

Board of the  
Botanic Gardens and State Herbarium

Financial report  
for the year ended  
30 June 2018



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## To the Presiding Member Board of the Botanic Gardens and State Herbarium

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 22(2) of the *Botanic Gardens and State Herbarium Act 1978*, I have audited the financial report of the Board of the Botanic Gardens and State Herbarium for the financial year ended 30 June 2018.

### Opinion

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Board of the Botanic Gardens and State Herbarium as at 30 June 2018, its financial performance and its cash flows for the year then ended in accordance with the 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 2018
- a Statement of Financial Position as at 30 June 2018
- a Statement of Changes in Equity for the year ended 30 June 2018
- a Statement of Cash Flows for the year ended 30 June 2018
- notes, comprising significant accounting policies and other explanatory information
- a Certificate from the Acting Presiding Member, Board of the Botanic Gardens and State Herbarium, the Director, Botanic Gardens and State Herbarium and the Chief Financial Officer, Department for Environment and Water.

### Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the Board of the Botanic Gardens and State Herbarium. 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 have been met.

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

### **Responsibilities of the Director, Botanic Gardens and State Herbarium and the Board for the financial report**

The Director, Botanic Gardens and State Herbarium is responsible for the preparation of the financial report that gives a true and fair view in accordance with the Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and 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 that is free from material misstatement, whether due to fraud or error.

The Members of the Board are responsible for overseeing the entity's financial reporting process

### **Auditor's responsibilities for the audit of the financial report**

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
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Director, Botanic Gardens and State Herbarium

- 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 Director, Botanic Gardens and State Herbarium and the 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 Richardson

**Auditor-General**

27 September 2018

# **Board of the Botanic Gardens and State Herbarium**

## **Financial Statements**

For the year ended 30 June 2018

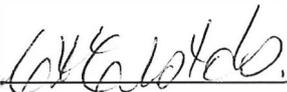
**Board of the Botanic Gardens and State Herbarium**  
**Certification of the Financial Statements**  
*for the year ended 30 June 2018.*

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We certify that the attached general purpose financial statements for the Board of the Botanic Gardens and State Herbarium:

- comply with relevant Treasurer's Instructions issued under section 41 of the *Public Finance and Audit Act 1987*, and any relevant Australian Accounting Standards
- are in accordance with the accounts and records of the Board
- present a true and fair view of the financial position of the Board of the Botanic Gardens and State Herbarium as at 30 June 2018 and the results of its operations and cash flows for the financial year.

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



Christine Elstob  
Acting Presiding Member

26 September 2018



Dr Lucy Sutherland  
Director  
Botanic Gardens and State Herbarium  
Department for Environment and Water

26 September 2018



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

26 September 2018

**Board of the Botanic Gardens and State Herbarium**  
**Statement of Comprehensive Income**  
*for the year ended 30 June 2018*

	Note	2018 \$'000	2017 \$'000
<b>Expenses</b>			
Board member expenses	4	112	119
Supplies and services	6	1 165	897
Depreciation	7	2 215	2 710
Grants and subsidies	8	655	763
Other	9	34	824
<b>Total expenses</b>		<b>4 181</b>	<b>5 313</b>
<b>Income</b>			
Fees and charges	10	1 812	1 606
Grants	11	250	254
Interest	12	39	39
Resources received free of charge	13	808	1 379
Other	14	198	32
<b>Total income</b>		<b>3 107</b>	<b>3 310</b>
<b>Net cost of providing services</b>		<b>(1 074)</b>	<b>(2 003)</b>
<b>Net result</b>		<b>(1 074)</b>	<b>(2 003)</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to net result</i>			
Changes in property, plant and equipment asset revaluation surplus		-	(1 271)
<b>Total other comprehensive income</b>		<b>-</b>	<b>(1 271)</b>
<b>Total comprehensive result</b>		<b>(1 074)</b>	<b>(3 274)</b>

The net result and total comprehensive result are attributable to the SA Government as owner.

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

**Board of the Botanic Gardens and State Herbarium**  
**Statement of Financial Position**  
*as at 30 June 2018*

	Note	2018 \$'000	2017 \$'000
<b>Current assets</b>			
Cash and cash equivalents	15	2 690	2 545
Receivables	16	579	348
Inventories	17	67	69
<b>Total current assets</b>		<b>3 336</b>	<b>2 962</b>
<b>Non-current assets</b>			
Property, plant and equipment	19	60 156	60 929
<b>Total non-current assets</b>		<b>60 156</b>	<b>60 929</b>
<b>Total assets</b>		<b>63 492</b>	<b>63 891</b>
<b>Current liabilities</b>			
Payables	20	136	95
<b>Total current liabilities</b>		<b>136</b>	<b>95</b>
<b>Total liabilities</b>		<b>136</b>	<b>95</b>
<b>Net assets</b>		<b>63 356</b>	<b>63 796</b>
<b>Equity</b>			
Asset revaluation surplus		18 762	18 762
Retained earnings		44 594	45 034
<b>Total equity</b>		<b>63 356</b>	<b>63 796</b>

The total equity is attributable to SA Government as owner.

Unrecognised contractual commitments	21
Contingent assets and liabilities	22

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

**Board of the Botanic Gardens and State Herbarium**  
**Statement of Changes in Equity**  
*for the year ended 30 June 2018*

	Note	Asset revaluation surplus \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 30 June 2016		20 033	47 037	67 070
Net result for 2016-17		-	(2 003)	(2 003)
Gain/(loss) on revaluation of property, plant and equipment		(1 271)	-	(1 271)
<b>Total comprehensive result for 2016-17</b>		<b>(1 271)</b>	<b>(2 003)</b>	<b>(3 274)</b>
<b>Balance at 30 June 2017</b>		<b>18 762</b>	<b>45 034</b>	<b>63 796</b>
Opening balance at 1 July 2017		18 762	45 034	63 796
Error correction - property, plant and equipment	19	-	634	634
<b>Restated balance at 1 July 2017</b>		<b>18 762</b>	<b>45 668</b>	<b>64 430</b>
Net result for 2017-18		-	(1 074)	(1 074)
<b>Total comprehensive result for 2017-18</b>		<b>-</b>	<b>(1 074)</b>	<b>(1 074)</b>
<b>Balance at 30 June 2018</b>		<b>18 762</b>	<b>44 594</b>	<b>63 356</b>

All changes in equity are attributable to the SA Government as owner.

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

**Board of the Botanic Gardens and State Herbarium**  
**Statement of Cash Flows**  
*for the year ended 30 June 2018*

		2018 (Outflows) Inflows \$'000	2017 (Outflows) Inflows \$'000
<b>Cash flows from operating activities</b>	<b>Note</b>		
<b>Cash outflows</b>			
Board member payments		(112)	(119)
Payments for supplies and services		(1 124)	(883)
Payments for grants and subsidies		(655)	(763)
Other payments		(32)	(29)
<b>Cash used in operations</b>		<u>(1 923)</u>	<u>(1 794)</u>
<b>Cash inflows</b>			
Fees and charges		1 581	1 447
Receipts from grants		250	254
Interest received		39	40
Other receipts		198	32
<b>Cash generated from operations</b>		<u>2 068</u>	<u>1 773</u>
<b>Net cash provided by / (used in) operating activities</b>		<u>145</u>	<u>(21)</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<u>145</u>	<u>(21)</u>
Cash and cash equivalents at the beginning of the reporting period		2 545	2 566
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>15</b>	<u><u>2 690</u></u>	<u><u>2 545</u></u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

**Board of the Botanic Gardens and State Herbarium**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2018*

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**1 Basis of financial statements**

**1.1 Reporting entity**

The Board is a reporting entity, established pursuant to the *Botanic Gardens and State Herbarium Act 1978*.

**1.2 Statement of compliance**

The financial statements have been prepared in compliance with section 23 of the *Public Finance and Audit Act 1987*.

The financial statements are general purpose financial statements. The accounts have been prepared in accordance with Australian Accounting Standards (Reduced Disclosure Requirements) and comply with Treasurer's Instructions and Accounting Policy Statements promulgated under the provisions of the *Public Finance and Audit Act 1987*.

The Board has applied Australian Accounting Standards that are applicable to not-for-profit entities, as the Board 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 Board for the period ending 30 June 2018.

**1.3 Basis of preparation**

The financial statements have been prepared based on a 12 month period and presented in Australian currency. The historical cost convention is used unless a different measurement basis is specifically disclosed in the notes associated with the item measured on a different basis.

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

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle even when they are not expected to be realised within 12 months after the reporting date have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Significant accounting policies are set out in the notes.

**1.4 Taxation**

The Board is not subject to Income Tax. The Board is liable for Fringe Benefits Tax (FBT), Emergency Services Levy (ESL), land tax equivalents and local government rate equivalents.

The Department for Environment and Water (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.

**Board of the Botanic Gardens and State Herbarium**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2018*

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## **2 Objectives and activities**

### **2.1 Strategic context**

The Board of the Botanic Gardens and State Herbarium (the Board) was established under section 6 of the *Botanic Gardens and State Herbarium Act 1978* (the Act).

The Board, on behalf of the South Australian community, has stewardship for the lands and premises placed under the control of the Board.

The objectives of the Board are to ensure the maintenance and development of the South Australian Botanic Gardens and State Herbarium, for the use and enjoyment for members of the public as well as supporting scientific research and educational activities.

### **2.2 Financial arrangements**

The financial activities of the Board are administered through the Botanic Gardens Endowment and Commercial Fund (the Fund) in accordance with the Act. The Fund is an interest bearing Deposit Account with the Department of Treasury and Finance (DTF) pursuant to section 21(1) of the *Public Finance and Audit Act 1987* (PFAA).

The Department for Environment and Water (DEW) conducts a large number of activities directed towards meeting the Board's responsibilities under the Act. Due to DEW receiving appropriation funding, and directing and controlling the expenditure for these activities, the revenue and expenditure relating to those activities are recognised in DEW's financial statements rather than the Board's. Activities undertaken by DEW in support of the administration of the Act and Board are disclosed in note 26.

In accordance with the provisions of the Act, the Board has delegated certain functions to officers within DEW who provide certain technical and administrative support including the use of certain plant and equipment, office accommodation and various administrative services. The cost of the services provided that are identifiable with the activities of the Board and can be measured reliably, are met by the Board. Other support services that are not identifiable and/or cannot be measured reliably are provided free of charge and have not been recognised in these financial statements.

## **3 Programs of the Board**

In achieving its objectives the Board conducts its services through a single program, Botanic Gardens Management. The purpose of this program is to manage the natural and cultural resources of the Botanic Gardens and State Herbarium to advance plant appreciation, knowledge and conservation through our natural and cultural collections and programs.

**Board of the Botanic Gardens and State Herbarium**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2018*

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**4 Board member expenses**

	2018	2017
	\$'000	\$'000
Board fees	99	105
Remuneration on-costs - superannuation	9	8
Remuneration on-costs - other	5	6
<b>Total board member expenses</b>	<b>112</b>	<b>119</b>

Board member expenses include all board fees and related on-costs including superannuation. These are recognised when incurred. The amount charged to the Statement of Comprehensive Income represents the contributions made by the Board to superannuation plans in respect of current services of current board members.

**5 Remuneration of board members**

Members of the board during the 2017-18 financial year were:

**Board of the Botanic Gardens & State Herbarium**

J Potter (Presiding Member)  
R Dimonte  
C A Elstob  
L R G Jacobs  
J A W Levy (retired 4 July 2017)  
R J Nunn  
J Restas  
J R Ellison (appointed 1 July 2017)  
E A Raupach (appointed 7 December 2017)

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

	2018	2017
\$0 - \$9 999	2	1
\$10 000 - \$19 999	6	7
\$20 000 - \$29 999	1	1
<b>Total number of members</b>	<b>9</b>	<b>9</b>

Remuneration of members reflects all costs of performing board member duties including sitting fees and super 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 \$108 000 (2017: \$114 000).

**Board of the Botanic Gardens and State Herbarium**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2018*

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**6 Supplies and services**

	2018	2017
	\$'000	\$'000
Fee for service	742	491
Minor works, maintenance & equipment	267	254
Accommodation and property management	89	74
General administration	60	62
Other	7	16
<b>Total supplies and services</b>	<b>1 165</b>	<b>897</b>

**7 Depreciation**

	2018	2017
	\$'000	\$'000
<b>Depreciation</b>		
Buildings and improvements	701	718
Park infrastructure	941	1 342
Roads, tracks and trails	120	136
Furniture and fittings	133	133
Plant and equipment	320	381
<b>Total depreciation</b>	<b>2 215</b>	<b>2 710</b>

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

Land assets are not depreciated.

**Useful life**

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

<b>Class of asset</b>	<b>Useful life (years)</b>
Park Infrastructure	7-60
Plant and Equipment	4-25
Roads, Tracks and Trails	6-35
Furniture and Fittings	10
Buildings and Improvements	9-105

**Revision of accounting estimates**

Assets' residual values and useful lives are reviewed and adjusted if appropriate, on an annual basis.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate, which is a change in accounting estimate.

**Board of the Botanic Gardens and State Herbarium**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2018*

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**8 Grants and subsidies**

	2018	2017
	\$'000	\$'000
State Government	655	763
<b>Total grants and subsidies</b>	<b>655</b>	<b>763</b>

For contributions payable, the contribution will be recognised as a liability and expense when the entity has a present obligation to pay the contribution and the expense recognition criteria are met.

All contributions paid by the Board have been contributions with unconditional stipulations attached.

**9 Other expenses**

	2018	2017
	\$'000	\$'000
Asset revaluation decrement	-	414
Property, plant and equipment write offs	-	381
Movement in Inventory	3	-
Other (including audit fees)	31	29
<b>Total other expenses</b>	<b>34</b>	<b>824</b>

**10 Revenues from fees and charges**

	2018	2017
	\$'000	\$'000
Car parking	718	659
Garden functions	592	400
Property rental and related income	364	394
Expiation fees	86	131
Sale of goods	25	16
Admissions and guided tours	25	6
Other fees and charges	2	-
<b>Total revenues from fees and charges</b>	<b>1 812</b>	<b>1 606</b>

Revenues from fees and charges are derived from the provision of goods and services to other SA government agencies and to the public. This revenue is recognised upon delivery of the service to the clients.

**Board of the Botanic Gardens and State Herbarium**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2018*

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**11 Grant revenues**

	2018	2017
	\$'000	\$'000
Private industry and local government	131	134
Grants received from entities within the SA Government	119	120
<b>Total grant revenues</b>	<b>250</b>	<b>254</b>

Contributions are recognised as an asset and income when the Board obtains control of the contributions or obtains the right to receive the contributions and the income recognition criteria are met.

Generally, the Board has obtained control or the right to receive:

- contributions with unconditional stipulations - this will be when the agreement becomes enforceable that is, the earlier of when the receiving entity has formally been advised that the contribution (for example, grant application) has been approved; agreement/contract is executed; and/or the contribution is received
- contributions with conditional stipulations - this will be when the enforceable stipulations specified in the agreement occur or are satisfied; that is income would be recognised for contributions received or receivable under the agreement.

**Restrictions on contributions received**

The Board is engaged in a variety of funding programs involving State and Commonwealth sources that provide monies to the Board on the premise that these funds are expended in a manner consistent with the terms of the agreement. At reporting date the Board had the following outstanding funding commitments.

	2018	2017
	\$'000	\$'000
Research	10	92
Books	7	-
Other	69	-
<b>Total restrictions on contributions received</b>	<b>86</b>	<b>92</b>

**12 Interest revenues**

	2018	2017
	\$'000	\$'000
Interest on deposit accounts - from entities within the SA Government	39	39
<b>Total interest revenues</b>	<b>39</b>	<b>39</b>

**Board of the Botanic Gardens and State Herbarium**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2018*

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**13 Resources received free of charge**

	2018	2017
	\$'000	\$'000
Park infrastructure	588	-
Buildings and improvements	145	1 346
Plant and equipment	75	33
<b>Total resources received free of charge</b>	<b>808</b>	<b>1 379</b>

Resources received free of charge are recorded as revenue in the Statement of Comprehensive Income at their fair value. 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.

During the current year, assets to the value of \$0.588 million (2017: \$1.379 million) were transferred from DEW to the Board of the Botanic Gardens and State Herbarium free of charge. Assets transferred in the current year related to the Tram Barn lift upgrade (\$0.065 million); sewer system (\$0.265 million); air conditioner system (\$0.144 million); irrigation (\$0.085); and plant and equipment \$0.029 million).

In addition, park infrastructure assets to the value of \$0.220 million were donated by the Mount Lofty Support Group in relation to the Chris Steele Scott Pavilion.

**14 Other income**

	2018	2017
	\$'000	\$'000
Sponsorships, donations, commissions and bequests	18	20
Other sundry revenue	180	12
<b>Total other income</b>	<b>198</b>	<b>32</b>

Other income consists of sponsorships, donations, commissions and bequests. This revenue is recognised upon receipt.

**15 Cash and cash equivalents**

	2018	2017
	\$'000	\$'000
Deposits with the Treasurer	2 690	2 545
<b>Total cash and cash equivalents</b>	<b>2 690</b>	<b>2 545</b>

Cash is measured at nominal value.

The Board invests surplus funds with the Treasurer. Interest is earned on the average monthly balance at rates based on the DTF 90 day average overnight cash interest rate and interest is paid at the end of each quarter.

**Board of the Botanic Gardens and State Herbarium**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2018*

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**16 Receivables**

	2018 \$'000	2017 \$'000
<b>Current</b>		
Receivables	575	344
Accrued revenues	4	4
<b>Total current receivables</b>	<u>579</u>	<u>348</u>
<b>Total receivables</b>	<u>579</u>	<u>348</u>

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.

Collectability of receivables is reviewed on an ongoing basis. An allowance for doubtful debts is raised when there is objective evidence that the Board will not be able to collect the debt. Bad debts are written off when identified.

**17 Inventories**

	2018 \$'000	2017 \$'000
<b>Inventories held for resale - at cost</b>		
Finished goods held for resale - at cost	67	69
<b>Total inventories</b>	<u>67</u>	<u>69</u>

Cost for all inventory is measured on the basis of the first-in, first-out method. Net realisable value is determined using the estimated sales proceeds less costs incurred in marketing, selling and distribution to customers.

The amount of any inventory write-down to net realisable value or inventory losses are recognised in the Statement of Comprehensive Income as an expense in the period the write-down or loss occurred. Any write-down reversals are recognised as an expense reduction in the Statement of Comprehensive Income.

**18 Non-current assets**

**Revaluation**

All non-current tangible assets are valued at fair value and revaluation of a non-current assets or group of assets is only performed when its fair value at the time of acquisition is greater than \$1 million and estimated useful life is greater than three years.

Asset classes that did not satisfy this criteria and are therefore deemed to be at fair value are:

- Furniture and fittings
- Plant and equipment
- Vehicles.

Every six years, the Board revalues its books and artefacts, land, buildings and improvements, park infrastructure and roads, tracks and trails via an independent Certified Practising Valuer.

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.

**Board of the Botanic Gardens and State Herbarium**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2018*

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**18 Non-current assets (continued)**

Non-current tangible assets that are acquired between revaluations are held at cost until the next valuation, when they are revalued to fair value.

For all property, plant and equipment assets that have been subject to an independent revaluation both the replacement cost and the associated accumulated depreciation have been presented on a gross basis.

Property, plant and equipment assets due for revaluation are assessed to determine whether they should be classified as generic assets or unique assets.

Generic building and improvements, infrastructure and road assets are valued using a data dictionary approach. The Data Dictionary model is contained within DEW's Asset Register and Management Information System (ARAMIS) system. The data dictionary model calculates a value for an asset based on description, grade / composition, condition and size / quantity. The model value is adjusted by a locality factor to take into account climatic conditions. The valuation model itself is reviewed every five years.

Unique buildings and improvements and park infrastructure are assets for which application of the Data Dictionary is considered inappropriate. Generally, these assets were constructed following specific fit-for purpose designs.

The valuers used by the Board are as follows:

- 1 July 2015, valuation of land, State Valuation Office, Mr Mark Kay, Chief Valuer and Mr Greg McCloud, Acquisition & Procurement Valuer
- 1 July 2016, valuation of data dictionary: buildings, infrastructure and roads, Valcorp Australia Pty Ltd, Mr Fred. Taormina, BAppSc (Val), AAPI
- 1 July 2016, valuation of unique items, Herron Todd White, Mr Paul Tilley, FAPI, AREI, CREI (Val)
- 30 June 2017, valuation of other items:
  - Library collections, Mr Michael Treloar, Antiquarian and member of ANZAAB, ILAB and AAADAY
  - Fine Art Collections and Artefacts, Tusmore Antiques, Mr Anthony Hurl, BA, MSAA, MAASA, CINOA, Fine Art Valuer.

The fair value of unique assets was determined by identifying a market buying price, estimated as written down modern equivalent replacement cost.

The fair value of land and buildings was based on recent market transactions for similar land and buildings in the area taking into account zoning and restrictions on use.

The fair value of the Other – books and artefacts asset category was determined as follows:

- general collections, rare books and journals and archival material - market approach, which represented a price a knowledgeable purchaser could reasonably expect to pay for the items
- fine art collections and artefacts – market approach, which was mainly determined by overseas markets and the prevailing exchange rate on the inspection date.

Any revaluation increment is credited to the revaluation surplus, except to the extent that it reverses a revaluation decrease of the same asset class previously recognised as an expense, in which case the increase is recognised as income. Any revaluation decrease is recognised as an expense, except to the extent that it offsets a previous revaluation increase for the same asset class, in which case the decrease is debited directly to the revaluation surplus to the extent of the credit balance existing in the revaluation surplus for that asset class.

**Board of the Botanic Gardens and State Herbarium**  
**Notes to and forming part of the financial statements**  
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**19 Property, plant and equipment**

	2018	2017
	\$'000	\$'000
<b>Land</b>		
Land at fair value <sup>(i)</sup>	18 682	18 682
<b>Total land</b>	<u>18 682</u>	<u>18 682</u>
<b>Buildings and improvements</b>		
Buildings and improvements at fair value <sup>(i)</sup>	39 704	39 848
Buildings and improvements at cost <sup>(ii)</sup>	145	-
Accumulated depreciation	(20 662)	(20 105)
<b>Total buildings and improvements</b>	<u>19 187</u>	<u>19 743</u>
<b>Park infrastructure</b>		
Park infrastructure at fair value <sup>(i)</sup>	73 454	72 739
Park infrastructure at cost <sup>(ii)</sup>	691	94
Accumulated depreciation	(62 350)	(61 302)
<b>Total park infrastructure</b>	<u>11 795</u>	<u>11 531</u>
<b>Roads, tracks and trails</b>		
Roads, tracks and trails at fair value <sup>(i)</sup>	4 126	4 105
Roads, tracks and trails at cost <sup>(ii)</sup>	616	616
Accumulated depreciation	(3 726)	(3 602)
<b>Total roads, tracks and trails</b>	<u>1 016</u>	<u>1 119</u>
<b>Furniture and fittings</b>		
Furniture and fittings at cost (deemed fair value) <sup>(iii)</sup>	1 794	1 794
Accumulated depreciation	(1 683)	(1 550)
<b>Total furniture and fittings</b>	<u>111</u>	<u>244</u>
<b>Plant and equipment</b>		
Plant and equipment at cost (deemed fair value) <sup>(iii)</sup>	2 756	2 682
Accumulated depreciation	(1 439)	(1 120)
<b>Total other</b>	<u>1 317</u>	<u>1 562</u>
<b>Other - books and artefacts</b>		
Other - books and artefacts at fair value <sup>(i)</sup>	8 048	8 048
<b>Total other - books and artefacts</b>	<u>8 048</u>	<u>8 048</u>
<b>Total property, plant and equipment</b>	<u><u>60 156</u></u>	<u><u>60 929</u></u>

**Board of the Botanic Gardens and State Herbarium**  
**Notes to and forming part of the financial statements**  
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**19 Property, plant and equipment (continued)**

**Acquisition and recognition**

Non-current assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental costs involved with the acquisition. Non-current assets are subsequently measured at fair value after allowing for accumulated depreciation.

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 restructuring of administrative arrangements then the assets are recognised at book value, that is the amount recorded by the transferor public authority prior to the restructure.

All non-current tangible assets with a value of \$10 000 and over are capitalised.

**State Herbarium Collection**

The State Herbarium is the state's major provider of authoritative data and information on the plants, algae and fungi of South Australia. The collections of the State Herbarium comprise a large sustainable sample of the flora of South Australia, Australia and the world, particularly Mediterranean regions. These specimens, of which there are approximately 1 million, while providing a unique scientific resource require considerable maintenance.

The State Herbarium Collection is a heritage asset which is considered so unique that it is not capable of reliable measurement. Hence, the value of the collection has not been recognised in the Financial Statements in accordance with Accounting Policy Framework III *Asset Accounting Framework* (APF III).

**Restrictions on use - land**

Section 14 of the Act states that the Board may not dispose of any interest in land vested in it, nor may it be divested of the control of any land placed under its control, except in pursuance of a resolution passed by both Houses of Parliament.

Land controlled by the Board comprises of Crown land dedicated to the Board or held by the Minister for Environment and Water on behalf of the Board. The land generally has restrictions on use imposed by statute or by regulation. These restrictions have been taken into account by the independent valuers (State Valuation Office).

**Carrying amounts of property, plant and equipment**

Classes of property, plant and equipment are valued as follows:

*(i) Independent valuation*

Generic assets are valued using the Data Dictionary model. Unique assets are items which cannot be categorised within the standard Data Dictionary groups. These assets are valued separately by independent professional valuers.

*(ii) At cost (acquisition cost)*

This class includes one or more items that have an acquisition cost exceeding \$1 million. All assets within this class are temporarily held at cost pending revaluation.

*(iii) At cost (deemed fair value)*

These assets have an acquisition cost below \$1 million and are deemed held at fair value pursuant to APF III.

**Impairment**

All non-current tangible and intangible assets are tested for indications of impairment at each reporting date. Where there is an indication of impairment, the recoverable amount is estimated. The recoverable amount is determined as the higher of the asset's fair value less costs of disposal and depreciated replacement cost. An amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

For revalued assets, an impairment loss is offset against the respective revaluation surplus.

**Board of the Botanic Gardens and State Herbarium**  
**Notes to and forming part of the financial statements**  
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**19 Property, plant and equipment (continued)**

**Movement reconciliation of property, plant and equipment during 2017-18**

	Buildings and		Park Roads, tracks	
	Land	improvements	infrastructure	and trails
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	18 682	19 743	11 531	1 119
Initial recognition	-	-	617	17
Assets received for nil consideration	-	145	588	-
Depreciation	-	(701)	(941)	(120)
<b>Carrying amount at the end of the period</b>	<b>18 682</b>	<b>19 187</b>	<b>11 795</b>	<b>1 016</b>

	Furniture and	Plant and	Other	Total
	fittings	equipment		
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	244	1 562	8 048	60 929
Initial recognition	-	-	-	634
Assets received for nil consideration	-	75	-	808
Depreciation	(133)	(320)	-	(2 215)
<b>Carrying amount at the end of the period</b>	<b>111</b>	<b>1 317</b>	<b>8 048</b>	<b>60 156</b>

**Movement reconciliation of property, plant and equipment during 2016-17**

	Buildings and		Park Roads, tracks	
	Land	improvements	infrastructure	& trails
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	18 682	20 282	14 852	1 555
Transfers between classes	-	69	(1 425)	43
Assets received for nil consideration	-	1 346	-	-
Assets written off	-	-	(381)	-
Depreciation	-	(718)	(1 342)	(136)
Net revaluation increments/(decrements)	-	(1 236)	(173)	(343)
<b>Carrying amount at the end of the period</b>	<b>18 682</b>	<b>19 743</b>	<b>11 531</b>	<b>1 119</b>

	Furniture &	Plant and	Other	Total
	fittings	equipment		
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	377	597	7 981	64 326
Transfers between classes	-	1 313	-	-
Assets received for nil consideration	-	33	-	1 379
Assets written off	-	-	-	(381)
Depreciation	(133)	(381)	-	(2 710)
Net revaluation increments/(decrements)	-	-	67	(1 685)
<b>Carrying amount at the end of the period</b>	<b>244</b>	<b>1 562</b>	<b>8 048</b>	<b>60 929</b>

**Board of the Botanic Gardens and State Herbarium**  
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**19 Property, plant and equipment (continued)**

Error correction

An error correction of \$0.634 million has been disclosed in the Statement of Changes in Equity and has been retrospectively restated as at 1 July 2017 in accordance with AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*. The error correction resulted in a net increase of \$0.634 million to retained earnings and a net increase to the carrying values of the following asset classes, park infrastructure, \$0.617 million, and roads, tracks and trails, \$0.017 million. The adjustments to the carrying values of assets related to the first time recognition of assets and other asset revisions identified through a comprehensive stocktake process undertaken in 2017-18.

**20 Payables**

	2018	2017
	\$'000	\$'000
<b>Current</b>		
Creditors	105	61
Accrued expenses	31	34
<b>Total current payables</b>	<u>136</u>	<u>95</u>

Payables include creditors, accrued expenses and board member remuneration on-costs.

All payables are measured at their nominal amount. Creditors and accruals are raised for all amounts owing but unpaid. Sundry creditors are normally settled within 30 days from the date of the invoice or the date the invoice is first received.

The Board 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.

**21 Unrecognised contractual commitments**

Unrecognised contractual commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the Australian Taxation Office (ATO). If GST is not payable to, or recoverable from, the ATO, the commitments and contingencies are disclosed on a gross basis.

The Board had no unrecognised contractual commitments as at 30 June 2018. All capital commitments associated with the Board are managed by DEW and reflected in their financial statements.

**22 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 contingent liabilities.

**Board of the Botanic Gardens and State Herbarium**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2018*

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**23 Related party transactions**

The Board of the Botanic Gardens and State Herbarium is a body corporate and was established pursuant to the *Botanic Gardens and State Herbarium Act 1978* 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.

**Key management personnel**

Key management personnel of the Board include the Minister for Environment and Water.

The compensation for the Board's key management personnel was \$281 000 (2017: \$228 000). Salaries and other benefits the Minister for Environment and Water receives are excluded from this total. 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 DTF) under section 6 the *Parliamentary Remuneration Act 1990*.

**24 Financial risk management / financial instruments**

**Financial risk management**

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

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

The Board is funded principally from appropriation by the SA Government. The Board works with the DTF 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.

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

**Board of the Botanic Gardens and State Herbarium**  
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**24 Financial risk management / financial instruments (continued)**

**Categorisation of financial instruments**

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

The carrying amounts of each of the following categories of financial assets and liabilities: receivables and payables measured at cost are detailed below.

		2018 Carrying amount \$'000	2017 Carrying amount \$'000
<b>Financial assets</b>			
<b>Cash and cash equivalents</b>			
Cash and cash equivalents		2 690	2 545
<b>Loans and receivables</b>			
Receivables	(1)	579	348
<b>Total financial assets</b>		<b>3 269</b>	<b>2 893</b>
<b>Financial liabilities</b>			
<b>Financial liabilities at cost</b>			
Payables	(1)	106	66
<b>Total financial liabilities</b>		<b>106</b>	<b>66</b>

<sup>(1)</sup> Receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables (for example, Commonwealth, State and Local Government taxes, fees and charges; Auditor-General's Department audit fees). In government, certain rights to receive or pay cash may not be contractual and therefore in these situations, the requirements will not apply. Where rights or obligations have their source in legislation such as levies, tax and equivalents, etc. they would be excluded from the disclosure. The standard defines contract as enforceable by law. All amounts recorded are carried at cost (not materially different from amortised cost).

**Board of the Botanic Gardens and State Herbarium**  
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**25 Activities undertaken by Department for Environment and Water**

The following details the expenses and revenues incurred by DEW in performing activities associated with the Board.

	2018	2017
	\$'000	\$'000
<b>Expenses from ordinary activities</b>		
Employee benefits	5 380	5 311
Supplies and services	3 258	2 493
Grants and subsidies	113	120
Depreciation	470	354
Other	619	1 379
<b>Total expenses from ordinary activities</b>	<b>9 840</b>	<b>9 657</b>
<b>Revenues from ordinary activities</b>		
Fees and charges	126	193
Grant	1 418	870
Other	-	17
<b>Total revenues from ordinary activities</b>	<b>1 544</b>	<b>1 080</b>
<b>Revenues from / (payments to) SA Government</b>		
Revenues from SA Government	7 708	7 198
<b>Total net revenues from SA Government</b>	<b>7 708</b>	<b>7 198</b>
<b>Net cost of activities undertaken by DEW</b>	<b>(588)</b>	<b>(1 379)</b>

**26 Events after the reporting period**

There are no known events after balance date that affects these general purpose financial statements in a material manner.