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

Opinion

I have audited the financial report of the Board of the Botanic Gardens and State Herbarium (the Board) for the financial year ended 30 June 2023.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Board as at 30 June 2023, 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 2023
- a Statement of Financial Position as at 30 June 2023
- a Statement of Changes in Equity for the year ended 30 June 2023
- a Statement of Cash Flows for the year ended 30 June 2023
- notes, comprising material accounting policy information and other explanatory information
- a Certificate from the Presiding Member, the Director, Board of the Botanic Gardens and State Herbarium and the Chief Financial Officer of the Department for Environment and Water.

Basis for opinion

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

Other matter

I draw attention to the following matter that is relevant to users' understanding of the audit of the Board of the Botanic Gardens and State Herbarium.

Other property, plant and equipment comprises fine art collections, artefacts and library collections totalling \$8.072 million (refer note 5.1 of the financial report). These assets are subject to revaluation.

Treasurer's Instructions (Accounting Policy Statements) APS 116.E requires that, for each asset subject to revaluation, a public authority must at least every six years obtain a valuation appraisal from a qualified valuer.

A valuation appraisal for other property, plant and equipment was last obtained from a qualified valuer for the 30 June 2017 financial statements, meaning that the Board has not complied with APS 116.E.

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

The Director 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 Director is responsible for assessing the entity's ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The Director is also responsible for 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 22(2) of the *Botanic Gardens and State Herbarium Act 1978*, I have audited the financial report of the Board for the financial year ended 30 June 2023.

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 Director
- conclude on the appropriateness of the Director'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 Director about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Andrew Richardson
Auditor-General

28 September 2023

Board of Botanic Gardens and State Herbarium
Certification of the Financial Statements
for the year ended 30 June 2023

We certify that the:

- financial statements of the Board of Botanic Gardens and State Herbarium:
 - 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 operations and cash flows for the financial year.
- internal controls employed by the Board of Botanic Gardens and State Herbarium for the financial year over its financial reporting and its preparation of financial statements have been effective.



Judy Potter

Presiding Member

Board of the Botanic Gardens and
State Herbarium

27 September 2023



Michael Harvey

Director

Board of the Botanic Gardens and
State Herbarium

Department for Environment and Water

27 September 2023



Shaun O'Brien

Chief Financial Officer

Department for Environment and Water

27 September 2023

Board of Botanic Gardens and State Herbarium
Statement of Comprehensive Income
for the year ended 30 June 2023

	Note	2023 \$'000	2022 \$'000
Income			
Fees and charges	2.1	2 415	2 120
Grant revenues	2.2	183	150
Resources received free of charge	2.3	5 786	515
Interest	6.1	169	-
Other income	2.4	977	1 088
Total income		9 530	3 873
Expenses			
Depreciation	5.1	2 416	2 579
Reimbursement of DEW expenses	4.2	1 819	1 860
Supplies and services	4.1	1 754	1 351
Board member expenses	3.3	123	123
Other expenses	4.3	180	173
Total expenses		6 292	6 086
Net result		3 238	(2 213)
OTHER COMPREHENSIVE INCOME			
Changes in property, plant and equipment asset revaluation surplus		-	15 952
Total other comprehensive income		-	15 952
Total comprehensive result		3 238	13 739

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

Board of Botanic Gardens and State Herbarium
Statement of Financial Position
as at 30 June 2023

	Note	2023 \$'000	2022 \$'000
Current assets			
Cash and cash equivalents	6.1	4 752	5 162
Receivables	6.2	263	232
Inventories	5.2	203	156
Total current assets		5 218	5 550
Non-current assets			
Property, plant and equipment	5.1	76 429	72 861
Total non-current assets		76 429	72 861
Total assets		81 647	78 411
Current liabilities			
Payables	7.1	150	152
Total current liabilities		150	152
Total liabilities		150	152
Net assets		81 497	78 259
Equity			
Retained earnings		43 595	40 357
Asset revaluation surplus		37 902	37 902
Total equity		81 497	78 259

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

Board of Botanic Gardens and State Herbarium
Statement of Changes in Equity
for the year ended 30 June 2023

	Note	Asset revaluation surplus \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2021		21 950	42 570	64 520
Net result for 2021-22		-	(2 213)	(2 213)
Gain/(loss) on revaluation of property, plant and equipment	5.1	15 952	-	15 952
Total comprehensive result for 2021-22		15 952	(2 213)	13 739
Balance at 30 June 2022		37 902	40 357	78 259
Net result for 2022-23		-	3 238	3 238
Total comprehensive result for 2022-23		-	3 238	3 238
Balance at 30 June 2023		37 902	43 595	81 497

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

Board of Botanic Gardens and State Herbarium
Statement of Cash Flows
for the year ended 30 June 2023

	Note	2023 \$'000	2022 \$'000
Cash flows from operating activities			
<i>Cash inflows</i>			
Fees and charges		2 495	2 337
Receipts from grants		201	165
Interest received		150	-
Other receipts		853	1 736
Cash generated from operating activities		3 699	4 238
<i>Cash outflows</i>			
Payments for supplies and services		(1 945)	(1 602)
Reimbursement of DEW expenses		(1 819)	(1 860)
Net GST paid to DEW		(122)	(155)
Board member payments		(123)	(123)
Other payments		(81)	(78)
Cash used in operating activities		(4 090)	(3 818)
Net cash provided by operating activities		(391)	420
Cash flows from investing activities			
<i>Cash outflows</i>			
Purchases of property, plant and equipment	5.1	(19)	(38)
Cash used in investing activities		(19)	(38)
Net cash used in investing activities		(19)	(38)
Net increase in cash and cash equivalents		(410)	382
Cash and cash equivalents at the beginning of the reporting period		5 162	4 780
Cash and cash equivalents at the end of the reporting period	6.1	4 752	5 162

The accompanying notes form part of these financial statements.

Board of Botanic Gardens and State Herbarium

Notes to and forming part of the financial statements

For the year ended 30 June 2023

1. About the Board of Botanic Gardens and State Herbarium

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

1.1. Basis of preparation

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

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

For the purposes of preparing the financial statements, the Board is a not-for-profit entity. The financial statements are prepared based on a 12 month reporting 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 identified in the notes to the financial statements.

Income, expenses and assets are recognised net of the amount of GST except:

- When the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- Receivables and Payables, which are stated with the amount of GST included.

The Board is grouped with the Department for Environment and Water (DEW) for GST purposes, and accordingly DEW prepares the Business Activity Statement on behalf of the Board via the grouping provisions of the GST legislation. Notwithstanding the use of these grouping provisions, intercompany cash alignment occurs to ensure the Board either recovers the net amount of GST recoverable from or disburses the amount payable to the ATO from DEW.

Cash flows are included in the Statement of Cash Flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities are recoverable from, or payable to, the DEW are classified as operating 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.

Significant accounting policies are set out throughout the notes.

1.2. Objectives and programs

Strategic context

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

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

Board of Botanic Gardens and State Herbarium
Notes to and forming part of the financial statements
For the year ended 30 June 2023

1.2. Objectives and programs (continued)

Financial arrangements

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

DEW conducts a large number of activities directed towards meeting the Board's responsibilities under the Act. Due to DEW receiving appropriation funding for the operation of the BGSB (including the payment of staff salaries), the revenue and expenditure relating to those activities are recognised in DEW's financial statements rather than the Board's. Activities undertaken by DEW in support of the administration of the Act and the Board are disclosed in note 8.1.

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

Programs of the Board

In achieving its objectives, the Board conducts its services through a single program, Botanic Gardens Management. The purpose of this program is to manage the natural and cultural resources of the Botanic Gardens and State Herbarium to advance plant appreciation, knowledge and conservation through our natural and cultural collections and programs. As the Board conducts its services through a single program, a Statement of Expenses and Income by Program has not been prepared.

Board of Botanic Gardens and State Herbarium
Notes to and forming part of the financial statements
For the year ended 30 June 2023

2. Income

2.1. Fees and charges

	2023	2022
	\$'000	\$'000
Car parking	1 186	987
Professional services	652	695
Garden functions	503	362
Sale of goods	64	48
Expiation fees	10	28
Total fees and charges	2 415	2 120

Car park revenue is collected at Adelaide Botanic Garden (ABG) and Botanic Park site and is recognised as income on receipt.

Professional services relate to recovery programs of threatened species, education programs, plant identification, and review of pest plants, and are recognised in the period in which the services are rendered.

2.2. Grant revenues

	2023	2022
	\$'000	\$'000
Private industry and local government	176	131
Grants received from other entities within the SA Government	7	19
Total grant revenues	183	150

Grant revenue is recognised on receipt.

2.3. Resources received free of charge

	2023	2022
	\$'000	\$'000
Buildings and improvements	3 724	74
Plant and equipment	1 311	-
Park infrastructure	664	337
Roads, tracks and trails	87	104
Total resources received free of charge	5 786	515

Contributions of services are recognised only when a fair value can be determined reliably and the services would be purchased if they had not been donated.

During the current year, assets to the value of \$5.786 million (2022: \$0.515 million) were transferred from DEW to the Board free of charge. Assets transferred in 2022-23 relate to the public conveniences at Adelaide Botanic Garden, Goodman Building restoration, extra solar panels on the Herbarium, repair of water supply holding tank at Mount Lofty Botanic Garden, sealing of overflow carpark Mount Lofty Botanic Garden, irrigation in Botanic Park, Tram Barn restoration and storage.

Board of Botanic Gardens and State Herbarium
Notes to and forming part of the financial statements
For the year ended 30 June 2023

2.4. Other income

	2023	2022
	\$'000	\$'000
Reimbursement of Expenses	324	387
Property rental and related income	351	294
Sponsorships, donations, commissions and bequests	123	182
Asset related adjustments	179	8
Other sundry revenue	-	217
Total other income	977	1 088

Asset related adjustments relate to assets that were not previously recognised by the Board which have been identified through asset stocktake processes during the financial year. All other revenue is recognised upon receipt.

3. Board, committees and employees

3.1. Key management personnel

Key management personnel of the Board include the Minister for Climate, Environment and Water, the Presiding Member, the Director and the other members of the Board who have responsibility for the strategic direction and management of the Board.

Total compensation for key management personnel was \$366 000 in 2022-23 and \$360 000 in 2021-22.

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 the *Parliamentary Remuneration Act 1990*.

Transactions with key management personnel and other related parties

There were no transactions with key management personnel (other than board remuneration) or related parties.

Board of Botanic Gardens and State Herbarium
Notes to and forming part of the financial statements
For the year ended 30 June 2023

3.2. Board and committee members

Members of the board during the 2023 financial year were:

Board of the Botanic Gardens & State Herbarium

J Potter (Presiding Member)

R DiMonte

I M Redmond

E A Raupach

A Kay

L J Parry

P H Kennedy

S A McLennan

Board and committee remuneration

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

	2023	2022
\$0 - \$19 999	7	8
\$20 000 - \$39 999	1	1
Total number of members	8	9

The total remuneration received or receivable by members was \$116 000 (2022: \$116 000). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits, and any related fringe benefits tax.

3.3. Board members expenses

	2023	2022
	\$'000	\$'000
Board and committees fees	105	105
Remuneration on-costs - superannuation	11	11
Other board related expenses	1	1
Remuneration on-costs - other	6	6
Total board member expenses	123	123

Board member expenses include all board fees and other costs including superannuation. These are recognised when incurred.

Services to the Board are provided by personnel employed by DEW; hence no employee benefits or related provisions are included in the Board's financial statements. Employee benefits relating to relevant employees are reflected in the financial statements of DEW.

Board of Botanic Gardens and State Herbarium
Notes to and forming part of the financial statements
For the year ended 30 June 2023

4. Expenses

4.1. Supplies and services

	2023	2022
	\$'000	\$'000
Fee for service	855	633
General administration	298	260
Accommodation	258	174
Minor works, maintenance & equipment	230	114
Scientific and technical services	32	83
Consultants	-	1
Other	81	86
Total supplies and services	1 754	1 351

Accommodation

A part of the Board's accommodation is provided by Department for Infrastructure and Transport under a Memorandum of Administrative Arrangement (MoAA) issued in accordance with Government-wide accommodation policies. These arrangements do not meet the definition of a lease and accordingly are expensed.

4.2. Reimbursement of DEW expenses

	2023	2022
	\$'000	\$'000
Department for Environment and Water (Project costs)**	1 164	1 205
Department for Environment and Water*	655	655
Total reimbursement of DEW expenses	1 819	1 860

* These costs are incurred under a MoAA with DEW to cover the delivery of corporate service functions to the Board and support maintenance and other enhancement works in the garden.

**Contracts are predominantly signed in the name of the Board to deliver professional services. This results in funding being received directly by the Board and then paid to DEW to reimburse costs incurred for contract staff salaries and wages who provide the professional services.

4.3. Other expenses

	2023	2022
	\$'000	\$'000
Bad and doubtful debts	148	-
Property, plant and equipment write-offs	-	129
Audit fees	31	31
Movement in Inventory	1	13
Total other expenses	180	173

Audit fees paid/payable to the Auditor-General's Department relating to work performed under the *Public Finance and Audit Act 1987* were \$31 000 (2022: \$31 000). No other services were provided by the Auditor-General's Department.

Board of Botanic Gardens and State Herbarium
Notes to and forming part of the financial statements
For the year ended 30 June 2023

5. Non-financial assets

5.1. Property, plant and equipment

Reconciliation 2022-23	Land	Buildings and improvements	Park infrastructure	Roads, tracks and trails
	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July 2022	22 165	31 539	9 318	603
Acquisitions	-	-	-	-
Assets received for nil consideration	-	3 724	664	87
Initial Recognition	-	-	-	78
Depreciation	-	(1 301)	(740)	(85)
Carrying amount at 30 June 2023	22 165	33 962	9 242	683
Gross carrying amount				
Gross carrying amount	22 165	73 562	80 967	4 139
Accumulated depreciation	-	(39 600)	(71 725)	(3 456)
Carrying amount at the end of the period	22 165	33 962	9 242	683

	Plant and equipment	Other	Capital work in progress	Total
	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July 2022	1 067	8 072	97	72 861
Acquisitions	-	-	19	19
Assets received for nil consideration	1 311	-	-	5 786
Initial Recognition	101	-	-	179
Depreciation	(290)	-	-	(2 416)
Carrying amount at 30 June 2023	2 189	8 072	116	76 429
Gross carrying amount				
Gross carrying amount	5 256	8 072	116	194 277
Accumulated depreciation	(3 067)	-	-	(117 848)
Carrying amount at the end of the period	2 189	8 072	116	76 429

The assets presented above do not meet the definition of investment property.

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 10.1.

Board of Botanic Gardens and State Herbarium
Notes to and forming part of the financial statements
For the year ended 30 June 2023

5.1. Property, plant and equipment (continued)

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.

Revaluation of property, plant and equipment is undertaken on a regular cycle as detailed in note 10.1. If at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place.

All non-current assets not held for sale with a limited useful life are systematically depreciated/amortised over their useful lives in a manner that reflects the consumption of their service potential.

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)
Park Infrastructure	7-80
Plant and Equipment	5-25
Roads, Tracks and Trails	6-35
Other Assets	99
Buildings and Improvements	15-70

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.

5.2. Inventories

	2023	2022
	\$'000	\$'000
<u>Current - held for sale</u>		
Inventories held for resale - at cost		
Finished goods held for resale - at cost	203	156
Total inventories	203	156

Inventories held for distribution at no or nominal consideration are measured at cost and adjusted when applicable for any loss of service potential. Inventories held for sale are measured at the lower of cost or their net realisable value.

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

Inventory write-down

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

Board of Botanic Gardens and State Herbarium
Notes to and forming part of the financial statements
For the year ended 30 June 2023

6. Financial assets

6.1. Cash and cash equivalents

	2023	2022
	\$'000	\$'000
Deposits with the Treasurer	4 752	5 162
Total cash and cash equivalents	4 752	5 162

Deposits with the Treasurer

The Botanic Gardens Endowment and Commercial Fund was established in accordance with the Act. The Fund is an interest bearing Deposit Account with DTF pursuant to section 21 of the *Public Finance and Audit Act 1987*.

Deposits at call and with the Treasurer earn a floating interest rate, based on daily bank deposit rates. There was no interest earned during 2022 due to Treasury advising public authorities in November 2020 that, given interest rates were approximately 0%, no interest would be paid on any interest bearing accounts held with the Treasurer. Interest recommenced being paid in September 2022 on cash balances from May 2022.

The Board holds funds that have been donated or bequeathed for specific purposes. The use of this funding is restricted, and primarily relates to purchase and production of scientific publications, specific scientific research, maintenance of bequeathed assets and research undertaken by the Seed Centre. The Board has the discretion to repurpose the funding should the original purpose become irrelevant. At reporting date, contributions with restrictions were \$3.18m (2022: \$3.25m). These funds are reported and managed separately by the Board.

6.2. Receivables

	2023	2022
	\$'000	\$'000
<u>Current</u>		
Trade receivables		
From non government entities	160	131
From government entities	84	73
Total trade receivables	244	204
Accrued revenue	19	27
Prepayments	-	1
Total current receivables	263	232
Total receivables	263	232

Trade receivables arise in the normal course of selling goods and services to other government agencies and to the public. Trade receivables are normally 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, accrued revenues and prepayments are non-interest bearing. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

Impairment losses relate to contracts with customers external to SA Government.

Board of Botanic Gardens and State Herbarium
Notes to and forming part of the financial statements
For the year ended 30 June 2023

7. Liabilities

7.1. Payables

	2023	2022
	\$'000	\$'000
<u>Current</u>		
Trade payable	105	121
Accrued expenses	31	31
	<u>136</u>	<u>152</u>
<u>Statutory payables</u>		
GST payable to DEW	14	-
	<u>14</u>	<u>-</u>
Total current payables	<u>150</u>	<u>152</u>
Total payables	<u>150</u>	<u>152</u>

Payables and accrued expenses are recognised 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.

Statutory payables do not arise from contracts. Statutory payables included in the table above that relate to board member related payables, such as payroll tax and Fringe Benefits Tax and Auditor-General's Department audit fees total \$31 000 (2022: \$31 000).

The net amount of GST payable to the DEW is included as part of payables.

8. Other disclosures

8.1. Activities undertaken by Department for Environment and Water

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

	2023	2022
	\$'000	\$'000
-		
Expenses from ordinary activities		
Employee benefits expenses	7 660	7 279
Supplies and services	3 568	3 383
Depreciation	634	673
Assets donated to the Board	5 786	515
Other expenses	-	(6)
Total expenses from ordinary activities	<u>17 648</u>	<u>11 844</u>
Revenues from ordinary activities		
Sale of Goods and Services	1 755	1 475
Other Income	702	1 092
Grant	95	90
Total revenues from ordinary activities	<u>2 552</u>	<u>2 657</u>

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9. Outlook

9.1. Unrecognised commitments

The Board had no unrecognised contractual commitments as at 30 June 2023. All capital commitments associated with the Board are managed by DEW and reflected in their financial statements.

9.2. 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 the existence of any contingent assets or contingent liabilities.

9.3. Events after the reporting period

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

10. Measurement and risk

10.1. 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 tangible 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 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 (that is the amount recorded by the transferor public authority immediately prior to the restructure).

State Herbarium Collection

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

The State Herbarium Collection is a heritage asset which is considered so unique that it is not capable of reliable measurement. Hence, the value of the collection has not been recognised in the Financial Statements.

Restrictions on use - land

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

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

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10.1. Fair Value (continued)

A market based method was used when by comparing property data to that of similar sales with consideration of restrictions on use and/ or zoning, property size and shape, topography, location, sale date and market movement, if any, and other relevant factors specific to the land being valued.

Carrying amounts of property, plant and equipment

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

(a) Independent valuation

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

(b) At cost (acquisition cost)

This class includes one or more items that have an acquisition cost exceeding \$1.5 million. All assets within this class are temporarily held at cost pending revaluation.

(c) At cost (deemed fair value)

These assets have an acquisition cost below \$1.5 million and are deemed held at fair value.

Revaluation

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

Non-current tangible assets are valued at fair value and revaluation of a non-current asset 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.

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

- Plant and equipment.

The Board undertakes revaluation of its land, buildings and improvements, and other infrastructure assets via a Certified Practising Valuer or internal estimates based on indices or recent transactions. A valuation appraisal by a Certified Practising Valuer is performed at least every six years.

If at any time, management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place.

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

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

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

The independent valuations for the Building and Improvements and Park Infrastructure asset classes are performed using the Data Dictionary and Unique Valuation approach. These assets were assessed on a case by case basis for determination of unique assets. Unique assets are items which cannot be categorised within the standard Data Dictionary groups. An asset deemed unique will have a cost that varies significantly from the Data Dictionary value. Unique assets may have cultural significance that adds to its value; may have been constructed using different or special materials; an asset that has been previously independently valued.

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

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10.1. Fair Value (continued)

The valuers used by the Board are as follows:

- 1 July 2020, valuation of data dictionary: Roads, tracks and trails: Valcorp Australia Pty Ltd, Mr Fred Taormina, BAppSc (Val), AAPI
- 1 July 2019, valuation of land, Office of the Valuer-General, Mr Greg McCloud, FAPI CPV Senior Valuer
- 1 July 2021, valuation of data dictionary & unique assets: buildings and improvements and park infrastructure, Valcorp Australia Pty Ltd, Mr Fred Taormina, BAppSc (Val), AAPI
- 30 June 2017, valuation of other items:
 - Library collections, Mr Michael Treloar, Antiquarian and member of ANZAAB, ILAB and AAADAY
 - Fine Art Collections and Artefacts, Tusmore Antiques, Mr Anthony Hurl, BA, MSAA, MAASA, CINOA, Fine Art Valuer.
- 24 May 2019, valuation of donated artifacts:
 - Cultural Art Program, Peter R S Walker, member of CINOA, AA&ADA, ACAA. 101 Walkerville Tce Walkerville 5081

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

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