9 May 2018
18 December 2019



Darren Humphrys
Acting Chief Financial Officer
Department of Primary Industries and Regions
18 December 2019

Minister for Primary Industries and Regional Development – Citrus Growers Fund
Statement of Comprehensive Income
for the year ended 30 June 2019

	Note	2019 \$	2018 \$
Expenses			
Transfers to industry	3.1	-	150 000
Refund of contributions		3 712	1 376
Supplies and services	3.2	3 761	3 608
Auditor's remuneration		7 100	7 000
Total expenses		14 573	161 984
Income			
Contributions from industry	4.1	183 413	186 511
Interest		2 786	1 640
Total income		186 199	188 151
Net result		171 626	26 167
Total comprehensive result		171 626	26 167

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 – Citrus Growers Fund
Statement of Financial Position
as at 30 June 2019

	Note	2019 \$	2018 \$
Current assets			
Cash and cash equivalents	5.1	262 708	91 164
Receivables	5.2	293	101
Total current assets		263 001	91 265
Total assets		263 001	91 265
Current liabilities			
Payables	6.1	7 640	7 530
Total current liabilities		7 640	7 530
Total liabilities		7 640	7 530
Net assets		255 361	83 735
Equity			
Retained earnings		255 361	83 735
Total equity		255 361	83 735
Contingent liabilities	8.1		

The accompanying notes form part of these financial statements.

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

Minister for Primary Industries and Regional Development – Citrus Growers Fund
Statement of Changes in Equity
for the year ended 30 June 2019

	Retained earnings	Total equity
	\$	\$
Balance at 30 June 2017	57 568	57 568
Net result for 2017-18	26 167	26 167
Total comprehensive result for 2017-18	26 167	26 167
Balance at 30 June 2018	83 735	83 735
Net result for 2018-19	171 626	171 626
Total comprehensive result for 2018-19	171 626	171 626
Balance at 30 June 2019	255 361	255 361

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 – Citrus Growers Fund
Statement of Cash Flows
for the year ended 30 June 2019

	2019 (Outflows) Inflows \$	2018 (Outflows) Inflows \$
Cash flows from operating activities		
Cash outflows		
Transfers to industry	-	(150 000)
Refund of contributions	(3 712)	(1 376)
Payments for supplies and services	(3 751)	(3 598)
Auditor's remuneration	(7 000)	(6 800)
Cash used in operations	(14 463)	(161 774)
Cash inflows		
Contributions from industry	183 413	186 511
Interest received	2 594	1 644
Cash generated from operations	186 007	188 155
Net cash provided by / (used in) operating activities	171 544	26 381
Net increase / (decrease) in cash and cash equivalents	171 544	26 381
Cash and cash equivalents at the beginning of the reporting period	91 164	64 783
Cash and cash equivalents at the end of the reporting period	262 708	91 164

The accompanying notes form part of these financial statements.

Minister for Primary Industries and Regional Development – Citrus Growers Fund
Notes to and forming part of the financial statements
for the year ended 30 June 2019

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Minister for Primary Industries and Regional Development – Citrus Growers Fund

Notes to and forming part of the financial statements

for the year ended 30 June 2019

1. About the Citrus Growers Fund

The Citrus Growers Fund (the Fund) is established pursuant to the *Primary Industry Funding Schemes (Citrus Growers Fund) Regulations 2017* (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 [with reduced disclosure requirements].

For the 2018-19 financial statements the Fund adopted AASB9 – Financial Instrument and is required to comply with new *Treasurer's Instructions (Accounting Policy Statements)* issued on 22 March 2019. Further information is provided in note 7.

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

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* on 20 October 2005. These Regulations were revoked on 19 January 2018. New Regulations, *Primary Industry Funding Schemes (Citrus Growers Fund) Regulations 2017* were issued on 19 January 2018 with minimal changes.

The primary purposes of the Fund are to:

- provide services to growers
- promote the SA Citrus industry
- represent growers in regional, State or national citrus or horticulture industry forums
- encourage communication and cooperation between participants in the Citrus industry.

Minister for Primary Industries and Regional Development – Citrus Growers Fund
Notes to and forming part of the financial statements
for the year ended 30 June 2019

2. Board, committees and employees

2.1. 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 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.

3. Expenses

3.1. Transfers to industry

	2019	2018
	\$	\$
Citrus Australia South Australia Region (CASAR)	-	150 000
Total transfers to industry	-	150 000

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.

An application from industry was received in late April 2019, however a change in industry structure meant that this application was no longer eligible and therefore no payment was progressed in 2018-19. This money has been carried forward to 2019-20.

3.2. Supplies and services

	2019	2018
	\$	\$
Administrative and operating costs ⁽¹⁾	3 761	3 608
Total supplies and services	3 761	3 608

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

Minister for Primary Industries and Regional Development – Citrus Growers Fund
Notes to and forming part of the financial statements
for the year ended 30 June 2019

4. Income

4.1. Contributions from industry

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

Contributions are recognised as an asset and income when the Fund obtains control of the contributions or obtains the right to receive the contributions and the income recognition criteria are met (that is, the amount can be reliably measured and the flow of resources is probable).

Contributions from industry have been recognised as revenue when received.

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 (DTF).

5.2. Receivables

	2019	2018
	\$	\$
Accrued interest - Department of Treasury and Finance	293	101
Total receivables	293	101

6. Liabilities

6.1. Payables

	2019	2018
	\$	\$
Audit fee payable to the Auditor-General's Department	7 100	7 000
Other payables	540	530
Total payables	7 640	7 530

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.

Minister for Primary Industries and Regional Development – Citrus Growers Fund
Notes to and forming part of the financial statements
for the year ended 30 June 2019

7. Changes in accounting policy

7.1. Treasurer's Instructions (Accounting Policy Statements)

On 22 March 2019 the *Treasurer's Instructions (Accounting Policy Statements) 2019* were issued by the Treasurer under the *Public Finance and Audit Act 1987*. The Accounting Policy Statements replaced the following Accounting Policy Frameworks:

- Purpose and Scope
- General Purpose Financial Statements Framework
- Asset Accounting Framework
- Financial Asset and Liability Framework
- Income Framework
- Definitions.

The new Accounting Policy Statements have largely been prepared on a no-policy change basis. There were no changes that impact on these financial statements.

7.2. AASB 9 Financial instruments

AASB 9 Financial Instruments replaces the provisions of AASB 139 that relate to recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. The adoption of AASB 9 from 1 July 2018 did not have a material impact on these financial statements.

Receivables that were classified as loans and receivables under AASB139 are now classified at amortised cost as they meet the appropriate criteria under AASB 9.

8. Outlook

8.1. Contingent liabilities

Refunds of contributions

Under Regulation 6(1) a citrus grower may, by notice in writing to the Minister, within the month following a financial year in respect of which contributions have been paid by or on behalf of the citrus grower, 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 one 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.

8.2. Events after the reporting period

No events have occurred after balance date that would affect the financial statements of the Fund as at 30 June 2019.

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9. Measurement and risk

9.1. 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.