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To the Presiding Officer Northern Parklands Trust

Opinion

I have audited the financial report of the Northern Parklands Trust for the financial year ended 30 June 2026.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Northern Parklands Trust as at 30 June 2026, its financial performance 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 2026
- a Statement of Financial Position as at 30 June 2026
- a Statement of Changes in Equity for the year ended 30 June 2026
- notes, comprising material accounting policy information and other explanatory information
- a Certificate from the Presiding Officer and the Chief Executive 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 the Northern Parklands Trust. 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 members of the Trust 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, 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, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The Chief Executive Officer 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 members of the Trust are 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 34(2) of the *Northern Parklands Act 2025*, I have audited the financial report of the Northern Parklands Trust for the financial year ended 30 June 2026.

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 Northern Parklands Trust'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 Presiding Officer, Northern Parklands Trust Board 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 Blaskett
Auditor-General

30 September 2026

Northern Parklands Trust

Financial Statements for the year ended 30 June 2026

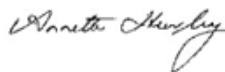
Northern Parklands Trust
Certification of the Financial Statements
for the year ended 30 June 2026

We certify that the:

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



Kate Anderson
Chief Executive Officer
29 September 2026



Annette Hurley
Presiding Officer
29 September 2026

Northern Parklands Trust
Statement of Comprehensive Income
for the year ended 30 June 2026

	Note	2026 \$'000
<u>Income</u>		
Resources received free of charge	3.1	2 740
Total income		2 740
<u>Expenses</u>		
Employee related expenses	4.1	260
Supplies and services	4.2	328
Depreciation	5.2	8
Total expenses		596
Profit (loss) before income tax equivalents		2 144
Income tax equivalent expense	1.3	643
Profit (loss) after income tax equivalents		1 501
<u>Other comprehensive income</u>		
Items that will not be reclassified to net result		
Changes in property, plant & equipment asset revaluation surplus	5.2, 7.1	19 958
Total other comprehensive income		19 958
Total comprehensive result		21 459

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

Northern Parklands Trust
Statement of Financial Position
as at 30 June 2026

	Note	2026 \$'000
<u>Non-current assets</u>		
Property, plant and equipment	5.2	38 321
Intangible assets	5.3	717
Total non-current assets		39 038
Total assets		39 038
<u>Current liabilities</u>		
Payables	6.1	658
Employee related liabilities	6.2	20
Total current liabilities		678
<u>Non-current liabilities</u>		
Employee related liabilities	6.2	18
Total non-current liabilities		18
Total liabilities		696
Net assets		38 342
<u>Equity</u>		
Retained earnings		1 501
Asset revaluation surplus	5.2, 7.1	19 958
Contributed capital	1.3	16 883
Total equity		38 342

The accompanying notes form part of these financial statements.

Northern Parklands Trust
Statement of Changes in Equity
for the year ended 30 June 2026

		Asset revaluation surplus \$'000	Contributed Capital \$'000	Retained earnings \$'000	Total equity \$'000
	Note				
Balance at 15 January 2026		-	-	-	-
Net result for 2025-26		-	-	1 501	1 501
Gain on revaluation of property, plant and equipment 2025-26	5.2	19 958	-	-	19 958
Total comprehensive result 2025-26		19 958	-	1 501	21 459
Equity Contribution received	1.3	-	16 883	-	16 883
Balance at 30 June 2026		19 958	16 883	1 501	38 342

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

Northern Parklands Trust

Notes to the financial statements

for the year ended 30 June 2026

1. About the Northern Parklands Trust

The Northern Parklands Trust (the Trust) is a statutory authority of the State of South Australia. The Trust was established pursuant to the *Northern Parklands Act 2025* as a body corporate on 15 January 2026, subject to the control and direction of the Minister for Planning.

The Trust does not control any other entity and has no interests in unconsolidated structured entities. The financial statements and accompanying notes include all activities of the Trust.

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.

The financial statements have been prepared on a 12-month reporting period and presented in Australian currency. All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000). Any transactions in foreign currency are translated into Australian dollars at the exchange rate at the date the transaction occurs. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

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.

The Trust is liable for fringe benefits tax (FBT) and goods and services tax (GST).

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 (ATO), 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.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the Statement of Financial Position.

1.2 Objectives of the Trust

The Trust oversees the management, development and long-term stewardship of the Northern Park Lands. It supports the Northern Park Lands, a significant regional open space network located south of Gawler, to deliver a diverse range of environmental, recreational and community benefits, including the provision of sporting and recreational facilities, environmental restoration, shared-use path networks, and opportunities for community connection and wellbeing.

1.3 Taxation

In accordance with *Treasurer's Instruction 22 Tax Equivalent Payments*, the Trust is required to pay to the SA Government an income tax equivalent. The income tax liability has been determined in accordance with the accounting profit method by multiplying the corporate income tax rate (presently 30%) by the profit before income tax equivalents. An income tax equivalent of \$0.643 million is payable for the reporting period.

Northern Parklands Trust
Notes to the financial statements
for the year ended 30 June 2026

1.4 Change to the Trust

The Northern Parklands Trust was established as a body corporate on 15 January 2026 by the *Northern Parklands Act 2025*.

Pursuant to the *Northern Parklands Act 2025*, control of land within the Northern Park Lands area was transferred from the Department for Environment and Water (DEW), the Department for Infrastructure and Transport (DIT), Planning and Development Fund and Renewal SA to the Trust effective 15 January 2026.

Net assets assumed by the Trust as a result of these transfers were recognised at their carrying amount. Net assets transferred were treated as a contribution by the government as owner.

The following assets were transferred to the Trust from DEW:

	\$'000
Property, plant and equipment	3 144
Total assets	3 144

The following assets were transferred to the Trust from DIT:

	\$'000
Property, plant and equipment	112
Total assets	112

The following assets were transferred to the Trust from Planning and Development Fund:

	\$'000
Property, plant and equipment	12 910
Intangible assets	717
Total assets	13 627

The following assets were transferred to the Trust from Renewal SA:

The land transferred from Renewal SA had a carrying value of Nil.	-
Total net asset transferred	16 883

1.5 Significant transactions with government related entities

Significant transactions with the SA government are identifiable throughout this financial report. Noteworthy are:

- Property, plant and equipment and intangible assets with a total value of \$16.9 million were transferred from other government entities.
- \$0.415 million was funded from the Department for Housing and Urban Development.

Northern Parklands Trust
Notes to the financial statements
for the year ended 30 June 2026

2. Board and Committees

2.1 Key management personnel

Key management personnel of the Trust include the Minister for Housing and Urban Development (the Minister), the Chief Executive Officer, the Presiding Officer of the Northern Parklands Trust Board and six Northern Parklands Trust Board members.

The total compensation for the Trust's key management personnel was \$172 181. The compensation 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 under section 6 of the *Parliamentary Remuneration Act 1990*.

Transactions with key management personnel and other related parties

The Trust did not enter into any transactions with key management personnel or their close family members during the reporting period.

2.2 Board and committee members

Members during the 2025-26 financial year were:

Northern Parklands Trust Board (appointed 15th January 2026)

A K Hurley (Presiding Officer)

C M Hart

Dr L Olds*

H S Bromley

A V Moroney

C Cowley

S Green

*This board member is a current SA Government employee. In accordance with the Department of the Premier and Cabinet Circular No. 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 is:

	2026
\$0 - \$19 999	<u>7</u>
Total number of members	<u><u>7</u></u>

The total remuneration received or receivable by members was \$46 432. Remuneration of members includes sitting fees and superannuation contributions.

Northern Parklands Trust
Notes to the financial statements
for the year ended 30 June 2026

3. Income

3.1 Resources received free of charge

	2026
	\$'000
Donated assets	2 205
Services received free of charge – DHUD grant funding	415
Services received free of charge – Land maintenance services	97
Services received free of charge - Audit	23
Total resources received free of charge	2 740

Contributions of services are recognised only when a fair value can be determined reliably, and the services would be purchased if they had not been donated.

The Trust receives audit services from the Audit Office of South Australia and land maintenance service in Northern Park Lands from the Town of Gawler at no cost.

The Trust received services of \$0.415 million from the Department for Housing and Urban Development (DHUD).

Donated assets

Pursuant to the *Northern Parklands Act 2025*, control of land within the Northern Park Lands area was transferred from local councils to the Trust effective 15 January 2026.

Current Valuer-General valuations were adopted to recognise the value of the land.

Northern Parklands Trust
Notes to the financial statements
for the year ended 30 June 2026

4. Expenses

4.1 Employee related expenses

	2026
	\$'000
Salaries and wages	135
Board and committee fees	42
Superannuation	25
Annual leave	23
Long service leave	21
Other employee related expenses	12
Skills and experience retention leave	2
Total employee related expenses	260

The superannuation expense represents the Trust's contributions to superannuation plans in respect of current services of current employees.

In 2025-26, there were no employees whose remuneration received or receivable was equal to or greater than the base executive remuneration level.

Remuneration of employees reflects all costs of employment including salaries and wages, superannuation contributions, salary sacrifice benefits and any related fringe benefits tax paid.

Northern Parklands Trust
Notes to the financial statements
for the year ended 30 June 2026

4.2 Supplies and services

	2026
	\$'000
Service level arrangement ⁽¹⁾	113
Land maintenance service	97
Contractors	30
Consultants	24
Accounting and audit fees	23
Legal services	23
Signage	12
Other	6
Total supplies and services	328

⁽¹⁾ Service level arrangement expense comprises services provided by DHUD, including \$48,000 for land acquisition support services and \$62,000 for corporate business support services.

Accounting and audit fees

Audit services of \$23 000 are provided free of charge by the Audit Office of South Australia for work performed under the *Public Finance and Audit Act 1987*. No other services were provided by the Audit Office of South Australia.

Land Maintenance services

Land maintenance service provided free of charge by the Town of Gawler were expensed at fair value (refer to note 3.1).

Northern Parklands Trust
Notes to the financial statements
for the year ended 30 June 2026

5. Assets

5.1 Cash and Cash Equivalents

The Trust was in the process of establishing its own banking facilities during the reporting period. The Department for Housing and Urban Development provided administrative and banking support to the Trust during the year.

The zero cash position is the result of the transitional banking arrangements during the establishment phase and should not be interpreted as an indication that the Trust may encounter cash flow issues.

5.2 Property, plant and equipment by asset class

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

Impairment

Property, plant, and equipment owned by the Trust has not been assessed for impairment as they are non-cash generating assets, that are specialised in nature and held for continual use of their service capacity.

Depreciation

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

Review of accounting estimates

Assets' residual values, useful lives and amortisation 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)
Building & Land Improvements	30-40

Northern Parklands Trust
Notes to the financial statements
for the year ended 30 June 2026

5.2. Property, plant and equipment by asset class (continued)

Reconciliation 2025-26

	Buildings & Land improvements	Land	Total
	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	-	-	-
Depreciation	(8)	-	(8)
Transfers as a result of equity contribution	-	16 166	16 166
Donated assets	565	1 640	2 205
Revaluation increment	112	19 846	19 958
Carrying amount at the end of the period	669	37 652	38 321
Gross carrying amount			
Gross carrying amount	669	37 652	38 321
Carrying amount at the end of the period	669	37 652	38 321

Northern Parklands Trust
Notes to the financial statements
for the year ended 30 June 2026

5.3 Intangible assets

Reconciliation 2025-26

	Water licence	Total
	\$'000	\$'000
Carrying amount at the beginning of the period	-	-
Transfers as a result of equity contribution	717	717
Carrying amount at the end of the period	717	717
Gross carrying amount		
Gross carrying amount	717	717
Carrying amount at the end of the period	717	717

Intangible assets are initially measured at cost and are tested for indications of impairment at each reporting date.

Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses.

The acquisition, or internal development, of software is capitalised only when the expenditure meets the definition and recognition criteria and when the amount of expenditure is greater than or equal to \$10 000.

The Trust's intangible assets comprise water licences. In accordance with the *Northern Parklands Act 2025*, control of two water licences associated with land in Angle Vale was transferred from the Planning and Development Fund to the Trust effective 15 January 2026.

Northern Parklands Trust
Notes to the financial statements
for the year ended 30 June 2026

6. Liabilities

6.1 Payables

	2026
	\$'000
<u>Current payables</u>	
Contractual payables	
Contractual payables	15
Total contractual payables	15
Statutory payables	
Payments for tax equivalents	643
Total statutory payables	643
Total current payables	658
Total payables	658

Payables and accrued expenses are recognised for all amounts owing but unpaid. All payables are non-interest bearing.

Contractual payables

Contractual payables are normally settled within 15 days from the date the invoice is first received.

Statutory payables

Statutory payables do not arise from contracts. Statutory payables include government taxes and equivalents as well as statutory fees and charges.

6.2 Employee related liabilities

	2026
	\$'000
<u>Current</u>	
Annual leave	12
Employment on-costs	3
Long service leave	1
Skills and experience retention leave	2
Accrued salaries and wages	2
Total current employee related liabilities	20
<u>Non-current</u>	
Long service leave	16
Employment on-costs	2
Total non-current employee related liabilities	18
Total employee related liabilities	38

Employee related liabilities accrue as a result of services provided up to the reporting date that remain unpaid. Long-term employee related liabilities are measured at present value and short-term employee related liabilities are measured at their nominal amounts. Accrued salaries and wages varies depending on the timing of the last payroll for the year.

6.2 Employee related liabilities (continued)

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.

Long service leave liability – 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 are 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.

The discount rate used in measuring the liability is reflective of the yield on long-term Commonwealth Government bonds. The yield on long-term Commonwealth Government bonds is 4.75%.

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

The actuarial assessment performed by the Department of Treasury and Finance has the salary inflation rate at 3.5% for long service leave liability.

The current portion of employee related liabilities reflects the amount for which the Trust does not have a right to defer settlement for at least 12 months after reporting date. For long service leave, the amount relates to leave approved before year end that will be taken within 12 months, expected amount of leave to be approved and taken by eligible employees within 12 months, and expected amount of leave to be paid on termination to eligible employees within 12 months.

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 are discharged. These on-costs primarily relate to the balance of leave owing to employees. Estimates as to the proportion of long service leave estimated to be taken as leave, rather than paid on termination, affects whether certain on-costs are recognised as a consequence of long service leave liabilities.

The Trust makes contributions 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 external schemes.

As a result of an actuarial assessment performed by DTF, the proportion of long service leave taken as leave is 44% and the average factor for the calculation of employer superannuation on-costs is 12%. These rates are used in the employment on-cost calculation.

7. Other disclosures

7.1 Equity

The asset revaluation surplus is used to record increments in the fair value of property and plant and equipment to the extent that they off set one another. Relevant amounts are transferred to retained earnings when an asset is derecognised.

8. Outlook

8.1 Unrecognised commitments

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

The Trust does not have any unrecognised commitments as at 30 June 2026.

8.2 Contingent assets and liabilities

There are no known contingent assets or liabilities as at 30 June 2026.

8.3 Impact of standards and statements not yet effective

The Trust has assessed the impact of the new and amended Australian Accounting Standards and Interpretations not yet implemented and changes to the Accounting Policy Statements issued by the Treasurer as minimal.

8.4 Events after the reporting period

The Trust has sought an exemption from the Treasurer for the requirement to pay income tax equivalent. The Trust is not aware of any other events after the reporting date.

Northern Parklands Trust
Notes to the financial statements
for the year ended 30 June 2026

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 significantly less than fair value, they are recorded at fair value in the Statement of Financial Position. However, if the assets are acquired at significantly less than fair 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, other than right of use assets, is subsequently measured at fair value after allowing for depreciation.

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.

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.

An independent valuation of land received from Renewal SA was performed on 22 January 2026 by a Certified Practising Valuer from M3 Property. As at 30 June 2026, a management valuation assessment was performed for the remainder of the Trust's land and buildings based on indexed valuation data supplied by the Office of the Valuer-General (OVG). These valuations resulted in a \$19.96 million increases in the value of the Trust's land and buildings, reflected in the asset revaluation surplus. An external expert valuation takes place at least every six years.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amounts of the assets and the net amounts are restated to the revalued amounts of the asset.

Fair value hierarchy

The Trust classifies fair value measurement using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements, based on the data and assumptions used in the most recent revaluation:

- Level 1 - traded in active markets and is based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date
- Level 2 - not traded in an active market and are derived from inputs (inputs other than quoted prices included within level 1 that are observable for the asset, either directly or indirectly), and
- Level 3 - not traded in an active market and are derived from unobservable inputs.

The Trust's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

During 2026, the Trust had no valuations categorised into level 1 and level 2; there were no transfers of assets between level 1 and 2 fair value hierarchy levels and there were no changes in valuation technique.

All assets are classified at level 3 and movement schedules are in note 5.2.

Northern Parklands Trust
Notes to the financial statements
for the year ended 30 June 2026

9.2 Financial instruments

Financial risk management

Risk management is managed by the Trust's corporate services section. Departmental 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 Trust's exposure to financial risk (liquidity risk, credit risk and market risk) is low due to the nature of the financial instruments held.

Liquidity risk

The Trust is funded principally through intra-government funding from appropriation received by DHUD. The Trust works with the Department of Treasury and Finance to determine the cash flows associated with its government approved program of work and to ensure funding is provided through SA Government budgetary processes to meet the expected cash flows.

Credit risk

The Trust has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history.

No collateral is held as security and no credit enhancements relate to financial assets held by the Trust.

Impairment of financial assets

Loss allowances for contractual receivables are measured at an amount equal to lifetime expected credit loss (ECL) using the simplified approach in AASB 9. The Trust uses an allowance matrix to measure the expected credit loss of contractual 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 Trust 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 Trust'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 Trust 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.

The Trust does not have any non-government debtors as at 30 June 2026, hence, the expected credit losses for the Trust is nil.

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 Trust and a failure to make contractual payments for a period of greater than 90 days past due.

There were no receivables written off during the year.

9.2. Financial instruments (continued)

Market risk

The Trust does not trade in foreign currency, nor enter into transactions for speculative purposes, nor for hedging.

Categorisation of financial instruments

Details of material 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.

Classification of financial instruments

The Trust measures all financial instruments at amortised cost.

Payables at amortised cost are \$0.015 million.

The payable amounts disclosed here exclude amounts relating to statutory payables. This includes Commonwealth, State and Local Government taxes and equivalents, fees and charges; and Audit Office of South Australia audit fees. This is in addition to employee related payables, such as payroll tax, Fringe Benefits Tax, Pay As You Go Withholding and ReturnToWorkSA levies. In government, certain rights to receive or pay cash may not be contractual but have their source in legislation and therefore, in these situations, the disclosure requirements of AASB 7 will not apply. The standard defines contract as enforceable by law. All amounts recorded are carried at amortised cost.