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## To the Presiding Member South Australian Arid Lands Landscape Board

### Opinion

I have audited the financial report of the South Australian Arid Lands 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

# **South Australian Arid Lands Landscape Board**

## **Financial Statements**

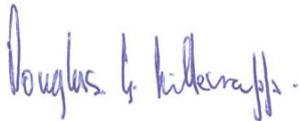
For the year ended 30 June 2023

**South Australian Arid Lands Landscape Board**  
**Certification of the Financial Statements**  
*for the year ending 30 June 2023*

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We certify that the:

- financial statements for the South Australian Arid Lands 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.



Douglas Lillecrapp  
**Presiding Member**  
28 November 2023



Jodie Gregg-Smith  
**General Manager**  
South Australian Arid Lands Landscape Board  
28 November 2023

**South Australian Arid Lands Landscape Board**  
**Statement of Comprehensive Income**  
*for the year ending 30 June 2023*

	Note	2023 \$'000	2022 \$'000
<b>Income</b>			
Landscape and water levies	2.1	2 736	2 865
Commonwealth-sourced grants and funding	2.2	2 757	2 285
Grant revenues	2.3	824	613
Intra-government transfers	2.4	590	381
Interest revenues		156	-
Other income	2.5	381	103
<b>Total income</b>		<b>7 444</b>	<b>6 247</b>
<b>Expenses</b>			
Employee benefits expense	3.3	2 777	2 760
Supplies and services	4.1	2 963	2 287
Grants and subsidies	4.2	372	220
Depreciation	5.1	43	46
Borrowing Costs	7.2	1	1
Other expenses	4.3	47	46
<b>Total expenses</b>		<b>6 203</b>	<b>5 360</b>
<b>Net result</b>		<b>1 241</b>	<b>887</b>
<b>Total comprehensive result</b>		<b>1 241</b>	<b>887</b>

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

**South Australian Arid Lands Landscape Board**  
**Statement of Financial Position**  
*as at 30 June 2023*

	Note	2023 \$'000	2022 \$'000
<b>Current assets</b>			
Cash and cash equivalents	6.1	4 809	4 145
Inventories		16	17
Receivables	6.2	1 343	1 042
<b>Total current assets</b>		<b>6 168</b>	<b>5 204</b>
<b>Non-current assets</b>			
Property plant and equipment	5.1	105	65
<b>Total non-current assets</b>		<b>105</b>	<b>65</b>
<b>Total assets</b>		<b>6 273</b>	<b>5 269</b>
<b>Current liabilities</b>			
Payables	7.1	391	358
Financial liabilities	7.2	20	26
Employee benefits liability	3.4	214	242
Provisions		8	8
Contract liabilities	2.3	43	245
<b>Total current liabilities</b>		<b>676</b>	<b>879</b>
<b>Non-current liabilities</b>			
Payables	7.1	23	30
Financial liabilities	7.2	48	8
Employee benefits liability	3.4	237	309
Provisions		29	24
<b>Total non-current liabilities</b>		<b>337</b>	<b>371</b>
<b>Total liabilities</b>		<b>1 013</b>	<b>1 250</b>
<b>Net assets</b>		<b>5 260</b>	<b>4 019</b>
<b>Equity</b>			
Retained earnings		5 260	4 019
<b>Total equity</b>		<b>5 260</b>	<b>4 019</b>

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

**South Australian Arid Lands Landscape Board**  
**Statement of Changes in Equity**  
*for the year ended 30 June 2023*

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	Note	Retained earnings \$'000	Total equity \$'000
<b>Balance at 1 July 2021</b>		<u>3 132</u>	<u>3 132</u>
Net result for 2021-22		887	887
<b>Total comprehensive result for 2021-22</b>		<u>887</u>	<u>887</u>
<b>Balance at 30 June 2022</b>		<u>4 019</u>	<u>4 019</u>
Net result for 2022-23		1 241	1 241
<b>Total comprehensive result for 2022-23</b>		<u>1 241</u>	<u>1 241</u>
<b>Balance at 30 June 2023</b>		<u><u>5 260</u></u>	<u><u>5 260</u></u>

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

**South Australian Arid Lands Landscape Board**  
**Statement of Cash Flows**  
*for the year ended 30 June 2023*

	Note	2023 \$'000	2022 \$'000
<b>Cash flows from operating activities</b>			
<i>Cash inflows</i>			
Landscape and water levies		2 392	2 947
Commonwealth funding received		3 085	2 692
Grants		694	659
Intra-government transfers		590	431
Interest received		140	-
Other receipts		419	68
<b>Cash generated from operations</b>		<b>7 321</b>	<b>6 797</b>
<i>Cash outflows</i>			
Employee benefits payments		(2 880)	(2 830)
Payments for supplies and services		(3 208)	(2 449)
Payments of grants and subsidies		(409)	(262)
Interest paid		(1)	(1)
Net GST paid to DEW		(57)	(75)
Other payments		(52)	(54)
<b>Cash used in operations</b>		<b>(6 607)</b>	<b>(5 671)</b>
<b>Net cash provided by operating activities</b>		<b>714</b>	<b>1 126</b>
<i>Cash outflows</i>			
Purchase of property, plant and equipment		(14)	(18)
<b>Total cash used in investing activities</b>		<b>(14)</b>	<b>(18)</b>
<b>Net cash used in investing activities</b>		<b>(14)</b>	<b>(18)</b>
<i>Cash outflows</i>			
Repayment of leases		(36)	(43)
<b>Cash used in financing activities</b>		<b>(36)</b>	<b>(43)</b>
<b>Net cash used in financing activities</b>		<b>(36)</b>	<b>(43)</b>
<b>Net increase in cash and cash equivalents</b>		<b>664</b>	<b>1 065</b>
Cash at the beginning of the period		4 145	3 080
<b>Cash at the end of the period</b>	6.1	<b>4 809</b>	<b>4 145</b>

The accompanying notes form part of these financial statements.

# South Australian Arid Lands Landscape Board

## Notes to and forming part of the financial statements

*For the year ended 30 June 2023*

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### 1. About the South Australian Arid Lands Landscape Board

The South Australian Arid Lands 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 SA Arid Lands Strategic Landscape Plan 2021-2026 was approved by the Minister for Climate, Environment and Water in July 2021. The Board operates under a Business Plan which aligns to the Landscape Plan. The SA Arid Lands 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.

#### Landscape Groups

The Board has established seven Landscape Groups to operate within its region pursuant to section 36 of the Landscape Act. The function of the Landscape Groups is defined by the Landscape Group Charter. In accordance with the Board's approval of the Landscape Group Charter the Landscape Groups do not have the power to enter into contracts or procure goods or services in their own right. The Board has ensured that proper accounts have been kept of the Landscape Group's activities and the related financial information has been incorporated in the accounts and financial statements of the Board for financial reporting purposes.

The Board's financial statements include the figures for the Landscape Groups being: Gawler Ranges, Kingoonya, Marla-Oodnadatta, Marree-Innamincka, North East Pastoral, North Flinders and Port Augusta/Quorn. Due to their materiality they are not separately disclosed.

#### 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.

**South Australian Arid Lands Landscape Board**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2023*

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**1.1. Basis of preparation (continued)**

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.

**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 SA Arid Lands Business Plan for 2022-23:

***Climate Resilient Region***

- Ensuring climate risk is embedded in all Board business.
- Providing land managers with the knowledge and skills they need to mitigate and adapt to climate change.
- Exploring adaptation pathways to ensure communities are climate resilient.

***Sustainable Land Management***

- Effective pest plant and animal control protecting production systems.
- Addressing the threat of excessive total grazing pressure.
- Building land managers' capacity in adaptive agriculture, best practice land management and rehabilitation.

***Water Management***

- Planning, research & leveraging infrastructure investment to support the judicious use of groundwater.
- Maintaining hydrogeology to protect Great Artesian Basin springs and groundwater-dependent ecosystems.
- Understanding and managing surface water systems including the Lake Eyre Basin.

**South Australian Arid Lands Landscape Board**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2023*

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

***Protecting and Enhancing Biodiversity***

- Managing key threats to protect natural values.
- Taking action for threatened species and ecosystem recovery.
- Maintaining and improving the condition of Great Artesian Basin springs and water-dependent ecosystems.

***People and Partnerships***

- First Nations partnerships supporting cross-cultural knowledge sharing and landscape management outcomes.
- Supporting Landscape Groups to lead community action and education.
- Raising awareness of the region's natural values and connecting people to nature.
- Supporting community action to achieve land, water and coastal management outcome.

The Board invests in and delivers a suite of programs across the region to achieve these priorities and focus areas.

The table on the following page presents income and expense 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.

**South Australian Arid Lands 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**

	Climate Resilient Region		Sustainable Land Management		Water Management		Protecting and Enhancing Biodiversity		People and Partnerships		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
<b>Income</b>												
Landscape and water levies		-	536	221	607	659	529	206	1 064	1 779	2 736	2 865
Commonwealth-sourced grants and funding	-	150	879	451	60	54	1 695	1 630	123	-	2 757	2 285
Grant revenues	-	-	589	535	-	78	-	-	235	-	824	613
Intra-government transfers	-	-	89	49	208	76	85	-	208	256	590	381
Interest revenues	-	-	46	-	19	-	55	-	36	-	156	-
Other income	2	7	41	91	4	-	304	-	30	5	381	103
<b>Total income</b>	<b>2</b>	<b>157</b>	<b>2 180</b>	<b>1 347</b>	<b>898</b>	<b>867</b>	<b>2 668</b>	<b>1 836</b>	<b>1 696</b>	<b>2 040</b>	<b>7 444</b>	<b>6 247</b>
<b>Expenses</b>												
Employee benefits expense	-	3	586	550	390	255	979	926	822	1 026	2 777	2 760
Supplies and services	-	116	906	727	301	186	1 241	929	515	329	2 963	2 287
Grants and subsidies	86	54	143	53	8	-	23	-	112	113	372	220
Depreciation	7	14	9	9	8	3	10	11	9	9	43	46
Borrowing costs	-	-	1	1	-	-	-	-	-	-	1	1
Other expenses	-	1	12	15	5	3	18	17	12	10	47	46
<b>Total expenses</b>	<b>93</b>	<b>188</b>	<b>1 657</b>	<b>1 355</b>	<b>712</b>	<b>447</b>	<b>2 271</b>	<b>1 883</b>	<b>1 470</b>	<b>1 487</b>	<b>6 203</b>	<b>5 360</b>
<b>Net result</b>	<b>(91)</b>	<b>(31)</b>	<b>523</b>	<b>(8)</b>	<b>186</b>	<b>420</b>	<b>397</b>	<b>(47)</b>	<b>226</b>	<b>553</b>	<b>1 241</b>	<b>887</b>

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

**South Australian Arid Lands Landscape Board**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2023*

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**2. Income**

**2.1. Landscape and water levies**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Water levy collected through DEW	1 957	2 118
Landscape levy collected within council areas	578	563
Landscape levy collected from out of council areas	201	184
<b>Total landscape and water levies</b>	<b>2 736</b>	<b>2 865</b>

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

***Landscape levy collected within council areas***

The Board declares contributions by councils under section 66 of the Landscape Act for the relevant financial year by notice in the Board Annual Business Plan. 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.

***Landscape levy collected from out of council areas***

The Board declares a landscape levy by notice of gazette under section 71 of the Landscape Act for persons who occupy land outside council areas, based on the size of area occupied. Levy collection is administered by the Board with invoices raised in September each financial year, and revenue is recognised by the Board when funds are received from DEW.

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

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Regional Land Partnerships Program	2 251	2 067
Other Commonwealth funding	506	218
<b>Total Commonwealth-sourced grants and funding</b>	<b>2 757</b>	<b>2 285</b>

The Board has determined that the Commonwealth funding included in the table above is accounted for under AASB 1058. Commonwealth funding is generally paid in arrears, subject to an approved declaration of claim by the Board. The Board has determined that it has an unconditional contractual right to receive a portion of the funding under AASB 9 when a claim is submitted, as it has satisfied the eligibility criteria and expects that the claim will be accepted. Accordingly, revenue and a receivable are recognised when the claim is submitted. When Commonwealth funding is paid in advance it is recognised on receipt.

**South Australian Arid Lands Landscape Board**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2023*

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**2.3. Grant revenues**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Income recognised under AASB 1058</b>		
State Government grants	126	-
Sundry grants	496	-
<b>Total income recognised under AASB 1058</b>	<b>622</b>	<b>-</b>
<b>Income recognised under AASB 15</b>		
State Government grants	202	613
<b>Total income recognised under AASB 15</b>	<b>202</b>	<b>613</b>
<b>Total grant revenues</b>	<b>824</b>	<b>613</b>

**Grants recognised under AASB 1058**

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

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

**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 Balances**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Contract liabilities	43	245
<b>Total contract balances</b>	<b>43</b>	<b>245</b>

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

**South Australian Arid Lands Landscape Board**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2023*

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**2.4. Intra-government transfers**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
State Government recurrent funding	590	381
<b>Total intra-government transfers</b>	<b>590</b>	<b>381</b>

Recurrent funding relates to appropriation received from DEW pursuant to subsection 90(4) of the Landscape Act to support the Boards business operation and the administration of the Landscape Act.

Intra-government transfers are recognised as income when the Board obtains control of the asset which is on receipt.

**2.5. Other income**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Donations	300	-
Sale of goods	31	31
Recoup of expenses	34	55
Other revenue	16	17
<b>Total other income</b>	<b>381</b>	<b>103</b>

**3. Board, committees and employees**

**3.1. Key management personnel**

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

The total compensation for the Board's key management personnel was \$701 000 (2022: \$631 000).

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 occurred during 2022-23.

**South Australian Arid Lands Landscape Board**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2023*

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**3.2. Board and committee members**

Members of the Board during the 2022-23 financial year were:

D G Lillecrapp (Presiding Member, appointed 31 January 2023)  
(Board member to 30 January)  
R B Sawers (former Presiding Member, term ended 30 January 2023)  
S Michael  
S Treloar  
K Tschirner  
T Flowers  
E Litchfield  
E Brown (appointed 31 January 2023)

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

**Kingoonya Group**

L Day (Chair)  
C Taylor (Chair)  
T B Law  
D Hunter  
R Jit  
C Fahey  
E Matthias (resigned November 2022)  
D Maidment (appointed July 2022)

**Northern Flinders Group**

I C Ferguson (Chair)  
L J Nicholls  
N C Purnell-Webb  
R Wilton  
G Lee  
R Daniels  
T Neldner  
G Aird (Deputy Member)  
M Reynolds (appointed July 2022)

**Marree-Innamincka Group**

J M Haynes (Chair)  
J Barnes  
L M Litchfield  
M Mayfield  
C M B Oldfield  
F Warren  
L Edwards  
Ah Chee (Deputy Member)  
G Rieck (Deputy Member)

**Marla-Oodnadatta Group**

J Williams (Chair)  
F Lumb  
C M Thomas  
G D Warren  
C J Williams (resigned August 2022)  
S Lennon  
C Lennon (Deputy Member)  
D Clarke (appointed July 2022)  
H Williams (resigned December 2022)

**South Australian Arid Lands Landscape Board**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2023*

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**3.2. Board and committee members (continued)**

**Gawler Ranges**

K Greenfield (Chair)  
 L G Koch  
 B G French  
 J G Kerr (resigned December 2022)  
 A J Michael (Deputy Member)  
 D Sharp  
 G Standish (resigned November 2022)

**North East Pastoral Group**

R Williams (Chair)  
 N S Rasheed  
 T Taplin  
 W Burford  
 M Duncan-Tiver  
 M Goldsworthy (resigned August 2022)  
 T C Coulthard  
 T Zwierson (appointed July 2022)

**Governance and Finance committee**

K Tschirner (Chair)  
 S Treloar  
 E Litchfield (term ended February 2023)  
 E Brown (appointed February 2023)

**Water Advisory committee**

R Sawers (Chair, term ended January 2023)  
 D Lillecrapp (term ended February 2023)  
 T Flowers  
 E Litchfield (Chair)  
 S Michael (appointed February 2023)

**Port Augusta / Quorn Group**

R Hackett  
 M Clifton  
 A R Paynter  
 K Thomas  
 F O'Connor  
 S Marafiote

**Board and committee remuneration**

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

	<b>2023</b>	<b>2022</b>
\$0 - \$19 999	64	56
\$20 000 - \$39 999	-	1
<b>Total number of members</b>	<b>64</b>	<b>57</b>

The total remuneration received or receivable by members was \$70 000 (2022: \$72 000). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits and fringe benefits, and any related fringe benefits tax 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 \$43 000 (2022: \$46 000).

**South Australian Arid Lands Landscape Board**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2023*

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**3.3. Employee benefits expense**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Salaries and wages	2 149	2 082
Employment on-costs - superannuation	247	240
Annual leave	207	221
Employment on-costs - other	123	122
Board and committee fees	65	63
Workers compensation	6	19
Skills and experience retention leave	8	8
Long service leave	(29)	3
Other employee related expenses	1	2
<b>Total employee benefits expense</b>	<b>2 777</b>	<b>2 760</b>

***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.

***Executive remuneration***

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

	<b>2023</b>	<b>2022</b>
	<b>No</b>	<b>No</b>
\$180 001 – \$200 000	1	1
<b>Total</b>	<b>1</b>	<b>1</b>

The total remuneration received by those employees for the year was \$181 000 (2022: \$184 000).

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.

**South Australian Arid Lands Landscape Board**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2023*

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**3.4. Employee benefits liability**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b><u>Current</u></b>		
Annual leave	152	176
Long service leave	47	50
Skills and experience retention leave	14	16
Accrued salaries and wages	1	-
<b>Total current employee benefits</b>	<b>214</b>	<b>242</b>
<b><u>Non-current</u></b>		
Long service leave	237	309
<b>Total non-current employee benefits</b>	<b>237</b>	<b>309</b>
<b>Total employee benefits liability</b>	<b>451</b>	<b>551</b>

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

***Long service leave***

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

The expected timing and amount of long service leave payments is determined through whole-of-government actuarial calculations, which is then applied to the 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.

**South Australian Arid Lands Landscape Board**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2023*

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**4. Expenses**

**4.1. Supplies and services**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Fee for service	1 374	822
Fee for service - Corporate fee	399	312
Accommodation and property management	211	183
Fee for service - Shared Services SA fee	163	157
Travel and accommodation	134	128
Motor vehicles	101	65
General administration	80	94
Fee for service - Board funded DEW salaries	78	71
Minor works, maintenance and equipment	71	79
Fee for Service - Water planning management	69	68
Information technology and communication charges	38	62
Staff development	30	39
Transport	2	2
Other supplies and services	213	205
<b>Total supplies and services</b>	<b>2 963</b>	<b>2 287</b>

**4.2. Grants and subsidies**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Recurrent Grants	372	220
<b>Total grants and subsidies</b>	<b>372</b>	<b>220</b>

The Board provides grants to support community to achieve natural resource management outcomes in the region through its Grassroots Grants and Building Pastoral Sustainability Grants.

**4.3. Other expenses**

Audit fees paid/payable to the Auditor-General's Department relate to work performed under *the Public Finance and Audit Act 1987* were \$46 900 (2022: \$45 900). No other services were provided by the Auditor-General's Department.

**South Australian Arid Lands Landscape Board**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2023*

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## 5. Non-financial assets

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

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

### 5.1. Property, plant and equipment

Property, plant and equipment 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**

	<b>Plant and equipment</b>	<b>Buildings</b>	<b>Furniture</b>	<b>ROU Vehicles</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Carrying amount at the beginning of the period</b>	3	11	17	34	65
Additions	14	-	-	70	84
Depreciation	(4)	(1)	(1)	(37)	(43)
Disposals	-	-	-	(1)	(1)
<b>Carrying amount as at the end of the period</b>	<b>13</b>	<b>10</b>	<b>16</b>	<b>66</b>	<b>105</b>
<b>Gross carrying amount</b>					
Gross carrying amount	132	12	32	135	311
Accumulated depreciation	(119)	(2)	(16)	(69)	(206)
<b>Carrying amount as at the end of the period</b>	<b>13</b>	<b>10</b>	<b>16</b>	<b>66</b>	<b>105</b>

#### **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.

#### **Useful life**

Depreciation is calculated on a straight line basis over the estimated useful life of the following classes of assets as follows:

<b>Class of asset</b>	<b>Useful life (years)</b>
Plant and equipment	5-10
Fitout & Furniture	10-15
Buildings	20
Right-of-use vehicles	3-5

#### **Impairment**

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

**South Australian Arid Lands Landscape Board**  
**Notes to and forming part of the financial statements**  
*For the year ended 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 6 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.

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

## 6. Financial assets

### 6.1. Cash and cash equivalents

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Deposits with the Treasurer	4 809	4 145
<b>Total cash and cash equivalents</b>	<b>4 809</b>	<b>4 145</b>

The South Australian Arid Lands 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 re-commenced being paid in September 2022 on cash balances from May 2022.

**South Australian Arid Lands Landscape Board**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2023*

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## 6.2. Receivables

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
<b>Contractual receivables</b>		
Debtors	1 301	1 018
Prepayments	-	13
Less impairment loss on receivables	(1)	(1)
<b>Total contractual receivables</b>	<b>1 300</b>	<b>1 030</b>
<b>Statutory receivables</b>		
Accrued landscape levies	27	12
Accrued Revenue	16	-
<b>Total statutory receivables</b>	<b>43</b>	<b>12</b>
<b>Total current receivables</b>	<b>1 343</b>	<b>1 042</b>

Contractual receivables arise in the normal course of selling goods and services to other government agencies and to the public. Contractual receivables are generally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement.

Statutory receivables do not arise from contracts with customers. They are recognised and measured similarly to contractual receivables (except impairment) but are not classified as financial instruments for disclosure purposes.

Receivables 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 impairment loss relates to contracts with customers external to SA Government.

## 7. Liabilities

### 7.1. Payables

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
Contractual payables	147	160
Accrued expenses	70	56
<b>Statutory Payables</b>		
Employment on-costs	63	61
GST payable to DEW	111	81
<b>Total statutory payables</b>	<b>174</b>	<b>142</b>
<b>Total current payables</b>	<b>391</b>	<b>358</b>
<b>Non-current</b>		
<b>Statutory Payables</b>		
Employment on-costs	23	30
<b>Total non-current payables</b>	<b>23</b>	<b>30</b>
<b>Total payables</b>	<b>414</b>	<b>388</b>

**South Australian Arid Lands Landscape Board**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2023*

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### 7.1. Payables (continued)

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.

Statutory payables do not arise from contracts.

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

#### **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.

As a result of an actuarial assessment performed by the Department of Treasury and Finance, 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 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 current portion of lease liabilities is \$20 000 (2022: \$26 000) and the non-current portion is \$48 000 (\$8 000).

The borrowing costs associated with these lease liabilities was \$1 000 (2022: \$1 000).

Total cash outflows for leases is \$37 000 (2022: \$44 000).

## 8. Outlook

### 8.1. Unrecognised contractual commitments

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

#### **Other contractual commitments**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
No later than one year	112	109
Later than one year but no later than five years	485	470
Later than five years	754	881
<b>Total expenditure commitments</b>	<b>1 351</b>	<b>1 460</b>

The Board's commitments relate to non-cancellable contracts at the reporting date which have not been recognised in the Statement of Comprehensive Income and Statement of Financial Position. The Board's expenditure commitments relate to the Memoranda of Administrative Arrangement with the Department of Infrastructure and Transport for office accommodation.

**South Australian Arid Lands Landscape Board**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2023*

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**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 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.