



# Northern Biosecurity Group Inc.

## Annual Report

### 2019-2020



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Department of Biodiversity,  
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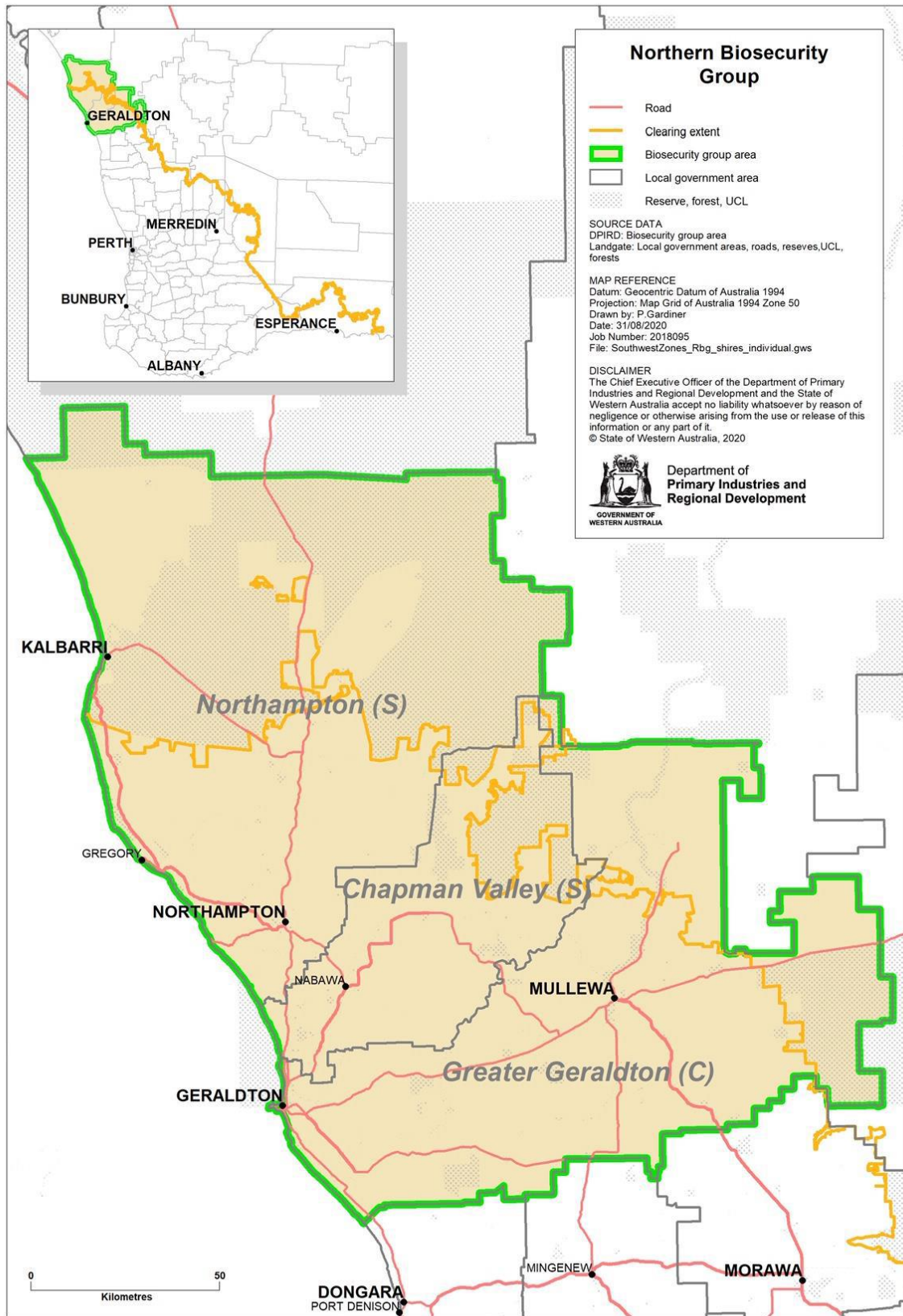
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### **1. Overview**

The Northern Biosecurity Group (NBG) became formally recognised by the Minister for Agriculture and Food in July 2018. The group aims to take a proactive approach to facilitate declared pest management with a coordinated effort across the region and by working with landholders, government departments, industry groups and neighbouring biosecurity groups to ensure efficient and effective pest management on a regional scale or where appropriate.

The group was formed after a push from the State Government for the establishment of Recognised Biosecurity Groups as the preferred partnership arrangement for the control of widespread and established declared pests. It provides a framework to foster efficiency through arrangements to make the best use of skills, funds, capacities, incentives and regulations. Recognised Biosecurity Groups (RBGs) are the preferred model under the BAM Act (Biosecurity and Agricultural Management Act 2007). The BAM act recognises that biosecurity is a shared responsibility and helps to enable landholders and land managers to develop a coordinated approach to control and manage declared pests in their area.

The NBG operates within the State Barrier Fence and covers the Shires of Northampton, Chapman Valley and since April 2020 includes the whole of the City of Greater Geraldton. Total area of the NBG is close to 30,000km<sup>2</sup> with various land tenure. Please see map on page 3.



## 2019-20 Board of Management

The NBG Constitution provides a Board of Management which currently consists of six members. These members hold voluntary positions who are responsible for overseeing the affairs of the association. The Board of Management consists of a Chairperson, Deputy Chairperson, Secretary and Treasurer and no less than three but no more than eight other members. During the Special Meeting in October 2019 the NBG Members adopted a change in the Constitution to ensure all local government area (LGA) have representation. The board will have to include a minimum of two (2) representatives from each LGA.

As at 30th June 2020 the Northern Biosecurity Group Inc. Board of Management consists of:

<b>Member</b>	<b>Date of Appointment</b>	<b>Position and Date Appointed</b>	<b>Term Expiry</b>
Jason Batten	October 2018	Chairperson/2018 October	2021
Scott Bridgeman	October 2018	Deputy Chairperson/2018 October	2021
Penny Walker	October 2018	Secretary/Treasurer/2018 October Non- Committee/Member	2020
Jeremy Brooks	October 2018	Committee Member October	2020
Steve Rowe	October 2018	Committee Member October	2021
Fiona Mann	October 2018	Committee Member October	2020
Glen Reynolds	October 2018	Committee Member October	2020

Executive Officer – Part Time (2 days per week)

Marieke Jansen – Non Committee

Mobile: 0427 898 160

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Twitter: @nbg\_eo

Facebook: Northern Biosecurity Group

The group's main aim is to take a proactive, collaborative and a nil-tenure approach to declared pest management across a vast area working with local landholders, Natural Resource Management organisations, Industry, neighbouring RBGs and Government departments to ensure effective pest control program outcomes that will be of benefit to the whole community.

The NBG recognises the importance of contracting Licensed Pest Management Technicians (LPMTs). Experienced LPMTs are monitoring the region for wild dog activity but will also provide on-ground baiting and dog trapping advice to landholders at community baiting days and best-practice workshops. Having local LPMTs available has given landholders the confidence to contact the NBG or their LPMT directly resulting in a timely response of deploying effective declared pest management techniques (wild dogs, feral pigs, foxes and rabbits).

## NBG contracted Licenced Pest Management Technicians in 2019/2020:

- Josh Gould
- Animal Pest Management Services
- Ray Hughes
- Allan Straw
- Andrew O'Dwyer

## NBG Funding and Operational Plan

Every year the NBG develops an annual operation plan in consultation with its landholders, which outlines the declared pest priorities, and a program of activities and budgets for the region, to meet its responsibilities under the Biosecurity and Agriculture Management Act 2007 (BAM Act).

The Group's main source of income comes from the declared pest rates paid by landholders owning agricultural freehold land >100ha. These funding contributions are matched by the State Government. Additional grant income varies every year but during 2019/20 has been received from State NRM Office (Feral pig monitoring), NACC NRM (rabbit and fox control), and Sheep and Goat IFS to fund priority declared pests. With this IFS funding the NBG has provided wild dog control on pastoral leases inside the State Barrier Fence (SBF).

## **2. NBG Aim and Objectives**

The group aims to take a proactive approach to facilitate declared pest management with a coordinated effort across the region and by working with landholders, government departments, industry groups and neighbouring biosecurity groups to ensure efficient and effective pest management on a regional scale or where appropriate.

The Northern Biosecurity Group aligned its aim directly to its objectives in the groups' constitution. These are:

- Initiate, promote and foster the control of Declared Pests in the Designated Area;
- Encourage landholders and other persons to adopt sound biosecurity practices throughout the Designated Area;
- Foster the sustainable development of the Designated Area;
- Encourage the control of pests other than Declared Pests in the Designated Area;
- Identify direct or indirect funding sources that can be made available for the development of the objects and purposes of the Association;
- Provide Members with a forum to exchange information, advice and assistance where appropriate; and
- Undertake any activity that the Board of Management shall from time to time determine to be in furtherance of the objects of the Association

## **3. Chairs Report**

It has been another great year for Northern Biosecurity Group (NBG) with Greenough and the remaining region of Greater Geraldton being included in the NBG. I feel this is a positive move as it squares off this area in the Northern ag region. As a Board we look forward to addressing declared pest issues in this area and welcome new board members.

We have continued to try and work as best we can with all stakeholders and have seen good adoption of control techniques across the region. Again, the connection with Farming Groups has been invaluable and we are grateful that they have continued to include us in their field walks.

Covid-19 has not affected the functioning of the board and Licensed Pest Management Technicians (LPMT), but it did affect the ability to work with Government agencies for a few months. This relationship with Government departments is something as a board we always have to work hard on and is critical to the success of the group.

Feral pig control has been boosted by purchasing the Matlock trapping system, these have had a few technical issues but have been very effective in catching and a great tool for landholder engagement. Landholders and LPMT's have been able to view the pigs in the trap in real time and drop the door remotely when they are satisfied all pigs are in the trap. Pigs continue to be a major issue in our region but I think the group has done a great job in promoting different control techniques. The collaring research project has given NBG good data collection and is enabling us to fine tune our control techniques and plan our future strategies.

Wild dog sightings and sheep attacks are still of concern and as a group we must continue addressing this issue. NBG was not successful in gaining IFS funds which we have previously used to employ LPMT's to fill some of the gap areas in our region. Thankfully DPIRD recognised the importance of servicing the pastoral Wild Dog hotspots in our region and was able to assist our group with funds to continue the LPMT work in these areas. Our board will need to work with our neighbouring Biosecurity Groups on a strategy so that these gap areas are managed effectively.

Other pests such as Emus and Corellas have been raised as an issue in our region by landholders, Shires and Community Groups. NBG will continue to work with the appropriate government departments to discuss best control methods and funding mechanisms.

Thank you to all employees and board members for their input and work, look forward to making more of an impact in 2021.

**Jason Batten**  
**NBG Chairperson**

#### **4. Executive Officer Report**

During a very turbulent finish to the financial year due to COVID-19, the Northern Biosecurity Group Inc. (NBG) still has much to be proud of from the 2019/20 Financial Year. There was an increase of on-ground achievements, a smooth transition into the Declared Pest Rate model, and great support from landholders and government of the pest programs and initiatives undertaken throughout the year.

This past year has seen the NBG develop further as a Recognised Biosecurity Group with its first year of the Declared Pest Rate (DPR) being implemented within the NBG's prescribed area. The DPR allows us to support landholders to control declared pests on their land.

For 2019/20 Financial Year the NBG requested the Minister for Agriculture and Food to approve a Declared Pest Rate (DPR) of 0.0302 cents in the dollar on the unimproved value of freehold land in the local government districts of Chapman Valley, City of Greater Geraldton (*locality of Mullewa*

*only*) and Northampton, that is no less than 100 hectares in area with a minimum rates amount payable of \$80.00.

The Minister undertook consultation and approved the NBG 2019/20 Operational Plan and its associated budget for the control of declared pests. The funds raised as part of the DPR was \$150,088 and was matched dollar for dollar by the Western Australian State Government totalling to become \$300,176.

The Office of State Revenue issued the Declared Pest Rate invoices to landholders in October 2019 with reminder notices then sent out to landholders in May 2020 and deposited the funds into the Declared Pest Account. The process of raising funds through the implementation of the Declared Pest Rate has not at times been easy but overall, the NBG Board of Management have been pleased by the feedback and support of landholders within the region, as without access to long-term sustainable biosecurity funding the NBG would not be able to implement effective declared pest control programs. Whilst the majority of the NBG Operational Budget came from the Declared Pest Rate the group was also able to apply successfully for external funds in the control of Wild Dogs, Feral Pigs and Rabbits.

The NBG Board recognised the importance of having equal representation on the Board of Management and updated the constitution to reflect the extension of operations across the three Shires. This cemented the groups position to continue to work and engage with local landholders, farming groups and government to prioritise declared pest control and activities as part of the NBG.

In July 2019 the NBG renewed their Local Pest Management Technician (LPMT) contracts after an extensive expression of interest process with multiple parties interviewed. Three new LPMT contracts were awarded for a total of 275 LPMT days focusing on Wild Dog and Feral Pig control in the region. A total of 28 dogs were reported to be trapped by NBG contracted LPMT's and a decrease in recorded stock losses were reported in FeralScan.

Whilst majority of the community baiting days had to be cancelled due to COVID-19 restrictions the LPMT's were able to service landholders by mixing their 1080 on site on their properties. With external Northern Agricultural Catchment Council (NACC) funds farmers within Malleefowl priority areas were offered to have their rabbit OneShot baiting completed by our LPMT's after attending a community baiting day.

Throughout 2019/20 the NBG continued landholder assistance with the opportunity to obtain 1080 accreditation and apply for a Restricted Chemical Permit (RCP), which the NBG are currently covering the associated costs, to ensure maximum participation and widespread pest management. This allows landholders the opportunity to control declared pests on their property to the best of their ability.

Board members and contractors from the group have attended multiple field days'/community events, including: Mingenew Midwest Expo, Local Farming Group Field Days, NACC events, allowing landholders the opportunity to engage with the group and discuss priority pests. The group will continue to attend events in the future as it provides a voice for landholders within the area.

The Executive Officer attended industry/government organised workshops to maximise collaboration with other RBGs in managing declared pests. Specifically, the NBG is working together with neighbouring Central Wheatbelt Biosecurity Association (CWBA), and the latest recognised Midlands Biosecurity Group (MBG) on coordinated Feral Pig control funding applications.

Furthermore, the NBG is working together with our northern pastoral Regional Biosecurity Group neighbours to manage and coordinate LPMT coverage within the pastoral regions inside the State Barrier Fence (SBF). This RBG network allows all RBG Executive Officers to coordinate control programs, share ideas and provide support to each other. A good example by working together has been the cost savings on the purchase of OneShot oats, dog traps and 1080 signage.

The NBG will continue to support the landholders within the Shires of Northampton, Chapman Valley and the whole of City of Greater Geraldton with declared pest programs and activities. The Executive Officer and Board Members are determined to offer these services to ensure that the best possible outcome for management of declared pests is achieved. The NBG would like to encourage all landholders to provide feedback and input in the 2021/22 Operational Plan.

I would especially like to express my thanks to our current Board who have been critical to getting the group established. Their strategic direction and connection to the local farming community have made my job easier and assured NBG funds are being spent in a transparent and appropriate manner to maximise on-ground outcomes and directly benefits landholders. I would also like to thank Penny Walker who ensures appropriate governance is being followed and is keeping all of our financial matters in order.

## **5. Operations and Achievements 2019-2020**

### **5.1: Wild Dog Management**

Our Wild Dog management program was again the group's largest program in the past Financial Year. The program's main expense was contracting LPMT's for 240 days who implement trapping and baiting programs in Wild Dog hotspots preventing Wild Dogs migrating down into the Agricultural Region.

The NBG was successful in receiving \$50,000 of funding from the Sheep/Goat Industry Funding Scheme Wild Dog Grants (IFS). This funding was used to better target Wild Dog control activities in identified "gap" areas in our region by providing additional LPMT days to targeting identified pastoral gap properties in partnership with the Carnarvon Rangelands Biosecurity Association, Meekatharra Rangelands Biosecurity Association and the Central Wheatbelt Biosecurity Group.

Free baits were distributed among landholders and our LPMT's were able to provide assistance in bait laying and storage options for landholders. Only landholders with a current RCP are able to receive LPMT assistance in Wild Dog control.

### **5.2: Feral Pig Management**

In 2019/20 the NBG increased the budget for Feral Pig control. LPMT time had been made available to assist landholders to select suitable trapping and/or baiting sites and advise them on their pre-feeding requirements. Most community baiting days had to be cancelled but landholders were still able to individually mix their grain on their own properties.

After receiving feedback from farmers with increased sightings of Feral Pigs in the eastern part of the region the NBG extended its annual aerial control program to 6 days targeting 3 different areas. 42 properties were included covering more than 200,000ha. A total of 1261 feral pigs were culled as part of the project. Whilst an aerial culling program does impact Feral Pig populations, it should be used in conjunction with other management tools such as baiting, trapping and/or shooting.



In November 2019 the NBG received the news it was successful in a large State Government funded Natural Resource Management (SNRM) Community Stewardship grant. This funding will be used to collar and track Feral Pigs in Midwest WA and to better understand their habits and improve control methods and efficiency.

12 Lotek GPS collars were purchased and deployed with help from DPIRD staff. The collars provide real time data to monitor pig distribution, seasonal variability and response to management techniques. As well as GPS collars part of this project funding also enabled the group to purchase 4 Matlock trap gates.

This video trapping system has proven to be a great engagement tool for landholders to be able to monitor pigs coming onto their property and trap sites. The Matlock trap gates are available to all landholders within the NBG region who are experiencing Feral Pig issues – good mobile phone reception is required.

### **5.3. Other Pest Management**

Rabbit and Fox control is available to landholders who showed an interest in participating in community baiting days to pick up free fox baits and have their OneShot oats mixed. Rabbit baiting was funded through NACC's Mallee fowl project and saw a total of 700kms of One-Shot oats mixed and laid by landholders and LPMT's in this region.

In 2019/20 the group finished its Cactus control work across 11 sites in the Northampton and Chapman Valley Shires. Initial spraying occurred in November 2019 and follow up treatment (and monitoring) was completed in March 2020. The cactus management project discovered a first known infestation of snake cactus in bushland WA and also recorded a first known record of *Opuntia polyacantha var. hystricina* in Australia.

The group has purchased 4 fox traps for landholders to be used on properties unable to obtain a 1080 Restricted Chemical Permit.

### **6: Summary**

During 19/20 the NBG contracted a total of 5 different LPMTs who all worked together to cover the wild dog priority areas. A total of 9,800 baits were distributed by LPMT or distributed through bait rack days inside the SBF under NBG contracts. A total of 28 dogs were trapped or shot with the majority in the pastoral areas of the Region.

A total of 42 stock losses were reported but these stock losses only have come from 4 different landholders.

Locality	Rabbits/ km			Pigs /kg			Dog/Foxes #		
	2018	2019	2020	2018	2019	2020	2018	2019	2020
Yuna/Wandana	275	360	340	800	1760	0	700	450	850
Northampton	12	14	6	2166	1754	728	750	1850	600
Mullewa/Woongoondy	190	180	215	180	350	102	500	850	1200
Nanson/Howatharra	0	0	0	1090	200	200	500	300	200
Ajana	0	0	15	128	102	102	4025	1600	1200
<b>Total</b>	<b>477</b>	<b>554</b>	<b>576</b>	<b>4364</b>	<b>4166</b>	<b>1132</b>	<b>6475</b>	<b>5050</b>	<b>4050</b>
	Nr of landholders attending community baiting days								
Locality	2018	2019	2020*						
Yuna/Wandana	11	11	7						
Northampton	8	15	5						
Mullewa/Woongoondy	6	5	2						
Nanson/Howatharra	6	4	2						
Ajana	8	8	4						

\* some community baiting days cancelled due to COVID 19

NBG assists landholders to submit and acquire Restricted Chemical Product Permits so LPMTs can access properties to undertake control priorities. A total number of 22 landholders were provided with assistance during this year after a big push of renewing RCPs in the previous two years.

While we have made significant impact in engaging landholders to implement control programs in the past few years, there is still room for improvement to minimise economic and biodiversity impacts from declared pests. Federal and State Action Plans are being developed and our group believes there are some real opportunities arising to increase our program uptake and efficiency and work together to safely protect our land and livelihood.

### Community Engagement

Add Table

Month	Activity Type	Details
All year round	Social Media updates + Monthly NBG page in the local newspapers	
July		
August	NBG stand at Mingenew Field Days	NBG attended the RBG stand in the DPIRD tent at the Mingenew Field Day
September	Field Day Presentations	3 field talks held at NAG, YFIG and MDFI Farming Group field days. Total audience: 180 people
October	AGM 2019/20	11 <sup>th</sup> of October at DPIRD Geraldton
November		
December		

January	Written news article	Article about Feral Pig GPS collaring and Control in FarmWeekly
February	Community workshop	"Beer and Boar Night" Well attended with presentations from DPIRD, LPMT and NBG.
March	Community Baiting Days	Bait rack days and grain mixing in 5 locations in NBG Region
April	Events cancelled due to COVID-19	
May	Australia Vertebrate Pest Conference in Melbourne was cancelled.	NBG paper on Feral Pig Monitoring was accepted for the AVPM conference in Melbourne
June		

Funded Projects include (some expenditure unspent 2018/19 funding:

Project ID	Title	Amount	Funding body
Project One:	Pest Animal & Weed Management activities in Drought Affected Areas	\$ 400,000.00	DAFWA
Project Two:	Capacity Building Initiative	\$ 102,480.00	DPIRD
Project Three:	Feral Pig Aerial Control Program	\$ 20,000.00	DPIRD
Project Four:	City of Greater Geraldton Community Engagement	\$ 30,000.00	DPIRD
Project Five:	Sheep/Goat IFS Wild Dog Grant	\$ 50,000.00	IFS
Project Six:	Supporting Communities to Save Mallee Fowl	\$ 20,000.00	NACC
Project Seven:	Declared Pest Account Funds	\$ 292,795.80	WA State Government
Project Eight:	GPS Tracking Midwest Feral Pigs	\$ 201,710.00	SNRMO (3-year project)

## 7. Financial Statements and Auditors Report



NORTHERN BIOSECURITY INC.  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2020



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**NORTHERN BIOSECURITY GROUP INC.**

**BALANCE SHEET  
AT 30 JUNE 2020**

	<b>2020</b>	<b>2019</b>
	\$	\$
<b>CURRENT ASSETS</b>		
Working Account	35,688	62,501
Savings Account	118,873	93,509
EO Account	437	1,814
Net GST Receivable / (Payable)	(2,975)	7,690
Trade Debtors	11,000	-
<b>TOTAL CURRENT ASSETS</b>	<u>163,023</u>	<u>165,514</u>
<b>TOTAL ASSETS</b>	<u><u>163,023</u></u>	<u><u>165,514</u></u>
<b>CURRENT LIABILITIES</b>		
Accrued Expenses	4,977	7,397
Trade Creditors	17,414	-
Unspent Grants	4 139,870	157,674
<b>TOTAL CURRENT LIABILITIES</b>	<u>162,261</u>	<u>165,071</u>
<b>TOTAL LIABILITIES</b>	<u>162,261</u>	<u>165,071</u>
<b>NET ASSETS</b>	<u><u>762</u></u>	<u><u>443</u></u>

The accompanying notes form part of these financial statements

**NORTHERN BIOSECURITY GROUP INC.**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2020**

	\$
<b>Retained Earnings 1 July 2018</b>	-
Surplus for the period	443
<b>Closing Retained Earnings 30 June 2019</b>	<u>443</u>
<b>Opening Retained Earnings 1 July 2019</b>	443
Surplus for the period	319
<b>Closing Retained Earnings 30 June 2020</b>	<u>762</u>

**NORTHERN BIOSECURITY GROUP INC.**

**STATEMENT OF INCOME AND EXPENDITURE  
FOR THE YEAR ENDED 30 JUNE 2020**

	<b>2020</b>	<b>2019</b>
	\$	\$
<b>INCOME</b>		
Declared Pest Account Funds	150,088	-
Grant Income	248,790	257,121
Interest Income	410	859
Other Income	1,090	4,000
<b>Total Income</b>	<b>400,378</b>	<b>261,980</b>
<b>EXPENSES</b>		
Accounting/Bookkeeping Fees	8,232	5,693
Advertising	476	695
Audit	2,000	-
Bank Fees	60	5
Board Expenses	7,155	8,960
Computer Expenses	-	141
Contractor - EO	36,842	35,436
Freight	-	295
Insurance Expenses	2,783	2,620
Legal Fees	-	4,000
Office Expenses	126	86
Travel & Accom. Expenses	1,923	2,203
Wild Dogs Expenses	133,783	117,398
Feral Pigs Expenses	154,899	60,392
Other Pests Expenses	20,231	-
Cacti	8,781	408
Bait Rack Days	497	505
Contractor	7,605	11,799
RCP Permits	1,139	1,125
Signage	2,275	-
Workshops	11,252	9,776
<b>Total Expenses</b>	<b>400,059</b>	<b>261,537</b>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>	<b>319</b>	<b>443</b>

The accompanying notes form part of these financial statements.



NORTHERN BIOSECURITY GROUP INC.

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
<b>Cash Flows from Operating Activities</b>		
Funding	381,074	343,990
Other income	1,090	4,000
Payments to suppliers and employees	(385,400)	(267,459)
Interest received	410	859
<b>Net Cash provided by Operating Activities</b>	<b>(2,826)</b>	<b>81,390</b>
<b>Cash Flows from Financing Activities</b>		
Proceeds from funds held in Shire of Northhampton Trust	2 -	76,434
<b>Net cash provided by Financing Activities</b>	<b>-</b>	<b>76,434</b>
Net increase in cash held	(2,826)	157,824
Cash at beginning of financial year	157,824	-
Cash at end of Financial Year	<b>154,998</b>	<b>157,824</b>
<b>A. Cash at end of Financial year represented by:</b>		
Working Account	35,688	62,501
Savings Account	118,873	93,509
EO Account	437	1,814
	<b>154,998</b>	<b>157,824</b>
<b>B. Reconciliation of net cashflow from operations with net surplus:</b>		
Surplus from ordinary activities	319	443
Change in operating assets and liabilities:		
Accounts receivable and prepayments	(11,000)	-
Accounts payable and other accruals	25,659	(5,922)
Unspent funds liability	(17,804)	86,869
	<b>(2,826)</b>	<b>81,390</b>

The accompanying notes form part of these financial statements

**NORTHERN BIOSECURITY GROUP INC.**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

**NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Constitution and the *Associations Incorporations Act (WA) 2015*. The Board has determined that the association is not a reporting entity.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values, or except where specifically stated, current valuations of non-current assets.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

(a) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at reporting date.

Revenue from grant funding, provided under contractual arrangements is taken up on a proportionate basis net of GST, over the period to which the funding relates.

Grant funds received in advance at balance date are recognised as a liability within the balance sheet and carried forward to the next accounting period. Refer to Note 4 for further details.

**NOTE 2. INCORPORATION**

Northern Biosecurity Group Inc. was incorporated on the 25<sup>th</sup> May 2018 and registered for Goods & Services Tax at 1 July 2018.

Following Incorporation, during July 2018, Shire of Northampton transferred \$76,434.39 funds held on behalf of Northern Biosecurity Group Inc. to a Northern Biosecurity Group Inc. bank account.

**NOTE 3. FINANCIAL SUPPORT**

The ongoing operation of the services provided by the Northern Biosecurity Group Inc. is dependent upon the continued receipt of grant funds.

**NORTHERN BIOSECURITY GROUP INC.**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

**NOTE 4. UNEXPENDED GRANTS**

Where grants are carried forward at 30 June to a subsequent financial year, a corresponding liability is recognised in the balance sheet, in relation to Unexpended Grants.

As at 30 June 2020, \$139,870 of funding was unspent and required to be carried over to the following year.

Accordingly, a corresponding “Unexpended Grants” liability of \$139,870 has been brought to account as at 30 June 2020, recognising that these funds are to be carried forward to the subsequent financial year, and expended in accordance with grant funding requirements. Unexpended grants held as at 30 June 2020 carried forward to the 2020/2021 year are as follows:

	\$
1. DPIRD – Community Engagement & Consult	7,798
2. NACC – Save Malleefowl	389
3. DPA Funds 2019-20	122,633
4. DPIRD – Tracking Midwest Feral Pig	<u>9,050</u>
<b>TOTAL</b>	<b><u>139,870</u></b>

**NORTHERN BIOSECURITY GROUP INC.**

**STATEMENT BY MEMBERS OF THE BOARD**

The Board have determined that the association is not a reporting entity.

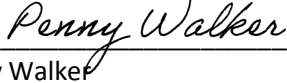
The Board have determined that this special purpose financial report should be prepared in accordance with the *Associations Incorporation Act (WA) 2015* and the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Board:

1. The financial statements and notes of Northern Biosecurity Group Inc. are in accordance with the *Associations Incorporation Act (WA) 2015* including:
  - a) giving a true and fair view of its financial position at 30 June 2020 and of its financial performance for the period ended on that date;
  - b) complying with the accounting policies described within Note 1 to the financial statements; and
2. There are reasonable grounds to believe that Northern Biosecurity Group Inc. will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the Board and is signed for and on behalf of the Board by:

  
\_\_\_\_\_  
Jason Batten  
Chairperson

  
\_\_\_\_\_  
Penny Walker  
Board Treasurer

Dated this        day of December 2020

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF NORTHERN BIOSECURITY GROUP INC.**

**Opinion**

We have audited the financial report of Northern Biosecurity Group Inc., being a special purpose financial report, which comprises the balance sheet as at 30 June 2020 and profit and loss statement for the period then ended, notes to the financial statements, and the statement by members of the board.

In our opinion, the accompanying financial report has been prepared in accordance with the *Associations Incorporation Act (WA) 2015*, including:

- i) giving a true and fair view, in all material respects, of the financial position of Northern Biosecurity Group Inc. as at 30 June 2020, and of its financial performance for the period then ended; and
- i) complying with the accounting policies described in Note 1 and the *Associations Incorporation Act (WA) 2015*.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of Northern Biosecurity Group Inc. in accordance with the *Associations Incorporation Act (WA) 2015* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter- Basis of Accounting**

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Northern Biosecurity Group Inc. to meet the requirements of the *Associations Incorporation Act (WA) 2015*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

**Emphasis Matter- Other**

We draw attention to Note 3 to the financial statements which outlines the ongoing operation of Northern Biosecurity Group Inc. is dependent upon the continued receipt of funding from the Department of Primary Industries and Regional Development.

**Responsibilities of Management and Those Charged with Governance for the Financial Report**

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the *Associations Incorporation Act (WA) 2015* and for such internal control as management determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management are responsible for assessing Northern Biosecurity Group Inc.'s ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intend to liquidate the Northern Biosecurity Group Inc. or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Northern Biosecurity Group Inc.'s financial reporting process.

***Auditor's Responsibilities for the Audit of the Financial Report***

Our 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 our 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 the financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 our 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**AMD Chartered Accountants**



**TIM PARTRIDGE**  
**Director**

28-30 Wellington Street, Bunbury, Western Australia

Dated this 8<sup>th</sup> day of December 2020.

**AUDITOR'S INDEPENDENCE DECLARATION**

**TO THE BOARD OF NORTHERN BIOSECURITY GROUP INC.**

I declare that to the best of my knowledge and belief, during the period ended 30 June 2020, there have been no contraventions of:

- i) The auditor independence requirements as set out in Section 80 of the *Associations Incorporation Act (WA) 2015* in relation to the audit; and
- ii) Any applicable code of professional conduct in relation to the audit.

**AMD Chartered Accountants**



**TIM PARTRIDGE**  
**Director**

28-30 Wellington Street, Bunbury, Western Australia

Dated this 8<sup>th</sup> day of December 2020.





8 December 2020

**Mr J Batten**  
**Chairperson**  
**Northern Biosecurity Group Inc.**  
**PO Box 383**  
**NORTHAMPTON WA 6535**

Dear Jason

### **30 JUNE 2020 MANAGEMENT REPORT**

Following completion of our 30 June 2020 audit, we provide our Management Report and audit recommendations.

#### **1.0 Our Audit Approach**

The Australian Auditing Standards are the professional Standards applicable to all audit engagements. Accordingly, our audit was conducted in accordance with Australian Auditing Standards, with testing designed solely to enable the expression of an opinion on the financial report of Northern Biosecurity Group Inc. This involved us making an assessment of the risk of material misstatement, whether due to fraud or error, and then using our professional judgement, applying audit procedures to mitigate that risk.

To assist those responsible for governance in understanding our role as external auditor, we have previously detailed our audit responsibilities and scope of work to be performed to meet those responsibilities in our audit engagement letter.

Australian Auditing Standards require us to obtain an understanding of the internal control and accounting systems relevant to Northern Biosecurity Group Inc.'s financial reporting. We have carried out audit procedures necessary to comply with the requirements of the auditing standards; however, we have not tested and therefore do not issue an opinion on the current operating effectiveness of the internal controls.

#### **2.0 Audit Adjustments and Unadjusted Audit Differences**

During the course of our audit, we identified misstatements which have been adjusted and therefore reflected within the final audited financial report. Details of the adjusted audit differences are provided within Appendix 2.

Appendix 2 also includes a reconciliation between the results per the management accounts initially provided to us at commencement of our audit, to the final audited result for the year.

### **3.0 Segregation of Duties**

Inevitably in the environment of an organisation with a limited number of contractors and volunteers available to undertake accounting and administration roles, it is impracticable to have good division of duties and internal checks in place in relation to invoicing and receipting, processing and preparation of payments, recording of transactions and payroll preparation. As a result of this limited segregation of duties, the design and effectiveness of internal controls is significantly reduced, thereby there is inherently an increased risk that errors or omissions may go undetected.

Segregation of duties enhances the internal control environment; we therefore recommend where practical these duties be segregated and subject to independent review. While we understand due to limited number of employees and volunteers being available there may be practical limitations in enhancing the internal control environment, as your auditors we are required to report this matter.

### **4.0 Assessment of Fraud and Error**

The primary responsibility for the prevention and detection of fraud is that of the Board and management. As a result, it is important that management with the oversight of the Board place a strong emphasis on fraud prevention, which may reduce opportunities for fraud to take place and fraud deterrence, which could persuade individuals not to commit fraud because of the likelihood of detection and resulting consequences.

In accordance with Australian Auditing Standards we are required to obtain reasonable assurance that the financial report taken as a whole is free from material misstatement, whether caused by fraud or error. While our procedures are designed to identify material weaknesses and misstatements from fraud and error, there is an unavoidable risk that even some material misstatements may remain undiscovered. This unavoidable risk is due to the test nature and other inherent limitations of an audit, together with the inherent limitations of any accounting and internal control system.

We have confirmed that nothing has come to management's attention that may constitute an incident of fraud. In addition our audit procedures did not identify any instances of suspected or actual fraud. We take this opportunity to remind you that our audit is not designed to detect fraud and therefore our audit procedures are not designed for that purpose.

## **5.0 Other Matters**

Please refer to Appendix 1 for specific comments and recommendations arising from our audit procedures.

Our management report is on an exception basis, and therefore we have not commented on the various internal controls in place within your accounting systems.

We would like to take this opportunity to thank Penny for the assistance provided to us during our audit.

Should you have any questions concerning the above or would like to discuss any other aspect of our audit, please do not hesitate to contact me.

Yours sincerely

**AMD Chartered Accountants**

A handwritten signature in black ink, appearing to read 'TIM PARTRIDGE', with a long horizontal flourish extending to the left.

**TIM PARTRIDGE FCA**  
**Director**

**APPENDIX 1**  
**Audit Recommendations for the year ended 30 June 2020**

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**GUIDANCE TO FINDINGS RATING / IMPLICATION**

*Findings identified during the final audit have been weighted in accordance with the following scale:*

*Significant: Those findings where there is potentially a significant risk to the entity should the finding not be addressed promptly.*

*Moderate: Those findings which are of sufficient concern to warrant action being taken by the entity as soon as possible.*

*Minor: Those findings that are not of primary concern however still warrant action being taken.*

**AUDIT FINDINGS**

**1. DEBIT CARD CONTROLS**

***Finding Rating: Moderate***

We noted that there is no debit card policy in place, nor is a signed agreement completed for usage of a debit card. AMD understand that a debit card policy and agreement is in development as advised by management.

**Implication**

Increased risk of fraudulent purchases through purchases made on the debit card.

**Recommendation**

We recommend a debit card policy be created and implemented, including ensuring a debit card agreement is signed by the card holder to evidence acknowledgement of the terms and conditions of use.

**Management Comment**

A policy is currently being developed to be presented to the Board for decision.

**APPENDIX 1 cont.**  
**Audit Recommendations for the year ended 30 June 2020**

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**2. PURCHASING POLICY AND USE OF PURCHASE ORDERS**

***Finding Rating: Moderate***

We noted there is no formal purchasing policy in respect to the use of purchase orders. AMD understand that a purchasing policy is in development as advised by management.

**Implication**

Risk of unauthorised goods and services being purchased and liabilities being incurred.

**Recommendation**

We recommend purchase orders be completed and signed as evidence of approval, based on predetermined purchase order authority expenditure limits set by the Board.

Once supplier invoices are received they should be matched to the relevant purchase order and signed as evidence the goods or service has been received and prices charged are correct, prior to payment authorisation.

**Management Comment**

Further discussion with the Board at next meeting.

**3. PLANT & EQUIPMENT – CAPITALISATION THRESHOLD**

***Finding rating: Moderate***

During our audit of expenses for the year ended 30 June 2020, we noted there is currently no formal documented capitalisation threshold applied for asset purchases.

**Implication**

Risk of material misstatement or omission within accounting records.

**Recommendation**

A documented capitalisation threshold policy be developed and implemented. Please note: Portable and attractive assets with a purchase price below the documented capitalisation threshold should still be maintained within a separate register (for example mobile phones, tablets etc).

**Management Comment**

An asset register is in place for all assets however a policy regarding the threshold is currently being developed to present to the Board for decision.

**APPENDIX 1 cont.**  
**Audit Recommendations for the year ended 30 June 2020**

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**4. UNRECORDED CREDITORS**

***Finding Rating: Moderate***

Our Audit identified various creditor invoices received in July and August, which related to the financial year ended 30 June 2020 totalling \$4,978. These expenses have been brought to account as creditors within Appendix 2.

**Implication**

Risk of material misstatement or omission within accounting records.

**Recommendation**

Supplier invoices should be brought to account in the correct period. Therefore invoices received in July or August but relating to June should be input as trade creditors or as committed expenses at year end.

**Management Comment**

To be addressed with the financial management team.

**5. GENERAL LEDGER ALLOCATIONS**

***Finding Rating: Minor***

We noted that the general ledger allocations to account for Unspent Grants were incorrect for 30 June 2020 where it was raised against expense account 9-2000 Other Expense instead of being raised against the relevant revenue account. This has been amended per Appendix 2.

**Implication**

Risk of material misstatement or omission within accounting records. Risk of account misstatement due to lack of support trail.

**Recommendation**

We recommend transactions be carefully reviewed to ensure they are entered into the correct general ledger account.

**Management Comment**

Accountant to control these journal entries.

**APPENDIX 2**  
**Audit Adjustments for the period ended 30 June 2020**

**Summary of Audit Adjustments**

The following audit adjustments were raised upon completion of our audit and are reflected within Northern Biosecurity Group Inc. 30 June 2020 financial report.

<b>NORTHERN BIOSECURITY GROUP INC.</b>			
<b>AUDIT ADJUSTMENTS</b>			
<b>30 JUNE 2020</b>			
Account Number	Description	\$ Debit	\$ Credit
6-1500	Contractor – EO (Job 7)	1,614	
6-1500	Contractor – EO (Job 8)	2,864	
6-3090	DOGS – LPMT	500	
2-1320	Accrued Expenses		4,978
2-1900	Unspent Grants	4,478	
4-4000	Declared Pest Account Funds		1,614
4-2000	Grant Income		2,864
<i>Adjust for unrecorded creditors identified and corresponding impact on unspent grants</i>			
6-3080	DOGS- Chemicals	55	
3-8000	Retained Earnings		55
<i>Adjust to amend opening balance variance</i>			
4-4000	Declared Pest Account Funds	124,247	
4-2000	Grant Income	20,100	
9-2000	Other Expense		144,347
<i>Reclassifying unspent grant funding against revenue</i>			

**Reconciliation of surplus per management accounts provided at the commencement of the audit to audited surplus:**

	\$	
Surplus per management accounts		873
<b>Add:</b>		
Unspent grant funds recognition		4,478
<b>Less:</b>		
Accrued Expenses		(4,977)
Opening balance amendment		(55)
Surplus per audited financial report		319