



Level 9
State Administration Centre
200 Victoria Square
Adelaide SA 5000
Tel +618 8226 9640
ABN 53 327 061 410
enquiries@audit.sa.gov.au
www.audit.sa.gov.au

To the Presiding Member Coast Protection Board

Opinion

I have audited the financial report of Coast Protection Board for the financial year ended 30 June 2024.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Coast Protection Board as at 30 June 2024, 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 Disclosures.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2024
- a Statement of Financial Position as at 30 June 2024
- a Statement of Changes in Equity for the year ended 30 June 2024
- a Statement of Cash Flows for the year ended 30 June 2024
- notes, comprising material accounting policy information and other explanatory information
- a Certificate from the Presiding Member, and the Chief Executive and the Acting Chief Financial Officer of the Department for Environment and Water.

Basis for opinion

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

The Chief Executive 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 Australian Accounting Standards – Simplified Disclosures, 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 that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Chief Executive is responsible for assessing the entity's ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The Chief Executive is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

The Members of the Coast Protection Board are responsible for overseeing the entity's financial report 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 31(2) of the *Coast Protection Act 1972*, I have audited the financial report of the Coast Protection Board for the financial year ended 30 June 2024.

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 Coast Protection Board's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Coast Protection Board
- conclude on the appropriateness of the Chief Executive'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 Chief Executive 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
Assistant Auditor-General (Financial Audit)

31 October 2024

Coast Protection Board

Financial Statements

For the year ended 30 June 2024

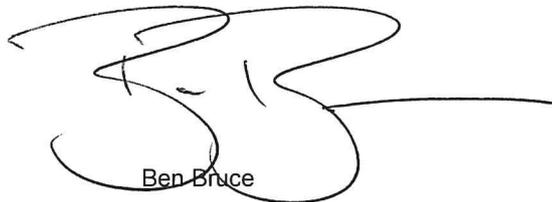
Coast Protection Board
Certification of the Financial Statements
for the year ended 30 June 2024

We certify that the:

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



Jeff Tate
Presiding Member
29 October 2024



Ben Bruce
Chief Executive
Department for Environment and Water
29 October 2024



Andrew Geytenbeek
A/Chief Financial Officer
Department for Environment and Water
29 October 2024

Coast Protection Board
Statement of Comprehensive Income
for the year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
Income			
Intra-government transfers	2.1	1 609	1 594
Fees and charges	2.2	37	65
Total income		1 646	1 659
Expenses			
Board member expenses	3.3	37	22
Supplies and services	4.1	374	171
Grants and subsidies	4.2	1 223	1 452
Other expenses	4.3	12	11
Total expenses		1 646	1 656
Net result		-	3
Other Comprehensive Income			
Changes in property, plant and equipment asset revaluation surplus		3 206	-
Total other comprehensive income		3 206	-
Total comprehensive result		3 206	3

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

Coast Protection Board
Statement of Financial Position
as at 30 June 2024

	Note	2024 \$'000	2023 \$'000
Current assets			
Cash and cash equivalents	6.1	456	1 073
Receivables	6.2	14	114
Total current assets		470	1 187
Non-current assets			
Land	5.1	9 793	6 587
Total non-current assets		9 793	6 587
Total assets		10 263	7 774
Current liabilities			
Payables	7.1	117	834
Total current liabilities		117	834
Total liabilities		117	834
Net assets		10 146	6 940
Equity			
Asset revaluation surplus		10 081	6 875
Retained earnings		65	65
Total equity		10 146	6 940

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

Coast Protection Board
Statement of Changes in Equity
for the year ended 30 June 2024

		Asset revaluation surplus \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2022		6 950	317	7 267
Error correction	5.1	(75)	(255)	(330)
Restated balance at 1 July 2022		6 875	62	6 937
Net result for 2022-23		-	3	3
Total comprehensive result for 2022-23		-	3	3
Balance at 30 June 2023		6 875	65	6 940
Gain on revaluation of property, plant and equipment		3 206	-	3 206
Net result for 2023-24		-	-	-
Total comprehensive result for 2023-24		3 206	-	3 206
Balance at 30 June 2024		10 081	65	10 146

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

Coast Protection Board
Statement of Cash Flows
for the year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
Cash flows from operating activities			
<i>Cash inflows</i>			
Intra-government transfers		1 609	1 594
GST recovered from DEW		227	123
Fees and charges		70	27
Cash generated from operating activities		1 906	1 744
<i>Cash outflows</i>			
Board member payments		(33)	(22)
Payments for supplies and services		(487)	(130)
Payments for grants and subsidies		(1 990)	(1 219)
Other payments		(13)	(12)
Cash used in operating activities		(2 523)	(1 383)
Net cash (used in) / provided by operating activities		(617)	361
Net (decrease) / increase in cash and cash equivalents		(617)	361
Cash and cash equivalents at the beginning of the reporting period		1 073	712
Cash and cash equivalents at the end of the reporting period	6.1	456	1 073

The accompanying notes form part of these financial statements.

Coast Protection Board

Notes to and forming part of the financial statements

for the year ended 30 June 2024

1. About the Coast Protection Board

The Coast Protection Board (CPB) is a reporting entity established pursuant to section 6 of the *Coast Protection Act 1972* (the Act).

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 CPB 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 CPB via the grouping provisions of the GST legislation. Notwithstanding the use of these grouping provisions, intercompany cash alignment occurs to ensure the CPB either recovers the net amount of GST recoverable from or disburses the amount payable to the ATO from DEW.

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

1.2. Objectives and programs

The CPB was established under the Act to protect the coast from erosion, damage, deterioration, pollution and misuse; restore any part of the coast that has been subjected to erosion, damage, deterioration, pollution or misuse; develop any part of the coast aesthetically, or to improve it for those who use and enjoy it; manage, maintain and develop those coast facilities that the Board is responsible for; report to the Minister for Climate, Environment and Water where required; and carry out, or be involved in, research into the protection, restoration or development of the coast.

Coast Protection Board
Notes to and forming part of the financial statements
for the year ended 30 June 2024

1.2. Objectives and programs (continued)

The major objectives of the CPB are to:

- Protect, conserve and, where necessary, restore the beaches and coast of the State. The CPB is concerned with understanding and mitigating coastal hazards, and conserving the biodiversity and integrity of the coast.
- Manage assets of the Board – the Board owns parcels of coastal land, purchased to further its duties under the Act.
- Advice and research:
 - a) The advisory role is a primary method to protect, conserve and restore the coast.
 - b) Research is directed towards understanding coastal ecosystem functioning, dynamics and processes in SA, and identifying and examining significant coastal protection and restoration issues.

In achieving its objectives, the CPB conducts its services through a single activity, Coast and Marine Conservation. The purpose of this activity is to ensure the conservation, protection and ongoing sustainable productivity of South Australia's coastal, estuarine and marine environments. As the CPB conducts its services through a single activity, a Statement of Income and Expenses by Program has not been prepared.

Financial arrangements

The financial activities of the CPB are administered through the Coast Protection Fund (the Fund) in accordance with the Act. The Fund is a non-interest-bearing Deposit Account pursuant to section 21(1) of the *Public Finance and Audit Act 1987*. The Fund's sources of revenue consist of revenue from SA Government together with income derived from development application fees and charges.

The CPB has no employees. The functions and activities required by the Act are performed by employees of DEW. These services are provided on a fee for service basis and are recognised in these financial statements.

2. Income

2.1. Intra-government transfers

	2024	2023
	\$'000	\$'000
Intra-government transfers	1 609	1 594
Total intra-government transfers	1 609	1 594

Intra-government transfers are recognised on receipt.

The CPB received a contribution from the Green Industry Fund of \$1 million (2023: \$1 million) and \$0.609 million (2023: \$0.594 million) paid as an appropriation through DEW.

2.2. Fees and charges

	2024	2023
	\$'000	\$'000
Fees, levies and licences	37	65
Total fees and charges	37	65

Revenues from fees and charges are derived primarily from fees for development applications. Revenue is recognised when development applications are processed.

Coast Protection Board
Notes to and forming part of the financial statements
for the year ended 30 June 2024

3. Board, committees and employees

3.1. Key management personnel

Key management personnel of the CPB include the Minister for Climate, Environment and Water and the Board members.

Total compensation of key management personnel was \$22 000 (2023: \$21 000).

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 under section 6 the *Parliamentary Remuneration Act 1990*.

Transactions with key management personnel and other related parties

No transactions with key management personnel or related parties occurred during 2023-24.

3.2. Board and committee members

Members during the 2023-24 financial year were:

J S Tate (Presiding Member)
 K Galpin*
 A Stanford*
 B M Gillanders
 A S Sandery
 A L Wilson
 J Buder*
 B D Clarke

Climate Science Advisory Committee

B M Gillanders
 B Mitchell
 G Miot da Silva
 H Maier
 J Balston

* In accordance with the Premier and Cabinet's Circular No 016, government employees did not receive any remuneration for Board duties during the financial year.

Board and committee remuneration

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

	2024	2023
\$0 - \$19 999	11	11
\$20 000 - \$39 999	1	-
Total number of members	12	11

The total remuneration received or receivable by members was \$35 000 (2023: \$21 000). Remuneration of members includes sitting fees, super contributions, salary sacrifice benefits, fringe benefits and any related fringe benefits tax. A further \$2 000 (2023: \$1 000) in payroll tax expenses is recognised in 'Board member' expenses.

For the purposes of this table, board member on-costs have not been included as remuneration as they do not form part of remuneration received or receivable by the members.

Coast Protection Board
Notes to and forming part of the financial statements
for the year ended 30 June 2024

3.3. Board member expenses

	2024	2023
	\$'000	\$'000
Board and committee fees	32	19
Remuneration on-costs - superannuation	3	2
Remuneration on-costs - other	2	1
Total board member expenses	37	22

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

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

4. Expenses

4.1. Supplies and services

	2024	2023
	\$'000	\$'000
Fee for Service - Corporate Fee (DEW)	124	75
Fee for service	117	7
Aerial photography and survey	66	25
Travel	26	21
Minor works, maintenance and equipment	11	18
Contribution to Waverider Buoy maintenance	10	10
Accommodation and property management expenses	2	-
General administration	2	-
Vehicle	1	-
Sponsorship	-	11
Other	15	4
Total supplies and services	374	171

Coast Protection Board
Notes to and forming part of the financial statements
for the year ended 30 June 2024

4.2. Grants and subsidies

	2024	2023
	\$'000	\$'000
Local government (i)	1 036	1 190
Other	187	262
Total grants and subsidies	1 223	1 452
(i) Local government		
City of Onkaparinga	355	175
Wattle Range Council	320	-
District Council of Lower Eyre Peninsula	113	-
Whyalla City Council	68	60
Yorke Peninsula Council	56	198
City of Victor Harbor	55	33
Copper Coast Council	43	15
District Council of Robe	20	-
Australian Coastal Councils	6	
Kingston District Council	-	260
Port Pirie Regional Council	-	225
Alexandrina Council	-	80
District Council of Tumby Bay	-	60
City of Marion	-	42
City of Holdfast Bay	-	20
City of Charles Sturt	-	6
Barunga West Council	-	6
District Council of Yankalilla	-	6
City of Port Lincoln	-	4
Total local government grants and subsidies	1 036	1 190

For contributions payable, the contribution will be recognised as a liability and expense when the entity has a present obligation to pay the contribution and the expense recognition criteria are met. Grants are provided to local councils and community groups to help fund projects that sustain, restore, and protect South Australian coastal resources.

4.3. Other expenses

Audit fees paid/payable to the Audit Office of South Australia relating to work performed under the *Public Finance and Audit Act 1987* were \$11 700 (2023: \$11 400). No other services were provided by the Audit Office of South Australia.

Coast Protection Board
Notes to and forming part of the financial statements
for the year ended 30 June 2024

5. Non-financial assets

5.1. Land

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

Land with a value equal to or in excess of \$10 000 is capitalised, otherwise it is expensed. Land owned by the CPB is recorded at fair value. Detail about the Board's approach to fair value is set out in note 9.1.

	2024 \$'000	2023 \$'000
Land		
Land at fair value	9 793	6 587
Total land	<u>9 793</u>	<u>6 587</u>
Total property, plant and equipment	<u><u>9 793</u></u>	<u><u>6 587</u></u>

Reconciliation 2023-24

	Land \$'000	Total \$'000
Carrying amount at 1 July 2022	6 917	6917
Error correction	(330)	(330)
Restated balance at 1 July 2022	<u>6 587</u>	<u>6 587</u>
Carrying amount at 1 July 2023	6 587	6 587
Revaluation increment	3 206	3 206
Carrying amount at 30 June 2024	<u><u>9 793</u></u>	<u><u>9 793</u></u>

An error correction of \$255 000 was adjusted against retained earnings at 1 July 2022. The net effect of \$330 000 has been disclosed in the above asset movement schedule and Statement of Changes in Equity. This was an error that was discovered as part of the Independent revaluation performed every 6-years. The decrease of \$255 000 is a result of parcels of land only part controlled by the Board being recognised as fully controlled. The decrease of \$75 000 is a result of a revaluation decrement relating to the same error. The error correction is in accordance with AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*.

This correction was represented as an adjustment to the opening balance of this asset class to ensure relevant data was accurate prior to processing the revaluation of these assets as at 1 July 2022.

Coast Protection Board
Notes to and forming part of the financial statements
for the year ended 30 June 2024

6. Current assets

6.1. Cash and cash equivalents

	2024	2023
	\$'000	\$'000
Deposits with the Treasurer	456	1 073
Total cash and cash equivalents	456	1 073

Deposits with the Treasurer

The Coast Protection Fund was established in accordance with the Act. The fund is a non-interest bearing Deposit account with DTF pursuant to section 21 of the *Public Finance and Audit Act 1987*.

6.2. Receivables

	2024	2023
	\$'000	\$'000
-		
Contractual receivables		
From government entities	5	-
Accrued revenue	-	38
Total contractual receivables	5	38
Statutory receivables		
GST recoverable from DEW	9	76
Total statutory receivables	9	76
Total current receivables	14	114

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.

The net amount of GST recoverable from DEW is included as part of receivables. Receivables are non-interest bearing. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

Coast Protection Board
Notes to and forming part of the financial statements
for the year ended 30 June 2024

7. Current Liabilities

7.1. Payables

	2024 \$'000	2023 \$'000
Current		
Contractual payables	101	823
Accrued expenses	16	11
Total current payables	117	834
Total payables	117	834

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.

8. Outlook

8.1. Unrecognised contractual commitments

The CPB had no unrecognised contractual commitments at 30 June 2024.

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 CPB is not aware of any contingent assets or contingent 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.

Coast Protection Board
Notes to and forming part of the financial statements
for the year ended 30 June 2024

9. Measurement and risk

9.1. Fair value

AASB 13 *Fair Value Measurement* defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, in the principal or most advantageous market, at the measurement date.

Initial recognition

Non-current assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition.

Where assets are acquired at no value, or minimal value, they are recorded at fair value in the Statement of Financial Position. However, if the assets are acquired at no or nominal value as part of a restructuring of administrative arrangements then the assets are recognised at book value (that is the amount recorded by the transferor public authority prior to the restructure).

Revaluation

Non-current tangible assets are valued at fair value and revaluation of non-current assets or a group of assets is only performed when the fair value at the time of acquisition is greater than \$1.5 million and estimated useful life is greater than three years.

Every six years, the CPB revalues its land via an independent Certified Practising Valuer. If at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place.

Assets disclosed at independent valuation

The CPB's land assets, comprising Crown land dedicated to the CPB or held by the Minister for Climate, Environment and Water on behalf of the CPB, were revalued as at 30 June 2024. The independent revaluation was undertaken by Certified Practising Valuer, Mr Stuart Bruce-Gordon, Managing Advisory Valuer, AAPI CPV.

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