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To the Presiding Member Limestone Coast Landscape Board

Opinion

I have audited the financial report of the Limestone Coast 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 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
Acting Deputy Auditor-General

29 November 2023

OFFICIAL

Limestone Coast Landscape Board

Financial Statements

For the year ended 30 June 2023

Limestone Coast Landscape Board
Certification of Financial Statement
for the year ended 30 June 2023

We certify that the:

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



Penny Schulz
Presiding Member
27 November 2023



Steve Bourne
General Manager
Limestone Coast Landscape Board
27 November 2023

Limestone Coast Landscape Board
Statement of Comprehensive Income
for the year ended 30 June 2023

	Note	2023 \$'000	2022 \$'000
Income			
Landscape and water levies	2.1	8 808	8 741
Commonwealth-sourced grants and funding	2.2	3 202	3 057
Grant revenues	2.3	3 646	624
Interest revenues	6.1	169	-
Net gain from disposal of property, plant and equipment	2.4	83	-
Other income	2.5	395	247
Total income		16 303	12 669
Expenses			
Employee benefits expense	3.3	4 656	4 397
Supplies and services	4.1	7 029	6 575
Grants and subsidies	4.2	1 455	1 112
Intra-government transfers	4.3	694	694
Depreciation	5.1	202	190
Borrowing Costs	7.2	8	8
Other expenses	4.4	55	49
Total expenses		14 099	13 025
Net result		2 204	(356)
Total comprehensive result		2 204	(356)

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

Limestone Coast Landscape Board
Statement of Financial Position
as at 30 June 2023

	Note	2023 \$'000	2022 \$'000
Current assets			
Cash and cash equivalents	6.1	4 864	5 313
Receivables	6.2	1 393	1 305
Inventories		57	49
Total current assets		6 314	6 667
Non-current assets			
Property plant and equipment	5.1	2 766	555
Receivables	6.2	1	1
Total non-current assets		2 767	556
Total assets		9 081	7 223
Current liabilities			
Payables	7.1	998	989
Employee benefits liability	3.4	432	384
Financial liabilities	7.2	153	174
Provisions		15	14
Contract liabilities	2.3	-	364
Total current liabilities		1 598	1 925
Non-current liabilities			
Payables	7.1	58	60
Employee benefits liability	3.4	577	628
Financial liabilities	7.2	364	338
Provisions		52	44
Total non-current liabilities		1 051	1 070
Total liabilities		2 649	2 995
Net assets		6 432	4 228
Equity			
Retained earnings		6 432	4 228
Total equity		6 432	4 228

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

Limestone Coast Landscape Board
Statement of Changes in Equity
for the year ended 30 June 2023

	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2021	<u>4 584</u>	<u>4 584</u>
Net result for 2021-22	(356)	(356)
Total comprehensive result for 2021-22	<u>(356)</u>	<u>(356)</u>
Balance at 30 June 2022	<u>4 228</u>	<u>4 228</u>
Net result for 2022-23	2 204	2 204
Total comprehensive result for 2022-23	<u>2 204</u>	<u>2 204</u>
Balance at 30 June 2023	<u><u>6 432</u></u>	<u><u>6 432</u></u>

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

Limestone Coast 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>			
Landscape and water levies received		8 808	8 732
Commonwealth funding received		3 266	3 566
Grants		3 418	205
Interest received		152	-
GST recovered from DEW		299	142
Other receipts		395	253
Cash generated from operating activities		16 338	12 898
<i>Cash (outflows)</i>			
Employee benefits payments		(4 624)	(4 616)
Payments for supplies and services		(7 482)	(6 659)
Payments of grants and subsidies		(1 601)	(1 136)
Payments of intra-government transfers		(694)	(694)
Interest paid		(8)	(8)
Other payments		(54)	(51)
Cash used in operations		(14 462)	(13 164)
Net cash provided by / (used in) operating activities		1 876	(266)
Cash flows from investing activities			
<i>Cash inflows</i>			
Proceeds from the sale of property, plant and equipment		83	-
Cash generated from investing activities		83	-
<i>Cash (outflows)</i>			
Purchase of property, plant and equipment		(2 210)	-
Cash used in investing activities		(2 210)	-
Net cash used in investing activities		(2 127)	-
<i>Cash (outflows)</i>			
Repayment of leases		(198)	(170)
Cash used in financing activities		(198)	(170)
Net cash used in financing activities		(198)	(170)
Net decrease in cash and cash equivalents		(449)	(436)
Cash at the beginning of the period		5 313	5 749
Cash at the end of the period	6.1	4 864	5 313

Limestone Coast Landscape Board

Notes to and forming part of the financial statements

for the year ended 30 June 2023

1. About the Limestone Coast Landscape Board

The Limestone Coast Landscape Board (the Board) is a body corporate of the State of South Australia, established pursuant to the *Landscape South Australia Act 2019* (the Landscape Act). The Board is a not-for-profit entity.

The Limestone Coast Landscape Plan 2021-2026 was approved by the Minister for Climate, Environment and Water in July 2021. The Board operates under an annual Business Plan which aligns to the Landscape Plan. The Limestone Coast Business Plan 2022-23 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 2022-23 to enable it to meet its governance and financial management statutory requirements in delivering its business.

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

1.1. Basis of preparation

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

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

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 12 month operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

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.

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

1.2. Objectives and programs

Board Objectives

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

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

Board Programs

In discharging its functions under the Landscape Act, the Board delivers the following programs, as outlined in the Limestone Coast Landscape Board Business Plan for 2022-23:

Working Collaboratively to Manage Pest Plants and Animals

- Strategies and partnerships to mitigate the impacts of invasive species on the productivity, social fabric and biodiversity of the landscape, including compliance, technical advice and control services.

Protecting and Balancing our Region's Water Resources

- Water resource planning and management (including compliance) that addresses sustainable water use, while supporting environmental, industry, social and cultural water needs.

Educating and Partnering to Sustainably Manage our Landscape

- Walking together with First Nations people to manage our landscapes.
- Accessible education and capacity building programs to increase knowledge of and involvement in landscape management, fostering a sense of connectedness to the natural landscape.
- Identifying and establishing partnerships to broaden the work and reach of the Board.

Growing Sustainable Primary Production

- Supporting primary producers in responsible landscape management.

Conserving and Enhancing our Region's Biodiversity

- Protection and restoration of native vegetation, soils, wetlands, watercourses, and coastal habitats.
- Regional and localised resilience to the impacts of a changing climate.

Grassroots Grants Program

The Landscape Act requires the Board to establish and maintain a Grassroots Grants program. Grants were awarded to individuals, groups, schools and local governments for projects that align with the Board's program areas.

The table on the following page presents income and expenses attributable to each program. Revenues and expenses are allocated to programs where these amounts can be tied directly to that program area. Where this is not the case, the amounts are allocated based on a budget allocation per the Board's 2022-23 business plan.

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

1.2. Objectives and programs (continued)

Income and expenses by program

	Working Collaboratively to Manage Pest Plants and Animals		Protecting and Balancing our Region's Water Resources		Educating and Partnering to Sustainably Manage our Landscapes		Growing Sustainable Primary Production		Conserving and Enhancing our Region's Biodiversity		Grassroots Grants		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	2023 \$'000	2022 \$'000
Income														
Landscape and water levies	2 939	2 943	2 216	3 080	813	854	1 215	977	1 370	626	255	261	8 808	8 741
Commonwealth-sourced grants and funding	-	75	-	-	-	-	1 407	1 433	1 795	1 549	-	-	3 202	3 057
Grant revenues	173	187	1 152	404	2	24	5	-	2 314	9	-	-	3 646	624
Interest revenues	44	-	43	-	12	-	25	-	45	-	-	-	169	-
Net gain from disposal of property, plant and equipment	22	-	21	-	6	-	13	-	21	-	-	-	83	-
Other income	314	247	28	-	8	-	16	-	29	-	-	-	395	247
Total income	3 492	3 452	3 460	3 484	841	878	2 681	2 410	5 574	2 184	255	261	16 303	12 669
Expenses														
Employee benefits expense	942	1 659	1 085	718	534	428	836	370	1 259	1 222	-	-	4 656	4 397
Supplies and services	1 195	1 181	3 223	3 145	210	181	542	457	1 859	1 611	-	-	7 029	6 575
Grants and subsidies	-	74	1 010	585	-	37	150	51	92	104	203	261	1 455	1 112
Intra-government transfers	-	-	-	-	-	-	694	694	-	-	-	-	694	694
Depreciation	52	58	52	56	14	16	30	24	54	36	-	-	202	190
Borrowing costs	2	2	2	2	1	1	1	1	2	2	-	-	8	8
Other expenses	55	14	-	15	-	4	-	7	-	9	-	-	55	49
Total expenses	2 246	2 988	5 372	4 521	759	667	2 253	1 604	3 266	2 984	203	261	14 099	13 025
Net result	1 246	464	(1 912)	(1 037)	82	211	428	806	2 308	(800)	52	-	2 204	(356)

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

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

2. Income

2.1. Landscape and water levies

	2023	2022
	\$'000	\$'000
Landscape levy collected within council areas	4 783	4 666
Water levy collected through DEW	4 025	4 075
Total landscape and water levies	8 808	8 741

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's annual Business Plan. 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

	2023	2022
	\$'000	\$'000
Regional Land Partnerships Program	3 202	3 057
Total Commonwealth-sourced grants and funding	3 202	3 057

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.

Limestone Coast 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
Income recognised under AASB 1058		
State Government Grants	992	53
Sundry Grants	90	85
Total income recognised under AASB 1058	1 082	138
Income recognised under AASB 15		
State Government Grants	2 564	486
Total income recognised under AASB 15	2 564	486
Total grant revenues	3 646	624

Grants recognised under AASB 1058

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

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

Grants recognised under AASB 15

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

Contract liabilities

	2023	2022
	\$'000	\$'000
Contract liabilities	-	364
Total contract liabilities	-	364

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

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

2.4. Net gain from disposal of property, plant and equipment

	2023	2022
	\$'000	\$'000
Plant and equipment		
Proceeds from disposal	3	-
Less net book value of assets disposed	-	-
Net gain from disposal of plant and equipment	<u>3</u>	<u>-</u>
Vehicles		
Proceeds from disposal	80	-
Less net book value of assets disposed	-	-
Net gain from disposal of vehicles	<u>80</u>	<u>-</u>
Total net gain from disposal of non-current assets	<u><u>83</u></u>	<u><u>-</u></u>

2.5. Other income

	2023	2022
	\$'000	\$'000
Sale of goods	284	237
Reimbursement of expenses	103	-
Other revenue	8	10
Total other income	<u><u>395</u></u>	<u><u>247</u></u>

Other income includes revenue generated through the contracting of animal and plant control services conducted on Crown or private land and the sale of goods such as fox and rabbit baits. All revenue from the sale of goods is revenue from contracts with customers. This revenue is recognised upon the delivery of the service to the customer, which is in arrears, therefore no contract liability is recognised.

3. Board, committees and employees

3.1. Key management personnel

Key management personnel of the Board comprise the Minister for Climate, Environment and Water, the Presiding Member, other members of the Board, the General Manager and other members of the Management Team who have responsibility for the strategic direction and management of the Board.

Total compensation of the Board's key management personnel was \$800 000 (2022: \$785 000).

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 material transactions with key management personnel or related parties have occurred during 2022-23.

Limestone Coast 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 of the Limestone Coast Landscape Board during the financial year were:

P J Schulz (Presiding Member)
M R Bachmann
P J Bissell
R A Davis
B R Hood (resigned 27 February 2023)
F C Rasheed
T A Strugnell (commenced 31 January 2023)
B Wood (resigned 19 August 2022)

Members of groups and committees during the 2022-23 financial year were:

Governance, Finance and Audit Committee

B Wood (Chair) (resigned 19 August 2022)
R A Davis (Chair effective 26 September 2022)
P J Schulz
T A Strugnell (commenced 23 February 2023)

Board and committee remuneration

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

	2023	2022
	\$'000	\$'000
\$0 - \$19 999	7	6
\$20 000 - \$39 999	1	1
Total number of members	8	7

The total remuneration received or receivable by members was \$58 000 (2022: \$62 000). Remuneration of members reflects all costs of performing Board and Committee member duties including sitting fees, superannuation contributions, salary sacrifice benefits and fringe benefits, and any related FBT paid or payable in respect of 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 \$25 000 (2022: \$24 000).

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

3.3. Employee benefits expense

	2023	2022
	\$'000	\$'000
Salaries and wages	3 413	3 482
Employment on-costs - superannuation	397	376
Annual leave	348	300
Employment on-costs - other	206	194
Board and committee fees	56	60
Long service leave	118	(76)
Skills and experience retention leave	22	23
Workers compensation	9	37
Targeted voluntary separation packages	84	-
Other employee related expenses	3	1
Total employee benefits expense	4 656	4 397

Employment expenses

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

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

Employee remuneration

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

	2023	2022
\$160 001 – \$180 000	1	-
\$180 001 – \$200 000	-	1
Total	1	1

The total remuneration received by those employees for the year was \$176 000 (2022: \$189 000).

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 received a TVSP during the reporting period was 1 (2022: nil).

	2023	2022
	\$'000	\$'000
Amounts paid to separated employees:		
Targeted Voluntary Separation Packages	84	-
Leave paid to separated employees	46	-
Recovery from the Department of Treasury and Finance	(84)	-
Net cost to the Board	46	-

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

3.4. Employee benefits liability

	2023	2022
	\$'000	\$'000
<u>Current</u>		
Annual leave	325	299
Long service leave	81	54
Skills and experience retention leave	18	28
Accrued salaries and wages	8	3
Total current employee benefits	432	384
<u>Non-current</u>		
Long service leave	577	628
Total non-current employee benefits	577	628
Total employee benefits liability	1 009	1 012

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

Long service leave

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

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

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.

Limestone Coast Landscape Board
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 - Water planning management	2 622	2 558
Fee for service	2 246	2 195
Fee for service - Corporate fee	523	442
Accommodation and property management	237	237
Fee for service - SSSA fee	227	206
Minor works, maintenance and equipment	325	160
General administration	124	150
Cost of goods sold	125	115
Motor vehicles expense	122	108
Contracted staff training and development	80	86
Information technology and communication charges	81	54
Travel and accommodation	62	31
Transport	2	-
Other supplies and services	253	233
Total supplies and services	7 029	6 575

4.2. Grants and subsidies

	2023	2022
	\$'000	\$'000
Recurrent grants	1 455	1 112
Total grants and subsidies	1 455	1 112

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

4.3. Intra-government transfers

	2023	2022
	\$'000	\$'000
Commonwealth funding	694	694
Total intra-government transfers	694	694

Commonwealth funding relates to funding received by the Board for a joint soil extension project. A portion of this funding has been transferred to the Murraylands and Riverland Landscape Board (\$231 250), the Northern and Yorke Landscape Board (\$231 250), the Hills and Fleurieu Landscape Board (\$115 625) and the Kangaroo Island Landscape Board (\$115 625).

Limestone Coast Landscape Board
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4.4. Other expenses

	2023	2022
	\$'000	\$'000
Audit fees	50	49
Bad and doubtful debts	5	-
Total other expenses	55	49

Audit fees paid/payable to the Auditor-General's Department relating to work performed under the *Public Finance and Audit Act 1987* were \$49 700 (2022: \$48 700). No other services were provided by the Auditor-General's Department

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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 below do not meet the definition of investment property.

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, having 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

	Land	Buildings	Plant and equipment	Vehicles	ROU Buildings	ROU Vehicles	Capital works in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	-	17	24	17	306	191	-	555
Acquisitions	2 200	-	-	-	68	135	10	2 413
Depreciation	-	(4)	(3)	(8)	(64)	(123)	-	(202)
Carrying amount at the end of the period	2 200	13	21	9	310	203	10	2 766
Gross carrying amount								
Gross carrying amount	2 200	88	243	235	361	424	10	3 561
Accumulated depreciation	-	(75)	(222)	(226)	(51)	(221)	-	(795)
Carrying amount at the end of the period	2 200	13	21	9	310	203	10	2 766

Limestone Coast Landscape Board
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5.1. Property, plant and equipment (continued)

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)
Plant and equipment	8-10
Buildings	20
Vehicles	4
Right-of-use buildings	Life of lease
Right-of-use vehicles	Life of lease

Impairment

There were no indications of impairment of property, plant and equipment as at 30 June 2023.

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 during 2022-23 were \$203 000 (2022: \$220 000).

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

The Board has four leases for depots utilised for storage of equipment, chemicals and baits with landlords external to the SA Government:

- The Grant District Council lease is for a period of five years commencing on 1 June 2023. There are no extension options for this lease in the current lease agreement.
- The Tatiara District Council lease is for a period of twenty years commencing on 1 February 2007. There are no extension options for this lease in the current lease agreement.
- The Naracoorte lease is for a period of five years commencing on 12 April 2021. The lease contains options for a one-year lease extension.
- The Kingston District Council lease is for a period of five years commencing on 1 December 2021. The lease contains options for a five-year extension.

Limestone Coast Landscape Board
Notes to and forming part of the financial statements
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5.2. Property, plant and equipment leased by the Board (continued)

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

6. Financial assets

6.1. Cash and cash equivalents

	2023	2022
	\$'000	\$'000
Deposits with the Treasurer	4 864	5 313
Total cash and cash equivalents	4 864	5 313

Deposits with the Treasurer

The Limestone Coast 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.

6.2. Receivables

	2023	2022
	\$'000	\$'000
Current		
Contractual receivables		
Debtors	1 382	276
Accrued revenue	64	746
Prepayments	7	26
Less impairment loss on receivables	(60)	(55)
Total contractual receivables	1 393	993
Statutory receivables		
Accrued landscape levies	-	263
GST recoverable from DEW	-	49
Total statutory receivables	-	312
Total current receivables	1 393	1 305
Non-Current		
Workers Compensation Recovery	1	1
Total non-current receivables	1	1
Total receivables	1 394	1 306

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6.2. Receivables (continued)

Contractual receivables arise in the normal course of selling goods and services to other government agencies and to the public. Contractual 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 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.

7. Liabilities

7.1. Payables

	2023	2022
	\$'000	\$'000
Current		
Contractual payables	751	837
Accrued expenses	79	71
Statutory payables		
GST payable to DEW	59	-
Employment on-costs	109	81
Total statutory payables	<u>168</u>	<u>81</u>
Total current payables	<u>998</u>	<u>989</u>
Non-current		
Statutory payables		
Employment on-costs	58	60
Total non-current payables	<u>58</u>	<u>60</u>
Total payables	<u>1 056</u>	<u>1 049</u>

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

The net amount of GST payable to the ATO (via DEW) is included as part of payables.

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.

Limestone Coast Landscape Board
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7.1. Payables (continued)

As a result of an actuarial assessment performed by the 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. 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 current portion of lease liabilities is \$153 000 (2022: \$174 000) and the non-current portion is \$364 000 (2022: 338 000).

The borrowing costs associated with the lease liabilities was \$8 000 (2022: \$8 000).

Total cash outflows for leases is \$195 000 (2022: \$178 000).

8. Outlook

8.1. Unrecognised contractual commitments

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

Other contractual commitments

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

	2023	2022
	\$'000	\$'000
No later than one year	325	2 015
Later than one year but no later than five years	389	135
Total expenditure commitments	714	2 150

The Board's commitments are non-cancellable contracts relating to grant payments or services.

8.2. Contingent assets and 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 at this time.

8.3. Events after the reporting period

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