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To the Presiding Member Northern and Yorke Landscape Board

Opinion

I have audited the financial report of the Northern and Yorke 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

28 November 2023

Northern and Yorke Landscape Board

Financial Statements

For the year ended 30 June 2023

Northern and Yorke Landscape Board
Certification of Financial Statement
for the year ended 30 June 2023

We certify that the:

- financial statements for the Northern and Yorke Landscape Board (the Board):
 - are in accordance with the accounts and records of the Board;
 - comply with relevant Treasurer's Instructions;
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the Board at the end of the financial year and the result of its operation and cash flows for the financial year.
- internal controls employed by the Board for the financial year over its financial reporting and its preparation of financial statements have been effective.



Geoff White
Presiding Member
Northern and Yorke Landscape Board
24 November 2023



Anthony Fox
General Manager
Northern and Yorke Landscape Board
24 November 2023

Northern and Yorke 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	6 095	5 955
Intra-government transfers	2.2	503	231
Commonwealth-sourced grants and funding	2.3	1 697	1 710
Grant revenues	2.4	722	746
Interest revenues	6.1	180	-
Other income	2.5	130	106
Total income		9 327	8 748
Expenses			
Employee benefits expense	3.3	3 784	3 527
Supplies and services	4.1	3 699	2 695
Grants and subsidies	4.2	1 204	1 427
Depreciation	5.1	115	121
Borrowing Costs	7.2	5	3
Other expenses	4.3	47	46
Total expenses		8 854	7 819
Net result		473	929
Total comprehensive result		473	929

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

Northern and Yorke Landscape Board
Statement of Financial Position
as at 30 June 2023

	Note	2023	2022
		\$'000	\$'000
Current assets			
Cash and cash equivalents	6.1	6 923	6 122
Receivables	6.2	990	887
Total current assets		7 913	7 009
Non-current assets			
Property plant and equipment	5.1	356	420
Receivables	6.2	1	-
Total non-current assets		357	420
Total assets		8 270	7 429
Current liabilities			
Payables	7.1	1 044	551
Financial liabilities	7.2	100	106
Employee benefits liability	3.4	290	333
Provisions		5	6
Total current liabilities		1 439	996
Non-current liabilities			
Payables	7.1	44	45
Financial liabilities	7.2	143	217
Employee benefits liability	3.4	442	465
Provisions		38	15
Total non-current liabilities		667	742
Total liabilities		2 106	1 738
Net assets		6 164	5 691
Equity			
Retained earnings		6 164	5 691
Total equity		6 164	5 691

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

Northern and Yorke 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	4 762	4 762
Net result for 2021-22	929	929
Total comprehensive result for 2021-22	929	929
 Balance at 30 June 2022	 5 691	 5 691
Net result for 2022-23	473	473
Total comprehensive result for 2022-23	473	473
 Balance at 30 June 2023	 6 164	 6 164

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

Northern and Yorke 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 levy receipts		6 095	5 955
Intra-government transfers		503	231
Commonwealth funding received		1 772	2 321
Grant receipts		725	61
Interest received		158	-
Net GST recovered from DEW		243	202
Other receipts		127	117
Cash generated from operations		9 622	8 887
<i>Cash outflows</i>			
Employee benefits payments		(3 811)	(3 707)
Payments for supplies and services		(3 530)	(2 903)
Payments of grants and subsidies		(1 324)	(1 570)
Interest paid		(5)	(3)
Other payments		(39)	(60)
Cash used in operations		(8 709)	(8 243)
Net cash provided by operating activities		913	644
Cash flows from financing activities			
<i>Cash outflows</i>			
Repayment of leases		(112)	(115)
Net cash used in financing activities		(112)	(115)
Net increase in cash and cash equivalents		801	529
Cash at the beginning of the period		6 122	5 593
Cash at the end of the period	6.1	6 923	6 122

The accompanying notes form part of these financial statements.

Northern and Yorke Landscape Board

Notes to and forming part of the financial statements

for the year ended 30 June 2023

1. About the Northern and Yorke Landscape Board

The Northern and Yorke Landscape Board (the Board) was established 1 July 2020, as a not for profit independent statutory authority under the *Landscape South Australia Act 2019* (the LSA Act).

The Board operates under its approved Business Plan which aligns to the Landscape Plan 2021-26. The Northern and Yorke Landscape Board 2022-23 Business Plan was approved by the Minister for Climate, Environment and Water on 18th June 2022.

The Business Plan identifies the Board's revenue and investment in priorities for management of landscapes in the region as detailed in note 1.2.

The Board's financial statements include the use of income, expenses, assets and liabilities controlled or incurred by the Board in its own right.

The Board entered into a Service Level Agreement (SLA) with the Department for Environment and Water (DEW) for 2022-2023 which includes the delivery of support services to the Board to ensure the Board 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.

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.

Northern and Yorke Landscape Board

Notes to and forming part of the financial statements

for the year ended 30 June 2023

1.2. Objectives and priorities

Board objectives

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

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

Board priorities

The Northern and Yorke Landscape Board Business Plan 2022-23 outlines the Board's priorities.

Pest Plant and Animal Control

- Deliver programs that control priority weeds and feral animals to reduce their effects on agriculture and biodiversity
- Develop land manager networks and facilitate collaboration for pest control and management

Sustainable Agriculture

- Building land managers' capacity in adaptive agriculture and best practice land management
- Support innovation and adoption of practices for resilience and adaptation
- Protect and improve the condition of soil, groundcover and vegetation

Water Management

- Sustainably manage the region's prescribed water resources
- Protect and rehabilitate watercourses and wetlands
- Promote the sustainable use of water for environmental, cultural, social and industry outcomes

Biodiversity

- Support the protection and restoration of coastal habitats
- Coordinate programs to improve climate change resilience and adaptive capacity
- Improve ecosystems through restoration of habitat

Communities

- Make decisions based on best available science, cultural knowledge and local experience
- Actively engaged community at the centre of landscape management
- Foster partnerships that increase communication, expertise and collaboration in landscape management

The Board delivers a range of programs and projects in support of these priorities and focus areas. The table below provides the income and expenses attributable to each priority.

Northern and Yorke Landscape Board
Notes to and forming part of the financial statements
For the year ended 30 June 2023

1.2. Objectives and priorities (continued)

Expenses and income by priorities

For the year ended 30 June 2023

	Pest Plant and Animal Control		Sustainable Agriculture		Water Management		Biodiversity		Communities		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												
Landscape and Water Levies*	1 835	1 662	486	430	1 161	1 587	726	669	1 887	1 607	6 095	5 955
Intra-government transfers	87	-	254	231	37	-	35	-	90	-	503	231
Commonwealth funding	242	210	465	565	-	-	674	468	316	467	1 697	1 710
Grants Income	-	-	-	-	164	164	554	372	4	210	722	746
Interest**	58	-	15	-	25	-	23	-	59	-	180	-
Other income	65	79	-	-	15	3	50	-	-	24	130	106
Total income	2 287	1 951	1 220	1 226	1 402	1 754	2 062	1 509	2 356	2 308	9 327	8 748
Expenses												
Employees benefits expense	1 099	1 258	529	370	312	381	702	540	1 142	978	3 784	3 527
Supplies and services	999	1 014	550	90	807	818	670	190	673	583	3 699	2 695
Grants and subsidies	95	41	308	640	11	-	490	318	300	428	1 204	1 427
Depreciation expense**	37	35	10	9	16	27	15	14	37	36	115	121
Borrowing Costs**	2	1	-	-	1	1	1	-	1	1	5	3
Other expenses**	15	14	4	4	6	10	5	6	17	12	47	46
Total expenses	2 247	2 363	1 401	1 113	1 153	1 237	1 883	1 068	2 170	2 038	8 854	7 819
Net result	40	(412)	(181)	113	249	517	179	441	186	270	473	929

* Landscape levies are allocated to each priority according to the budget allocation included in the Board's 2022-23 Business Plan.

** These revenues and expenses are allocated to each priority according to the budget allocation included in the Board's 2022-23 Business Plan.

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

Northern and Yorke 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 area	5 718	5 578
Water Levy collected through DEW	377	377
Total Landscape and Water Levies	6 095	5 955

Landscape and water levies are collected under Part 5 of the *LSA Act* and are received into the Landscape Administration Fund (LAF). The LAF is administered by DEW and funds are transferred to the Board from DEW.

Landscape levy collected within council areas

The Board declares contributions by councils under Section 66 of the *LSA Act* for the relevant financial year by notice in the Board Annual Business Plan. Revenue is recognised when the invoice is raised at the beginning of the levy period to which they relate.

Water levies collected through DEW

The Minister declares the water levy rates by notice of gazette under section 76 of the *LSA Act* for water license 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. Intra-government transfers

	2023	2022
	\$'000	\$'000
Commonwealth funding	231	231
Recovery from Department of Treasury and Finance for TVSP	272	-
Total intra-government transfers	503	231

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

Northern and Yorke Landscape Board
Notes to and forming part of the financial statements
For the year ended 30 June 2023

2.3. Commonwealth-sourced grants and funding

	2023	2022
	\$'000	\$'000
Regional Land Partnership Program	1 597	1 560
Pygmy Blue Tongue Project	100	150
Total Commonwealth-sourced grants and funding	1 697	1 710

	2023	2022
	\$'000	\$'000
Regional Land Partnership Program funding consists of the following components		
Core services	428	419
Marna Banggara (Great Southern Ark)	552	534
Living Flinders	606	542
Carbon - Biodiversity	11	65
Total Regional Land Partnership funding	1 597	1 560

The Board has determined that the Commonwealth funding included in the table above is accounted for under AASB 1058. Commonwealth funding is 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.

2.4. Grant revenues

	2023	2022
	\$'000	\$'000
Grant revenues recognised under AASB 1058		
SA Government grants, subsidies and transfers	649	600
Sundry grants	73	146
Total grant revenues	722	746

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.

Northern and Yorke Landscape Board
Notes to and forming part of the financial statements
For the year ended 30 June 2023

2.5. Other income

	2023	2022
	\$'000	\$'000
Sale of goods	61	78
Donated asset	15	-
Other revenue	54	28
Total other income	130	106

Sale of Goods income includes revenues generated through contracting of pest and animal control services conducted on Crown or private land, and sale of merchandise such as fox 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.

Donated asset relates to flood monitoring equipment received free of charge from DEW.

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, all other members of the Board and the Regional Leadership Team who have responsibility for the strategic direction and management of the Board.

The total compensation for the Board's key management personnel was \$628 000 in 2022-23 (2021-22: \$644 000).

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*.

During the 2022-23 financial year, the board entered into a contract with an external party for the provision of community engagement services, to the value of \$39,000. The contracted party was a close family member of the Boards' Operations and Compliance Manager.

Northern and Yorke 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 2023 financial year were:

The Board

C V Schaefer (Presiding Member to 30 January 2023)
P J Angus
S M Barrett
S C Germein
P M Heaslip
G J White (Presiding Member from 31 January 2023)
M Wauchope
E Lawley
J Loftes
B Michael
S Scarman
R Johnstone
A Shackley

Governance and Finance Committee

G J White
S M Barrett
M Wauchope
B Michael
R Johnstone
P J Angus

Planning and Performance Committee

P J Angus
G J White
M Wauchope

Aboriginal Engagement Committee

P M Heaslip
S C Germein
S M Barrett
G J Agius
Q L Agius
C Kartinyeri
I Campbell
L J Thomas
A Shackley
E Lawley

Board and committee remuneration

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

	2023	2022
\$0 - \$19 999	18	11
\$20 000 - \$39 999	-	1
Total number of members	18	12

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. The total remuneration received or receivable by members was \$73 000 (2021-22: \$71 000).

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.

Northern and Yorke 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	2 635	2 684
Employment on-costs - superannuation	307	296
Annual leave	254	232
Employment on-costs - other (payroll tax)	159	157
Board and committee fees	44	47
Long service leave	43	(16)
Skills and experience retention leave	7	8
Other employee related expenses (fringe benefits tax)	5	12
Targeted Voluntary Separation Packages	273	101
Workers compensation	57	6
Total employee benefits expense	3 784	3 527

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.

Targeted Voluntary Separation Packages (TVSPs)

The number of employees who accepted a TVSP during the reporting period was 3 (2022: 2). In 2021-22, this included separations resulting from the Public Sector Workforce Rejuvenation Scheme.

	2023	2022
	\$'000	\$'000
Targeted Voluntary Separation Packages - including Rejuvenation Package	273	101
Leave paid to separated employees	85	-
Recovery from the Department of Treasury and Finance	(272)	-
Net cost to the Board	86	101

Executive Remuneration

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

	2023	2022
	No	No
\$180 001 – \$200 000	1	1
Total	1	1

The total remuneration received by those employees for the year was \$ 181 000 (2021-22: \$ 193 000).

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 tax.

Northern and Yorke 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	250	268
Accrued salaries and wages	5	3
Skills and experience retention leave	13	13
Long service leave	22	49
Total current employee benefits	290	333
<u>Non-current</u>		
Long service leave	442	465
Total non-current employee benefits	442	465
Total employee benefits liability	732	798

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.

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 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.

Northern and Yorke 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	2 063	1 472
Fee for service - Corporate services fee to DEW	406	339
Minor works, maintenance and equipment	268	77
Fee for service - Shared Services SA fee	153	151
Accommodation and property management	129	114
Motor vehicles	134	117
Travel and accommodation	78	53
General administration	77	62
Information technology and communication charges	72	86
Staff development	64	38
Contractors	35	23
Transport	5	1
Other supplies and services	215	162
Total supplies and services	3 699	2 695

Most of Board's accommodation is provided by the DIT under Memoranda of Administrative Arrangement issued in accordance with Government-wide accommodation policies. These arrangements do not meet the definition of a lease and are accordingly expensed.

4.2. Grants and subsidies

	2023	2022
	\$'000	\$'000
Grants and subsidies paid to entities within the SA Government	79	19
Grants and subsidies paid to entities external to the SA Government	1 125	1 408
Total grants and subsidies	1 204	1 427

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. 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 \$47 000 (\$46 000). No other services were provided by the Auditor General's Department.

Northern and Yorke 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 and right-of-use (leased) assets.

5.1. Property, plant and equipment

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

All non-current assets 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

	Land and buildings \$'000	Park infrastructure \$'000	ROU buildings \$'000	ROU vehicles \$'000	Total \$'000
Carrying amount at the beginning of the period	99	-	134	187	420
Acquisitions	-	-	-	36	36
Donated asset	-	15	-	-	15
Depreciation	(2)	-	(27)	(86)	(115)
Carrying amount at the end of the period	97	15	107	137	356
Gross carrying amount					
Gross carrying amount	128	200	209	326	863
Accumulated depreciation	(31)	(185)	(102)	(189)	(507)
Carrying amount at the end of the period	97	15	107	137	356

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.

Northern and Yorke Landscape Board
Notes to and forming part of the financial statements
For the year ended 30 June 2023

5.1. Property, plant and equipment (continued)

Useful life

Depreciation is calculated on a straight line basis over the lease term as follows:

Class of asset	Useful life (years)
Buildings	19-60
Park infrastructure	10
Right-of-use Vehicles	Life of lease
Right-of-use buildings	Life of lease

Impairment

There were no indications of impairment for property, plant and equipment owned by the Board 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 \$36 000 (2021-22: \$135 000).

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

The Board has 2 leases that are held directly between the Board and landlords, for office accommodation in Orroroo and Minlaton. The Office accommodation in Orroroo is leased from the District Council of Orroroo Carrieton and is in place up until 30 June 2027. The office accommodation in Minlaton is leased from Yorke Peninsula Council and is in place up until 30 June 2027. Lease payments for both leases are reviewed annually in line with CPI indexation.

The 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 and interest expenses, are disclosed in notes 4.1 and 5.1. Cash outflows related to leases are disclosed in the Statement of Cash Flows.

Northern and Yorke Landscape Board
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	6 923	6 122
Total cash and cash equivalents	6 923	6 122

Deposits with the Treasurer

The Northern and Yorke Landscape fund was established in accordance with section 96 of the *LSA 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.

6.2. Receivables

	2023	2022
	\$'000	\$'000
<u>Current</u>		
Trade receivables		
Debtors	904	907
Accrued revenues	86	(31)
Prepayments	-	11
Total current receivables	990	887
<u>Non-current</u>		
Workers compensation recoveries	1	-
Total non-current receivables	1	-
Total receivables	991	887

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 prepayments are non-interest bearing.

Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

The Board has assessed debtors and determined that non-government debtors comprise a small number of low value balances, which are current and collectable.

Northern and Yorke Landscape Board
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For the year ended 30 June 2023

7. Liabilities

7.1. Payables

	2023	2022
	\$'000	\$'000
Current		
Trade payables	839	358
Employment on-costs	87	68
Accrued expenses	98	75
GST payable to DEW	20	50
Total current payables	1 044	551
Non-current		
Employment on-costs	44	45
Total non-current payables	44	45
Total payables	1 088	596

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.

Employment on-costs

Employment on-costs include payroll tax, Return To Work SA 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.

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

As a result of an actuarial assessment performed by the DTF, the proportion of long service leave taken as leave 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 are 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 borrowing costs associated with the lease liabilities was \$5 000 (2022: \$3 000).

Total cash outflows for leases is \$117 000 (2022: \$118 000).

Northern and Yorke Landscape Board
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8. Outlook

8.1. Unrecognised contractual commitments

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

Other contractual commitments

	2023	2022
	\$'000	\$'000
Within one year	43	44
Later than one year but not later than five years	73	74
Total expenditure commitments	116	118

The Board's commitments relate to non-cancellable contracts at the reporting date and a memorandum of administrative arrangements with the Department for Infrastructure and Transport for accommodation.

8.2. Contingent assets and liabilities

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

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

8.3. Events after the reporting period

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