



Auditor General

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LOAN COPY

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

LANDCARE TRUST FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

I have audited the accounts, financial statements and controls of the Landcare Trust.

The financial statements comprise the Balance Sheet as at 30 June 2008, and the Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year then ended, a summary of significant accounting policies and other explanatory Notes.

Accountable Authority's Responsibility for the Financial Statements

The Accountable Authority is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; making accounting estimates that are reasonable in the circumstances; and complying with the Financial Management Act 2006 and other relevant written law.

Summary of my Role


As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements and controls based on my audit. This was done by testing selected samples of the audit evidence. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion. Further information on my audit approach is provided in my audit practice statement. Refer "<http://www.audit.wa.gov.au/pubs/Audit-Practice-Statement.pdf>".

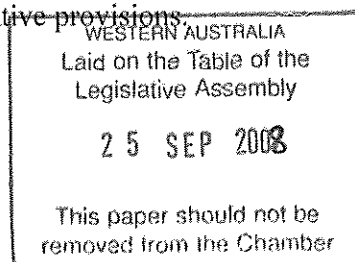
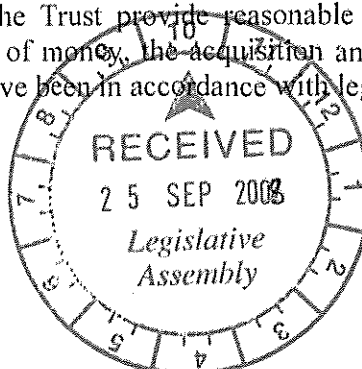
An audit does not guarantee that every amount and disclosure in the financial statements is error free. The term "reasonable assurance" recognises that an audit does not examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the financial statements.

Audit Opinion

In my opinion,

- (i) the financial statements are based on proper accounts and present fairly the financial position of the Landcare Trust at 30 June 2008 and its financial performance and cash flows for the year ended on that date. They are in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions; and
- (ii) the controls exercised by the Trust provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions.


COLIN MURPHY
AUDITOR GENERAL
25 August 2008



LANDCARE TRUST

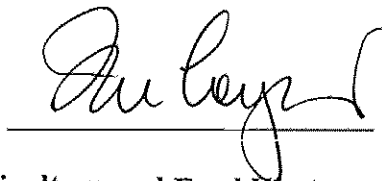
CERTIFICATION OF FINANCIAL STATEMENTS

For the year ended 30 June 2008

The accompanying financial statements of the Landcare Trust have been prepared in compliance with the provisions of the Financial Management Act 2006 from proper accounts and records to present fairly the financial transactions for the financial year ending 30 June 2008 and the financial position as at 30 June 2008.

At the date of signing we are not aware of any circumstances which would render any particulars included in the financial statements misleading or inaccurate.

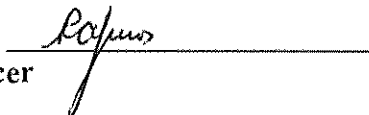
Ian Longson
Director General
Department of Agriculture and Food Western Australia



Date: 18/08/08

Accountable Authority

Ron Lucas
Chief Finance Officer



Date: 8/8/08



LANDCARE TRUST

CERTIFICATION OF PERFORMANCE INDICATORS

For the year ended 30 June 2008

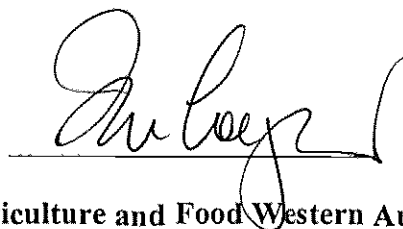
Following a review of the Landcare Trust, the Minister for Agriculture and Food agreed with the recommendation to wind up the Trust. The Minister wrote to Trust members in October 2002 requesting that they use their remaining term to determine the most appropriate options for dispersing the Trust's funds and finalising its activities. The Trust determined how it would do this at its October 2002 meeting. Since then, Trust activities have been limited to dispersing the funds held.

Given that the Trust has now ceased to operate and does not hold any funds, and that legislation is being drafted that will result in Part VA of the *Soil and Land Conservation Act 1945* being repealed, it was considered inappropriate to complete Performance Indicators for the year ended 30 June 2008.

Ian Longson

Director General

Department of Agriculture and Food Western Australia



Date:

14/08/08

Accountable Authority

Landcare Trust

Financial Statements

2007/2008



LANDCARE TRUST
Income Statement
for the year ended 30 June 2008

	Notes	2008	2007
		\$	\$
COST OF SERVICES			
Expenses			
Other expenses		-	(2,500)
Total cost of services		<u>-</u>	<u>(2,500)</u>
Income			
Revenue			
Other revenue	4	2,500	-
Total Revenue		<u>2,500</u>	<u>-</u>
NET COST OF SERVICES		2,500	(2,500)
SURPLUS/(DEFICIT) FOR THE PERIOD		<u>2,500</u>	<u>(2,500)</u>

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



LANDCARE TRUST
 Balance Sheet
 as at 30 June 2008

	Notes	2008	2007
		\$	\$
LIABILITIES			
Current Liabilities			
Payables	5	-	2,500
Total Current Liabilities		<u>-</u>	<u>2,500</u>
TOTAL LIABILITIES		<u>-</u>	<u>2,500</u>
NET ASSETS		<u>-</u>	<u>(2,500)</u>
EQUITY			
TOTAL EQUITY	6	<u>-</u>	<u>(2,500)</u>

The Balance Sheet should be read in conjunction with the accompanying notes.



LANDCARE
Statement of Changes in Equity
for the year ended 30 June 2008

	Note	2008 \$	2007 \$
Balance of equity at start of period		(2,500)	-
ACCUMULATED SURPLUS (RETAINED EARNINGS)			
Surplus/(deficit) or profit/(loss) for the period		<u>2,500</u>	<u>(2,500)</u>
Balance at end of period		<u>-</u>	<u>(2,500)</u>
Balance of equity at end of period	6	<u><u>-</u></u>	<u><u>(2,500)</u></u>
Total income and expense for the period		<u><u>2,500</u></u>	<u><u>(2,500)</u></u>

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



LANDCARE TRUST
 Cash Flow Statement
 for the year ended 30 June 2008

	Notes	2008	2007
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments		-	-
		-	-
Receipts		-	-
Net cash provided by/(used in) operating activities		-	-
Net increase/(decrease) in cash and cash equivalents		-	-
Cash and Cash equivalents at the beginning of period		-	-
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	7	-	-

The Cash Flow Statement should be read in conjunction with the accompanying notes.



1 Australian equivalents to International Financial Reporting Standards

General

The Authority's financial statements for the year ended 30 June 2008 have been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), which comprise a Framework for the Preparation and Presentation of Financial Statements (the Framework) and Australian Accounting Standards (including the Australian Accounting Interpretations).

In preparing these financial statements the Authority has adopted, where relevant to its operations, new and revised Standards and Interpretations from their operative dates as issued by the AASB and formerly the Urgent Issues Group (UIG).

Early adoption of standards

The Authority cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. No Standards and Interpretations that have been issued or amended but are not yet effective have been early adopted by the Authority for the annual reporting period ended 30 June 2008.

2 Summary of significant Accounting Policies

(a) General Statement

The financial statements constitute a general purpose financial report which has been prepared in accordance with the Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board as applied by the Treasurer's instructions. Several of these are modified by the Treasurer's instructions to vary application, disclosure, format and wording.

The Financial Management Act and the Treasurer's instructions are legislative provisions governing the preparation of financial statements and take precedence over the Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board.

Where modification is required and has a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

(b) Basis of Preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

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

(c) Reporting Entity

The reporting entity comprises the Authority and entities listed at note 14 'Related bodies'.

(d) Contributed Equity

UIG Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities' requires transfers in the nature of equity contributions to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions. Capital contributions (appropriations) have been designated as contributions by owners by TI 955 'Contributions by Owners made to Wholly Owned Public Sector Entities' and have been credited directly to Contributed Equity.

Transfer of net assets to/from other agencies are designated as contributions by owners where the transfers are non discretionary and non reciprocal.



LANDCARE TRUST
Notes to the financial statements
for the year ended 30 June 2008

(e) Financial Instruments

The Authority has one category of financial instrument:
• Financial liabilities measured at amortised cost.

These have been disaggregated into the following classes:

Financial Liabilities
• Payables

Initial recognition and measurement of financial instruments is at fair value which normally equates to the transaction cost or the face value. Subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables and payables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

(f) Payables

Payables are recognised at the amounts payable when the Authority becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as they are generally settled within 30 days.

(g) Cash and Cash Equivalents

For the purpose of the Cash Flow Statement, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value, and bank overdrafts.

(h) Comparative Figures

Comparative figures are, where appropriate, reclassified to be comparable with the figures presented in the current financial year.

3 Disclosure of changes in accounting policy and estimates

Initial application of an Australian Accounting Standards

The Authority has applied the following Australian Accounting Standards and Australian Accounting Interpretations effective for annual reporting periods beginning on or after 1 July 2007 that impacted on the Authority.

1. AASB 7 'Financial Instruments: Disclosures' (including consequential amendments in AASB 2005-10 'Amendments to Australian Accounting Standards [AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023 & AASB 1038]'). This Standard requires new disclosures in relation to financial instruments and while there is no financial impact, the changes have resulted in increased disclosures, both quantitative and qualitative, of the Authority's exposure to risks, including enhanced disclosure regarding components of the Authority's financial position and performance, and changes to the way of presenting certain items in the notes to the financial statements.

The Authority at the balance sheet date does not currently undertake these types of transactions and there is no financial impact in applying the Standard.

The following Australian Accounting Standards and Interpretations are not applicable to the Authority as they have no impact or do not apply to not for profit entities:

AASB Standards and Interpretations

101 'Presentation of Financial Statements'

2005-10 'Amendments to Australian Accounting Standards'

2007-1 'Amendments to Australian Accounting Standards arising from AASB Interpretation 11 [AASB 2]'

2007-4 'Amendments to Australian Accounting Standards arising from ED 151 and Other Amendments'

2007-5 'Amendments to Australian Accounting Standard – Inventories Held for Distribution by Not-for-Profit Entities [AASB 102]'

2007-7 'Amendments to Australian Accounting Standards [AASB 1, AASB 2, AASB 4, AASB 5, AASB 107 & AASB 128]'

ERR Erratum 'Proportionate Consolidation [AASB 101, AASB 107, AASB 121, AASB 127, Interpretation 113]'

Interpretation 10 'Interim Financial Reporting and Impairment'

Future impact of Australian Accounting Standards not yet operative

The Authority cannot adopt Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. Consequently, the Authority has not applied the following Australian Accounting Standards and Australian Accounting Interpretations and Australian Accounting Interpretations that have been issued and which may impact the Authority but are not yet effective. Where applicable, the Authority plans to apply these Standards and Interpretations from their application date:

The following standards are:

(a) to be applied to annual reporting periods beginning on or after 1 July 2008:

- AASB 1004 'Contributions' (December 2007).
- AASB 1050 'Administered Items' (December 2007).
- AASB 1052 'Disaggregated Disclosures' (December 2007).
- AASB 2007-9 'Amendments to Australian Accounting Standards arising from the review of AASs 27, 29 and 31 [AASB 3, AASB 5, AASB 8, AASB 101, AASB 114, AASB 116, AASB 127 & AASB 137] (December 2007).
- Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities (December 2007).

(b) to be applied to annual reporting periods beginning on or after 1 January 2009:

- AASB 101 'Presentation of Financial Statements' (September 2007).

The following amendments are not applicable to the Authority as they will have no impact:

AASB Amendment	Affected Standards
AASB 3	'Business Combinations'
AASB 8	'Operating Segments'
AASB 123	'Borrowing Costs'
AASB 127	'Consolidated and Separate Financial Statements'
AASB 1049	'Financial Reporting of General Government Sectors by Governments'
AASB 2007-2	'Amendments to Australian Accounting Standards arising from AASB Interpretation 12'
AASB 2007-3	'Amendments to Australian Accounting Standards arising from AASB 8'
AASB 2007-6	'Amendments to Australian Accounting Standards arising from AASB 123'
AASB 2007-8	'Amendments to Australian Accounting Standards arising from AASB 101'
AASB 2008-1	'Amendments to Australian Accounting Standard - Share-based Payments: Vesting Conditions and Cancellations'
AASB 2008-2	'Amendments to Australian Accounting Standards – Puttable Financial Instruments and Obligations arising on Liquidation
AASB 2008-3	'Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127
Interpretation 4	'Determining whether an Arrangement contains a Lease' (February 2007)
Interpretation 12	'Service Concession Arrangements'
Interpretation 13	'Customer Loyalty Programmes'
Interpretation 14	'AASB 119 -The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction'
Interpretation 129	'Service Concession Arrangements: Disclosures'

LANDCARE TRUST
Notes to the financial statements
for the year ended 30 June 2008

	2008 \$	2007 \$
4 Other revenue		
Audit fees	2,500	-
<p>The accrual for the 2006/2007 was reversed as no audit fee was subsequently charged by the Office of the Auditor General. The reversal is recognised as other revenue.</p>		
5 Payables		
Other payables	-	2,500
6 Equity		
<p>Equity represents the residual interest in the net assets of the Authority. The Government holds the equity interest in the Authority on behalf of the community. The asset revaluation reserve represents that portion of equity resulting from the revaluation of non-current assets.</p>		
<p>Accumulated surplus/(deficit) (Retained Earnings)</p>		
Balance at start of year	(2,500)	-
Result for the period	2,500	(2,500)
Balance at end of year	<u>-</u>	<u>(2,500)</u>

7 Notes to the Cash Flow Statement

(a) Reconciliation of cash

Cash at the end of the financial year as shown in the Cash Flows Statement is reconciled to the related items in the Balance Sheet as follows:

Cash and cash equivalents	<u>-</u>	<u>-</u>
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(b) Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities

Net cost of services	<u>2,500</u>	<u>(2,500)</u>
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Increase/(decrease) in liabilities		
Payables	(2,500)	2,500

Net cash provided by/(used in) operating activities	<u>-</u>	<u>-</u>
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8 Financial Instruments

(a) Financial Risk Management Objectives and Policies

Financial instrument held by the Authority is payables. The Authority has limited exposure to financial risks. The Authority's overall risk management program focuses on managing the risks identified below.

Credit risk

Credit risk arises when there is the possibility of the Authority's receivables defaulting on their contractual obligations resulting in financial loss to the Authority. The Authority measures credit risk on a fair value basis and monitors risk on a regular basis.

The maximum exposure to credit risk at balance sheet date in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment.

Credit risk associated with the Authority's financial assets is minimal because the main receivable is the amounts receivable for services (holding account). For receivables other than government, the Authority trades only with recognised, creditworthy third parties. The Authority has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Authority's exposure to bad debts is minimal. There are no significant concentrations of credit risk.

Liquidity risk

The Authority is exposed to liquidity risk through its trading in the normal course of business. Liquidity risk arises when the Authority is unable to meet its financial obligations as they fall due.

The Authority has appropriate procedures to manage cash flows including drawdowns of appropriations by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.



LANDCARE TRUST
Notes to the financial statements
for the year ended 30 June 2008

8 Financial Instruments (continued)

(b) Financial Instrument disclosures

Categories of Financial Instruments

In addition to cash and bank overdraft, the carrying amounts of each of the categories of financial assets and financial liabilities at balance sheet date are detailed in the table below.

Credit Risk, Liquidity Risk and Interest Rate Risk Exposures

The exposure to liquidity risk and interest rate risk as at the balance sheet date are detailed in the table below. The Authority's maximum exposure to credit risk at the balance sheet date is the carrying amount of the financial assets as shown on the following table. The table is based on information provided to senior management of the Authority. The contractual maturity amounts in the table are representative of the undiscounted amounts at the balance sheet date. An adjustment for discounting has been made where material.

The Authority does not hold any collateral as security or other credit enhancements relating to the financial assets it holds. The Authority does not hold any financial assets that had to have their terms renegotiated that would have otherwise resulted in them being past due or impaired.

	Weighted average effective interest rate	Variable interest rate	Non interest bearing	Contract Maturity Dates			Total
				Within 1 Year	Within 1 to 5 Years	Over 5 Years	
	%	\$	\$	\$	\$	\$	\$
2008							
Financial Liabilities							
Payables	7.03%	-	-	-	-	-	0
Total financial liabilities		-	-	-	-	-	0
2007							
Financial Liabilities							
Payables	5.98%	-	2,500	-	-	-	2,500
Total financial liabilities		-	2,500	-	-	-	2,500

Interest rate sensitivity analysis

The following table represents a summary of the interest rate sensitivity of the Authority's financial assets and liabilities at the balance sheet date on the surplus for the period and equity for a 1% change in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.

	Carrying amount	-1% change		+1% change	
		Profit	Equity	Profit	Equity
	\$	\$	\$	\$	\$
2008					
Financial Liabilities					
Payables	-	-	-	-	-
2007					
Financial Liabilities					
Payables	-	-	-	-	-

Fair Values

All financial assets and liabilities recognised in the balance sheet, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes



9 Remuneration of Members of the Accountable Authority and Senior Officers

Remuneration on Members of the Accountable Authority

The number of members of Accountable Authority whose total of fees, salaries, superannuation and other benefits for the financial year, fall within the following bands are:

\$	2008	2007
0 - 10,000	1	1

The total remuneration of the members of the Accountable Authority is:

-	-
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The superannuation included here represents the superannuation expense incurred by the Authority in respect to members of the Accountable Authority

No members of the Accountable Authority are members of the pension scheme.

No senior officers are paid by The Trust.

10 Remuneration of auditor

Remuneration to the Auditor General for the financial year is as follows:

Auditing the accounts, financial statements and performance indicators

The audit for 2007/2008 has been provided at nil cost.

-	2500
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11 Contingent liabilities

There are no known contingent liabilities or contingent assets as at reporting date, not otherwise for or disclosed in the financial statements.

12 Commitments for expenditure

(a) Capital expenditure commitments

There are no known capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements.

(b) Other expenditure commitments

There are no known other expenditure commitments contracted for at the reporting date, not otherwise provided for in these financial statements.

(c) Guarantees and undertakings

There are no guarantees and undertakings at the reporting date, not otherwise provided for in these financial statements.

13 Events occurring after balance sheet date

There are no events in particular that occurred after balance sheet date which would materially affect the financial statements or disclosures.

14 Related bodies

There are no related bodies with the Landcare Trust.

15 Affiliated bodies

There are no affiliated bodies with the Landcare Trust.

16 Supplementary financial information

There were no write-offs, losses or gifts during the financial year 2007/08

