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To the Presiding Member Kangaroo Island Landscape Board

Opinion

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

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

The financial report comprises:

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

Basis for opinion

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

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

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

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

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

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

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

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



Daniel O'Donohue

Assistant Auditor-General (Financial Audit)

29 November 2022

Kangaroo Island Landscape Board

Financial Statements

For the year ended 30 June 2022

Kangaroo Island Landscape Board
Certification of the Financial Statements
for the year ended 30 June 2022

We certify that the:

- financial statements for the Kangaroo Island 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 Board for the financial year over its financial reporting and its preparation of financial statements have been effective.



Andrew Heinrich
Presiding Member
25 November 2022



Will Durack
General Manager
Kangaroo Island Landscape Board
25 November 2022

Kangaroo Island Landscape Board
Statement of Comprehensive Income
for the year ended 30 June 2022

	Note	2022 \$'000	2021 \$'000
Income			
Landscape Levies	2.1	406	402
Intra-government transfers	2.2	1 346	1 200
Commonwealth-sourced grants and funding	2.3	5 458	3 112
Grant revenues	2.4	894	2 530
Interest revenues		-	1
Other income	2.5	110	229
Total income		8 214	7 474
Expenses			
Employee benefits expenses	3.3	3 191	2 234
Supplies and services	4.1	3 079	2 100
Grants and subsidies	4.2	183	119
Depreciation	5.1	221	165
Borrowing Costs		3	5
Other expenses	4.3	44	47
Total expenses		6 721	4 670
Net result		1 493	2 804
Total comprehensive result		1 493	2 804

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

Kangaroo Island Landscape Board
Statement of Financial Position
as at 30 June 2022

	Note	2022 \$'000	2021 \$'000
Current assets			
Cash and cash equivalents	6.1	4 961	3 772
Receivables	6.2	1 836	1 449
Total current assets		6 797	5 221
Non-current assets			
Receivables	6.2	1	-
Property plant equipment	5.1	308	461
Total non-current assets		309	461
Total assets		7 106	5 682
Current liabilities			
Payables	7.1	309	253
Financial liabilities	7.2	112	169
Employee benefits	3.4	236	249
Provisions	7.3	9	4
Total current liabilities		666	675
Non-current liabilities			
Payables	7.1	24	24
Financial liabilities	7.2	145	214
Employee benefits	3.4	245	256
Provisions	7.3	29	9
Total non-current liabilities		443	503
Total liabilities		1 109	1 178
Net assets		5 997	4 504
Equity			
Retained earnings		5 997	4 504
Total equity		5 997	4 504

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

Kangaroo Island 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		2 804	2 804
Total comprehensive result for 2020-21		2 804	2 804
Net assets received from an administrative restructure	1.3	1 700	1 700
Balance at 30 June 2021		4 504	4 504
Net result for 2021-22		1 493	1 493
Total comprehensive result for 2021-22		1 493	1 493
Balance at 30 June 2022		5 997	5 997

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

Kangaroo Island 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		406	402
Intra-government transfers		1 346	1 200
Commonwealth funding received		5 458	2 653
Grants		527	2 550
Interest received		-	1
Other receipts		102	222
Cash generated from operations		7 839	7 028
<i>Cash outflows</i>			
Employee benefits payments		(3 193)	(2 163)
Supplies and services		(2 966)	(2 124)
Grants and subsidies		(183)	(119)
Interest paid		(3)	(5)
Other payments		(43)	(43)
Cash used in operations		(6 388)	(4 454)
Net cash provided by operating activities		1 451	2 574
Cash flows from investing activities			
<i>Cash outflows</i>			
Purchase of property, plant and equipment		(68)	-
Cash used in investing activities		(68)	-
Net cash used in investing activities		(68)	-
Cash flows from financing activities			
<i>Cash inflows</i>			
Cash received from restructuring activities	1.3	-	1 337
Cash generated from financing activities		-	1 337
<i>Cash outflows</i>			
Repayment of leases		(194)	(139)
Cash used in financing activities		(194)	(139)
Net cash provided (used in) financing activities		(194)	1 198
Net increase / (decrease) in cash and cash equivalents		1 189	3 772
Cash at the beginning of the period		3 772	-
Cash at the end of the period	6.1	4 961	3 772

The accompanying notes form part of these financial statements.

Kangaroo Island Landscape Board

Notes to and forming part of the financial statements

for the year ended 30 June 2022

1. About the Kangaroo Island Landscape Board

The Kangaroo Island Landscape Board (the Board) was established 1 July 2020 as an independent not for profit statutory authority pursuant to the *Landscape South Australia Act 2019* (The Landscape Act).

The Kangaroo Island Landscape Plan 2021-2026 was adopted by the Minister for Environment and Water under section 50 of the Landscape South Australia Act 2019 in June 2021. The Board operates under a Business Plan which aligns to the Landscape Plan for implementation on 1 July 2021. The Business Plan identifies the boards expected 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) during 2021-22 for the delivery of corporate support services to the Board to ensure it is able 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.

Kangaroo Island Landscape Board

Notes to and forming part of the financial statements

for the year ended 30 June 2022

1.2. Objectives and priorities

Board's 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 priorities

The Kangaroo Island Business Plan 2021-22 sets out the Boards investment in five priorities:

Community

- This priority focuses on a connected community at the centre of decision making

Biodiversity

- This priority focuses on healthy terrestrial and marine ecosystems and biodiversity

Economy

- This priority focuses on sustainable primary production and the island's economy

Water

- This priority focuses on effective water management

Pests

- This priority focuses on effective terrestrial and marine pest management

The Board invests in and delivers a suite of programs across the region to achieve the priorities and focus areas.

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

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

1.2. Objectives and priorities (continued)

Expenses and income by priority

For the year ended 30 June 2022

	Community		Biodiversity		Economy		Water		Pests		Total	
	2022 \$'000	2021 \$'000										
Income												
Landscape Levies	-	-	-	-	-	-	-	-	406	402	406	402
Intra-government transfers	630	651	295	75	72	-	126	108	223	366	1 346	1 200
Commonwealth-sourced grants and funding	310	340	3 019	1 775	861	247	168	31	1 100	719	5 458	3 112
Grant revenues	194	382	208	1 870	44	-	80	63	368	215	894	2 530
Interest	-	1	-	-	-	-	-	-	-	-	-	1
Other income	3	-	78	223	-	4	3	2	26	-	110	229
Total income	1 137	1 374	3 600	3 943	977	251	377	204	2 123	1 702	8 214	7 474
Expenses												
Employee benefit expense	767	577	1 116	724	153	133	174	141	981	659	3 191	2 234
Supplies and services	3	414	2 181	818	153	160	136	43	606	665	3 079	2 100
Grants and subsidies	66	34	117	75	-	-	-	-	-	10	183	119
Depreciation	164	121	57	44	-	-	-	-	-	-	221	165
Borrowing costs	-	3	3	2	-	-	-	-	-	-	3	5
Other expenses	44	47	-	-	-	-	-	-	-	-	44	47
Total expenses	1 044	1 196	3 474	1 663	306	293	310	184	1 587	1 334	6 721	4 670
Net result	93	178	126	2 280	671	(42)	67	20	536	368	1 493	2 804

Kangaroo Island 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, 29 (22.8 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 3 (3.0 FTE) employees transferred from DEW to the Regional Landscape Boards pursuant to section 9 (1) of the *Public Sector Act 2009* (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 their staffing transfer:

	\$'000
Current assets	
Cash and cash equivalents	500
Receivables	1
Total assets	501
Current liabilities	
Payables	49
Employee benefits	451
Provisions	34
Total liabilities	534
Total net assets/(liabilities) transferred	(33)

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

Kangaroo Island 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 Kangaroo Island 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.

	\$'000
Current assets	
Cash and cash equivalents	837
Receivables	1 001
Property plant and equipment	340
Total assets	2 178
Current liabilities	
Payables	211
Financial liabilities	234
Total liabilities	445
Total net assets transferred	1 733

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 impacted from March 2020. The Kangaroo Island Landscape Board managed flexible working arrangement for staff to work from home arrangements where feasible. The Board also ensured precautions were taken for staff and the public where sites and facilities remained open, adopting best practice advice to ensure personal safety at those sites.

A key impact to the board in 2021-22 was delay in recruitment of staff due to border closures and travel restrictions in the first and second quarters of 2021-22. Where possible, project deliverables have been extended into next financial year.

1.5. Impact of the Kangaroo Island Bushfires on the Board

In December 2019, multiple fires burnt 212,000 ha, nearly half of Kangaroo Island.

The Board has received additional funding from the State Government, Commonwealth Government and private industry in 2020-21 and 2021-22 to assist the recovering Kangaroo Island community, industry and environment.

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

2. Income

2.1. Landscape levies

	2022	2021
	\$'000	\$'000
Landscape Levy collected within council areas	406	402
Total Landscape Levies	406	402

Landscape levies are collected under Part 5 of the *LSA 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 also seek to recover costs in accordance with the Landscape Act, incurred in the collection of the levy.

2.2. Intra-government transfers

	2022	2021
	\$'000	\$'000
State Government recurrent funding	1 230	1 200
Commonwealth funding	116	-
Total Intra-government transfers	1 346	1 200

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

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

Commonwealth funding relates to funding transferred from the Limestone Coast Landscape Board for a joint soil extension project.

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

2.3. Commonwealth sourced grants and funding

	2022	2021
	\$'000	\$'000
Regional Land Partnerships Program*	4 545	2 880
Commonwealth grants	913	232
Total Commonwealth-sourced grants and funding	5 458	3 112

	2022	2021
	\$'000	\$'000
* Regional Land Partnerships Program funding consists of the following components		
Bushfire Recovery Funding (BRF)	2 415	708
Core services (NLP)	442	465
Creating a Safe Haven for the Kangaroo Island Dunnart (NLP)	440	432
Recovering the Kangaroo Island Narrow Leaved Mallee Woodland (NLP)	583	410
Planning for the Future of the Kangaroo Island Dunnart (ERF)	402	400
Emergency Pest Mitigation (NLP)	-	250
Building Resilient Ag (NLP)	134	116
Building Native Oyster shellfish Reefs	129	99
Total Regional Land Partnership funding	4 545	2 880

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.

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

2.4. Grant revenues

	2022	2021
	\$'000	\$'000
Income recognised under AASB 1058		
State Government Grants	413	2 516
Sundry grants	481	14
Total grant revenues	894	2 530

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.

Error Correction

An error correction of \$1.826 million adjusted between contract liabilities and grant revenues in the prior year has been disclosed above. The error correction is in accordance with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, and resulted in a decrease in the contract liabilities and increase in grant revenue due to an incorrect classification between AASB 15 and AASB 1058. This also resulted in an increase of net result in the prior year and opening equity of \$1.826 million.

2.5. Other income

	2022	2021
	\$'000	\$'000
Sale of goods	107	183
Other revenue	3	46
Total other income	110	229

Other income includes revenue generated from the sales of goods such as native plants and associated equipment. The revenue is recognised upon the delivery of the service to the customer, which is in arrears, therefore no contract liability is recognised.

Kangaroo Island 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 includes the Minister for Climate, Environment and Water, the Presiding Member, members and the Regional Director who have responsibility for the strategic direction and management of the Board.

The total compensation for the Board's key management personnel was \$208 000 in 2021-22 (2021: \$218 000).

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 under section 6 of the *Parliamentary Remuneration Act 1990*.

Related party transactions

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

Related parties of the Board include all key management personnel and their close family members; all Cabinet Ministers and their close family members; and all public authorities that are controlled and consolidated into the whole of government financial statements and other interests of the Government.

Transactions with key management personnel and other related parties

No material transactions with key management personnel or related parties have occurred throughout 2021-22.

3.2. Board and committee members

Members during the 2021-22 financial year were:

The Board

A Heinrich (Presiding Member)
P T Pledge
G M Crowley
P K Davis
M R Pengilly
R L Willson
P D Rismiller

Board and committee remuneration

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

	2022	2021
	\$'000	\$'000
\$0 - \$19 999	6	6
\$20 000 - \$39 999	1	1
Total number of members	7	7

Kangaroo Island 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)

Remuneration of members reflects all costs of performing Board, Group and Committee member duties including sitting fees, superannuation contributions, salary sacrifice benefits and fringe benefits, and any FBT paid or payable in respect of those benefits. The total remuneration received or receivable by members was \$53 000 (2021: \$47 000).

For the purpose of this table, travel allowances and other out-of-pocket expenses paid to members have not been included as remuneration as it is considered to be reimbursement of direct out-of-pocket expenses incurred by relevant members.

3.3. Employee benefits expense

	2022	2021
	\$'000	\$'000
Salaries and wages	2 505	1 702
Employment on-costs - superannuation	276	186
Annual leave	202	148
Employment on-costs - other	145	112
Targeted voluntary separation packages	-	66
Board and committee fees	38	43
Skills and experience retention leave	2	2
Other employee related expenses	2	1
Long service leave	(6)	(5)
Workers compensation	27	(21)
Total employee benefits expense	3 191	2 234

Employment on-costs - superannuation

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

Executive remuneration

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

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

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

The total remuneration received by those employees for the year was \$164 000 (2021: \$nil).

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.

Kangaroo Island 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	209	132
Accrued salaries and wages	5	83
Long service leave	20	33
Skills and experience retention leave	2	1
Total current employee benefits	236	249
<u>Non-current</u>		
Long service leave	245	256
Total non-current employee benefits	245	256
Total employee benefits liability	481	505

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

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 Board'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 Board. 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.

Kangaroo Island 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	1 847	673
Fee for service - Corporate services fee to DEW	347	474
Motor vehicles	141	83
Minor works, maintenance and equipment	140	249
Fee for service - Shared Services SA fee	102	59
Information technology and communication expenses	68	43
Accommodation and property management	58	28
General administration	39	24
Contracted staff development	29	8
Travel and accommodation	28	26
Transport	1	-
Fee for service - Board funded DEW salaries	-	139
Other supplies and services	279	294
Total supplies and services	3 079	2 100

4.2. Grants and subsidies

	2022	2021
	\$'000	\$'000
Recurrent grants	183	119
Total grants and subsidies	183	119

The Board provided financial assistance to 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.

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

4.3. Other expenses

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

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

Kangaroo Island 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.

5.1. Property, plant and equipment

Property, plant and equipment owned by the Board with a value equal to or in excess of \$10 000 is capitalised, otherwise it is expensed. Property, plant and equipment owned by the Board is recorded at fair value. Detail about the Board's approach to fair value is set out in note 9.2.

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

Reconciliation 2021-22

	Computing equipment	Plant and equipment	Capital work in progress	ROU buildings	ROU vehicles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	-	36	48	153	224	461
Acquisitions	-	-	-	-	68	68
Transfer between asset classes	-	48	(48)	-	-	-
Depreciation	-	(27)	-	(77)	(117)	(221)
Disposals	-	-	-	-	-	-
Carrying amount at the end of the period	-	57	-	76	175	308
Gross carrying amount						
Gross carrying amount	30	313	-	307	333	983
Accumulated depreciation	(30)	(256)	-	(231)	(158)	(675)
Carrying amount at the end of the period	-	57	-	76	175	308

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5.1. Property, plant and equipment (continued)

Reconciliation 2020-21

	Computing equipment \$'000	Plant and equipment \$'000	Capital work in progress \$'000	ROU buildings \$'000	ROU vehicles \$'000	Total \$'000
Carrying amount at the beginning of the period	-	-	-	-	-	-
Acquisitions	-	-	-	-	289	289
Acquisition through administrative restructuring	-	61	48	230	-	339
Depreciation	-	(25)	-	(77)	(63)	(165)
Disposals	-	-	-	-	(2)	(2)
Carrying amount at the end of the period	-	36	48	153	224	461
Gross carrying amount						
Gross carrying amount	30	265	48	307	282	932
Accumulated depreciation	(30)	(229)	-	(154)	(58)	(471)
Carrying amount at the end of the period	-	36	48	153	224	461

Review of accounting estimates

Assets' residual values, useful lives and amortisation methods are reviewed and adjusted, if appropriate, on an annual basis. Changes in the expected life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate.

Kangaroo Island 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	5
Right-of-use vehicles	3-5
Right-of-use buildings	5

Impairment

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

There were no indications of impairment of property, plant and equipment as at 30 June 2022.

5.2. Property, plant and equipment leased by the Board

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

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

The Board has two leases held directly between the Board and landlords, one for office accommodation in Kingscote and the other is for the Nursery and Seedbank facility, operations includes propagation and sales of seedlings and plants. Rent is payable in arrears for both leases. The Office accommodation is leased from Berden Family Super Fund and is in place up to 30 June 2023 and the Nursery facility is leased from Cajetan and Giannina Amadio in place up to 30 June 2023. Lease payments are reviewed annually in line with CPI indexation.

The Board has 18 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 variable lease payments are provided for in the lease agreements and no options exist to renew the leases at the end of their term.

The lease liabilities related to the right-of-use assets are disclosed in note 7.2. Expenses related to leases, including depreciation and interest expenses, are disclosed in notes 4.3 and 5.1. Cash outflows related to leases are disclosed in the Statement of Cash Flows.

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

6. Financial assets

6.1. Cash and cash equivalents

	2022	2021
	\$'000	\$'000
Deposits with the Treasurer	4 961	3 772
Total cash and cash equivalents	4 961	3 772

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

Cash is measured at nominal amounts.

6.2. Receivables

	2022	2021
	\$'000	\$'000
Current		
Receivables		
Debtors	1 814	1 354
Accrued revenues	10	95
Prepayments	12	-
Total current receivables	1 836	1 449
Non-current		
Workers compensation recoveries	1	-
Total non-current receivables	1	-
Total receivables	1 837	1 449

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

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

Kangaroo Island Landscape Board
Notes to and forming part of the financial statements
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7. Liabilities

Employee benefits liabilities are disclosed in note 3.4.

7.1. Payables

	2022	2021
	\$'000	\$'000
Current		
Trade payables	196	124
Accrued expenses	60	74
Employment on-costs	53	55
Total current payables	309	253
Non-current		
Employment on-costs	24	24
Total non-current payables	24	24
Total payables	333	277

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

Employment on-costs

Employment on-costs include payroll tax, ReturnToWorkSA levies and superannuation contributions and are settled when the respective employee benefits that they relate to is discharged.

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

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

Kangaroo Island Landscape Board
Notes to and forming part of the financial statements
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7.2. Financial liabilities

	2022	2021
	\$'000	\$'000
Current		
Lease liabilities	112	169
Total current financial liabilities	112	169
Non-current		
Lease liabilities	145	214
Total non-current financial liabilities	145	214
Total financial liabilities	257	383

The Board measures financial liabilities at amortised cost.

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

7.3. Provisions

	2022	2021
	\$'000	\$'000
<u>Current</u>		
Provision for workers compensation	9	4
Total current provisions	9	4
<u>Non-current</u>		
Provision for workers compensation	29	9
Total non-current provisions	29	9
Total provisions	38	13
<i>Reconciliation of workers compensation (statutory and non-statutory)</i>		
Carrying amount at the beginning of the period	13	-
Provisions recognised as a result of restructure activities	-	34
Increase/ (Decrease) in provisions recognised	25	(21)
Carrying amount at the end of the period	38	13

A provision has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2022 provided by a consulting actuary engaged through the Office of the Commissioner for the Public Sector Employment. The provision is for the estimated cost of ongoing payments to employees as required under current legislation.

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

Kangaroo Island Landscape Board
Notes to and forming part of the financial statements
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8. Outlook

8.1. Unrecognised contractual commitments

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

Expenditure commitments

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

	2022	2021
	\$'000	\$'000
No later than one year	95	668
Total other commitments	95	668

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

8.2. Contingent assets and liabilities

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

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

9. Measurement and risk

9.1. Fair value

AASB 13 *Fair Value Measurement* defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, in the principal or most advantageous market, at the measurement date.

Initial recognition

Non-current assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition.

Where assets are acquired at no value, or minimal value, they are recorded at their fair value in the Statement of Financial Position. However, if the assets are acquired at no or nominal value as part of a restructure of administrative arrangements, then the assets are recognised at book value (i.e. the amount recorded by the transferor public authority immediately prior to the restructure).

Revaluation

Property, plant and equipment are subsequently measured at fair value after allowing for accumulated depreciation.

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

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