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To the General Manager Alinytjara Wilurara Landscape Board

Opinion

I have audited the financial report of the Alinytjara Wilurara Landscape Board (the Board) for the financial year ended 30 June 2022.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Board as at 30 June 2022, 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 2022
- a Statement of Financial Position as at 30 June 2022
- a Statement of Changes in Equity for the year ended 30 June 2022
- a Statement of Cash Flows for the year ended 30 June 2022
- notes, comprising material accounting policies and other explanatory information
- a Certificate from the Presiding Member and the General Manager.

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 General Manager and the Board for the financial report

The General Manager 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 General Manager 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 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 2022.

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 General Manager

- conclude on the appropriateness of the General Manager'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 General Manager and the Presiding Member 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)

28 November 2022

Alinytjara Wilurara Landscape Board

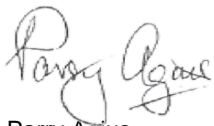
Financial Statements

For the year ended 30 June 2022

Alinytjara Wilurara Landscape Board
Certification of the Financial Statements
for the year ended 30 June 2022

We certify that the:

- financial statements for the Alinytjara Wilurara Landscape Board (the Board):
 - are in accordance with the accounts and records of the Board;
 - comply with relevant Treasurer's Instructions;
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the Board 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 Alinytjara Wilurara Landscape Board for the financial year over its financial reporting and its preparation of financial statements have been effective.



Parry Agjus

Presiding Member

Alinytjara Wilurara Landscape Board

24 November 2022



Kim Krebs

General Manager

Alinytjara Wilurara Landscape Board

24 November 2022

Alinytjara Wilurara Landscape Board
Statement of Comprehensive Income
for the year ended 30 June 2022

	Note	2022 \$'000	2021 \$'000
Income			
Intra-government transfers	2.1	1 230	1 200
Commonwealth sourced grants and funding	2.2	1 812	1 213
Grant revenues	2.3	273	718
Interest		-	1
Other income	2.4	60	13
Total income		3 375	3 145
Expenses			
Employee benefits expenses	3.3	1 500	1 438
Supplies and services	4.1	1 509	1 279
Grants and subsidies		36	35
Depreciation	5.1	13	19
Other expenses	4.2	44	47
Total expenses		3 102	2 818
Net result		273	327
Total comprehensive result		273	327

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

Alinytjara Wilurara Landscape Board
Statement of Financial Position
as at 30 June 2022

	Note	2022 \$'000	2021 \$'000
Current assets			
Cash and cash equivalents	6.1	4 827	4 734
Receivables	6.2	720	289
Total current assets		5 547	5 023
Non-current assets			
Property plant and equipment	5.1	22	35
Total non-current assets		22	35
Total assets		5 569	5 058
Current liabilities			
Payables	7.1	602	272
Employee benefits	3.4	161	200
Provisions	7.2	2	3
Financial liabilities	7.3	9	11
Total current liabilities		774	486
Non-current liabilities			
Payables	7.1	15	18
Employee benefits	3.4	156	194
Provisions	7.2	6	6
Financial liabilities	7.3	6	15
Total non-current liabilities		183	233
Total liabilities		957	719
Net assets		4 612	4 339
Equity			
Retained earnings		4 612	4 339
Total equity		4 612	4 339

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

Alinytjara Wilurara Landscape Board
Statement of Changes in Equity
for the year ended 30 June 2022

	Note	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2020		-	-
Net result for 2020-21		327	327
Total comprehensive result for 2020-21		327	327
Net assets received from an administrative restructure	1.3	4 012	4 012
Balance at 30 June 2021		4 339	4 339
Net result for 2021-22		273	273
Total comprehensive result for 2021-22		273	273
Balance at 30 June 2022		4 612	4 612

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

Alinytjara Wilurara Landscape Board
Statement of Cash Flows
for the year ended 30 June 2022

	Note	2022 \$'000	2021 \$'000
Cash flows from operating activities			
<i>Cash inflows</i>			
Intra-government transfers		1 230	1 200
Commonwealth funding received		1 388	1 707
Receipts from grants		273	718
Interest received		-	1
Other receipts		53	32
Cash generated from operations		2 944	3 658
<i>Cash (outflows)</i>			
Employee benefits payments		(1 588)	(1 443)
Payments for supplies and services		(1 169)	(1 314)
Payments of grants and subsidies		(36)	(35)
Other payments		(47)	(50)
Cash used in operations		(2 840)	(2 842)
Net cash provided by operating activities		104	816
Cash flows from financing activities			
<i>Cash inflows</i>			
Cash received from restructuring activities	1.3	-	3 931
Cash generated from financing activities		-	3 931
<i>Cash (outflows)</i>			
Repayment of leases		(11)	(13)
Cash used in financing activities		(11)	(13)
Net cash provided by / (used in) financing activities		(11)	3 918
Net increase / (decrease) in cash and cash equivalents		93	4 734
Cash at the beginning of the period		4 734	-
Cash at the end of the period	6.1	4 827	4 734

The accompanying notes form part of these financial statements.

Alinytjara Wilurara Landscape Board

Notes to and forming part of the financial statements

for the year ended 30 June 2022

1. About the Alinytjara Wilurara Landscape Board

The Alinytjara Wilurara Landscape Board (the Board) was established 1 July 2020, pursuant to Landscape South Australia (LSA) Act 2019 (the Landscape Act). The Board is a not for profit entity.

The Board operates under a Business Plan which aligns to the Landscape Plan. The Board's Business Plan 2021-22 was approved by the Minister for Environment and Water on 27 September 2021, for implementation from 1 July 2021. The Plan identifies the Board's revenue and investment in priorities for management of landscape in the region as detailed in note 1.2.

The Board entered into a Service Level Agreement (SLA) with the Department for Environment and Water (DEW) for 2021-22 which includes the delivery of support services to the Board to ensure it is able to meet its governance and financial management statutory requirements in delivering its business. 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 and accompanying notes include all the controlled activities of the Board.

1.1. Basis of preparation

These financial statements are general purpose financial statements prepared in accordance 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.

These are the first financial statements prepared in accordance with Australian Accounting Standards – Simplified Disclosures. In the prior year, the financial statements were prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements. There has been no impact on the recognition and measurement of amounts recognised in the statements of financial position, profit and loss and other comprehensive income and cash flows of the Board as a result of the change in the basis of preparation.

The financial statements have been prepared based on a 12 month period and presented in Australian currency. All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000). 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.

Material accounting policies are set out throughout the notes.

Alinytjara Wilurara Landscape Board

Notes to and forming part of the financial statements

for the year ended 30 June 2022

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 objectives

The functions of the Board as defined in the LSA Act are:

The core function of the Board is to administer the Act and facilitate the sustainable management of landscapes in the region in partnership with key stakeholders and its communities.

To fulfil this core function, the Landscape Act establishes that the Board will adopt 5 key priorities as described below.

The Board takes a strategic leadership role in relation to these priorities and promote coordination and partnerships with other entities, agencies and authorities.

The Board may

- undertake and promote the management of natural resources within its region;
- prepare a regional landscape plan and (where relevant) water allocation plans, landscapes affecting activities control policies and water affecting activities control policies; and
- promote public awareness and understanding of the importance of integrated and sustainable natural resources management within its region.

Grassroots Grants and Program

The Landscape SA Act requires the Board to establish and fund a Grassroots Grants Program. To meet this each Landscape Board is required to contribute 2.9% of its state allocation or levy.

The purpose of a Grassroots Grant Program is to provide an annual small grant opportunity for a Land Holding Authority in the Alinytjara Wilurara region to support activities that could include on-ground activities such as weed treatment, pest or disease management, fencing, erosion management, revegetation, education activities and raising community awareness, participation and access management.

Alinytjara Wilurara Landscape Board

Notes to and forming part of the financial statements

for the year ended 30 June 2022

1.2. Objectives and programs (continued)

Board priorities

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

- *Board and community leadership* - Building effective partnerships to maintain regional relevance and support emerging Aboriginal leaders.

Supporting Land Holding Authorities and Traditional Owners to access resources that facilitate traditional and ecological knowledge transfer.
- *Healthy soil* - Supporting Land Holding Authorities and Traditional Owners to adopt sustainable pastoral practices to reduce soil erosion.
- *Pest plant and animal control* - Working with key stakeholders to support Land Holding Authorities and Traditional Owners to control priority pest plant and animals.
- *Land and biodiversity* - Supporting Land Holding Authorities and Traditional Owners to protect and restore important coast and marine ecosystems.

Supporting Land Holding Authorities and Traditional Owners to maintain and enhance biodiversity, including threatened species, in prioritised ecosystems.
- *Water management* - Supporting Land Holding Authorities and Traditional Owners to manage ground water affecting activities.

Supporting Land Holding Authorities and Traditional Owners to actively manage ecologically and culturally significant surface and ground water sites.

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

Alinytjara Wilurara Landscape Board
Notes to and forming part of the financial statements
for the year ended 30 June 2022

1.2. Objectives and programs (continued)

Expenses and income by programs

	Board and community leadership		Healthy soil		Pest plant and animal control		Land and biodiversity		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income										
Intra-government transfers	1 230	1 200	-	-	-	-	-	-	1 230	1 200
Commonwealth funding	-	-	418	541	280	273	1 114	399	1 812	1 213
Grant revenues	-	-	-	281	186	379	87	58	273	718
Interest	-	1	-	-	-	-	-	-	-	1
Other income	1	1	-	2	59	10	-	-	60	13
Total income	1 231	1 202	418	824	525	662	1 201	457	3 375	3 145
Expenses										
Employee benefits expense	604	644	139	111	91	365	666	318	1 500	1 438
Supplies and services	505	459	143	338	190	225	671	257	1 509	1 279
Grants and subsidies	-	33	-	-	-	-	36	2	36	35
Depreciation	13	19	-	-	-	-	-	-	13	19
Other expenses	44	47	-	-	-	-	-	-	44	47
Total expenses	1 166	1 202	282	449	281	590	1 373	577	3 102	2 818
Net result	65	-	136	375	244	72	(172)	(120)	273	327

Alinytjara Wilurara Landscape Board
Notes to and forming part of the financial statements
for the year ended 30 June 2022

1.3. Net assets received from an Administrative Restructure

2021-22

There were no net assets received from an Administered Restructure in 2021-22.

2020-21

Under the *Public Sector (Reorganisation of Public Sector Operations – Department for Environment and Water) Notice 2020*:

- On 25 June 2020, by notice of the Premier in the SA Government Gazette, 16 (15.6 FTE) employees transferred from DEW to the Board pursuant to section 9 (1) of the *Public Sector Act 2009* (the PS Act), to take effect from 1 July 2020.

Transferred in

The following assets and liabilities were transferred to the Board as part of the staffing transfer:

	\$'000
Assets	
Cash and cash equivalents	447
Receivables	1
Total assets	448
Liabilities	
Payables	45
Provisions	19
Employee benefits	402
Total liabilities	466
Total net assets/(liabilities) transferred	(18)

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

Alinytjara Wilurara Landscape Board
Notes to and forming part of the financial statements
for the year ended 30 June 2022

1.3. Net assets received from an Administrative Restructure (continued)

Additionally, on 1 July 2020, the *Natural Resources Management Act 2004* (NRM Act) was repealed, and the Alinytjara Wilurara Natural Resources Management Board (NRM Board) was abolished. By notice in the Government Gazette on 25 June 2020, the property, assets, rights and liabilities of the NRM Board, with effect from 1 July 2020, were vested in or attached to the Board.

Transferred in

The following assets and liabilities were transferred from the NRM Board:

	\$'000
Assets	
Cash and cash equivalents	3 484
Receivables	802
Property plant and equipment	14
Total assets	4 300
Liabilities	
Payables	270
Total liabilities	270
Total net assets transferred	4 030

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 Board

The COVID-19 pandemic had a minor impact on the Board during the 2021-22 financial year. The Board managed the move of a significant number of staff to work from home arrangements where feasible. The Board developed a local area policy to manage COVID-19 impacts on job safety, public interactions and other precautions for staff and the public where facilities remained open, adopting best practice advice to ensure personal safety at those sites.

A key impact to the Board in 2021-22 was a reduction in capacity to complete elements of some programs requiring community engagement and workshop delivery. The financial impact of individual projects under these priorities cannot be reliably measured and therefore has not been disclosed.

Alinytjara Wilurara Landscape Board
Notes to and forming part of the financial statements
for the year ended 30 June 2022

2. Income

2.1. Intra-government transfers

	2022	2021
	\$'000	\$'000
State Government recurrent funding	1 230	1 200
Total intra-government transfers	1 230	1 200

DEW receives recurrent funding, which is administered through the Landscape Administration fund and provided to regional landscape Boards to support business operation and the administration of the Landscape Act. The funding is subsequently paid to regional landscape Boards pursuant to subsection 90 (4) of the Landscape Act.

Intra-government transfers are recognised as income when the Board obtains control of the asset which is on receipt.

2.2. Commonwealth-sourced grants and funding

	2022	2021
	\$'000	\$'000
Regional Land Partnerships Program	1 812	1 213
Total Commonwealth-sourced grants and funding	1 812	1 213

	2022	2021
	\$'000	\$'000
Regional Land Partnerships Program funding consists of the following components		
Core services (NLP)	540	677
Nganamara (Malleefowl) Adaptive Management	528	300
Sustainable Pastoral Development in APY	418	236
Warru	326	-
Total Regional Land Partnership funding	1 812	1 213

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 arrears, subject to an approved declaration of claim by the Board. The Board has determined that it has an unconditional contractual right to receive a portion of the funding under AASB 9 when a claim is submitted, as it has satisfied the eligibility criteria and expects that the claim will be accepted. Accordingly, revenue and a receivable are recognised when the claim is submitted. When Commonwealth funding is paid in advance it is recognised on receipt.

Alinytjara Wilurara Landscape Board
Notes to and forming part of the financial statements
for the year ended 30 June 2022

2.3. Grant revenues

	2022	2021
	\$'000	\$'000
Grant revenue recognised under AASB 1058		
State Government grants	186	557
Sundry grants	87	161
Total grant revenues	273	718

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

	2022	2021
	\$'000	\$'000
Recoup of expenses and other recoveries	1	3
Sale of professional services	59	10
Total other income	60	13

Other income includes reimbursement income related to the operating activities of the Board and sales of professional services. Other income is recognised upon the delivery of the service to the customer, which is in arrears, therefore no contract liability is recognised.

Alinytjara Wilurara Landscape Board
Notes to and forming part of the financial statements
for the year ended 30 June 2022

3. Board, committees and employees

3.1. Key management personnel

Key management personnel of the Board comprise the Presiding Member, members of the Board and the General Manager who have responsibility for the strategic direction and management of the Board.

Total compensation for the Board's key management personnel was \$224,000 (2021: \$164 000).

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

Related party transactions

The Board is a body corporate and was established pursuant to the *Landscape South Australia Act 2019* and is wholly owned and controlled by the Crown.

Related parties of the Board 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.

Transactions with key management personnel and other related parties

The Board has a service agreement totalling \$64,000 with an Aboriginal organisation, Far West Mining and Civil (a commercial arm of the Far West Coast Aboriginal Corporation (FWCAC) during 2021-22 to access the Aboriginal labour workforce to support the delivery of the Board's projects. The chair of the FWCAC is a member of the Board.

During 2021-22 the Board funded a grassroots grant program of \$36,000 to support FWCAC. The chair of FWCAC is a member of the Board.

Alinytjara Wilurara Landscape Board
Notes to and forming part of the financial statements
for the year ended 30 June 2022

3.2. Board and committee members

Members during the 2021-22 financial year were:

The Board

A P Agius (Presiding Member)
M T Haynes
D Hansen
P P Miller
J O'Toole
K M Richards
S Scales
D Edwards

Audit and Risk Management Committee

M T Haynes (Chair)
D Hansen
S Scales
P P Miller
D Miley*
G Peacey*

* In accordance with the Department of the Premier and Cabinet's Circular Number 016, government employees did not receive any remuneration for board/committee duties during the financial year.

Board and committee remuneration

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

	2022	2021
\$0 - \$19 999	9	9
\$20 000 - \$39 999	1	1
Total number of members	10	10

Remuneration of members reflects all costs of performing Board, Group and Committee member duties including sitting fees, superannuation contributions, salary sacrifice benefits and fringe benefits, and any FBT paid or payable in respect of those benefits. The total remuneration received or receivable by members was \$55 000 (2021: \$60 000).

For the purpose of this table, travel allowances and other out-of-pocket expenses paid to members have not been included as remuneration as it is considered to be reimbursement of direct out-of-pocket expenses incurred by relevant members. These expenses, in addition to the payroll tax amount to \$14 000 (2021: \$13 000).

3.3. Employee benefits expenses

	2022	2021
	\$'000	\$'000
Salaries and wages	1 117	1 296
Annual leave	139	35
Long service leave	(16)	(10)
Employment on-costs - superannuation	135	54
Employment on-costs - other	66	21
Skills and experience retention leave	8	(2)
Board and committee fees	46	60
Workers compensation	-	(17)
Other employee related expenses	5	1
Total employee benefits expense	1 500	1 438

Alinytjara Wilurara Landscape Board
Notes to and forming part of the financial statements
for the year ended 30 June 2022

3.3. Employee benefits expenses (continued)

Employment on-costs - superannuation

The superannuation employment on-cost charge represents the Boards' contributions to superannuation plans in respect of current services of current employees.

Executive remuneration

There were no employees who received remuneration above the base executive remuneration level.

3.4. Employee benefits liability

	2022	2021
	\$'000	\$'000
<u>Current</u>		
Accrued salaries and wages	-	38
Annual leave	122	120
Long service leave	32	41
Skills and experience retention leave	7	1
Total current employee benefits	161	200
<u>Non-current</u>		
Long service leave	156	194
Total non-current employee benefits	156	194
Total employee benefits liability	317	394

Employee benefits accrue as a result of services provided up to the reporting date that remain unpaid. Long-term employee benefits are measured at present value and short-term employee benefits are measured at nominal amounts.

Salaries and wages, annual leave, skills and experience retention leave (SERL) 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 and the SERL liability in full is expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid.

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 employees is estimated to be less than the annual entitlement for sick leave.

Long service leave

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. Details about the measurement of long service leave liability is provided as note 9.1

Alinytjara Wilurara Landscape Board
Notes to and forming part of the financial statements
for the year ended 30 June 2022

4. Expenses

4.1. Supplies and services

	2022	2021
	\$'000	\$'000
Fee for service	812	740
Fee for service - corporate services fee to DEW	201	154
Travel and accommodation	186	138
Minor works, maintenance and equipment	56	43
Fee for service - Shared Services SA fee	71	42
Motor vehicles	22	42
Information technology and communication charges	36	24
General administration	19	15
Staff development	21	11
Other	85	70
Total supplies and services	1 509	1 279

4.2. Other expenses

	2022	2021
	\$'000	\$'000
Audit fees	44	47
Total other expenses	44	47

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

Alinytjara Wilurara Landscape Board
Notes to and forming part of the financial statements
for the year ended 30 June 2022

5. Non-financial assets

Property, plant and equipment comprises tangible assets owned by the Board and right-of-use leased assets.

5.1. Property, plant and equipment

Property, plant and equipment owned by the Board 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 9.2.

All non-current assets not held for sale with a limited useful life are systematically depreciated over their useful lives in a manner that reflects the consumption of their service potential.

Reconciliation 2021-22

	Vehicles	Plant and equipment	ROU Vehicles	Total
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of period	-	9	26	35
Depreciation	-	(2)	(11)	(13)
Carrying amount at the end of the period	-	7	15	22
Gross carrying amount				
Gross carrying amount	18	47	33	98
Accumulated depreciation	(18)	(40)	(18)	(76)
Carrying amount at the end of the period	-	7	15	22

Reconciliation 2020-21

	Vehicles	Plant and equipment	ROU Vehicles	Total
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of period	-	-	-	-
Acquisition through administrative restructuring	3	11	-	14
Acquisitions	-	-	40	40
Depreciation	(3)	(2)	(14)	(19)
Carrying amount at the end of the period	-	9	26	35
Gross carrying amount				
Gross carrying amount	18	47	40	105
Accumulated depreciation	(18)	(38)	(14)	(70)
Carrying amount at the end of the period	-	9	26	35

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5.1. Property, plant and equipment (continued)

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 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.

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)
Vehicles	5
Plant and equipment	10
Right-of-use vehicles	3 - 5

Impairment

There were no indications of impairment for property, plant and equipment owned by the Board at 30 June 2022.

5.2. Property, plant and equipment leased by the Board

Right-of-use assets for Property, plant and equipment leased by the Board as lessee are measured at cost.

Short-term leases of 12 months or less and low value leases where the underlying asset value is less than \$15 000 are not recognised as right-of-use assets. The associated lease payments are recognised as an expense and are disclosed in note 4.1.

The Board has 2 motor vehicle leases with the South Australian Government Financing Authority (SAFA). Motor vehicle leases are non-cancellable, with rental payments monthly in arrears. Motor vehicle lease terms can range from 3 years (60 000 km) up to 5 years (100 000 km). No variable lease payments are provided for in the lease agreements and no options exist to renew the leases at the end of their term.

Lease liabilities related to the Right of Use assets are disclosed in note 7.3. Expenses related to leases including depreciation are disclosed at note 5.1. Cash outflows related to leases are disclosed in the Statement of Cash Flows.

6. Financial assets

6.1. Cash and cash equivalents

	2022	2021
	\$'000	\$'000
Deposits with the Treasurer	4 827	4 734
Total cash and cash equivalents	4 827	4 734

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

Cash is measured at nominal amounts.

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6.2. Receivables

	2022	2021
	\$'000	\$'000
Current		
Trade receivables		
Debtors	13	11
Accrued revenues	702	278
Prepayments	5	-
Total current receivables	720	289
Total receivables	720	289

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

The Board has assessed and determined that non-government debtors comprise a small number of low balances, which are current and collectable. No provision for doubtful debts has been made.

7. Liabilities

7.1. Payables

	2022	2021
	\$'000	\$'000
Current		
Trade payables	519	182
Employment on-costs	33	40
Accrued expenses	50	50
Total current payables	602	272
Non-current		
Employment on-costs	15	18
Total non-current payables	15	18
Total payables	617	290

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. All payables are non-interest bearing. The carrying amount of payables represents fair value due to their short-term nature.

Employment on-costs

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.

The Board contributes to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to any contributions due but not yet paid to the South Australian Superannuation Board and externally managed superannuation schemes.

As a result of an actuarial assessment performed by the DTF, the proportion of long service leave taken as leave was 42% (2021: 42%). The average factor for the calculation of employer superannuation cost on-costs was 10.6% (2021: 10.1%). These rates are used in the employment on-cost calculation.

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7.2. Provisions

	2022	2021
	\$'000	\$'000
<u>Current</u>		
Provision for workers compensation	2	3
Total current provisions	2	3
<u>Non-current</u>		
Provision for workers compensation	6	6
Total non-current provisions	6	6
Total provisions	8	9
<i>Reconciliation of workers compensation (statutory and non-statutory)</i>		
Carrying amount at the beginning of the period	9	-
Provisions recognised as a result of restructure activities	-	19
Increase / (decrease) in provisions recognised	(1)	(10)
Carrying amount at the end of the period	8	9

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 2022 provided by a consulting actuary engaged through the Office of the Commissioner for the Public Sector Employment. The provision is for the estimated cost of ongoing payments to employees as required under current legislation.

The Board is responsible for the payment of workers compensation claims.

7.3. Financial liabilities

	2022	2021
	\$'000	\$'000
Current		
Lease liabilities	9	11
Total current financial liabilities	9	11
Non-Current		
Lease liabilities	6	15
Total non-current financial liabilities	6	15
Total financial liabilities	15	26

The Board measures financial liabilities at amortised cost.

All material cash outflows are reflected in the lease liabilities disclosed above.

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8. Outlook

8.1. Unrecognised contractual commitments

Commitments include operating and outsourcing arrangements arising from contractual sources and are disclosed at their nominal value.

Expenditure commitments

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

	2022	2021
	\$'000	\$'000
No later than one year	238	485
Total expenditure commitments	238	485

The Board's commitments relate to non-cancellable procurement contracts at the reporting date.

8.2. Contingent assets and 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 the existence of any contingent assets or liabilities.

9. Measurement and risk

9.1. Long service leave liability – measurement

AASB 119 *Employee Benefits* contains the calculation methodology for long service leave liability.

The actuarial assessment performed by the Department of Treasury and Finance has provided a basis for the measurement of long service leave and is based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA Government entities.

AASB 119 *Employee Benefits* requires the use of the yield on long-term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long-term Commonwealth bonds has increased from 2021 (1.25%) to 2022 (3.50%).

The actuarial assessment performed by DTF applied a salary inflation rate of 2.5% for long service leave liability. The salary inflation rate for annual leave and skills, experience and retention leave liability has decreased from 2021(2.0%) to 2022 (1.50%).

The net financial effect of the changes to actuarial assumptions in the current financial year is a decrease in the long service liability of \$0.031 million. The impact on future periods is impracticable to estimate as the long service liability is calculated using a number of demographic and financial assumptions – including the long-term discount rate.

Current long service leave reflects the portion of leave expected to be settled within the next 12 months, based average proportion of long service leave taken or paid over the last year.

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9.2. 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 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.

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

The Board does not hold any assets that meet this criteria.

9.3. Financial instruments

Financial risk management

Risk management is managed by the Board's corporate services section. Board risk management policies are in accordance with the *SA Government Risk Management Guide* and the principles established in the Australian Standard *Risk Management Principles and Guidelines*.

The Board's exposure to financial risk (liquidity, credit and market) is low due to the nature of the financial instruments held.

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 the respective financial asset/financial liability note.

Classification of financial instruments

Financial assets and financial liabilities are measured at amortised cost.