

# **AGRICULTURAL PRACTICES BOARD OF WESTERN AUSTRALIA**



## **ANNUAL REPORT**

**2005-2006**



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# AGRICULTURAL PRACTICES BOARD OF WESTERN AUSTRALIA

## STATEMENT OF COMPLIANCE

For the year ended 30th June 2006

**Hon Kim Chance MLC**  
**Minister for Agriculture and Forestry**

In accordance with Section 66 of the Financial Administration and Audit Act 1985, we hereby submit for your information and presentation to Parliament, the Annual Report of the Agricultural Practices Board of Western Australia for the financial year ended 30 June 2006.

The Annual Report has been prepared in accordance with the provisions of the Financial Administration and Audit Act 1985 and;

### **Enabling Legislation**

The Agricultural Practices Board of Western Australia is established under the Agricultural Practices (Disputes) Act 1995 and;

### **Legislation impacting on the Board's activities**

- Anti-Corruption Commission Act 1988
- Disability Services Act 1993
- Equal Opportunity Act 1984
- Freedom of Information Act 1992
- Government Employees Superannuation Act 1987
- Industrial Relations Act 1979
- Library Board of Western Australia Act 1951
- Occupational Safety and Health Act 1984
- Public Sector Management Act 1994
- Salaries and Allowances Act 1975
- State Records Act 2000
- State Supply Commission Act 1996
- Statutory Corporations (Liability of Directors) Act 1996
- Workers Compensation and Rehabilitation Act 1981
- Workers Compensation and Rehabilitation (Acts of Terrorism) Act 2001
- Work Place Agreements Act 1993



**C Philpott**  
Chairman

Date: 14/9/06



**B Henderson**  
Member

Date: 14/9/06

# AGRICULTURAL PRACTICES DISPUTES BOARD

## CHAIRMAN'S REPORT 2006

The Agricultural Practices Disputes Board has not met formally in the past year but it's activities have continued during this period of time.

The Registrar received 12 enquiries during the year concerning disputes of which one, after deliberation of the Chairman and Registrar, went on to a mediation process.

With no promotion of the Disputes Board activity it is still evident that there is a need for a mediation process to be made available to the rural communities.

The efficiency of our Registrar Jo Peters is widely accepted and I would like to record our appreciation of her contribution.



Colin Philpott OAM  
CHAIRMAN  
AGRICULTURAL PRACTICES DISPUTES BOARD

## **The Board's Objectives**

The Agricultural Practices (Disputes) Act 1995 was proclaimed in June 1996 to:

“make provision for the resolution of disputes related to the carrying on, or management, of agriculture.”

The Board can appoint a mediator to assist in the settlement of disputes between farmers and their neighbours that may arise from farming nearby land.

The Board seeks to provide a fair and equitable process to resolve farm disputes which is both cost-efficient and accessible to the community.

To assist in planning, promotion and service delivery, the Board has defined its mission as:

- To provide quick, cost effective, practical, win-win solutions to disputes at a local level thus avoiding lengthy and costly legal proceedings.

To gain credibility and recognition with all stakeholders including the community and government departments.

To be pro-active in preventing disputes by submitting recommendations to the Minister based on an analysis of the data collected from cases referred to the Board. The recommendations will highlight problems experienced by the community and offer creative solutions, which may be included in the land use planning process.

## KEY ACHIEVEMENTS

The Agriculture Practices Board has continued to assist those seeking an alternative dispute resolution system.

<b>Activity</b>	<b>Number</b>
General Inquiry	12
Information Kits and Brochures Distributed	48
Applications for Mediation	1
New Mediations	1

Of the 12 enquiries received spray drift nuisances were predominant. The application for mediation received was as a result of spray drift alleged to be occurring on commercial farming enterprises.



## Members of the Board

The names of Board members who were appointed at the 30 June 2003 and the interests that they represent are listed below:

<b>Name</b>	<b>Position</b>	<b>Occupation</b>	<b>Representing</b>
Colin PHILPOTT	Chairman	Consultant	Interests of the Public
John ANDERSON	Member	Business Advisor	Interests of the Public
Lennard BRAJKOVICH	Member	Farmer	Environmental & planning interest
Bevan HENDERSON	Member	Consultant	Farmer Organisation
Kenneth PECH	Member	Farmer	Interests of the Public
Elaine MARCHETTI	Member	Farmer	Environmental Interests
Anthony HARDIMAN	Deputy Member	Farmer	Interests of the Public
Maurice (Pell) HOUSE	Deputy Member	Farmer	Interests of the Public

No positions were vacant to the period ending 30 June 2006.

## MEETING DATES

There have been no meetings during the year.

**Services and Staff**

No staff are employed by the Board, and all services are provided by the Department of Agriculture and Food.

**Freedom of Information (FOI)**

The Board's FOI requirements are managed by the Department of Agriculture and Food. On behalf of the Board, the Department of Agriculture and Food holds a record of the Board correspondence and publications, and co-ordinates FOI applications on behalf of the Board. FOI applications may be forwarded to:

FOI Coordinator, Department of Agriculture and Food,  
3 Baron-Hay Court, South Perth WA 6151  
Telephone (08) 9368 3387 Fax (08) 9368 1205

**Customer Service Charter**

All services of the Board are delivered by the Department of Agriculture and Food under that Department's Customer Service Charter, which is available from the Department of Agriculture and Food, 3 Baron-Hay Court, South Perth, WA 6151 or any country office of the Department of Agriculture and Food.

**Contact details**

Agricultural Practices Board  
C/- Department of Agriculture and Food  
PO Box 483  
NORTHAM WA 6401

Tel: (08) 9690 2000  
Fax: (08) 9622 1902

**AGRICULTURAL PRACTICES BOARD OF WESTERN  
AUSTRALIA**

**CERTIFICATION OF FINANCIAL STATEMENTS**

**For the year ended 30 June 2006**

The accompanying financial statements of the Agricultural Practices Board of Western Australia have been prepared in compliance with the provisions of the Financial Administration and Audit Act 1985 from proper accounts and records to present fairly the financial transactions for the financial year ending 30 June 2006 and the financial position as at 30 June 2006.

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.

**C Philpott  
Chairman**

*C L Philpott*

**Date:** 25-7-06

**B Henderson  
Member**

*B Henderson*

**Date:** 25.7.2006

**Joe Murgia  
Chief Finance Officer**

*J Murgia*

**Date:** 25-7-06



**AGRICULTURAL PRACTICES BOARD OF WESTERN AUSTRALIA**  
**Income Statement**  
**for the year ended 30 June 2006**

	Notes	2006	2005
		\$	\$
<b>COST OF SERVICES</b>			
<b>Expenses</b>			
Supplies & Services	4	-	5,187
<b>Total cost of services</b>		<u>-</u>	<u>5,187</u>
<b>Income</b>			
<b>Revenue</b>			
User Charges and Fees	5	200	300
Other revenue		-	7,000
<b>Total Revenue</b>		<u>200</u>	<u>7,300</u>
<b>NET COST OF SERVICES</b>		<u>(200)</u>	<u>(2,113)</u>
<b>SURPLUS/(DEFICIT) FOR THE PERIOD</b>		<u>200</u>	<u>2,113</u>

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



**AGRICULTURAL PRACTICES BOARD OF WESTERN AUSTRALIA**  
**Balance Sheet**  
**as at 30 June 2006**

	Notes	2006 \$	2005 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6	2,313	2,113
<b>Total Current Assets</b>		<u>2,313</u>	<u>2,113</u>
<b>Total Assets</b>		<u>2,313</u>	<u>2,113</u>
<b>Net Assets</b>		<u>2,313</u>	<u>2,113</u>
<b>EQUITY</b>			
Accumulated surplus/(deficit)	8	<u>2,313</u>	<u>2,113</u>
<b>Total Equity</b>		<u>2,313</u>	<u>2,113</u>

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



**AGRICULTURAL PRACTICES BOARD OF WESTERN AUSTRALIA**  
**Statement of Changes in Equity**  
**for the year ended 30 June 2006**

	Note	2006 \$	2005 \$
<b>Balance of equity at start of year</b>	8	2,113	-
<b>ACCUMULATED SURPLUS (RETAINED EARNINGS)</b>			
Surplus/(deficit) or profit/(loss) for the year		200	2,113
Balance at end of year		<u>2,313</u>	<u>2,113</u>
<b>Balance of equity at end of year</b>		<u>2,313</u>	<u>2,113</u>

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



**AGRICULTURAL PRACTICES BOARD OF WESTERN AUSTRALIA**  
**Cash Flow Statement**  
**for the year ended 30 June 2006**

	Notes	2006 \$	2005 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Supplies & services		-	5,187
		<u>-</u>	<u>5,187</u>
<b>Receipts</b>			
Other receipts		200	7,300
		<u>200</u>	<u>7,300</u>
<b>Net cash provided by / (used in) operating activities</b>	7 (b)	<u>200</u>	<u>2,113</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		200	2,113
Cash and cash equivalents at the beginning of the year		<u>2,113</u>	<u>-</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	7 (a)	<u>2,313</u>	<u>2,113</u>

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



**AGRICULTURAL PRACTICES BOARD OF WESTERN AUSTRALIA**  
**Notes to the financial statements**  
*for the year ended 30 June 2006*

**1 First time adoption of Australian equivalents to International Financial Reporting Standards**

**General**

This is the Authority's first published financial statements prepared under Australian equivalents to International Financial Reporting Standards (AIFRS).

Accounting Standard AASB 1 'First time Adoption of Australian Equivalents to International Financial Reporting Standards' has been applied in preparing these financial statements. Until 30 June 2005, the financial statements of the Authority had been prepared under the previous Australian Generally Accepted Accounting Principles (AGAAP).

The Australian Accounting Standards Board (AASB) adopted the Standards of the International Accounting Standards Board (IASB) for application to reporting periods beginning on or after 1 January 2005 by issuing AIFRS which comprise a Framework for the Preparation and Presentation of Financial Statements, Australian Accounting Standards and the Urgent Issues Group (UIG) Interpretations.

In accordance with the option provided by AASB 1 paragraph 36A and exercised by Treasurer's Instruction 1101 'Application of Australian Accounting Standards and Other Pronouncements', financial instrument information prepared under AASB 132 and AASB 139 will apply from 1 July 2005 and consequently comparative information for financial instruments is presented on the previous AGAAP basis (describe the differences). All other comparative information has been prepared under the AIFRS basis.

**Early adoption of standards**

The Authority cannot early adopt an Australian Accounting Standard or UIG Interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. This TI requires the early adoption of revised AASB 119 'Employee Benefits' as issued in December 2004, AASB 2004-3 'Amendments to Australian Accounting Standards; AASB 2005-3 'Amendments to Australian Accounting Standards [AASB 119]', AASB 2005-4 'Amendments to Australian Accounting Standard [AASB 139, AASB 132, AASB 1, AASB 1023 & AASB 1038]' and AASB 2005-6 'Amendments to Australian Accounting Standards [AASB 3]' to the annual reporting period beginning 1 July 2005. AASB 2005-4 amends AASB 139 'Financial Instruments: Recognition and Measurement' so that the ability to designate financial assets and financial liabilities at fair value is restricted. AASB 2005-6 excludes business combinations involving common control from the scope of AASB 3 'Business Combinations'.

Reconciliations explaining the transition to AIFRS as at 1 July 2004 and 30 June 2005 are provided at note 17 'Reconciliations explaining the transition to AIFRS'.

**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 Administration and Audit 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.

Modifications or clarifications to accounting standards through the TI's are to provide certainty and ensure consistency and appropriate reporting across the public sector.

**(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) 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.



**AGRICULTURAL PRACTICES BOARD OF WESTERN AUSTRALIA**  
**Notes to the financial statements**  
*for the year ended 30 June 2006*

**(d) Income**

**Revenue**

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised for the major business activities as follows:

*Rendering of services*

Revenue is recognised on delivery of the service to the client or by reference to the stage of completion. Revenue is raised in accordance with section 20 (1) of the Agricultural Practices (Disputes) Act 1995. A fee of \$100 is charged for processing applications.

**(h) Financial Instruments**

The Authority has two categories of financial instrument:

- Loans and receivables (cash and cash equivalents, receivables); and
- Non trading financial liabilities (finance leases, payables, Treasurer's advance).

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.

**(l) 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.

**(j) Comparative Figures**

Comparative figures have been restated on the AIFRS basis (except for financial instruments, which have been prepared under the previous AGAAP Australian Accounting Standard AAS 33 'Presentation and Disclosure of Financial Instruments'. The transition date to AIFRS for financial instruments is 1 July 2005 in accordance with the exemption allowed under AASB 1, paragraph 36A and Treasurer's Instruction 1101.

**3 Disclosure of changes in accounting policy and estimates**

**Future impact of Australian Accounting Standards not yet operative**

The Authority cannot adopt Australian Accounting Standard and official interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. The following Australian Accounting Standards and interpretations have been published and are not mandatory for 30 June 2006 reporting periods.

The Authority's assessment of the impact of these new standards and interpretations is set out below.

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]'*.

The Standard is applicable to annual reporting periods beginning on or after 1 January 2007. The Authority has not adopted the standards early. Application of the standards will not affect any of the amounts recognised in the financial statements.

2. *UIG Interpretation 4 'Determining whether an Arrangement Contains a Lease'.*

The Interpretation is required to be applied to annual reporting periods beginning on or after 1 January 2006. At reporting date, the Authority has not entered into any arrangements as specified in the Interpretation. The implementation of UIG 4 is not expected to change the accounting for any of the Authority's current arrangement.

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

<u>AASB Amendment</u>	<u>Affected Standards</u>
2005-1	AASB 139 (Cash flow hedge accounting of forecast intragroup transactions)
2005-5	Amendments to Australian Accounting Standards [AASB 1 & AASB 139]
2005-9	Amendments to Australian Accounting Standards [AASB 4, AASB 1023, AASB 139 & AASB 132] (Financial guarantee contracts).
2006-1	AASB 121 (Net investment in foreign operations)
UIG 5	'Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds'.
UIG 6	'Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment'.
UIG 7	'Applying the Restatement Approach under AASB 129 Financial Reporting in Hyperinflationary Economies'.

**AGRICULTURAL PRACTICES BOARD OF WESTERN AUSTRALIA**  
**Notes to the financial statements**  
*for the year ended 30 June 2006*

	2006	2005	
	\$	\$	
<b>4 Expenses</b>			
Services & Contracts	-	5,186	
Other	-	1	
	-	5,187	
<b>5 User Charges and Fees</b>			
Fees	200	300	
	200	300	
<b>6 Cash and cash equivalents</b>			
<b>Current</b>			
Cash	2,313	2,113	
	2,313	2,113	

**7 Notes to Cash Flow Statement**

**(a) Reconciliation of cash**

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

Cash and cash equivalents	2,313	2,113	
---------------------------	-------	-------	--

**(b) Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities**

Net cost of services	(200)	(2,113)	
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Net cash provided by/(used in) operating activities	(200)	(2,113)	
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**8 Equity**

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.

**Accumulated surplus/(deficit)**

Balance at start of year	2,113	-	
Result for the year	200	2,113	
Balance at end of year	2,313	2,113	

**9 Financial Instruments**

**(a) Financial Risk Management Objectives and Policies**

Financial instruments held by the Authority are cash and cash equivalents, loans, finance leases, Treasurer's advances and receivables and 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*

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 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.

*Cash flow interest rate risk*

The Authority's exposure to market risk for changes in interest rates relate primarily to the long-term debt obligations. The Authority's borrowings are all obtained through the Western Australian Treasury Corporation (WATC) and are at fixed rates with varying maturities. The risk is managed by WATC through portfolio diversification and variation in maturity dates. Otherwise, the Authority is not exposed to interest rate risk because cash and cash equivalents and restricted cash are non-interest bearing and have no borrowings other than the Treasurer's advance (non-interest bearing) and finance leases (fixed interest rate).

**(b) Financial Instrument disclosures**

Financial instrument information for the year ended 2005 has been prepared under the previous AGAAP Australian Accounting Standard AAS 33 'Presentation and Disclosure of Financial Instruments'. Financial instrument information from 1 July 2005 has been prepared under AASB 132 'Financial Instruments: Presentation' and AASB 139 'Financial Instruments: Recognition and Measurement'. See also note 2(j) 'Comparative figures'.



**AGRICULTURAL PRACTICES BOARD OF WESTERN AUSTRALIA**  
**Notes to the financial statements**  
*for the year ended 30 June 2006*

**9 Financial Instruments (continued)**

*Interest Rate Risk Exposure*

The following table details the Authority's exposure to interest rate risk as at the reporting date:

	Weighted Average Effective Interest Rate %	Variable Interest Rate \$	Non- Interest Bearing \$	Total \$
<b>30 June 2006</b>				
<b>Financial Assets</b>				
Cash and cash equivalents	5.55%	-	2,313	2,313
<b>Total financial assets</b>		-	2,313	2,313
<b>Net financial assets (liabilities)</b>		-	2,313	2,313
<b>30 June 2005</b>				
<b>Financial Assets</b>				
	5.44%	-	2,113	2,113

*Fair Values*

The carrying amount of financial assets and financial liabilities recorded in the financial statements are not materially different from their net fair values.

**10 Remuneration of Members of the Accountable Authority and Senior Officers**

**Remuneration on Members of the Accountable Authority**

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

\$		
0 - 10,000	2	2

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

-	-
---	---

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

No senior officers are paid by The Board.

**11 Explanatory Statement**

Significant variations between estimates and actual results for income and expense are shown below. Significant variations are considered to be those greater than 10% or \$1,000.

**2006 budget versus 2006 actual and 2005 actual versus 2006 actual**

	Budget 2006 \$	Actual 2006 \$	Variance Between 2006 Budget & 2006 Actual \$	Note	Actual 2005 \$	Variance Between 2005 Actual & 2006 Actual \$	Note
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Supplies and Services	-	-	-		5,187	(5,187)	9.1
<b>Total cost of services</b>	-	-	-		5,187	(5,187)	
<b>Income</b>							
<b>Revenue</b>							
User charges and fees	-	200	200	9.1	300	(100)	9.1
Other	-	-	-		7,000	(7,000)	9.1
<b>Total Revenue</b>	-	200	200		7,300	(7,100)	
<b>NET COST OF SERVICES</b>	-	(200)	(200)		(2,113)	(1,913)	
<b>INCOME FROM STATE GOVERNMENT</b>							
Total income from State Government	-	-	-		-	-	
<b>SURPLUS/(DEFICIT) FOR THE PERIOD</b>	-	200	200		2,113	1,913	

**AGRICULTURAL PRACTICES BOARD OF WESTERN AUSTRALIA**  
**Notes to the financial statements**  
*for the year ended 30 June 2006*

**11 Explanatory Statement (continued)**

**(i) Significant variations between actual revenues and expenditures for the financial year and revenues and expenditures for the immediately preceding financial year and (ii) Significant variations between estimates and actual results for the financial year.**

Details and reasons for significant variations between actual results and budget results with the corresponding items of the preceding year are as detailed below.

**(9.1) All Variances**

There were no external mediation costs incurred for the current financial year. The Agricultural Practices Board is obliged to provide the services of the Board whilst the Agricultural Practices (Disputes) Act 1995 remains in place. It does this by conducting its normal business of servicing enquiries through the Registrar. Two applications in 2006 were received by the Board.

**12 Remuneration of auditor**

The fee for the 2004-05 audit and the 2005-06 audit has been assessed as nil.

**13 Contingent liabilities**

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

**14 Commitments**

**(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.

**15 Events occurring after the balance sheet date**

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

**16 Related bodies**

There are no related bodies with the Agricultural Practices Board of Western Australia.

**17 Affiliated bodies**

There are no affiliated bodies with the Agricultural Practices Board of Western Australia.

**18 Write-offs, losses and gifts**

There were no write-offs, losses or gifts during the financial year 2005/06.

**17 Reconciliation explaining the transition to Australian equivalents to International Financial Reporting Standards (IFRS)**

**RECONCILIATION OF EQUITY AT THE DATE OF TRANSITION AT AIFRS: 1 JULY 2004**

	Previous GAAP 1 July 2004	Total Adjustments	AIFRS 1 July 2004
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalent	-	-	-
<b>Total Current Assets</b>	-	-	-
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	-	-	-
<b>Total Current Liabilities</b>	-	-	-
<b>Net Assets</b>	-	-	-
<b>EQUITY</b>			
Accumulated surplus/(deficiency)	-	-	-
<b>Total Equity</b>	-	-	-
<b>TOTAL LIABILITIES AND EQUITY</b>	-	-	-



**AGRICULTURAL PRACTICES BOARD OF WESTERN AUSTRALIA**  
**Notes to the financial statements**  
*for the year ended 30 June 2006*

**17 Reconciliation explaining the transition to Australian equivalents to International Financial Reporting Standards (IFRS) (continued)**

**RECONCILIATION OF EQUITY AT THE END OF THE LAST REPORTING PERIOD UNDER PREVIOUS AGAAP: 30 JUNE 2005**

	GAAP 30 June 2005	Total Adjustments	AIFRS 30 June 2005
<b>ASSETS</b>			
Current Assets	2,113		2,113
<b>Total Current Assets</b>	<b>2,113</b>	-	<b>2,113</b>
<b>LIABILITIES</b>			
Current Liabilities	-	-	-
<b>Total Current Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Assets</b>	<b>2,113</b>	<b>-</b>	<b>2,113</b>
<b>EQUITY</b>			
<b>Total Equity</b>	<b>2,113</b>	<b>-</b>	<b>2,113</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>2,113</b>	<b>-</b>	<b>2,113</b>

**RECONCILIATION OF INCOME STATEMENT (PROFIT OR LOSS) FOR YEAR ENDED 30 JUNE 2005**

	GAAP 30 June 2005	Total Adjustments	AIFRS 30 June 2005
<b>COST OF SERVICES</b>			
Expenses	5,187		5,187
<b>Total cost of services</b>	<b>5,187</b>	<b>-</b>	<b>5,187</b>
<b>INCOME</b>			
Revenue	7,300		7,300
<b>Total revenue</b>	<b>7,300</b>	<b>-</b>	<b>7,300</b>
<b>INCOME FROM STATE GOVERNMENT</b>			
Total income from State Government	-	-	-
<b>SURPLUS/(DEFICIT) FOR THE PERIOD</b>	<b>2,113</b>	<b>-</b>	<b>2,113</b>

**RECONCILIATION OF CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2005**

	GAAP 30 June 2005	Total Adjustments	AIFRS 30 June 2005
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Payments	5,187		5,187
	5,187	-	5,187
Receipts	7,300		7,300
	7,300	-	7,300
<b>Net cash provided by/(used in) operating activities</b>	<b>2,113</b>	<b>-</b>	<b>2,113</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>2,113</b>	<b>-</b>	<b>2,113</b>
<b>Cash and Cash equivalents at the beginning of period</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>			
	2,113	-	2,113





## AUDITOR GENERAL

### INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

### AGRICULTURAL PRACTICES BOARD OF WESTERN AUSTRALIA FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

#### Audit Opinion

In my opinion,

- (i) the financial statements are based on proper accounts and present fairly the financial position of the Agricultural Practices Board of Western Australia at 30 June 2006 and its financial performance and cash flows for the year ended on that date. They are in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Treasurer's Instructions; and
- (ii) the controls exercised by the Board provide reasonable assurance that the receipt and expenditure of moneys, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions.

#### Scope

The Board is responsible for keeping proper accounts and maintaining adequate systems of internal control, for preparing the financial statements, and complying with the Financial Administration and Audit Act 1985 (the Act) and other relevant written law.

The financial statements consist of the Income Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and the Notes to the Financial Statements.

#### Summary of my Role

As required by the Act, I have independently audited the accounts and financial statements to express an opinion on the financial statements and controls. This was done by testing selected samples of the evidence. 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.

JOHN DOYLE  
ACTING AUDITOR GENERAL  
4 September 2006

## **Attachment (i)**

### **DISCLOSURE PURSUANT TO SECTION 175ZE(1) OF THE ELECTORAL ACT 1907**

In accordance with the disclosure requirements of Section 175ZE of the Electoral Act 1907, the Agricultural Practices Board of Western Australia reports a nil return for the 2005/2006 financial year.