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## To the Presiding Member Murraylands and Riverland Landscape Board

### Opinion

I have audited the financial report of the Murraylands and Riverland 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)**

29 November 2022

# **Murraylands and Riverland Landscape Board**

## **Financial Statements**

For the year ended 30 June 2022

We certify that the:

- financial statements for the Murraylands and Riverland 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 Murraylands and Riverland Landscape Board for the financial year over its financial reporting and its preparation of financial statements have been effective.



Dianne Davidson

**Presiding Member**

24 November 2022



Andrew Meddle

**General Manager**

Murraylands and Riverland Landscape Board

24 November 2022

**Murraylands and Riverland Landscape Board**  
**Statement of Comprehensive Income**  
*for the year ended 30 June 2022*

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	Note	2022 \$'000	2021 \$'000
<b>Income</b>			
Landscape and water levies	2.1	11 528	11 424
Commonwealth-sourced grants and funding	2.2	9 228	6 753
Grant revenues	2.3	1 120	891
Intra-government transfers	2.4	231	-
Interest revenues		-	3
Other income	2.5	373	391
<b>Total income</b>		<b>22 480</b>	<b>19 462</b>
<b>Expenses</b>			
Employee benefits expense	3.3	7 020	5 377
Supplies and services	4.1	6 294	6 718
Grants and subsidies	4.2	8 066	3 769
Depreciation	5.1	572	666
Borrowing Costs		9	17
Other expenses	4.3	51	53
<b>Total expenses</b>		<b>22 012</b>	<b>16 600</b>
<b>Net result</b>		<b>468</b>	<b>2 862</b>
<b>Total comprehensive result</b>		<b>468</b>	<b>2 862</b>

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

**Murraylands and Riverland Landscape Board**  
**Statement of Financial Position**  
*as at 30 June 2022*

	Note	2022 \$'000	2021 \$'000
<b>Current assets</b>			
Cash and cash equivalents	6.1	11 487	9 934
Receivables	6.2	1 247	2 448
<b>Total current assets</b>		<b>12 734</b>	<b>12 382</b>
<b>Non-current assets</b>			
Property plant and equipment	5.1	958	1 274
<b>Total non-current assets</b>		<b>958</b>	<b>1 274</b>
<b>Total assets</b>		<b>13 692</b>	<b>13 656</b>
<b>Current liabilities</b>			
Payables	7.1	770	765
Financial liabilities	7.2	187	552
Employee benefits liability	3.4	593	606
Provisions	7.3	22	9
<b>Total current liabilities</b>		<b>1 572</b>	<b>1 932</b>
<b>Non-current liabilities</b>			
Payables	7.1	115	115
Financial liabilities	7.2	261	358
Employee benefits liability	3.4	1 200	1 221
Provisions	7.3	69	23
<b>Total non-current liabilities</b>		<b>1 645</b>	<b>1 717</b>
<b>Total liabilities</b>		<b>3 217</b>	<b>3 649</b>
<b>Net assets</b>		<b>10 475</b>	<b>10 007</b>
<b>Equity</b>			
Retained earnings		10 475	10 007
<b>Total equity</b>		<b>10 475</b>	<b>10 007</b>

**Murraylands and Riverland Landscape Board**  
**Statement of Changes in Equity**  
*for the year ended 30 June 2022*

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		Retained earnings \$'000	Total equity \$'000
<b>Balance at 1 July 2020</b>		-	-
Net result for 2020-21		2 862	2 862
<b>Total comprehensive result for 2020-21</b>		<b>2 862</b>	<b>2 862</b>
Net assets received from an administrative restructure	1.3	7 145	7 145
<b>Balance at 30 June 2021</b>		<b>10 007</b>	<b>10 007</b>
Net result for 2021-22		468	468
<b>Total comprehensive result for 2021-22</b>		<b>468</b>	<b>468</b>
<b>Balance at 30 June 2022</b>		<b>10 475</b>	<b>10 475</b>

**Murraylands and Riverland Landscape Board**  
**Statement of Cash Flows**  
*for the year ended 30 June 2022*

	Note	2022 \$'000	2021 \$'000
<b>Cash flows from operating activities</b>			
<i>Cash inflows</i>			
Landscape and water levies received		11 470	11 763
Commonwealth funding received		10 492	5 501
Grants		1 120	891
Intra-government transfers		231	-
Interest received		-	3
Other receipts		373	366
<b>Cash generated from operations</b>		<b>23 686</b>	<b>18 524</b>
<i>Cash outflows</i>			
Employee benefits payments		(7 000)	(5 221)
Payments for supplies and services		(6 139)	(6 783)
Payments of grants and subsidies		(8 214)	(3 519)
Interest paid		(9)	(17)
Other payments		(53)	(46)
<b>Cash used in operations</b>		<b>(21 415)</b>	<b>(15 586)</b>
<b>Net cash provided by operating activities</b>		<b>2 271</b>	<b>2 938</b>
<b>Cash flows from investing activities</b>			
<i>Cash inflows</i>			
<i>Cash outflows</i>			
Purchase of property, plant and equipment		(163)	-
<b>Cash used in investing activities</b>		<b>(163)</b>	<b>-</b>
<b>Net cash used in investing activities</b>		<b>(163)</b>	<b>-</b>
<b>Cash flows from financing activities</b>			
<i>Cash inflows</i>			
Cash received from restructuring activities	1.3	-	7 621
<b>Cash generated from financing activities</b>		<b>-</b>	<b>7 621</b>
<i>Cash outflows</i>			
Repayment of leases		(555)	(625)
<b>Cash used in financing activities</b>		<b>(555)</b>	<b>(625)</b>
<b>Net cash provided by / (used in) financing activities</b>		<b>(555)</b>	<b>6 996</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>1 553</b>	<b>9 934</b>
Cash at the beginning of the period		9 934	-
<b>Cash at the end of the period</b>	6.1	<b>11 487</b>	<b>9 934</b>

# **Murraylands and Riverland Landscape Board**

## **Notes to and forming part of the financial statements**

*for the year ended 30 June 2022*

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### **1. About the Murraylands and Riverland Landscape Board**

The Murraylands and Riverland Landscape Board (the Board) was established pursuant to the *Landscape South Australia Act 2019* (the Landscape Act). The Board is a not for profit entity.

The Murraylands and Riverland Landscape Plan 2021-2026 was approved by the Minister for Environment and Water in July 2021. The Board operates under an annual Business Plan which aligns to the Landscape Plan. The Murraylands and Riverland 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 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.

**Murraylands and Riverland Landscape Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2022*

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**1.2. Objectives and priorities**

**Board objectives**

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

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

**Board priorities**

In discharging its functions under the Landscape Act, the Board delivers on the following priorities as set out in the Murraylands and Riverland Business Plan for 2021-22:

**Sustainable Agricultural and Pastoral Landscapes**

- Work with industry and farming groups to identify and address soil management issues to improve soil health and build resilience.
- Encourage integrated management of prioritised pest plants and animals and early detection of alert species for improved biosecurity.
- Promote and support the protection and enhancement of on-farm biodiversity and native vegetation as part of a productive system.
- Promote and demonstrate best management practices to retain ground-cover and reduce erosion risk.
- Support land managers to build resilience in farming systems through monitoring and managing climate risks and extreme events.

**Sustainable Water Use**

- Work with the irrigation industry to optimise water use for productive, environmental and cultural outcomes.
- Ensure sustainable water use by all water users in a changing climate.
- Improve water literacy to develop the community's understanding of water management for productive, environmental and cultural outcomes.
- Support water users to build resilience through monitoring and managing climate risks and extreme events.
- Encourage integrated management of prioritised pest plants and animals and early detection of alert species for improved biosecurity.

**Murraylands and Riverland Landscape Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2022*

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**1.2. Objectives and priorities (continued)**

**Healthy Rivers, Lakes and Wetlands**

- Manage and deliver environmental water to build the resilience of targeted wetland and floodplain ecosystems.
- Actively manage watercourses for improved ecological outcomes in a changing climate.
- Deliver initiatives that improve conditions for threatened species and culturally significant species.
- Improve water literacy to develop the community's understanding of water management for productive, environmental and cultural outcomes.
- Encourage integrated management of prioritised pest plants and animals and early detection of alert species.

**Healthy Natural Landscapes**

- Work in partnership to manage total grazing pressure, including from over-abundant native species.
- Work in partnership to proactively manage fire in the landscape to improve or maintain condition of key ecological and cultural assets.
- Encourage targeted revegetation and restoration.
- Ensure future seed availability of native species for revegetation in a changing climate.
- Improve the level of protection for threatened and culturally significant species and ecological communities.
- Encourage integrated management of prioritised pest plants and animals and early detection of alert species.

**People at the Heart of Landscape Management**

- Build and maintain strategic partnerships with, and between, key stakeholders for mutually beneficial outcomes.
- Work in partnership with First Nations to manage the region's landscapes, protect and restore cultural values and assets, and build capacity.
- Partner with young people, foster their understanding, participation and leadership.
- Strengthen capacity through increased knowledge, skills and participation.
- Support community-led landscape management, providing resources to support community projects and practical action.
- Recognise and encourage volunteers and volunteer community groups and support them to work safely and effectively.

**Foundational Support**

- Develop the regional landscape plan and associated business plans.
- Implement an effective monitoring, evaluation and reporting framework.
- Ensure contractual obligations that come with external funding are delivered.
- Continuously improve the information management systems that support evidence-based decision making.
- Regular communication of Board business.

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

**Murraylands and Riverland Landscape Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2022*

**1.2. Objectives and priorities (continued)**

Income and expenses by priority

	Sustainable Agricultural and Pastoral Landscapes		Healthy Rivers, Lakes and Wetlands		Healthy Natural Landscapes		People at the Heart of Landscape Management		Foundational Support		Total	
	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Income</b>												
Landscape and water levies	1 545	4 196	4 158	945	937	876	1 867	1 851	2 099	2 079	11 528	11 424
Commonwealth-sourced grants and funding	805	5 695	3 552	1 208	1 165	761	705	636	54	56	9 228	6 753
Grant revenues	1	2	34	716	254	185	114	40	102	17	1 120	891
Intra-government transfers	231	-	-	-	-	-	-	-	-	-	231	-
Interest revenues	-	-	1	-	-	-	-	2	-	-	-	3
Other income	219	235	39	69	52	24	16	12	23	28	373	391
<b>Total income</b>	<b>2 801</b>	<b>2 461</b>	<b>7 814</b>	<b>2 921</b>	<b>2 380</b>	<b>1 846</b>	<b>2 702</b>	<b>2 541</b>	<b>2 278</b>	<b>2 180</b>	<b>22 480</b>	<b>19 462</b>
<b>Expenses</b>												
Employee benefits expense	1 245	710	1 401	1 329	905	791	996	719	1 358	922	7 020	5 377
Supplies and services	680	708	2 746	1 190	1 124	879	345	500	454	721	6 294	6 718
Grants and subsidies	280	257	6 380	87	192	198	1 088	1 072	33	25	8 066	3 769
Depreciation	77	89	207	47	55	44	93	108	104	121	572	666
Borrowing costs	1	2	3	1	1	1	1	3	2	4	9	17
Other expenses	6	7	17	4	4	4	9	10	11	9	51	53
<b>Total expenses</b>	<b>2 289</b>	<b>1 773</b>	<b>10 654</b>	<b>2 658</b>	<b>2 281</b>	<b>1 917</b>	<b>2 532</b>	<b>2 412</b>	<b>1 962</b>	<b>1 802</b>	<b>22 012</b>	<b>16 600</b>
<b>Net result</b>	<b>512</b>	<b>688</b>	<b>(722)</b>	<b>263</b>	<b>99</b>	<b>(71)</b>	<b>170</b>	<b>129</b>	<b>316</b>	<b>378</b>	<b>468</b>	<b>2 862</b>

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

**Murraylands and Riverland Landscape Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2022*

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**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, 55 (53.1 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 11 (10.2 FTE) employees 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
<b>Assets</b>	
Cash and cash equivalents	1 862
Receivables	1
<b>Total assets</b>	<u>1 863</u>
<b>Liabilities</b>	
Payables	180
Employee benefits	1 683
Provisions	91
<b>Total liabilities</b>	<u>1 954</u>
<b>Total net assets/(liabilities) transferred</b>	<u><u>(91)</u></u>

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.

Additionally, on 1 July 2020, the *Natural Resources Management Act 2004* (NRM Act) was repealed, and the South Australian Murray Darling Basin Natural Resources Management Board (NRM Board) was abolished. By notice in the Government Gazette on 25 June 2020, a share of the property, assets, rights and liabilities of the NRM Board, with effect from 1 July 2020, were vested in or attached to the Hills and Fleurieu Landscape Board, the Northern and Yorke Landscape Board and the Murraylands and Riverland Landscape Board as follows:

- any property, assets, rights or liabilities that fall within the functions and responsibilities of the Hills and Fleurieu Landscape Board are vested or attached to the Hills and Fleurieu Landscape Board;
- any property, assets, rights or liabilities that fall within the functions and responsibilities of the Northern and Yorke Landscape Board are vested or attached to the Northern and Yorke Landscape Board;
- any other property, assets, rights or liabilities that do not fall within the ambit of paragraph (a) or (b) are vested in or attached to the Murraylands and Riverland Landscape Board.

**Murraylands and Riverland Landscape Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2022*

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

*Transferred in*

The following assets and liabilities were transferred from the NRM Board to the Murraylands and Riverland Landscape Board:

	\$'000
<b>Assets</b>	
Cash and cash equivalents	5 759
Receivables	1 494
Property plant and equipment	<u>1 531</u>
<b>Total assets</b>	<u><b>8 784</b></u>
<b>Liabilities</b>	
Payables	422
Financial liabilities	<u>1 126</u>
<b>Total liabilities</b>	<u><b>1 548</b></u>
<b>Total net assets transferred</b>	<u><u><b>7 236</b></u></u>

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**

Staff absences due to illness increased significantly especially in the second half of the financial year. In addition, even when some staff felt well enough to return to work, lingering symptoms meant a delay in them being able to work at full capacity.

As well as the above, project delivery was impacted by delays in receiving goods and services, and Board run workshops and seminars either having to be cancelled or moved online. In addition, opportunities to promote the Board and interact with the community were impacted by the cancellation of regional Field Days, Farm Fairs and other events.

Networking and training opportunities for staff were also restricted due to a number of events and programs being either cancelled or postponed.

**Murraylands and Riverland Landscape Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2022*

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**2. Income**

**2.1. Landscape and water levies**

	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Water levy collected through DEW	8 603	8 528
Landscape levy collected within council areas	2 925	2 896
<b>Total Landscape and water levies</b>	<b>11 528</b>	<b>11 424</b>

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.

**2.2. Commonwealth-sourced grants and funding**

	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Water Efficiency Program	5 578	3 412
Regional Land Partnership	2 197	2 185
Riverland Indigenous Rangers	657	587
Commonwealth Environmental Water	509	465
Commonwealth On-farm Further Irrigation Efficiency Program	10	28
Other Commonwealth funding	277	76
<b>Total Commonwealth-sourced grants and funding</b>	<b>9 228</b>	<b>6 753</b>

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.

**Murraylands and Riverland Landscape Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2022*

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**2.3. Grant revenues**

	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Income recognised under AASB 1058</b>		
State Government grants	1 000	891
Sundry grants	120	-
<b>Total income recognised under AASB 1058</b>	<b>1 120</b>	<b>891</b>
<b>Total grant revenues</b>	<b>1 120</b>	<b>891</b>

**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 \$525 000 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 \$525 000.

**2.4. Intra-government transfers**

	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Commonwealth funding	231	-
<b>Total intra-government transfers</b>	<b>231</b>	<b>-</b>

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

**2.5. Other income**

	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Sale of goods and services	185	213
Support services income	160	108
Property rental and related income	6	27
Other revenue	22	43
<b>Total other income</b>	<b>373</b>	<b>391</b>

**Murraylands and Riverland Landscape Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2022*

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**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, the General Manager and other members of the Board 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 Executive Leadership Team as key management personnel for the first time.

Total compensation for key management personnel was \$643 000 (2021: \$228 000).

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 of the *Parliamentary Remuneration Act 1990*.

**Transactions with key management personnel and other related parties**

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

**3.2. Board and committee members**

Members of the Murraylands and Riverland Landscape Board during the 2021-22 financial year were:

D M Davidson (Presiding Member)  
J C Size  
A J Biele  
G Cock  
J R Godden  
S N Iosefellis  
C A Phillips

Members of groups and committees during the 2021-22 financial year were:

**Mallee and Coorong Advisory Committee**

R Wickes (Chair)  
S Evans  
D H Hayward  
C Shaw  
L Kluge  
T Strugnell  
S Ifould

**Finance and Risk Committee**

J R Godden (Chair)  
D M Davidson  
J C Size  
J McDonald  
C Phillips

**Water Advisory Committee**

D Plowman (Chair)  
G McCarron  
J Pauer  
S Alm  
R Auricht  
S Blight  
A Jensen  
J Pfeiffer  
D Zadow  
R Hartman  
C Mason

**Box Flat Wild Dog Coordinating Committee**

H Miller\* (Chair)  
M Hannermann  
J Arthur  
N Pfeiffer  
G Clothier  
F Rasheed  
P Gillen\*  
D H Hayward

**Murraylands and Riverland Landscape Board**  
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**3.2. Board and committee members (continued)**

\*In accordance with the Department of the Premier and Cabinet's Circular Number 016, government employees did not receive any remuneration for board/committee duties during the financial year.

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

	2022	2021
\$0 - \$19 999	37	21
\$20 000 - \$39 999	1	1
<b>Total number of members</b>	<b>38</b>	<b>22</b>

The total remuneration received or receivable by members was \$65 000 (2021: \$56 000). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits and fringe benefits, and related fringe benefits tax paid or payable in respect to those benefits.

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 \$29 000 (2021: \$24,000).

**3.3. Employee benefits expense**

	2022	2021
	\$'000	\$'000
Salaries and wages	5 308	4 249
Employment on-costs - superannuation	618	447
Annual leave	531	406
Employment on-costs - other	320	261
Workers compensation	84	(56)
Board and committee fees	59	56
Long service leave	57	(7)
Skills and experience retention leave	34	17
Other employee related expenses	9	4
<b>Total employee benefits expense</b>	<b>7 020</b>	<b>5 377</b>

***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:

	2022	2021
	No	No
\$217 001 – \$237 000	1	-
<b>Total</b>	<b>1</b>	<b>-</b>

**Murraylands and Riverland Landscape Board**  
**Notes to and forming part of the financial statements**  
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**3.3. Employee benefits expense (continued)**

The total remuneration received by those employees for the year was \$235 000 (2021: \$142 000).

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.

**Targeted Voluntary Separation Packages (TVSPs)**

The number of employees who accepted a Rejuvenation Scheme payment was 1 (2021: nil).

	2022	2021
	\$'000	\$'000
Amount paid/payable to separated employees:		
Rejuvenation Scheme	50	-
Leave paid/payable to separated employees	27	-
<b>Net cost to the Board</b>	<b>77</b>	<b>-</b>

**3.4. Employee benefits liability**

	2022	2021
	\$'000	\$'000
<b>Current</b>		
Accrued salaries and wages	5	157
Annual leave	485	383
Long service leave	55	26
Skills and experience retention leave	48	40
<b>Total current employee benefits</b>	<b>593</b>	<b>606</b>
<b>Non-current</b>		
Long service leave	1 200	1 221
<b>Total non-current employee benefits</b>	<b>1 200</b>	<b>1 221</b>
<b>Total employee benefits liability</b>	<b>1 793</b>	<b>1 827</b>

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%).

**Murraylands and Riverland Landscape Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2022*

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**3.4. Employee benefits liability (continued)**

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.

**4. Expenses**

Employee benefits expenses are disclosed in note 3.3.

**4.1. Supplies and services**

	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Fee for service - Water planning management	1 961	1 914
Fee for service	1 174	950
Fee for service - Corporate fee (DEW)	679	1 165
Fee for service - Pumping services for environmental watering	485	519
Minor works, maintenance and equipment	455	324
Accommodation and property management	366	245
Fee for service - Shared Services SA fee	305	293
Motor vehicles	230	186
Information technology and communication charges	139	133
General administration	107	128
Temporary staff	87	56
Contracted staff training and development	67	47
Travel and accommodation	44	45
Fee for service - Board funded DEW salaries	32	564
Monitoring	23	2
Other supplies and services	140	147
<b>Total supplies and services</b>	<b>6 294</b>	<b>6 718</b>

**4.2. Grants and subsidies**

	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Grants and subsidies provided to entities within SA Government</b>		
Grants and subsidies paid to entities within the SA Government	34	43
<b>Total grants and subsidies - SA Government</b>	<b>34</b>	<b>43</b>
<b>Grants and subsidies paid to entities external to the SA Government</b>		
Landholders	6 390	2 226
Local Government and community groups	504	619
Other	1 138	881
<b>Total grants and subsidies - non SA Government</b>	<b>8 032</b>	<b>3 726</b>
<b>Total grants and subsidies</b>	<b>8 066</b>	<b>3 769</b>

**Murraylands and Riverland Landscape Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2022*

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**4.2. Grants and subsidies (continued)**

The Board provided funding to local government, state government agencies, community groups 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**

	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Audit fees	50	53
Bad and doubtful debts	-	(1)
Other	1	1
<b>Total other expenses</b>	<b>51</b>	<b>53</b>

Audit fees paid/payable to the Auditor-General's Department relating to work performed under *the Public Finance and Audit Act 1987* were \$50 100 (2021: \$52 700). No other services were provided by the Auditor-General's Department.

**Murraylands and Riverland Landscape Board**  
**Notes to and forming part of the financial statements**  
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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**

	Land and Buildings \$'000	Plant and equipment \$'000	Vehicles \$'000	ROU Buildings \$'000	ROU Vehicles \$'000	work in progress \$'000	Capital \$'000	Total \$'000
Carrying amount at the beginning of the period	233	121	31	585	304	-	-	1 274
Acquisitions	-	-	-	-	93	-	163	256
Depreciation	(7)	(19)	(2)	(418)	(126)	-	-	(572)
Disposals	-	-	-	-	-	-	-	-
Write-offs	-	-	-	-	-	-	-	-
Carrying amount at the end of the period	226	102	29	167	271	163	163	958
Gross carrying amount	301	314	161	1 303	491	163	163	2 733
Accumulated depreciation	(75)	(212)	(132)	(1 136)	(220)	-	-	(1 775)
Carrying amount at the end of the period	226	102	29	167	271	163	163	958

**Murraylands and Riverland Landscape Board**  
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**5.1. Property, plant and equipment (continued)**

*Reconciliation of non-current assets 2020-21*

	Land and Buildings \$'000	Plant and equipment \$'000	Vehicles \$'000	ROU Buildings \$'000	ROU Vehicles \$'000	Total \$'000
Carrying amount at the beginning of the period	-	-	-	-	-	-
Acquisition through administrative restructuring	240	147	35	1 109	-	1 531
Acquisitions	-	-	-	-	434	434
Depreciation	(7)	(26)	(4)	(502)	(127)	(666)
Disposals	-	-	-	-	(3)	(3)
Write-offs	-	-	-	(22)	-	(22)
<b>Carrying amount at the end of the period</b>	<b>233</b>	<b>121</b>	<b>31</b>	<b>585</b>	<b>304</b>	<b>1 274</b>
<b>Gross carrying amount</b>	<b>301</b>	<b>324</b>	<b>200</b>	<b>1 589</b>	<b>421</b>	<b>2 835</b>
Accumulated depreciation	(68)	(203)	(169)	(1 004)	(117)	(1 561)
<b>Carrying amount at the end of the period</b>	<b>233</b>	<b>121</b>	<b>31</b>	<b>585</b>	<b>304</b>	<b>1 274</b>

**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.

**Murraylands and Riverland Landscape Board**  
**Notes to and forming part of the financial statements**  
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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:

<b>Class of asset</b>	<b>Useful life (years)</b>
Buildings	21 - 55
Plant and equipment	5 - 20
Vehicles	15
Right-of-use buildings	3 - 10
Right-of-use vehicles	1 - 5

**Impairment**

There were no indications of impairment for property, plant and equipment owned by the Board 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. Additions to leased property, plant and equipment were \$136 000 (2021: \$434 000).

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 a limited number of leases:

- 28 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 1 year (20,000km) 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.

The Board has property leases for office accommodation with landlords external to the SA Government:

- The Murray Bridge lease is for a period of five years which commenced on 1 September 2017, there are no extension options for this lease contained in the current agreement
- The Karoonda lease is for a period of 5 years which commenced on 1 April 2019. The lease contains an option for renewal of 5 years commencing on the fifth anniversary of the commencement date of the lease

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 interest expenses disclosed in the Statement of Comprehensive Income. Cash outflows related to leases are disclosed in the Statement of Cash Flows.

**Murraylands and Riverland Landscape Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2022*

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**6. Financial assets**

**6.1. Cash and cash equivalents**

	2022	2021
	\$'000	\$'000
Deposits with the Treasurer	11 487	9 934
<b>Total cash and cash equivalents</b>	<b>11 487</b>	<b>9 934</b>

The Murrayland and Riverland 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*.

**6.2. Receivables**

	2022	2021
	\$'000	\$'000
<b><u>Current</u></b>		
<b>Contractual receivables</b>		
From government entities	48	24
From non-government entities	105	1 678
Accrued revenues	1 031	747
Prepayments	20	15
Less impairment loss on receivables	(16)	(16)
<b>Total contractual receivables</b>	<b>1 188</b>	<b>2 448</b>
<b><u>Statutory receivables</u></b>		
Accrued landscape levies	59	-
<b>Total statutory receivables</b>	<b>59</b>	<b>-</b>
<b>Total current receivables</b>	<b>1 247</b>	<b>2 448</b>

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 (except impairment) 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.

**Murraylands and Riverland Landscape Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2022.*

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**7. Liabilities**

Employee benefits liabilities are disclosed in note 3.4.

**7.1. Payables**

	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b><u>Current</u></b>		
Contractual payables	555	521
Accrued expenses	84	108
<b>Statutory payables</b>		
Employment on-costs	128	136
Paid Parental Leave Scheme payable	3	-
<b>Total statutory payables</b>	<b>131</b>	<b>136</b>
<b>Total current payables</b>	<b>770</b>	<b>765</b>
<b><u>Non-current</u></b>		
<b>Statutory payables</b>		
Employment on-costs	115	115
<b>Total non-current payables</b>	<b>115</b>	<b>115</b>
<b>Total payables</b>	<b>885</b>	<b>880</b>

Payables and accrued expense are raised 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.

**Murraylands and Riverland Landscape Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2022*

**7.2. Financial liabilities**

	2022	2021
	\$'000	\$'000
<b>Current</b>		
Lease liabilities	187	552
<b>Total current financial liabilities</b>	<b>187</b>	<b>552</b>
<b>Non-current</b>		
Lease liabilities	261	358
<b>Total non-current financial liabilities</b>	<b>261</b>	<b>358</b>
<b>Total financial liabilities</b>	<b>448</b>	<b>910</b>

The Board measures financial liabilities at amortised cost. All material cash outflows are reflected in the lease liabilities disclosed above.

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 the lease liabilities was \$9 000 (2021: \$17 000).

**7.3. Provisions**

	2022	2021
	\$'000	\$'000
<b>Current</b>		
Provision for workers compensation	22	9
<b>Total current provisions</b>	<b>22</b>	<b>9</b>
<b>Non-current</b>		
Provision for workers compensation	69	23
<b>Total non-current provisions</b>	<b>69</b>	<b>23</b>
<b>Total provisions</b>	<b>91</b>	<b>32</b>
<b>Reconciliation of workers compensation (statutory and non-statutory)</b>		
Carrying amount at the beginning of the period	32	-
Provisions recognised as a result of restructure activities	-	91
Increase/ (decrease) in provisions recognised	59	(59)
<b>Carrying amount at the end of the period</b>	<b>91</b>	<b>32</b>

A provision has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2022 provided by a consulting actuary engaged through the Office of the Commissioner for 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.

**Murraylands and Riverland Landscape Board**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2022*

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**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***

	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
No later than one year	2 217	6 648
Later than one year but no later than five years	1 328	72
<b>Total expenditure commitments</b>	<b>3 545</b>	<b>6 720</b>

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.

The Board's significant expenditure commitments are for:

- Water Efficiency Projects scheduled to be completed in 2023-24 totalling \$737 000
- Commonwealth on Farm Irrigation Efficiency Projects totalling \$261 000
- Memoranda of Administrative Arrangements with Department for Infrastructure and Transport for accommodation totalling \$1 322 000
- Various other grant commitments totalling \$672 000.

**8.2. Contingent assets and contingent liabilities**

Contingent assets and 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.