



Level 9  
State Administration Centre  
200 Victoria Square  
Adelaide SA 5000  
Tel +618 8226 9640  
Fax +618 8226 9688  
ABN 53 327 061 410  
audgensa@audit.sa.gov.au  
www.audit.sa.gov.au

## 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 2022.

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 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 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 the 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, 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 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*, I have audited the financial report of the Adelaide Cemeteries Authority 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 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 Chief Financial Officer 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**

26 September 2022

**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 13/9/22

Mr Michael Robertson  
**Chief Executive Officer**

Date 13/9/22

Mr Pep Piscioneri  
**Chief Financial Officer**

Date 13/9/22

**STATEMENT OF COMPREHENSIVE INCOME**

For the Year Ended 30 June 22

	Note No.	2022 S'000	2021 S'000
<b>Income</b>			
Fees and Charges	4	13,840	12,810
Investment Income	6	(561)	1,167
Other Income	7	1,790	320
<b>Total Income</b>		<b>15,069</b>	<b>14,297</b>
<b>Expenses</b>			
Employee Benefits	8	5,793	5,231
Supplies and Services	9	5,181	5,386
Depreciation and Amortisation	15 & 16	1,347	1,399
Borrowing costs	10	37	20
Net Loss from Disposal of Assets	5	13	94
Other Expenses		-	204
<b>Total Expenses</b>		<b>12,371</b>	<b>12,334</b>
<b>Net revenue from providing services</b>		<b>2,698</b>	<b>1,963</b>
<b>Revenue from/ payments to SA Government</b>			
Income Tax Equivalent		456	588
<b>Net Result</b>		<b>2,242</b>	<b>1,375</b>
<b>Other Comprehensive Income</b>			
Changes in property, plant and equipment asset revaluation surplus		-	-
<b>Total Other Comprehensive Income</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Result</b>		<b>2,242</b>	<b>1,375</b>

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 2022

	Note No.	2022 \$'000	2021 \$'000
<b>Current Assets</b>			
Cash	11	940	1,048
Receivables	12	4,374	2,162
Inventories	13	1,244	1,178
<b>Total Current Assets</b>		<b>6,558</b>	<b>4,388</b>
<b>Non-Current Assets</b>			
Receivables	12	1,020	1,352
Investments	14	8,063	6,824
Property, Plant and Equipment	15	41,099	32,784
Intangible Assets	16	7	11
<b>Total Non-Current Assets</b>		<b>50,189</b>	<b>40,971</b>
<b>Total Assets</b>		<b>56,747</b>	<b>45,359</b>
<b>Current Liabilities</b>			
Payables	17	3,216	2,197
Employee Benefits	18	676	665
Provisions	19	34	17
Contract Liabilities	20	406	324
Interment Right Lease Liability	21	224	214
Borrowings	22	-	225
<b>Total Current Liabilities</b>		<b>4,556</b>	<b>3,642</b>
<b>Non-Current Liabilities</b>			
Payables	17	24	42
Employee Benefits	18	248	280
Provisions	19	113	39
Contract Liabilities	20	8,467	7,858
Interment Right Lease Liability	21	2,864	2,815
Borrowings	22	7,550	-
<b>Total Non-Current Liabilities</b>		<b>19,266</b>	<b>11,034</b>
<b>Total Liabilities</b>		<b>23,822</b>	<b>14,676</b>
<b>Net Assets</b>		<b>32,925</b>	<b>30,683</b>
<b>Equity</b>			
Retained Earnings		18,613	16,371
Asset Revaluation Surplus		14,232	14,232
Reserves		80	80
<b>Total Equity</b>		<b>32,925</b>	<b>30,683</b>

The Total Equity is attributable to the SA Government as owner.

Unrecognised Contractual Commitments

23

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 22

	Note No.	West Terrace Cemetery Heritage Reserve \$'000	Asset Revaluation Surplus \$'000	Retained Earnings \$'000	Total Equity \$'000
<b>Balance at 30 June 2020</b>		80	14,232	14,996	29,308
Total net result for 2020-21		-	-	1,375	1,375
Total comprehensive result 2020-21		-	-	1,375	1,375
<b>Balance at 30 June 2021</b>		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
<b>Balance at 30 June 2022</b>		80	14,232	18,613	32,925

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 22

	Note No.	2022 \$'000	2021 \$'000
<b>Cash Flows from Operating Activities</b>			
<b>Cash Inflows</b>			
Fees and Charges		14,129	14,890
Other Receipts		674	320
<b>Cash generated from operations</b>		<b>14,803</b>	<b>15,210</b>
<b>Cash Outflows</b>			
Employee Benefits Payments		(5,723)	(5,204)
Payments for Supplies and Services		(7,272)	(5,499)
Interest Paid		(37)	(20)
Net GST Remitted to the Australian Taxation Office		(364)	(631)
<b>Cash used in operations</b>		<b>(13,396)</b>	<b>(11,354)</b>
<b>Net Cash provided by Operating Activities</b>		<b>1,407</b>	<b>3,856</b>
<b>Cash Flows from Investing Activities</b>			
<b>Cash Inflows</b>			
Proceeds from Sale of Plant and Equipment		33	68
<b>Cash generated from Investing Activities</b>		<b>33</b>	<b>68</b>
<b>Cash Outflows</b>			
Purchase of Investments		(1,800)	(300)
Purchase of Intangibles		-	(11)
Purchase of Property, Plant and Equipment		(7,073)	(3,055)
<b>Cash used in Investing Activities</b>		<b>(8,873)</b>	<b>(3,366)</b>
<b>Net Cash (used in) Investing Activities</b>		<b>(8,840)</b>	<b>(3,298)</b>
<b>Cash Flows from Financing Activities</b>			
<b>Cash Inflows</b>			
Receipts from Borrowings		7,550	-
<b>Cash generated from Financing Activities</b>		<b>7,550</b>	<b>-</b>
<b>Cash Outflows</b>			
Repayment of Borrowings		(225)	(440)
<b>Cash used in Financing Activities</b>		<b>(225)</b>	<b>(440)</b>
<b>Net Cash provided by / (used in) Financing Activities</b>		<b>7,325</b>	<b>(440)</b>
<b>Net (decrease)/Increase in Cash</b>		<b>(108)</b>	<b>118</b>
Cash at 1 July		1,048	930
<b>Cash at 30 June</b>	11	<b>940</b>	<b>1,048</b>

The accompanying notes form part of these financial statements.

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

## NOTE INDEX

Objectives of the Adelaide Cemeteries Authority	Note 1
Significant Accounting Policies	Note 2
New and revised Accounting Standards and Policies	Note 3
<b>Income Notes</b>	
Fees and Charges	Note 4
Net Gain/(Loss) from Disposal of Assets	Note 5
Investment Income	Note 6
Other Income	Note 7
<b>Expense Notes</b>	
Employee Benefits	Note 8
Remuneration of Employees	Note 8
Supplies and Services	Note 9
Borrowing Costs	Note 10
<b>Asset Notes</b>	
Cash	Note 11
Receivables	Note 12
Inventories	Note 13
Investments	Note 14
Property, Plant and Equipment	Note 15
Intangible Assets	Note 16
<b>Liability Notes</b>	
Payables	Note 17
Employee Benefits	Note 18
Provisions	Note 19
Contract Liabilities	Note 20
Interment Right Lease Liability	Note 21
Borrowings	Note 22
<b>Other Notes</b>	
Unrecognised Contractual Commitments	Note 23
Remuneration of Board Members	Note 24
Financial Risk Management/Financial Instruments	Note 25

**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 include GST in the Statement of 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 23

The Australian Tax Office has issued a draft GST determination 2021/D2 in relation to GST on burial rights. The draft ruling requires retrospective application. At 30 June 2022, it remains uncertain whether the draft GST determination will be released as is or if it will be amended to provide clarity over GST historically collected. Should the Australian Taxation Office finalise the determination as is, the Authority may have a contingent liability, the value of which cannot be determined at this time.

### **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.

### **i) Impact of Covid-19 pandemic on the Authority**

The Covid-19 pandemic had no material financial impact on the Authority during 2021-22.

## **Note 3 New and Revised Accounting Standards and Policies**

The Authority did not voluntarily change any of its accounting policies during 2021-22

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 2022. 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**

	2022	2021
	\$'000	\$'000
Burial and Memorial Interment Right	9,392	9,086
Burial	2,202	1,928
Cremation	1,084	944
Reflection Room and Lounge	414	240
Memorial	576	507
Monumental	310	272
Refunds	(138)	(167)
<b>Total Fees and Charges</b>	<b>13,840</b>	<b>12,810</b>

**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 15. 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 21.

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 20. 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**

	2022	2021
	\$'000	\$'000
<b>Plant and Equipment</b>		
Proceeds from disposal	33	68
Net Book Value of Assets Disposed	(46)	(162)
<b>Net Gain/(Loss) from Disposal of Plant and Equipment</b>	<b>(13)</b>	<b>(94)</b>

**Note 6 Investment Income**

	2022	2021
	\$'000	\$'000
Net realised gain/(loss) on unitised fund investment designated as fair value through profit and loss	-	26
Net unrealised gain/(loss) on unitised fund investment value designated as fair value through profit and loss	(561)	1,141
<b>Total Investment Income</b>	<b>(561)</b>	<b>1,167</b>

Adelaide Cemeteries Authority

**Note 7 Other Income**

	2022	2021
	\$'000	\$'000
Cemetery Record Processing Charges	281	271
Fuel Tax Credit Received	11	8
Grants	297	23
Donations /Contributions	1,177	-
Interest	1	-
Insurance Proceeds	3	8
Sundry	20	10
<b>Total Other Income</b>	<b>1,790</b>	<b>320</b>

Donations /Contributions includes the recognised value of Land received from Department for Environment and Water \$860 000 and SA Museum \$317 000 for the Kaurna Repatriation Interment Infrastructure at Smithfield Memorial Park, also refer note 15.1 Reconciliation of Property, Plant and Equipment.

**Note 8 Employee Benefits**

	2022	2021
	\$'000	\$'000
Salaries and Wages	4,451	4,034
Annual Leave	393	357
Long Service Leave	16	98
Workers Compensation	95	12
Employment On-costs - Superannuation	476	415
Employment On-costs - Payroll Tax	241	221
Board Fees (refer Note 24)	100	102
Other Employee Related Expenses	21	(8)
<b>Total Employee Benefits</b>	<b>5,793</b>	<b>5,231</b>

**Key Management Personnel**

Key management personnel of the Authority include the Minister, the Board, the Chief Executive Officer and the three members of the Executive Team. Total compensation for key management personnel was \$856,000 in 2021-22 and \$832 000 in 2020-21.

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 2021-22 total \$110 838, there are no other individually significant transactions.

Remuneration of Employees	2022	2021
	No.	No.
The number of employees whose remuneration received or receivable fall within the following bands:		
\$177 001 to \$197 000	2	2
\$197 001 to \$217 000	-	-
\$217 001 to \$237 000	-	1
\$237 001 to \$257 000	1	-
<b>Total Number of Employees</b>	<b>3</b>	<b>3</b>

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 the year was \$618,000 (2021: \$597 000; 2020: \$409 000).

Adelaide Cemeteries Authority

**Note 9 Supplies and Services**

	2022	2021
	\$'000	\$'000
Water	427	420
Insurance	86	68
Audit Fees	46	45
Grounds Maintenance	55	54
Repairs and Maintenance	673	833
Burial Vaults and Other Cost of Sales	532	670
Advertising and Marketing	472	521
Personal Service Contractors	272	199
Monumental Mason Memorials	245	287
Fuel, Light and Power	221	193
Computing and Communication Services	79	182
Information Technology	271	230
Memorials	239	216
Waste Management Services	100	99
Security and Patrols	111	115
Other Supplies and Services	450	393
Trade Discounts	490	464
Consultants	104	172
General Administration Expenses	308	225
<b>Total Supplies and Services</b>	<b>5,181</b>	<b>5,386</b>

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

**Note 10 Borrowing Costs**

	2022	2021
	\$'000	\$'000
Interest paid/payable on short-term and long-term borrowings	37	20
<b>Total Borrowing Costs</b>	<b>37</b>	<b>20</b>

**Note 11 Cash**

	2022	2021
	\$'000	\$'000
Cash at Bank	940	1,048
Cash on Hand	-	-
<b>Total Cash</b>	<b>940</b>	<b>1,048</b>

Adelaide Cemeteries Authority

**Note 12 Receivables**

	2022	2021
	\$'000	\$'000
<b>Current</b>		
Receivables	4,120	2,040
Prepayments	115	105
Accrued Revenues	85	17
GST Recoverable	54	-
<b>Total Current Receivables</b>	<b>4,374</b>	<b>2,162</b>
<b>Non-Current</b>		
Receivables	1,020	1,352
<b>Total Non-Current Receivables</b>	<b>1,020</b>	<b>1,352</b>
<b>Total Receivables</b>	<b>5,394</b>	<b>3,514</b>

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 13 Inventories**

	2022	2021
	\$'000	\$'000
Burial Vaults	391	293
Burial Crypts	786	795
Burial and Memorial sites	67	90
<b>Total Inventories</b>	<b>1,244</b>	<b>1,178</b>

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

**Note 14 Investments**

	2022	2021
	\$'000	\$'000
Unitised Funds with Funds SA	8,063	6,824
<b>Total Investments</b>	<b>8,063</b>	<b>6,824</b>

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.

## Note 15 Property, Plant and Equipment

	2022	2021
	\$'000	\$'000
<b>Land and Buildings</b>		
Land at fair value	4,640	3,780
Derecognised Land	(168)	(159)
Buildings at fair value	17,706	17,677
Accumulated Depreciation	(6,645)	(6,367)
<b>Total Land and Buildings</b>	<b>15,533</b>	<b>14,931</b>
<b>Infrastructure</b>		
Infrastructure at fair value	33,291	32,055
Accumulated Depreciation	(18,684)	(17,975)
<b>Total Infrastructure</b>	<b>14,607</b>	<b>14,080</b>
<b>Plant and Equipment</b>		
Plant and Equipment at cost (deemed fair value)	6,153	5,955
Accumulated Depreciation	(4,107)	(3,853)
<b>Total Plant and Equipment</b>	<b>2,046</b>	<b>2,102</b>
<b>Capital Works in Progress</b>		
Capital Works in Progress at cost (deemed fair value)	8,913	1,671
<b>Total Capital Works in Progress</b>	<b>8,913</b>	<b>1,671</b>
<b>Total Property, Plant and Equipment</b>	<b>41,099</b>	<b>32,784</b>

**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.

**15.1 Reconciliation of Property, Plant and Equipment**

The following table shows the movement of property, and plant and equipment during 2021-22

	Land	Buildings	Infrastructure	Plant and Equipment	Capital Works In Progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Carrying amount at 30 June 2021</b>	<b>3,621</b>	<b>11,310</b>	<b>14,080</b>	<b>2,102</b>	<b>1,671</b>	<b>32,784</b>
Additions	-	-	-	3	8,625	8,628
Disposals	-	-	-	(46)	-	(46)
Transfers between asset classes	-	29	919	343	(1,383)	(92)
Donated / Gifted assets	860	-	317	-	-	1,177
Derecognition of Land (AASB 16)	(9)	-	-	-	-	(9)
Depreciation	-	(278)	(709)	(356)	-	(1,343)
Revaluation increment / (Decrement)	-	-	-	-	-	-
<b>Carrying amount at 30 June 2022</b>	<b>4,472</b>	<b>11,061</b>	<b>14,607</b>	<b>2,046</b>	<b>8,913</b>	<b>41,099</b>

The balance of WIP Transfers between asset classes of \$(92 000) relates to re-allocations to inventory for vaults built at Enfield Memorial Park and MAS Pods at Cheltenham Cemetery. Donations/Gifted assets includes land received from the Department for Environment and Water valued at \$860 000 by an independent valuer, and costs expended by SA Museum of \$317 000 on Kaurna Repatriation Interment Infrastructure at Smithfield Memorial Park, also refer note 7 Other Income.

**Note 16 Intangible Assets**

	2022	2021
	\$'000	\$'000
<b>Intangible Assets</b>		
Intangible Assets	11	11
Less: Accumulated Amortisation	(4)	-
<b>Total Intangible Assets</b>	<b>7</b>	<b>11</b>

**Reconciliation of Intangible Assets**

The following table shows the movement of intangible assets during 2021-22

	Intangible Assets \$'000
<b>Carrying amount at 30 June 2021</b>	<b>11</b>
Additions	-
Disposals	-
Amortisation	(4)
<b>Carrying amount at 30 June 2022</b>	<b>7</b>

**Note 17 Payables**

	2022	2021
	\$'000	\$'000
<b>Current</b>		
Creditors	2,551	1,569
Accrued Expenditure	487	371
GST Payable	-	97
Employment On-costs	96	77
Other Payables	82	83
<b>Total Current Payables</b>	<b>3,216</b>	<b>2,197</b>
<b>Non-Current</b>		
Employment On-costs	24	42
<b>Total Non-Current Payables</b>	<b>24</b>	<b>42</b>
<b>Total Payables</b>	<b>3,240</b>	<b>2,239</b>

Payables and accruals are raised for all amounts owing but unpaid. Sundry payables are normally settled within 20 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. The net amount of GST recoverable from the ATO is included as part of payables. 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 18 Employee Benefits**

	2022	2021
	\$'000	\$'000
<b>Current</b>		
Accrued Salaries and Wages	159	137
Annual Leave	323	297
Long Service Leave	194	231
<b>Total Current Employee Benefits</b>	<b>676</b>	<b>665</b>
<b>Non-Current</b>		
Long Service Leave	248	280
<b>Total Non-Current Employee Benefits</b>	<b>248</b>	<b>280</b>
<b>Total Employee Benefits</b>	<b>924</b>	<b>945</b>

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 1.00% (2020-21) to 3.25% (2021-22).

The salary inflation rate for long service leave has not changed in 2021-22 at 2.5%, whilst annual leave has decreased from 2.0% (2020-21) to 1.50% (2021-22).

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 \$33 000; and
- staff benefits expense of \$33 000.

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 10 years of service.

**Note 19 Provisions**

	2022	2021
	\$'000	\$'000
<b>Current</b>		
Workers Compensation	34	17
<b>Total Current Provisions</b>	<b>34</b>	<b>17</b>
<b>Non-Current</b>		
Workers Compensation	113	39
<b>Total Non-Current Provisions</b>	<b>113</b>	<b>39</b>
<b>Total Provisions</b>	<b>147</b>	<b>56</b>
<b>Movement in Provisions</b>		
Carrying amount at 1 July	56	46
Additional provisions recognised	91	12
Reduction arising from payments	-	(2)
<b>Carrying amount at 30 June</b>	<b>147</b>	<b>56</b>

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 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.

Adelaide Cemeteries Authority

**Note 20 Contract Liabilities**

	2022	2021
	\$'000	\$'000
<b>Current</b>		
Prepaid Funeral Packages	304	274
Deposits Held	102	50
<b>Total Current Contract Liabilities</b>	<b>406</b>	<b>324</b>
<b>Non-Current</b>		
Prepaid Funeral Packages	8,467	7,858
<b>Total Non-Current Contract Liabilities</b>	<b>8,467</b>	<b>7,858</b>
<b>Total Contract Liabilities</b>	<b>8,873</b>	<b>8,182</b>

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.

**Note 21 Interment Right Lease Liability**

	2022	2021
	\$'000	\$'000
<b>Current</b>		
Interment Rights	224	214
<b>Total Current Interment Right Lease Liability</b>	<b>224</b>	<b>214</b>
<b>Non-Current</b>		
Interment Rights	2,864	2,815
<b>Total Non-Current Interment Right Lease Liability</b>	<b>2,864</b>	<b>2,815</b>
<b>Total Interment Right Lease Liability</b>	<b>3,088</b>	<b>3,029</b>

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

**Note 22 Borrowings**

	2022	2021
	\$'000	\$'000
<b>Current</b>		
SAFA Funding Facility	-	225
<b>Total Current Borrowings</b>	<b>-</b>	<b>225</b>
<b>Non-Current</b>		
SAFA Funding Facility	7,550	-
<b>Total Non-Current Borrowings</b>	<b>7,550</b>	<b>-</b>
<b>Total Borrowings</b>	<b>7,550</b>	<b>225</b>

The SAFA Fund Facility borrowing interest rate is determined by the Treasurer. The variable facility interest rate was 2.0% at 30 June 2022, the previous fixed facility was fully paid during the financial year with a rate of 4.4% (4.4% in 2021).

**Note 23 Unrecognised Contractual Commitments**

	2022	2021
	\$'000	\$'000
<b>Capital Commitments</b>		
Within one year	18,850	-
Later than one year but not longer than five years	-	1,417
<b>Total Capital Commitments</b>	<b>18,850</b>	<b>1,417</b>
<b>Expenditure Commitments</b>		
Within one year	115	178
Later than one year but not longer than five years	71	23
<b>Total Expenditure Commitments</b>	<b>186</b>	<b>201</b>

The Authority's expenditure commitments are for commercial arrangements including security services, software, rubbish removal and environmental audit services.

**Note 24 Remuneration of Board Members**

Members that were entitled to receive remuneration for membership during 2021-22 were:

Tristan Just (Chair)  
 Patricia Christie  
 Joanna Andrew (resigned 2 May 2022)  
 Johnathon Matthews  
 Kimberley Gillan  
 Luisa Greco  
 Paul Di Iulio

**Remuneration of Board Members**

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

	2022	2021
\$0 - \$19 999	6	6
\$20 000 - \$39 999	1	1
<b>Total Number of Members</b>	<b>7</b>	<b>7</b>

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 \$100 000 (2021: \$102 000).

**Note 25 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	2022 Carrying amount / Fair Value \$'000	2022 Contractual Maturities		
			Within 1 year \$'000	1 - 5 years \$'000	More than 5 years \$'000
<b>Financial Assets</b>					
Cash and Cash Equivalents	11	940	940	-	-
Receivables	12	5,225	4,205	1,020	-
Investments	14	8,063	-	8,063	-
<b>Total Financial Assets</b>		<b>14,228</b>	<b>5,145</b>	<b>9,083</b>	<b>-</b>
<b>Financial Liabilities at Cost</b>					
Payables	17	2,546	2,546	-	-
Borrowings	22	7,550	-	7,550	-
<b>Total Financial Liabilities</b>		<b>10,096</b>	<b>2,546</b>	<b>7,550</b>	<b>-</b>

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 12.