



ANNUAL REPORT

THE RICE MARKETING BOARD FOR THE STATE OF
NEW SOUTH WALES

For the year ending 30 June 2024

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24 September 2024

Hon. Tara Moriarty, MLC
Minister for Agriculture, Minister for Regional New South Wales
and Minister for Western New South Wales
52 Martin Place
SYDNEY NSW 2000



Dear Minister

In accordance with Section 9A of the Annual Reports (Statutory Bodies) Act 1984, I submit the Rice Marketing Board's Annual Report for the year ending 30 June 2024 for presentation to Parliament.

Yours sincerely

Rowan McMonnies
(Board Chair)

Barbara Clark
(Deputy Chair)

Directory

HEAD OFFICE

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BANKERS

Westpac Banking Corporation

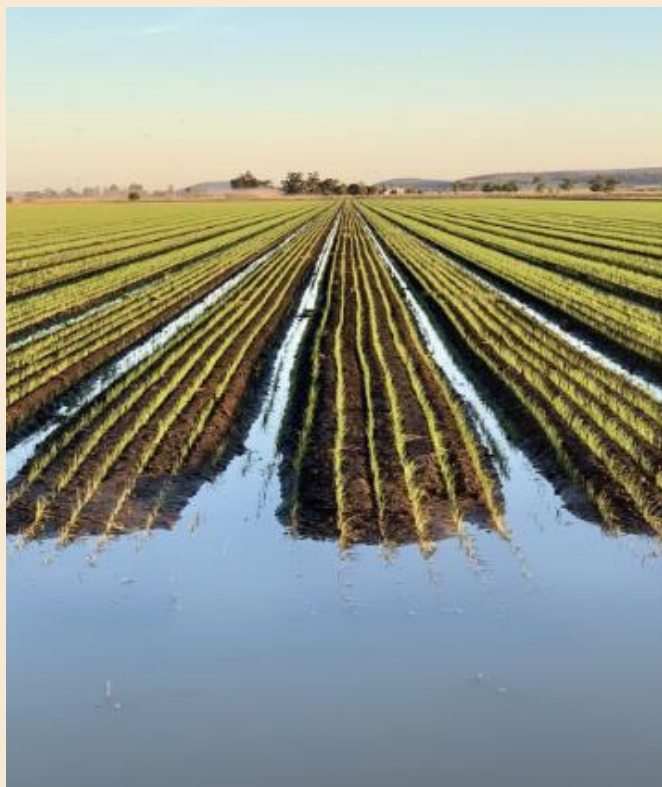
AUDITORS

Auditor-General of New South Wales

Acknowledgement of Country

The Rice Marketing Board for the State of New South Wales acknowledges the traditional custodians of the lands on which we work and pay our respects to all elders past and present.

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Front cover photo credit: "Pineleigh North," Mayrung taken by John Bradford

Chair's Report

The 2023-24 year was a significant one for the Rice Marketing Board for the State of New South Wales (RMB), and the entire rice industry with several milestone outcomes defining it.

The vesting arrangements in 2023-24 provided an Export Price Premium (EPP) of \$189 per tonne, and a Freight Scale Advantage (FSA) of \$56 per tonne.

The signing of a new Service Level Agreement (SLA) in January between the RMB and SunRice; the April release of the ABARES report into vesting arrangements in NSW; the NSW Government response and vesting extension to July 2029; and finally, the Government decision in June to introduce to Parliament the *Rice Marketing Amendment Bill 2024* to end rice vesting in NSW. This legislation passed in August 2024.

The *Rice Marketing Amendment Act 2024* sees Northern rivers growers exempt from the vesting arrangements from 1 September 2024, with rice vesting arrangements ending in Southern NSW on 1 July 2025, and the full windup of the RMB by 1 July 2026. The RMB understands that this decision has the full support of the Rice Growers Association (RGA), SunRice and the Northern Rivers growers.

While the 2024-25 northern rice crop will not be subject to vesting, it will be the final one under vesting arrangements for the southern rice growers. The RMB has been involved in a number of discussions with the NSW Department of Primary Industries and Regional Development (DPIRD) focussed on making the transition as smooth as possible.

The NSW rice crop in 2023-24 reached over 600,000 tonnes, with a fourth season of higher water availability and reasonable growing conditions. The bulk of the State's rice production was grown in the Riverina, with a crop of less than 1,000 tonnes originating from the Northern Rivers rice region.

Financial results

The RMB recorded an operating deficit of \$90,322 in 2023-24. As a result of the passage of the *Rice Marketing Amendment Act 2024* the RMB decided not to set a variable fee in 2023-24. The Board will wind down its operations to 1 July 2026 using funds at hand.

Highlights

The new SLA signed with SunRice in January 2024 incorporated greater clarity around obligations on the SEEL

holder, providing an operating framework for the effective implementation of the SEEL.

Board changes

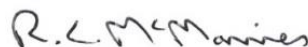
We farewelled two directors in 2023-24. In March 2024, the Board thanked our long serving nominated member Victoria Taylor. Victoria joined the RMB in 2013 and became Chair in September 2022. We also farewelled elected grower representative Melissa DeBortoli. Melissa, a rice grower from Griffith, was active on the RMB from February 2022 until August 2023.

Appreciation

On behalf of the Board, I acknowledge the Minister for Agriculture, Hon Tara Moriarty MLC and extend our appreciation to those from the NSW DPIRD who have provided ongoing operational assistance to the Board.

Thank you to our Board Secretary, Nyree Dunn, who joined the RMB in August 2022. Thank you also to our General Manager, Strategy and Engagement, David Moore, who joined the RMB in January 2024.

Finally, on behalf of the current Board I acknowledge the commitment of many industry minded people who, over the ninety-six years of the operation of the RMB, have worked tirelessly for the benefit of NSW rice growers and their communities.



Rowan McMonnies
Chair



Farewell to Victoria Taylor

In March 2024, the Board farewelled our long serving nominated member Victoria Taylor. Victoria joined the RMB in 2013 and became Chair in September 2022. Victoria has had a long legacy of rice industry involvement and sought to deliver continual improvement in the functioning of the RMB.



Farewell to Melissa DeBortoli

The Board also farewelled elected grower representative Melissa DeBortoli in March 2024. Melissa, a rice grower from Griffith, was active on the RMB from February 2022 until August 2023. Melissa's time on the RMB was characterised by a strong grower focus and advocating for rice growers' interests as they related to rice vesting.

Overview

The Rice Marketing Board for the State of New South Wales (RMB) was the first commodity marketing board established in New South Wales under the *Marketing of Primary Products Act 1927* and it will be the last such marketing board. It was officially constituted by Proclamation on 9 November 1928. Its governance has been modified by several Acts since 1928.

Vesting has been a New South Wales government policy instrument that provided a single statutory authority, the RMB, with the legal right to control the marketing of rice produced in NSW so that net benefits could be realised by NSW rice growers, industry, and the general community.

The RMB issued one export licence to Ricegrowers Limited (trading as SunRice) through a sole and exclusive license (SEEL). The deregulation of the domestic market in 2006 allowed Authorised Buyers under licence to trade rice on the domestic market. There are currently fourteen Authorised Buyers. In 2022 the NSW Government renewed vesting until 2027.

Subsequent advocacy by the Rice Growers Association (RGA), SunRice and Northern Rivers growers has seen the NSW Government introduce the *Rice Marketing Amendment Act 2024* which requires the termination of vesting on 1 July 2025. The 2024-25 rice crop will be the final crop where the vesting arrangements apply for Southern NSW growers. Vesting will end for Northern NSW growers for all rice harvested after 1 September 2024. The Board will take all reasonable steps to wind up its affairs before 1 July 2026.

The Board's objects

The Board's current objects, as gazetted on 23 May 2009, are:

1. To encourage the development of a competitive domestic market for rice.
2. To ensure the best possible returns from rice sold outside Australia based on the quality differentials or attributes of the Australian grown rice.
3. To liaise with and represent the interests of all NSW rice growers in relation to the Board's functions and objects.

Our current stakeholders

- Southern NSW rice growers
- Northern NSW rice growers
- Authorised Buyers
- Rice Growers Association of Australia
- Northern Rivers Rice Growers Association
- Ricegrowers Limited (trading as SunRice as the SEEL holder)
- The NSW Department of Primary Industry and Regional Development (DPIRD)
- State and Federal elected representatives
- Regional communities



Rice Marketing Board members February 2024.

Export Price Premium and Freight Scale Advantage

The two key drivers that have long underpinned the rice vesting rationale are the benefits provided to growers through the Export Price Premium (EPP) and the Freight Scale Advantage (FSA). The RMB undertakes an annual independent review of the performance of SunRice under the provisions of the SEEL to determine the aggregate benefit to growers achieved in the global market. In 2023-24, Sapere consultants were again contracted to independently verify the internal methodology and the calculations used by SunRice to estimate the Export Price Premium (EPP) and the Freight Scale Advantage (FSA) during the period May 2023 to April 2024 (referred to as Crop Year 24).



Export Price Premium (EPP)

The EPP for the Crop Year 24 was estimated at \$47.2m (\$189 per tonne). This is a 19.8% increase from the estimated Crop Year 23 figure of \$39.4 million (\$173 per tonne).

The quantum of this EPP confirms that the vesting arrangements have enabled SunRice to extract price premiums through its strong position in each of the markets included in the calculation. For the markets from which the EPP is derived, SunRice's products have the largest market share amongst all brands, and consequently there is a rational basis for accepting that SunRice is able to exercise its market power in these markets.

Freight Scale Advantage (FSA)

The FSA in Crop Year 24 was estimated at \$14.0 million (\$56 per tonne). This was a 27% reduction in FSA compared to the \$19.3 million reported for Crop Year 23 (\$84 per tonne).

The FSA is based on SunRice, as the largest container shipper from the Port of Melbourne, having consistent freight quantities due to the vesting arrangements. Accounting for commercial sensitivities, SunRice provides data in relation to its tender processes and contracted prices that demonstrate savings extracted through the scale advantages it enjoys being a sole and exclusive exporter of NSW rice.

Authorised Buyers Licence holders at 30 June 2024

The RMB licenses Authorised Buyers to trade NSW rice within the Australian domestic market. In the reporting year, all NSW vested rice in both the North and the South must have been sold and delivered to an Authorised Buyer. Unless a grower was an Authorised Buyer, they could not retain any of the rice they grew. The RMB undertook a due diligence process when it received an application for a licence, however, does not guarantee the financial viability of the Authorised Buyers.

Ricegrowers Limited Trading as SunRice

Locked Bag 2
Leeton NSW 2705
Tel: 02 6953 0411
Email: companysecretary@sunrice.com.au

GrainCorp Limited

Level 28, 175 Liverpool Street
Sydney NSW 2000
Tel: 02 9325 9100
Email: insurance@graincorp.com.au

Slater Farms

65 Droney's Bridge Road
Fairy Hill NSW 2470
Tel: 02 6663 3156
Email: sonnyslater@slaterfarms.com.au

Frank Boyle

'Marlivalle',
181 Boyle Road
Goolmangar NSW 2480
Tel: 0405 321 295
Email: frank.nimbinvalley@gmail.com

Organic Grains Pty Ltd

3 Oak Court
Numurkah VIC 3636
Tel: 0429 622 027
Email: organicharvest@bigpond.com

Carmac Trading Pty Ltd

431 Kilgin Road
Woodburn NSW 2472
Tel: 0412 414 394
Email: tcarusi@bigpond.com

PS & JM Randall

Farm 1051
Murrumbidgee NSW 2705
Tel: 0428 225 480
Email: peter@randallorganic.com

Australian Food and Agriculture Company Limited

Level 29, 101 Collins Street
Melbourne VIC 3000
Tel: 0407 705 432
Email: jcordy@austfood.com.au

Natural Rice Co Pty Ltd

10 Cassola Place,
Penrith NSW 2750
Tel: 02 4722 2333
Email: mitchell@tg2.com.au

Rodney and Wendy Heffer

Brigade Lodge
Wamoon NSW 2705
Tel: 0428 559 493
Email: wendyheffer@gmail.com

Goulburn Enterprises (Australia) Pty Ltd

22 Christina St
Narre Warren VIC 3805
Tel: 0401 291 798
Email: goulburn88@gmail.com

Blue Fattoria Pty Ltd

1014 Kyogle Road
Fernside NSW 2480
Tel: 0468 770 774
Email: info@bluefattoria.com

Outback Grain Co Pty Ltd trading as Outback Harvest

6187 Wakool Road
Wakool NSW 2710
Tel: 0427 542 678
Email: fraser@outbackharvest.com.au

Honestly Riverina Ltd

32 Ashbourne Road
Woodend VIC 3442
Tel: 0488 445 551
Email: marketing@nicerice.com.au
Website: www.nicerice.com.au

A new Service Level Agreement (SLA)

Following the signing of the new Sole and Exclusive Export Licence Agreement (SEEL) by the RMB and SunRice in June 2023, a new Service Level Agreement (SLA) to provide the operating framework for the effective implementation of the SEEL was signed in January 2024. In exchange for the monopoly benefit afforded to SunRice under the legislation, there were agreed reporting requirements under the SLA which provide appropriate levels of transparency.

The SEEL and SLA were set to be in place until 30 June 2027 in alignment with a previous NSW Government extension of rice vesting announced in 2022 (and again this year), with a clause noting the agreement may be terminated in the event that the Vesting Proclamation, vesting all rice in the RMB, was revoked or fails to be renewed.

In May 2024, the Minister for Agriculture in NSW announced the intention to introduce a Bill to State Parliament to end the statutory rice vesting arrangement. With the passage of the *Rice Marketing Amendment Act 2024* in August 2024, all vesting arrangements will cease for Northern rivers growers for all rice harvested after 1 September 2024.

Southern NSW rice marketing will operate under the current SEEL and SLA until the 2025-26 crop is harvested. The RMB will continue to administer the SEEL and SLA and seek to ensure no NSW vested rice is exported by other parties, and that the necessary levels of transparency and probity are upheld until the 2025-26 crop is harvested.

This Ministerial decision to end vesting was taken with the full support of the Rice Growers Association, SunRice and Northern Rivers growers.

Both the SEEL and SLA are available on the RMB website www.rmbnsw.org.au.

Strategy

An End to Vesting

Introduction

The independent review into Rice Vesting conducted by ABARES on behalf of the NSW Government in 2023 was released in April 2024. It called for the end of vesting among several other recommendations. The NSW Government chose to implement a number of partial reforms, excluding Northern Rivers growers from vesting as of 1 September 2024, while extending the vesting arrangements for southern NSW growers to 1 July 2029. Ensuing stakeholder advocacy in response to these partial reforms saw the Minister for Agriculture in NSW put a reform Bill to Parliament to completely end vesting. This Bill was passed on 7 August 2024.

This *Rice Marketing Amendment Act 2024* requires an end to vesting on 1 July 2025, with the RMB taking all reasonable steps to wind up its affairs before 1 July 2026. This will see the RMB founded in 1928, the oldest rice industry institution still in operation and the last remaining statutory marketing regime in Australia, cease its operations.

The rationale behind vesting, to provide for economies of scale through a cohesive approach to rice marketing in an opaque global rice market, will now be subject to complete market deregulation.

Through this period of change, the RMB has continued to seek further operational improvement. The RMB has always worked in the best interests of growers, and has continued to focus on ensuring the SEEL is implemented effectively and that growers are treated equitably and face no discriminatory behaviour.

The role of the RMB will remain unchanged in the South until the 2024-25 rice harvest. Until that time, its focus will be on the transparent oversight of the SEEL, verification, and reporting.

The three main tools the RMB uses to meet its objects include the Sole and Exclusive Export Licence (SEEL), the associated Service Level Agreement (SLA) and the verification process which assesses the Export Price Premium (EPP) and the Freight Scale Advantage (FSA) calculations.

Sole and Exclusive Export Licence

The new SEEL signed by the RMB and SunRice in 2022-23 improved the clarity and transparency around the key matters of access to seed, buyer of last resort and crop marketing.

A Service Level Agreement (SLA) signed by both the RMB and Sun Rice in January 2024 provided a framework to operationalise this SEEL.

Export Price Premium (EPP)

The EPP is calculated as the difference between the price achieved by SunRice and the benchmark for competitor prices in each market.

Export Price Premium Verification

The Board reviewed the Crop Year 23 process to ensure the methodology used was accurate. As a result, the Board again engaged Sapere consultants to provide the verification reporting.

Freight Scale Advantage (FSA)

The FSA reflects the freight savings and other concessions that arise from the significant volume of rice exported by the holder of the SEEL.

Authorised Buyers Licences

In 2023-24 there were 14 Authorised Buyers with the ability to trade rice domestically. Trading in vested rice can only be undertaken by an Authorised Buyer until all vested rice is marketed, or the Board is wound down, whichever comes first. Vested rice includes rice harvested before 1 September 2024 in the north and before the 1 July 2025 in the south.

The full deregulation of the NSW rice industry is a milestone decision, closing a long chapter that has seen many people commit significant time and effort for the benefit of rice growers and rice communities. The outgoing Board acknowledges their contributions over ninety-six years.

Operations and Performance

Board Members



Donna Rygate

B EC (Hons), M Plan, Dip Gov, JD,
GDLP, GAICD, MPIA, FIPAA, FICDA



Rowan McMonnies

(Chair from 1 December 23)
B Laws (Hons),
M Comm, GAICD



Victoria Taylor

(Chair to 30 November 23)
Chair, Grad Cert (Water Policy &
Governance), GIA (Cert), GAICD



Barbara Clark

Deputy Chair,
BFA, CA, FAICD



Ian Mason

MAICD



John Bradford

GAICD



Melissa De Bortoli

B.Bus(Acc), M.Prop. GAICD

Terms and method of appointment

Members	Appointment date	Term expiry	Method
V.L. Taylor**	14/12/2013	12/03/2024	Nominated
B. Clark	16/12/2020	2/08/2025	Nominated
J.M. Bradford	26/08/2015	15/02/2026	Elected
I.R. Mason	14/02/2018	15/02/2026	Elected
M. De Bortoli*	16/02/2022	23/08/2023	Elected
R. McMonnies	10/08/2022	9/08/2026	Nominated
D. Rygate	10/08/2022	9/08/2026	Nominated

* M De Bortoli resigned August 2023 ** V.L. Taylor term ended March 2024

Meeting attendance

Members	Board Meetings		ABL Committee		Audit and risk		Governance	
	Possible	Attended	Possible	Attended	Possible	Attended	Possible	Attended
V L Taylor	5	5	-	-	2*	2*	1	1
B Clark	8	8	1	1	4	4	-	-
J M Bradford	8	8	-	-	1*	1*	2	2
I R Mason	8	8	-	-	4**	4**	2	2
M De Bortoli	1	1	-	-	-	-	1	1
R McMonnies	8	8	1	5	3*	3*	1	1
D Rygate	8	7	5	5	4	4	-	-

* Meeting attendance in the capacity of an observer only. ** One meeting as observer

Management and Structure

In the period 1 July 2023 to 23 August 2023 the Board consisted of seven members, three elected by growers, and four nominated by the NSW Minister for Agriculture. The nominated members were Ms Victoria Taylor (Chair), Ms Barbara Clark (Deputy Chair), Mr. Rowan McMonnies and Ms Donna Rygate. The grower-elected members were Mr John Bradford, Mr Ian Mason and Ms Melissa DeBortoli.

Ms. Melissa DeBortoli resigned on 23 August 2023, reducing the number of grower members to two, while the nominated members remained at four. Ms Victoria Taylor left in March 2024 having completed her permitted term. Mr. Rowan McMonnies became the Chair after the Annual Meeting in November 2023. A NSW Government restriction on Board appointments meant the RMB was unable to replace either the grower or nominated members, leaving the makeup of the Board at two elected and three nominated members.

The Board's primary role is to ensure the achievement of RMB's Charter and Objects. To fulfil this role the Board Members are responsible for the overall corporate governance of the organisation, including setting its strategic direction, establishing goals and monitoring the achievement of those goals by Management

Charters

The Board's activities are guided by a Charter. The Board Charter and Committee Charters are available from the Board's website at www.rmbnsw.org.au.

Board Sub-Committees

There were three sub-committees that in 2023/24 undertook detailed consideration of specific issues and provide for appropriate governance arrangements in support of the Board. They were:

- Authorised Buyer Licensing Committee;
- Governance, Nominations and Remuneration Committee; and
- Audit and Risk Committee.

The Authorised Buyer Licensing Committee's responsibilities included to:

- Consider applications for Authorised Buyer Licences;
- Consider issues raised by or in relation to Authorised Buyers;
- Review annual returns from Authorised Buyers;
- Review the performance of the Sole and Exclusive Export Licence holder; and
- Consider any matters delegated by the Board due to the potential for conflict of interest if the whole board were to be involved.

The Governance, Nominations and Remuneration Committee's responsibilities included to:

- Review Board composition, induction program and charters;
- Review Board policies, procedures and practices to ensure compliance with policy, legislative and other regulatory requirements;
- Review the composition and role of the Board's Committees;
- Establish and review the Board's nomination process;
- Consider potential candidates for the position of Secretary of the Board, and review remuneration for recommendation to the Board; and
- Monitor changes to the Classification and Remuneration Framework for NSW Government Boards and Committees.

The Audit and Risk Committee's responsibilities included to:

- Review the risk management framework and ensure emerging risks are properly managed;
- Ensure an appropriate control framework is maintained;
- Monitor external accountability including completeness, accuracy and compliance of financial statements and oversee external audit engagement; and
- Review financial management objectives and planning.

Board process

The Board held eight scheduled board meetings during the year with non-scheduled meetings and sub-committee meetings being held when necessary. The agenda for these meetings was prepared in conjunction with the Chair. Standing items included monitoring performance in relation to the Board's regulatory and legislative objectives, financial reports and monthly performance monitoring of the Sole and Exclusive Export Licence holder. Board papers were circulated in advance.

Composition of the board

Three Board Members were elected for four-year terms by those rice growers who were eligible and chose to vote. Four Board Members are nominated by the Minister for Agriculture. All Board Members are appointed by the Governor of NSW, usually for a term of four years. The nominated Members are drawn from outside the rice industry and bring additional expertise in agriculture, corporate governance, finance, economics, business administration, communications and stakeholder engagement to the Board. The Chair and Deputy Chair are selected from the Board's nominated members.

Remuneration

The Board recommends the remuneration of its Members to the Minister for approval. Board Members' fees are based on the Classification and Remuneration Framework for NSW Government Boards and Committees. All necessary expenses incurred by Board Members whilst attending to Board business are paid by the Board. Funding of the Board is met by the NSW rice industry through licence fees and no government funding is received. The Board approves the remuneration of its employees.

Independent professional advice and access to board information

Each Member of the Board has the right of access to all relevant Board information except in circumstances where the provision of information might make a Member, or the Board, at risk of a conflict of interest. Subject to prior consultation with the Chair, Members may seek independent professional advice at the Board's expense. A copy of any advice received by the Member is made available to all Members of the Board.

Audit

The Board's financial accounts are audited by the Auditor General for New South Wales. The Auditor General subcontracted the audit to Nexia Sydney Audit Pty Ltd for the year 2023-24.

Management and Accountability

Human Resources

The Board employs a Secretary, Ms Nyree Dunn, who is responsible for providing high level analysis, opinion and recommendations on a range of matters impacting the Board, as well as the management of finance, administration and compliance.

In January 2024, Dr Dave Moore joined the RMB as the General Manager Strategy and Engagement. This part-time role was initially 0.6 FTE, however increased to 0.8FTE from June 2024.

Full time equivalent staff	2023-24	2022-23	2021-22	2020-21	2019-20
Secretary	1.0	1.0	1.0	1.0	1.0
Administration Officer	0.2*	0.2	0.2	0.2	0.2
General Manager	0.8**	1.0			
Total Staff	2.0	2.2	1.2	1.2	1.2

*The Administration Officer (P/T) commenced August 2023 **The General Manager commenced January 2024 at 0.6 FTE increasing to 0.8FTE in June 2024.

There have been no other exceptional movements in wages, salaries or allowances in 2023-24.

Employees are required to comply with the Code of Conduct Policy, Staff Development Policy, Gifts and Benefits Policy, and also the Travel, Expense Reimbursement and Entertainment Policy. Performance reviews are conducted annually.

Diversity

The Board is committed to actively developing and maintaining diversity where it has influence, ensuring it operates free of discrimination and reflecting the New South Wales community in which it functions.

In 2023-24, four of the Board's seven Members were female, and the Board employed 2 FTEs in the following diversity groups:

Employees by Diversity Group	
Women	60%
Aboriginal people and Torres Strait Islanders	0%
People whose first language spoken as a child was not English	0%
People with a disability	0%
People with a disability requiring work-related adjustment	0%

As an organisation with a small team, the Board has not developed or implemented workforce diversity strategies.

Disability plans

The Board is committed to the principles of disability inclusion to remove physical, communication and attitudinal barriers. The Board is not required to develop or implement a Disability Inclusion Action Plan under the Disability Inclusion Act 2014 [NSW].

Work Health and Safety

The Board had no injuries or prosecutions under the *Work Health and Safety Act 2011 [NSW]* during the year.

Modern Slavery

The Board has a Modern Slavery Policy, within its Procurement Policy. The Board is committed to ensuring that Modern Slavery does not exist in its supply chains in line with the requirements of the *Modern Slavery Act 2018*. A yearly review of suppliers is performed to assess Modern Slavery risk.

Government Information (Public Access) Act 2009

Rice growers are able to discuss Board decisions and policies with Board members at rice industry meetings, and have the opportunity to question the Board's decisions and policies at the Annual Meeting or by contacting the Secretary.

The Board received no new access applications in 2023-24 and did not refuse any access applications in 2023-24.

The Board undertakes a regular review to identify the kinds of information that should, in the public interest, be made publicly available without imposing unreasonable additional costs on the Board. Information held by the Board, which is publicly available on the Board's website at www.rmbnsw.org.au includes:

- Board Charter and Committee Charters;
- Annual reports including audited Financial Statements;
- Annual reports to NSW Rice Growers;
- Policies;
- Rice crop statistical information; and
- Research reports.

The Board also holds historical information in relation to rice deliveries and Board meeting minutes dating from 1928. These can be accessed by contacting the Secretary.

Public interest disclosures

The Board complies with the *Public Interest Disclosures Act 2022 (PID Act)*. During the year all Board Members and Employees undertook training in the PID Act. An annual return is also completed. There were no public interest disclosures to report in 2023-24.

Privacy

The Board respects the privacy of all its stakeholders and complies with the *Privacy and Personal Information Protection Act 1998 (NSW) (the PIPP Act)* which sets out a number of information protection principles concerning how personal information is

collected, stored, used and accessed. The Board is also bound by the *Privacy and Personal Information Protection Amendment Bill 2022 (PPIP Amendment Act)* which introduced a mandatory notification of data breaches for NSW public sector agencies.

No complaints regarding breaches of privacy were received and no privacy reviews were undertaken during 2023-24. The Board's Privacy Policy is available on its website at www.rmbnsw.org.au.

Multicultural policies and services program

The Board is committed to the principles of multiculturalism and maintains a multicultural plan in accordance with the Multicultural Policies and Services Plan of Multicultural NSW.

The NSW rice industry is primarily located in the ethnically diverse Riverina and Murray regions of New South Wales. The Board regularly reviews the cultural diversity of its stakeholders, adapts to the needs of the community and represents fairly and equally the interests of all rice producers irrespective of their ethnic background. In providing services the Board Members and employees are sensitive to the cultural, social and religious differences of their clients.

Overseas visits

There were no overseas visits by Board Members or employees in 2023-24.

Consumer response

No consumer complaints were received by the Board in 2023-24.

Internal audit and risk management

The Board has a risk management framework, a risk register and identifies emerging risks at each meeting. It has also implemented policies to mitigate risks where possible. The Board has a small agency exemption from the requirements of TPP20-08, 'NSW Treasury Internal Audit and Risk Management Policy for the General Government Sector'.

The exemption will remain in force until any of the following occur:

- Any major change to the Board's structure, or
- The Board receives a direct appropriation, or
- The Board's revenues include taxes, or
- The Board's revenues, expenses, assets or liabilities individually increase by more than 20% from the baseline total/balance.

The Board reviewed its status during the 2023-24 year, concluding that as revenues and expenses had not increased above the threshold, a review by Treasury was not required.

Whilst holding the exemption, in accordance with good governance, the Board has chosen to prepare and maintain a risk management framework and establish an independent Audit and Risk Committee, two of the three core requirements of TPP20-08. The Board has not established an internal audit function due to its small size, however it has an internal audit protocol and has mitigated risk by Board oversight of functions where necessary.

During the year the Board implemented the CFO Certification process covered by [TPG24-08 CFO Certification on the Internal Control Framework over Financial Systems and Information](#). A Controls Self-Assessment was performed to provide evidence to the Board that controls are in place and working effectively, along with a CFO Certification Checklist and CFO Certification letter from the Secretary to the Board.

Disclosure of controlled entities and subsidiaries

The Board does not have any controlled entities or subsidiaries.

Cyber security

The Board has a Cyber Security Policy and an Incident Response Plan in place. Data recovery was successfully tested during the year.

Sustainability

The Board is conscious of the need to maintain a sustainable environment that meets the needs of the present without compromising future generations. Waste is reduced through recycling within the office, the use of an online Board portal to reduce printing and a preference for teleconference meetings to reduce travel when possible. The Annual Report is produced internally at minimal cost on-demand and stakeholders are encouraged to access the report via the Board's website at www.rmbnsw.org.au.

Operations and Performance

Investment performance

The Board no longer holds an exemption to TD23-18 Management of Cash, Banking and Payments and therefore is not able to invest in its own right. The Board holds its funds in the NSW Treasury Banking System (Non-TBS Account).

Payment of accounts

It is the Board's target to pay 95% of invoices within 30 days. This target has been achieved for the year.

Accounts paid each quarter to all suppliers (including GST)

Quarter	Due for payment (number)	Paid on time (number)	Actual paid on time (% based on number)	Due for payment (\$)	Paid on time (\$)	Actual paid on time (% based on dollar amount)	Number of payments for interest on overdue accounts	Interest paid on overdue accounts
01/07/23-30/09/23	36	36	100%	\$227,043	\$227,043	100%	0	0
01/10/23-31/12/23	32	31	97%	\$90,640	\$89,208	98%	0	0
01/01/24-31/03/24	31	31	100%	\$63,767	\$63,767	100%	0	0
01/04/24-30/06/24	32	32	100%	\$82,323	\$82,323	100%	0	0
TOTAL	131	130	99%	\$463,774	\$462,342	99.7%	0	0

Accounts paid each quarter to small suppliers (including GST)

Small suppliers are defined as those employing fewer than 20 employees.

Quarter	Due for payment (number)	Paid on time (number)	Actual paid on time (% based on number)	Due for payment (\$)	Paid on time (\$)	Actual paid on time (% based on dollar amount)	Number of payments for interest on overdue accounts	Interest paid on overdue accounts
01/07/23-30/09/23	11	11	100%	\$21,621	\$21,621	100%	0	0
01/10/23-31/12/23	10	9	90%	\$16,183	\$14,748	91%	0	0
01/01/24-31/03/24	11	11	100%	\$10,820	\$10,820	100%	0	0
01/04/24-30/06/24	9	9	100%	\$12,581	\$12,581	100%	0	0
TOTAL	41	40	98%	\$61,205	\$59,770	98%	0	0

Credit card certification

The Chair, Secretary and General Manager held the only credit cards issued to the Board. All credit card expenditure for the Secretary and General Manager is reviewed and approved by the Chair and in the case of the Chair's expenditure by the Deputy Chair. All credit card expenditure is ratified at the subsequent Board meeting.

Ethical standards

All Board Members and employees are required to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the Rice Marketing Board. The Board is committed to the objectives of the ethical framework as identified in the *NSW Government Sector Employment Act 2013*. A Code of Conduct is in place and all members and employees have signed a Code of Conduct Declaration and Undertaking, and a Pecuniary Interests Declaration and Undertaking, during 2023-24. The Code of Conduct is available from the Board's website www.rmbnsw.org.au.

Insurance

The Board holds insurance coverage in management liability, professional indemnity, travel, work cover, business property, theft and public liability through the NSW Government insurer, iCare.

Consultants

During 2023-24 the Board did not engage any one consultant over the value of \$50,000.

A total of four consultants were engaged during 2023-24, in the following categories:

Category	Cost
Legal	\$7,496
Board and Committee Charters	\$4,095
Industry reviews (EPP and FSA)	\$48,340
IT	\$18,968
TOTAL	\$78,899

Funds granted to non-government community organisations

During 2023-24 the Board provided \$10,000 in sponsorship for the benefit of the NSW rice industry:

Amount	Provided to	Purpose	Target clients
\$5,000	Ricegrowers' Association of Australia	Rice Capacity Building Project	Rice growers
\$5,000	Ricegrowers' Association of Australia	2023 RGA Conference	Rice growers

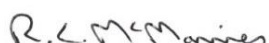
Preparation of Annual Report

This Annual Report was prepared and printed in-house, with the assistance of Sauce Communications, based in Leeton, NSW.

Statement By Members of The Board

Pursuant to Section 7.6(4) of the *Government Sector Finance Act 2018* ('the Act'), I state that these financial statements:

- Have been prepared in accordance with the Australian Accounting Standards and the applicable requirements of the Act, the *Government Sector Finance Regulation 2024* and the NSW Treasurer's Directions, and
- present fairly the Rice Marketing Board for the State of New South Wales' financial position, financial performance and cash flows.



Rowan McMonnies

Board Chair

Rice Marketing Board for the State of New South Wales

24 September 2024

Financial Performance

Beginning of Audited Financial Statements

Statement of comprehensive income

For the year ended 30 June 2024

	Notes	Actual 2024	Actual 2023
		\$'000	\$'000
Continuing operations			
Expenses excluding losses			
Employee-related expenses	2(a)	(284)	(381)
Operating expenses	2(b)	(368)	(386)
Depreciation and amortisation	2(c)	(6)	(8)
Total expenses excluding losses		(658)	(775)
Revenue			
Sale of Goods and Services - Issue of licences	3(a)	453	814
Investment revenue	3(b)	115	53
Grants and other contributions	3(c)	-	24
Total Revenue		568	891
Operating result		(90)	116
Net result from continuing operations		(90)	116
Total comprehensive income		(90)	116

The accompanying notes form part of these financial statements.

Statement of financial position

As at 30 June 2024

	Notes	2024	2023
		\$'000	\$'000
Assets			
Current Assets			
Cash and Cash Equivalents	4	2,193	1,841
Receivables	5	11	440
Total Current Assets		2,204	2,281
Non-Current Assets			
Property, Plant and Equipment	6	4	5
Office Equipment			
Motor Vehicles	6	-	34
Total Non-Current Assets		4	39
Total Assets		2,208	2,320
Liabilities			
Current Liabilities			
Payables	7	33	43
Provisions	8	7	19
Total Current Liabilities		40	62
Non-Current Liabilities			
Provisions	8	-	-
Total Non-Current Liabilities		-	-
Total Liabilities		40	62
Net assets		2,168	2,258
Equity			
Accumulated funds	9	2,168	2,258
Total equity		2,168	2,258

The accompanying notes form part of these financial statements.

Statement of changes in equity

For the year ended 30 June 2024

	Notes	Accumulated Funds	Total
		\$'000	\$'000
Balance at 1 July 2023		2,258	2,258
Net result for the year		(90)	(90)
Balance at 30 June 2024		2,168	2,168

	Notes	Accumulated Funds	Total
		\$'000	\$'000
Balance at 1 July 2022		2,142	2,142
Net result for the year		116	116
Balance at 30 June 2023		2,258	2,258

The accompanying notes form part of these financial statements.

Statement of cash flows

For the year ended 30 June 2024

	Notes	2024 \$'000	2023 \$'000
Cash flows from operating activities			
Payments			
Employee related		(297)	(358)
Member related		(145)	(162)
Suppliers of goods and services		(229)	(238)
Total Payments		(671)	(758)
Receipts			
Sale of goods and services - licences		880	1576
Interest received		115	77
Grants received		-	-
Total Receipts		995	1653
Net cash flows from operating activities	12	324	895
Cash flows from investing activities			
Purchase of property, plant and equipment		(2)	(40)
Sale of property, plant and equipment		30	-
Net cash flows from investing activities		(28)	(40)
Cash flow from financing activities			
Other		-	-
Net cash flows from financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		352	855
Opening cash and cash equivalents		1,841	986
Closing cash and cash equivalents		2,193	1,841

The accompanying notes form part of these financial statements.

Notes to and Forming Part of the General Purpose Financial Statements

For the Year Ended 30 June 2024 statement of material Accounting Policies

1.a. Reporting entity

The Rice Marketing Board for the State of New South Wales (the Board) is a NSW government board and is controlled by the State of New South Wales, which is the ultimate parent. The Board is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units. These financial statements for the year ended 30 June 2024 have been authorised by the Board on 24 September 2024.

The Board was created by proclamation on 9th November 1928 under the repealed Marketing of Primary Products Act [NSW], now replaced by the Rice Marketing Act 1983 [NSW]. Its office is located in Leeton, New South Wales. The Board's objects are to encourage the development of a competitive domestic market for rice, to ensure the best possible returns from rice sold outside Australia based on the quality differentials or attributes of Australian grown rice, and to liaise with and represent the interests of all NSW rice growers in relation to the Board's functions and objects.

The vesting powers of the Board, which see all rice grown in NSW being marketed under authorised buyers' licenses, have been reviewed by the NSW Government every five years. The 2021 vesting review resulted in an extension of vesting to 30 June 2027. An independent report was undertaken by ABARES in 2023 to address a broad range of issues identified by the 2021 review. As a result of the ABARES review, the NSW Government proposed The Rice Marketing Amendment Bill 2024 which will see vesting end and the Board wound down by 1 July 2026. This Bill was passed on 7 August 2024.

1.b. Basis of preparation

The Board's financial statements are general purpose financial statements, which have been prepared on an accruals basis and in accordance with:

- Applicable Australian Accounting Standards (AAS) (which include Australian Accounting Interpretations);
- The requirements of the Government Sector Finance Act 2018 (GSF Act); and
- Treasurer's Directions issued under the GSF Act.

Certain financial assets and liabilities are measured at fair value. Other financial statement items are prepared in accordance with the historical cost convention except where specified otherwise. Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the financial statements. All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency, which is the Board's presentation and functional currency.

1.c. Statement of Compliance

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

1.d. Administered activities

Administered activities are activities that the Rice Marketing Board administers, but does not control, on behalf of the Crown Entity. The Board does not have any administered activities.

1.e. Accounting for Goods and Services Tax

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except that the:

- amount of GST incurred by the Board as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of an asset's cost of acquisition or as part of an item of expense and
- receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of Cash Flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

1.f. Foreign currency translation

The Board did not have any transactions in foreign currencies in 2023-24 (FY2022-23: nil).

1.g. Comparative information

Except where an AAS permits or requires otherwise, comparative information is presented in respect of the previous period for all amounts reported in the financial statements.

1.h. Changes in accounting policies, including new or revised AAS

1.h.i. Effective for the first time in 2023-24:

The following amendments and interpretations apply for the first time in 2023-24:

- AASB 2021 2 'Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates. This amendment did not materially impact the Board's Financial Statements.
- AASB 17 *Insurance Contracts (effective date deferred to financial years commencing on or after 1 January 2023)*. This standard establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts issued. Insurers are required to distinguish groups of contracts expected to be profit making and those expected to be loss making. The Board does not issue any form of insurance contracts.

It is considered that the implementation of these amendments and interpretations that apply for the first time in 2023-24 will not have a material impact on the Board's financial statements.

1.h.ii. Issued but not yet effective:

NSW public sector entities are not permitted to early adopt new AAS, unless Treasury determines otherwise. The following new AAS has not been applied and is not yet effective:

- AASB 2022-10 'Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities. The Board does not measure any non-financial assets at fair value and therefore is not impacted by these amendments.
- Amendments to AASB 101 (effective date deferred to 1/1/2024) - AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current. This amendment is not expected to materially impact the Board's Financial Statements.
- AASB 2022-9 'Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector'. This Standard amends AASB 17 'Insurance Contracts' to include modifications that apply to public sector entities. The Board does not issue any form of insurance contracts.

It is considered that the implementation of this issued but not yet effective standard will not have a material impact on the Board's financial statements.

1.h.iii. Impact of COVID-19 on Financial Reporting for 2023-24

There were no material impacts of COVID-19 on Financial Reporting for 2023-24.

2. Expenses excluding losses

2.a. Employee-related expenses

	2024 \$'000	2023 \$'000
Salaries and wages (including annual leave)	256	346
Superannuation	28	34
Long service leave	-	-
Fringe Benefits Tax	-	1
	284	381

No employee-related expenses were capitalised in 2023-24 (2022-23: nil).

2.b. Other operating expenses include the following:

	2024 \$'000	2023 \$'000
Auditor's remuneration		
Audit of the financial statements	21	20
Expense relating to short-term leases	36	36
Insurance	13	10
Consultants		
Independent experts report – verification export price premium and freight scale advantage and vesting related reports	48	12
Board and Committee Charters	4	2
Computer services	19	16
Annual Report	7	-
Legal fees		
Employment contracts	2	4
SEEL Agreement Negotiation	-	58
SLA	5	-
Charter Documents	-	1
Members fees	130	147
Members superannuation	14	15
Members election	-	-
Travel	37	37
Rice industry sponsorships	10	5
Other sundry operating expenses	22	23
	368	386

Maintenance expense

Day to day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement or an enhancement of a part or component of an asset, in which case the costs are capitalised and depreciated.

Insurance

The Board's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self-insurance for Government entities. The expense (premium) is determined by the Fund Manager based on past claims experience.

Lease expense

The Board recognises the lease payments for rental of the Board's serviced office as an expense on a straight-line basis, instead of recognising a right-of-use asset and lease liability as required by AASB16. The Board has elected to use the practical expedient to expense lease payments for its lease contract because, at its commencement date, the lease term was twelve months or less and did not contain a purchase option (short-term lease). The Board had total cash outflows for leases of \$36,000 (excluding GST) in 2023-24 (2022-23: \$36,000).

2.c. Depreciation and amortisation expense

	2024 \$'000	2023 \$'000
Depreciation		
Office and computer equipment	3	5
Motor Vehicle	3	3
	6	8

Refer to Note 6 for recognition and measurement policies on depreciation.

3. Revenue

3.a. Sale of goods and services from contracts with customers:

	2024 \$'000	2023 \$'000
Sole and Exclusive Export Licence fee	450	385
Authorised Buyers' licence fees	3	429
	453	814

Rendering of services

Revenue from rendering of services is recognised when the Board satisfies the performance obligation by transferring the promised services.

Historically the Sole and Exclusive Export Licence (SEEL) was a fee charged in advance for the period of vesting (5 Years) based on the historical fee plus CPI for the preceding 5 years. In 2022-23, the SEEL fee was calculated for one year whilst the new SEEL was being negotiated and included a component of the General Manager's cost. With the negotiation of the new SEEL in June 2023, the fee was calculated on a yearly basis for the 2023-24 year.

Revenue from Authorised Buyers' Licences is recognised when the performance obligation of the right to purchase NSW rice is reliably measured. The Board levies authorised buyers annually in arrears based on the percentage of the total rice crop each authorised buyer has procured during the reporting period. As the amount of the fee is not determined until the end of the reporting period to which the licence applies, the Board recognises the licence revenue on an annual basis at the end of each financial year. No element of financing is deemed present as payments are due when the revenue can be reliably measured.

For the 2023-24 year, the Board resolved to waive the licence fee for Authorised Buyers (2022-23: \$0.85 per tonne).

3.b. Investment Revenue

	2024 \$'000	2023 \$'000
Interest income from investments	115	53
	115	53

Interest Income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. Until 31 October 2022, the Board held an exemption from Treasurers Direction TD19-01 Financial Services which required funds to be invested under a state financial services agreement. The implementation of TD22-30 – Management of Cash, Banking and Payments, which superseded TD19-01, meant funds could no longer be held in Term Deposits. The Boards funds are now held within the NSW Treasury Banking System.

3.c. Other Income

	2024 \$'000	2023 \$'000
Grant for Foregone Interest - Treasury	-	24
	-	24

Grant Income

In lieu of the expiration of the Boards exemption to TD19-01 Financial Services, a one-off grant for foregone interest was secured from NSW Treasury in the 2022-23 year. This grant reflected the expected loss in interest earnings resulting from the Board's inability to invest in term deposits. With the transition of the Board's funds into the Non-Treasury Banking System in July 2023, this grant was a one-off payment and was not repeated in 2023-24.

4. Current Assets – Cash and Cash Equivalents

	2024 \$'000	2023 \$'000
Cash at bank	2,193	1,841
Term deposits	-	-
	2,193	1,841

For the purpose of the Statement of Cash Flows, cash and cash equivalents includes cash at bank and term deposits at major banks subject to an immaterial risk of changes in value. No cash is held on hand.

	2024 \$'000	2023 \$'000
Cash and cash equivalents (per Statement of Financial Position)	2,193	1,841
	2,193	1,841

Refer Note 13 for details regarding credit risk and market risk arising from financial instruments.

5. Current Assets – Receivables

	2024 \$'000	2023 \$'000
Trade receivables from contracts with licensees	-	425
Prepayments	10	9
Other receivables	1	6
	11	440

Details regarding credit risk of trade receivables that are neither past due nor impaired, are disclosed in Note 13 (Financial Instruments). Receivables are initially recognised at fair value plus any directly attributable transaction costs. Trade receivables that do not contain a material financing component are measured at the transaction price. The Board holds receivables with the objective to collect the contractual cash flows and therefore measures them at amortised cost using the effective interest method, less any impairment. Changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

The Board does not expect any credit losses in 2023-24 (2022-23: nil).

6. Non-Current Assets – Property, Plant and Equipment

Total Property, Plant and Equipment held and used by the Board:

	Office Equipment \$'000	Motor Vehicles \$'000	Total \$'000
At 1 July 2023			
Gross carrying amount	28	37	65
Accumulated depreciation and impairment	(23)	(3)	(26)
Net carrying amount	5	34	39

	Office Equipment \$'000	Motor Vehicles \$'000	Total \$'000
Year ended 30 June 2024			
Net carrying amount at beginning of year	5	34	39
Purchases of assets	2	-	2
Disposal of assets	-	(31)	(31)
Depreciation expense – assets owned	(3)	(3)	(6)
Net carrying amount at end of year	4	-	4

	Office Equipment \$'000	Motor Vehicles \$'000	Total \$'000
Year ended 30 June 2024			
Gross carrying amount	30	-	30
Accumulated depreciation and impairment	(26)	-	(26)
Net carrying amount	4	-	4

Acquisition of property, plant and equipment

Property, plant and equipment are initially measured at cost and may be subsequently revalued at fair value less accumulated depreciation and impairment. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at measurement date. Property, plant and equipment costing \$500 and above individually are capitalised.

Depreciation of property plant and equipment

Except for certain non-depreciable assets, depreciation is provided for on a straight-line basis so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Board. All materially identifiable components of assets are depreciated separately over their useful lives.

Right-of-use assets acquired by lessees

From 1 July 2019, AASB 16 *Leases* requires a lessee to recognise a right-of-use asset for most leases. However, the Board continues to recognise the lease payments for rental of the Board's serviced office as an expense on a straight-line basis because the office lease is a short-term lease which is exempt from the requirements of AASB 16.

Revaluation of property, plant and equipment

Revaluations are made with sufficient regularity to ensure the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The Board holds assets of classes Office Equipment and Motor Vehicles. As these are non-specialised assets with short useful lives, they are measured at depreciated historical cost, which approximates fair value. The Board has assessed that any difference between fair value and depreciated historical cost is unlikely to be material. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end.

Impairment of property, plant and equipment

As a not-for-profit entity with no cash generating units, impairment under AASB136 *Impairment of assets* is unlikely to arise. Since property, plant and equipment is carried at an amount that approximates fair value, impairment can only arise in rare circumstances such as where the costs of disposal are material.

7. Current Liabilities – Payables

	2024 \$'000	2023 \$'000
Creditors	24	33
PAYG withholding	9	10
	33	43

Details regarding liquidity risk are disclosed at Note 13 (Financial Instruments).

Payables represent liabilities for goods and services provided to the Board and other amounts. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial. The above amounts include GST where applicable. This is because an event has occurred that will give rise to a GST receivable in the future. Liabilities are recognised for amounts to be paid in the future for goods or services received. Trade accounts payable are normally settled within 30 days.

8. Current / Non-Current Liabilities – Provisions

	2024 \$'000	2023 \$'000
Employee benefits and related costs		
Annual Leave	7	19
Long service leave	-	-
	7	19
Aggregate employee benefits and related on-costs		
Provisions – current	7	19
Provisions – non-current	-	-
	7	19

Employee benefits and related on-costs

Employee benefits relating to Annual Leave are recognised for the positions of General Manager, Board Secretary and Administration Officer. No Long Service Leave is recognised in 2023-2024 as no positions would qualify for Long Service Leave when the Board is wound up by 30/6/2026.

Salaries and wages, annual leave and sick leave

Salaries and wages (including non-monetary benefits) and paid sick leave that are expected to be settled wholly within twelve months after the end of the period in which the employees render the service are recognised and measured at the undiscounted amounts of the benefits. Annual leave is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. As such, it is required to be measured at present value in accordance with AASB119 *Employee benefits* (although short-cut methods are permitted). Actuarial advice obtained by NSW Treasury has confirmed that using the nominal annual leave balance plus the annual leave entitlements accrued while taking annual leave can be used to approximate the present value of the annual leave liability. The Board has assessed the actuarial advice based on the Board's circumstances and has determined that the effect of discounting is immaterial to annual leave. All annual leave is classified as a current liability even where the Board does not expect to settle the liability within twelve months as the Board does not have an unconditional right to defer settlement. Unused sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

Long service leave and superannuation

Long service leave is measured at the present value of expected future payments to be made in respect of services provided up to the reporting date. Superannuation expense is based on the superannuation guarantee contribution rate of 11% of ordinary earnings (2022-23 10.5%), and is paid into employees' superannuation fund of choice.

Consequential on-costs

Consequential on-costs to employment are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised. This includes outstanding amounts of workers compensation insurance premiums. The Board does not pay payroll tax.

9. Equity – Accumulated Funds

The category ‘Accumulated Funds’ includes all current and prior period retained funds.

10. Commitments

	2024 \$'000	2023 \$'000
Within one year	3	6
Total	3	6

The only commitments owing by the Board relate to the lease of the serviced office. Two months’ rental cost is committed. The Board entered into a new lease with SunRice from 1 July 2024. There were no capital commitments at 30 June 2024 (2023: nil) other than that disclosed above.

11. Contingent Liabilities and Contingent Assets

No contingent liabilities or contingent assets are known to exist at the time of signing these statements (2022-23: nil).

12. Reconciliation of Cash Flows from Operating Activities to Net Result

Reconciliation of cash flows from operating activities to the net result as reported in the Statement of Comprehensive Income as follows:

	2024 \$'000	2023 \$'000
Net cash gained on operating activities	324	895
Depreciation expense	(6)	(8)
Loss on sale of assets	(2)	
Decrease/(increase) in provisions	11	(19)
Increase/(decrease) in prepayments and other assets	(427)	(760)
Decrease/(increase) in payables	10	8
Decrease/(increase) in contract liabilities	-	-
Net result	(90)	116

13. Financial Instruments

The Board’s principal financial instruments are outlined below. These financial instruments arise directly from the Board’s operations or are required to finance the Board’s operations. The Board does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Board’s main risks arising from financial instruments are outlined below, together with the Board’s objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout these financial statements.

The Board has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by the Board, to set risk limits and controls and to monitor risks. Compliance with policies is reviewed by the Board on a continuous basis.

13.a. Financial instrument categories

	Notes	2024 \$'000	2023 \$'000
Financial Assets			
Cash and cash equivalents – amortised cost	4	2,193	1,841
Receivables– amortised cost	5	11	431
Financial Liabilities			
Payables – amortised cost	7	24	33

The Board determines the classification of its financial assets and liabilities after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

13.b. Derecognition of financial assets and financial liabilities

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial assets expire. In 2023-24 the Board did not transfer any rights to receive cash flows from a financial asset or assume an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement (2022-23: nil).

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires. In 2023-24 the Board did not replace an existing liability by another from the same lender on substantially different terms, or modify the terms of an existing liability (2022-23: nil).

13.c. Offsetting financial instruments

In 2023-24 the Board did not offset any financial assets and financial liabilities (2022-23: nil).

13.d. Financial risks

13.d.i. Credit risk

Credit risk arises when there is the possibility that the counterparty will default on their contractual obligations, resulting in a financial loss to the Board. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets. Credit risk arises from the financial assets of the Board, including cash, receivables and term deposits. No collateral is held by the Board. The Board has not granted any financial guarantees. Credit risk associated with the Board's financial assets is low as funds are held within the NSW Treasury Banking System, as required by Treasury Direction TD22-30, and therefore considered immaterial to the overall profitability of the entity.

Collectability of trade receivables is reviewed on an on-going basis. The Board has no expected credit losses as at 30 June 2024 (2023: nil). The Board is not materially exposed to concentrations of credit risk to a single debtor or group of debtors as at 30 June 2024.

13.d.ii. Liquidity risk

Liquidity risk is the risk that the Board will be unable to meet its payment obligations as and when they fall due. The Board continuously manages risk through monitoring future cash flows to ensure adequate holding of high-quality liquid assets. During the current and prior year, there were no borrowings. No assets have been pledged as collateral. The Board's exposure to liquidity risk is deemed immaterial based on prior periods' data and current assessment of risk.

Liabilities are recognised for amounts due to be paid in the future for goods and services received, whether or not invoiced. Amounts owing to suppliers are paid not later than 30 days from date of receipt of a correctly rendered invoice. No interest was applied to any invoices for the 2024 year (2023: nil).

13.d.iii. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, primarily market interest rates. The only exposure the Board has to interest rate risk is in

its cash held in the Non-Treasury Banking System. The Board is not exposed to any cash flow sensitivity relating to interest rate risk on borrowings. The Board has no exposure to foreign currency risk and does not enter into commodity contracts.

13.e. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Management has assessed that cash and short-term deposits, trade receivables, trade payables and other current liabilities approximate their fair values, largely due to the short-term maturities of these instruments.

14. Related party disclosures

The Board's key management personnel compensation are as follows:

Short term employee benefits

	2024 \$'000	2023 \$'000
Salaries	229	334
Members fees	130	147
Post-employment benefits	41	48
	400	529

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Board either directly or indirectly. The key management personnel comprise the directors and executives who are responsible for the financial and operational management of the Board.

During the year, the Board did not enter into any transactions with key management personnel, their close family members and controlled or jointly controlled entities thereof.

15. Events after the Reporting Period

The Rice Marketing Amendment Act 2024 was passed on 7 August 2024 in the NSW Parliament formally triggering the wind-down of NSW rice vesting arrangements. The Rice Marketing Board will continue to monitor compliance with the vesting arrangements regarding any Northern NSW rice grown prior to 1 September 2024, and any vested southern NSW rice grown before 1 July 2025. The RMB will seek to ensure that the conditions of the SEEL with respect to grower equity and non-discrimination are administered. The Board must make all reasonable attempts to wind up its affairs by 1 July 2026.

Mr Ian Mason and Mr John Bradford, the Board's dual directors, resigned from the Rice Marketing Board effective 30 August 2024.

End of audited financial statements

Independent Auditors Report



INDEPENDENT AUDITOR'S REPORT

Rice Marketing Board for the State of New South Wales

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of Rice Marketing Board for the State of New South Wales (the Board), which comprise the Statement by Members of the Board, the Statement of Comprehensive Income for the year ended 30 June 2024, the Statement of Financial Position as at 30 June 2024, the Statement of Changes in Equity and the Statement of Cash Flows, for the year then ended, and notes to the financial statements, including a Statement of Material Accounting Policies, and other explanatory information.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act), the *Government Sector Finance Regulation 2024* (GSF Regulation) and the Treasurer's Directions
- presents fairly the Board's financial position, financial performance and cash flows.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Board in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Chair's Responsibilities for the Financial Statements

The Chair is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the GSF Act, GSF Regulation and Treasurer's Directions. The Chair's responsibility also includes such internal control as the Chair determines is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chair is responsible for assessing the Board's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Board carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Min Lee
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

1 October 2024
SYDNEY

Statistical Summary*

New South Wales Only

		2024 Crop	2023 Crop	2022 Crop	2021 Crop	2020 Crop	2019 Crop
Number of farms producing rice	MIA ¹	298	299	326	282	56	62
	CIA ²	47	98	91	108	18	11
	MV ³	386	295	397	286	26	27
	N. Rivers ^{4,5}	8	-	-	-	4+	7+
	TOTAL	739	692	814	676	104+	107+
Production (Tonnes)	MIA	303,897	254,953	292,732	229,511	28,878	36,695
	CIA	26,266	38,947	49,951	37,923	4,236	3,939
	MV	296,867	207,090	341,215	149,386	11,699	14,167
	N. Rivers	690	1,826	1,772	2,611	1,362	540
	TOTAL	627,720	502,816	685,670	419,431	46,175	55,341
Harvested Area (Hectares)	MIA	23,927	25,055	26,281	21,561	2,471	3,222
	CIA	2,366	4,864	4,669	5,029	462	400
	MV	27,950	21,263	30,500	17,566	1,287	1,471
	N. Rivers ⁵	287	40	-	-	-	-
	TOTAL	54,530	51,220	61,450	44,156	4220+	5,093+
Average Yield (Tonnes/Hectare)	MIA	12.70	10.18	11.14	10.64	11.69	11.38
	CIA	11.10	8.01	10.70	7.54	9.18	9.85
	MV	10.62	9.74	11.18	8.50	9.09	9.63
	N. Rivers ⁵	2.44	-	-	-	-	-
	OVERALL	11.51	9.82	11.13 est	9.5 est	10.9 est	10.76 est

This table was prepared from Annual Returns received from Authorised Buyers Licence Holders covering the period 1 July 2023 to 30 June 2024.

* Based on all information available to RMB at the time of preparing the Annual Report.

1. MIA - Murrumbidgee Irrigation Area.
2. CIA - Coleambally Irrigation Area.
3. MV - Murray Valley.
4. N. Rivers - the Northern Rivers region.
5. Historically not all data was available to populate prior year data.