



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 Presiding Member Eyre Peninsula Landscape Board

Opinion

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

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Board as at 30 June 2022, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards – Simplified Reporting Requirements.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2022
- a Statement of Financial Position as at 30 June 2022
- a Statement of Changes in Equity for the year ended 30 June 2022
- a Statement of Cash Flows for the year ended 30 June 2022
- notes, comprising material accounting policies and other explanatory information
- a Certificate from the Presiding Member and the General Manager.

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the Board. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

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

Responsibilities of the General Manager and the Board for the financial report

The General Manager is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and the Australian Accounting Standards – Simplified Reporting Requirements, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the General Manager is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

The Board is responsible for overseeing the entity's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 38(2) of the *Landscape South Australia Act 2019*, I have audited the financial report of the Board for the financial year ended 30 June 2022.

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the General Manager

- conclude on the appropriateness of the General Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Presiding Member and General Manager about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



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

25/11/2022

Eyre Peninsula Landscape Board

Financial Statements

For the year ended 30 June 2022

Eyre Peninsula Landscape Board
Certification of the Financial Statements
for the year ended 30 June 2022

We certify that the:

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



Mark Whitfield
Presiding Member
23 November 2022



Jonathan Clark
General Manager
Eyre Peninsula Landscape Board
23 November 2022

Eyre Peninsula Landscape Board
Statement of Comprehensive Income
for the year ended 30 June 2022

	Note	2022 \$'000	2021 \$'000
Income			
Landscape and water levies	2.1	3 455	3 431
Commonwealth-sourced grants and funding	2.2	1 364	1 317
Grant revenues	2.3	149	82
Interest revenues		-	1
Other income	2.4	64	75
Total income		5 032	4 906
Expenses			
Employee benefits expense	3.3	2 504	2 247
Supplies and services	4.1	1 855	2 020
Grants and subsidies	4.2	186	241
Depreciation	5.1	89	77
Borrowing Costs		2	4
Other expenses	4.3	44	47
Total expenses		4 680	4 636
Net result		352	270
Total comprehensive result		352	270

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

Eyre Peninsula Landscape Board
Statement of Financial Position
as at 30 June 2022

	Note	2022 \$'000	2021 \$'000
Current assets			
Cash and cash equivalents	6.1	2 543	2 141
Receivables	6.2	632	610
Inventories		64	-
Total current assets		3 239	2 751
Non-current assets			
Property plant and equipment	5.1	148	236
Total non-current assets		148	236
Total assets		3 387	2 987
Current liabilities			
Payables	7.1	282	211
Financial liabilities	7.2	64	70
Employee benefits	3.4	174	268
Provisions	7.3	5	4
Contract liabilities	2.3	167	-
Total current liabilities		692	553
Non-current liabilities			
Payables	7.1	32	34
Financial liabilities	7.2	54	117
Employee benefits	3.4	334	363
Provisions	7.3	13	10
Total non-current liabilities		433	524
Total liabilities		1 125	1 077
Net assets		2 262	1 910
Equity			
Retained earnings		2 262	1 910
Total equity		2 262	1 910

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

Eyre Peninsula Landscape Board
Statement of Changes in Equity
for the year ended 30 June 2022

	Note	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2020		-	-
Net result for 2020-21		270	270
Total comprehensive result for 2020-21		270	270
Net assets received from an administrative restructure	1.3	1 640	1 640
Balance at 30 June 2021		1 910	1 910
Net result for 2021-22		352	352
Total comprehensive result for 2021-22		352	352
Balance at 30 June 2022		2 262	2 262

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

Eyre Peninsula Landscape Board
Statement of Cash Flows
for the year ended 30 June 2022

	Note	2022 \$'000	2021 \$'000
Cash flows from operating activities			
<i>Cash inflows</i>			
Landscape and water levies		3 394	3 319
Commonwealth funding received		1 396	1 336
Grants		328	427
Interest received		-	1
Other receipts		68	32
Cash generated from operations		5 186	5 115
<i>Cash outflows</i>			
Payments for supplies and services		(1 844)	(2 101)
Employee benefits payments		(2 640)	(2 266)
Payments of grants and subsidies		(181)	(239)
Interest paid		(2)	(4)
Other payments		(47)	(39)
Cash used in operations		(4 714)	(4 649)
Net cash provided by operating activities		472	466
Cash flows from investing activities			
<i>Cash outflows</i>			
Purchase of property, plant and equipment		-	(25)
Cash used in investing activities		-	(25)
Net cash used in investing activities		-	(25)
Cash flows from financing activities			
<i>Cash inflows</i>			
Cash received from restructuring activities	1.3	-	1 769
Cash generated from financing activities		-	1 769
<i>Cash outflows</i>			
Repayment of leases		(70)	(69)
Cash used in financing activities		(70)	(69)
Net cash provided by financing activities		(70)	1 700
Net increase in cash and cash equivalents		402	2 141
Cash at the beginning of the period		2 141	-
Cash at the end of the period	6.1	2 543	2 141

The accompanying notes form part of these financial statements.

Eyre Peninsula Landscape Board

Notes to and forming part of the financial statements

for the year ended 30 June 2022

1. About the Eyre Peninsula Landscape Board

The Eyre Peninsula Landscape Board (the Board) is a body corporate of the state of South Australia, established pursuant to the *Landscape South Australia Act 2019* (the Landscape Act). The Board is a not for profit entity.

The Eyre Peninsula Landscape Plan 2021-26 was approved by the Minister for Environment and Water in October 2021. The Board operates under an annual Business Plan which aligns to the Landscape Plan. The Eyre Peninsula Business Plan 2021-22 identifies the Board's revenue and investment in priorities for management of landscapes in the region as detailed in note 1.2.

The Board entered into a Service Level Agreement (SLA) with the Department for Environment and Water (DEW) for the delivery of corporate support services to the Board during 2021-22 to enable it to meet its governance and financial management statutory requirements in delivering its business.

The financial statements and accompanying notes include all the controlled activities of the Board.

1.1. Basis of preparation

These financial statements are general purpose financial statements prepared in accordance with:

- section 23 of the *Public Finance and Audit Act 1987*;
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*; and
- relevant Australian Accounting Standards applying simplified disclosures.

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

The financial statements have been prepared based on a 12 month period and presented in Australian currency. All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000). The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

DEW prepares a Business Activity Statement on behalf of the Board under the grouping provisions of the Goods and Services Tax (GST) legislation. Under these provisions, DEW is liable for the payments and entitled to the receipts associated with GST. Therefore, the Board's net GST receivable/payable is recorded in DEW's Statement of Financial Position. GST cash flows applicable to the Board are recorded in DEW's Statement of Cash Flows.

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

Material accounting policies are set out throughout the notes.

Eyre Peninsula Landscape Board

Notes to and forming part of the financial statements

for the year ended 30 June 2022

1.2. Objectives and programs

Objectives

The functions of the Board under section 25(1) of the Landscape Act include to:

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

Board Programs

In discharging its functions under the Landscape Act, the Board delivers the following programs, as outlined in the Eyre Peninsula Business Plan for 2021-22:

Water

- Effective water allocation planning in prescribed water area.
- Managing water affecting activities.

Sustainable Agriculture

- Reducing the risk of land degradation to protect the region's valuable soils.
- Facilitating regenerative land management to improve soil health.

Pest Plant and Animals

- Supporting landowners to control prioritised pest plants and animals.
- Collaborating to reduce threats from impact-causing native species.

Biodiversity

- Protecting and restoring prioritised coastal habitats.
- Maintain and enhance biodiversity in prioritised ecosystems.

Community

- Community at the centre and actively engaged in landscape management.
- Effective decision-making and local government engagement.

Administration

Delivery of the five priorities are underpinned through the provision of foundational 'Administration' services. The administration program includes the internal business support function, DEW Corporate Services and Shared Services costs, as well as levy collection costs for both within council areas and outside of council areas.

The table on the following page presents income and expenses attributable to each program. Comparatives under the prior year transitional Regional Landscape Plan have been realigned based on current year programs.

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

1.2. Objectives and programs (continued)

Income and expenses by program

	Sustainable Agriculture		Water		Pest Plant and Animals		Biodiversity		Community		Administration		Total	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Income														
Landscape and water levies	206	29	244	207	1 244	1 715	240	573	481	317	1 040	590	3 455	3 431
Commonwealth-sourced grants and funding	474	479	-	-	-	-	556	534	334	304	-	-	1 364	1 317
Grant revenues	2	-	46	23	45	47	56	12	-	-	-	-	149	82
Interest revenues	-	-	-	-	-	1	-	-	-	-	-	-	-	1
Other income	6	2	-	3	55	34	1	3	1	33	1	-	64	75
Total income	688	510	290	233	1 344	1 797	853	1 122	816	654	1 041	590	5 032	4 906
Expenses														
Employee benefits expense	171	21	146	98	1 197	1 053	209	599	449	414	332	62	2 504	2 247
Supplies and services	510	398	141	81	292	401	356	339	270	211	286	590	1 855	2 020
Grants and subsidies	34	95	39	-	-	4	15	44	98	98	-	-	186	241
Depreciation and borrowings	-	-	-	-	89	77	-	-	-	-	-	-	89	77
Borrowing costs	-	-	-	-	2	4	-	-	-	-	-	-	2	4
Other expenses	-	-	-	-	-	-	-	-	-	-	44	47	44	47
Total expenses	715	514	326	179	1 580	1 539	580	982	817	723	662	699	4 680	4 636
Net result	(27)	(4)	(36)	54	(236)	258	273	140	(1)	(69)	379	(109)	352	270

The Board has determined that assets and liabilities cannot be reliably attributed to individual programs.

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

1.3. Net assets received from an Administrative Restructure

2021-22

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

2020-21

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

- On 25 June 2020, by notice of the Premier in the SA Government Gazette, 26 (23.9 FTE) employees transferred from DEW to the Board pursuant to section 9 (1) of the *Public Sector Act 2009* (the PS Act), to take effect from 1 July 2020.
- On 1 April 2021, by notice of the Premier in the SA Government Gazette, a further 1 (1.0 FTE) employee transferred from DEW to the Regional Landscape Boards pursuant to section 9 (1) of the PS Act, to take effect from 12 April 2021.

Transferred in

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

	\$'000
Assets	
Cash and cash equivalents	717
Receivables	1
Total assets	718
Liabilities	
Payables	69
Provisions	36
Employee benefits	648
Total liabilities	753
Total net assets/(liabilities) transferred	(35)

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

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

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

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

Transferred in

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

	\$'000
Assets	
Cash and cash equivalents	1 052
Receivables	849
Total assets	1 901
Liabilities	
Payables	226
Total liabilities	226
Total net assets/(liabilities) transferred	1 675

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

1.4. Impact of COVID-19 pandemic on the Board

The COVID-19 pandemic has continued to have minor impacts on the Board delivery during the financial year. The Board has applied adaptive management as required, moving staff to work from home arrangements where feasible. The Board continues to maintain a local area policy to manage COVID-19 impacts on job safety, public interactions and other precautions for staff and the public where facilities remained open, adopting best practice advice to ensure personal safety at those sites.

There have been minor impacts to delivery of some projects with delivery timeframes needing to be adjusted or Board functions, such as delays to timing of meetings, or having to move meetings to online delivery systems, however these impacts have not been financial.

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

2. Income

2.1. Landscape and water levies

	2022	2021
	\$'000	\$'000
Landscape levy collected within council areas	2 972	2 942
Water levy collected through DEW	448	441
Landscape levy collected from out of council areas	35	48
Total landscape and water levies	3 455	3 431

Landscape and water levies are collected under Part 5 of the Landscape Act and are received into the Landscape Administration Fund (LAF). The LAF is administered by DEW and funds are transferred to the Board from DEW.

Landscape levy collected within council areas

The Board declares contributions by councils under Section 66 of the Landscape Act for the relevant financial year by notice in the Board Annual Business Plan. The landscape levy is then collected by constituent councils from ratepayers and is based on the value of rateable land.

Revenue is recognised when the invoice is raised at the beginning of the levy period to which they relate. Councils may seek to recover costs in accordance with the Landscape Act, incurred in the collection of the levy.

Water levies collected through DEW

The Minister declares the water levy rates by notice of gazette under section 76 of the Landscape Act for water licence holders within a prescribed area. Invoices are raised at the start of each financial year with the levies collected by DEW and passed onto the Board. Revenue is recognised when the funds are received by DEW.

Landscape levy collected from out of council areas

The Board declares a landscape levy by notice of gazette under Section 71 of the Landscape Act for persons who occupy land outside council areas, based on the size of area occupied. Levy collection is administered by DEW with invoices raised in September of each financial year, and revenue is recognised when funds are received by DEW.

2.2. Commonwealth-sourced grants and funding

	2022	2021
	\$'000	\$'000
Regional Land Partnerships Program	1 364	1 317
Total Commonwealth-sourced grants and funding	1 364	1 317

The Board has determined that the Commonwealth funding included in the table above is accounted for under AASB 1058. Commonwealth funding is generally paid in arrears, subject to an approved declaration of claim by the Board. The Board has determined that it has an unconditional contractual right to receive a portion of the funding under AASB 9 when a claim is submitted, as it has satisfied the eligibility criteria and expects that the claim will be accepted. Accordingly, revenue and a receivable are recognised when the claim is submitted. When Commonwealth funding is paid in advance it is recognised on receipt.

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

2.3. Grant revenues

	2022	2021
	\$'000	\$'000
Income recognised under AASB 1058		
State Government Grants	133	75
Sundry grants	6	7
Total income recognised under AASB 1058	<u>139</u>	<u>82</u>

	2022	2021
	\$'000	\$'000
Income recognised under AASB 15		
State Government Grants	10	-
Total income recognised under AASB 15	<u>10</u>	<u>-</u>
Total grant revenues	<u><u>149</u></u>	<u><u>82</u></u>

Grants recognised under AASB 1058

The Board has determined that the grant income included in the table above under AASB 1058 has been earned under arrangements that are either not enforceable and/or not linked to sufficiently specific performance obligations.

Income from grants without any sufficiently specific performance obligations, or that are not enforceable, is recognised when the Board has an unconditional right to receive cash which usually coincides with receipt of cash.

Grants recognised under AASB 15

Income from grants that are enforceable and with sufficiently specific performance obligations are accounted for as revenue from contracts with customers under AASB 15. The existence of a sufficiently specific performance obligation, when it is satisfied and the amount of revenue to be allocated to each performance involves significant judgement. Revenue is recognised when the Board satisfies the performance obligation by providing the relevant services. The payments are normally received in advance or shortly after the relevant obligation is satisfied. Where payments are received in advance and performance obligations are still outstanding, a contract liability is recognised.

Contract Balances	2022	2021
	\$'000	\$'000
Contract liabilities	167	-
Total contract liabilities	<u>167</u>	<u>-</u>

Contract liabilities relate to Landscape Priorities Fund grants received in advance from the State Government, for which revenue will be recognised as performance obligations are satisfied.

2.4. Other income

	2022	2021
	\$'000	\$'000
Sale of goods	62	40
Resources received free of charge	-	31
Other revenue	2	4
Total other income	<u>64</u>	<u>75</u>

Eyre Peninsula Landscape Board

Notes to and forming part of the financial statements

for the year ended 30 June 2022

3. Board, committees and employees

3.1. Key management personnel

Key management personnel of the Board comprise the Minister for Climate, Environment and Water, the Presiding Member, other members of the Board and the General Manager who have responsibility for the strategic direction and management of the Board. In 2021-22, the Board approved a policy which included the members of the Senior Management Team as key management personnel for the first time.

The total compensation for the Board's key management personnel was \$610 000 (2021: \$215 000).

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*.

Transactions with key management personnel and other related parties

No transactions with key management personnel or related parties occurred during 2021-22.

3.2. Board and committee members

Members during the 2021-2022 financial year were:

The Board

M Whitfield (Presiding Member)
B Foster (resigned May 2022)
A Irvine
J Major
D May
S Milner
M Turner

Risk, Audit and Finance Committee

D Laube (Chair)
M Whitfield (Presiding Member)
R Donaldson
J Major
S Milner

Board and committee remuneration

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

	2022	2021
\$0 - \$19 999	8	8
\$20 000 - \$39 999	1	1
Total number of members	9	9

The total remuneration received or receivable by members was \$39 000 (2021: \$46 000). Remuneration of members reflects all costs of performing Board, Group and Committee member duties including sitting fees, superannuation contributions, salary sacrifice benefits and fringe benefits, and any FBT paid or payable in respect of those benefits.

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

3.2. Board and committee members (continued)

For the purposes of this table, travel allowances and other out-of-pocket expenses paid to members have not been included as remuneration as it is considered to be reimbursement of direct out-of-pocket expenses incurred by relevant members. These expenses, in addition to payroll tax amount to \$16 000 (2021: \$25 000).

3.3. Employee benefits expense

	2022	2021
	\$'000	\$'000
Salaries and wages	1 944	1 769
Employment on-costs - superannuation	219	188
Annual leave	193	167
Employment on-costs - other	113	103
Board and committee fees	38	45
Skills and experience retention leave	9	5
Workers compensation	5	(22)
Other employee related expenses	1	-
Long service leave	(18)	(8)
Total employee benefits expense	2 504	2 247

Employment on-costs – superannuation

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

Executive remuneration

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

	2022	2021
	No	No
\$157 001 – \$177 000	-	1
\$177 001 – \$197 000	1	-
Total	1	1

The total remuneration received by those employees for the year was \$182 000 (2021: \$171 000).

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 of employment including salaries and wages, payments in lieu of leave, superannuation contributions, termination payments, salary sacrifice benefits and fringe benefits and any related fringe benefits tax.

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

3.4. Employee benefits liability

	2022	2021
	\$'000	\$'000
<u>Current</u>		
Annual leave	129	135
Long service leave	39	66
Skills and experience retention leave	6	4
Accrued salaries and wages	-	63
Total current employee benefits	174	268
<u>Non-current</u>		
Long service leave	334	363
Total non-current employee benefits	334	363
Total employee benefits liability	508	631

Long-term employee benefits are measured at present value and short-term employee benefits are measured at nominal amounts.

Long service leave

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

The expected timing and amount of long service leave payments is determined through whole-of-government actuarial calculations, which is then applied to the department'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 department. 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 2021 (1.25%) to 2022 (3.5%).

This increase in the bond yield results in a decrease in the reported long service leave liability.

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

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

4. Expenses

4.1. Supplies and services

	2022	2021
	\$'000	\$'000
Fee for service	551	423
Fee for service - Agricultural Innovation	412	375
Fee for service - Corporate fee	277	476
Accommodation and property management	131	160
Fee for service - Shared Services SA	107	102
Motor vehicles	61	48
Information technology and communication charges	44	33
Minor works, maintenance and equipment	42	45
Commissions and selling costs	42	40
Consultants	39	-
Transport	36	37
Travel and accommodation	32	39
Staff development	32	21
General administration	30	27
Monitoring	10	3
Fee for service - Board funded DEW salaries	6	129
Other supplies and services	3	62
Total supplies and services	1 855	2 020

4.2. Grants and subsidies

	2022	2021
	\$'000	\$'000
Recurrent grants - P&NFP	162	193
Recurrent grants - Local Government	24	48
Total grants and subsidies	186	241

The Board provided financial assistance to local government, State Government agencies and private bodies during the year. Funds are paid by way of grants and all recipients are required to comply with conditions relevant to each grant.

4.3. Other expenses

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

Audit fees paid/payable to the Auditor-General's Department relate to work performed under the *Public Finance and Audit Act 1987* were \$43 800 (2021: \$46 600). No other services were provided by the Auditor-General's Department.

Eyre Peninsula Landscape Board
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5. Non-financial assets

Property, plant and equipment comprises tangible assets owned by the Board and right-of-use leased assets. The assets presented below do not meet the definition of investment property.

5.1. Property, plant and equipment

Property, plant and equipment with a value equal to or in excess of \$10 000 is capitalised, otherwise it is expensed. Property, plant and equipment owned by the Board is recorded at fair value.

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.

Reconciliation of non-current assets 2021-22

	Plant and equipment \$'000	ROU Vehicles \$'000	Total \$'000
Carrying amount at the beginning of the period	50	186	236
Acquisitions	-	1	1
Depreciation	(19)	(70)	(89)
Carrying amount at the end of the period	31	117	148

Gross carrying amount

Gross carrying amount	149	245	394
Accumulated depreciation	(118)	(128)	(246)
Carrying amount at the end of the period	31	117	148

Reconciliation of non-current assets 2020-21

	Plant and equipment \$'000	ROU Vehicles \$'000	Total \$'000
Carrying amount at the beginning of the period	-	-	-
Assets received for nil consideration	31	-	31
Acquisitions	25	257	282
Depreciation	(6)	(71)	(77)
Carrying amount at the end of the period	50	186	236

Gross carrying amount

Gross carrying amount	149	257	406
Accumulated depreciation	(99)	(71)	(170)
Carrying amount at the end of the period	50	186	236

Review of accounting estimates

Assets' residual values, useful lives and depreciation methods are reviewed and adjusted if appropriate, on an annual basis. Changes in the expected 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.

Eyre Peninsula Landscape Board
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5.1. Property, plant and equipment (continued)

Useful life

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

Class of asset	Useful Life (years)
Plant and Equipment	2-10
Right-of-use vehicles	3-5

Impairment

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

Property, plant and equipment leased by the Board

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

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

The Board has 13 motor vehicle leases with the South Australian Government Financing Authority (SAFA). Motor vehicle leases are non-cancellable, with rental payments monthly in arrears. Motor vehicle lease terms can range from 3 years (60,000km) up to 5 years (100,000km). No contingent rental provisions exist within the lease agreements and no options exist to renew the leases at the end of their term.

Lease liabilities related to the right-of-use assets are disclosed in note 7.2. Expenses related to leases includes depreciation disclosed at note 5.1 and the borrowing costs on the Statement of Comprehensive Income. Cash outflows related to leases are disclosed in the Statement of Cash Flows.

6. Financial assets

6.1. Cash and cash equivalents

	2022	2021
	\$'000	\$'000
Deposits with the Treasurer	2 543	2 141
Total cash and cash equivalents	2 543	2 141

The Eyre Peninsula Landscape fund was established in accordance with section 96 of the Landscape Act. The account is an interest bearing Deposit account with the Department of Treasury and Finance (DTF) pursuant to section 21 of the *Public Finance and Audit Act 1987*.

Eyre Peninsula Landscape Board
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6.2. Receivables

	2022	2021
	\$'000	\$'000
<u>Contractual receivables</u>		
From government entities	2	67
From non-government entities	408	405
Accrued revenues	39	26
Prepayments	9	-
Total contractual receivables	<u>458</u>	<u>498</u>
<u>Statutory receivables</u>		
Accrued landscape levies	174	112
Total statutory receivables	<u>174</u>	<u>112</u>
Total current receivables	<u>632</u>	<u>610</u>

Contractual receivables arise in the normal course of selling goods and services to other government agencies and to the public. Contractual receivables are generally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement.

Statutory receivables do not arise from contracts with customers. They are recognised and measured similarly to contractual receivables but are not classified as financial instruments for disclosure purposes.

Receivables, prepayments and accrued revenues are non-interest bearing. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

The expected credit loss of government debtors is considered to be nil based on the external credit ratings and nature of the counterparties. The Board has assessed non-government debtors for impairment and determined that no impairment will be recognised as they comprise a small number of low balances which are current and collectable.

7. Liabilities

7.1. Payables

	2022	2021
	\$'000	\$'000
Current		
Contractual payables	186	97
Accrued expenses	56	59
Statutory payables		
Employment on-costs	40	55
Total statutory payables	<u>40</u>	<u>55</u>
Total current payables	<u>282</u>	<u>211</u>
Non-current		
Employment on-costs	32	34
Total non-current payables	<u>32</u>	<u>34</u>
Total payables	<u>314</u>	<u>245</u>

Eyre Peninsula Landscape Board
Notes to and forming part of the financial statements
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7.1. Payables (continued)

Payables and accrued expenses are recognised for all amounts owing but unpaid. Contractual payables are normally settled within 30 days from the date the invoice is received. All payables are non-interest bearing. The carrying amount of payables represents fair value due to their short-term nature.

Statutory payables do not arise from contracts.

Employment on-costs

Employment on-costs include payroll tax, ReturnToWorkSA levies and superannuation contributions and are settled when the respective employee benefits that they relate to is discharged. These on-costs primarily relate to the balance of leave owing to employees. Estimates as to the proportion of long service leave estimated to be taken as leave, rather than paid on termination, affects whether certain on-costs are recognised as a consequence of long service leave liabilities.

As a result of an actuarial assessment performed by DTF, the proportion of long service leave taken as leave remained unchanged from the 2021 rate of 42%. The average factor for the calculation of employer superannuation cost on-costs has increased from the 2021 rate (10.1%) to 2022 (10.6%). These rates are used in the employment on-cost calculation.

7.2. Financial liabilities

	2022	2021
	\$'000	\$'000
Current		
Lease liabilities	64	70
Total current financial liabilities	64	70
Non-current		
Lease liabilities	54	117
Total non-current financial liabilities	54	117
Total financial liabilities	118	187

The Board measures financial liabilities at amortised cost.

Lease liabilities are measured via discounting the lease payments using either the interest rate implicit in the lease or Treasury's incremental borrowing rate. The borrowing costs associated with these lease liabilities was \$2 000 (2021: \$4 000).

Eyre Peninsula Landscape Board
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7.3. Provisions

	2022	2021
	\$'000	\$'000
<u>Current</u>		
Provision for workers compensation	5	4
Total current provisions	5	4
<u>Non-current</u>		
Provision for workers compensation	13	10
Total non-current provisions	13	10
Total provisions	18	14
	2022	2021
	\$'000	\$'000
<i>Reconciliation of workers compensation (statutory and non-statutory)</i>		
Carrying amount at the beginning of the period	14	-
Provisions recognised as a result of restructure activities	-	36
Reductions resulting from payments	(6)	-
Increase/(Decrease) in provisions recognised	10	(22)
Carrying amount at the end of the period	18	14

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 Board is responsible for the payment of workers compensation claims.

8. Outlook

8.1. Unrecognised contractual commitments

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

Expenditure commitments

	2022	2021
	\$'000	\$'000
No later than one year	932	785
Later than one year but not later than five years	156	538
Total expenditure commitments	1 088	1 323

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

The Board's commitments relate to non-cancellable contracts at the reporting date which have not been recognised in the Statement of Comprehensive Income and Statement of Financial Position.

Eyre Peninsula Landscape Board
Notes to and forming part of the financial statements
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8.1. Unrecognised contractual commitments (continued)

The Board's expenditure commitments are for:

- Non-cancellable procurement contracts (\$582 000)
- Non-cancellable Grant Contracts (\$401 000)
- Memoranda of Administrative Arrangements with DEW (\$48 000)
- Memoranda of Administrative Arrangements with the Department for Infrastructure and Transport for accommodation (\$36 000)
- Other lease agreements with local government and private sector entities (\$21 000)

8.2. Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

The Board is not aware of any contingent assets or liabilities.

8.3 Events after the reporting period

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