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To the Chief Executive Officer Adelaide Cemeteries Authority

Opinion

I have audited the financial report of the Adelaide Cemeteries Authority for the financial year ended 30 June 2023.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Adelaide Cemeteries Authority as at 30 June 2023, 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 – Simplified Reporting Requirements.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2023
- a Statement of Financial Position as at 30 June 2023
- a Statement of Changes in Equity for the year ended 30 June 2023
- a Statement of Cash Flows for the year ended 30 June 2023
- notes, comprising material accounting policy information and other explanatory information
- a Certificate from the Chair of the Board, Chief Executive Officer, and the Chief Financial Officer.

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 Adelaide Cemeteries Authority. 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 Chief Executive Officer and the Board of Directors for the financial report

The Chief Executive Officer 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 – Simplified Reporting Requirements, 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 Chief Executive Officer is responsible for assessing the entity's ability to continue as a going concern, 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 of Directors 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*, I have audited the financial report of Adelaide Cemeteries Authority for the financial year ended 30 June 2023.

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 Adelaide Cemeteries Authority's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive Officer
- conclude on the appropriateness of the Chief Executive Officer'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 Chief Executive Officer and the Board of Directors 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.



Daniel O'Donohue
Assistant Auditor-General (Financial Audit)

20 September 2023

Certification of the Financial Report

We certify that the:

- financial statements of the Adelaide Cemeteries Authority:
 - are in accordance with the accounts and records of the Authority;
 - comply with relevant Treasurer’s Instructions;
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the Adelaide Cemeteries Authority at the end of the financial year and the result of its operation and cash flows for the financial year.
- internal controls employed by the Adelaide Cemeteries Authority for the financial year over its financial reporting and its preparation of financial statements have been effective.



Mr Tristan Just

Chair of the Board

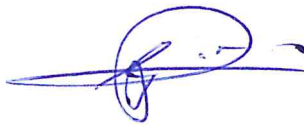
Date 12/9/23



Mr Michael Robertson

Chief Executive Officer

Date 12/9/23



Mr Pep Piscioneri

Chief Financial Officer

Date 12/9/23

STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended 30 June 2023

	Note No.	2023 \$'000	2022 \$'000
Income			
Fees and Charges	4	13,511	13,840
Net Gain from Disposal of Assets	5	47	-
Investment Income	6	918	(561)
Other Income	7	450	1,790
Total Income		14,926	15,069
Expenses			
Employee Benefits Expense	8	5,750	5,793
Supplies and Services	9	5,589	5,181
Depreciation and Amortisation	16 & 17	1,370	1,347
Borrowing costs	10	490	37
Net Loss from Disposal of Assets	5	-	13
Impairment of Assets	11	89	-
Total Expenses		13,288	12,371
Net revenue from providing services		1,638	2,698
Revenue from/ payments to SA Government			
Income Tax Equivalent		491	456
Net Result		1,147	2,242
Other Comprehensive Income			
Impairment of assets against reserves		-	-
Changes in property, plant and equipment asset revaluation surplus		-	-
Total Other Comprehensive Income		-	-
Total Comprehensive Result		1,147	2,242

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

STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

	Note No.	2023 S'000	2022 S'000
Current Assets			
Cash	12	744	940
Receivables	13	3,447	4,374
Inventories	14	935	1,244
Total Current Assets		5,126	6,558
Non-Current Assets			
Receivables	13	1,271	1,020
Investments	15	10,881	8,063
Property, Plant and Equipment	16	54,052	41,099
Intangible Assets	17	3	7
Total Non-Current Assets		66,207	50,189
Total Assets		71,333	56,747
Current Liabilities			
Payables	18	4,949	3,216
Employee Benefits	19	850	817
Provisions	20	12	34
Contract Liabilities	21	851	406
Interment Right Lease Liability	22	231	224
Borrowings	23	314	-
Total Current Liabilities		7,207	4,697
Non-Current Liabilities			
Payables	18	14	24
Employee Benefits	19	137	107
Provisions	20	33	113
Contract Liabilities	21	9,127	8,467
Interment Right Lease Liability	22	2,857	2,864
Borrowings	23	17,886	7,550
Total Non-Current Liabilities		30,054	19,125
Total Liabilities		37,261	23,822
Net Assets		34,072	32,925
Equity			
Retained Earnings		19,760	18,613
Asset Revaluation Surplus		14,232	14,232
Reserves		80	80
Total Equity		34,072	32,925
The Total Equity is attributable to the SA Government as owner.			
Unrecognised Contractual Commitments	24		

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

STATEMENT OF CHANGES IN EQUITY

For the Year Ended 30 June 2023

	Note No.	West Terrace Cemetery Heritage Reserve \$'000	Asset Revaluation Surplus \$'000	Retained Earnings \$'000	Total Equity \$'000
Balance at 30 June 2021		80	14,232	16,371	30,683
Total net result for 2021-22		-	-	2,242	2,242
Total comprehensive result 2021-22		-	-	2,242	2,242
Balance at 30 June 2022		80	14,232	18,613	32,925
Total net result for 2022-23		-	-	1,147	1,147
Total comprehensive result 2022-23		-	-	1,147	1,147
Balance at 30 June 2023		80	14,232	19,760	34,072

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

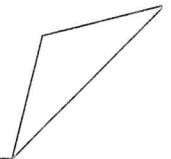
STATEMENT OF CASH FLOWS

For the Year Ended 30 June 2023

	Note No.	2023 S'000	2022 S'000
Cash Flows from Operating Activities			
Cash Inflows			
Fees and Charges		17,083	14,129
Other Receipts		495	674
GST Recovered from the Australian Taxation Office		75	-
Cash generated from operations		17,653	14,803
Cash Outflows			
Employee Benefits Payments		(5,768)	(5,723)
Payments for Supplies and Services		(7,322)	(7,272)
Interest Paid		(490)	(37)
Net GST Remitted to the Australian Taxation Office		-	(364)
Cash used in operations		(13,580)	(13,396)
Net Cash provided by Operating Activities		4,073	1,407
Cash Flows from Investing Activities			
Cash Inflows			
Proceeds from Sale of Plant and Equipment		52	33
Cash generated from Investing Activities		52	33
Cash Outflows			
Purchase of Investments		(1,900)	(1,800)
Purchase of Property, Plant and Equipment		(13,071)	(7,073)
Cash used in Investing Activities		(14,971)	(8,873)
Net Cash (used in) Investing Activities		(14,919)	(8,840)
Cash Flows from Financing Activities			
Cash Inflows			
Receipts from Borrowings		10,650	7,550
Cash generated from Financing Activities		10,650	7,550
Cash Outflows			
Repayment of Borrowings		-	(225)
Cash used in Financing Activities		-	(225)
Net Cash provided by Financing Activities		10,650	7,325
Net (decrease)/Increase in Cash		(196)	(108)
Cash at 1 July		940	1,048
Cash at 30 June	12	744	940

The accompanying notes form part of these financial statements.

**NOTES TO &
FORMING PART OF
THE FINANCIAL
STATEMENTS**



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Note 1 Objectives of the Adelaide Cemeteries Authority

The Adelaide Cemeteries Authority (Authority) serves the Government and people of South Australia by achieving excellence in the provision of cemetery, cremation and memorialisation services. The Authority was established in July 2001 pursuant to the *Adelaide Cemeteries Authority Act 2001*. The primary functions of the Authority are to operate and manage the public cemeteries and facilities at Enfield, Cheltenham, West Terrace (Adelaide) and the cemetery at Smithfield which was purchased subsequent to the establishment of the Authority.

Note 2 Significant Accounting Policies

a) 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, applying simplified disclosures.

For the purposes of preparing the financial statements, the Authority is a not-for-profit entity. Australian Accounting Standards and interpretations that have recently been issued or amended, but are not yet effective, have not been adopted by the Authority.

The financial statements are prepared on a 12-month reporting period and presented in Australian currency. The historical cost convention is used unless a different measurement basis is otherwise disclosed.

Income, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- receivables and payables, which 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 are recoverable from, or payable to, the ATO are classified as operating cash flows.

Assets and liabilities that are to be sold, consumed or realised as part of the normal 12 month operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

b) Comparative Information

The presentation and classification of items in the financial statements are consistent with prior periods except where specific accounting standards and/or Accounting Policy Statements have required a change.

The restated comparative amounts do not replace the original financial statements for the preceding period.

c) Rounding

All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000).

d) Taxation

In accordance with Treasurer's Instruction 22 Tax Equivalent Payments, the Authority is required to pay to the SA Government an income tax equivalent. The income tax liability is based on the State Taxation Equivalent Regime, which applies the accounting profit method. This requires that the corporate income tax rate of 30% be applied to the net profit after deducting exemptions approved by the Treasurer.

The Authority is liable for payroll tax, fringe benefits tax, goods and services tax (GST) and the emergency services levy.

e) Events after the reporting period

Adjustments are made to amounts recognised in the financial statements, where an event occurs after 30 June and before the date the financial statements are authorised for issue, where those events provide information about conditions that existed at 30 June.

There were no events after the reporting period.

f) Assets

Non Current Assets Acquisition and Recognition

Non-current assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition. All non-current tangible assets with a value equal to or in excess of \$5 000 are capitalised.

Depreciation and Amortisation

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

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

Class of Asset	Useful Life (years)
Buildings	40 - 100
Infrastructure Improvements	10 - 60
Plant and Equipment	4 - 25
Intangibles	3 - 5

Adelaide Cemeteries Authority

Revaluation of Non-Current Assets

All non-current tangible assets are valued at fair value; and revaluation of non-current assets or group of assets is performed at least every six years. However, 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.

The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset. The accumulated depreciation as at the revaluation date is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset after taking into account accumulated impairment losses. Upon disposal or derecognition, any revaluation surplus relating to that asset is transferred to retained earnings.

In determining fair value, the Authority has taken into account the characteristic of the asset and the asset's highest and best use. The Authority's current use is the highest and best use of the asset unless other factors suggest an alternative use is feasible. As the Authority did not identify any factors to suggest an alternative use, fair value measurement was based on current use.

The carrying amount of non-financial assets with a fair value at the time of acquisition that was less than \$1.5 million or an estimated useful life that was less than three years are deemed to approximate fair value.

Intangible Assets

Intangible assets are measured at cost and are tested for indications of impairment at each reporting date. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. The authority holds only intangible assets with finite lives. The amortisation period and the amortisation method for intangible assets is reviewed on an annual basis.

The acquisition of or internal development of software is capitalised only when the expenditure meets the definition criteria (identifiability, control, and the existence of future economic benefits) and recognition criteria (probability of future economic benefits and cost can be reliably measured) and when the amount of the expenditure is greater than or equal to \$5 000. All research and development costs that do not meet the capitalisation criteria outlined in AASB 138 are expensed.

g) Unrecognised contractual commitments and contingent assets and liabilities

Commitments include operating arrangements arising from contractual or statutory sources and are disclosed at their nominal value - Note 24.

h) Equity

The asset revaluation surplus is used to record increments and decrements in the fair value of land, buildings and infrastructure to the extent that they offset one another. Relevant amounts are transferred to retained earnings when an asset is derecognised.

The West Terrace cemetery heritage reserve represents heritage donations and contributions received as well as transfers from retained earnings for the purposes of heritage works at West Terrace Cemetery.

Note 3 New and Revised Accounting Standards and Policies

The Authority did not voluntarily change any of its accounting policies during 2022-23

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective, have not been adopted by the Authority for the period ending 30 June 2023. The Authority has assessed the impact of the new and amended standards and interpretations and these have no material impact to the Authority.

Note 4 Fees and Charges

	2023	2022
	\$'000	\$'000
Burial and Memorial Interment Right	9,062	9,392
Burial	2,112	2,202
Cremation	1,156	1,084
Reflection Room and Lounge	529	414
Memorial	546	576
Monumental	288	310
Refunds	(182)	(138)
Total Fees and Charges	13,511	13,840

Burial and memorial interment right

Interment rights are considered to be leases, with the Authority acting as lessor, in accordance with the requirements of AASB 16 on the basis that the Interment Right holder (lessee) is able to:

- obtain economic benefits from using a defined asset (land); and
- direct the asset's use in accordance with the requirements of a predetermined protective right (i.e. operating policies)

Burial and Memorial Interment Right Finance Lease Accounting

Leases with a term at inception of 50 years or more are accounted for as finance leases, on the basis that the risks and rewards retained by the lessor (the Authority) through its residual interest in the asset are not considered to be significant when measured at inception.

The asset associated with the finance lease (i.e. land) is derecognised at the inception of the lease. Land is derecognised based on the average square meters of a burial plot, being two-meters squared, multiplied by the fair value of the land – refer Note 16. The derecognised value of the asset will be recognised as a cost of sales through profit and loss – refer Note 9.

In accordance with AASB 16, income associated with finance leases is recognised using the effective income method. This income is recognised upon delivery of the service which, for finance lease arrangements, is effectively on receipt.

Burial and Memorial Interment Right Operating Lease Accounting

Leases with a term at inception of less than 50 years are accounted for as operating leases. Revenue from interment site fees received will be recognised as lease income over the term of the lease on a straight-line basis. For at-need sales, income will be recognised from the time of sale.

The unearned proportion of the operating lease interment right is recognised as a lease liability – refer Note 22.

The effect of renewals/extensions will be considered at the time of renewal, as the occurrence of a renewal on any particular lease cannot be predicted. If the renewal extends the lease term above 50 years from the time of renewal, the lease will be accounted for as a finance lease.

Revenue is recognised over time as and when the interment right lease is delivered to the lease holder.

Other Fees and Charges

Burial fees, cremation fees, reflection room fees and monumental fees are recognised upon delivery of the service to the clients. Where delivery has not occurred, these are shown as Contract Liabilities, refer note 21. Other fees and charges are recognised in accordance with AASB 15 Revenue from contracts with customers.

Note 5 Net Gain/(Loss) from Disposal of Assets

	2023	2022
	\$'000	\$'000
Plant and Equipment		
Proceeds from disposal	52	33
Net Book Value of Assets Disposed	(5)	(46)
Net Gain/(Loss) from Disposal of Plant and Equipment	47	(13)

Note 6 Investment Income

	2023	2022
	\$'000	\$'000
Net unrealised gain/(loss) on unitised fund investment value designated as fair value through profit and loss	918	(561)
Total Investment Income	918	(561)

Note 7 Other Income

	2023	2022
	\$'000	\$'000
Other Cemetery Services	411	281
Fuel Tax Credit Received	12	11
Grants	-	297
Donations /Contributions	-	1,177
Interest	3	1
Insurance Proceeds	11	3
Sundry	13	20

Total Other Income	450	1,790
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Donations /Contributions for 2022 include the recognised value of Land received from Department for Environment and Water \$860 000 and SA Museum \$317 000 for the Kaurua Repatriation Interment Infrastructure at Smithfield Memorial Park.

Note 8 Employee Benefits Expense

	2023	2022
	\$'000	\$'000
Salaries and Wages	4,419	4,451
Annual Leave	385	393
Long Service Leave	107	16
Workers Compensation	(50)	95
Employment On-costs - Superannuation	508	476
Employment On-costs - Payroll Tax	246	241
Board Fees (refer Note 25)	98	100
Other Employee Related Expenses	37	21

Total Employee Benefits	5,750	5,793
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Key Management Personnel

Key management personnel of the Authority include the Minister, the Board, the Chief Executive Officer and the five members of the Executive Team. Total compensation for key management personnel was \$979 000 in 2023 and \$856 000 in 2022.

The compensation disclosed in this note excludes salaries and other benefits the Minister 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*.

Related Party Transactions with key management personnel and other related parties

The Authority is a statutory authority established pursuant to the *Adelaide Cemeteries Authority Act 2001* and is a wholly owned and controlled entity of the Crown.

Related parties of the Authority include all key management personnel and their close family members; all Cabinet Ministers and their close family members; and all public authorities that are controlled and consolidated into the whole of government financial statements and other interests of the Government.

Significant transactions with Key Management Personnel and other related parties are as follows:

Department for Infrastructure and Transport project management fees for 2023 total \$56 355 for 2022 \$110 838, there are no other individually significant transactions.

Remuneration of Employees	2023	2022
	No.	No.
The number of employees whose remuneration received or receivable fall within the following bands:		
\$180 001 to \$200 000	1	2
\$200 001 to \$220 000	1	-
\$220 001 to \$240 000	-	-
\$240 001 to \$260 000	-	1
Total Number of Employees	2	3

The table includes all employees who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs including salaries and wages, superannuation contributions, fringe benefits tax and any other salary sacrifice benefits. The total remuneration received by these employees for 2023 was \$413,000; 2022 \$618 000; 2021 \$597 000.

Note 9 Supplies and Services

	2023	2022
	\$'000	\$'000
Repairs and Maintenance	922	673
Burial Vaults and Other Cost of Sales	572	532
Advertising and Marketing	403	472
Personal Service Contractors	374	272
General Administration Expenses	301	308
Information Technology	293	271
Consultants	293	104
Water	292	427
Monumental Mason Memorials	281	245
Fuel, Light and Power	258	221
Trade Discounts	250	490
Memorials	153	239
Computing and Communication Services	122	79
Security and Patrols	121	111
Insurance	103	86
Waste Management Services	83	100
Grounds Maintenance	63	55
Audit Fees	47	46
Other Supplies and Services	658	450
Total Supplies and Services	5,589	5,181

Audit Fees relate to work performed by the Auditor-General's Department under the *Public Finance and Audit Act 1987*.

Note 10 Borrowing Costs

	2023	2022
	\$'000	\$'000
Interest paid/payable on short-term and long-term borrowings	490	37
Total Borrowing Costs	490	37

Note 11 Impairment of Assets

	2023	2022
	\$'000	\$'000
Impairment losses non-financial assets	89	-
Total Impairment	89	-

Note 12 Cash

	2023	2022
	\$'000	\$'000
Cash at Bank	744	940
Total Cash	744	940

Note 13 Receivables

	2023	2022
	\$'000	\$'000
Current		
Receivables	2,889	4,120
Prepayments	153	115
Accrued Revenues	1	85
GST Recoverable	404	54
Total Current Receivables	3,447	4,374
Non-Current		
Receivables	1,271	1,020
Total Non-Current Receivables	1,271	1,020
Total Receivables	4,718	5,394

Receivables include amounts receivable from trade, prepayment and other accruals.

Trade receivables arise in the normal course of selling goods and services to the public. Trade receivables are generally receivable within 30 days after the issue of a statement or the goods/services have been provided under a contractual arrangement. The Authority sells burial and memorial sites in advance of an interment to clients under a contractual arrangement providing a three-year repayment option. However, the right of an interment is not granted to the client until the site is fully paid.

Note 14 Inventories

	2023	2022
	\$'000	\$'000
Burial Vaults	167	391
Burial Crypts	665	786
Burial and Memorial sites	103	67
Total Inventories	935	1,244

Inventory is measured at cost using the first in first out method.

Note 15 Investments

	2023	2022
	\$'000	\$'000
Unitised Funds with Funds SA	10,881	8,063
Total Investments	10,881	8,063

The Authority measures the unitised funds invested with Funds SA at fair value in accordance AASB 9 – Financial Instruments. Unrealised and realised gains and losses are reflected in the Statement of Comprehensive Income as fair value through profit and loss (see note 6).

Investments can be liquidated and settled within 24 to 36 hours, however are shown as non-current assets as there is no requirement at balance date for the funds to be sold in the preceding 12 months.

Note 16 Property, Plant and Equipment

	2023	2022
	\$'000	\$'000
Land and Buildings		
Land at fair value	4,640	4,640
Derecognised Land	(178)	(168)
Buildings at fair value	17,725	17,706
Accumulated Depreciation	(6,921)	(6,645)
Total Land and Buildings	15,266	15,533
Infrastructure		
Infrastructure at fair value	33,680	33,291
Accumulated Depreciation	(19,422)	(18,684)
Total Infrastructure	14,258	14,607
Plant and Equipment		
Plant and Equipment at cost (deemed fair value)	6,347	6,153
Accumulated Depreciation	(4,441)	(4,107)
Total Plant and Equipment	1,906	2,046
Capital Works in Progress		
Capital Works in Progress at cost (deemed fair value)	22,622	8,913
Total Capital Works in Progress	22,622	8,913
Total Property, Plant and Equipment	54,052	41,099

Valuation of Land and Buildings

Land, Buildings and Infrastructure were valued at fair value by independent valuer Liquid Pacific Holding Pty Ltd as at 30 June 2020. The valuer arrived at fair value based on recent market transactions for similar land in the area taking into account zoning and restricted use.

The valuer used depreciated replacement cost for buildings and infrastructure due to there not being an active market for such buildings and infrastructure. The depreciated replacement cost considered the specialised nature of the assets, including the restricted use of the assets; the size, condition and location. The valuation was based on an assessment of cost, useful life and asset condition.

16.1 Reconciliation of Property, Plant and Equipment

The following table shows the movement of property, and plant and equipment during 2022-23

	Land	Buildings	Infrastructure	Plant and Equipment	Capital Works In Progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at 30 June 2022	4,472	11,061	14,607	2,046	8,913	41,099
Additions	-	-	-	-	14,447	14,447
Disposals	-	-	-	(5)	-	(5)
Transfers between asset classes	-	19	389	306	(738)	(24)
Impairment losses	-	-	-	(89)	-	(89)
Derecognition of Land (AASB 16)	(10)	-	-	-	-	(10)
Depreciation	-	(276)	(738)	(352)	-	(1,366)
Carrying amount at 30 June 2023	4,462	10,804	14,258	1,906	22,622	54,052

The WIP balance of \$22.6 million consists of \$21.7 million for construction of the new Multi-Function Community Precinct (in progress), with the balance other capital projects. Transfers between asset classes of \$24 000 relates to re-allocations to inventory for MAS Pods at Cheltenham Cemetery.

Note 17 Intangible Assets

	2023	2022
	S'000	S'000
Intangible Assets		
Intangible Assets	11	11
Less: Accumulated Amortisation	(8)	(4)
Total Intangible Assets	3	7

Reconciliation of Intangible Assets

The following table shows the movement of intangible assets during 2022-23

	Intangible Assets S'000
Carrying amount at 30 June 2022	7
Additions	-
Disposals	-
Amortisation	(4)
Carrying amount at 30 June 2023	3

Note 18 Payables

	2023	2022
	S'000	S'000
Current		
Creditors	4,344	2,551
Accrued Expenditure	397	487
Employment On-costs	122	96
Other Payables	86	82
Total Current Payables	4,949	3,216
Non-Current		
Employment On-costs	14	24
Total Non-Current Payables	14	24
Total Payables	4,963	3,240

Payables and accruals are raised for all amounts owing but unpaid. Sundry payables are normally settled within 15 days from the date the invoice is first received. All payables are non-interest bearing. The carrying amount of payables represents fair value due to their short-term nature. Employment on-costs include payroll tax, ReturnToWorkSA levies and superannuation contributions and are settled when the respective employee benefits that they relate to is discharged.

Note 19 Employee Benefits

	2023	2022
	\$'000	\$'000
Current		
Accrued Salaries and Wages	230	159
Annual Leave	334	323
Long Service Leave	286	335
Total Current Employee Benefits	850	817
Non-Current		
Long Service Leave	137	107
Total Non-Current Employee Benefits	137	107
Total Employee Benefits	987	924

Salaries and wages, annual leave, and sick leave

The liability for salary and wages is measured as the amount unpaid at the reporting date at remuneration rates current at the reporting date. The annual leave liability is expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid.

In the unusual event where salary and wages and annual leave are payable later than 12 months, the liability will be measured at present value. No provision has been made for sick leave, as all sick leave is non-vesting, and the average sick leave taken in future years by staff is estimated to be less than the annual entitlement for sick leave.

Long service leave - measurement

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

The expected timing and amount of long service leave payments is determined through whole-of-government actuarial calculations, which is then applied to the Authority's employee details. Key assumptions include whether the characteristics of employee remuneration, terms of service with the public sector, and expectations as to when employees take long service leave, as established by the actuary, are applicable to employees of the Authority. These assumptions affect both the expected amount to be paid that has been factored into the calculation of the liability.

The discount rate used in measuring the liability is another key assumption. The discount rate is reflective of long-term Commonwealth Government bonds. The yield on long term Commonwealth Government bonds has increased from 3.25% in 2022 to 4.00% in 2023.

The salary inflation rate for long service leave has increased from 2.5% in 2022 at 3.5% in 2023, whilst annual leave has increased from 1.50% in 2022 to 2.0% in 2023.

The net financial effect of the changes to actuarial assumptions in the current financial year is a:

- decrease in the long service leave liability of \$13 000; and
- staff benefits expense of \$13 000.

The unconditional portion of the long service leave provision is classified as current as the Authority does not have an unconditional right to defer settlement of the liability for at least 12 months after reporting date. The unconditional portion of long service leave relates to an unconditional legal entitlement to payment arising after 7 years of service.

Note 20 Provisions

	2023	2022
	\$'000	\$'000
Current		
Workers Compensation	12	34
Total Current Provisions	12	34
Non-Current		
Workers Compensation	33	113
Total Non-Current Provisions	33	113
Total Provisions	45	147
Movement in Provisions		
Carrying amount at 1 July	147	56
Additional provisions recognised	11	91
Revaluation of prior year accidents	(76)	-
Reduction arising from payments	(37)	-
Carrying amount at 30 June	45	147

A provision has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2023 provided by a consulting actuary engaged through the Office of the Commissioner for Public Sector Employment. The provision is for the estimated cost of ongoing payments to employees as required under current legislation. The Authority is responsible for the payment of workers compensation claims.

Note 21 Contract Liabilities

	2023	2022
	\$'000	\$'000
Current		
Prepaid Funeral Packages	331	304
Deposits Held	520	102
Total Current Contract Liabilities	851	406
Non-Current		
Prepaid Funeral Packages	9,127	8,467
Total Non-Current Contract Liabilities	9,127	8,467
Total Contract Liabilities	9,978	8,873

Prepaid funeral packages are purchased by clients for future interments which, depending on the package, include fees for burials, memorialisation, cremation and reflection room/lounge hire. The Authority deems these fees as unearned revenue as the payment has been received or is receivable from the client but the Authority has not yet provided the service. Revenue totalling \$555 842 was recognised in 2023 that was included in contract liabilities at 1 July 2022.

Note 22 Interment Right Lease Liability

	2023	2022
	\$'000	\$'000
Current		
Interment Rights	231	224
Total Current Interment Right Lease Liability	231	224
Non-Current		
Interment Rights	2,857	2,864
Total Non-Current Interment Right Lease Liability	2,857	2,864
Total Interment Right Lease Liability	3,088	3,088

The lease liability relates to Interment Rights of less than 50 years in line with AASB 16 Leases.

Note 23 Borrowings

	2023	2022
	\$'000	\$'000
Current		
SAFA Funding Facility	314	-
Total Current Borrowings	314	-
Non-Current		
SAFA Funding Facility	17,886	7,550
Total Non-Current Borrowings	17,886	7,550
Total Borrowings	18,200	7,550

The SAFA Fund Facility borrowing interest rate is determined by the Treasurer. The fixed loan facility is \$11m with a \$10m balloon to June 2026 and has an interest rate of 5.26%. The balance is a variable loan facility with an interest rate of 5.16% as at 30 June 2023 (2.0% in 2022).

Note 24 Unrecognised Contractual Commitments

	2023	2022
	\$'000	\$'000
Capital Commitments		
Within one year	4,557	18,850
Total Capital Commitments	4,557	18,850
Expenditure Commitments		
Within one year	58	115
Later than one year but not longer than five years	40	71
Total Expenditure Commitments	98	186

The Authority's capital commitments are for the construction of a new services facility, furniture for the facility and acquisition of additional cremators and filtration system for the Authority's Enfield Memorial Park site.

The Authority's expenditure commitments are for commercial arrangements including the provision of telecommunication, heritage architectural and plant maintenance services.

Note 25 Remuneration of Board Members

Members that were entitled to receive remuneration for membership during 2022-23 were:

Tristan Just (Chair)
 Patricia Christie
 Johnathon Matthews
 Kimberley Gillan
 Luisa Greco
 Paul Di Iulio
 Camilla Pettica (commenced 21 October 2022)

Remuneration of Board Members

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

	2023	2022
\$0 - \$19 999	6	6
\$20 000 - \$39 999	1	1
Total Number of Members	7	7

Remuneration of members reflects all costs of performing Board member duties including sitting fees, superannuation contributions, fringe benefits tax and any other salary sacrifice arrangements. The total remuneration received or receivable by members was \$98 000; 2022: \$100 000.

Note 26 Financial Risk Management/ Financial Instruments**Financial Risk Management**

Risk management is managed by the Authority and risk management policies and practices are in accordance with internal written policies approved by the Authority's Board.

The Authority's investments are held with Funds SA and operate in accordance with an annual performance plan and service level agreement. Risks associated with these investments are primarily managed through Funds SA's risk management policies and procedures.

There have been no changes in risk exposure since the last reporting period.

Categorisation of Financial Instruments

The carrying amounts of each of the following categories of financial assets and liabilities: loans and receivables; available for sale investments; and financial liabilities measured at cost are detailed below:

Maturity Analysis of Financial Instruments

Category of Financial Asset and Financial Liability	Note	2023 Carrying amount / Fair Value \$'000	2023 Contractual Maturities		
			Within 1 year \$'000	1 - 5 years \$'000	More than 5 years \$'000
Financial Assets					
Cash and Cash Equivalents	12	744	744	-	-
Receivables	13	4,161	2,890	1,271	-
Investments	15	10,882	-	10,882	-
Total Financial Assets		15,787	3,634	12,153	-
Financial Liabilities at Cost					
Payables	18	4,211	4,211	-	-
Borrowings	23	18,200	314	17,886	-
Total Financial Liabilities		22,411	4,525	17,886	-

The receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables (e.g. 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 cost. The receivables amount disclosed here excludes prepayments as they are not financial assets. Prepayments are presented in note 13.