

Green Adelaide Board

Financial report
for the year ended
30 June 2021



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To the Presiding Member Green Adelaide Board

Opinion

I have audited the financial report of the Green Adelaide Board (the Board) for the financial year ended 30 June 2021.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Board as at 30 June 2021, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2021
- a Statement of Financial Position as at 30 June 2021
- a Statement of Changes in Equity for the year ended 30 June 2021
- a Statement of Cash Flows for the year ended 30 June 2021
- notes, comprising significant accounting policies and other explanatory information
- a Certificate from the Presiding Member, the Director Green Adelaide and the Chief Financial Officer of the Department for Environment and Water.

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the Board. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

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

Responsibilities of the Director Green Adelaide and the Board for the financial report

The Director is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and the Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Director is responsible for assessing the entity's ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The Director is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

The Board is responsible for overseeing the entity's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 38(2) of the *Landscape South Australia Act 2019*, I have audited the financial report of the Board for the financial year ended 30 June 2021.

My 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 my 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 this financial report.


As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 Board's internal control

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Director
- conclude on the appropriateness of the Director's 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an 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.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Presiding Member and Director about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Andrew Richardson

Auditor-General

29 November 2021

Green Adelaide Board

Financial Statements

For the year ended 30 June 2021

Green Adelaide Board
Certification of the Financial Statements
for the year ended 30 June 2021

We certify that the attached general purpose financial statements for the Green Adelaide Board

- comply with relevant Treasurer's Instructions issued under section 41 of the *Public Finance and Audit Act 1987*, and relevant Australian Accounting Standards
- are in accordance with the accounts and records of the Green Adelaide Board
- present a true and fair view of the financial position of the Green Adelaide Board as at 30 June 2021 and the results of its operations and cash flows for the financial year.

We certify that the internal controls employed by the Green Adelaide Board for the financial year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period.



C Daniels
Presiding Member
Green Adelaide Board
November 2021



B Grear
Director Green Adelaide
Green Adelaide Board

25 November 2021



S O'Brien
Chief Financial Officer
Department for Environment and Water

15 November 2021

Green Adelaide Board
Statement of Comprehensive Income
for the year ended 30 June 2021

	Note	2021 \$'000
Income		
Landscape and water levies	2.1	28 779
Commonwealth-sourced grants and funding	2.2	600
Grant revenues	2.3	249
Interest		4
Other income	2.4	23
Total income		29 655
Expenses		
Board and committee expenses	3.3	270
Supplies and services	4.1	13 495
Grants and subsidies	4.2	13 698
Depreciation	5.1	389
Other expenses	4.3	55
Total expenses		27 907
Net result		1 748
Total comprehensive result		1 748

The accompanying notes form part of these financial statements. The net result and total comprehensive result are attributable to the SA Government as owner.

Green Adelaide Board
Statement of Financial Position
as at 30 June 2021

	Note	2021 \$'000
Current assets		
Cash and cash equivalents	6.1	13 549
Receivables	6.2	430
Total current assets		<u>13 979</u>
Non-current assets		
Property plant and equipment	5.1	5 587
Total non-current assets		<u>5 587</u>
Total assets		<u>19 566</u>
Current liabilities		
Payables	7.1	1 900
Total current liabilities		<u>1 900</u>
Total liabilities		<u>1 900</u>
Net assets		<u>17 666</u>
Equity		
Retained earnings		17 666
Total equity		<u>17 666</u>

The accompanying notes form part of these financial statements. The total equity is attributable to the SA Government as owner.

Green Adelaide Board
Statement of Changes in Equity
for the year ended 30 June 2021

	Note	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2020		-	-
Net result for 2020-21		1 748	1 748
Total comprehensive result for 2020-21		1 748	1 748
Net assets received from an administrative restructure	1.3	15 918	15 918
Balance at 30 June 2021		17 666	17 666

The accompanying notes form part of these financial statements. All changes in equity are attributable to the SA Government as owner.

Green Adelaide Board
Statement of Cash Flows
for the year ended 30 June 2021

	Note	2021 \$'000
Cash flows from operating activities		
<i>Cash inflows</i>		
Landscape and water levies received		28 525
Grants		755
Other receipts		23
Interest received		4
Cash generated from operations		<u>29 307</u>
<i>Cash outflows</i>		
Payments for supplies and services		(13 298)
Payments of grants and subsidies		(13 364)
Payments to board and committee members		(270)
Other payments		(52)
Cash used in operations		<u>(26 984)</u>
Net cash provided by operating activities		<u>2 323</u>
Cash flows from financing activities		
<i>Cash inflows</i>		
Cash received from restructuring activities	1.3	<u>11 226</u>
Cash generated from financing activities		<u>11 226</u>
Net cash provided by / (used in) financing activities		<u>11 226</u>
Net increase / (decrease) in cash and cash equivalents		<u>13 549</u>
Cash at the beginning of the period		-
Cash at the end of the period	6.1	<u><u>13 549</u></u>

The accompanying notes form part of these financial statements.

Green Adelaide Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

1. About the Green Adelaide Board

The Green Adelaide Board (Board) was established pursuant to section 13(1) of *the Landscape South Australia Act 2019* (the LSA Act). The Board is a body corporate, which began operations effective 1 July 2020.

For the 2020-21 transitional period, the Board adopted the former Adelaide Mount Lofty Ranges (AMLR) Natural Resources Management (NRM) Plan, as their interim Landscape Plan, whilst work commenced on the development of a new Regional Landscape Plan, which was submitted to the Minister for approval in May 2021.

The Board also adopted the former AMLR NRM Business Plan for the 2020-21 period, as their initial business plan to the extent it related to the Green Adelaide landscape management region, and adjusted to fulfill the requirements of the Board under the LSA Act. The Plan identifies investment in the seven priorities assigned to the Board and targets as detailed in note 1.2.

Direction by the Minister

On 18 July 2020, the Minister for Environment and Water, pursuant to sub-section 14(3) of the LSA Act, directed the Board to:

- use the Department for Environment and Water (DEW) to provide the Board 's staffing in accordance with subsection 35(3)(b) and to provide Board 's business support and landscape services to the Green Adelaide Region
- enter into an agreement for these services
- fund the services and projects set out in the agreement.

The Board entered into a Service Level Agreement (SLA) with DEW during 2020-21 which includes the delivery of support services to the Board to ensure it is able to meet its statutory requirements under the LSA Act and an annual work plan for the delivery of the Board's Business Plan. This agreement details the services, projects and funds to deliver the annual work plan. This SLA is reviewed and updated on an annual basis.

The Board 's financial statements include the use of income, expenses, assets and liabilities controlled or incurred by the Board in its own right.

Given this is the first year of operations of the Board, there are no comparative figures.

Green Adelaide Board

Notes to and forming part of the financial statements

for the year ended 30 June 2021

1.1. Basis of preparation

The financial statements are general purpose financial statements prepared in compliance with:

- section 23 of the *Public Finance and Audit Act 1987*;
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*; and
- relevant Australian Accounting Standards with reduced disclosure requirements.

For the purposes of preparing the financial statements, the Board is a not-for-profit entity. The financial statements are prepared based on a 12 month reporting period and presented in Australian currency. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

DEW prepares a Business Activity Statement on behalf of the Board under the grouping provisions of the Goods and Services Tax (GST) legislation. Under these provisions, DEW is liable for the payments and entitled to the receipts associated with GST. Therefore the Board's net GST receivable/payable is recorded in DEW's Statement of Financial Position. GST cash flows applicable to the Board are recorded in DEW's Statement of Cash Flows.

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

1.2. Objectives and programs

The Board serves the Government and the people of South Australia by achieving excellence in the provision of our natural resources to ensure environmental, social, cultural and economic sustainability.

Board functions

The functions of the Board as defined under sections 25 and 26 of the LSA Act include:

- Leading innovation and achieving positive outcomes across the urban landscapes of the Green Adelaide Region with a particular focus on urban design and building resilience with respect to climate.
- Adopting 7 key priorities as described under Board programs.
- Taking a strategic leadership role in relation to these priorities and promoting coordination and partnerships with other entities, agencies and authorities.

The Board may:

- Undertake a role in leading, promoting or supporting innovation and positive outcomes in relation to any of these priorities in any part of the state.
- Establish, support or facilitate programs in places outside the Green Adelaide Region.
- Undertake, promote and integrate the management of natural resources within its region, to build resilience in the face of change and to facilitate integrated landscape management and biodiversity conservation.
- Prepare a regional landscape plan and (where relevant) water allocation plans, landscapes affecting activities control policies and water affecting activities control policies in accordance with the LSA Act.
- Facilitate the implementation of these plans and policies, and monitor, evaluate and report on the extent of success of the plans and policies in achieving their objectives.
- Promote public awareness and understanding of the importance of integrated and sustainable natural resources management within its region.

Green Adelaide Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

1.2. Objectives and programs (continued)

- Undertake an active role in ensuring, that the Board's regional landscape plan, landscape affecting activities control policies, water allocation plans and water affecting activities control policies, advance the objects of the *Native Vegetation Act 1991* and promote the conservation of wildlife as envisaged under the *National Parks and Wildlife Act 1972*.
- Provide advice on any matter relevant to the condition of landscapes within its region or on the management of those landscapes, or to provide any other advice or report that may be appropriate in the circumstances.
- Set and adopt clear strategies, and, create strong strategic and funding partnerships and cost effective opportunities.
- Work collaboratively with other regional landscape boards, constituent councils, relevant sections of the community and Aboriginal people.
- Any other functions assigned to the Board by the Minister by or under this or any other Act.

Board programs

The Board's work program is based on the required priorities for the region, as outlined in the Board's Business Plan. In line with this Plan, actions to be undertaken by the Board are presented under the key priorities for the region which are identified as:

Coastal management

- To conserve and restore coastal and marine habitats and biodiversity.

Water resources and wetlands

- To ensure water resources deliver environmental, economic, social and cultural benefits.

Biodiversity sensitive and water sensitive urban design

- To build industry and community capacity to design cooler, greener and biodiverse urban infrastructure.

Green streets and flourishing parklands

- To increase the extent and quality of urban green cover.

Fauna, flora and ecosystem health in the urban environment

- To conserve, restore and expand habitats for native flora and fauna.

Controlling pest animals and plants

- To manage the effects of pests and impact-causing native species.

Nature education

- To inspire communities to value, connect with, and care for nature.

Foundation activities

- Activities that facilitate and support the delivery of the Boards projects across the 7 regional priorities.

Landscape Priorities Fund

- The Boards contribution under the LSA Act to enable investment in large scale integrated landscape restoration projects that address sub-regional and state-wide priorities.

The table on the following page presents expenses and income attributable to each priority.

Green Adelaide Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

1.2. Objectives and programs (continued)

Expenses and income by program

	Coastal Management	Water Resources and Wetlands	Biodiversity Sensitive and Water Sensitive Urban Design	Green Streets and Flourishing Parklands	Fauna, Flora and Ecosystem Health
	2021 \$'000	2021 \$'000	2021 \$'000	2021 \$'000	2021 \$'000
Income					
Landscape and water levies	2 567	4 236	1 285	2 567	1 924
Commonwealth-sourced grants and funding	-	600	-	-	-
Grant revenues	-	19	87	140	-
Interest	1	1	-	-	-
Other income *	(1)	(2)	-	(1)	(1)
Total income	2 567	4 854	1 372	2 706	1 923
Expenses					
Board and committee expenses	28	47	14	28	21
Supplies and services	1 306	4 966	518	792	661
Grants and subsidies	3 604	588	1 257	515	1 322
Depreciation	41	67	20	41	31
Other expenses	6	10	3	6	4
Total expenses	4 985	5 678	1 812	1 382	2 039
Net result	(2 418)	(824)	(440)	1 324	(116)

Green Adelaide Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

1.2. Objectives and programs (continued)

	Controlling			Landscape	
	Pest Animals	Nature	Foundation	Priorities	
	and Plants	Education	Activities	Fund	Total
	2021	2021	2021	2021	2021
	\$'000	\$'000	\$'000	\$'000	\$'000
Income					
Landscape and water levies	642	5 518	5 774	4 266	28 779
Commonwealth-sourced grants and funding	-	-	-	-	600
Grant revenues	-	2	1	-	249
Interest	-	1	1	-	4
Other income*	30	1	(3)	-	23
Total income	672	5 522	5 773	4 266	29 655
Expenses					
Board and committee expenses	7	61	64	-	270
Supplies and services	968	2 167	2 117	-	13 495
Grants and subsidies	250	1 795	101	4 266	13 698
Depreciation	10	87	92	-	389
Other expenses	1	12	13	-	55
Total expenses	1 236	4 122	2 387	4 266	27 907
Net result	(564)	1 400	3 386	-	1 748

The Board has determined that assets and liabilities cannot be reliably attributed to individual programs.

*Includes a refund to SAFECOM.

Green Adelaide Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

1.3. Net assets received from an Administrative Restructure

On 1 July 2020, the *Natural Resources Management Act 2004* (NRM Act) was repealed, and the AMLR NRM Board was abolished. By notice in the Government Gazette on 25 June 2020, a share of the property, assets, rights and liabilities of the NRM Board, with effect from 1 July 2020, were vested in or attached to the Hills and Fleurieu Landscape Board, the Northern and Yorke Landscape Board and the Green Adelaide Board as follows:

- a) any property, assets, rights or liabilities of the AMLR NRM Board that fall within the functions and responsibilities of the Hills and Fleurieu Landscape Board are vested in or attached to the Hills and Fleurieu Landscape Board;
- b) any property, assets, rights and liabilities of the AMLR NRM Board that fall within the functions and responsibilities of the Northern and Yorke Landscape Board are vested in or attached to the Northern and Yorke Landscape Board;
- c) any other property, assets, rights or liabilities of the AMLR NRM Board that do not fall within the ambit of paragraph (a) or (b) are vested in or attached to the Green Adelaide Board.

Transferred in

The following assets and liabilities were transferred to the Green Adelaide Board:

	\$'000
Assets	
Cash and cash equivalents	11 226
Receivables	82
Property, plant and equipment	5 976
Total assets	17 284
Liabilities	
Payables	1 366
Total liabilities	1 366
Total net assets transferred	15 918

Net assets assumed by the Board because of the administrative restructure are the carrying amount of those assets in the NRM Board's Statement of Financial Position immediately prior to the transfer. The net assets transferred were treated as a contribution by the government as owner.

1.4. Impact of COVID-19 pandemic on the Green Adelaide Board

The COVID-19 pandemic impacted the financial year. DEW on behalf of the Board managed the move of a significant number of staff to work from home arrangements where feasible. DEW also ensured precautions were taken for staff and the public where sites and facilities remained open, adopting best practice advice to ensure personal safety at those sites.

A key impact to the Board in 2020-21 was a reduction in capacity to complete various projects in the field. This related to projects in water management, biodiversity sensitive and water sensitive urban design, and controlling pest plants and animals. The financial impact of individual projects under these priorities cannot be reliably measured and therefore has not been disclosed. The surplus funds for some projects have been extended in to next financial year, otherwise they were redirected to other priority projects within the Green Adelaide Region.

Green Adelaide Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

2. Income

2.1. Landscape and water levies

	2021
	\$'000
Landscape levy collected through councils	28 633
Water levies collected through DEW	146
Total landscape and water levies	28 779

The Board collects landscape and water levies under Part 5 of the LSA Act.

Landscape levy collected through councils

The Board declares contributions by councils under section 66 of the LSA Act for the relevant financial year by notice in the Board Annual Business Plan. The Landscape levy is then collected by constituent councils from ratepayers and is based on the value of rateable land. Revenue is recognised when the invoice is raised at the beginning of the levy period to which they relate. Councils may seek to recover costs in accordance with the LSA Act, incurred in the collection of the levy.

Water levies collected through DEW

The Minister for Environment and Water declares the water levy rates by notice in the Government Gazette under section 76 of the LSA Act for water licence holders within a prescribed area. Invoices are raised at the start of each financial year with the levies collected by DEW and passed onto the Board. Revenue is recognised when the funds are received from DEW.

2.2. Commonwealth-sourced grants and funding

	2021
	\$'000
Commonwealth funding	
Breakout Creek Stage 3 Redevelopment	200
Second Creek and River Torrens Gross Pollutant Trap Upgrade	400
Total Commonwealth-sourced grants and funding	600

The Board has determined that the Commonwealth funding included in the table above is accounted for under AASB 1058. Commonwealth funding is generally paid in advance and is recognised on receipt. The Commonwealth has provided funding to the State for project works from the Environment Restoration Fund. The above grants were originally received by the State and then paid from Department of Treasury and Finance Administered Items to the Green Adelaide Board via the DEW.

Green Adelaide Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

2.3. Grant revenues

	2021 \$'000
Income recognised under AASB 1058	
State Government grants	142
Sundry grants	<u>107</u>
Total income recognised under AASB 1058	<u><u>249</u></u>

The Board has determined that the grant income included in the table above under AASB 1058 has been earned under arrangements that are either not enforceable and/or not linked to sufficiently specific performance obligations.

Income from grants without any sufficiently specific performance obligations, or that are not enforceable, is recognised when the Board has an unconditional right to receive cash which usually coincides with receipt of cash.

2.4. Other income

	2021 \$'000
Provision of services	18
Other revenue	<u>5</u>
Total other income	<u><u>23</u></u>

Green Adelaide Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

3. Board, committees and employees

3.1. Key management personnel

Key management personnel of the Board include the Minister, the Presiding Member, the Director Green Adelaide and the other members of the Board who have responsibility for the strategic direction and management of the Board.

The total compensation for the Board's key management personnel was \$473 000 in 2020-21.

The compensation disclosed in this note excludes salaries and other benefits the Minister for Environment and Water receives. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via the Department of Treasury and Finance) under section 6 the *Parliamentary Remuneration Act 1990*.

Transactions with key management personnel or related parties was \$1 300 during 2020-21 and related to the delivery of training to Board staff.

3.2. Board and committee members

Members during the 2020-21 financial year were:

The Board

- C B Daniels (Presiding Member)
- F Lewis
- C Boan
- K G Trimper
- G B Ingleton (appointed March 2021)
- L K H Parry
- A J Skull
- T Smith
- D I Vassallo
- J T Newchurch* (retired April 2021)

Committees

Risk and Performance Committee

- T Johnston (Chair, appointed September 2020)
- J Goode (appointed September 2020)
- F Lewis (appointed September 2020)
- T Smith (appointed September 2020)

* These members were not remunerated during 2020-21.

The number of members whose remuneration received or receivable falls within the following bands:

	2021
\$0 - \$19 999	4
\$20 000 - \$39 999	7
\$40 000 - \$59 999	1
Total number of members	12

The total remuneration received or receivable by members was \$257 000. Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits and fringe benefits, and related fringe benefits tax.

Green Adelaide Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

3.3. Board and committee expenses

	2021
	\$'000
Board and committee fees	235
Remuneration on-costs - superannuation	22
Remuneration on-costs - other	13
Total board and committee expenses	<u>270</u>

Board and committee expenses include all fees and other costs including superannuation. These are recognised when incurred.

Services to the Board are provided by personnel employed by DEW; hence no employee benefits or related provisions are included in the Green Adelaide Board's financial statements. Employee benefits relating to relevant employees are reflected in the financial statements of DEW.

4. Expenses

4.1. Supplies and services

	2021
	\$'000
Fee for service - Project delivery	4 584
Fee for service - Board funded DEW salaries	4 549
Fee for service - Water planning management to DEW	1 067
Fee for service - Patawalonga Lake System to DEW	928
Fee for service - Corporate services fee to DEW	852
Accommodation	359
Minor works, maintenance and equipment	268
General administration	206
Fee for service - Shared Services SA fee	196
Information technology hardware and software	66
Contracted staff training development	44
Vehicles	43
Temporary staff	31
Transport	21
Other supplies and services	281
Total supplies and services	<u>13 495</u>

Green Adelaide Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

4.2. Grants and subsidies

	2021
	\$'000
Grants and subsidies paid to entities within the SA Government	
Adelaide Living Beaches to DEW	2 875
Landscape Priorities Fund	4 266
Other grants	<u>67</u>
Total grants and subsidies paid to entities within the SA Government	<u>7 208</u>
Grants and subsidies paid to entities external to the SA Government	
Local Government	3 737
Other entities	<u>2 753</u>
Grants and subsidies paid to entities external to the SA Government	<u>6 490</u>
Total grants and subsidies	<u><u>13 698</u></u>

The Board provided financial assistance to Local Government, State Government agencies and private bodies during the year. Funds are paid by way of grants and all recipients are required to comply with conditions relevant to each grant.

The Board is required to contribute a percentage of its landscape and water levy income into the Landscape Priorities Fund as per the provisions of Division 2 Section 93 of the LSA Act. By notice in the Government Gazette on 14 January 2021, the Minister for Environment and Water designated this to be 15% of contributions received by the Board in 2020-21. The Fund enables investment in large scale integrated landscape restoration projects that address sub-regional and state-wide priorities.

4.3. Other expenses

	2021
	\$'000
Audit fees paid/payable to the Auditor-General's Department	<u>55</u>
Total other expenses	<u><u>55</u></u>

No other services were provided by the Auditor-General's Department.

Green Adelaide Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

5. Non-financial assets

5.1. Property, plant and equipment owned by the Green Adelaide Board

Property, plant and equipment with a value equal to or in excess of \$10 000 is capitalised, otherwise it is expensed. Property, plant and equipment owned by the Board is recorded at fair value. Detail about the Board's approach to fair value is set out in note 9.1.

All non-current assets, having a limited useful life, are systematically depreciated over their useful lives in a manner that reflects the consumption of their service potential.

Reconciliation 2020-21

	Infrastructure	Total
	\$'000	\$'000
Carrying amount at the beginning of the period	-	-
Acquisition through administrative restructure	5 976	5 976
Depreciation	(389)	(389)
Carrying amount at the end of the period	5 587	5 587
Gross carrying amount		
Gross carrying amount	9 782	9 782
Accumulated depreciation	(4 195)	(4 195)
Carrying amount at the end of the period	5 587	5 587

Review of accounting estimates

Assets' residual values, useful lives and depreciation methods are reviewed and adjusted if appropriate, on an annual basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate, which is a change in accounting estimate.

Useful life

Depreciation is calculated on a straight line basis over the estimated useful life of the following classes of assets as follows:

Class of asset	Useful life (years)
Infrastructure	6 - 50

Impairment

There were no indications of impairment of property, plant and equipment as at 30 June 2021.

Green Adelaide Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

6. Financial assets

6.1. Cash and cash equivalents

	2021
	\$'000
Deposits with the Treasurer	13 549
Total cash and cash equivalents	13 549

Cash is measured at nominal amounts.

Deposits at call and with the Treasurer earn a floating interest rate, based on daily bank deposit rates.

6.2. Receivables

	2021
	\$'000
<u>Current</u>	
Trade receivables	
Trade receivables	205
Less impairment loss on receivables	(5)
Total trade receivables	200
Accrued revenues	230
Total current receivables	430
Total receivables	430

Receivables arise in the normal course of selling goods and services to other government agencies and to the public. Receivables are normally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement. Receivables, prepayments and accrued revenues are non-interest bearing.

Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

The expected credit loss of government debtors is considered to be nil based on the external credit ratings and nature of the counterparties.

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7. Liabilities

7.1. Payables

	2021
	\$'000
<u>Current</u>	
Trade payables	1 682
Accrued expenses	218
Total current payables	<u>1 900</u>
Total payables	<u>1 900</u>

Payables and accruals are raised for all amounts owing but unpaid. Sundry payables are normally settled within 30 days from the date the invoice is first received. Under Treasurer's Instruction 11 – Payment of Creditors Accounts, interest is payable on overdue accounts. The carrying amount of payables represents fair value due to their short-term nature.

8. Outlook

8.1. Unrecognised commitments

Expenditure commitments

The Board's expenditure contracted for at the reporting date but not recognised as liabilities are payable as follows:

	2021
	\$'000
No later than one year	8 889
Later than one year but not later than five years	17 078
Later than five years	21 299
Total expenditure commitments	<u>47 266</u>

Contracts have been entered into for various projects including wetlands, trash racks, flood studies, project officers and grants for Adelaide Living Beaches, Patawalonga Lakes, pollution prevention and research and development. The value of these projects is not reflected in the Statement of Comprehensive Income and Statement of Financial Position.

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8.2. Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

The Board is not aware of any contingent assets or liabilities.

9. Measurement and risk

9.1. Fair value

AASB 13 *Fair Value Measurement* defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, in the principal or most advantageous market, at the measurement date.

Initial recognition

Non-current tangible assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition.

Where assets are acquired at no value, or minimal value, they are recorded at their fair value in the Statement of Financial Position. However, if the assets are acquired at no or nominal value as part of a restructure of administrative arrangements, then the assets are recognised at book value (i.e. the amount recorded by the transferor public authority immediately prior to the restructure).

Revaluation

Property, plant and equipment are subsequently measured at fair value after allowing for accumulated depreciation.

The revaluation process is reviewed by the Director and audit committee each year.

Non-current tangible assets are valued at fair value and revaluation of non-current assets or a group of assets is only performed when the fair value at the time of acquisition is greater than \$1.5 million and estimated useful life is greater than three years.

The Board revalues its infrastructure assets via a Certified Practising Valuer or internal estimates based on indices or recent transactions. A valuation appraisal by a Certified Practising Valuer is performed at least every 6 years. The last revaluation of assets was performed by Valcorp Australia Pty Ltd on 30 June 2017.

If at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place.

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9.2. Financial instruments

Financial risk management

Risk management is managed by the Board's corporate services section and Board risk management policies are in accordance with the *Risk Management Policy Statement* issued by the Premier and Treasurer and the principles established in the Australian Standard *Risk Management Principles and Guidelines*.

The Board's exposure to financial risk (liquidity risk, credit risk and market risk) is insignificant based on past experience and current assessment of risk.

Impairment of financial assets

Loss allowances for receivables are measured at an amount equal to lifetime expected credit loss using the simplified approach in AASB 9. The Board uses a uses an allowance matrix to measure the expected credit loss of receivables from non-government debtors which comprise a large number of small balances.

To measure the expected credit losses, receivables are grouped based on shared risks characteristics and the days past due. When estimating expected credit loss, the Board considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Board's historical experience and informed credit assessment, including forward-looking information.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Board is exposed to credit risk.

The expected credit loss of government debtors is considered to be nil based on the external credit ratings and nature of the counterparties.

Loss rates are calculated based on the probability of a receivable progressing through stages to write off based on the common risk characteristics of the transaction and debtor.

Impairment losses are presented as net impairment losses within net result, subsequent recoveries of amounts previously written off are credited against the same line item.

Receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the failure of a debtor to enter into a payment plan with the Board and a failure to make contractual payments for a period of greater than 90 days past due.

Categorisation of financial instruments

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed in the respective financial asset / financial liability note.

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9.2. Financial instruments (continued)

Classification of financial instruments

The Board measures all financial instruments at amortised cost.

Category of financial asset and financial liability	Note	2021 Carrying amount \$'000	2021 contractual Maturities		
			Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000
Financial assets					
Cash and cash equivalents					
Cash and cash equivalents	6.1	13 549	n/a		n/a
Financial assets at amortised cost					
Receivables	6.2	89	89	-	-
Total financial assets		13 638	89	-	-
Financial liabilities					
Financial liabilities at amortised cost					
Payables	7.1	1 707	1 707	-	-
Total financial liabilities		1 707	1 707	-	-

Receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables (for example, Commonwealth, State and Local Government taxes, fees and charges; Auditor-General's Department audit fees). In government, certain rights to receive or pay cash may not be contractual and therefore in these situations, the requirements will not apply. Where rights or obligations have their source in legislation such as levies, tax and equivalents, they would be excluded from the disclosure. The standard defines contract as enforceable by law. All amounts recorded are carried at amortised cost.