



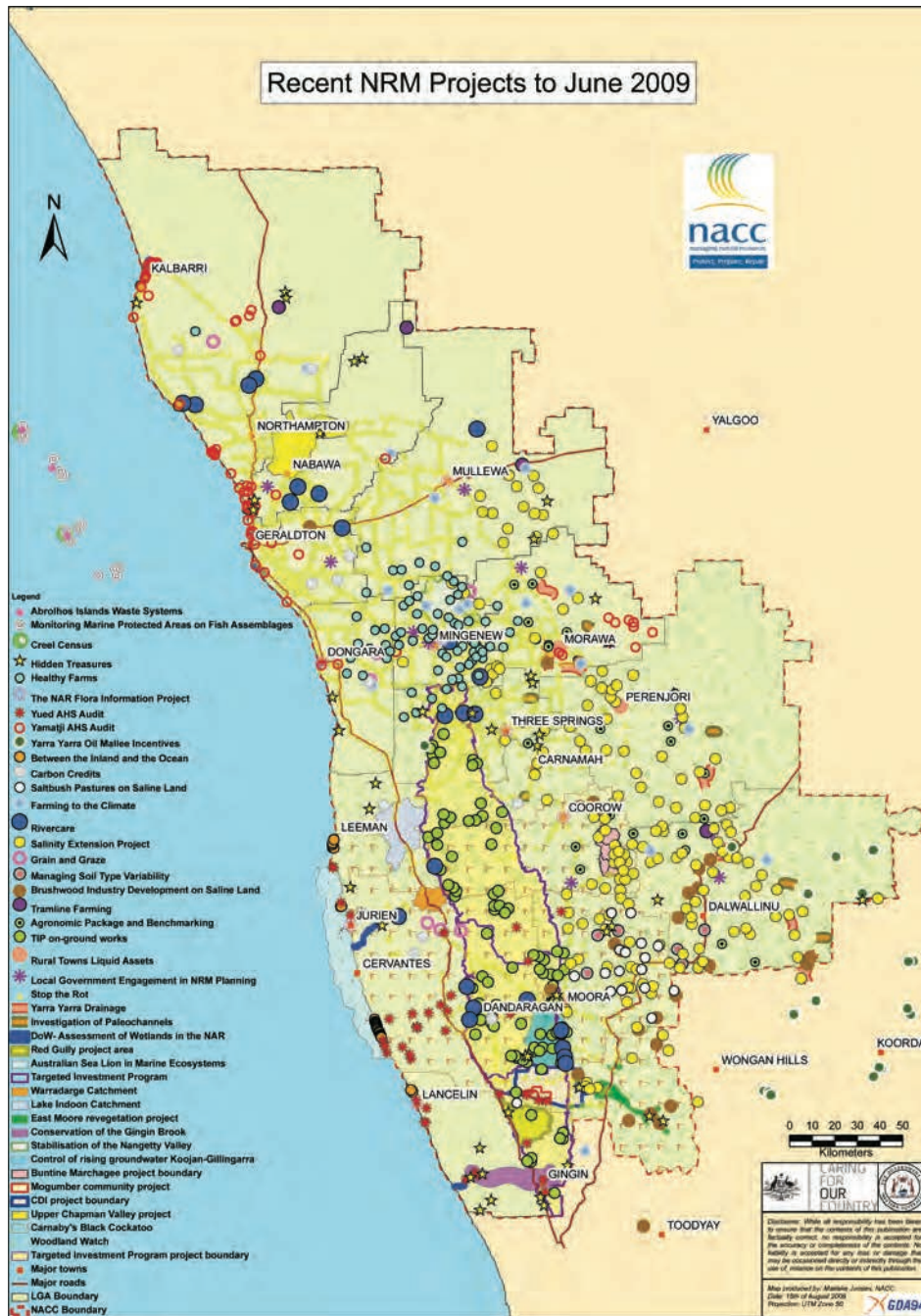
Australian Government



Northern Agricultural Catchments Council

Annual Report 2008 - 2009





CHAIR'S ANNUAL REPORT

The 12 months of 2008-09 were a very different time for the Northern Agricultural Catchments Council. The winding up of the NAP and NHT 2 projects and the transition year for Caring for our Country meant a time of great activity and uncertainty.

I would like to express my appreciation of the immense effort by all NACC employees during the last year, for many it will be the end of their employment with NACC. I thank them and wish them every success in their careers going forward. While NRM investment decisions are aligned with election cycles we will forever be left with an industry that builds fantastic capacity with great people only to destroy itself and then need to rebuild.

In most cases the final NAP and NHT2 investments are complete and are now winding down with reports being compiled. The breadth of activity for the 4 years of the previous program was extraordinary and I am very proud of NACC's achievements. I thank all our partners, State Agencies, sub-regional groups, farm improvement groups, community interest groups, Local Governments and individuals for their interest and contribution to the NAP and NHT2 program in improving and protecting the Natural Environment in our region.

As I mentioned most projects were complete and due to wind up, unfortunately a few programs had difficulties attracting commitments from landholders and required the return of some monies to the central holding account. While this is to be regretted the current fiscal circumstances facing our farmers requiring decisions on changing land use practices explains, in part, the less than expected take up of project funds.

The investment planning staff have had a very busy year planning NRM activity that aligns with the Caring for our Country business plan. I congratulate them and thank them for their efforts that have resulted in NACC having guaranteed funding for the next four years. It was no small task and one that has huge implications for the organisation going forward. The Caring for our Country programme requires very specific activities to be undertaken in the Northern Agricultural Region with no flexibility to engage meaningfully with the community as we previously have.

The reduced level of NRM expenditure in the NAR will without doubt impact negatively on the local environment, from reduced activity on community education programs, salt land activities not continuing and biodiversity at risk no longer able to be protected being a few examples of the way we will now have to do business.

The great strength of NACC is our professional and dedicated staff throughout the region with Alan Bradley as CEO pulling the team together really well and I thank him. The "Greener Life" segment that has been appearing in local media deserves special mention and I congratulate everyone concerned. It has been fantastic at raising environmental awareness in the community and I hope something that we can find a way to continue.

Continued...



CHAIR'S ANNUAL REPORT CONTINUED

Even more than I have outlined in my report, or the information contained within this Annual Report, the following statistics give an excellent snapshot of the NACC's success since its formation. The figures are only a taste of the organisation's successes; the figures will be considerably higher once the final reports for the Investment Programs undertaken over the last few years are fully compiled.

- More than 3000 people on the regular email distribution list
- More than 700 members eligible to vote in annual elections
- 300 events, fields days, seminars, training courses in last four years
- Around 950 farms visited by NACC staff (excludes work done on reserve land)
- More than 1 million oil mallees planted
- Thousands of hectares of land fenced, protected, revegetated
- Almost 1 million broom brush planted
- Several new species of flowers identified
- More than 40km of vulnerable stream bank protected
- Around 20,000 ha of land treated with surface drainage
- Close to 10,000 ha protected by engineering works and exclusion fencing
- Farm sizes range from 100ha to 30,000 with an average of around 5,000 ha
- Region falls into Australia's only Biodiversity Hotspot.
- More than 70,000 ha weed control – spiny rush, Patterson's curse and other
- Fish monitored on Abrolhos Islands for 4 years
- Several species of flora and fauna relocated
- Hundreds of seed specimens collected and stored
- Thousands of soil carbon samples taken, measured and stored
- Rabbits, foxes and other feral animals controlled over more than 50,000 hectares
- Thousands of plantings on coastal areas
- Dozens of hectares of dunes rehabilitated
- Several kilometres of non-prescribed beach tracks closed and rehabilitated.

NACC's key field staff have travelled a combined 200,000km this year to farms around the region.

I commend the Annual Report to our members.

Chris King
Chairman

CEO'S ANNUAL REPORT

NACC for the first time has undertaken a comprehensive survey of the community in the Northern Agricultural Region, (with the exception of Geraldton residents). The results of the survey, which examined NRM attitudes, revealed:

"The single most salient finding was that NACC members scored better on measures of NRM literacy and were more likely to hold attitudes favouring better natural resource management than the other sample groups. In spite of findings which show NRM literacy is low among target audiences, engagement with NACC is associated with significantly higher levels of literacy."

This demonstrates that NACC is generally fulfilling its objectives as an organisation in improving NRM outcomes for the region. The study was just one result that has buoyed the NACC team over the year which has been filled with turmoil due to the change of programs.

Many other significant achievements have been made by the programs being delivered across the regions by a diverse range of delivery organisations, from community groups to state agencies and volunteers and NACC directly. This report provides a general description of the achievements made this Financial Year, but is by no means exhaustive.

A new NACC website has been developed, which will provide greater more secure access for the details from NRM activities to be available to anyone who has an interest in NRM activities in the NAR. The website has been developed with a highly detailed taxonomy providing high level search engine results for any details on the website.

The change of the program from the National Action Plan for Water Quality and Salinity and the Natural Heritage Trust to the new Caring For Our Country program has seen significant effort going into preparing a business case for approval of the Australian Government, based around the major targets in the Northern Agricultural Region – Wind Erosion, Weeds of National Significance, Rabbit population suppression in locations of Rare Flora and Coastal Engagement. I am pleased to report that the Australian Government has accepted the NACC proposal and funds for the new program will commence from October 2009.

The change of programs has seen a different response from the State Government, with the Minister for Agriculture organising a review of Regional Groups in WA. The review was also provided with a consultancy report on the Value of Regional Groups prepared on behalf of the WA Regional Groups which supported the continuation of the Regional delivery model and made 19 recommendations to Government that have been responded to.

In essence the report and response from government provides the following outcomes:

- \$30M funding for 09/10, further funding subject to performance during this financial year.
- The State NRM plan is to be released, with the development of an implementation plan to provide strategic direction on delivery and proposed outcomes – currently being developed.
- Regional groups will remain the principal point of focus in community engagement - identifying and prioritising regional assets, as well as feedback on the value and effectiveness of state and commonwealth NRM program relevant to each region. \$250K funding provided to each region.
- State NRM Office will manage all contracts and develop standardised reporting.
- Delivery will be provided by the most appropriate and efficient organisation.
- A new State Ministerial Council will be established, with a new Peak NRM body as well as possible independent advisory group(s) to be developed in the implementation plan.
- A review of regional boundaries will be undertaken in 09/10.

Currently, we await the rollout of the state program, but as yet we have only seen centralised decision making for agency based projects.



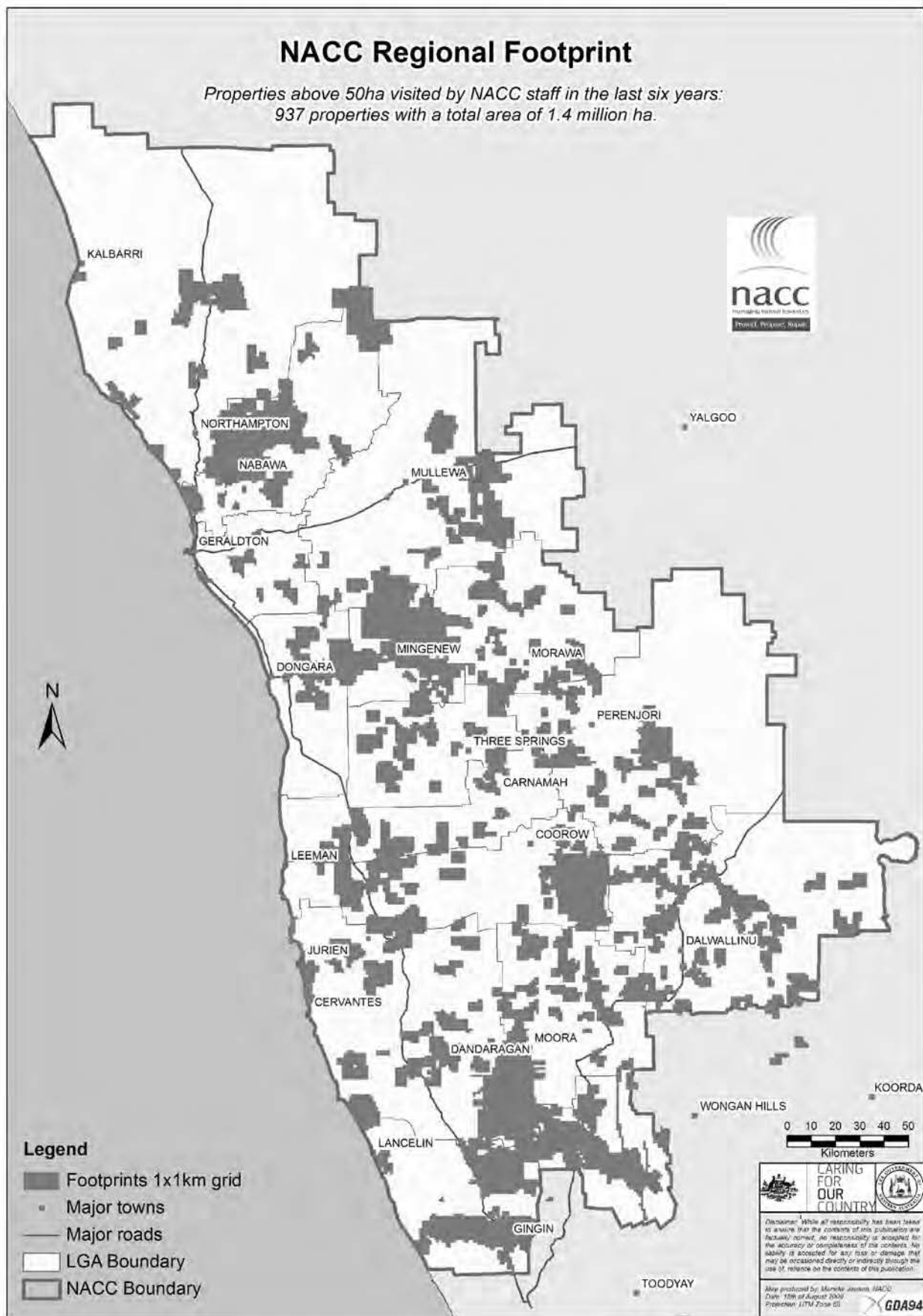
CEO'S ANNUAL REPORT CONTINUED

NACC has had to do some significant staff restructuring over the past six months due to the expansion of NACC as an organisation delivering programs over the short time frame provided. To this end a number of processes were undertaken to produce a more robust staff structure for the remainder of the programs. However, the change of programs and ending of NAP/NHT is delivering another staff restructure via the reduced funding that is being provided. It is anticipated that 60% of staff will be unfunded from December 2009, with these positions being lost to the organisation.

NACC continues to work towards establishing new diverse funding sources to guard against sudden changes in Government policy, leading to funding shortfalls. However, these processes take time and despite some great initiatives that are in development, the full potential from these will not be seen for some time. To progress this approach the Board established a new position - Marketing and Sponsorship Manager, for a short term to increase activity in this area.

NACC has made a number of representations over 08/09 to ensure Australian Government Policy continues to consider regional issues. These include submissions and representations to Australian Government committees including: Inquiry into Natural Resource Management and Conservation Challenges, Inquiry into climate change and environmental impacts on coastal communities, and Inquiry into Climate Change and the Australian Agricultural Sector. These processes are long term policy development systems of the Australian Government and hopefully regions will be considered of value in program delivery into the future.

Alan Bradley
CEO



AUDITOR'S REPORT

**WESTWOOD
ACCOUNTANTS**

128 Chapman Road Geraldton WA 6530
PO Box 41 Geraldton WA 6531
T 9964 1941 F 9964 1788 E admin@westwood.com.au
ABN 87 252 720 464



**AUDITOR'S REPORT
TO
NORTHERN AGRICULTURAL CATCHMENTS COUNCIL INCORPORATED**

To the members of Northern Agricultural Catchments Council

Report on the financial report

We have audited the accompanying financial report of Northern Agricultural Catchments Council, which comprises the statement of financial position as at 30 June 2009, operating statement and detailed income and expenses statement, a summary of significant accounting policies and other explanatory notes and the governing committee's declaration.

The responsibility of the Governing Committee for the financial report

The Governing Committee are responsible for the preparation and fair presentation of the financial report in accordance with Australian accounting standards (including the Australian accounting interpretations). This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian auditing standards. These auditing standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance that the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the governing committee, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Matters relating to the electronic presentation of the audited financial report

The auditor's report relates to the financial report of Northern Agricultural Catchments Council for the year ended 30 June 2009 included on Northern Agricultural Catchments Council's website. The association's governing committee are responsible for the integrity of Northern Agricultural Catchments Council's website. We have not been engaged to report on the integrity of Northern Agricultural Catchments Council's website. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to / from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this website.

Directors
Shane Van Styn CPA
Andrew Ford CPA
Kevin Cassidy

Liability limited by a scheme approved under
Professional Standards Legislation

AUDITOR'S REPORT CONTINUED

**WESTWOOD
ACCOUNTANTS**

128 Chapman Road Geraldton WA 6530
PO Box 41 Geraldton WA 6531
T 9964 1941 F 9964 1788 E admin@westwood.com.au
ABN 87 252 720 464



Auditor's opinion

In our opinion, the financial report gives a true and fair view of the financial position of Northern Agricultural Catchments Council as of 30 June 2009, and of its financial performance and its cash flows for the year then ended in accordance with Australian accounting standards (including the Australian accounting interpretations).

A large, stylized handwritten signature in black ink, appearing to read 'Shane Van Styn'.

Shane Van Styn
Certified Practising Accountant

Dated this 21st day of September 2009.

Directors
Shane Van Styn CPA
Andrew Ford CPA
Kevin Cassidy

Liability limited by a scheme approved under
Professional Standards Legislation

INVESTMENT PLAN II & III

Program Title:

Targeted Investment Program (TIP)

Program Description:

The Targeted Investment Program (TIP) offers incentives, technical advice and support for on ground environmental actions that promote sustainable agriculture. TIP has been operating in the Northern Agricultural Region since April 2007 with some significant results being achieved in that time.

Key Achievements:

Since the program began operation officially on 29 June 2007, more than 190 expressions of interest have been received from landholders in the TIP area, and 187 management agreements have been prepared.

Incentives

On the ground, the program has had some significant achievements. To date TIP has signed agreements for 136ha of saline land management; 2,358ha of perennial pastures agreements; 65ha of farm forestry; 9,612ha of native vegetation management agreements and 37.7ha of strategic revegetation.

Furthermore, agreements have been offered for 51ha of native vegetation management.

Landholders who have signed agreements but were unable to complete the works during the relevant planting season have deferred their works and NACC currently has deferred management agreements for 97ha of saline land management; 937ha of perennial pastures and 72.8ha of strategic revegetation.

Under TIP's saline lands fencing program, landholders have signed agreements totalling 13,73ha and involving 266 km of fencing.

Furthermore, agreements have been offered for 157km fencing to protect 5,817ha of saline land.

TIP's Rivercare program saw land managers committed to protecting approximately 3,190ha of riparian zone.

Training days/workshops

In addition to providing incentives for on-ground works, the TIP has also run a number of training days for landholders including:

- Six perennial pasture training sessions
- Three grazing management workshops
- Two farm forestry workshops
- One perennial pastures bus tour
- One seed collection workshop
- One SLIP GIS mapping training for landholders
- One fencing field day

The TIP has also sponsored speakers as part of Evergreen's Pastures for Profit on topics such as perennials and soil carbon, pasture cropping and no-kill cropping.

