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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 2025.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Board as at 30 June 2025, 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 2025
- a Statement of Financial Position as at 30 June 2025
- a Statement of Changes in Equity for the year ended 30 June 2025
- a Statement of Cash Flows for the year ended 30 June 2025
- 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 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 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 2025.

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
Deputy Auditor-General

28 November 2025

South Australian Arid Lands Landscape Board

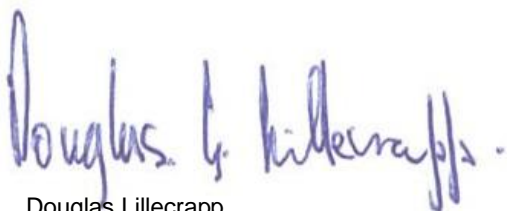
Financial Statements

For the year ended 30 June 2025

South Australian Arid Lands Landscape Board
Certification of the Financial Statements
for the year ending 30 June 2025

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 2025



Jodie Gregg-Smith

General Manager

South Australian Arid Lands Landscape Board

28 November 2025

South Australian Arid Lands Landscape Board
Statement of Comprehensive Income
for the year ending 30 June 2025

Statement of Comprehensive Income

		2025	2024
	Note	\$'000	\$'000
Income			
Landscape and water levies	3.1	3 099	2 963
Grants and subsidies	3.2	3 517	3 400
Intra-government transfers	3.3	1 342	542
Interest revenues		259	246
Other income	3.4	194	97
Total income		8 411	7 248
Expenses			
Employee related expenses	4.1	3 588	3 155
Supplies and services	4.2	3 313	3 073
Grants and subsidies	4.3	424	267
Intra-government transfers	3.3	932	-
Depreciation	5.4	56	32
Borrowing costs	6.2	7	3
Other expenses	4.4	49	48
Total expenses		8 369	6 578
Net result		42	670
Total comprehensive result		42	670

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 2025

Statement of Financial Position

	Note	2025 \$'000	2024 \$'000
Current assets			
Cash and cash equivalents	5.1	6 236	5 704
Receivables	5.2	777	1 302
Total current assets		7 013	7 006
Non-current assets			
Property, plant and equipment	5.4	26	186
Receivables	5.2	1	1
Total non-current assets		27	187
Total assets		7 040	7 193
Current liabilities			
Payables	6.1	313	486
Other financial liabilities	6.2	-	42
Employee related liabilities	6.3	309	250
Provisions	6.4	6	4
Total current liabilities		628	782
Non-current liabilities			
Other financial liabilities	6.2	-	112
Employee related liabilities	6.3	411	341
Provisions	6.4	29	28
Total non-current liabilities		440	481
Total liabilities		1 068	1 263
Net assets		5 972	5 930
Equity			
Retained earnings		5 972	5 930
Total equity		5 972	5 930

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 2025

Statement of Changes in Equity

	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2023	5 260	5 260
Net result for 2023-24	670	670
Total comprehensive result for 2023-24	670	670
Balance at 30 June 2024	5 930	5 930
Net result for 2024-25	42	42
Total comprehensive result for 2024-25	5 972	5 972
Balance at 30 June 2025	5 972	5 972

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 2025

Statement of Cash Flows

		2025	2024
	Note	\$'000	\$'000
Cash flows from operating activities			
<u>Cash inflows</u>			
Landscape and water levies		3 105	4 047
Grants		4 189	2 470
Intra-government transfers		410	542
Interest received		260	242
Other receipts		201	104
Net GST recovered from DEW		134	-
<u>Cash outflows</u>			
Employee related payments		(3 467)	(3 081)
Payments for supplies and services		(3 769)	(3 082)
Payments of grants and subsidies		(424)	(267)
Interest paid		(7)	(3)
Net GST paid to DEW		-	(3)
Other payments		(53)	(53)
Net cash from operating activities		579	916
Cash flows from financing activities			
<u>Cash inflows</u>			
Receipt of working capital		932	-
<u>Cash outflows</u>			
Repayment of working capital		(932)	-
Repayment of leases		(47)	(21)
Net cash used in financing activities		(47)	(21)
Net increase in cash and cash equivalents		532	895
Cash and cash equivalents at the beginning of the period		5 704	4 809
Cash and cash equivalents at the end of the period	5.1	6 236	5 704

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 2025

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 2024-25 identifies the Board's revenue and investment in priorities for management of landscapes in the region as detailed in note 1.2.

In 2023, the Board entered into a three-year Service Level Agreement (SLA) with the Department for Environment and Water (DEW) from 1 July 2023 to 30 June 2026. This facilitated the delivery of agreed corporate support services to the Board during 2024-25 to enable it to meet its governance and financial management statutory requirements in delivering its business.

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

1.1. Basis of preparation

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

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

The financial statements have been prepared based on a 12 month period and presented in Australian currency. All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000). The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

Assets that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets. Liabilities that are due to be settled within 12 months after the end of the reporting period or for which the Board has no right to defer the settlement for at least 12 months after the end of the reporting period are classified as 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; and
- receivables and payables, which are stated with the amount of GST included.

The Board is grouped with 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. The net amount of GST recoverable from, or payable to, the ATO is reflected as a part of receivables or payables in the Statement of Financial Position as at 30 June.

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.

South Australian Arid Lands Landscape Board
Notes to and forming part of the financial statements
For the year ended 30 June 2025

1.2. Objectives and priorities

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 priorities

In discharging its functions under the Landscape Act, the Board delivers the following priorities, as outlined in the SA Arid Lands Business Plan for 2024-25:

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.

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 priority. Revenues and expenses are allocated to priorities where these amounts can be tied directly to that priority area. Where this is not the case, the amounts are allocated based on a budget allocation per the Board's 2024-25 business plan.

South Australian Arid Lands Landscape Board
Notes to and forming part of the financial statements
For the year ended 30 June 2025

1.2 Objectives and priorities (continued)

Income and expenses by priorities

	Climate Resilient Region		Sustainable Land Management		Water Management		Protecting and Enhancing Biodiversity		People and Partnerships		Total	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Income												
Landscape and water levies	37	75	795	574	662	747	416	428	1 189	1 139	3 099	2 963
Grants and subsidies	135	272	1 874	1 313	125	92	1 014	1 557	369	166	3 517	3 400
Intra-government transfers	193	13	290	50	216	198	238	73	405	208	1 342	542
Interest revenues	7	-	105	-	30	34	52	73	65	139	259	246
Other income	3	-	165	69	4	9	11	5	11	14	194	97
Total income	375	360	3 229	2 006	1 037	1 080	1 731	2 136	2 039	1 666	8 411	7 248
Expenses												
Employee related expenses	130	126	1 261	834	496	576	708	616	993	1 003	3 588	3 155
Supplies and services	120	118	1 111	1 232	456	334	860	849	766	540	3 313	3 073
Grants and subsidies	118	96	63	15	10	56	-	-	233	100	424	267
Intra-government transfers	187	-	186	-	186	-	186	-	187	-	932	-
Depreciation	3	6	21	6	7	6	12	7	13	7	56	32
Borrowing costs	2	1	1	-	1	1	1	-	2	1	7	3
Other expenses	1	8	17	9	6	6	13	13	11	12	48	48
Total expenses	561	355	2 660	2 096	1 162	979	1 780	1 485	2 205	1 663	8 368	6 578
Net result	(186)	5	569	(90)	(125)	101	(49)	651	(166)	3	43	670

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

South Australian Arid Lands Landscape Board
Notes to and forming part of the financial statements
For the year ended 30 June 2025

2. Board, committees and employees

2.1. 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 \$667 000 (2024: \$736 000).

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

Apart from the remuneration for key management personnel, the Board does not have material transactions with key management personnel, their close family members and/or their controlled or jointly controlled entities.

South Australian Arid Lands Landscape Board
Notes to and forming part of the financial statements
For the year ended 30 June 2025

2.2. Board and committee members

Members of the Board during the 2024-25 financial year were:

T Flowers	D G Lillecrapp (Presiding Member)
S Michael	J Harris
E Litchfield	M Mayfield
K Tschirner	C Hoad
S Treloar	

Marree-Innaminka Group

F Warren
J Barnes
J Hayes (Chair)
L Edwards
L Litchfield
M Mayfield
C Oldfield

Gawler Ranges

A J Michael (Deputy Member)
K Greenfield
L G Koch
W Wadsworth
K Wurst

North East Pastoral Group

C Duncan-Tiver
M Duncan-Tiver
N S Rasheed
R Williams (Chair)
T Zwierson
A Crowley
B Miller

Kingoonya Group

C Fahey
D Maidment
L Day (Chair)
N Manders
T Law
A Thomas

Water Advisory committee

E Litchfield (Chair)
T Flowers
S Michael
M Mayfield

Northern Flinders Group

M Daniels
M Reynolds (Chair)
R Wilton
V Lee
A Nunan
C Ferguson
T Bertram
G Aird

Marla-Oodnadatta Group

C Lennon
D Clarke
F Lumb (Chair)
M Mackay
P Quinn
R Bowland
S Lennon
N Ryan-Schofield
C Clark

Port Augusta / Quorn Group

A R Paynter
F O'Connor
K Thomas
R Hackett (Chair)
P Zanet*
J Bowey
R Buono

Governance and Finance committee

J Harris
K Tschirner (Chair)
S Treloar
C Hoad

*In accordance with Premier and Cabinet Circular 016, government employees did not receive any remuneration for board/committee duties during the financial year.

South Australian Arid Lands Landscape Board
Notes to and forming part of the financial statements
For the year ended 30 June 2025

2.2. Board and committee members (continued)

Board and committee remuneration

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

	2025	2024
\$0	18	15
\$1 - \$19 999	38	37
\$20 000 - \$39 999	1	-
\$40 000 - \$59 999	-	1
Total number of members	57	53

The total remuneration received or receivable by members was \$68 000 (2024: \$66 000). Remuneration of members reflects all costs of performing Board, Committee and Group member duties including sitting fees, superannuation contributions, salary sacrifice benefits, 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 (2024: \$44 000).

3. Income

3.1. Landscape and water levies

	2025	2024
	\$'000	\$'000
Water levy collected through DEW	2 201	2 097
Landscape levy collected within council areas	663	626
Landscape levy collected from out of council areas	235	240
Total landscape and water levies	3 099	2 963

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 from 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.

South Australian Arid Lands Landscape Board
Notes to and forming part of the financial statements
For the year ended 30 June 2025

3.2. Grants and subsidies

	2025	2024
	\$'000	\$'000
Commonwealth sourced grants		
Regional Delivery Partnerships Program*	1 726	1 806
Other Commonwealth funding	-	74
Total Commonwealth-sourced grants	1 726	1 880

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.

	2025	2024
	\$'000	\$'000
Income recognised under AASB 1058		
State Government grants	1 348	688
Sundry grants	443	832
Total income recognised under AASB 1058	1 791	1 520
Total grants and subsidies	3 517	3 400

From 1 July 2023, the Department of Climate Change, Energy, Environment and Water under a panel agreement, appointed regional delivery partners to deliver on-ground environmental protection, sustainable agriculture and natural resource management activities across Australia. Funding for these services is provided from the Natural Heritage Trust.

The South Australian Arid Lands Landscape Board was appointed as a delivery partner administering approved programs and projects under the agreement within the South Australian Arid Lands region.

	2025	2024
	\$'000	\$'000
*Regional Delivery Partnerships Program funding consists of the following components		
Idnya Reintroduction Program	-	500
Regional Capacity Services	360	410
Emergency Preparedness Response	-	250
Discovery4Recovery	313	-
Wetland Wonders	256	222
LEB Riparian & Springs	-	220
Sustainable Agriculture Facilitator	216	135
Plains Wanderer	360	69
Building Pastoral Sustainability	221	-
Total Regional Land Partnership funding	1 726	1 806

South Australian Arid Lands Landscape Board
Notes to and forming part of the financial statements
For the year ended 30 June 2025

3.2. Grants and subsidies (continued)

The Regional Land Partnership was funded by the Australian Government over five years from 2019 to 2023. The funding was provided to support vial on-ground environment and agricultural projects that offer benefits to the environment, farms and communities.

The Board has determined that the Commonwealth funding included in the tables 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.

3.3. Intra-government transfers

Intra-government transfers are 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. Total of the funding were \$410 000 (2024: \$542 000).

During 2024-25 the Board accessed a drawdown of \$932 000 cash from the LAF. This was provided as working capital due to a delay in the Board receiving significant Water Levy income with the transition to a new Water Management System. The drawdown was paid back to LAF in June 2025.

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

3.4. Other income

	2025	2024
	\$'000	\$'000
Sale of goods	56	53
Recoup of expenses	121	29
Other revenue	17	15
Total other income	194	97

4. Expenses

4.1. Employee related expenses

	2025	2024
	\$'000	\$'000
Salaries and wages	2 686	2 302
Superannuation	357	290
Annual leave	249	230
Employment on-costs - other	162	142
Board and committee fees	62	66
Workers compensation	3	(4)
Skills and experience retention leave	7	6
Long service leave	60	122
Other employee related expenses	2	1
Total employee related expenses	3 588	3 155

South Australian Arid Lands Landscape Board
Notes to and forming part of the financial statements
For the year ended 30 June 2025

Superannuation

The superannuation expense represents the Boards' contributions to superannuation plans in respect of current services of current employees.

South Australian Arid Lands Landscape Board
Notes to and forming part of the financial statements
For the year ended 30 June 2025

4.1. Employee related expenses (continued)

Employee remuneration

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

	2025	2024
	No	No
\$191 001 – \$211 000	-	1
\$211 001 – \$231 000	1	-
Total	1	1

The total remuneration received by those employees for the year was \$213 000 (2024: \$203 000).

The table includes all employees whose normal remuneration was 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, salary sacrifice benefits and fringe benefits and any related fringe benefits tax paid or payable in respect of those benefits as well as any termination benefits for employees who have left the Board.

4.2. Supplies and services

	2025	2024
	\$'000	\$'000
Fee for service	1 484	1 361
Fee for service - Corporate fee	425	379
Accommodation and property management	205	207
Motor vehicles	169	133
General administration	161	120
Travel and accommodation	162	127
Minor works, maintenance and equipment	174	161
Fee for service - Shared Services SA fee	171	165
Staff development	47	67
Information technology and communication charges	64	46
Contractors	19	8
Transport	2	2
Fee for Service - Water planning management	-	72
Consultants	-	5
Other supplies and services	230	220
Total supplies and services	3 313	3 073

Accommodation

A part of the Board's accommodation is provided by the Department for Infrastructure and Transport (DIT) under a Memoranda of Administrative Arrangement (MoAA) issued in accordance with Government-wide accommodation policies. These arrangements do not meet the definition of a lease and accordingly are expensed.

South Australian Arid Lands Landscape Board
Notes to and forming part of the financial statements
For the year ended 30 June 2025

4.3. Grants and subsidies

The Board has provided grants to support the community to achieve natural resource management outcomes in the region through its Grassroots Grants, Water Accounting Grants and Planning for Healthy Country Grants. Total grants provided were \$424 000 (2024: \$267 000).

4.4. Other expenses

Audit fees paid/payable to the Audit Office of South Australia relate to work performed under *the Public Finance and Audit Act 1987* were \$49 200 (2024: \$48 200). No other services were provided by the Audit Office of South Australia.

5. Assets

All financial assets are measured at amortised cost.

5.1. Cash and cash equivalents

	2025	2024
	\$'000	\$'000
Deposits with the Treasurer	6 236	5 704
Total cash and cash equivalents	6 236	5 704

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.

South Australian Arid Lands Landscape Board
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5.2. Receivables

	2025	2024
	\$'000	\$'000
Current		
Contractual receivables		
Debtors	503	1 140
Less impairment loss on contractual receivables	(1)	(1)
Accrued revenue	145	20
Total contractual receivables	647	1 159
Statutory receivables		
Accrued landscape levies	120	115
GST input tax recoverable from DEW	10	28
Total statutory receivables	130	143
Total current receivables	777	1 302
Non-current		
Statutory receivables		
Workers compensation recoveries	1	1
Total non-current receivables	1	1
Total receivables	778	1 303

All receivables are non-interest bearing. They are held with the objective of collecting the contractual cash flows.

Contractual receivables

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.

The impairment losses relates to contracts with customers external to SA Government.

Statutory receivables

Statutory receivables do not arise from contracts with customers. They are related to taxes and equivalents as well as statutory fees and charges. Statutory receivables are recognised and measured similarly to contractual receivables. Statutory receivables are not financial assets.

Workers compensation recoveries are related to the interim benefits receivable from employees pursuant to Section 32(3) of the *Return to Work Act 2014*. This receivable is recognised when the relevant employees' claims are rejected.

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

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5.3. Useful life and depreciation of non-financial assets

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

Class of asset	Useful life (years)
Plant and equipment	5-10
Buildings	20
Furniture	10-15
Right-of-use vehicles	4

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, which is a change in accounting estimate.

5.4. Property, plant and equipment

Property, plant and equipment comprise tangible assets owned by the Board and right-of-use leased assets. The assets presented below do not meet the definition of investment property.

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 cost (deemed fair value).

Reconciliation 2024-25

	Plant and equipment	Buildings	Furniture	ROU Vehicles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	9	9	15	153	186
Additions	-	-	-	74	74
Depreciation	(4)	(1)	(2)	(49)	(56)
Derecognition	-	-	-	(210)	(210)
Other changes	-	-	-	32	32
Carrying amount as at the end of the period	5	8	13	-	26
Gross carrying amount					
Gross carrying amount	132	12	18	-	162
Accumulated depreciation	(127)	(4)	(5)	-	(136)
Carrying amount as at the end of the period	5	8	13	-	26

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5.5. 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 4.2.

Effective 1 April 2025, motor vehicle lease contractual arrangements with SAFA Fleet are no longer accounted for under AASB 16 Leases. From 1 April 2025, SAFA Fleet motor vehicle lease payments were recorded directly in the Statement of Comprehensive Income. All related right-of-use assets (ROU) and liabilities up to 31 March 2025 were derecognised in accordance with the changes.

Lease liabilities related to the right-of-use assets and borrowing costs are also disclosed in note 6.2. Expenses related to leases includes depreciation disclosed at note 5.4 and cash outflows related to leases are disclosed in the Statement of Cash Flows.

6. Liabilities

All financial liabilities are measured at amortised cost.

6.1. Payables

	2025	2024
	\$'000	\$'000
Current		
Contractual payables	197	362
Accrued expenses	104	102
Other	12	22
Total current payables	313	486
Total payables	313	486

Payables and accrued expenses are recognised for all amounts owing but unpaid. All payables are non-interest bearing.

Contractual payables

Contractual payables are normally settled within 15 days from the date the invoice is received.

6.2. Other financial liabilities

All financial liabilities are lease liabilities. Lease liabilities have been measured via discounting the lease payments using either the interest rate implicit in the lease or the incremental borrowing rate provided by the Department of Treasury and Finance.

The borrowing costs associated with these lease liabilities was \$7 000 (2024: \$3 000).

Effective 1 April 2025, motor vehicle lease contractual arrangements with SAFA Fleet are no longer accounted for under AASB 16 Leases. From 1 April 2025, SAFA Fleet motor vehicle lease payments were recorded directly in the Income Statement. All related right-of-use assets (ROU) and liabilities up to 31 March 2025 were derecognised in accordance with the changes.

The current portion of lease liabilities is \$nil (2024: \$42 000) and the non-current portion is \$nil (2024: \$113 000).

Total cash outflows for leases was \$47 000 (2024: \$24 000).

South Australian Arid Lands Landscape Board
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6.2 Other financial liabilities (continued)

	2025	2024
	\$'000	\$'000
Future lease payment maturity analysis		
Not later than one year	-	48
Later than one year but not later than five years	-	120
Total future lease payments	-	168

The future lease payments are presented at nominal amounts.

6.3 Employee related liabilities

	2025	2024
	\$'000	\$'000
<u>Current</u>		
Annual leave	205	155
Employment on-costs	44	34
Accrued salaries and wages	31	-
Long service leave	21	47
Skills and experience retention leave	8	14
Total current employee related liabilities	309	250
<u>Non-current</u>		
Long service leave	372	309
Employment on-costs	39	32
Total non-current employee related liabilities	411	341
Total employee related liabilities	720	591

Employee related liabilities accrue as a result of services provided up to the reporting date that remain unpaid. Apart from the long service leave liability, employee related liabilities are measured at nominal amounts.

Long service leave liability

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 are determined through whole-of-government actuarial calculations, which are based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of services. These assumptions are based on employee data over SA Government entities. The discount rate is reflective of the yield on long-term Commonwealth Government bonds. The yield on long-term Commonwealth Government bonds has remained at 4.25% in 2025 (2024:4.25%).

The current portion of employee related liabilities reflects the amount for which the Board does not have right to defer settlement for at least 12 months after reporting date. For long service leave, the amount relates to leave approved before year end that will be taken within 12 months, expected amount of leave to be approved and taken by eligible employees within 12 months, and expected amount of leave to be paid on termination to eligible employees within 12 months.

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6.3 Employee related liabilities (continued)

Employment on-costs liabilities

Employment on-costs liabilities include payroll tax, Fringe Benefits Tax, Pay As You Go Withholding, ReturnToWorkSA levies and superannuation contributions. They are settled when the respective employee benefits that they relate to are discharged. These on-costs liabilities primarily relate to the balance of leave owing to employees. The estimated proportion of long service leave to be taken as leave, rather than to be paid on termination, affects the amount of on-costs liabilities recognised as a consequence of long service leave liabilities.

The Board makes contributions 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 respective superannuation schemes.

As a result of an actuarial assessment performed by the DTF, the proportion of long service leave taken as leave has not changed from the 2024 rate (44%). The average factor for the calculation of employer superannuation on-costs has increased from the 2024 rate of 11.5% to 12% in 2025. These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year are immaterial and the impact on future periods is impracticable to estimate.

6.4. Provisions

	2025	2024
	\$'000	\$'000
Carrying amount at the beginning of the period	32	37
Additions	9	7
Remeasurement	(6)	(12)
Carrying amount at the end of the period	35	32

A provision has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2025 provided by a consulting actuary engaged through the Office of the Commissioner for Public Sector Employment. The provision is for the estimated cost of ongoing payments to employees as required under current legislation.

The Board is responsible for the payment of workers compensation claims.

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7. Outlook

7.1. Unrecognised contractual commitments

Commitments arising from contractual sources and are disclosed at their nominal value and inclusive of non-recoverable GST.

Other contractual commitments

	2025	2024
	\$'000	\$'000
No later than one year	759	597
Later than one year but not later than five years	565	1 497
Later than five years	538	624
Total expenditure commitments	1 862	2 718

The Board's significant other contractual commitments are for:

- Memoranda of Administrative Arrangements with Department for Infrastructure and Transport for accommodation totalling \$1.235 million

7.2. Contingent assets and liabilities

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

7.3. Events after the reporting period

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