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To the General Manager Alinytjara Wilurara Landscape Board

Opinion

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

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

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



Daniel O'Donohue
Acting Deputy Auditor-General

24 November 2023

Alinytjara Wilurara Landscape Board

Financial Statements

For the year ended 30 June 2023

We certify that the:

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



Michael T Haynes

Presiding Member

Alinytjara Wilurara Landscape Board

22 November 2023



Kim Krebs

General Manager

Alinytjara Wilurara Landscape Board

22 November 2023

Alinytjara Wilurara Landscape Board
Statement of Comprehensive Income
for the year ended 30 June 2023

	Note	2023 \$'000	2022 \$'000
Income			
Intra-government transfers	2.1	1 261	1 230
Commonwealth sourced grants and funding	2.2	2 001	1 812
Grant revenues	2.3	24	273
Interest	6.1	151	-
Other income	2.4	228	60
Total income		3 665	3 375
Expenses			
Employee benefits expenses	3.3	1 707	1 500
Supplies and services	4.1	1 968	1 508
Grants and subsidies		37	36
Depreciation	5.1	29	13
Borrowing Costs	7.2	2	1
Other expenses	4.2	45	44
Total expenses		3 788	3 102
Net result		(123)	273
Total comprehensive result		(123)	273

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

Alinytjara Wilurara Landscape Board
Statement of Financial Position
as at 30 June 2023

	Note	2023 \$'000	2022 \$'000
Current assets			
Cash and cash equivalents	6.1	4 306	4 827
Receivables	6.2	870	771
Total current assets		5 176	5 598
Non-current assets			
Property plant and equipment	5.1	168	22
Total non-current assets		168	22
Total assets		5 344	5 620
Current liabilities			
Payables	7.1	422	653
Employee benefits	3.4	132	161
Provisions		3	2
Financial liabilities	7.2	16	9
Total current liabilities		573	825
Non-current liabilities			
Payables	7.1	21	15
Employee benefits	3.4	217	156
Provisions		8	6
Financial liabilities	7.2	36	6
Total non-current liabilities		282	183
Total liabilities		855	1 008
Net assets		4 489	4 612
Equity			
Retained earnings		4 489	4 612
Total equity		4 489	4 612

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

Alinytjara Wilurara Landscape Board
Statement of Changes in Equity
for the year ended 30 June 2023

	Note	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2021		4 339	4 339
Net result for 2021-22		273	273
Total comprehensive result for 2021-22		273	273
Balance at 30 June 2022		4 612	4 612
Net result for 2022-23		(123)	(123)
Total comprehensive result for 2022-23		(123)	(123)
Balance at 30 June 2023		4 489	4 489

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

Alinytjara Wilurara Landscape Board
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>			
Intra-government transfers		1 261	1 230
Commonwealth funding received		2 181	1 569
Receipts from grants		24	273
Interest received		136	-
GST recovered from DEW		96	-
Other receipts		113	53
Cash generated from operations		3 811	3 125
<i>Cash (outflows)</i>			
Employee benefits payments		(1 667)	(1 588)
Payments for supplies and services		(2 440)	(1 299)
Payments of grants and subsidies		(37)	(36)
Interest paid		(2)	(1)
GST paid to DEW		-	(45)
Other payments		(49)	(52)
Cash used in operations		(4 194)	(3 021)
Net cash (used in) / provided by operating activities		(383)	104
Cash flows from investing activities			
<i>Cash (outflows)</i>			
Purchase of property, plant and equipment		(119)	-
Cash used in investing activities		(119)	-
Net cash used in investing activities		(119)	-
Cash flows from financing activities			
<i>Cash (outflows)</i>			
Repayment of leases		(19)	(11)
Cash used in financing activities		(19)	(11)
Net cash used in financing activities		(19)	(11)
Net (decrease) / increase in cash and cash equivalents		(521)	93
Cash at the beginning of the period		4 827	4 734
Cash at the end of the period	6.1	4 306	4 827

The accompanying notes form part of these financial statements.

Alinytjara Wilurara Landscape Board

Notes to and forming part of the financial statements

for the year ended 30 June 2023

1. About the Alinytjara Wilurara Landscape Board

The Alinytjara Wilurara Landscape Board (the Board) was established 1 July 2020, pursuant to Landscape South Australia Act 2019 (LSA Act). The Board is a not for profit entity.

The Board operates under a Business Plan which aligns to the Landscape Plan. The Alinytjara Wilurara Landscape Board adopted the 2022-23 Business Plan on 23 May 2022, for implementation on 1 July 2022. The Minister for Climate, Environment and Water noted the Board's business plan on 6 July 2022. The Plan identifies the Board's revenue and investment in priorities for management of landscape 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 2022-23 which includes the delivery of support services to the Board to ensure it is able to meet its governance and financial management statutory requirements in delivering its business. This agreement details the services, projects and funds to deliver the annual work plan. This SLA is reviewed and updated on an annual basis.

The Board's 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.

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.

Assets and liabilities that are to be sold, consumed or realised as part of the normal 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.

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 (ATO), in which case GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable
- 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 and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the ATO is classified as part of operating cash flows.

Alinytjara Wilurara Landscape Board

Notes to and forming part of the financial statements

for the year ended 30 June 2023

1.2. Objectives and programs

The Board serves the Government and the people of South Australia by achieving excellence in the provision of our natural resources to ensure environmental, social, cultural and economic sustainability.

Board objectives

The functions of the Board as defined in the LSA Act are:

The core function of the Board is to administer the Act and facilitate the sustainable management of landscapes in the region in partnership with key stakeholders and its communities.

To fulfil this core function, the Landscape Act establishes that the Board will adopt 5 key priorities as described below.

The Board takes a strategic leadership role in relation to these priorities and promote coordination and partnerships with other entities, agencies and authorities.

The Board may

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

Grassroots Grants and Program

The Landscape SA Act requires the Board to establish and fund a Grassroots Grants Program. To meet this each Landscape Board is required to contribute 2.9% of its state allocation or levy.

The purpose of a Grassroots Grant Program is to provide an annual small grant opportunity for a Land Holding Authority in the Alinytjara Wilurara region to support activities that could include on-ground activities such as weed treatment, pest or disease management, fencing, erosion management, revegetation, education activities and raising community awareness, participation and access management.

Alinytjara Wilurara Landscape Board

Notes to and forming part of the financial statements

for the year ended 30 June 2023

1.2. Objectives and programs (continued)

Board priorities

The Board's work program is based on the required action for the region, as outlined in the Board's Business Plan. In line with the Board's Business Plan, actions to be undertaken by the Board are presented under the key priorities for the region, identified as:

- *Board and community leadership* - Building effective partnerships to maintain regional relevance and support emerging Aboriginal leaders. This priority includes revenue and expenses that cannot be reliably attributed to the Boards other priority areas.

Supporting Land Holding Authorities and Traditional Owners to access resources that facilitate traditional and ecological knowledge transfer.

- *Healthy soil* - Supporting Land Holding Authorities and Traditional Owners to adopt sustainable pastoral practices to reduce soil erosion.
- *Pest plant and animal control* - Working with key stakeholders to support Land Holding Authorities and Traditional Owners to control priority pest plant and animals.
- *Land and biodiversity* - Supporting Land Holding Authorities and Traditional Owners to protect and restore important coast and marine ecosystems.

Supporting Land Holding Authorities and Traditional Owners to maintain and enhance biodiversity, including threatened species, in prioritised ecosystems.

- *Water management* - Supporting Land Holding Authorities and Traditional Owners to manage ground water affecting activities.

Supporting Land Holding Authorities and Traditional Owners to actively manage ecologically and culturally significant surface and ground water sites.

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

Alinytjara Wilurara Landscape Board
Notes to and forming part of the financial statements
for the year ended 30 June 2023

1.2. Objectives and programs (continued)

Expenses and income by programs

	Board and community leadership		Healthy soil		Pest plant and animal control		Land and biodiversity		Water management		Total	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Income												
Intra-government transfers	1 261	1 230	-	-	-	-	-	-	-	-	1 261	1 230
Commonwealth funding	550	-	378	418	355	280	718	1 114	-	-	2 001	1 812
Grant revenues	-	-	-	-	24	186	-	87	-	-	24	273
Interest	151	-	-	-	-	-	-	-	-	-	151	-
Other income	17	1	-	-	211	59	-	-	-	-	228	60
Total income	1 979	1 231	378	418	590	525	718	1 201	-	-	3 665	3 375
Expenses												
Employee benefits expense	961	604	86	139	184	91	476	666	-	-	1 707	1 500
Supplies and services	657	505	202	143	569	190	540	670	-	-	1 968	1 508
Grants and subsidies	37	-	-	-	-	-	-	36	-	-	37	36
Depreciation	29	13	-	-	-	-	-	-	-	-	29	13
Borrowing Costs	-	-	-	-	-	-	2	1	-	-	2	1
Other expenses	45	44	-	-	-	-	-	-	-	-	45	44
Total expenses	1 729	1 166	288	282	753	281	1 018	1 373	-	-	3 788	3 102
Net result	250	65	90	136	(163)	244	(300)	(172)	-	-	(123)	273

Alinytjara Wilurara Landscape Board
Notes to and forming part of the financial statements
for the year ended 30 June 2023

2. Income

2.1. Intra-government transfers

	2023	2022
	\$'000	\$'000
State Government recurrent funding	1 261	1 230
Total intra-government transfers	1 261	1 230

DEW receives recurrent funding, which is administered through the Landscape Administration fund and provided to regional landscape Boards to support business operation and the administration of the Landscape Act. The funding is subsequently paid to regional landscape Boards pursuant to subsection 90 (4) of the Landscape Act. Intra-government transfers are recognised as income when the Board obtains control of the asset which is on receipt.

2.2. Commonwealth-sourced grants and funding

	2023	2022
	\$'000	\$'000
Regional Land Partnerships Program	2 001	1 812
Total Commonwealth-sourced grants and funding	2 001	1 812

	2023	2022
	\$'000	\$'000
Regional Land Partnerships Program funding consists of the following components		
Core services (NLP)	550	540
Nganamara (Malleefowl) Adaptive Management	575	528
Sustainable Pastoral Development in APY	378	418
Warru	498	326
Total Regional Land Partnership funding	2 001	1 812

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.

Alinytjara Wilurara Landscape Board
Notes to and forming part of the financial statements
for the year ended 30 June 2023

2.3. Grant revenues

	2023	2022
	\$'000	\$'000
Grant revenue recognised under AASB 1058		
State Government grants	-	186
Sundry grants	24	87
Total grant revenues	24	273

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.

2.4. Other income

	2023	2022
	\$'000	\$'000
Sale of professional services	119	59
Sponsorship	82	-
Recoup of expenses and other recoveries	27	1
Total other income	228	60

Other income includes reimbursement income related to the operating activities of the Board and sales of professional services. Other income is recognised upon the delivery of the service to the customer, which is in arrears, therefore no contract liability is recognised.

Alinytjara Wilurara Landscape Board
Notes to and forming part of the financial statements
for the year ended 30 June 2023

3. Board, committees and employees

3.1. Key management personnel

Key management personnel of the Board comprise the Presiding Member, members of the Board and the General Manager who have responsibility for the strategic direction and management of the Board.

Total compensation for the Board's key management personnel was \$248 000 (2022: \$224 000).

The compensation disclosed in this note excludes salaries and other benefits the Minister for Climate, Environment and Water receives. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via the Department of Treasury and Finance) under section 6 the *Parliamentary Remuneration Act 1990*.

Related party transactions

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

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

Transactions with key management personnel and other related parties

The Board has a service agreement totalling \$74 791 with Far West Coast Aboriginal Corporation RNTBC during 2022-23 to access the Aboriginal labour workforce to support the delivery of the Board's projects. The Director of the FWCAC is a member of the Board.

Two members of the Board are also members of the Executive Management of APY Lands with which the Board have service agreements with for delivering the Regional Land Partnership program. The total value of these service fees is \$392 350.

During 2022-23 the Board funded a grassroots grant program of \$36 570 to support Yalata Anangu Aboriginal Corporation. The chair of Yalata Anangu Aboriginal Corporation is a member of the Board.

Alinytjara Wilurara Landscape Board
Notes to and forming part of the financial statements
for the year ended 30 June 2023

3.2. Board and committee members

Members during the 2022-23 financial year were:

The Board

M T Haynes (Presiding Member)
A P Agius (retired January 2023)
P Burgoyne (appointed March 2023)
J Campbell (appointed March 2023)
D Edwards
T Edwards (appointed August 2022)
D Hansen
J B Lebois (appointed March 2023)
P P Miller
W Miller (appointed March 2023)
J O'Toole
K M Richards (retired February 2023)
S Scales (retired February 2023)

Audit and Risk Management Committee

P P Miller (Chair)
P Burgoyne (appointed March 2023)
J Campbell (appointed March 2023)
D Hansen
M T Haynes
K Krebs*
G Peacey* (retired July 2022)
S Scales (retired February 2023)
P Wurdemann*

*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.

Board and committee remuneration

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

	2023	2022
\$0 - \$19 999	11	9
\$20 000 - \$39 999	2	1
Total number of members	13	10

Remuneration of members reflects all costs of performing Board, Group and Committee member duties including sitting fees, superannuation contributions, salary sacrifice benefits and fringe benefits, and any FBT paid or payable in respect of those benefits. The total remuneration received or receivable by members was \$91 000 (2022: \$55 000).

For the purpose of this table, travel allowances and other out-of-pocket expenses paid to members have not been included as remuneration as it is considered to be reimbursement of direct out-of-pocket expenses incurred by relevant members. These expenses, in addition to the payroll tax amount to \$32 000 (2022: \$14 000).

3.3. Employee benefits expenses

	2023	2022
	\$'000	\$'000
Salaries and wages	1 240	1 117
Annual leave	102	139
Long service leave	39	(16)
Employment on-costs - superannuation	171	135
Employment on-costs - other	75	66
Skills and experience retention leave	(2)	8
Board and committee fees	76	46
Workers compensation	3	-
Other employee related expenses	3	5
Total employee benefits expense	1 707	1 500

Alinytjara Wilurara Landscape Board
Notes to and forming part of the financial statements
for the year ended 30 June 2023

3.3. Employee benefits expenses (continued)

Employment expenses

The Board's employees are employed under Part 2 of the LSA Act.

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

Executive remuneration

There were no employees who received remuneration above the base executive remuneration level.

3.4. Employee benefits liability

	2023	2022
	\$'000	\$'000
<u>Current</u>		
Annual leave	124	122
Long service leave	5	32
Skills and experience retention leave	3	7
Total current employee benefits	132	161
<u>Non-current</u>		
Long service leave	217	156
Total non-current employee benefits	217	156
Total employee benefits liability	349	317

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

Salaries and wages, annual leave, skills and experience retention leave (SERL) and sick leave

The liability for salary and wages is measured as the amount unpaid at the reporting date at remuneration rates current at the reporting date.

The annual leave liability and the SERL liability in full is expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid.

The salary inflation rate for annual leave and skills, experience and retention leave liability has increased from 1.5% (2022) to 2.0% (2023).

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement for sick leave.

Alinytjara Wilurara Landscape Board
Notes to and forming part of the financial statements
for the year ended 30 June 2023

3.4. Employee benefits liability (continued)

Long service leave

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

The expected timing and amount of long service leave payments is determined through whole-of-government actuarial calculations, which is then applied to the Board's employee details. Key assumptions include whether the characteristics of employee remuneration, terms of service with the public sector, and expectations as to when employees take long service leave, as established by the actuary, are applicable to employees of the Board. These assumptions affect both the expected amount to be paid that has been factored into the calculation of the liability. The discount rate used in measuring the liability is another key assumption. The discount rate is reflective of long-term Commonwealth Government bonds. The yield on long-term Commonwealth Government bonds has increased from 2022 (3.5%) to 2023 (4.0%).

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

Following the actuarial assessment performed by the Department of Treasury and Finance (DTF) the salary inflation rate has increased from 2022 (2.5%) to 2023 (3.5%) for 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

4.1. Supplies and services

	2023	2022
	\$'000	\$'000
Fee for service	1 137	812
Fee for service - corporate services fee to DEW	209	201
Travel and accommodation	113	186
Motor vehicles	98	22
Staff development	55	21
Information technology and communication charges	46	36
Minor works, maintenance and equipment	40	56
Fee for service - Shared Services SA fee	73	71
General administration	29	19
Other	168	84
Total supplies and services	1 968	1 508

4.2. Other expenses

Audit fees paid/payable to the Auditor-General's Department relating to work performed under the Public Finance and Audit Act 1987 were \$45 000 (2022: \$44 000). No other services were provided by the Auditor-General's Department

Alinytjara Wilurara Landscape Board
Notes to and forming part of the financial statements
for the year ended 30 June 2023

5. Non-financial assets

Property, plant and equipment comprises tangible assets owned by the Board and right-of-use leased assets.

5.1. Property, plant and equipment

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

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

Reconciliation 2022-23

	Vehicles	Plant and equipment	ROU Vehicles	Total
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of period	-	7	15	22
Acquisitions	119	-	56	175
Depreciation	(7)	(2)	(20)	(29)
Carrying amount at the end of the period	112	5	51	168
Gross carrying amount				
Gross carrying amount	137	47	89	273
Accumulated depreciation	(25)	(42)	(38)	(105)
Carrying amount at the end of the period	112	5	51	168

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 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.

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)
Vehicles	5-15
Plant and equipment	10
Right-of-use vehicles	Life of lease

Impairment

There were no indications of impairment for property, plant and equipment owned by the Board at 30 June 2023.

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5.2. Property, plant and equipment leased by the Board

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

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

The Board has 2 motor vehicle leases with the South Australian Government Financing Authority (SAFA). Motor vehicle leases are non-cancellable, with rental payments monthly in arrears. Motor vehicle lease terms can range from 3 years (60 000 km) up to 5 years (100 000 km). No variable lease payments are provided for in the lease agreements and no options exist to renew the leases at the end of their term.

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

6. Financial Assets

6.1. Cash and cash equivalents

	2023	2022
	\$'000	\$'000
Deposits with the Treasurer	4 306	4 827
Total cash and cash equivalents	4 306	4 827

The Alinytjara Wilurara 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*.

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.

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6.2. Receivables

	2023	2022
	\$'000	\$'000
Current		
Trade receivables		
Debtors	130	13
Accrued revenues	737	702
GST recoverable from DEW	-	51
Prepayments	3	5
Total current receivables	870	771
Total receivables	870	771

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

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

7. Liabilities

7.1. Payables

	2023	2022
	\$'000	\$'000
Current		
Trade payables	269	570
Employment on-costs	44	33
Accrued expenses	56	50
GST payable to DEW	53	-
Total current payables	422	653
Non-current		
Employment on-costs	21	15
Total non-current payables	21	15
Total payables	443	668

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

Employment on-costs

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

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7.1. Payables (continued)

As a result of an actuarial assessment performed by DTF, the proportion of long service leave taken as leave has increased from the 2022 rate (42%) to 2023 (43%). The average factor for the calculation of employer superannuation cost on-costs has increased from the 2022 rate (10.6%) to 2023 (11.1%). These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year are immaterial.

7.2. Financial liabilities

All financial liabilities relate to lease liabilities.

The Board measures financial liabilities at amortised cost. Lease liabilities are measured via discounting the lease payments using either the interest rate implicit in the lease or Treasury's incremental borrowing rate. The borrowing costs associated with the lease liabilities was \$2 000 (2022: \$1 000).

Total cash outflows for leases is \$21 000 (2022: \$12 000).

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

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

	2023	2022
	\$'000	\$'000
No later than one year	444	238
Total expenditure commitments	444	238

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

8.2. Contingent assets and liabilities

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

The Board is not aware of the existence 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.